

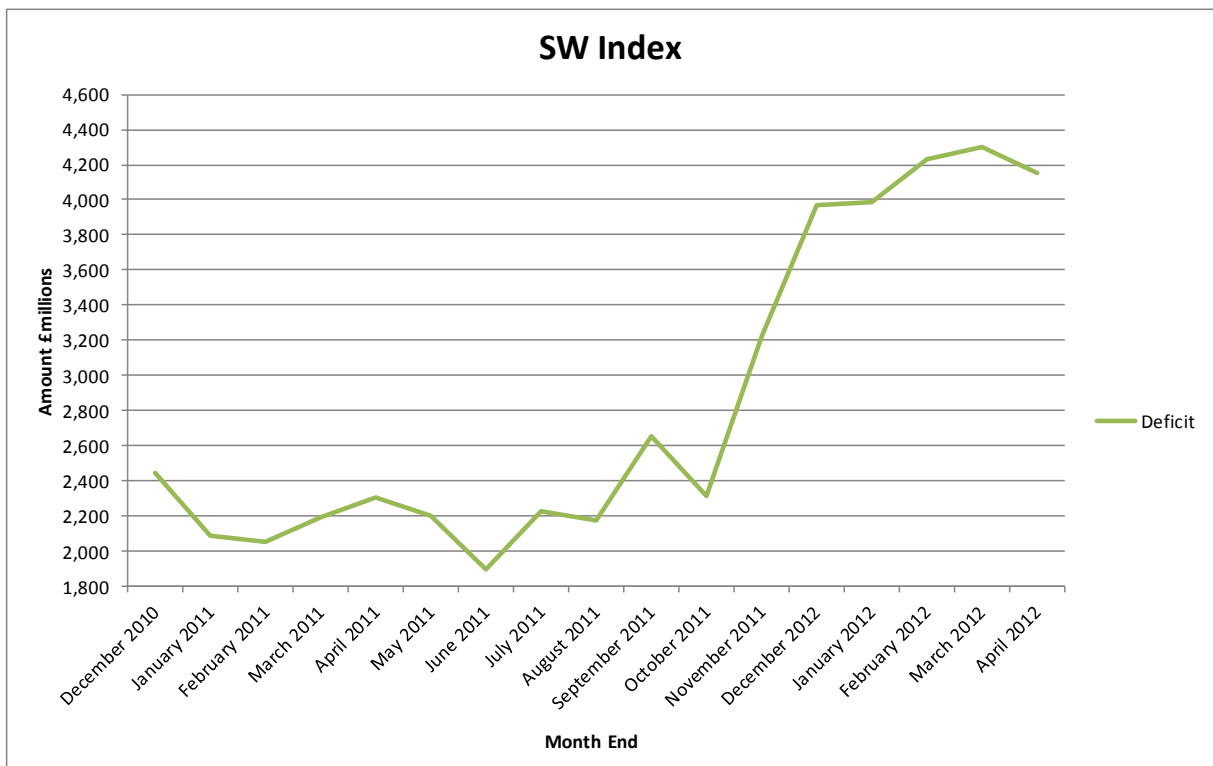


Background

All companies that operate defined benefit pension schemes are required to include details of the funding position of their schemes within their statutory accounts. BBS has identified the 100 Companies based in the South West which had the largest pension scheme deficits as at 31 December 2010 and constructed an Index to track the cumulative deficit of those pension schemes.

The Index is updated monthly using approximate methods. The underlying data is updated quarterly to reflect statutory accounts submitted to Companies House. The deficit includes both funded and unfunded benefits and overseas as well as UK pension arrangements.

The Cumulative Deficit



Commentary – 30 April 2012

The cumulative pension deficit of the 100 companies in the index experienced a rare fall over April, albeit only by a small amount.

Equity markets fell slightly over the month whilst bond markets increased slightly, resulting in the overall value of scheme assets being broadly unchanged. A slight fall in expected future inflation led to a fall in total scheme liabilities over the month, resulting in the improvement in the overall cumulative deficit shown above.