

Report to: Pension Board

Date of meeting: 8 May 2018

By: Chief Finance Officer

Title: Draft Pension Fund Annual Report – 2017/18

Purpose: To provide the Pension Board with the draft 2017/18 Pension Fund Annual Report

RECOMMENDATIONS

The Pension Board is recommended to:

- a) note the Draft Annual Report, and financial performance of the Pension Fund, which will be submitted for final audit in June 2018; and**
 - c) note that the audited Pension Fund Annual Report will be presented to the Pension Committee for approval at its meeting on 16 July 2018.**
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1. Background

1.1 There is a statutory requirement to prepare the pension fund accounts for each financial year, and there is also a requirement that the draft accounts be presented to Members for approval. The purpose of this report is to provide the Pension Board with the draft Pension Fund's 2017/18 Annual Report, (to follow) which is subject to audit. This report provides an overview of the year end financial position and the assets of the Pension Fund as at 31 March 2018.

2. Supporting Information

2.1 **Accounting Requirements** - The Pension Fund annual report/financial statements should be prepared in accordance with proper accounting practices set out in the Code of practice on local authority accounting in the UK (the Code). The Code requires authorities to account for pension funds in accordance with IAS26 Retirement benefit plans. IAS26 provides guidance on the form and content of the financial statements prepared by pension funds. It compliments IAS19 Employee Benefits which deals with the determination of the costs of retirement benefits in the financial statement of employers.

2.2 **Annual Report Requirements** - Local authorities responsible for administering a pension fund (scheme manager) forming part of the Local Government Pension Scheme (LGPS) are required by the LGPS Regulations to publish a pension fund annual report. The publication of the annual report is separate from the authorities own statutory accounts and contains financials statements in respect of pension fund. Authorities are required to publish the annual report by 1 December.

3. Conclusion and reasons for recommendations

3.1 The draft 2017/18 Pension Fund Annual Reports are subject to the normal audit of accounts process, commencing from 4 June 2018 and will form part of the final audit programme for the Council. The External Auditor (KPMG) will provide an independent assessment of the Council's Pension Fund financial statements, systems, procedures and performance.

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Background Documents
None