

Report to: Pension Board

Date of meeting: 17 June 2019

By: Chief Finance Officer

Title: Draft Pension Fund Annual Report – 2018/19

Purpose: To provide the Pension Board members/representatives with the draft 2018/19 Pension Fund Annual Report

RECOMMENDATIONS: The Pension Board is recommended to:

- 1) note the Draft Annual Report, and financial performance of the Pension Fund, which will be submitted for final audit in June 2019;**
 - 2) note that the audited Pension Fund Annual Report will be presented to the Pensions Committee for approval at its meeting on 10 July 2019.**
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1. Background

1.1 There is a statutory requirement to prepare the pension fund accounts for each financial year, and a requirement that the draft accounts is presented to Members for approval. The purpose of this report is to provide the Pension Board members/representatives with the draft Pension Fund's 2018/19 Annual Report, (Appendix 1) which are 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 2019.

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 2018/19 Pension Fund Annual Reports are subject to the normal audit of accounts process, commencing from 3 June 2019, the External Auditor (GT) will provide an independent assessment of the Council's Pension Fund financial statements, systems, procedures and performance.

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