

**Report to:** Pension Board

**Date:** 12 May 2016

**By:** Chief Operating Officer

**Title:** Draft Pension Fund Annual Report – 2015/16

**Purpose:** To provide the Pension Board with the Pension Fund's draft 2015/16 Annual Report

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## **RECOMMENDATIONS**

The Pension Board is requested to -

- a) note the Draft Annual Report, and financial performance of the Pension Fund, which will be submitted for final audit in June 2016;
  - c) note that the audited Pension Fund Annual Report will be presented to the Pensions Committee for approval at its meeting on 18 July 2016.
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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. The purpose of this report is to provide the Pension Board with the draft Pension Fund's 2015/16 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 2016.

### **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 (administering authorities) forming part of the Local Government Pension Scheme (LGPS) are required by the LGPS Regulations to publish a pension fund annual report. The annual report is a publication 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 2015/16 Pension Fund Annual Reports are subject to the normal audit of accounts process, which is scheduled to commence from 6 June 2016 and forms part of the 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.

**KEVIN FOSTER**  
Chief Operating Officer

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Background Documents

None