

Agenda Item 12

**Pension Committee
23 September 2022**

Pension Fund Financial Statements 2021-22

Report of the Head of Pensions

Summary

This report provides the opportunity for the Pensions Committee to consider the draft year-end financial statements of the Gloucestershire Pension Fund, that once the audit has been completed will be presented to the Audit Committee for approval as part of Gloucestershire County Council's Accounts.

Financial Statements 2021-22

The financial statements are attached as appendix 1 to this report, with the following table showing the income and expenditure, as well as the change in the Fund's value over the year (with the prior year comparators).

As can be seen from the tables below, the Fund continued to experience growth over the 12 months, even withstanding the impact of the Ukraine crisis in the quarter to 31 March 2022. The accounts show that the overall value of the Fund increased by £208.353m during the 2021/22 financial year, leading to a year-end value of £3,110.843m.

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Gloucestershire Pension Fund

Fund Account for the year ended 31st March 2022

2020/21		2021/22
£'000		£'000
	Contributions	
-123,689	employer contributions	-82,992
-20,110	member contributions	-21,119
-143,799		-104,111
	Transfers in from other pension funds	
-5,883	individual transfers from other schemes or funds	-6,928
-	group transfers from other schemes or funds	-
-5,883		-6,928
	Other income	
-94	recoveries for services provided	-89
	Benefits	
75,033	pensions	77,261
11,358	commutation of pensions and lump sum retirement benefits	13,328
1,908	lump sum death benefits	1,647
88,299		92,236
	Payments to and on account of leavers	
227	refunds to members leaving scheme or fund	335
-2	payments for members joining state scheme or fund	-2
5,706	individual transfers to other schemes or funds	6,867
-	group transfers to other schemes or funds	1,069
5,931		8,269
-55,546	Net (additions) / withdrawals from dealings with members	-10,623
12,202	Management Expenses	18,530
-43,344	Net (additions) / withdrawals including fund management expenses	7,907
	Returns on investments	
-23,888	Investment income	-18,776
-43	Taxes on income	-
-590,652	Profit(-) and losses on disposal of investments and changes in market value of investments	-197,484
-614,583	Net returns on investments	-216,260
-657,927	NET INCREASE (-) / DECREASE IN THE NET ASSETS AVAILABLE FOR BENEFITS DURING THE YEAR	-208,353
2,244,563	Opening net assets of the scheme	2,902,490
2,902,490	Closing net assets of the scheme	3,110,843

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Gloucestershire Pension Fund

Net Assets Statement as at 31st March 2022

2020/21		2021/22
£'000		£'000
	Investment assets	
360,751	Bonds	-
2,257,529	Pooled investment vehicles	2,773,831
202,134	Pooled property investments	246,138
1,106	Derivative contracts	-
4,856	Other investments - Venture Capital/Private Equity	3,853
15,816	Cash held on behalf of the investment managers	75,988
5,800	Other investment balances	1,129
2,847,992		3,100,939
	Long term investment assets	
112	Brunel Pension Partnership Ltd.	71
112		71
	Investment liabilities	
-813	Derivative contracts	-
-	Other investment balances	-
-813		-
2,847,291	Total net investments	3,101,010
	Long term assets	
308	Contributions due from employers	181
308		181
	Current assets	
4,974	Contributions due from employers	5,256
277	Other current assets	1,382
275	Payments in advance	5
50,668	Cash balances	4,495
56,194		11,138
	Current liabilities	
-7	Unpaid benefits	-13
-1,296	Other current liabilities	-1,473
-1,303		-1,486
2,902,490	Net assets of the scheme available to fund benefits at the reporting period end	3,110,843

The Fund's financial statements do not take account of liabilities to pay pensions and other benefits after the period end but rather summaries the transactions and net assets of the scheme.

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Audit

The Audit Plan produced by Grant Thornton (the Fund's external auditor) for the financial year ending 31 March 2022 was brought to Committee at its meeting in June 2022. The Audit Plan provided an overview of the scope of the statutory audit of the Fund.

At the time of preparing this report, we are awaiting the audit findings report, which would raise any adjusted or unadjusted misstatements, misclassifications, disclosure changes and an opinion on the internal control environment, as identified by Grant Thornton during the audit process. A verbal update on the current audit position will be provided at the meeting.

Once the audit findings report is received it will be circulated immediately to Committee to consider.

Recommendation

That the Committee recommends the Fund's financial statements for 2021-22, attached as Appendix 1, to the Audit Committee for approval within Gloucestershire County Council's overall financial statements, noting the audit findings report which will be presented at or before the meeting.

Contact Officer

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