

	<b>Pension Fund Sub-Committee</b> 27 June 2023
	<b>Report from the Corporate Director,  Finance and Resources</b>
<b>Brent Pension Fund: Draft Annual Accounts 2022/23</b>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Non-Key
<b>Open or Part/Fully Exempt:</b> (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
<b>No. of Appendices:</b>	One: Appendix 1 - Brent Pension Fund Draft Accounts 2022/23
<b>Background Papers:</b>	N/A
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## 1.0 Purpose of the Report

1.1 This report presents the draft Pension Fund Annual Accounts for the year ended 31 March 2023.

## 2.0 Recommendation(s)

2.1 The Committee is recommended to note this report.

## 3.0 Detail

- 3.1 Attached as Appendix 1 are the draft Pension Fund Annual Accounts for the year ended 31 March 2023.
- 3.2 The accounts have been prepared to meet the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code) governing the preparation of the 2022/23 financial statements for Local Government Pension Scheme funds. The accounts (which are unaudited) aim to give a true and fair view of the financial transactions of the Pension Fund during the year ended 31 March 2023 and the amount and disposition of the Fund's assets and liabilities as at 31 March 2023.
- 3.3 The main items to note are as follows:
- During 2022/23, the value of the Pension Fund's investments decreased to £1,116m (2021/22 £1,128m). This is largely due to the poor performance of pooled funds holdings (unit trusts, diversified growth funds) over the 12 month period. Further detail on investment performance is available in the regular monitoring reports.
  - Total contributions received from employers and employees were £68m for the year, an increase on the previous year's £64m.
  - Total benefits paid to scheme beneficiaries, in the form of pensions or other benefits, were £48m, an increase on the previous year's £47m.
  - As in 2021/22, the pension fund is in a positive cash-flow position because its contributions exceed its outgoings to members.
- 3.4 The Brent Pension Fund is administered by Brent Council and the pension fund's accounts form part of the Council's financial statements. Therefore, formal approval of the pension fund accounts rests with the Council's Audit and Standards Committee and the Pension Sub-Committee are presented with the accounts for noting.
- 3.5 The Audit and Standards Advisory Committee were informed at their meeting on 6 June 2023 due in part to the challenges created by the delayed completion of the 2021/22 audit, the Council was not ready to publish a set of accounts of appropriate quality by 31 May. Therefore, this has delayed the publication of the Pension Fund accounts. The accounts presented here will be formally published with the Council's accounts, at the time of writing this is expected to be by 30 June 2023.
- 3.6 To date, and as is the case for the Council, we have not received an external audit plan for the 2022/23 accounts. This is currently expected to be received in July. We have been informed that the Pension Fund accounts will be subject to a hot review - a hot file review features a detailed review of the accounts and audit working papers by a specialist team before the audit has been fully signed off. The purpose of such a review is to identify any key issues which need to be addressed before final completion.

3.7 Fund officers will now prepare the Pension Fund annual report which will be presented to the Committee at the next meeting.

**4.0 Financial Implications**

4.1 Not applicable.

**5.0 Legal Implications**

5.1 Not applicable.

**6.0 Equality Implications**

6.1 Not applicable.

**7.0 Consultation with Ward Members and Stakeholders**

7.1 Not applicable.

**8.0 Human Resources**

8.1 Not applicable.

**Report sign off:**

***Minesh Patel***

Corporate Director, Finance and Resources