



**Open Report on behalf of Andrew Crookham, Executive Director - Resources**

Report to:	<b>LGPS Pension Board</b>
Date:	<b>14 July 2022</b>
Subject:	<b>Annual Report and Accounts 2021-22: Draft Annual Report and Accounts</b>

**Summary:**

The report brings the draft Annual Report and Accounts for the Pension Fund to the Board.

**Recommendation(s):**

That the Board note the report and Annual Report and Accounts for 2021/22.

**Background**

- 1.1 The draft Pension Fund Annual Report and Accounts for the year ended 31 March 2022 (included at appendix A) has been completed and is being independently audited by the Council's external auditors, Mazars. The Pension Fund accounts also form part of the Lincolnshire County Council Statement of Accounts, which were presented to the Audit Committee on Monday 11 July.
- 1.2 The Annual Report and Accounts have been prepared taking into account the guidance produced by Chartered Institute of Public Finance Accountants (CIPFA) and relevant accounting standards. There have been no changes to the guidance for preparing the annual report 2022, or the accounts for 2021/22.

**Pension Fund Accounts**

- 1.3. Publicly quoted valuations, such as those for equities and bonds are available shortly after the end of the financial year, however, for unquoted holdings, such as private equity, infrastructure and unquoted alternatives, valuations often take much longer to be prepared. Initial 31 March valuations for these assets are based on audited accounts from earlier periods (such as 31 December) rolled forward for cashflow movements. This approach is allowed by the Code. However, as updated valuations are received, Fund Officers will need to consider their materiality, both individually and collectively, and revise the accounts to reflect this information, if necessary.

- 1.4. All 31 March valuations received in advance of the deadline for publishing audited accounts (30 November) will be reviewed and incorporated into the accounts if considered material, either individually or collectively. Therefore, the accounts included in the final Annual Report may differ to those presented today. Any changes will be reported to the Board later in the year.

### **Next Steps**

- 1.5. The final Pension Fund Annual Report and Accounts will then be reported to the Board later in the year along with comments from the External Auditors in their report to 'Those Charged with Governance'. Following this the Fund's Annual Report will be published.

### **Conclusion**

- 2.1 The Lincolnshire Pension Fund Report and Accounts has been produced for the year ended 31 March 2022. The Accounts element of the report may be subject to change in light of outstanding valuation information relating to unquoted asset valuations as at 31 March 2022.
- 2.2 Subject to completion of External Audit work the final Annual Report and Accounts will be presented to the Board later in the year. Following that, a copy of the Pension Fund Annual Report and Accounts will be distributed to interested parties.

### **Consultation**

#### **a) Risks and Impact Analysis**

The Pension Fund has a risk register which can be obtained by contacting the Head of Pensions.

### **Appendices**

These are listed below and attached at the back of the report	
Appendix A	Lincolnshire Pension Fund Annual Report 2022

### **Background Papers**

The following background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.

Document title	Where the document can be viewed
CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2021/22	Executive Director of Resources

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