

Statement of Accounts 2018/19 - Addendum and Errata

1. Addendum and Errata

- 1.1. The following presentational adjustments have been made to the 2018/19 Statement of Accounts as previously despatched (page references are per the draft Statement of Accounts).

2. Council Accounts

2.1. Financial Instruments

- 2.1.1. Page 50 – amended the reporting line for Long Term Debtors and Trade Debtors from Financial Assets: Loans and receivables to Financial Assets at amortised costs:

Committee version these two lines were reported within Loans and Receivables.

Financial assets at amortised cost				
Investments	7,211	17,695	260,982	208,273
Cash and Cash Equivalents	-	-	58,954	83,875
Long Term Debtors	1,330	1,330	-	-
Trade Debtors	-	-	31,314	28,407

2.2. Accounting Policies

- 2.2.1. Page 84 – replace “*Liabilities are discounted to their value at current prices, using a discount rate of 2.55% (2.7% in 2016/17)*”, with “*Liabilities are discounted to their value at current prices, using a discount rate of 2.40% (2.55% in 2017/18)*”.

3. Pension Fund Accounts

3.1. Restatement of Membership Data

- 1.2.1 Page 100 – The number of active employers has been restated for both prior year balances and 2018/19 as shown in the appendix.

3.2. Note 16 – Currency Risk

- 1.3.1 Page 112 – The value of the assets exposed to currency risk has been increased due to the inclusion of previously omitted investments. As a result, the fluctuations in foreign exchange assumptions have been adjusted accordingly. The changes are also shown in the appendix.

3.3. Note 22 – Additional Voluntary Contributions (AVCs)

- 1.4.1 Page 115 – Information from Equitable Life Assurance was received after the initial submission has now been included in the final version. The changes are also shown in the appendix.

3.4. Note 23 – Related Parties

- 1.5.1 Page 116 – The governance arrangements paragraph has been removed as it no longer required for disclosure due to changes in the Pensions Sub-Committee membership.

4. Supplementary Comments

- 4.1. A number of minor casting and rounding and typographic and presentational corrections have been made.
- 4.2. The changes presented here are technical in nature and have had no impact on the Council's management out-turn position, General Fund or Usable Reserves.
- 4.3. A small number of areas remain subject to audit. The Statement of Accounts report to Committee proposes that authority to make any residual changes to the accounts, should they arise, be delegated to the Chair of the Audit, Pensions and Standards Committee in consultation with the Strategic Director, Finance and Governance.

The Deferred member numbers include 1,204 undecided leavers, who are no longer paying contributions or in receipt of benefits.

	31 March 2019	31 March 2018 *restated
Number of Active Employers	58	55
Contributing employees	4,332	4,166
Pensioners receiving benefit	5,111	4,920
Deferred Pensioners	6,840	6,603
Total members	16,283	15,689

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Details of the scheduled and admitted bodies are in the Fund's Annual Report.

Note 16 – Currency Risk

In order to mitigate the risk, one of the Fund's investment managers enters into forward foreign exchange contracts (accounted for as derivatives) to hedge the currency risk which arises from undertaking non-sterling transactions. In addition, several of the pooled investment vehicles partially or fully hedge the currency back into sterling. These actions reduce the overall currency risk the Fund is exposed to.

Assets exposed to currency risk

	Value £000	+ 10% £000	- 10% £000
At 31st March 2019	424,737	467,211	382,263
At 31st March 2018	418,816	460,698	376,934

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440,124

360,101

NOTE 22. ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVCs)

The Fund's AVC providers are Zurich Assurance and the Equitable Life Assurance Society. The table below shows information about these separately invested AVCs.

	31 March 2019	31 March 2018	
	£000s	£000s	
Zurich Assurance			
Market Value at 31st March	908	824	
Contributions during the year	25	35	
Number of members at 31st March	51	40	
Equitable Life Assurance			
Market Value at 31st March	191	203	} Committee Version 203 29
Contributions during the year	-	-	
Number of members at 31st March	27	29	