

Pension Fund Accounts 2024 to 2025

Statement of Responsibilities for the Pension Fund Accounts

The Council is required to make arrangements for the proper administration of its pension fund affairs and to secure that one of its officers has the responsibility for the administration of those affairs. That officer in this Council is the Director of Finance and Corporate Services who has the Section 151 Officer's Responsibilities. Also, it is required to secure the economic, efficient and effective use of resources and safeguard its assets. The Council is also required to approve the Pension Fund Accounts.

The Director of Finance and Corporate Services is responsible for the preparation of the Pension Fund Accounts in accordance with proper practices as set out in the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom ('the Code').

In preparing the Pension Fund Accounts, the Director of Finance and Corporate Services has:

1. Selected suitable accounting policies and applied them consistently.
2. Made judgements and estimates that were reasonable and prudent.
3. Complied with the Code of Practice.

Also, the Director of Finance and Corporate Services has:

1. Kept proper accounting records that were up to date.
2. Taken reasonable steps for the prevention and detection of fraud and other irregularities.

The Statement of the Director of Finance and Corporate Services

The required financial statements for the Pension Fund appear on [the following pages](#) and have been prepared in accordance with the accounting policies set out in [3. Accounting Policies](#).

The Pension Fund Accounts present a true and fair view of the financial position of the Pension Fund at the accounting date and its income and expenditure for the year ended 31 March 2025.

Ross Brown

Date: 30 June 2025

Director of Finance and Corporate Services

Pension Fund Account

2023/24 £'000		Note	2024/25 £'000
	Dealings with members, employers and others directly involved in the scheme		
(27,787)	Contributions	6	(30,738)
(4,927)	Transfers in from other pension funds	7	(4,973)
-	Other Income		
(32,714)	Total contributions		(35,711)
38,744	Benefits	8	44,124
5,824	Payments to and on account of leavers	9	10,731
-	Other payments		-
44,568	Total benefits		54,855
11,854	Sub-total: Net additions (-) / withdrawals from dealings with members		19,144
10,148	Management Expenses	10	11,069
22,002	Sub-total: Net additions (-) / withdrawals including fund management expenses		30,213
	Returns on investments		
(20,486)	Investment income	11	(23,675)
(64,173)	Profit (-) and losses on disposal of investments and changes in value of investments	12a	(12,938)
(84,659)	Sub-total: Net return on investments		(36,613)
(62,657)	Net increase (-) / decrease in the net assets available for benefits during the year		(6,400)
966,897	Opening Net Assets of the Scheme		1,029,554
1,029,554	Closing Net Assets of the Scheme		1,035,954

Pension Fund Net Assets Statement

2023/24 £'000		Note	2024/25 £'000
1,012,507	Investment Assets	12	1,018,508
9,044	Cash Deposit	12	13,972
1,021,551	Total Net Investments		1,032,480
9,468	Current Assets	18	6,164
1,031,019	Total Investments and assets		1,038,644
-	Long-term liabilities		-
(1,465)	Current Liabilities	19	(2,690)
1,029,554	Net assets of the scheme available to fund benefits at the end of the reporting period		1,035,954

The financial statements summarise the transactions of the scheme and deal with the net assets at the disposal of the Fund. They do not take account of obligations to pay pensions and benefits which fall due after the end of the scheme accounting year. The actuarial position of the scheme, which does take into account such obligations, is detailed in [Note 17](#).

Notes to the Financial Statements

1. Introduction to the Fund

The London Borough of Bexley Pension Fund ("the Fund") is part of the Local Government Pension Scheme (LGPS). It is administered by the London Borough of Bexley under the provisions of the Superannuation Act 1972 and the subsequent detailed regulations to provide benefits for employees. These benefits include retirement and spouses' and children's pensions, retirement and death lump-sum grants. All employees who are not eligible to join another public service scheme are eligible for membership of this scheme. Employees of other scheduled and admitted bodies also participate in this scheme.

Further details may be found in the annual report of the Fund, and in the legislation governing the LGPS.

a. General

The Fund is governed by the Public Service Pensions Act 2013. It is administered in accordance with the detailed regulations of:

- The LGPS Regulations 2013 (as amended)
- The LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 (as amended)
- The LGPS (Management and Investment of Funds) Regulations 2016 (as amended)

It is a contributory defined benefit pension scheme and operates to provide pension benefits for employees of the London Borough of Bexley and its scheduled and admitted bodies. Teachers are not included as they come within another national pension scheme. The Fund is overseen by the Pensions Committee of the London Borough of Bexley and the Local Pensions Board. Day to day responsibility for the Fund is delegated to the Statutory Section 151 Officer.

b. Membership

Membership of the LGPS is voluntary but employees are automatically enrolled when they are employed. After they start employment, they have the right to opt-out. They can also make their own personal arrangements outside the scheme.

Organisations participating in the Pension Fund include:

- scheduled bodies, which are local authorities and similar bodies whose staff are automatically entitled to be members of the Fund
- admitted bodies, which are other organisations that participate in the Fund under an admission agreement between the Fund and the relevant organisation. Admitted bodies include voluntary, charitable and similar bodies or private contractors undertaking a local authority function following outsourcing to the private sector.

Numbers of employers and employees in the Fund

31 March 2024		31 March 2025	
77	Number of employers with active members		76
Number of employees in the Fund:			
2,498	London Borough of Bexley		2,338
3,785	Other employers		3,706
6,283	Total		6,044
Number of pensioners in the Fund:			
5,095	London Borough of Bexley		5,112
1,356	Other employers		1,385
6,451	Total		6,497
Number of deferred pensioners in the Fund:			
3,434	London Borough of Bexley		3,502
1,579	Other employers		1,782
5,013	Total		5,284

c. Funding

In 2024/25, the Fund was financed by contributions from employers and employees and by income from investments. Employees make a contribution to the Fund at a percentage of their pensionable earnings and emoluments; this ranges from 5.5% to 12.5% depending on the level of their earnings. The employers' contributions are in accordance with the advice of a professionally qualified actuary and have been set so that the Fund will be able to meet the cost of current and estimated future retirement benefits. The most recent valuation took place on 31 March 2022 and shows a funding level of 114% (2019 was 101%). This includes an estimate of the expected increase in liabilities following the McCloud court judgement. Further details on the McCloud court judgement can be found in [Note 17](#). The triennial valuation undertaken as at 31 March 2022 covers the three financial years to 2025/26. Whilst the Fund, as a whole, is fully funded, the funding levels for individual employers in the fund varies with some being in a deficit position. The average deficit recovery period is ten years. Currently, Employer contribution rates range from 18.4% to 32.4%, as per the 2022 valuation. Further details on the funding position are contained in [Note 17](#). The next triennial valuation will be as of 31 March 2025 and covers the financial years 2026/27, 2027/28 and 2028/29.

d. Benefits

Prior to 1 April 2014, pension benefits under the LGPS were based on final pensionable pay and length of pensionable service, summarised in the following table.

Pension benefits under the LGPS

Benefit type	Service pre-1 April 2008	Service post 31 March 2008
Pension	Each year worked is worth $1/80 \times$ final pensionable salary.	Each year worked is worth $1/60 \times$ final pensionable salary.
Lump-sum	Automatic lump sum of $3 \times$ pension. In addition, part of the annual pension can be exchanged for a one-off tax-free cash payment. A lump sum of £12 is paid for each £1 of pension given up.	No automatic lump sum. Part of the annual pension can be exchanged for a one-off tax-free cash payment. A lump sum of £12 is paid for each £1 of pension given up

From 1 April 2014, the scheme became a career average scheme, whereby members accrue benefits based on their pensionable pay in that year at an accrual rate of $1/49$ th. Accrued pension is adjusted annually in line with the Consumer Prices Index.

A range of other benefits is also provided including early retirement, disability pensions and death benefits, as explained on the [LGPS website](#).

2. Basis of Preparation

The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the Code), which is based upon International Financial Reporting Standards (IFRS), as amended for the UK public sector. The accounts have been prepared on a going concern basis.

In carrying out its assessment that this basis is appropriate, made to 31 March 2025, management of the Pension Fund have considered the additional qualitative and quantitative key requirements:

- The basis for preparation is supported by legislation for local authorities, and the Code requirements on the basis of the continuation of services;
- All employers within the fund are paying contributions as per the rates and adjustment certificate.

No employer has requested to defer their payments within the 2024/25 financial year, or within 2023/24 to date;

- The Pension Fund does not have any external borrowing; and

The Pension Fund has net assets of £1.0325bn, which are assets that could be liquidated to pay benefits should the need arise. The make-up of assets is included within note 12 to the accounts and includes:

- o Pooled Investments Vehicles £1.018bn
- o Long term investments (equities) £0.150m
- o Cash/Temporary Deposits £13.972m

On this basis, the Pension Fund have a reasonable expectation that it will have adequate resources to continue in operational existence throughout the going concern period. For this reason, alongside the statutory guidance, we continue to adopt the going concern basis in preparing these financial statements.

Conclusion:

Considering the above, there are no material uncertainties that cast significant doubt upon the Pension Funds ability to continue to operate on a going concern basis to 31 March 2025.

3. Accounting Policies

a. Contribution income

Normal contributions are accounted for on an accruals basis as follows:

- employee contribution rates are set in accordance with LGPS regulations, using common percentage rates for all schemes which rise according to pensionable pay
- employer contributions are set at the percentage rate recommended by the fund actuary for the period to which they relate.

Employer deficit funding contributions are accounted for on the basis advised by the Fund actuary in the rates and adjustment certificate issued to the relevant employing body. Additional employers' contributions in respect of ill-health and early retirements are accounted for in the year the event arose.

b. Transfers to and from other schemes

Transfer values represent the amounts received and paid during the year for members who have either joined or left the Fund and are calculated in accordance with LGPS regulations. The timing of these receipts and payments depends on factors such as confirmation of instructions from members and the administrative processes of the previous/new employer. Transfer values are accounted for on a cash basis as opposed to the accrual basis used for the rest of the accounts.

c. Investment income

i. Interest income

Interest income is recognised as it accrues, using the effective interest rate of the financial instrument as at the date of acquisition or origination.

ii. Dividend income

Dividend income is accounted for on the date the shares are quoted ex-dividend. Any amounts not received by the end of the financial year are disclosed in the net asset statement as a current financial asset.

iii. Distributions from pooled funds

Distributions from pooled funds are recognised at the date of issue. Any amounts not received by the end of the financial year are disclosed in the net asset statement as a current financial asset.

iv. Movement in the net market value of investments

Changes in the net market value of investments are recognised as income and comprise all realised and unrealised profits/losses during the year.

d. Benefits payable

Pensions and benefits payable include all amounts due as at the end of the financial year; any amounts unpaid show as current liabilities.

e. Voluntary Scheme Pays, Mandatory Scheme Pays and lifetime allowance

Members are entitled to request the Pension Fund pays their tax liabilities due in respect of annual allowance and lifetime allowance in exchange for a reduction in pension.

Where the Fund pays member tax liabilities direct to HMRC it is treated as an expense in the year in which the payment occurs.

f. Taxation

The Fund is a registered public service scheme under Section 1(1) of Schedule 36 of the Finance Act 2004 and as such is exempt from UK income tax on interest received and from capital gains tax on the proceeds of investments sold. Income from overseas investments suffers withholding tax in the country of origin unless exemption is permitted. Irrecoverable tax is accounted for as a Fund expense as it arises. As the Council is the administering authority for the Fund, VAT input tax is recoverable on all Fund activities including expenditure on investment expenses.

g. Management expenses

The fund discloses its pension fund management expenses in accordance with the CIPFA guidance Accounting for Local Government Pension Scheme Management Expenses (2016), as shown below. All items of expenditure are charged to the Fund on an accruals basis as follows:

Administrative expenses

All administrative expenses are accounted for on an accruals basis. Costs of the external pension fund administrator and other suppliers are charged directly to the Fund, whereas internal staff, accommodation and other overhead costs are apportioned to the Fund and charged as expenses.

Oversight and governance costs

All oversight and governance expenses are accounted for on an accruals basis. All staff costs associated with governance and oversight are charged directly to the Fund. Associated management, accommodation and other overheads are apportioned to this activity and charged as expenses to the Fund.

Investment management expenses

All investment management expenses are accounted for on an accruals basis. The fees of the external investment managers are mainly based on the market value of the funds they invest and will increase or decrease with the value of their investments. Investment management expenses are charged directly to the Fund as part of management expenses and are not included in, or netted off from, the reported return on investments. Where fees are netted off quarterly valuations by the investment manager these are shown separately in [Note 10a](#) and grossed up to increase the change in the value of investments.

Where an investment manager's fee note has not been received by the year-end date, an estimate based upon the market value of their mandate as at the end of the year is used for inclusion in the fund account. In 2024/25 £1.571m of fees is based on such estimates (2023/24: £3.760m).

Private Equity Management fees are estimated by taking a portion of the total management fees of the private equity partnership based on the percentage of the Fund holdings with the partnership. In 2024/25 £0.245m of fees is based on such estimates (2023/24 £0.635m).

Net assets statement

h. Financial assets

Financial assets are included in the net assets statement on a Fair Value basis as at the reporting date. A financial asset is recognised in the net assets statement on the date the Fund becomes party to the contractual acquisition of the asset. From this date, any gains or losses arising from changes in the Fair Value of the asset are recognised by the Fund. The values of investments as shown in the net assets statement have been determined at Fair Value in accordance with the requirements of the Code and IFRS 13 ([See Note 13](#)). For the purposes of disclosing levels of Fair Value hierarchy, the Fund has adopted the classification guidelines recommended in Practical Guidance on Investment Disclosures (PRAG/Investment Association, 2016).

i. Foreign currency transactions

Dividends, interest and purchases and sales of investments in foreign currencies have been accounted for at the spot market rates at the date of transaction. End-of-year spot market exchange rates are used to value cash balances held in foreign currency bank accounts, overseas investments and purchases and sales outstanding at the end of the reporting period.

j. Cash and cash equivalents

Cash and cash equivalents are represented by the balance on the Fund's bank accounts together with amounts held by the Fund's external managers and invested in Money Market Funds.

k. Financial liabilities

The Fund recognises financial liabilities at Fair Value as of the reporting date. A financial liability is recognised in the net assets statement on the date the Fund becomes party to the liability. From this date, any gains or losses arising from changes in the Fair Value of the liability are recognised by the Fund.

l. Actuarial present value of promised retirement benefits

The actuarial present value of promised retirement benefits is assessed on a triennial basis by the Fund's actuary in accordance with IAS 19 and relevant actuarial standards. As permitted under the code, the Fund has opted to disclose the actuarial present value of promised retirement benefits as a note to the net assets statement ([See Note 17](#)).

m. Additional voluntary contributions

Scheme members can also make arrangements for separate investments into their personal Additional Voluntary Contribution (AVC) accounts with an AVC provider recommended by the Fund. The Fund is only

involved in collecting and paying over these amounts on behalf of scheme members and the separately invested amounts are not included in these pension fund accounts in accordance with Section 4(1)(b) of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016. The AVC provider is Prudential and contributions are also collected for life assurance policies provided by Utmost Life and Pensions (Previously managed by Equitable Life).

n. Prepayment of Employer Contributions

Following the 2022 valuation, no prepayment option has been taken by the Council.

o. Contingent Assets and Contingent Liabilities

A contingent asset arises where an event has taken place giving rise to a possible asset whose existence will only be confirmed or otherwise by the occurrence of future events.

A contingent liability arises where an event has taken place prior to the year-end giving rise to a possible financial obligation whose existence will only be confirmed or otherwise by the occurrence of future events. Contingent liabilities can also arise in circumstances where a provision would be made, except that it is not possible at the balance sheet date to measure the value of the financial obligation reliably.

Contingent assets and liabilities are not recognised in the net asset statement but are disclosed by way of narrative in the notes.

4. Critical judgements in applying accounting policies

Unquoted investments

It is important to recognise the highly subjective nature of determining the fair value of private equity, infrastructure, pooled property, and private credit investments. They are inherently based on forward-looking estimates and judgements involving many factors. Unquoted investments are valued by the investment managers. Private equity and pooled property valuations are based on similar market available evidence as it has been judged that this evidence is comparable to the holdings in the Fund.

The value of unquoted private equities at 31 March 2025 was £97.530m (2023/24: £87.923m) and unquoted infrastructure at 31 March 2025 was £95.068m (2023/24: £80.927m). The value of pooled property holdings as at 31 March 2025 was £120.505m (2023/24: £125.315m) and illiquid credit at 31 March 2025 was £46.140m (2023/24: £51.889m).

Pension Fund liability

The Fund liability is calculated every three years by the Fund's actuary, with annual updates in the intervening years. The methodology used is in line with accepted guidelines and in accordance with IAS 19. Assumptions underpinning the valuations are agreed with the actuary and are summarised in [Note 17](#). This estimate is subject to significant variances based on changes to the underlying assumptions.

5. Major sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for the revenues and expenses during the year. Estimates and assumptions are made

taking into account historical experience, current trends and other relevant factors. However, because amounts cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the accounts at 31 March 2025 for which there is a significant risk of material adjustment in the following financial year are:

Item	Uncertainties	Effect if actual results differ from assumptions
Actuarial present value of promised retirement benefits	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on Fund assets. The Fund employs a professional actuary to provide expert advice about the assumptions to be used.	The effects on the net pension liability of changes in individual assumptions can be measured. For example: <ul style="list-style-type: none"> a 0.5% p.a. increase in discount rate assumption would reduce the pension liability by £51m. a 0.25% p.a. reduction in salary inflation would reduce liabilities by £3m, and a one-year increase in assumed life expectancy would increase the liability by around £17m.
Unquoted investments	The Fund's assets include investments in unquoted assets such as property, infrastructure and private equity on a pooled basis. These assets are valued by investment managers at fair value in accordance with relevant industry standards and guidelines. Managers may use comparable market data, indices and data from third parties, as well as projected revenue, to determine the fair value of these assets. As such, there is a degree of estimation involved in these valuations.	The total value of unlisted investments in the financial statements is £359.242m (2023/24 £346.054m), as broken down below: <ul style="list-style-type: none"> Private equity £97.530m Infrastructure £95.068m Property £120.505m Illiquid Credit £46.140m There is a risk that these investments may be under- or overstated in the accounts.

6. Contributions receivable

By category

2023/24 £'000		2024/25 £'000
7,427	Employees' contributions	7,845
	Employers' contributions:	
19,598	Normal contributions	21,729
-	Special employer contributions	-
722	Deficit recovery contributions	905
40	Augmentation Contributions	259
20,360	Total Employers' contributions:	22,893
27,787	Total contributions receivable	30,738

By type of employer

2023/24 £'000		2024/25 £'000
11,902	Administering Authority	14,297
15,174	Scheduled bodies	15,556
711	Admitted bodies	885
27,787	Total contributions receivable	30,738

7. Transfers in from other pension funds

2023/24 £'000		2024/25 £'000
3,488	London Borough of Bexley	3,088
1,438	Scheduled bodies	1,774
1	Admitted bodies	111
4,927	Total	4,973

All transfers in relate to individual transfers from other schemes as there were no bulk transfers in these periods.

8. Benefits Payable

By category

2023/24 £'000		2024/25 £'000
33,794	Pensions	36,912
2	Augmented Service	5
4,184	Commutation of pensions and lump sum retirement benefits	6,229
764	Lump sum death benefits	978
38,744	Total	44,124

By authority

2023/24 £'000		2024/25 £'000
32,180	London Borough of Bexley	35,992
3,336	Scheduled bodies	4,592
3,228	Admitted bodies	3,540
38,744	Total	44,124

9. Payments to and on account of leavers

By category

2023/24 £'000		2024/25 £'000
56	Refunds of contributions	61
5,768	Individual transfers out to other schemes	6,912
-	Bulk transfers out	3,758
5,824	Total	10,731

By authority

2023/24 £'000		2024/25 £'000
4,505	London Borough of Bexley	4,367
1,212	Scheduled bodies	2,435
107	Admitted bodies	3,929
5,824	Total	10,731

There were no bulk transfers in 2024/25

10. Management expenses

2023/24 £'000		2024/25 £'000
470	Administrative costs	675
8,995	Investment management expenses	9,633
683	Oversight and governance costs	761
10,148	Total	11,069

10 (a) Investment Management expenses

2023/24 £'000		2024/25 £'000
8,704	Management fees	9,333
291	Custody and performance measurement fees	300
-	Transaction costs	-
8,995	Total	9,633

In addition to these costs, indirect costs are incurred through the bid-offer spread on investment sales and purchases. These are reflected in the cost of investment acquisitions and in the proceeds from the sales of investments ([See Note 12a](#)).

The LCIV has negotiated a performance-related fee element with its global equity sub-fund manager Newton. An estimated performance fee of £0.246m was paid during 2024/25 in relation to the Partners Private Equity fund.

11. Investment income

2023/24 £'000		2024/25 £'000
-	Income from Equities	-
15,469	Income from Pooled Investments - unit trusts and other managed funds	18,631
406	Private Equity Income	950
3,561	Pooled Property Investments	3,302
1,050	Interest on cash/temporary deposits	792
20,486	Total	23,675

12. Investments

31 March 2024 £'000		31 March 2025 £'000
	Long term investments:	150
150	Equities	
	Investment assets:	
1,012,151	Pooled investment vehicles	1,018,358
9,044	Cash/temporary investments	13,972
206	Investment income due	-
1,021,551	Total investment assets	1,032,480

12 (a) Reconciliation of movements in investments

Movements in investments 2024/25

	Value at 31 March 2024	Purchases during the year	Sales during the year	Change in market value	Value at 31 March 2025
	£'000	£'000	£'000	£'000	£'000
Equities	150	-	-	-	150
Pooled investment vehicles (LCIV)	550,441	14,611	(54,009)	21,645	532,688
Pooled investment vehicles (non-LCIV)	365,332	62,560	(23,177)	(10,771)	393,945
Pooled Property investment	96,378	11,133	(18,039)	2,254	91,725
Total	1,012,301	88,304	(95,225)	13,128	1,018,508
Other investment balance:					
Cash/temporary investments	9,044			(190)	13,972
Investment income due	206	-	-	-	(-)
Net Investment Asset	1,021,551			12,938	1,032,480
Current Net Assets/(Liabilities)	-	-	-	-	-
Net Asset	1,021,551	-	-	12,938	1,032,480

Movements in investments 2023/24

	Value at 31 March 2023	Purchases during the year	Sales during the year	Change in market value	Value at 31 March 2024
	£'000	£'000	£'000	£'000	£'000
Equities	150	-	-	-	150
Pooled investment vehicles (LCIV)	523,110	61,411	(96,279)	62,199	550,441
Pooled investment vehicles (non-LCIV)	301,349	87,443	(28,362)	4,901	365,332
Pooled Property investment	101,129	4,801	(5,597)	(3,955)	96,378
Total	925,738	153,655	(130,238)	63,145	1,012,301
Other investment balance:					
Cash/temporary investments	30,512			1,028	9,045
Investment income due	-	-	-	-	206
Net Investment Asset	956,250			64,173	1,021,551
Current Net Assets/(Liabilities)	-	-	-	-	-
Net Asset	956,250	-	-	64,173	1,021,551

12 (b) Analysis of investments

31 March 2024 £'000		31 March 2025 £'000
	Equities:	
150	UK unquoted	150
150	Total equities	150
125,315	Pooled investment vehicles:	
	Managed funds - UK property unquoted	120,506
98,376	Managed funds - UK GILTS	138,506
119,735	Managed funds - Overseas Equities & Bonds	106,860
95,332	Managed funds - Overseas limited liability partnership unquoted	102,439
51,889	Illiquid Credit	46,140
320,291	London Collective Investment Vehicle (LCIV) Pooled Sub-Funds - Global	
	Unquoted:	
	Global Equity Fund	285,166
77,882	Global Bond Fund	78,572
73,519	Infrastructure Fund	90,160
49,813	Multi-Asset Credit	50,010
1,012,151	Total pooled investment vehicles	1,018,358
9,044	Cash/temporary investments	13,972
206	Investment income due	-
9,250	Total other	13,972
1,021,551	Total investment assets	1,032,480

12 (c) Investments analysed by fund manager

31 March 2024 £'000			31 March 2025 £'000	
£'000	%		£'000	%
150	0.0%	LCIV - Shareholding	150	0.0%
176,841	17.3%	LCIV – Newton Global Equity Fund	159,225	15.4%
143,450	14.0%	LCIV – Sustainable Equity Exclusion	125,941	12.2%
45,196	4.4%	LCIV – Stepstone Infrastructure Fund	54,169	5.2%
28,322	2.8%	LCIV – Renewable Infrastructure Fund	35,990	3.5%
77,882	7.6%	LCIV – PIMCO Global Bond Fund	78,572	7.6%
28,937	2.8%	LCIV – Inflation Plus Fund	28,780	2.8%
49,813	4.9%	LCIV – Multi-Asset Credit Fund	50,010	4.8%
550,591	53.9%	LCIV Sub total (London Collective Investment Vehicle)	532,838	51.6%
98,376	9.6%	BlackRock - Index linked gilt fund / corporate bond fund	138,506	13.4%
47,023	4.6%	Ninety-One - Global Environment Equities Fund	43,007	4.2%
59,495	5.8%	BlackRock Composite Index Fund	61,583	6.0%
51,889	5.1%	M&G – Illiquid Credit	46,140	4.5%
96,378	9.4%	La Salle	91,725	8.9%
87,923	8.6%	Partners Group	97,530	9.4%
13,217	1.3%	AON Liquid Credit	2,270	0.2%
7,409	0.7%	UBS infrastructure Fund	4,909	0.5%
8,721	0.9%	Cash Held at Custodian (Northern Trust)	13,972	1.4%
324	0.0%	Cash Held at Fund Managers (in transit)	-	0.0%
-	0.0%	Money Market Funds	-	0.0%
206	0.0%	Investment Income Due	-	0.0%
1,021,551	100.0%	Total investments	1,032,480	100.0%

All fund managers operating the pooled investment vehicles are registered in the UK.

The managed funds overseas unquoted limited liability partnerships are investments in funds of private equity funds, infrastructure, property, and illiquid credit funds.

The LCIV unit trusts are unquoted, however, all investments within the Global Equity, Sustainable Equity, Global Bond and LCIV MAC sub-funds are quoted.

The following investments represent more than 5% of the net assets of the scheme in 2024/25

Asset Class / Security Name	Manager	Value at 31 March 2025 £'000	Value at 31 March 2025 % of inv assets
Global Equity Fund	Newton	159,225.30	15.4%
Index linked gilt fund / corporate bond fund	Blackrock	138,506.02	13.4%
Global Equity Fund	RBC	125,940.51	12.2%
Private Equity	Partners	97,530.30	9.4%
Property	LaSalle	91,725.23	8.9%
Global Bond Fund	Pimco	78,572.35	7.6%
Blackrock Composite	Blackrock	61,583.25	6.0%
Infrastructure Fund	Stepstone	54,169.39	5.2%

The following investments represent more than 5% of the net assets of the scheme in 2023/24

Asset Class / Security Name	Manager	Value at 31 March 2024 £'000	Value at 31 March 2024 % of inv assets
Global Equity Fund	Newton	176,841.33	17.3%
Global Equity Fund	RBC	143,449.64	14.0%
Global Bond Fund	Pimco	77,881.50	7.6%
Index linked gilt fund / corporate bond fund	Blackrock	98,375.73	9.6%
Property	LaSalle	96,378.19	9.4%
Private Equity	Partners	87,923.08	8.6%
M&G – Illiquid Credit	M&G	51,888.73	5.1%
Blackrock Composite	Blackrock	59,495.04	5.8%

13. Fair Value – Basis of Valuation

The basis of the valuation of each class of investment asset is set out below. There has been no change in the valuation techniques used during the year. All assets have been valued using fair value techniques which represent the highest and best price available at the reporting date.

Basis of the valuation of each class of investment asset

Description of asset	Valuation hierarchy	Basis of valuation	Observable and unobservable	Key sensitivities affecting the valuations provided
Market quoted investments	Level 1	Published bid market price ruling on the final day of the financial year.	Not required	Not required
Unquoted bonds funds	Level 2	Average of broker prices.	Evaluated price feeds	Not required
Pooled LCIV – ACS*	Level 2	Quoted investments are valued at mid-market value as at close of business on the last working day of the relevant period. Unquoted investments or if a quotation is not available at the time of valuation, the fair value shall be estimated on the basis of the probable realisation value of the investment. Collective investment schemes are valued at quoted bid prices for dual priced funds and at quoted prices for single priced funds, on the last business day of the relevant period.	Evaluated Price Feeds	Not required
Pooled investments – overseas unit trusts and property funds	Level 3	Closing bid price where bid and offer prices are published. Closing single price where single price published.	NAV-based pricing set on a forward pricing basis	Significant changes in rental growth, vacancy levels or the discounted rate could affect valuations as could more general changes to market prices.
Unquoted private equity	Level 3	Comparable valuation of similar companies in accordance with International Private Equity and Venture Capital Valuation Guidelines.	EBITDA multiple Revenue multiple Discount for lack of marketability.	Valuations could be affected by material events occurring between the date of the financial

Description of asset	Valuation hierarchy	Basis of valuation	Observable and unobservable	Key sensitivities affecting the valuations provided
			Control premium	statements provided and the pension fund's own reporting date, by changes to expected cash flows, and by any differences between audited and unaudited accounts.
Unquoted Infrastructure Managed Funds	Level 3	The Fair Value of the investments has been determined using valuation techniques appropriate to each investment. These techniques include discounted cash flow analysis and comparable transaction multiples in accordance with the International Private Equity and Venture Capital Valuation Guidelines.	Significant unobservable inputs and observable inflation	
Pooled LCIV – EUUT**	Level 3	The Fair Value of the investments has been determined using valuation techniques appropriate to each investment. These techniques include discounted cash flow analysis and comparable transaction multiples.	Significant unobservable inputs and observable inflation.	

*The term ACS refers to Authorised Contractual Scheme

**The term EUUT refers to Exempt Unauthorised Unit Trust

Sensitivity of assets valued at level 3

Having analysed historical data and current market trends, and consulted with investment managers and independent advisors, the fund has determined that the valuation methods described above are likely to be accurate to within the following ranges and has set out below the consequent potential impact on the closing value of investments held at 31 March 2025.

Impact on closing value of investments 31 March 2025

Investments	Assessed valuation range (+/-)	Value at 31/03/2025 £'000	Value on increase £'000	Value on decrease £'000
Private Equity	5.0%**	97,530	102,407	92,654
UBS Infrastructure Fund	2.5%**	4,909	5,031	4,786
LCIV Renewable Infrastructure Fund	15.0%**	35,990	41,389	30,592
LCIV Infrastructure Fund	15.0%**	54,169	62,295	46,044
LCIV Aviva Inflation Plus	10.0%**	28,780	31,658	25,902
La Salle Pooled Investment Property	10.0%	91,725	100,898	82,553
M&G Illiquid Credit	4.0%	46,140	47,985	44,294
Total		359,244*	391,663	326,825

*This value only takes into consideration assets at level 3.

**Data for these managers was unavailable therefore 2324 range applied.

a. Fair Value Hierarchy

Asset and liability valuations have been classified into three levels, according to the quality and reliability of information used to determine fair values. Transfers between levels are recognised in the year in which they occur.

Level 1

Financial instruments at level 1 are those where the fair values are derived from unadjusted quoted prices in active markets for identical assets or liabilities. Products classified at this level comprise quoted equities, quoted fixed securities, quoted index-linked securities and quoted unit trusts.

Level 2

Financial instruments at level 2 are those where quoted market prices are not available. This may be where an instrument is traded in a market that is not considered to be active, or where valuation techniques are used to determine fair value and those techniques use inputs that are based significantly on observable market data.

Level 3

Financial instruments at level 3 are those where at least one input that could have a significant effect on the instrument's valuation is not based on observable market data.

The following table provides an analysis of the financial assets and liabilities of the Fund grouped into Levels 1 to 3, based on the level at which the fair value is observable.

Analysis 2024/25

	Quoted market price Level 1 £'000	Using Observable inputs Level 2 £'000	With significant unobservable inputs Level 3 £'000	Total £'000
Values at 31 March 2025				
Financial assets at Fair Value through profit and loss	-	659,114	359,394	1,018,508
Net investment assets	-	659,114	359,394	1,018,508

*Note that this figure does not contain any cash held at custodian or fund managers.

Analysis 2023/24

	Quoted market price Level 1 £'000	Using Observable inputs Level 2 £'000	With significant unobservable inputs Level 3 £'000	Total £'000
Values at 31 March 2024				
Financial assets at Fair Value through profit and loss	-	666,097	346,204	1,012,301
Net investment assets	-	717,985	294,316	1,012,301

*Note that this figure does not contain any cash held at custodian or fund managers.

Reconciliation of Fair Value Measurements within Level 3

2024/25	Market Value 01/04/2024	Transfer into level 3	Transfer out of level 3	Purchases during the year and derivative movements	Sales during the year and derivative receipts	Unrealised gains/ (losses)	Realised gains/ (losses)	Market Value 31/03/2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
London CIV Share Capital	150	-	-	-	-	-	-	150
UBS Infrastructure Fund	7,409	-	-	-	(1,888)	(625)	13	4,909
LCIV Infrastructure Fund	45,196	-	-	5,781	(1,789)	4,981	-	54,169
LCIV Renewable Infrastructure Fund	28,322	-	-	8,831	(459)	(704)	-	35,990
LCIV Aviva Inflation Plus	28,937	-	-	-	(477)	320	-	28,780
Partners Private equity	87,923	-	-	12,560	(3,024)	3,393	(3,322)	97,530
La Salle Pooled Investment Property	96,378	-	-	11,133	(18,268)	2,368	114	91,725
M & G Illiquid Credit	51,889	-	-	-	(242)	(5,507)	-	46,140
Total	346,204	-	-	38,305	(26,147)	4,226	(3,195)	359,394

Unrealised and realised gains and losses are recognised in the profit and losses on disposal and changes in the market value of investments line of the fund account.

14. Financial Instruments

The following table analyses the carrying amounts of financial assets and liabilities (excluding cash) by category and Net Assets Statement heading.

Classification of financial instruments

2023/24			2024/25		
Fair Value through profit and loss £'000	Assets at amortised cost £'000	Financial liabilities at amortised cost £'000	Fair Value through profit and loss £'000	Assets at amortised cost £'000	Financial liabilities at amortised cost £'000
150		Financial Assets: Equities	150		
350,117		Pooled investment vehicles (non bond)	344,894		
550,441		Pooled investment vehicles (LCIV)	532,688		
111,593		Pooled investment vehicles (bond)	140,776		
	15,050	Cash		16,863	
		Other investment balances			
	3,668	Debtors		3,273	
		Financial Liabilities			
		(1466) Creditors			(2,690)
1,012,301	18,718	(1,466) Total	1,018,508	20,136	(2,690)

14 (a) Net gains and (losses) on financial instruments

2023/24 £'000	Financial Assets	2024/25 £'000
64,173	Fair Value through profit or loss	12,938

15. Nature and Extent of Risks Arising from Financial Instruments

The financial instruments used by the Fund involve a variety of financial risks:

(a) Market risk

Market risk is the risk that the fair value of a financial instrument will fluctuate because of movements in market prices. To mitigate market risk, the Committee and its investment /advisors undertake regular monitoring of market conditions and benchmark analysis. Market risk may be sub-divided into interest rate risk, price risk and currency risk, although these are to some extent inter-linked.

- **Interest rates** may vary which will impact on the valuation of fixed interest holdings. The coupon and the duration of such investments will be spread to minimise this risk.

- **Currency risk** is the risk that the value of financial instruments will vary with the foreign exchange rate of pounds sterling. This particularly affects the Fund's holdings in overseas equities, private equity and infrastructure. This is mitigated by the spread of investments across different countries and consideration given to hedging the risk where it is thought necessary.
- **Prices** of equity and other investments will vary as the prices on the stock exchange respond to factors specific to particular stocks or factors affecting stock markets as a whole. This is mitigated by having a diverse portfolio of investments across different managers, asset classes, countries and industries.
- **Exposure to Russia and Ukraine** - On 24 February 2022, Russia invaded Ukraine, a severe escalation in the conflict which had been ongoing since 2014. Subsequently, numerous global powers implemented sanctions against major Russian banks and financial institutions, including freezing of overseas assets and removing access to SWIFT international payments. The London Borough of Bexley Pension Fund can report that as at 31 March 2025, the value of investments to Russia or Ukraine within the Pension Fund is immaterial.

The tables below demonstrate the potential change in net assets available following movements in market risk. The percentage used for the movement in price is based on ten-year volatility assumptions for each asset class and is, therefore, more forward-looking and informative.

Potential change in net assets 2025

(i) Interest Rate Risk

Asset Type	Average Duration Years	Market Value 31 March 2025	Value on 1% increase £'m	Value on 1% decrease £'m
Global Bonds (Investment Grade Credit)	6.32	78.57	83.54	73.61
Liquid Credit	0.63	2.27	2.28	2.26
Multi-Asset Credit (Fixed Income)	2.82	50.01	51.42	48.60
UK Bonds (Gilts)	14.10	138.51	158.04	118.98
Private Credit	2.60	46.14	47.34	44.94
Fixed Income	5.30	12.80	13.47	12.12

*This uses floating interest

ii) Currency Risk

Asset Type	Market Value 31 March 2025	% movement	Movement on Increased Value 2025	Movement on Decreased Value 2025
Global Equities	389.76	5%	410.77	368.74
Private Equity	97.53	5%	102.79	92.27
Infrastructure	95.07	5%	100.19	89.94
Private Credit	46.14	5%	48.63	43.65

iii) Price Risk

Asset Type	Market Value 31 March 2025	% movement	Movement on Increased Value 2025	Movement on Decreased Value 2025
Global Equities	389.76	11%	433.58	345.93
Private Equity	97.53	11%	108.50	86.56
Infrastructure	95.07	4%	98.80	91.33
Property	120.51	7%	128.54	112.47
Bonds and Fixed Income	269.36	10%	296.60	242.11
Private Credit	78.57	4%	81.66	75.49
Multi-Asset Credit (Fixed Income)	50.01	10%	55.07	44.95

(b) Credit risk

Credit risk is the risk that counterparties to the financial instruments will fail to pay the amounts due to the Fund, thereby causing financial loss. This may arise if the value of a particular stock falls substantially or if a dividend is not paid out. Investment managers will usually assess this risk when making investments on behalf of the Fund. The market price of investments generally also includes a credit assessment and risk of loss into the valuations. In essence, therefore, the Fund's entire investment portfolio is exposed to some form of credit risk. There is a lower credit risk involved in the Fund's allocation to private equity (9.4% at 31 March 2025 and 8.6% at 31 March 2024).

The selection of high-quality fund managers, counterparties, brokers, and financial institutions minimises credit risk that may occur through the failure to settle a transaction in a timely manner. The table below details the Fund's cash holding.

Fund's Cash Holding

Balance as at 31 March 2024 £'000	Balance as at 31 March 2025 £'000
Bank Account:	
6,005 NatWest Account	2,891
6,005 Total	2,891

Credit risk may also occur if an employing body not supported by the central government does not pay contributions promptly, or defaults on its obligations. To mitigate this risk, the Fund regularly monitors the state of employers in the fund.

(c) Liquidity risk

Liquidity risk is the risk that the Fund might not be able to meet its payment obligations as they fall due (such as pension payments to members). The 2024/25 accounts show that the benefits and administrative expenses paid out exceeded the contributions to the Fund. The balance was met from investment income; cash received from return of capital and accessing liquid assets. The majority of the Fund's investments were sufficiently liquid as to be sold to provide additional cash if required. The Fund operates its own separate

bank account, and the liquidity position is monitored on a day-to-day basis. The Fund is also permitted to borrow for up to 90 days if its cash flow is insufficient to meet short term commitments.

The Fund defines liquid assets as those that can be easily converted to cash within three months. Illiquid assets are those assets that will take longer than three months to convert to cash. As at 31 March 2025 the value of illiquid assets was £359.242m, which represented 35% of total fund assets (31 March 2024: £346.054m which represented 34% of total fund assets).

16. Funding Arrangements

The Fund's actuary carries out a funding valuation every three years to set employer contribution rates for the following triennial period. The last such valuation took place as of 31 March 2022.

The key elements of the funding policy are to:

- enable employer contribution rates to be kept as nearly constant as possible and at reasonable cost to the taxpayers, scheduled and admitted bodies
- manage employers' liabilities effectively
- ensure that sufficient resources are available to meet all liabilities as they fall due, and
- maximise the likelihood of reaching 100% funding on an ongoing basis over the next three valuation periods subject to an acceptable level of downside risk.

At the 2022 actuarial valuation the Fund was assessed as 114% funded (101% at the March 2019 valuation). This represented a surplus of £126m (£11m surplus in 2019) at that time. At the 2022 valuation, contribution rates were set for the three-year period ending 31 March 2026 for scheme employers and admitted bodies.

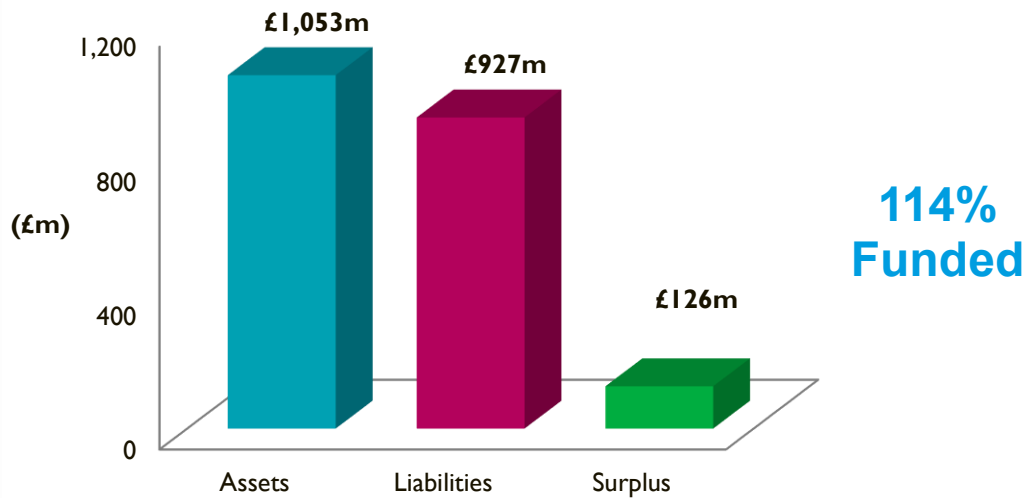
Individual employers' rates vary from the primary contribution rate depending on the demographic and actuarial factors particular to each employer. Full details of the contribution rates payable can be found in the 2022 actuarial valuation report on the Fund's website.

17. Actuarial Present Value of Promised Retirement Benefits

This statement has been provided to meet the requirements under Regulation 57(1)(d) of The Local Government Pension Scheme Regulations 2013.

An actuarial valuation of the London Borough of Bexley Pension Fund was carried out as at 31 March 2022 to determine the contribution rates with effect from 1 April 2023 to 31 March 2026.

On the basis of the assumptions adopted, the Fund's assets of £1.053 million represented 114% of the Fund's past service liabilities of £927 million (the "Solvency Funding Target") at the valuation date. The surplus at the valuation was therefore £126 million.



The valuation also showed that a Primary contribution rate of 20.8% of pensionable pay per annum was required from employers. The Primary rate is calculated as being sufficient, together with contributions paid by members, to meet all liabilities arising in respect of service after the valuation date.

The funding objective as set out in the FSS is to achieve and maintain a solvency funding level of 100% of liabilities (the solvency funding target). In line with the FSS, where a shortfall exists at the effective date of the valuation a deficit recovery plan will be put in place which requires additional contributions to correct the shortfall. Equally, where there is a surplus it may be appropriate to offset this against contributions for future service, in which case contribution reductions will be put in place to allow for this.

The FSS sets out the process for determining the recovery plan in respect of each employer. At the 2022 actuarial valuation the average recovery period adopted was 8 years (12 years for employers in surplus). The total recovery payment (the “Secondary rate” for 2023/26) was on average a surplus offset of approximately £2.4m per annum (which allows for the contribution plans which have been set for individual employers under the provisions of the FSS), although this varies year on year.

Further details regarding the results of the valuation are contained in the formal report on the actuarial valuation dated March 2023.

In practice, each individual employer’s position is assessed separately and the contributions required are set out in the report. In addition to the certified contribution rates, payments to cover additional liabilities arising from early retirements (other than ill-health retirements) will be made to the Fund by the employers.

The funding plan adopted in assessing the contributions for each individual employer is in accordance with the Funding Strategy Statement (FSS). Any different approaches adopted, e.g. with regard to the implementation of contribution increases and deficit recovery periods, are as determined through the FSS consultation process.

The valuation was carried out using the projected unit actuarial method and the main actuarial assumptions used for assessing the Solvency Funding Target and the Primary rate of contribution were as follows:

	For past service liabilities (Solvency Funding Target)	For future service liabilities (Primary rate of contribution)
Rate of return on investments (discount rate)	4.35% per annum	4.85% per annum
Rate of pay increases (long term)	4.60% per annum	4.60% per annum
Rate of increases in pensions in payment (in excess of GMP)	3.10% per annum	3.10% per annum

The assets were assessed at market value.

The next triennial actuarial valuation of the Fund is due as at 31 March 2025. Based on the results of this valuation, the contribution rates payable by the individual employers will be revised with effect from 1 April 2026.

Actuarial Present Value of Promised Retirement Benefits for the Purposes of IAS 26

IAS 26 requires the present value of the Fund's promised retirement benefits to be disclosed, and for this purpose the actuarial assumptions and methodology used should be based on IAS 19 rather than the assumptions and methodology used for funding purposes. The assumptions adopted are shown in Appendix B.

The movement in the value of the Fund's promised retirement benefits for IAS 26 is as follows:

Start of period liabilities	£913m
Interest on liabilities	£44m
Net benefits accrued/paid over the period*	(£18m)
Actuarial (gains)/losses (see below)	(£125m)
End of period liabilities	£814m

**this includes any increase in liabilities arising as a result of early retirements*

Key factors leading to actuarial gains above are:

- **Change in financial assumptions:** Corporate bond yields increased over the year, with a corresponding increase in discount rate from 4.9% p.a. to 5.8% p.a. The long-term assumed CPI is slightly lower at the end of year than it was at the start of year. In combination, these factors lead to a significant reduction in liabilities.
- **Change in demographic assumptions:** As noted in appendix B, the mortality assumptions have been updated to reflect the latest mortality tables and future life expectancy improvement model. This acts to slightly reduce the liabilities.
- **Pension increases / inflation experience:** The figures allow for the impact of actual CPI experienced over the year compared to the start of period assumption (experience to September 2024 fed into the April 2025 pension increase of 1.7%, and actual inflation from that point will feed into the 2026 increase). As inflation over the year was a little lower than the long-term assumption, this slightly reduce the liabilities.

Michelle Doman
Fellow of the Institute and
Faculty of Actuaries
Mercer Limited
May 2025

Mark Wilson
Fellow of the Institute and
Faculty of Actuaries

Appendix - additional considerations

The “McCloud judgment”: The figures above allow for the impact of the judgment based on the proposed remedy.

GMP indexation: The above figures allow for the provision of full CPI pension increases on GMP benefits for members who reach State Pension Age after 6 April 2016.

Covid 19 / Ukraine / Gaza conflict: The financial assumptions allow for these factors to the degree that they are reflected in the market values on which the assumptions are based. The mortality assumption includes no specific adjustment for COVID as our view is that it is not possible at this point to draw any meaningful conclusions on the long-term impact.

High inflation over last two years The period-end figures above allow for the impact of actual known CPI at the accounting date as noted above. The period-end assumptions then allow for expected (market implied) CPI from that point.

18. Current Assets

31 March 2024		31 March 2025
£'000	Debtors	£'000
610	Contributions due - employees	644
1623	Contributions due - employers	1,747
2,233	Total contributions	2,391
1,230	Sundry debtors	882
3,463	Total	3,273
6,005	Cash balances	2,891
9,468	Total	6,164

19. Current and Long-Term Liabilities

Current Liabilities

31 March 2024		31 March 2025
£'000	Liabilities	£'000
(82)	Sundry creditors	(145)
(476)	Benefits payable	(647)
(908)	Accrued expenses	(1,898)
-	Employer contributions prepayments	0
(1,466)	Total	(2,690)

Long Term Liabilities

31 March 2024		31 March 2025
£'000	Liabilities	£'000
-	Employer contributions prepayments	-
-	Total	-

20. Additional Voluntary Contributions

Value of funds

Market Value	Market Value
31 March 2024	31 March 2025
£'000	£'000
1,291	1,470*

In accordance with Regulation 4(1)(b) of the Pension Scheme (Management and Investment of Funds) Regulations 2016, the contributions paid and the assets of these investments are not included in the Fund's Accounts.

*The main pension provider of AVC investments provided a draft update of the market value of funds as of 31 March 2025 pending final revisions so this may be subject to change.

21. Related Party Transactions

As the London Borough of Bexley administers and is the largest employer of members in, the Fund there is a strong relationship between the Council and the Fund.

Information in respect of material transactions with related parties is disclosed elsewhere within the Fund accounts. Of particular note is the £333,743.22 recharge in 2024/25 from the London Borough of Bexley to the Fund included in administration and oversight and governance costs (£284,250.91 in 2023/24). This year, London Borough of Bexley have also entered a short-term oversight and governance arrangement with Westminster City Council, recharging £225,000 to the Pension Fund.

The Director of Finance and Corporate Services allocates 2.5% of their time to the Fund and is the only officer that is regarded as holding a key management post in respect of the Fund. In 2024/25 costs relating to the Director of Finance post totalled £7,465.88 in respect of the allocation to the Fund (£5,109.72 in 2023/24). This includes employer pension fund contributions of £1,127.34 (£679.59 in 2023/24). The Director of Finance contributes 12.5% of their gross salary to the LGPS in employee contributions.

No Councillors of the London Borough of Bexley are members of the Local Government Pension Scheme. During the year, no Council Members or Designated Officers have declared any transactions with the Fund that they are required to. Each Member of the Pensions Committee is required to declare their interests at each meeting. As of the Committee meeting held in September 24, Councillor Howard Jackson declared that he works for the Financial Ombudsman and sometimes has dealings with fund managers as part of his role. In addition, at the June and September meetings, Councillor Adams declared that LPPI is one of his clients.

All Fund transactions are recorded in a separate part of the financial ledger system of the administering authority and pass through the Fund bank accounts.

22. Contingent Liabilities and Contractual Commitments

The Fund has a commitment to contribute a further £43.8m to the fund of private equity funds (£57.3m as of 31 March 2024) as there was a further tranche this year. There is also a further £22.2m (£36.9m as at 31 March 2024) into infrastructure funds. These contributions will be financed from sales of existing investments. The timing for paying over these commitments over the next few years is uncertain. The overall amount invested in private equity is not expected to change significantly as new drawdowns are likely to be offset by increased distributions.

There were no other material contingent liabilities or contractual commitments at 31 March 2025, or material non-adjusting events subsequent to this.

23. External Audit Cost

2023/24 £'000	2024/25 £'000
99 External Audit fees	127
99 Total	127*

*This consists of £93,895 24/25 Scale Fee, £45,158 23/24 fee and Audit Grants of £11,559.

24. Events after the Reporting Period

Management have reviewed and can confirm that there are no significant events occurring after the reporting period.