

By: Director of Finance
To: Superannuation Fund Committee – 14 September 2007
Subject: **SUPERANNUATION FUND REPORT AND ACCOUNTS**
Classification: Unrestricted

Summary: To present the draft Report and Accounts of the Superannuation Fund for 2006-07.

FOR DECISION

1. A draft version of the Superannuation Fund Report and Accounts for the year ended 31 March 2007 (before typesetting and design) is appended. It should be noted that this is the second year that the Pension Fund accounts have been subject to a full annual audit by the external auditor, PricewaterhouseCoopers.
2. The main features of the Fund Account shown on pages 15 and 16 are: -
 - (1) An increase in the level of employers' contributions from £139.9m to £149.8m. This reflects the increased employer contribution rates determined by the Fund's actuary at the 2004 valuation.
 - (2) Overall, the net new money available for investment decreased from £133.9m to £129.2m.
3. The Net Assets Statement on page 17 of this report shows that the net assets of the Fund have increased from £2,375.1m to £2,573.6m.
4. The Pension Fund investment performance for the year 2006-07 was disappointing with a return of +6% against the Kent benchmark of +7.5% and the WM Local Authority average of +7%. In comparison with other Local authorities, the Kent Fund was ranked in the 73rd percentile for the year 2006-07.

RECOMMENDATION

5. Members are asked to note the contents of the Annual Report and Accounts for 2006-07 and confirm that they can be formally adopted and printed.

Jane Gibbons
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