Appendix 19

NORTH YORKSHIRE PENSION FUND

STATEMENT OF ACCOUNTS
2022/23

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NORTH YORKSHIRE PENSION FUND
FUND ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2023

2021/22 £000			2022/23 £000	2022/23 £000
	CONTRIBUTIONS AND BENEFITS			
	Contributions			
100,316	Employers	- Normal	106,551	
1,314		- Deficit	1,343	
1,228		- Early Retirement Costs Recharged	2,339	
32,477	Employees	- Normal	35,401	
161		- Additional Voluntary	194	
135,496	**Total Contributions Receivable (note 7)**			145,828
11,941	**Transfers in (note 8)**			18,654
	Less			
	Benefits			
(99,282)	Pensions		(106,333)	
(25,949)	Commutation and Lump Sum Retirement Benefits		(25,917)	
(3,570)	Lump Sums Death Benefits		(3,321)	
(128,801)	**Total Benefits Payable (note 9)**			(135,571)
	Leavers			
(405)	Refunds to Members Leaving Service		(780)	
(8,878)	Transfers Out		(14,515)	
(9,283)	**Total Payments on Account of Leavers (note 10)**			(15,295)
(3,681)	**Management Expenses (note 11)**			(4,274)
5,672	**Net additions/(withdrawals) from dealings with Members**			9,342
	RETURNS ON INVESTMENTS			
7,447	Investment income (note 12)			12,744
0	Taxation (note 12a)			0
(26,583)	Investment management costs (note 11)			(34,069)
137,804	Change in market value of investments (note 14a)			(401,746)
118,668	**Net returns on investments**			(423,071)
124,340	**Net increase/ (decrease) in the Fund during the year**			(413,729)
4,510,113	**Opening Net Assets of the Fund**			4,634,453
4,634,453	**Closing Net Assets of the Fund**			4,220,724

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NORTH YORKSHIRE PENSION FUND – NET ASSETS STATEMENT

31st March 2022 £000		31st March 2023 £000
	INVESTMENT ASSETS	
0	Fixed Interest Securities	0
1,182	Equities	1,182
4,258,476	Pooled Investments	3,545,213
343,740	Pooled Property Investments	266,225
0	Private Equity	392,532
4,603,398		4,205,152
1,501	Cash Deposits	1,902
736	Investment Debtors	787
4,605,635	**TOTAL INVESTMENT ASSETS**	4,207,841
	INVESTMENT LIABILITIES	
0	**TOTAL INVESTMENT LIABILITIES**	0
4,605,635	**NET INVESTMENT ASSETS (note 14a)**	**4,207,841**
0	**LONG-TERM DEBTORS**	0
	CURRENT ASSETS	
11,863	Contributions due from employers	11,708
1,147	Other Non-Investment Debtors	1,588
21,742	Cash	1,776
34,752	**TOTAL CURRENT ASSETS**	15,072
	CURRENT LIABILITIES	
(5,934)	Non-Investment Creditors	(2,189)
(5,934)	**TOTAL CURRENT LIABILITIES**	(2,189)
4,634,453	**TOTAL NET ASSETS (note 14c)**	**4,220,724**

The accounts summarise the transactions of the Fund and deal with the net assets. They do not take account of the obligations to pay pensions and benefits which fall after the end of the financial year.

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NOTES TO THE NORTH YORKSHIRE PENSION FUND ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2023

1. Description of the Fund

The North Yorkshire Pension Fund (NYPF or "the Fund") is part of the Local Government Pension Scheme (LGPS) and is administered by North Yorkshire County Council (NYCC). The County Council is the reporting entity for the Fund.

The following description of the Fund is a summary only. For more detail, refer to the NYPF Annual Report 2022/23 and the statutory powers underpinning the Scheme, namely the Public Service Pensions Act 2013 and the Local Government Pension Scheme (LGPS) Regulations.

(a) General

The Fund is governed by the Public Service Pensions Act 2013 and is administered in accordance with the following secondary legislation:

- 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 administered by NYCC to provide pensions and other benefits for pensionable employees of NYCC, other local authorities in North Yorkshire and a range of other scheduled and admitted bodies within the county area. Teachers, police officers and fire fighters are not included as they come within other national pension schemes.

The Fund is overseen by the Pension Fund Committee, which is a committee of NYCC.

(b) Membership

Membership of the LGPS is voluntary and employees are free to choose whether to join the Fund, remain in the Fund or make their own personal arrangements outside the Scheme.

Organisations participating in NYPF include:

- scheduled bodies, which are local authorities, academy trusts 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.

At 31 March 2023 there were 131 contributing employer organisations within NYPF including the County Council itself, and over 99,000 individual members, as detailed below.

91 Scheduled Bodies including 49 Academy Trusts

Ainsty 2008 Internal Drainage Board
Askham Bryan College
Brimhams Active Limited
Chief Constable (North Yorkshire Police)
City of York Council
Craven College

North Yorkshire Fire & Rescue Service
North Yorkshire Police, Fire and Crime Commissioner
Northallerton & Romanby Joint Burial Board
Northallerton Town Council
Norton on Derwent Town Council
Pickering Town Council

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Craven District Council
Easingwold Town Council
Filey Town Council
Foss 2008 Internal Drainage Board
Fulford Parish Council
Glusburn Parish Council
Great Ayton Parish Council
Hambleton District Council
Harrogate Borough Council
Haxby Town Council
Hunmanby Parish Council
Knaresborough Town Council
Malton Town Council
North York Moors National Park Authority
North Yorkshire County Council
Richmond Town Council
Richmondshire District Council
Ripon City Council
Ryedale District Council
Scarborough Borough Council
Scarborough Sixth Form College
Selby District Council
Selby Town Council
Skipton Town Council
Sutton in Craven Parish Council
Tadcaster Town Council
Vale of Pickering Internal Drainage Board
Whitby Town Council
York College
Yorkshire Dales National Park Authority

Academy Trusts

Areté Learning Trust - Northallerton School & Sixth Form College
Areté Learning Trust - Richmond School & Sixth Form College
Areté Learning Trust - Stokesley Academy
Areté Learning Trust - Mill Hill Primary School
Bishop Konstant Catholic Academy Trust
Bishop Wheeler Catholic Academy Trust
Coast and Vale Learning Trust - Filey School
Coast and Vale Learning Trust - Friarage Community Primary School
Coast and Vale Learning Trust - Lady Lumley's School
Coast and Vale Learning Trust - Newby & Scalby Primary School
Coast and Vale Learning Trust - Scalby School
Coast and Vale Learning Trust - Scarborough University Technical College
Dales Academies Trust
David Ross Education Trust - Thomas Hinderwell Primary Academy
Ebor Academy Trust
Elevate Multi Academy Trust
Enquire Learning Trust - East Whitby Primary Academy
Enquire Learning Trust - Roseberry Primary Academy
Enquire Learning Trust - Stakesby Primary Academy
Enquire Learning Trust - Stokesley Primary Academy
Great Smeaton Academy Primary School
Hope Sentamu Learning Trust
Huntington Primary Academy
Leeds Diocesan Learning Trust
Lingfield Education Trust
Moorlands Learning Trust
Nicholas Postgate Catholic Academy Trust
Northern Star Academies Trust
Norton College
Outwood Academy Easingwold
Outwood Academy Ripon
Outwood Primary Academy Alne
Outwood Primary Academy Greystone
Pathfinder Multi Academy Trust
Red Kite Learning Trust
Rodillian Multi Academy Trust – Brayton Academy
Rossett School Academy
Ryedale Learning Trust
Selby Educational Trust
South Bank Multi Academy Trust
South Craven School
South York Multi Academy Trust
STAR Multi Academy Trust
St Cuthbert's Roman Catholic Academy Trust
The Woodlands Academy
Venn Academy Trust
Wellspring Academy Trust
Yorkshire Causeway Schools Trust
Yorkshire Collaborative Academy Trust
Yorkshire Endeavour Academy Trust

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40 Admitted Bodies

ABM Catering Ltd	Hutchinson Catering Ltd
Absolutely Catering Ltd	Independent Cleaning Services Ltd
Align Property Partners Ltd	ISS Mediclean Ltd
Aramark Ltd	Lark T/A Betterclean Services
Atlas Facilities Management Ltd	Make It York
Barnsley Norse Ltd	Mellors Catering Services Ltd
Beyond Housing Ltd	NY Highways Ltd
Bulloughs Cleaning Services Ltd	Richmondshire Leisure Trust
Cater Link Ltd	Springfield Home Care Services Ltd
CH & Co Catering Group Ltd	Taylor Shaw Ltd
Churchill Contract Services Ltd	University of Hull (Scarborough)
City of York Trading Ltd	Urbaser Ltd
Compass Contract Services (U.K) Ltd	Veritau Ltd
Dolce Ltd	Veritau North Yorkshire Ltd
Everyone Active (SLM Scarborough)	Wigan Leisure and Culture Trust (Inspiring Healthy Lifestyles)
Explore York Libraries and Archives	York Archaeological Trust Ltd
Gough and Kelly Security Ltd	Yorkare (Haxby) Ltd
Greenwich Leisure Ltd	York Mind
Grosvenor Facilities Management	York Museums and Galleries Trust
Human Support Group Ltd	York St John University

Active, pensioner and deferred pensioner numbers, split between NYCC as the Administering Authority and all other employers were as follows:

	31st March 2023 No.	31st March 2022 No.
Number of Employers with Active Members	131	131
Employees in the Fund		
NYCC	12,771	14,009
Other employers	18,177	18,146
Total	30,948	32,155
Pensioners		
NYCC	15,573	15,235
Other employers	13,129	11,971
Total	28,702	27,206
Deferred Pensioners		
NYCC	24,333	23,911
Other employers	15,827	14,761
Total	40,160	38,672

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(c) Funding

Benefits are funded by contributions and investment earnings. Contributions are made by active members of the Fund in accordance with the LGPS Regulations 2013 and range from 5.5% to 12.5% of pensionable pay for the financial year ended 31 March 2023. Employee contributions are supplemented by employers' contributions which are primarily determined as part of the each triennial valuations. The last such valuation was at 31 March 2022 and that set the contribution rates for 2023/24, 2024/25, 2025/26; details of the rates for individual employers are available on the Fund's website.

(d) Benefits

Prior to 1 April 2014 pension benefits under the LGPS up to 31 March 2014 are based on final pensionable pay and length of pensionable service.

For service up to 31 March 2008 each year worked is worth 1/80th of final pensionable salary, an automatic lump sum of three times salary is payable, and part of the annual pension can be exchanged for a one-off tax free cash payment at the rate of £12 lump sum for each £1 pension given up. For service from 1 April 2008 each year worked is worth 1/60th of final pensionable salary, there is no automatic lump sum, and part of the annual pension can be exchanged at the same rate as for service up to 31 March 2008.

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 1/49th. Accrued pension is uprated annually in line with CPI.

There are a range of other benefits provided under the Scheme including early retirement, disability pensions and death benefits. For more details please refer to the Publications section on the Fund's website at https://www.nypf.org.uk/index.shtml.

2. Basis of Preparation

The Statement of Accounts summarises the Fund's transactions for the 2022/23 financial year and its year end position as at 31 March 2023. The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 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.

The accounts report on the net assets available to pay pension benefits. They do not take account of obligations to pay pensions and benefits which fall due after the end of the financial year.

3. Summary of Significant Accounting Policies

Fund Account – Revenue Recognition

(a) Contribution Income

Normal contributions, both from the members and from the employer, are accounted for on an accruals basis at the rate recommended by the Fund's Actuary in the payroll period to which they relate.

Employer deficit funding contributions are accounted for in the period in which they are payable under the schedule of contributions set by the Actuary or on receipt if earlier than the due date.

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Employers' augmentation contributions (pension strain due to early retirement and compensatory added years) are accounted for in the period in which the liability arises. Any amount due in year but unpaid will be classed as a current asset. Amounts due in future years are classed as long term assets.

(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 during the financial year and are calculated in accordance with LGPS Regulations (see notes 8 and 10).

Individual Transfers in/out are accounted for when received/paid, which is normally when the member liability is accepted or discharged.

Transfers in from members wishing to use the proceeds of their additional voluntary contributions or other defined contribution arrangements to purchase scheme benefits are accounted for on a receipts basis and are included in Transfers In (see note 8).

Bulk (group) transfers are accounted for on an accruals basis in accordance with the terms of the transfer agreement.

(c) Investment Income

Interest income is recognised in the Fund as it accrues, using the effective interest rate of the financial instrument as at the date of acquisition or origination. Income includes the amortisation of any discount or premium, transaction costs or other differences between the initial cost of the instrument and its value at maturity calculated on an effective interest rate basis.

Dividend income is recognised on the date the shares are quoted ex-dividend. Any amount not received by the end of the reporting period is disclosed in the Net Assets Statement as a current asset.

Distributions from pooled funds are recognised at the date of issue. Any amount not received by the end of the reporting period is disclosed in the Net Assets Statement as a current asset.

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

Fund Account – Expense Items

(d) Benefits Payable

Pensions and lump sum benefits payable include all amounts known to be due as at the financial year end. Any amounts due but not paid are disclosed in the Net Assets Statement as current liabilities.

(e) 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.

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(f) 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 staff costs of the pensions administration team are charged direct to the Fund. Associated management, accommodation and other overheads are apportioned to this activity and charged as expenses to the Fund.
Oversight and governance	All staff costs associated with governance and oversight are charged direct to the Fund. Associated management, accommodation and other overheads are apportioned to this activity and charged as expenses to the Fund.
Investment management expenses	Fees of the external investment managers are set out in the respective mandates governing their appointments. Broadly, these are based on the market value of the investments under their management and therefore increase or reduce as the value of these investments change. In addition, the Fund has negotiated with the following managers that an element of their fee will be performance related: • Baillie Gifford & Co - Global Equities • Arcmont (formerly Bluebay) – Private Debt • Permira – Private Debt • BCPP – Infrastructure, Private Debt and Climate Opportunities 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.

Net Assets Statement

(g) Lifetime Allowances

Members are entitled to request the Fund pays their tax liabilities due in respect of 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.

(h) Financial Assets

Equity shares in the LGPS asset pool, Border to Coast Pensions Partnership (BCPP), are valued at transaction price, i.e. cost, as an appropriate estimate of fair value. All other assets are included in the Net Assets Statement on a fair value basis as at the reporting date. An 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 in the Fund Account.

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If valuations at the reporting date are not yet available, as may be the case for private debt and infrastructure investments, the latest available valuation is adjusted for cashflows in the intervening period.
The values of investments as shown on the Net Assets Statement have been determined at fair value in accordance with the requirements of the Code and IFRS 13 (see Note 16). 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 the transaction. End of year spot market exchange rates are used to value cash balances held in foreign currency bank accounts, market values of overseas investment and purchases and sales outstanding at the end of the reporting period.

(j) Derivatives

The Fund does not hold derivatives for speculative purposes (see note 15).

(k) Cash and Cash Equivalents

Cash comprises cash in hand and demand deposits, and includes amounts held by the Fund's external managers and custodian.

Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and that are subject to minimal risk of changes in value.

(l) Liabilities

The Fund recognises liabilities at fair value as at the reporting date. A 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 in the Fund Account as part of the change in market value of investments.

(m) 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 the requirements of IAS19 and relevant actuarial standards.

As permitted under the Code, the Fund has opted to disclose the actuarial present value of promised retirement benefits by way of an **Appendix** to these statements.

(n) Additional Voluntary Contributions

The Fund provides an Additional Voluntary Contribution (AVC) scheme for its members, the assets of which are invested separately from those of the Fund. The Fund has appointed Prudential as its AVC provider. AVCs are paid to the AVC provider by employers and are specifically for providing additional benefits for individual contributors. Each AVC contributor receives an annual statement showing the amount held in their account and the movements in the year.

AVCs are not included in the accounts in accordance with Section 4(1)(b) of the LGPS (Management and Investment of Funds) Regulations 2016 but are disclosed for information only (see note 23).

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(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 Assets Statement but are disclosed by way of narrative in the notes.

4. Critical Judgement in Applying Accounting Policies

Pension Fund Liability
The Fund's liability is calculated every three years by the Actuary, with annual updates in the intervening years. The methodology used is in line with accepted guidelines and in accordance with IAS19. Assumptions underpinning the valuations are agreed with the Actuary and are summarised in note 19. This estimate is subject to significant variances based on changes to the underlying assumptions.

Equity Shares in Border to Coast Pensions Partnership (BCPP)
The Fund's shareholding in the asset pool BCPP Ltd. has been valued at transaction price i.e. cost, as an appropriate estimate of fair value. The Class A share is valued at £1 and reflects the ownership stake in the company carrying full voting rights, dividend and capital distribution rights, whilst the Class B shares are valued at £1,181,818 and represented the Fund's contribution to the company's FCA regulatory capital requirement. Management have made this judgement using the criteria set out in IFRS 9 Financial Instruments:

- fair value cannot be otherwise established for these assets as there is currently no market for the shares and no identical or similar market to compare to;
- After two of the pool's partner funds (Northumberland and Tyne & Wear) merged on 1 April 2020, the obligation to meet the company's capital requirement were re-allocated between the remaining eleven partner funds. This serves as a precedent that in the event of a future exit from the partnership, the Fund's shares could be disposed of at cost back to the pool and re-issued to the remaining partners;
- BCPP is intending to trade at a breakeven position (nominal profit or loss) with any values offset against partner funds future costs. The company's own audited accounts show its shareholder funds to be equal to the regulatory capital invested.

The cost of these shares has therefore been determined as a reasonable and appropriate estimate of their fair value.

5. Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

These accounts require management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and for revenue and expenses during the year. Estimates are made taking into account historical experience, current trends and other relevant factors. However, the nature of estimation means that the actual outcomes could differ from those based on these assumptions and estimates.

The item in the Net Assets Statement as at 31 March 2023 for which there is a significant risk of material adjustment being required is the actuarial present value of promised retirement benefits,

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which is based on assumptions on the discount rate, salary increases, retirement ages, mortality rates and the return on investments.

The effects of changing individual assumptions on the value of pension liabilities can be measured. A 0.1% increase in the discount rate would reduce liabilities by 2.1% (£114.5m), a 0.1% increase in inflation would increase liabilities by 2% (£112.7m), and an increase in life expectancy of one year would increase liabilities by 4.2% (£235.1m).

6. Events After the End of the Reporting Period

Global investment markets have been particularly volatile during 2022 impacted by concerns over issues such as inflation and the ongoing conflict in Ukraine. However the estimated funding level as at 31 March 2023 of 110% means the Fund is well positioned to meet its future pensions obligations.

7. Contributions Receivable

By category

	2022/23 £000	2021/22 £000
Employees' Contributions	35,595	32,638
Employers' Contributions		
Normal contributions	106,551	100,316
Deficit recovery contributions	1,343	1,314
Early Retirement Recharges	1,066	974
Compensatory Added Years Recharges	1,273	254
Total Contributions	145,828	135,496

By authority

	2022/23 £000	2021/22 £000
Contributions Receivable		
North Yorkshire County Council	65,242	57,986
Other Scheduled Bodies	72,969	70,209
Admitted Bodies	7,617	7,301
	145,828	135,496

8. Transfers In from Other Pension Funds

All transfers in were individual transfers. There were no group transfers during the year.

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9. Benefits Payable

	2022/23 £000	2021/22 £000
Benefits Payable		
North Yorkshire County Council	55,620	52,858
Other Scheduled Bodies	69,636	65,685
Admitted Bodies	10,315	10,258
	135,571	128,801

10. Payments To and On Account of Leavers

	2022/23 £000	2021/22 £000
Leavers		
Refunds to Members Leaving Service	780	405
Individual Transfers	14,515	8,878
Group Transfers	0	0
	15,295	9,283

11. Management Expenses

	2022/23 £000	2021/22 £000
Administrative Costs	2,405	2,294
Investment Management Costs	34,069	26,583
Oversight and Governance Costs	1,869	1,387
	38,343	30,264

Investment Management Costs includes £6,569k (2021/22: £3,984k) in respect of performance related fees payable to the Fund’s investment managers and £10,659k in respect of transaction costs (2021/22 £7,805k).

In addition to these costs, indirect costs are incurred through the bid-offer spread on investments sales and purchases. These are reflected in the cost of acquisitions and in the proceeds from the sales of investments (see Note 14a).

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(a) Investment Management Expenses

2022/23	Total £000	Management Fees £000	Performance Fees £000	Transaction Fees £000
Fixed Interest Securities		0	0	0
Equities		0	0	0
Pooled Investments	28,714	14,426	6,569	7,719
Pooled Property Investments	5,120	2,180		2,940
Cash and FX Contracts				
	33,834	16,606	6,569	10,659
Custody Fees	235			
Total	34,069			

2021/22	Total £000	Management Fees £000	Performance Fees £000	Transaction Fees £000
Fixed Interest Securities	909	626		283
Equities	2	2		
Pooled Investments	20,993	12,542	3,984	4,387
Pooled Property Investments	4,665	1,610		3,123
Cash and FX Contracts	13	13		13
	26,582	14,793	3,984	7,806
Custody Fees	1			
Total	26,583			

12. Investment Income

	2022/23 £000	2021/22 £000
Income from Bonds	0	215
Income from Equities	49	2
Pooled Property Investments	1,613	1,635
Pooled Investments - Other Managed Funds	9,630	6,223
Interest on Cash Deposits	1,130	0
Other	322	(628)
	12,744	7,447

(a) Taxes on Income

	2022/23 £000	2021/22 £000
Withholding Tax on Dividends	0	0

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13. Other Fund Account Disclosures

	2022/23 £000	2021/22 £000
Payable in respect of external audit	19	19

14. Investments

(a) Reconciliation of Movements in Investments

	Value as at 31st March 2023 £000	Change in market value £000	Sale proceeds receipts £000	Purchases as at cost payments £000	Value as at 1st April 2022 £000
Fixed Interest Securities	0	0	0	0	0
Equities	1,182	0	0	0	1,182
Pooled Investments	3,545,213	(387,752)	(625,238)	545,518	4,012,685
Pooled Property	266,225	(37,117)	(40,399)	0	343,741
Private Equity / Infrastructure	392,532	24,111	(59,646)	182,277	245,790
Total Invested	4,205,152	(400,758)	(725,283)	727,795	4,603,398
Spot FX		(574)			
Cash Deposits	1,902	(414)			1,501
Net Investment Debtors	787				736
Net Investment Assets	4,207,841	(401,746)			4,605,635

	Value as at 31st March 2022 £000	Change in market value £000	Sale proceeds & derivative receipts £000	Purchases as at cost and derivative payments £000	Value as at 1st April 2021 £000
Fixed Interest Securities	0	52,664	(611,498)	221,152	337,682
Equities	1,182	0	0	0	1,182
Pooled Funds	4,012,685	1,002	(1,181,338)	1,539,550	3,653,471
Pooled Property	343,741	68,097	(4,220)	0	279,864
Private Equity / Infrastructure	245,790	15,803	(51,004)	166,643	114,348
Total Invested	4,603,398	137,566	(1,848,060)	1,927,345	4,386,547
Cash Deposits	1,501	237			105,209
Net Investment Debtors	736				2,129
Net Investment Assets	4,605,635	137,803			4,493,885

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(b) Analysis of Investments

	2022/23 £000	2021/22 £000
Fixed Interest Securities		
UK Public Sector Quoted	0	0
Equities		
UK Unquoted	1,182	1,182
	1,182	1,182
Pooled Investments		
UK Cash Funds	25,221	
Overseas Cash Funds	10,022	
UK Equity	415,870	367,839
UK Property	266,225	343,740
UK Government Bonds	496,490	716,917
UK Corporate Bonds	301,144	333,727
Multi Asset Credit	220,369	565,445
Overseas Equity	2,067,679	2,016,767
Private Debt	163,560	105,839
Insurance Linked Securities	8,418	11,990
Infrastructure	228,972	139,952
Equity Protection	0	0
Diversified Growth Funds - UK	0	0
	4,203,970	4,602,216
Total Investments	4,205,152	4,603,398
Cash Deposits	1,902	1,501
Net Investment Debtors	787	736
Net Investment Assets	4,207,841	4,605,635

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(c) Investments analysed by Fund Manager

	31st March 2023 £000	31st March 2023 %	31st March 2022 £000	31st March 2022 %
Investments managed by Border to Coast Pension Partnership:				
BCPP - Global Equity Alpha	1,219,592	29.0	1,299,651	28.0
BCPP - UK Equities	178,386	4.2	178,608	3.9
BCPP - Listed Alternatives	288,091	6.9	336,357	7.3
BCPP - Multi Asset Credit	220,369	5.2	227,926	4.9
BCPP - Index Linked Gilt Fund	496,490	11.8	716,917	15.5
BCPP - Investment Grade Credit	301,144	7.2	333,727	7.2
BCPP - Infrastructure 1	213,575	5.1	139,951	3.0
BCPP - Private Credit	99,344	2.4	43,038	0.9
BCPP - Climate Opportunities Fund	16,973	0.4		
BCPP - Infrastructure 2	6,910	0.2		
BCPP - Private Credit Series 2	5,087	0.1		
	3,045,961	72.5	3,276,175	70.7
Investments managed outside of Border to Coast Pensions Partnership:				
Baillie Gifford & Co. - LTGG	797,479	19.1	657,500	14.3
Dodge & Cox	0	0.0	248,847	5.4
Threadneedle	188,373	4.5	214,685	4.6
Legal & General	44,004	1.0	88,810	1.9
Northern Trust Held Cash	35,243	0.8	0	0.0
Hermes	33,848	0.8	40,246	0.9
Permira	22,948	0.5	33,060	0.7
Arcmont (formerly Bluebay)	27,696	0.7	29,741	0.6
Internally Managed (cash and net debtors)	0	0.0	28,818	0.6
Leadenhall Diversified Fund	2,055	0.0	4,180	0.1
Leadenhall NAT CAT Fund	1,154	0.0	4,079	0.1
Leadenhall Remote Fund	3,059	0.1	3,731	0.1
Cash with Bank of New York Mellon	0	0.0	1,469	0.0
BCPP - UK Unquoted Equities	1,182	0.0	1,182	0.0
PIMCO	0	0.0	1,162	0.0
Fidelity International	0	0.0	766	0.0
UK Equity Transition	0	0.0	2	0.0
	1,157,041	27.5	1,358,278	29.3
Total Net Assets	4,203,002	100.0	4,634,453	100.0

The investments with BCPP Global Equity Alpha, BCPP Listed Alternatives, BCPP Multi Asset Credit, BCPP Index Linked Gilts, BCPP Investment Grade Credit, BCPP Infrastructure and Baillie Gifford & Co each represent more than 5% of net assets. These investments are in pooled funds.

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(d) Stock Lending

The Fund has not released stock to a third party under a stock lending arrangement within a regulated market at this period end or in any previous years.

15. Analysis of Derivatives

The Fund does not hold derivatives.

16. 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.

Description of asset	Valuation hierarchy	Basis of valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
Market quoted investments	Level 1	Published bid market price ruling on the final day of the accounting period	Not required	Not required
Quoted bonds	Level 1	Fixed interest securities are valued at a market value based on current yields	Not required	Not required
Exchange traded pooled investments	Level 1	Closing bid value on published exchanges	Not required	Not required
Unquoted bonds	Level 2	Average of broker prices	Evaluated price feeds	Not required
Overseas bond options	Level 2	Option pricing model	Annualised volatility of counterparty credit risk	Not required
Pooled investments – overseas unit trusts and property funds	Level 2	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	Not required
Pooled investments – hedge 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	Valuations could be affected by material events occurring between the date of the financial statements provided and the pension fund's

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				own reporting date, by changes to expected cashflows, and by any differences between audited and unaudited accounts Required by 6.5.5.1 d) and f), 7.4.2.13 of the Code.
Other unquoted and private equities	Level 3	Comparable valuation of similar companies in accordance with International Private Equity and Venture Capital Valuation Guidelines (2012)	EBITDA multiple Revenue multiple Discount for lack of marketability Control premium	Valuations could be affected by changes to expected cashflows, and by any differences between audited and unaudited accounts
Shares in Border to Coast Pensions Partnership asset pool	Level 3	Estimated value of the Fund's share of net assets of the partnership company, based on relative % of shares held and voting rights	Current estimates of future dividend income	Valuations could be affected by future trading income, post-Balance Sheet events, or changes to expected cashflows.

Sensitivity of assets valued at level 3

Having analysed historical data and current market trends, and consulted with independent investment 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 2023.

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	Value at 31 March 2023 £000	Value on increase £000	Value on decrease £000
Assessed valuation range (+/-)			
Pooled investments- Private Debt	163,561	176,482	150,640
Pooled investments- Infrastructure	228,972	246,374	211,570
UK Unquoted Equities	1,182	1,182	1,182
Total	393,715	424,038	363,392

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
Assets and liabilities 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 as level 1 comprise quoted equities, quoted fixed securities, quoted index linked securities and unit trusts.

Level 2
Assets and liabilities at level 2 are those where quoted market prices are not available; for example, 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.

Level 3
Assets and liabilities 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 Pension Fund grouped into levels 1 to 3, based on the level at which the fair value is observable.

	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 2023				
Financial assets at fair value through profit and loss	37,932	3,776,195	393,714	4,207,841
Non-financial assets at fair value through profit and loss	0	0	0	0
Financial liabilities at fair value through profit and loss	0	0	0	0
Net investment assets	37,932	3,776,195	393,714	4,207,841

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	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 2022				
Financial assets at fair value through profit and loss	36,989	4,356,426	246,972	4,640,387
Non-financial assets at fair value through profit and loss	0	0	0	0
Financial liabilities at fair value through profit and loss	(5,934)	0		(5,934)
Net investment assets	31,055	4,356,426	246,972	4,634,453

b. Reconciliation of Fair Value Measurements Within Level 3

	Market Value at 1 April 2022 £000	Transfers into Level 3 £000	Transfers out of Level 3 £000	Purchases During the Year £000	Sales During the Year £000	Unrealised Gains and Losses £000	Realised Gains and Losses £000	Market Value at 31 March 2023 £000
Private Debt	105,839	0	0	80,063	(23,096)	1,733	(978)	163,560
Infrastructure	139,952	0	0	102,214	(29,956)	15,435	1,327	228,972
UK Unquoted Equities	1,182		0	0	0	0	0	1,182
	246,973	0	0	182,277	(53,052)	17,168	349	393,714

17. Financial Instruments

(a) Classification of Financial Instruments

Accounting policies describe how different asset classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table summarises the carrying amounts of financial assets and liabilities by category.

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31st March 2022				31st March 2023		
Designated as fair value through profit and loss £000	Loans and Receivables £000	Financial Liabilities amortised at cost £000		Designated as fair value through profit and loss £000	Loans and Receivables £000	Financial Liabilities amortised at cost £000
			Assets			
0	0	0	Fixed Interest Securities	0	0	0
1,182	0	0	Equities	1,182	0	0
4,012,685	0	0	Pooled Investments	3,545,213	0	0
343,741	0	0	Pooled Property	266,225	0	0
245,790	0	0	Private Equity/Infrastructure	392,532	0	0
0	0	0	Diversified Growth Funds	0	0	0
0	23,243	0	Cash	0	3,678	0
736	0	0	Investment Debtors	787	0	0
0	13,010	0	Non Investment Debtors	0	1,588	0
4,604,134	36,253	0		4,205,939	5,266	0
			Liabilities			
0	0	0	Investment Creditors	0	0	0
0	0	(5,934)	Non Investment Creditors	0	0	(2,189)
0	0	(5,934)		0	0	(2,189)
4,604,134	36,253	(5,934)		4,205,939	5,266	(2,189)

(b) Net Gains and Losses on Financial Instruments

	2022/23 £000	2021/22 £000
Fair Value Through Profit & Loss	(401,746)	137,804
Loans and Receivables	0	0
	(401,746)	137,804

18. Nature and Extent of Risks Arising from Financial Instruments

Risk and Risk Management

The Fund’s primary long term risk is that the Fund’s assets will fall short of its liabilities (i.e. promised benefits payable to members). Therefore, the aim of investment risk management is to minimise the risk of an overall reduction in the value of the Fund and to maximise the opportunity for gains across the whole Fund portfolio. The Fund achieves this through asset diversification to reduce exposure to market risk (price risk, currency risk and interest rate risk) and credit risk to an acceptable level. In addition, the Fund manages its liquidity risk to ensure there is sufficient liquidity to meet the Fund’s forecast cash flows. NYCC manages these investment risks as part of its overall approach to Pension Fund risk.

Responsibility for the Fund’s risk management strategy rests with the Pension Fund Committee. A Risk Register has been established to identify and analyse the risks faced by NYCC’s pensions operations. This document is reviewed regularly to reflect changes in activity and in market conditions.

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(a) Market Risk

Market risk is the risk of loss from fluctuations in equity prices, interest and foreign exchange rates and credit spreads. The Fund is exposed to market risk from its investment activities, particularly through its equity holdings. The level of risk exposure depends on market conditions, expectations of future price and yield movements and the asset mix.

The objective of the Fund's Risk Register includes identifying, managing and controlling market risk exposure within acceptable parameters, whilst optimising the risk-adjusted return.

In general, excessive volatility in market risk is managed through the diversification of the portfolio in terms of geographical and industry sectors and individual securities. To mitigate market risk, the Pension Fund Committee (PFC) and its investment advisers undertake appropriate monitoring of market conditions and benchmark analysis.

The Fund manages these risks in two ways:

- the exposure of the Fund to market risk is monitored through advice from the investment advisers to ensure that risk remains within tolerable levels
- specific risk exposure is limited by applying risk weighted maximum exposures to individual investments through Investment Management Agreements

Other Price Risk

Other price risk represents the risk that the value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign exchange risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all such instruments in the market.

The Fund is exposed to share and derivative price risk. This arises from investments held by the Fund for which the future price is uncertain. All securities investments present a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

The Fund's investment managers mitigate this price risk through diversification and the selection of securities and other financial instruments is monitored to ensure it is within limits specified in the Fund's investment strategy.

Other Price Risk – Sensitivity Analysis

Following analysis of historical data and expected investment return movement during the financial year, in consultation with the Fund's investment consultants, the Fund has determined that the following movements in market price risk are reasonably possible for the 2023/24 reporting period.

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Asset Type	Potential Market Movements (+/-) %
Equities	7.0
Property	5.9
Infrastructure	7.6
Listed alternatives	6.9
Illiquid credit	7.9
Investment grade credit	5.2
Non-investment grade credit	6.4
Absolute Return	6.0
Gilts	2.9
Cash	3.3

The potential price changes disclosed above are broadly consistent with a one-standard deviation movement in the value of the assets. The sensitivities are consistent with the assumptions contained in the investment advisors' most recent review. This analysis assumes that all other variables, in particular foreign currency exchange rates and interest rates, remain the same.

Had the market price of the Fund investments increased/decreased in line with the above, the change in the net assets available to pay benefits in the market price would have been as follows (the prior year comparator is shown below).

Asset Type	Value as at 31st March 2023 £000	Potential Market Movement £000	Value on Increase £000	Value on Decrease £000
Equities	2,483,549	173,848	2,657,397	2,309,701
Gilts	496,490	14,398	510,888	482,092
Investment grade credit	301,144	15,659	316,803	285,485
Non-investment grade credit	220,369	14,104	234,473	206,265
Other Pooled Investments	8,418	505	8,923	7,913
Property	266,225	15,707	281,932	250,518
Infrastructure	228,972	17,402	246,374	211,570
Illiquid credit	163,561	12,921	176,482	150,640
Total Assets	4,168,728		4,433,272	3,904,184

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Asset Type	Value as at 31st March 2022 £000	Potential Market Movement £000	Value on Increase £000	Value on Decrease £000
Cash and Cash Equivalents	1,501	30	1,531	1,471
UK Unquoted	1,182	0	1,182	1,182
Equities	2,384,606	163,624	2,548,230	2,220,982
Gilts	716,917	17,564	734,481	699,353
Investment grade credit	333,727	3,004	336,731	330,723
Non-investment grade credit	565,445	26,689	592,134	538,756
Other Pooled Investments	11,990	528	12,518	11,462
Property	343,741	18,218	361,959	325,523
Infrastructure	139,952	11,826	151,778	128,126
Illiquid credit	105,839	6,296	112,135	99,543
Non-Investment Debtors / Creditors	7,075	0	7,075	7,075
Total Assets	4,611,975		4,859,754	4,364,196

Interest Rate Risk

The Fund invests in financial assets for the primary purpose of obtaining a return on investments. These investments are subject to interest rate risks, which represent the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund's interest rate risk is monitored by the Fund and its investment advisers through the risk management strategy, including monitoring the exposure to interest rates and assessment of actual interest rates against the strategic benchmark.

The Fund's direct exposure to interest rate movements as at 31 March 2023 and 31 March 2022 is set out in the tables below. These disclosures present interest rate risk based on the underlying financial assets at fair value.

	2022/23 £000	2021/22 £000
Cash and Cash Equivalents	1,902	1,501
Pooled Investments	1,018,003	1,050,644
	1,019,905	1,052,145

The Fund recognises that interest rates can vary and can affect both income to the Fund and the value of the net assets available to pay benefits. For illustrative purposes if it were to change by +/- 1% the values in the table above would change by £157m for 2022/23 and £226m for 2021/22.

Currency Risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund is exposed to currency risk on financial instruments that are denominated in any currency other than the functional currency of the Fund (GBP). The Fund holds both monetary and non-monetary assets denominated in currencies other than GBP.

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The Fund's currency rate risk is monitored in accordance with the Fund's risk management strategy, including monitoring the range of exposure to currency fluctuations.
After receiving advice it is considered that the likely volatility associated with foreign exchange movements to be +/-8.2%. A fluctuation of this size is considered reasonable based on an analysis of the implied volatility of the 1-year options contracts for the exchange rates in the financial market.

Assuming all other variables, in particular, interest rates remain constant, an 8.24% strengthening/weakening of the pound against the various currencies in which the Fund holds investments would increase/decrease the net assets available to pay benefits as follows:

Asset Type	Value as at 31st March 2023 £000	Value on 8.2% Increase £000	Value on 8.2% Decrease £000
Overseas Cash Fund	10,022	10,844	9,200
Overseas Bonds	212,877	230,333	195,421
Overseas Equity	2,067,679	2,237,229	1,898,129
Overseas Pooled Funds	300,026	324,628	275,424
	2,590,604	2,803,034	2,378,174

Asset Type	Value as at 31st March 2022 £000	Value on 8.2% Increase £000	Value on 8.2% Decrease £000
Overseas Equities	2,016,768	2,182,142	1,851,393

(b) Credit Risk

Credit risk is the risk that the counterparty to a transaction or a financial instrument will fail to discharge an obligation and cause the Fund to incur a financial loss. The market values of investments generally reflect an assessment of credit in their pricing and consequently the risk of loss is implicitly provided for in the carrying value of the Fund's assets and liabilities.
In essence the Fund's entire investment portfolio is exposed to some form of credit risk, where the risk equates to the net market value of a positive derivative position. However the selection of high quality counterparties, brokers and financial institutions minimises credit risk that may occur through the failure to settle a transaction in a timely manner.

Contractual credit risk is represented by the net payment or receipt outstanding, and the cost of replacing the derivative position in the event of counterparty default. The residual risk is minimal due to the various insurance policies held by the exchanges to cover defaulting counterparties.

Credit risk on over the counter derivative contracts is minimised as counterparties are recognised financial intermediaries with acceptable credit ratings determined by recognised rating agencies.

Deposits are not made with banks and financial institutions unless they are rated independently and meet NYCC's credit criteria. NYCC has also set limits as to the maximum amount of deposits placed with any one financial institution. The banks and institutions chosen all have at least the minimum credit rating as described in NYCC's Treasury Management Strategy.

NYCC believes it has managed its exposure to credit risk and has had no experience of default or uncollectible deposits over the past five financial years. The Fund's cash holding under its treasury

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management arrangements with NYCC at 31 March 2023 was £1.7m (31 March 2022, £21.7m) and was held with the following institutions:

	Credit Rating	31 March 2023 £000	31 March 2022 £000
Call Accounts			
Barclays Bank Plc (NRFB)	A+ / F1	255	3,370
Handelsbanken	AA / F1+	163	0
Fixed Term Deposit Notice Accounts			
Santander UK	A+ / F1	203	3,168
Bank of Scotland	A+ / F1	0	0
National Westminster Bank PLC	A+ / F1 PN	224	3,695
DBS Bank Ltd	AA- / F1+	102	1,584
Goldman Sachs	A / F1	183	3,168
Standard Chartered	A+ / F1	183	2,640
Helaba	A+ / F1+	102	1,056
Sumitomo Mitsui BCE	A- / F1	122	
Local Authorities	-	239	3,061
		1,776	21,742

The Fund held liquid cash in a UK and an Overseas Short Term Investment Fund during 2022/23, the average investment balances for these funds were £25m and £4m respectively. The Fund received interest of £735k on these funds in 2022/23.

(c) Liquidity Risk

Liquidity risk represents the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund therefore takes steps to ensure that it has adequate cash resources to meet its commitments.

The Fund has immediate access to its cash holdings, subject to the fixed periods determined when deposits are placed. These deposits are scheduled to ensure cash is available when required.

The Fund also has access to an overdraft facility for short term (up to three months) cash needs. This facility is only used to address changes in the strategic benchmark and is met by either surplus cash from contributions received exceeding pensions paid or if necessary, disinvesting.

The Fund defines liquid assets as assets that can be converted to cash within three months. Illiquid assets are those assets which will take longer than three months to convert to cash. As at 31 March 2023 the value of illiquid assets was £377m (31 March 2022, £247m).

All liabilities at 31 March 2023 are due within one year. The Fund does not have any financial instruments that have a refinancing risk as part of its treasury management and investment strategies.

19. Funding Arrangements

In line with the Local Government Pension Scheme Regulations 2013 the Fund's Actuary, Aon, undertakes a funding Valuation every three years for the purpose of setting employer contribution rates for the forthcoming triennial period. The last such Valuation took place as at 31 March 2022.

The key elements of NYPF's funding policy are:

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- to ensure the long term solvency of the Fund, i.e. that sufficient funds are available to meet all pension liabilities as they fall due for payment
- to ensure that employer contribution rates are as stable as possible
- to minimise the long term cost of the scheme by recognising the link between assets and liabilities and adopting an investment strategy that balances risk and return
- to reflect the different characteristics of employing bodies in determining contribution rates where the Administering Authority considers it reasonable to do so
- to use reasonable measures to reduce the risk to other employers and ultimately to the council tax payer from an employer defaulting on its pension obligations

At the 2022 Valuation the aim was to achieve 100% solvency over a period of 18 years from April 2023 and to provide stability in employer contribution rates by spreading any increases in rates over a period of time. Solvency is achieved when the funds held, plus future expected investment returns and future contributions are sufficient to meet expected future pension benefits payable.

At the 2022 Triennial Valuation the Fund was assessed as 116% funded (114% at the 2019 Valuation). This reflected a surplus of £640m (surplus of £450m at the 2019 Valuation).

The common rate of employers' contributions is the average rate required from all employers calculated as being sufficient, together with contributions paid by employees, to meet all liabilities arising in respect of service after the Valuation date. For 2022/23 the common rate (determined at the 2019 Valuation) is 17.7% of pensionable pay.

Individual employers' rates will vary from the common 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 Triennial Valuation Report and the Funding Strategy Statement on the Fund's website.

The valuation of the Fund has been undertaken using the projected unit method under which the salary increase for each member is assumed to increase until they leave active service by death, retirement or withdrawal from service. The principal assumptions were:

	For Future Service Liabilities	
Investment Return	4.20%	per annum
Inflation	2.30%	per annum
Salary Increases	3.55%	per annum
Pensions Increases	2.30%	per annum

Future life expectancy (from age 65) based on the Actuary's Fund specific mortality review was:

	Male	Female
Future Pensioners (assumed current age 45)	23.4	26.0
Current Pensioners	22.5	24.9

Commutation Assumption
It is assumed that future retirees will take 75% of the maximum additional tax-free lump sum up to HMRC limits for pre-April 2008 service and for post-April 2008 service.

50:50 Option
It is assumed that no active members (evenly distributed across the age, service and salary range) will take up the 50:50 option in the LGPS 2014 scheme.

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20. Actuarial Present Value of Promised Retirement Benefits

In addition to the Triennial Funding Valuation, the Actuary also undertakes a valuation of pension fund liabilities on an IAS19 basis every year using the same base data as the Valuation, rolled forward to the current financial year, taking account of changes in membership numbers and using updated assumptions. A statement prepared by the Actuary is attached as an **Appendix** .

21. Current Assets

	31st March 2023 £000	31st March 2022 £000
Debtors		
Investment Debtors		
Accrued Dividends	0	0
Withholding Taxes Recoverable	787	736
	787	736
Other Debtors		
Contributions due from Scheduled (Government) Bodies	11,708	11,863
Contributions due from Admitted Bodies	0	0
Pensions Rechargeable	1,031	759
Other	557	388
	13,296	13,010
Cash	1,776	21,742
	15,859	35,488

(a) Long Term Debtors

	31st March 2023 £000	31st March 2022 £000
Long Term Debtors		
Reimbursement of Lifetime Tax Allowances	0	0

22. Current Liabilities

	31st March 2023 £000	31st March 2022 £000
Creditors		
Sundry Other Creditors	2,189	5,934
	2,189	5,934

23. Additional Voluntary Contributions (AVCs)

The AVC provider for the North Yorkshire Pension Fund is Prudential. The market value of the AVCs as at 31 March 2022 was £16.8m, as at 31st March 2023 was £15.9m. Contributions paid directly to Prudential during the year 2022/23 was £2.6m.

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24. Agency Services

The North Yorkshire Pension Fund does not operate Agency Services contracts.

25. Related Party Transactions

North Yorkshire County Council
The North Yorkshire Pension Fund is administered by North Yorkshire County Council. Consequently, there is a strong relationship between the Council and the Fund.

The Council incurred costs of £1.9m (£1.8m in 2021/22) in relation to the administration of the Fund and was subsequently reimbursed by the Fund for these expenses. The Council is also the single largest employer of members of the Fund and contributed £65.2m to the Fund in 2022/23 (£58.0m in 2021/22).

The Fund's cash holdings for cashflow purposes are invested with banks and other institutions by the treasury management operations of NYCC, through a service level agreement. During the year to 31 March 2023 the Fund had an average investment balance of £11.2m (£16.7m during 2021/22) and received interest of £181.7k (£31k received in 2021/22) on these funds.

Governance
As at 31 March 2023 there were no Pension Fund Committee Members who were also active members of the Fund. The Corporate Director – Strategic Resources, who was also the Treasurer of the Fund was an active member. Benefits for the Treasurer were accrued on exactly the same basis as for all other members of the Fund.

Key Management Personnel
The Code exempts local authorities from the key management personnel disclosure requirements of IAS 24. This exemption applies in equal measure to the accounts of the Fund. The disclosures required by The Accounts and Audit (England) Regulations can be found in the main accounts of NYCC.

26. Contingent Liabilities and Contractual Commitments

Outstanding capital commitments (investments) at 31 March 2023 were £508.6m (31 March 2022 £380.1m). These commitments relate to outstanding call payments due on unquoted limited partnership funds held in the private debt and infrastructure parts of the portfolio.

27. Contingent Assets

Four admitted body employers hold insurance bonds to guard against the possibility of being unable to meet their pension obligations. These bonds are drawn in favour of the Fund and payment will only be triggered in the event of an employer default.

28. Impairment Losses

The Fund had no material impairment losses at the year-end (£nil in 2021/22).

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Statement of the Actuary

North Yorkshire Pension Fund

Statement of the Actuary for the year ended 31 March 2023

Introduction

This statement has been prepared in accordance with Regulation 57(1)(d) of the Local Government Pension Scheme Regulations 2013 (the 'LGPS Regulations').

The LGPS Regulations require that a full actuarial valuation is carried out every third year. The purpose of this is to establish that the North Yorkshire Pension Fund (the 'Fund') is able to meet its liabilities to past and present contributors and to review employer contribution rates. The last full actuarial investigation into the financial position of the Fund was completed as at 31 March 2022 by Aon, in accordance with Regulation 62 of the LGPS Regulations.

Actuarial Position

1. The valuation as at 31 March 2022 showed that the funding level of the Fund had increased since the previous valuation with the market value of the Fund's assets as at 31 March 2022 (of £4,634.5M) covering 116% of the liabilities.

2. The valuation also assessed each individual employer's (or group of employers') position separately. Contribution requirements were determined based on the principles in the Fund's Funding Strategy Statement and are set out in Aon's report dated 29 March 2023 (the "actuarial valuation report"). In addition to the contributions certified, payments to cover additional liabilities arising from early retirements (other than ill-health retirements) will be made to the Fund by the employers.

Total contributions payable by all employers over the three years to 31 March 2026 are estimated to be:

Year from 1 April	% of pensionable pay	Plus total contribution amount (£M)
2023	17.3	1.495
2024	17.0	1.685
2025	16.7	1.888

3. The funding plan adopted in assessing the contributions for each employer is in accordance with the Funding Strategy Statement. Different approaches were adopted in relation to the calculation of the primary contribution rate, stepping of contribution changes and individual employers' recovery periods as agreed with the Administering Authority and reflected in the Funding Strategy Statement, reflecting the employers' circumstances.

4. The valuation was carried out using the projected unit actuarial method for most employers, allowing for future increases in pensionable pay. The main financial actuarial assumptions used for assessing the funding target and the contribution rates were as follows.

Discount rate for periods in service

Scheduled and subsumption body funding target *	4.20% p.a.
Intermediate (strong covenant approach) funding target	3.85% p.a.
Intermediate (standard approach) funding target	3.60% p.a.
Ongoing orphan funding target	3.60% p.a.

Discount rate for periods after leaving service

Scheduled and subsumption body funding target *	4.20% p.a.
Intermediate (strong covenant approach) funding target	3.85% p.a.
Intermediate (standard approach) funding target	3.60% p.a.
Ongoing orphan funding target	0.80% p.a.

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Rate of pay increases	3.55% p.a.
Rate of increase to pension accounts **	2.30% p.a.
Rate of increases in pensions in payment ** (in excess of Guaranteed Minimum Pension)	2.30% p.a.

** The secure scheduled body discount rate was also used for employers whose liabilities will be subsumed after exit by a scheduled body.*
*** In addition, a 10% uplift has been applied to the past service liabilities on the scheduled body and subsumption funding targets to make allowance for short-term inflation above the long-term assumption.*

In addition, the discount rate and rate of increases to pensions for already orphaned liabilities (i.e. where there is no scheme employer responsible for funding those liabilities and the employer has exited the Fund) were assumed to be 1.7% p.a. and 3.4% p.a. respectively.

The assets were valued at market value.

5. The key demographic assumption was the allowance made for longevity. The post retirement mortality assumption adopted for the actuarial valuation was in line with standard self-administered pension scheme (SAPS) S3 mortality tables with appropriate scaling factors applied based on an analysis of the Fund's pensioner mortality experience and a Fund membership postcode analysis using Aon's Demographic Horizons™ longevity model, and included an allowance for future improvements based on the 2021 Continuous Mortality Investigation Projections Model, with a long term annual rate of improvement in mortality rates of 1.5% p.a. The resulting average future life expectancies at age 65 (for normal health retirements) were:

	Men	Women
Current pensioners aged 65 at the valuation date	22.5	24.9
Current active members aged 45 at the valuation date	23.4	26.0

Further details of the assumptions adopted for the valuation, including the other demographic assumptions, are set out in the actuarial valuation report.

6. The valuation results summarised in paragraph 1 above are based on the financial position and market levels at the valuation date, 31 March 2022. As such the results do not make allowance for changes which have occurred subsequent to the valuation date. The Actuary, in conjunction with the Administering Authority, monitors the funding position on a regular basis.

7. The formal actuarial valuation report and the Rates and Adjustments Certificate setting out the employer contribution rates for the period from 1 April 2023 to 31 March 2026 were signed on 29 March 2023. Other than as agreed or otherwise permitted or required by the Regulations, employer contribution rates will be reviewed at the next actuarial valuation of the Fund as at 31 March 2025 in accordance with Regulation 62 of the Local Government Pension Scheme Regulations 2013.

8. This Statement has been prepared by the Actuary to the Fund, Aon, for inclusion in the accounts of the Fund. It provides a summary of the results of their actuarial valuation which was carried out as at 31 March 2022. The valuation provides a snapshot of the funding position at the valuation date and is used to assess the future level of contributions required.

This Statement must not be considered without reference to the formal actuarial valuation report which details fully the context and limitations of the actuarial valuation.

Aon does not accept any responsibility or liability to any party other than our client, North Yorkshire Council, the Administering Authority of the Fund, in respect of this Statement.

9. The report on the actuarial valuation as at 31 March 2022 is available on the Fund's website at the following address:
https://www.nypf.org.uk/Documents/Actuarial%20valuation%20report%202022_29.3.2023.pdf

Aon Solutions UK Limited

May 2023

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IAS 26 Results

Whole of Pension Fund Accounting 2023

Prepared for:	North Yorkshire Council, as Administering Authority to the North Yorkshire Pension Fund
Prepared by:	Scott Campbell FIA
Date:	19 May 2023

Glossary

Accounting Date	31 March 2023
Fund	North Yorkshire Pension Fund
Fund Administering Authority	North Yorkshire Council
2022 Valuation	Actuarial Valuation of the North Yorkshire Pension Fund as at 31 March 2022 as reported in the document titled 'Report on the 31 March 2022 actuarial valuation' dated 29 March 2023

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Introduction

Contents

Why bring you this report?

This report is commissioned by and addressed to North Yorkshire Council (the Addressee).

This report sets out pension cost information required by the Fund Administering Authority in order to meet their disclosure requirements in relation to their pension obligations as specified by the accounting standard, IAS 26.

We have carried out this work in relation to benefits payable from the Fund.

Related documents

The advice provided in this report is supported by advice contained in the following documents:

- IAS 26 Terms of Reference - Whole of Pension Fund accounting 2023 ('Terms of Reference').
- IAS 26 Assumptions Advice - Whole of Pension Fund accounting 2023 ('Assumptions Advice').

In addition, the following documents should be referred to:

- 2022 Valuation report

Background

CIPFA's Code of Practice indicates that the Fund accounts for the year ending 31 March 2023 should disclose the "actuarial present value of the promised retirement benefits" as set out in IAS 26 and that the actuarial present value should be calculated on assumptions set in accordance with IAS 19 rather than on the funding assumptions.

CIPFA put forward three options for disclosing the actuarial present value of promised retirement benefits. Further detail on these can be found in our Terms of Reference.

The Fund Administering Authority has chosen option C which was confirmed to us in an e-mail dated 17 April 2023. Option C requires the actuarial valuation of the liabilities on an IAS 19 basis to be prepared at formal triennial valuations only, the most recent being as at 31 March 2022. Under option C this, together with other related information, should be disclosed in an actuarial report which will accompany the notes to the accounts.

The calculations contained in this document have been carried out on a basis consistent with our understanding of IAS 19.

I confirm that I am an independent qualified actuary.

Methodology

The approach to our calculations was set out in the Terms of Reference and Appendix A of this report.

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IAS 26 disclosures

IAS 26 requires the 'actuarial present value of the promised retirement benefits' to be disclosed, which is the IAS 26 terminology for what IAS 19 refers to as the 'defined benefit obligation'.

The information set out below relates to the actuarial present value of the promised retirement benefits in the Fund which is part of the Local Government Pension Scheme.

The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2014 being linked to final salary. Benefits after 31 March 2014 are based on a Career Average Revalued Earnings scheme. Details of the benefits covered by these figures are set out in 'The Local Government Pension Scheme Regulations 2013' (as amended) and 'The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014' (as amended).

Actuarial present value of promised retirement benefits

CIPFA's Code of Practice on local authority accounting for 2022/23 sets out that the actuarial present value of promised retirement benefits based on projected salaries should be disclosed.

The results as at 31 March 2022, together with the results as at 31 March 2019 are shown in the table below. The corresponding fair value of Fund assets is also shown in order to show the level of surplus or deficit within the Fund when the liabilities are valued using IAS 19 assumptions.

We do not believe the Fund Administering Authority needs to show the 2019 figures under IAS 26 if it does not wish to do so. The Code of Practice is not clear if the fair value of assets and the surplus / deficit at 31 March 2022 also needs to be disclosed but you may want to include these figures for clarity.

	Value as at 31 March 2022 (£M)	Value as at 31 March 2019 (£M)
Fair value of net assets	4,634.5	3,575.2
Actuarial present value of the defined benefit obligation	5,533.1	4,418.3
Surplus / (deficit) in the Fund as measured for IAS 26 purposes	(898.6)	(843.1)

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Assumptions

The latest full triennial actuarial valuation of the Fund's liabilities was carried out as at 31 March 2022. The principal assumptions used for the purpose of IAS 26 by the Fund's independent qualified actuaries were:

	31 March 2022	31 March 2019
Discount rate	2.70%	2.40%
CPI inflation (1) (2)	3.00%	2.20%
Salary increases (3)	4.25%	3.45%

Notes

(1) Pension increases on pension in excess of Guaranteed Minimum Pension in payment where appropriate.

(2) The assumption for the revaluation rate of pension accounts is set equal to the assumption for pension increases. In the 2022 assumption we have also made allowance for higher actual CPI for the period 30 September 2021 to 31 March 2022, where 30 September 2021 is the date of the reference CPI index that the Scheme's benefits had been increased by in April 2022.

(3) A promotional salary scale is assumed to apply in addition to this, at the rates assumed in the relevant valuation of the Fund.

Demographic assumptions

The mortality assumptions are based on actual mortality experience of members within the Fund based on an analysis carried out as part of the 2022 Actuarial Valuation and allow for expected future mortality improvements. Sample life expectancies at age 65 in normal health resulting from these mortality assumptions are shown below:

	31 March 2022	31 March 2019
Males		
Future lifetime from age 65 (pensioners aged 65 at 31 March 2022)	22.5	22.0
Future lifetime from age 65 (actives aged 45 at 31 March 2022)	23.4	23.7
Females		
Future lifetime from age 65 (pensioners aged 65 at 31 March 2022)	24.9	24.0
Future lifetime from age 65 (actives aged 45 at 31 March 2022)	26.0	25.9

Different mortality assumptions have been used for other categories of member as set out in the actuary's report on the 2022 valuation. Assumptions for the rates of withdrawal and ill health retirements (for active members), the allowance made for cash commutation on retirement, and the proportion of members whose death gives rise to a dependant's pension are the same as those adopted in the 2022 valuation of the Fund, which are detailed in the actuary's valuation report.

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Key risks associated with reporting under IAS 26 and sensitivity

Volatility of results

Results under IAS 26 can change dramatically depending on market conditions. The defined benefit obligation is linked to yields on AA-rated corporate bonds, while a significant proportion of the assets of the Fund are invested in equities and other growth assets. Changing markets in conjunction with discount rate volatility will lead to volatility in the funded status of the pension fund. For example:

- A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes, although this will be marginally offset by the increase in the assets as a result (to the extent the Fund invests in corporate bonds).
- The majority of the pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to a higher liability value. The assets are not perfectly correlated with inflation meaning that an increase in inflation will increase the deficit.
- The majority of the Fund's obligations are to provide benefits for the life of the member following retirement, so increases in life expectancy will result in an increase in the liabilities.

Post balance sheet date experience

Since 31 March 2022 the Fund's assets have generally delivered lower than expected returns and inflation has been higher than expected. However, corporate bond yields have increased significantly which will have led to a reduction in the value of the defined benefit obligation (liabilities) on an accounting basis. We would expect the Funds' IAS 26 balance sheet position to have improved significantly over the year, with a lower IAS 26 deficit, at 31 March 2023 if the Fund had chosen to update the position annually.

If at any time during the year you want us to provide you with an update of the IAS 26 position, please let us know.

Choice of accounting assumptions

The calculation of the actuarial present value of the promised retirement benefits involves projecting future cash-flows from the Fund many years into the future. This means that the assumptions used can have a material impact on the surplus / deficit. As such, the Fund Administering Authority should ensure that it understands the reasoning behind the assumptions adopted and is comfortable that they are appropriate.

Furthermore, the Fund Administering Authority should bear in mind that, as required by the accounting standard, the assumptions (with the exception of the discount rate) have been set so that they represent a best estimate of future experience from the Fund. In practice future experience within the Fund may not be in line with the assumptions adopted. This means that the liabilities shown in this report only represent one view of the future and the true position could be different from those shown. For example, members could live longer than foreseen or inflation could be higher or lower than allowed for in the calculations.

Sensitivity of results to key assumptions

In order to understand the magnitude of the possible volatility in the balance sheet position and to understand which assumptions are most important in determining the

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size of the liabilities, it is helpful to understand how sensitive the results are to the key assumptions.

IAS 19 requires entities to disclose information about the sensitivity of the defined benefit obligation to changes in key assumptions although it is not clear that IAS 26 or the CIPFA Code of Practice requires this information. Nevertheless, we have set out below how the results would alter by changing the discount rate, the pay increase assumption and pension increase assumption by plus or minus 0.1% and if life expectancy was to reduce or increase by 1 year. In each case, only the assumption mentioned is altered; all other assumptions remain the same.

Discount rate assumption

Adjustment to discount rate assumption	+0.1% £M	-0.1% £M
£ change to present value of the defined benefit obligation	(114.5)	116.9
% change in present value of defined benefit obligation	-2.1%	2.1%

Rate of general increase in salaries

Adjustment to salary increase rate assumption	+0.1% £M	-0.1% £M
£ change to present value of the defined benefit obligation	4.2	(4.1)
% change in present value of defined benefit obligation	0.1%	-0.1%

Rate of increase to pensions and rate of revaluation of pensions accounts

Adjustment to pension increase rate assumption	+0.1% £M	-0.1% £M
£ change to present value of the defined benefit obligation	112.7	(110.3)
% change in present value of defined benefit obligation	2.0%	-2.0%

Post retirement mortality assumption

Adjustment to members' life expectancy	- 1 year £M	+ 1 year £M
£ change to present value of the defined benefit obligation	(233.6)	235.1
% change in present value of defined benefit obligation	-4.2%	4.2%

Membership data

A summary of the membership data used in these calculations is set out in the 2022 Valuation report.

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Appendix A: Explanation of actuarial methods used

Benefits

Our calculations relate to benefits payable from the Fund (as set out in LGPS Regulations at the relevant times – further details can be found in the 2022 valuation report). These benefits include retirement pensions and benefits on members' death and leaving service.

Unfunded defined benefit obligations e.g. discretionary pensions benefits being paid under the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations (generally referred to as Compensatory Added Years), have not been valued as they do not form part of the Fund. However, they may be required in the IAS 19 figures prepared for individual employers within the Fund.

Data

The valuation of accrued pension benefits for IAS 26 purposes requires detailed information in respect of each member such as date of birth, gender, date of joining the fund, their accrued pension and so forth.

This information was supplied by the Fund Administering Authority for the 2022 formal actuarial valuation of the Fund in the form of a standardised data extract from the Fund Administering Authority's administration systems.

The formal valuation process (which is a precursor to the valuation for IAS 26 purposes) involves a series of structured validation tests on the data items for integrity and reasonableness. These tests, together with any actions taken in respect of specific data issues, are documented as part of the normal valuation process.

Where tests reveal issues with the data, the Fund Administering Authority is contacted with a view to resolving all data queries. Only when the data queries have been resolved to the satisfaction of the Fund Actuary, will the valuation proceed.

We can confirm that no data issues were identified at the 2022 valuation that we believe would have a material effect on the calculations presented in this report. Overall, it is our opinion that the data presented at the valuation is sufficiently accurate, relevant and complete for the Fund Administering Authority to rely on the resulting IAS 19 (IAS 26) figures.

Assumptions

IAS 19 sets out the following general requirements for the setting of assumptions:

Actuarial assumptions shall be unbiased and mutually compatible; and

Financial assumptions shall be based on market expectations, at the balance sheet date, for the period over which the obligations are to be settled.

Furthermore IAS 19 requires that the assumed discount rate is determined by reference to market yields at the balance sheet date on high quality corporate bonds and in countries where there is no deep market in such bonds, the market yield (at the balance sheet date) on government bonds shall be used.

The assumptions are ultimately the responsibility of the Fund Administering Authority. Any assumptions that are affected by economic conditions (financial assumptions) should reflect market expectations at the balance sheet date.

The key financial assumptions are set out in “Information required for IAS 26” and the derivation of the assumptions is set out in our assumptions letter referred to in the Related Documents section.

Method of calculation

The figures at 31 March 2022 have been based on a full calculation of the liabilities using the data summarised in this report and the assumptions set out in the Assumptions Advice. Further information on the method was set out in the Terms of Reference.

Assets

IAS 19 requires that assets be valued at Fair Value which is defined as the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. For the purposes of this exercise we have taken the asset values directly from the Fund's draft annual accounts as at 31 March 2022.

The assets do not include defined contribution Additional Voluntary Contributions.

Treatment of risk benefits

To value the risk benefits paid on death in service and ill health early retirement we have valued service related benefits based on service completed to the date of calculation only.

Expenses

Fund administration expenses are not reserved for in the net present value of actuarial liabilities, consistent with the treatment adopted for individual employers who require IAS 19 disclosures.

IFRIC 14

IFRIC 14 is an interpretation of paragraph 58 of the IAS 19 accounting standard setting out limits to the amount of surplus that can be recognised by employing organisations in their accounts. We do not believe it has any relevance to IAS 26.

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Appendix B: Compliance and disclaimer

This document has been prepared in accordance with the framework below.

Compliance with Professional Standards

This document, and the work relating to it, complies with 'Technical Actuarial Standard 100: Principles for Technical Actuarial Work' ('TAS 100').

Disclaimer

The calculations contained in this report have been made on a basis consistent with our understanding of IAS 19 and IAS 26. Figures required for other purposes should be calculated in accordance with the specific requirements of those purposes. It must not be assumed that figures produced for the purposes of IAS 26, which we present in this report, have any relevance beyond the scope of IAS 26.

This report is prepared on the instructions of the Fund Administering Authority ("you" or "your") in relation to the preparation of accounting figures for your financial reporting as at the Accounting Date. It has been prepared at this date, for the purpose and on the basis set out in this report.

This report should not be used or relied upon by any person other than the Addressee for any other purpose including, without limitation, other professional advisers, including the auditors and accountants ("third parties" or "third party") to the Addressee. All third parties are hereby notified that this report shall not be used as a substitute for any enquiries, procedures or advice which ought to be undertaken or sought by them. We do not accept any responsibility for any consequences arising from any third party seeking to rely on this report.

We neither warrant nor represent (either expressly or by implication) to any third party who receives this report that the information contained within is fair, accurate or complete, whether at the date of its preparation or at any other time.

Unless we provide express prior written consent, no part of this report should be reproduced, distributed or communicated to any other person other than to meet any statutory requirements and, in providing this report, we do not accept or assume any responsibility for any other purpose or to anyone other than the Fund Administering Authority.

We recognise that the Fund Administering Authority's auditors may request to see a copy of our report, as part of their audit process and under statutory requirements. We agree that you may release our report to your auditors for such purpose however in making such disclosure you shall ensure that this disclaimer remains attached to this report, and you further agree that you shall ensure that your auditors have read this disclaimer. For the avoidance of doubt, if we are approached directly by any third party for copies of this report or requested to answer queries about the report, we will require such third party to accept a third party release non reliance letter agreeing that we did not prepare the report for the third party and we do not accept any legal obligations to them. Please rest assured that this approach does not affect our contractual obligations to you as our client, with whom we continue to hold a duty of care in accordance with our terms of engagement.

This report was based on data available to us at the effective date of our calculations and takes no account of developments after that date except where explicitly stated otherwise.

With respect to data on which we have relied in producing this report, whilst we have taken certain limited steps to satisfy ourselves that the data provided to us is of a quality sufficient for the purposes of our investigation, including carrying out certain basic tests for the purpose of detecting manifest inconsistencies, it is not possible for us to confirm the accuracy or completeness of the detailed information provided. Whilst the Fund Administering Authority may have relied on others for the maintenance of accurate data, it is their responsibility to ensure the adequacy of these arrangements and ultimately the Fund Administering Authority that bears the primary responsibility for the accuracy of such information provided.

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