

PENSION FUND

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LONDON
BOROUGH OF HARINGEY

[TO BE INSERTED AT END OF AUDIT]

PENSION FUND

2025/26	Pension Fund Account	Note	2024/25	2025/26	Net Assets Statement	Note	2024/25
£000			£000	£000			£000
	Dealings with members, employers and others directly involved in the fund			220	Long Term Investments	13	150
62,756	Contributions	7	62,276	2,101,596	Investment assets	13	1,944,728
10,825	Transfers in from other pension funds	8	15,796	-	Investment liabilities	13	-
78,581			78,072	2,101,816	Total net investments		1,944,878
(74,522)	Benefits	9	(73,669)	2,285	Current assets	19	2,453
(9,931)	Payments to and on account of leavers	10	(10,545)	(4,635)	Current liabilities	20	(7,218)
(84,453)			(84,214)				
(5,872)	Net additions/(withdrawals) from dealings with members		(6,142)	2,099,466	Net assets of the fund available to fund benefits at the end of the reporting period		1,940,113
(7,365)	Management expenses	11	(7,114)				
(13,237)	Net withdrawals including fund management expenses		(13,256)				
	Returns on Investments:						
31,511	Investment Income	12	31,487				
-	Taxes on income		-				
138,080	Profit and losses on disposal of investments and changes in market value of investments	13a	50,823				
172,591	Net return on investments		82,310				
159,354	Net increase/decrease in the net assets available for benefits during the year		69,054				
1,940,113	Opening net assets of the scheme		1,871,059				
2,099,466	Closing net assets of the scheme		1,940,113				

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Notes to the Haringey Pension Fund Accounts for the year ended 31st March 2026

1. Description of the fund

The Haringey Pension Fund is part of the Local Government Pension Scheme (LGPS) and is administered by Haringey Council.

a) General

The scheme is governed by the Public Service Pensions Act 2013. The fund is administered in accordance with the following secondary legislation.

- The [Local Government Pension Scheme Regulations 2013](#) (as amended)
- The [Local Government Pension Scheme \(Transitional Provisions, Savings and Amendment\) Regulations 2014](#) (as amended)
- The [Local Government Pension Scheme \(Management and Investment of Funds\) Regulations 2016](#).

It is a contributory defined benefit pension scheme administered by Haringey Council to provide pensions and other benefits for pensionable employees of Haringey Council, a range of other scheduled bodies, and admitted bodies within the London Borough of Haringey area. Teachers, police officers and firefighters are not included as they come within other national pension schemes. The fund is overseen by Haringey Pension Fund's Combined Pensions Committee and Board, which is a committee of Haringey Council.

b) Fund administration and membership

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

Organisations participating in the Haringey Pension Fund include the following:

- scheduled bodies, which are automatically entitled to be members of the fund.
- admitted bodies, which participate under the terms of an admission agreement between the fund and the employer. Admitted bodies include voluntary, charitable, and similar not-for-profit organisation, or private contractors undertaking a local authority function following outsourcing to the private sector.

Membership details of the Pension Fund are set out below:

Haringey Pension Fund	31 March 2026	31 March 2025
Number of employers	61	63
Number of employees		
Haringey Council	5,534	5,463
Other employers	1,129	1,100
Total	6,663	6,563
Number of pensioners		
Haringey Council	8,529	8,194
Other employers	1,111	1,034
Total	9,640	9,228
Deferred pensioners		
Haringey Council	8,843	8,806
Other employers	1,859	1,774
Total	10,702	10,580
Total number of members in pension scheme	27,005	26,371

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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 [Local Government Pension Scheme Regulations 2013](#) and ranged from 5.5% to 12.5% of pensionable pay for the financial year ending 31 March 2026. Employers' contributions are set based on triennial actuarial funding valuations. The valuation for the period to 31 March 2028 was carried out as at 31 March 2025. The primary employer contribution rate for the whole fund was 17.3%.

d) Benefits

Prior to 1 April 2014, pension benefits under the LGPS were based on final pensionable pay and length of pensionable service. From 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 uplifted annually in line with the Consumer Prices Index inflation rate.

A range of other benefits are also provided included early retirement, disability pensions and death benefits, as explained on the LGPS website – see www.lgpsmember.org.

2. Basis of Preparation

The statement of accounts summarises the fund's transactions for the 2025/2026 financial year and its financial position at 31 March 2026. The accounts have been prepared in accordance with the *Code of Practice on Local Authority Accounting 2024/25* (the Code), which is based upon International Financial Reporting Standard (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 that fall due after the end of the financial year, nor do they take into account the actuarial present value of promised retirement benefits. The Code gives administering authorities the option to disclose this information in the net assets statement, in the notes to the accounts or by appending an actuarial report prepared for this purpose. The pension fund has opted to disclose this information in Note 18.

3. Summary of significant accounting policies

Fund account – revenue recognition

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 that 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 employer contributions in respect of ill-health and early retirements are accounted for in the year the event rose. Any amount due in year but unpaid will be classed as a current financial asset. Amounts not due until future years would be classed as long-term financial assets.

b) Transfers to and from other schemes

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Transfers in and out relate to members who have either joined or left the fund. Individual transfers in/out are accounted for when received or paid. Bulk (group) transfers are accounted for in accordance with the terms of the transfer agreement.

c) Investment income

- i. Interest income is recognised in the fund account as it accrues, using the effective interest rate of the financial instrument as at the date of acquisition or origination.
- ii. 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 financial asset.
- iii. Changes in value of investments (including investment properties) are recognised as income 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 end of the financial year. Any amounts due but unpaid are disclosed in the net assets statement as current liabilities, providing that payment has been approved.

e) Management expenses

The fund discloses its management expenses in line with the CIPFA guidance *Accounting for Local Government Pension Scheme Management Expenses* (2016), as show in the following table. All items of expenditure are charged to the fund on an accrual basis as follows:

Administrative expenses	All staff costs relating to the pensions administration team are charged directly to the fund. The Council recharges for management and legal costs which are also accounted for as administrative expenses of the fund.
Oversight and governance	All costs associated with governance and oversight are separately identified, apportioned to this activity, and charged as expenses to the fund.
Investment management expenses	<p>Investment fees are charged directly to the fund as part of management expenses and are not included in, or netted from, the reported return on investments. Where fees are netted off returns by investment managers, these are grossed up to increase the change in value of investments.</p> <p>Fees charged by external investment managers and the custodian are set out in the respective mandates governing their appointments. Broadly, these are based on the market value of the investments under management and therefore increase or reduce as the value of the investments change throughout the year.</p> <p>In addition, the fund has agreed with Pantheon Ventures and BlackRock that an element of their fee be performance related.</p>

f) Taxation

The fund is a registered public service scheme under Section 1 (1) of the Finance Act 2004 and as such is exempt from UK income tax on interest received and from capital gains tax on 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.

Net assets statement

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g) Financial assets

All investment assets are included in the financial statements 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. Any amounts due or payable in respect of trades entered into but not yet completed at 31 March each year are accounted for as financial instruments held at amortised cost and reflected in the reconciliation of movements in investments and derivatives in Note 13. Any gains or losses on investment sales arising from changes in the fair value of the net asset are recognised in the fund account.

The values of investments as show in the net assets statement have been determined at fair value in accordance with the requirements of the Code and IFRS13 (see Note 15). 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).

h) 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.

i) Cash and cash equivalents

Cash comprises cash in hand and demand deposits and includes amounts held by the fund's external managers. All cash balances are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to minimal risk of changes in value.

j) Loans and receivables

Financial assets classified as amortised cost are carried in the net asset statement at the value of outstanding principal receivable at the year-end date plus accrued interest.

k) Financial liabilities

A financial liability is recognised in the net assets statement on the date the fund becomes legally responsible for that liability. The fund recognises financial liabilities related to investments trading at fair value. Any gains or losses arising from changes in the fair value of the liability's value, between the contract date, the year-end date, and the eventual settlement date, are recognised in the fund account as part of the change in value of investments.

Other financial liabilities classed as amortised cost are carried in the net asset statement at the value of the outstanding principal at 31 March each year. Any interest due not yet paid is accounted for on an accruals basis and included in administration costs.

l) Actuarial present value of promised retirement benefits

The actuarial present value of promised retirement benefits is assessed on a triennial basis by the scheme 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 a note to the net assets statement (Note 18).

m) Additional voluntary contributions

The fund provides an additional voluntary contribution (AVC) scheme for its members. The assets of these AVCs are invested separately from those of the pension fund and are therefore not included in the accounts in accordance with Section 4 (1) (b) of the [Local](#)

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Government Pension Scheme (Management and Investment of Funds) Regulations 2016. However, this information is disclosed in Note 21 for informational purposes only.

n) 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 future events.

A contingent liability arises where an event prior to the end of the year-end has created a possible financial obligation whose existence will only be confirmed or otherwise by future events. Contingent liabilities can also arise when 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 judgements in applying accounting policies

The Council has not applied any critical judgements in applying accounting policies in the preparation of the statement of accounts.

5. Assumptions made about the future and other major sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts. Estimates and assumptions take account of historical experience, current trends, and future expectations. However, actual outcomes could be different from assumptions and estimates made. The items in the net assets statement for which there is a significant risk of material adjustment the following year are as follows:

Items	Uncertainties	Effect if actual results differ from assumptions
Actuarial present value of promised retirement benefits (Note 18)	<p>Estimation of the net liability to pay pensions depends on several complete judgements relating to the discount rate used, salary increases, changes in retirement ages, mortality rates and returns on fund assets.</p> <p>A firm of consulting actuaries is engaged to provide the fund with expert advice about the assumptions to be applied.</p>	<p>For instance:</p> <ul style="list-style-type: none"> • a 0.1% decrease in the discount rate would increase future pension liabilities by c. £23m (2%) • a 0.1% increase in earnings inflation would increase future pension benefits by c. £0.9m (0%) • a one-year increase in assumed life expectancy would increase future pension benefits by c. £58m (4%)
Private equity investments (Note 14)	<p>Private equity investments are valued at fair value in accordance with <i>International Private Equity and Venture Capital Valuation Guidelines</i> (December 2018). Investments are not publicly listed and as such there is a degree of estimation involved in the valuation.</p> <p>For the purposes of estimation, private equity investments include infrastructure and private debt.</p>	<p>Private equity investments are valued at £118m in the financial statements. There is a risk that this investment may be under- or overstated in the accounts by up to 5% i.e., an increase or decrease of approximately £10m.</p>

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6. Events after the reporting date

No significant events occurred after the reporting date.

7. Contributions receivable

2025/26		2024/25	
£000	By category	£000	
15,240	Employee contributions	14,122	
	Employer contributions		
51,642	- Normal contributions	47,370	
0	- Deficit recovery contributions	-	
874	- Augmentation contributions	784	
52,516	Total employers' contributions	48,154	
67,756	Total contributions receivable	62,276	
2025/26		2024/25	
£000	By type of employer	£000	
60,098	Administering authority	55,508	
7,438	Scheduled bodies	6,048	
220	Admitted bodies	720	
67,756	Total contributions receivable	62,276	

8. Transfers in from other pension funds

During 2025/26, there were transfers of £10.8 million into the Pension Fund, a decrease compared to £15.8 million in 2024/25. These transfers all related to individuals.

Benefits payable

2025/26		2024/25	
£000	By category	£000	
60,266	Pensions	57,375	
12,971	Commutation and lump sum retirement benefits	14,951	
1,285	Lump sum death benefits	1,343	
74,522	Total benefits payable	73,669	

9. Benefits payable (continued)

2025/26		2024/25	
£000	By type of employer	£000	
73,444	Administering authority	65,433	
171	Scheduled bodies	5,653	
907	Admitted bodies	2,583	
74,522	Total benefits payable	73,669	

10. Payments to and on account of leavers

2025/26		2024/25	
£000		£000	
256	Refunds to members leaving service	182	
9,675	Individual transfers	10,363	
9,931	Total	10,545	

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11. Management Expenses

2025/26		2024/25
£000		£000
1,453	Administrative costs	1,337
5,222	Investment management expenses	5,410
690	Oversight and governance costs	367
7,365	Total management expenses	7,114

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11a. Investment Management Expenses

2025/26		2024/25
£000		£000
4,892	Management Fees	4,959
-	Performance Related Fees	-
51	Custody fees	69
279	Transaction Fees	382
5,222	Total	5,410

12. Investment income

2025/26		2024/25
£000		£000
33,867	Pooled investments - unit trusts and other managed funds	31,121
644	Interest on cash deposits	366
34,511	Total	31,487

13. Investments

Market Value 31 March 2026		Market Value 31 March 2025
£000	Investment assets	£000
Pooled funds		
862,501	Global equity	834,154
550,030	Fixed income unit trusts	456,998
64,945	Multi-asset absolute return fund	146,239

75,051	Infrastructure funds	70,958
1,552,527		1,508,349
Other investments		
285,752	Pooled property investments	209,683
119,777	Private equity funds	137,035
31,869	Infrastructure debt funds	31,999
437,398		378,717
120,058	Cash deposits	57,437
875	Accrued Income	225
2,110,859	Total investment assets	1,944,728
Long-term investments		
	UK unquoted equities	
220	Shares in London CIV	150
Investment liabilities		
	Payables for purchases	-
2,111,079	Total net investment assets	1,944,878

13a. Reconciliation of movements in investments and derivatives

2025/26	Market Value 1 April 2025	Purchases at cost	Sales proceeds	Change in market value	Market Value 31 March 2026
	£000	£000	£000	£000	£000
Pooled investment vehicles	1,887,066	95,605	(133,463)	147,729	1,996,936
	1,887,066	95,605	(133,463)	147,729	1,996,936

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2024/25										
	Market Value 1 April 2024	Purchases at cost	Sales proceeds	Change in market value	Market Value 31 March 2025					
	£000	£000	£000	£000	£000					
Other Investment balances						1,086,579	51.5	Legal & General Investment Management	960,939	49.4
Cash deposits	57,438	222,734	(76,219)	(9,648)	120,058	64,945	3.1	LCIV Absolute Return	146,239	7.5
Other Investments asset/liabilities	225	690	(39)		875	190,389	9.0	LCIV Multi-Asset Credit	192,515	9.9
Spot FX		1	(0)		0	51,433	2.4	LCIV Renewable Infrastructure	46,788	2.4
Total	1,944,729	319,028	(209,722)	138,080	2,117,870	25,205	1.2	London Fund	22,047	1.1
						135,564	6.4	LCIV Long Duration Buy and Maintain Credit Fund	137,700	7.1
						1,554,114	73.6		1,506,228	77.4
								Investments managed outside of London CIV asset pool:		
Pooled investment vehicles	1,841,119	81,465	(86,680)	51,162	1,887,066	119,778	5.7	Pantheon	137,035	7.1
						117,044	5.5	CBRE Global Investors	106,571	5.5
						145,068	6.9	Aviva Investors	86,715	4.5
						31,869	1.5	Allianz Global Investors	31,999	1.6
Other Investment balances						1,200	0.1	BlackRock	3,419	0.2
Cash deposits	37,126			(339)	57,437	22,418	1.1	CIP	20,752	1.1
Other investment assets/liabilities	287			-	225	119,674	5.7	In-house cash deposits*	52,009	2.6
Spot FX	(4,800)			-	-	557,049	26.4		438,500	22.6
Total	1,873,732			50,823	1,944,728	2,111,164	100.0	Total	1,944,728	100.0

*In-house cash excludes non-discretionary cash managed by external managers. Any such cash is allocated to the respective asset manager.

The following investments represent over 5% of net assets of the fund.

13b. Investments analysed by fund manager

Market Value 31 March 2026		Market Value 31 March 2025		Market Value 31 March 2026		Market Value 31 March 2025		
£000	%	£000	%	£000	%	£000	%	
Investments managed by London CIV asset pool:				363,466	17.2	LGIM MSCI World Low Carbon Index Fund	364,905	18.8

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245,938	11.6	LGIM RAFI Multi Factor Climate Transition Fund	343,099	17.7
4,804	0.2	LCIV Long Duration Buy and Maintain Credit Fund	192,512	9.9
184,165	8.7	LCIV Multi-Asset Credit	146,239	7.5
133,877	6.3	LCIV Absolute Return Fund (Ruffer LLP)	137,700	7.1
190,388	9.0	LGIM Index Linked Gilts (Over 5 year) Fund	126,786	6.5
135,564	6.4	LGIM Bespoke Low Carbon Emerging Markets Fund	126,149	6.5
1,258,201	59.7	Total	1,437,390	74.0

14. Fair Value – Basis of valuation

All investment assets are valued using fair value techniques based in the characteristics of each instrument where possible, using market-based information. There has been no change in the valuation techniques used during the year.

Assets and liabilities have been classified into three levels, according to the quality and reliability of information used to determine fair values.

Level 1 – where the fair values are derived from unadjusted quoted prices in active markets for identical assets or liabilities, comprising quoted equities, quoted bonds, and unit trusts.

Level 2 – where quoted market prices are not available, or where valuation techniques are used to determine fair value based on observable data.

Level 3 – where at least one input that could have a significant effect on the instrument's valuation is not based on observable market data.

The valuation basis for each category of investment asset is set out below:

Description of asset	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
Level 1			
Quoted equities and pooled fund investments	The published bid market price on the final day of the accounting period	Not required	Not Required
Quoted fixed income bond and unit trusts	Quoted market value based on current yields	Not required	Not Required
Cash and cash equivalents	Carrying value is deemed to be fair value because of the short-term nature of these financial instruments	Not required	Not Required
Amounts receivable from investment sales	Carrying value is deemed to be fair value because of the short-term nature of these financial instruments	Not required	Not required
Investment debtors and creditors	Carrying value is deemed to be fair value because of the short-term nature of these	Not required	Not required

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Description of asset	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
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Level 1			
	financial instruments		

Description of asset	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
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Level 2			
Pooled property funds where regular trading takes place	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

Unquoted fixed income bonds and unit trusts	Average broker prices	Evaluated price feeds	Not required
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Description of asset	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
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Level 3			
Pooled property funds where regular trading does not take place	Valued by investment managers on a fair value basis each year using PRAG guidance	NAV-based pricing set on a forward pricing basis	Not required

Shares in London CIV asset pool	Based on the historical cost at acquisition of shares	Not required	Not required
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Other unquoted and private equities	Comparable valuation of similar companies in accordance with International Private Equity and Venture Capital Valuation Guidelines 2018	EBITDA multiple Revenue multiple Discount for lack of marketability Control premium	Valuations could be affected by changes to expected cashflows or by differences between audited and unaudited accounts.
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Sensitivity of assets valued at level 3

The fund has determined that the valuation methods described above for Level 3 investments are expected to be accurate within the following ranges, and has set out below the consequent potential impact on the closing value of investments held at 31 March 2026.

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	Potential variation in fair value	Valuation as at 31 March 2025	Value on Increase	Value on Decrease
		£000	£000	£000
Pooled property investments	2%	105,638	107,751	103,525
Private equity and joint venture funds	5%	133,147	139,804	126,490
Infrastructure funds	5%	70,958	74,506	67,410
Total		309,743	322,061	297,425

14a. Fair value hierarchy

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

Values as at 31 March 2026	Quoted market price	Using observable inputs	With significant unobservable inputs	Total
	Level 1	Level 2	Level 3	
	£000	£000	£000	£000
Financial assets / liabilities at fair value through profit and loss				
Pooled investments	224,078	64,945	1,188,453	1,477,476
Pooled property investments	16,115		244,432	260,547

Private equity	51,433		200,468	251,901
Cash deposits	100,660			100,660
Accrued income	356		519	875
Payables for investment purchases				
Total	392,643	64,945	1,633,872	2,091,460
Values as at 31 March 2025	Quoted market price	Using observable inputs	With significant unobservable inputs	Total
	Level 1	Level 2	Level 3	
	£000	£000	£000	£000

Financial assets / liabilities at fair value through profit and loss

Pooled investments	1,437,390	32,000	70,958	1,540,348
Pooled property investments	-	100,922	108,761	209,683
Private equity	-	-	137,035	137,035
Cash deposits	57,437	-	-	57,437
Accrued income	225	-	-	225
Payables for investment purchases	-	-	-	-
Total	1,495,052	132,922	316,754	1,944,728

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14b. Transfers between Levels 1 and 2

There were no transfers between levels 1 and 2 during the year.

14c. Reconciliation of fair value measurements within level 3

2025/26	Value at 1st April 2025	Purchases in the year	Sales in the year	Unrealised gains (losses)	Realised gains (losses)	Value at 31st March 2026
	£000	£000	£000	£000	£000	£000
UK Property Funds	180,006	77,502	(15,062)	2,964	(459)	244,951
UK Venture Capital	59,538	1,978	(1,542)	49	845	60,868
UK Fixed Income Funds	330,212	0	(124)	(4,136)	0	325,952
Overseas Venture Capital	151,825	4,875	(19,612)	(9,123)	11,635	139,600
UK Equity Funds	834,154	0	(103,000)	85,211	46,137	862,501
Total	1,555,735	84,355	(139,340)	74,965	58,157	1,633,872

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15. Classification of financial instruments

	31 March 2026		
	Fair value through profit and loss £000	Assets at amortised cost £000	Liabilities at amortised cost £000
Financial assets			
Pooled investments	1,584,396		
Pooled property investments	285,752		
Private equity	119,777		
Equities		220	
Cash	100,660	19,704	
Debtors		2,285	
Other investment balances		875	
Total financial assets	2,090,584	23,084	-
Financial liabilities			
Other investment balances			0
Creditors			(4,635)
Total financial liabilities	-	-	(4,635)
Grand total	2,090,584	23,084	(4,635)

	31 March 2025		
	Fair value through profit and loss £000	Assets at amortised cost £000	Liabilities at amortised cost £000
Financial assets			
Pooled investments	1,540,348		
Pooled property investments	209,683		
Private equity	137,035		
Equities		150	
Cash	39,512	17,925	
Debtors		2,453	
Other investment balances		225	
Total financial assets	1,926,578	20,753	-
Financial liabilities			
Other investment balances			-
Creditors			(7,218)
Total financial liabilities	-	-	(7,218)
Grand total	1,926,578	20,753	(7,218)

15a. Net gains and losses on financial instruments

All realised gains and losses arise from the sale or disposal of financial assets that have been derecognised in the financial statements. The fund has not entered into any financial guarantees that are required to be accounted for as financial instruments.

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2025/26		2024/25
£000		£000
	Financial Assets	
147,730	Fair value through profit or loss	51,163
(9,649)	Financial assets and liabilities at amortised cost	(340)
<u>138,080</u>		<u>50,823</u>

16. Nature and extent of risks arising from Financial Instruments

Risk and risk management

The fund's primary long-term risk is that its assets will fall short of its liabilities (i.e., promised benefits payable to members). 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. The fund manages these investment risks as part of its overall pension fund risk management programme.

Responsibility for the fund's risk management strategy rests with the pension fund's Combined Committee and Board. Risk management policies are established to identify and analyse the risks faced by the pension fund's operations, then reviewed regularly to reflect changes in activity and market conditions.

a) Market risk

Market risk is the risk of loss from fluctuations in equity and commodity 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 overall asset mix. The objective of the fund's risk management strategy is to identify, manage and control market risk exposure within acceptable parameters, while optimising investment return.

In general, excessive volatility in market risk is managed through the diversification of the portfolio's strategic asset allocation across different asset classes, industry sectors, and jurisdictions. To mitigate market risk, the pension fund and its investment advisors undertake appropriate monitoring of market conditions and benchmark analysis on a regular basis. The strategic asset allocation is reviewed each quarter and any significant deviations from this are rebalanced as appropriate.

Other price risk

Other price risk represents the risk that the value of a financial instrument will fluctuate because of change 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 by factors affect all such instruments in the market.

The fund is exposed to share price risk. 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 investment strategy.

Other price risk – sensitivity analysis

A significant portion of the pension fund's assets are invested in pooled investment vehicles with underlying assets which can fluctuate daily as market prices change. To demonstrate the impact

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of this volatility, the table below shows the impact of potential price changes based on the observed historical volatility of asset class returns. The assessment of the potential volatilities is consistent with a one standard deviation movement in the change in value of assets over the last three years.

As at 31 March 2026	Value	% change	Value on increase	Value on decrease
	£000	%	£000	£000
Overseas equities	967,359	12.0	1,083,442	851,276
Fixed Income	510,117	11.9	570,822	449,414
Property	286,327	6.3	304,366	268,288
Alternatives	226,697	16.5	264,102	189,292
Cash	120,359	0.0	120,359	120,359
Total Assets	2,110,859		2,343,091	1,878,630

As at 31 March 2025	Value	% change	Value on increase	Value on decrease
	£000	%	£000	£000
Overseas equities	960,939	12.0	1,076,252	845,627
Fixed Income	476,455	11.9	533,153	419,757
Property	209,793	6.3	223,010	196,576
Alternatives	239,992	16.5	279,5062	197,147
Cash	57,549	0.0	57,549	57,549
Total Assets	1,944,728		2,161,706	1,713,730

Interest rate risk

The fund recognises that interest rates can vary and can affect both income into the fund and the carrying value of fund assets, both of which affect the value of net assets available to pay benefits. A 100-

basis point (BPS) movement in interest rates is consistent with the level of sensitivity applied as part of the fund's risk management strategy.

Interest rate risk – sensitivity analysis

The analysis that follows assumes that all other variables, in particular exchange rates, remain constant, and shows the effect in the year on the net assets available to pay benefits of a +/- 1% change in interest rates. The analysis demonstrates that a 1% increase in interest rates will not affect the interest received on fixed interest assets but will reduce their fair value, and vice versa. Changes in interest rates do not impact on the value of cash and cash equivalent balances but they will affect the interest income received on those balances.

Assets exposed to interest rate risk:

	Interest earned 2025/26	Interest rate if 1% higher	Interest rate if 1% lower
	£000	£000	£000
Cash deposits	644	761	446
Total	644	761	446

	Interest earned 2024/25	Interest rate if 1% higher	Interest rate if 1% lower
	£000	£000	£000
Cash deposits	366	425	265
Total	366	425	265

Currency risk

Currency risk represents the risk that future cash flows will fluctuate because of changes in foreign exchange rates. The fund is exposed

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to currency risk on any cash balances and investment assets not denominated in UK sterling. The table below demonstrates how a 10% 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.

Currency risk – sensitivity analysis

As at 31 March 2026	Value	% change	Value on increase	Value on decrease
	£000	%	£000	£000
Overseas equities	500,652	10.0	550,717	450,586
Fixed Income	190,389	10.0	209,427	171,350
Private equity	119,778	10.0	131,755	107,800
Infrastructure	23,618	10.0	25,980	21,256
Cash	39,485	10.0	43,434	35,537
Total Assets	873,921	10.0	961,314	786,529

As at 31 March 2025	Value	% change	Value on increase	Value on decrease
	£000	%	£000	£000
Overseas equities	473,073	10.0	520,381	425,766
Fixed Income	192,515	10.0	211,766	173,263
Private equity	133,147	10.0	146,462	119,832
Infrastructure	24,171	10.0	26,588	21,754
Cash	19,563	10.0	21,520	17,607
Total Assets	842,469	10.0	926,717	758,222

b) Credit risk

Credit risk represents the risk that the counterparty to a financial transaction will fail to discharge an obligation and cause the fund to incur a financial loss. Assets potentially affected by this risk are

investment assets, cash deposits and third-party loans. The selection of high-quality counterparties, brokers and financial institutions minimises credit risk and the market values of investments generally reflect an assessment of credit risk.

Credit risk may also occur if an employing body not supported by central government does not pay contributions promptly, or defaults on its obligations. The pension fund has not experienced any actual defaults in recent years and the current practice is to obtain a guarantee before admitting new employers so that all pension obligations are covered in the event of that employer facing financial difficulties. All contributions due at 31 March 2026 were received within the first two months of the financial year.

Money market funds and bank accounts all have AAA rating from a leading ratings agency, and the pension fund has experienced no defaults from fund managers, brokers or bank accounts over the past five years.

Summary	Credit Rating	Balances at 31 March 2026	Balances at 31 March 2025
		£000	£000
Money Market Funds			
Blackrock institutional sterling liquidity fund	AAA		7,925
Invesco liquidity fund	AAA	9,490	10,000
Aviva Liquidity Fund	AAA	10,000	
Bank current accounts			
Northern Trust	A+	100,660	39,513
Barclays Bank plc	A+	51	142
Total		120,201	57,580

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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 pension fund therefore takes steps to ensure that it always has adequate cash resources to meet its commitments.

Refinancing risk

The key risk is that the pension fund will need to replenish a significant proportion of its financial instruments at a time of unfavourable interest rates. The pension fund does not have any financial instruments that have a refinancing risk as part of its investment strategy.

17. Funding Arrangements

In line with the [Local Government Pension Scheme Regulations 2013](#) the fund's actuary undertakes a funding valuation every three years for the purpose of setting employer contributions rates for the forthcoming triennial period. The pensions fund accounts for the period were based on the most recent valuation which took place as at 31 March 2025.

The key elements of the funding policy are:

- to ensure the long-term solvency of the fund, using a long-term prudent view i.e., that sufficient funds are available to meet all members'/dependants' as they fall due for payment.
- to ensure that employer contribution rates are reasonably stable where appropriate.
- 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 it is reasonable to do so.

- to use reasonable measures to reduce the risk to other employers and ultimately to the council taxpayer from an employer defaulting on its obligations.

The aim is to achieve 100% solvency over a period of 20 years and to provide stability in employer contribution rates by spreading any increases in rates over a period of time. Normally this is three years but, in some cases, a maximum period of 12 years can be granted. Solvency is achieved when the funds held, plus future expected investment returns and future contributions, are sufficient to meet expected future pension benefits payable. When an employer's funding level is less than 10% of the 100% funding target, then a deficit recovery plan will be put in place requiring additional employer contributions.

At the 2025 actuarial valuation, the fund was assessed as 139% funded (113% at the March 2022 valuation). Contribution changes will be phased in over the three-year period ending 31 March 2027 for both scheme employers and admitted bodies.

The whole-fund primary contribution rate was due to decrease over a three-year period from 17.5% to 17.3% of pensionable pay. However, each employer will be different, and the primary contribution rate will reflect the membership and experiences of each employer.

In addition to the primary contribution rate, most employers also pay a secondary 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 2025 actuarial 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,

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retirement, or withdrawal from service. The principal assumptions were as follows.

Financial assumptions

Future assumed rates	31-Mar-25	31-Mar-22
	%	%
Discount rate (annual nominal return rate)	6.1	4.3
Pay increase (annual change)	3.3	3.7
Benefit increase (CPI)	2.3	2.7

Demographic assumptions

The assumed life expectancy from 65 is as follows:

Life expectancy from age 65		2025	2022
Retiring today	Males	21.6	21.7
	Females	24.4	24.4
Retiring in 20 years	Males	22.7	23.0
	Females	25.8	26.1

18. Actuarial present value of promised retirement benefits

In addition to the triennial funding valuation, the fund's actuary also undertakes a valuation of the pension fund liabilities on an IAS 19 basis every year using the same base data as the funding valuation rolled forward to the current financial year but taking account of changes in membership numbers and updating assumptions to the current year. This valuation is not carried out on the same basis as that used for setting fund contribution rates and the fund accounts do not take account of liabilities to pay pensions and other benefits in the future.

In order to assess the value of the benefits on this basis, the actuary has updated the actuarial assumptions (set out below) from those used for funding purposes (see Note 17). The actuary has also valued ill health and death benefits in line with IAS 19.

31 Mar 26		31 Mar 25	
£000		£000	
(1,505,780)	Present Value of promised retirement benefits	(1,500,000)	
1,933,375	Fair Value of scheme assets	1,940,113	
427,595	Net (liability)/asset	440,113	

As noted above, the liabilities above are calculated on an IAS 19 basis and therefore will differ from the results of the 2025 triennial funding valuation (see Note 17) because IAS 19 stipulates a discount rate rather than a rate which reflects market rates.

Other key assumptions used are:

	31-Mar-26	31-Mar-25
	%	%
Pension increase rate (CPI)	3.0	2.8
Salary increase rate	4.0	3.8
Discount rate	6.2	5.8

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19. Current assets

31/03/2026		31/03/2025
£000		£000
108	Contributions due - employees	116
1,432	Contributions due - employers	1,283
694	Sundry debtors	912
2,234		2,311
51	Cash	142
2,285		2,453

20. Current liabilities

31/03/2026		31/03/2025
£000		£000
3,984	Sundry creditors	5,061
651	Benefits payable	2,157
4,635		7,218

21. Additional Voluntary Contributions ("AVCs")

	Contributions Paid 2025/26	Market Value 31 March 2026
	£000	£000
Utmost life and pensions	-	87
Prudential assurance	686	2,161
Clerical and medical	2	25

	Contributions Paid 2024/25	Market Value 31 March 2025
	£000	£000
Utmost life and pensions	-	99
Prudential assurance	361	1,250
Clerical and medical	1	22

22. Related party transactions

Haringey Council

The Haringey Pension Fund is administered by Haringey Council. During the reporting period, the Council incurred costs of £1.051m (2024/25 £0.966m) in relation to the administration and management of the fund and was reimbursed by the fund for these expenses.

The Council is also the single largest employer of members of the pension fund. As at 31 March 2026 an amount of £0.090m was due from the fund to the Council.

The Pension Fund is a minority shareholder in the London CIV (LCIV) Asset Pool, and shares valued at £0.220m as at 31 March 2026 are included in the net asset statement. Part of the portfolio of pension fund investments is managed by the LCIV, as detailed in Note 13.

Each member of the pension fund's Combined Pensions Committee and Board is required to declare their interests at each meeting. One member of the Combined Pensions Committee and Board were a scheme member in the Haringey Pension Fund.

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23. Key management personnel

Key management personnel are the Section 151 Officer and the head of pensions. Their remuneration is set out below:

31/03/2026	Key Management Personnel	31/03/2025
£000		£000
127	Short - term benefits	101
30	Post-employment benefits	24
<hr/> 157		<hr/> 125

24. Contingent liabilities and contractual commitments

Outstanding capital commitments (investments) at 31 March 2026 were £76.4m (2024/25 £82.2m). These commitments relate to outstanding capital call payments due on limited partnership funds held within the private equity and infrastructure portion of the portfolio. The amounts 'called' by these funds are irregular in both size and timing over a period of between four and six years from the date of each original commitment. There were no contingent liabilities at 31 March 2026.