ADDING VALUE

BORDER TO COAST PENSIONS PARTNERSHIP ANNUAL REPORT & ACCOUNTS

2022 - 2023

BORDER TO COAST PENSIONS PARTNERSHIP

MAKING A DIFFERENCE

Our purpose and values 3
Our Partner Funds 4
Highlights 5

Strategic report

Chair's introduction 7
Chief Executive Officer's statement 9
Business model and strategy 11
Our investments 12
- Market commentary 13
- Our progress 15
- Future activities 16
- Investing to support the energy transition 17

Our people 19

Corporate strategy

Financial Review 24
Risk management 27
Principal risks 28

Governance

Our Board 34
Corporate governance report 36
Remuneration and Nomination Committee report 42
Board Audit Committee report 44
Board Risk Committee report 47

Financial statements

Directors' report 51
Independent auditor's report 53
Statements and balance sheet 56
Company income statement, statement of comprehensive income and cash flow statement 57
Notes to the financial statements 64

Border to Coast Pensions Partnership is one of the largest pension pools in the UK. Established as a Financial Conduct Authority (FCA) regulated asset manager in 2018, we were founded to pool the investments of like-minded Local Government Pension Scheme (LGPS) funds – our 'Partner Funds', who are our shareholders and only customers.

As a customer-owned, customer-focused organisation, everything we do is for the benefit of our Partner Funds, who represent over 2,800 employers, over 1.1 million LGPS members, and the millions of taxpayers associated with them.

Visit: **bordertocoast.org.uk**

Our Annual Report has images from the areas represented by our Partner Funds.

Bedfordshire

Cover image: Warwickshire

OUR PURPOSE AND VALUES

Our values and behaviours

Our values underpin everything we do. They support our inclusive culture, guide our judgements, and help build the trust and confidence to allow us to deliver on behalf of our Partner Funds. How we do things is as important as what we do, and we want our colleagues to thrive in a supportive, collaborative environment at a company that is sustainable over the long term.

We are collaborative
We depend on each other. We build open and effective partnerships, both internally and externally.

We act with integrity
We do the right things for the right reasons and are transparent, fostering trust, respect and confidence.

We are sustainable
We make decisions for the long term and invest in our people to deliver success for our Partner Funds.


The Black Mill, East Riding

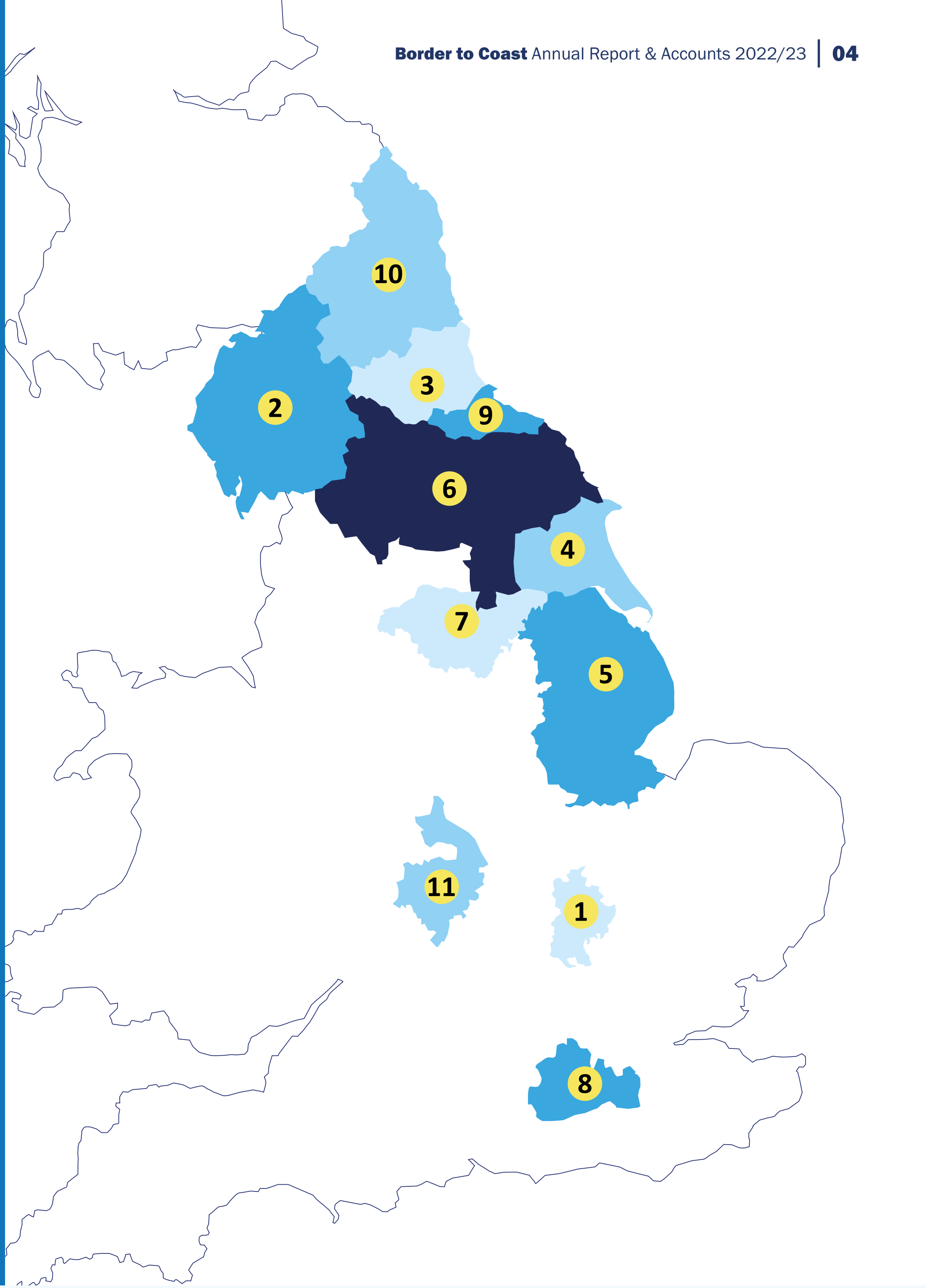
OUR PARTNER FUNDS

Our LGPS Partner Funds were united by a common understanding of how pooling could be best implemented and made to work successfully and sustainably for the long term.

The result was the foundation of Border to Coast Pensions Partnership to enable the pooling of their assets.

Map number

1	**Bedfordshire Pension Fund** Members: 78,279 Employers: 238
2	**Cumbria Pension Fund** Members: 62,278 Employers: 125
3	**Durham County Council Pension Fund** Members: 63,309 Employers: 107
4	**East Riding Pension Fund** Members: 126,199 Employers: 357
5	**Lincolnshire Pension Fund** Members: 79,573 Employers: 256
6	**North Yorkshire Pension Fund** Members: 99,810 Employers: 127
7	**South Yorkshire Pensions Authority** Members: 176,437 Employers: 548
8	**Surrey Pension Fund** Members: 110,476 Employers: 345
9	**Teesside Pension Fund** Members: 80,403 Employers: 170
10	**Tyne and Wear Pension Fund** Members: 179, 834 Employers: 322
11	**Warwickshire Pension Fund** Members: 56,560 Employers: 221



HIGHLIGHTS

Named **POOL OF THE YEAR** for the third time

LAPF Investments Awards

Engaged with companies **1,860** times

* **£65M** in cost savings

Won the **CONTRIBUTION TO DIVERSITY AND INCLUSION AWARD**

Investment Week Women in Investment Awards

Responsible for **£40.3BN** of investments

94% of colleagues proud to work for Border to Coast

13,080 Total number of resolutions voted

* **£12bn** committed to Private Markets

Published our **NET ZERO** ROADMAP

FRC UK STEWARDSHIP CODE signatory

* **12** graduate trainees

Won **BEST APPROACH TO RESPONSIBLE INVESTMENT**

LAPF Investments Awards

162 meetings with Partner Funds

*These figures are cumulative

STRATEGIC REPORT

Dunstable Down, Bedfordshire

A GOOD STEWARD IN UNCERTAIN TIMES

Chair's Introduction

Chris Hitchen
Chair

> The Company has continued to grow and consolidate its position as the trusted investment manager for its 11 Partner Funds.

Steady progress in an unsteady world

It gives me great pleasure to introduce Border to Coast's Annual Report and Accounts, covering its fifth year of operations.
The Company has continued to grow and consolidate its position as the trusted pool for its eleven Partner Funds. We ended the financial year with funds under management of £40.3bn after an up-and-down year for the valuation of public markets. Vicissitudes in the value of stocks – and also this year, bonds – are completely normal, albeit sometimes catalysed by abnormal events.

Weighing and voting

A famous American investor, Benjamin Graham, said that in the short term the stock market is a voting machine but in the long run it is a weighing machine. He was writing in the 1930s after a period of severe falls in markets which, from his point of view, presented opportunities. I think what he meant was that in the moment, stock prices reflect the collective sentiment of investors, but over the long term, true economic value predominates. At Border to Coast, we aim to be a long-term investor on behalf of our Partner Funds and a good steward of their assets. This means for instance that we vote on thousands of resolutions, and engage with hundreds of companies, because we are not just interested in short-term pricing but in long-term success and sustainability.

I always imagined that Graham's voting machine was a theoretical concept, but in fact mechanical voting machines were a completely normal feature of American democracy in the 1930s and date back as far as 1892. By contrast, in the UK we still mostly cast our democratic votes by hand, of course. 2023 is a significant electoral year for our local authorities, with elections in many though not all places, and a continued reshaping of local government into unitary authorities. I should like to take this opportunity to thank our Partner Funds and their administering authorities for their continued support for Border to Coast and for pooling. We have been very fortunate in the officers and members who have helped and guided us along the way – thank you.

The national success of LGPS pooling is still to be determined, with central government keen to see continued consolidation but some local authorities demonstrating less enthusiasm. We know that pooling will only succeed if we continue to unlock value not just through economies of scale but through wider opportunities and deeper expertise to take advantage of those opportunities. We are making excellent progress in private market investments and are readying our real estate propositions to further deliver to Partner Funds.

Chair's Introduction continued

Cost of living

Our year has been overshadowed by war in Ukraine, where there has been a tragically high human cost. Whilst in no way comparable, there has been an undeniable impact on the cost of living for LGPS members and other residents in the UK, many of whom are Border to Coast's stakeholders.

Rising inflation has affected Border to Coast too. We had already recognised that the need to attract and retain people was a significant source of risk for the organisation. This was partly because of a buoyant local jobs market in Leeds, where new employers such as the UK Infrastructure Bank and the Financial Conduct Authority were setting up shop. It was also partly because, since the pandemic, firms in London and other big centres were competing more aggressively for talent and had noticed our people's good progress. We offer efficient, flexible working arrangements, and our sense of purpose and collegiate culture are distinctive, but spiralling inflation risked eroding these advantages.

I have been delighted by the response of our shareholders, who have ensured that Border to Coast continues to be resourced to an appropriate level to carry out its role effectively, whilst also taking a strategic approach to the governance of the Company. This has required open-mindedness and collaborative thinking, a hallmark of our Partner Funds from the beginning of Border to Coast. Before the beginning, in fact. We could not do it without you.

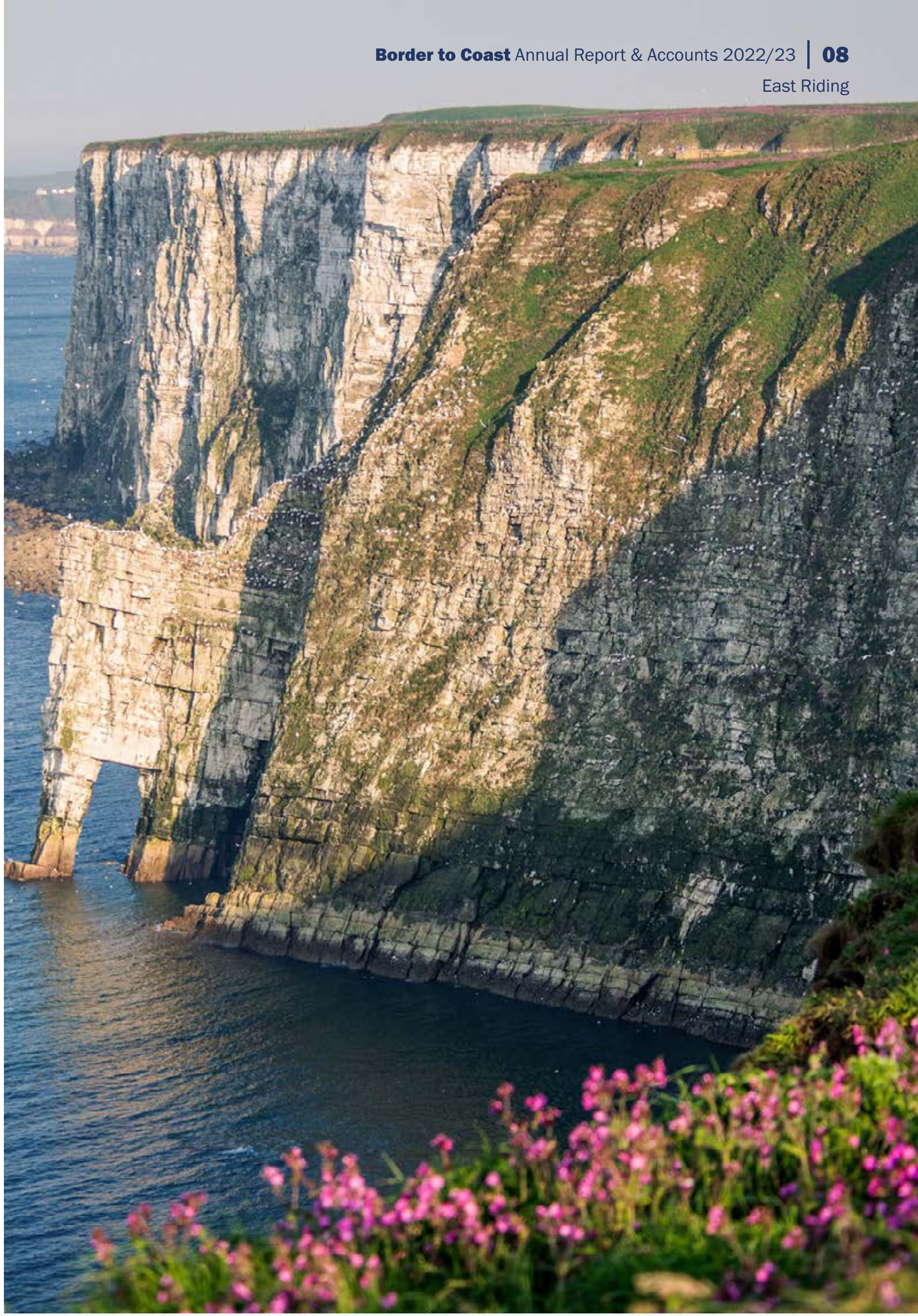
Change and continuity

At Board level I am indebted to the hard work and steadfast support of executive and non-executive colleagues, including our Partner Fund directors, an important and in some ways unique link to our shareholders and customers. I should like to thank in particular Councillor Anne Walsh, who completed her term on our Board this year and was succeeded by Councillor David Coupe.

At executive level, I am delighted to welcome Joe McDonnell as our new Chief Investment Officer (CIO), with heartfelt thanks to John Harrison for being a highly effective Interim CIO for a second time. I believe we have a strong team, well-placed to deliver for our Partner Funds in the year, and years, ahead.

Chris Hitchen
Chair

East Riding



DELIVERING THE BENEFITS OF POOLING

Chief Executive Officer's Statement

> "We were created by our Partner Funds and working collaboratively, to make a difference for the LGPS, remains fundamental to our organisation."

We are living in an uncertain world. In the past year society has faced a range of issues - the after-effects of the pandemic, the global economic impact of the war in Ukraine, and political turbulence in the UK. Yet despite the many challenges, Border to Coast has continued to make significant progress in delivering the benefits of pooling for our Partner Funds.

Just five years into our pooling journey, our Partner Funds have continued to place their trust in us: of the collective c.£58.0bn of investments, over 83% (£48.5bn) are pooled, either managed or overseen by Border to Coast, and this figure is expected to increase with the launch of Real Estate and other propositions currently in development.

Our progress in developing a sustainable business has been made possible by the support we receive from elected members, officers, advisers and our wider stakeholders across the industry. We can all be proud of our collective progress to date, which was recognised at the 2022 LAPF (Local Authority Pension Fund) Investments Awards where we were named 'Pool of the Year' for the third time in four years, and as having the 'Best Approach to Responsible Investment'.

An effective responsible investor

Our commitment to responsible investment (RI) is fundamental to delivering long-term investment returns for our Partner Funds. Climate change remains a systemic risk and, following our 2021 commitment to achieving net zero by 2050 or sooner, in October 2022 we published our roadmap detailing how we will turn this ambition into reality. Working with our Partner Funds we also strengthened our voting and engagement approach, calling on companies to make greater progress in aligning to a low-carbon economy and net zero goals.

To help address our priority of RI engagement themes (of low carbon transition, waste and water management, social inclusion and labour management, and diversity of thought), we support investor initiatives, such as a just transition in emerging markets and cyber security. I'm proud that our achievements in this area ensured we retained our status as a signatory to the Financial Reporting Council's (FRC's) UK Stewardship Code.

Adding value

An original rationale for LGPS pooling was to deliver cost savings. To date, we have saved our Partner Funds an estimated £65m – a figure we expect to increase significantly in the coming years. However, pooling is more than delivering cost savings and our focus remains on how we can deliver value. This includes developing new investment opportunities, using our collective voice to influence Environmental, Social and Governance (ESG) matters, and supporting our Partner Funds in meeting the ever-increasing reporting and governance demands that large asset owners face.

An employer of choice

We would not be where we are today without the support of our colleagues. During 2022, we held our first formal colleague survey, which I am pleased to report demonstrated the strength of our culture, highlighting how we put our Partner Funds at the heart of what we do and our colleagues' pride in working for Border to Coast.

This year we grew our headcount by 22 people, taking us to 138 colleagues, helping us to deliver for our Partner Funds sustainably and successfully over the long term. As noted in the Chair's introduction, we welcomed Joe McDonnell as our new CIO. I would like to thank John Harrison for his support as our interim CIO, and in his ongoing advisor role. We also welcomed our fourth cohort of graduate trainees, who follow in the footsteps of their peers who have progressed successfully into new roles within our teams, and who continue to impress me with their commitment to their training and examination successes.

Looking to the future

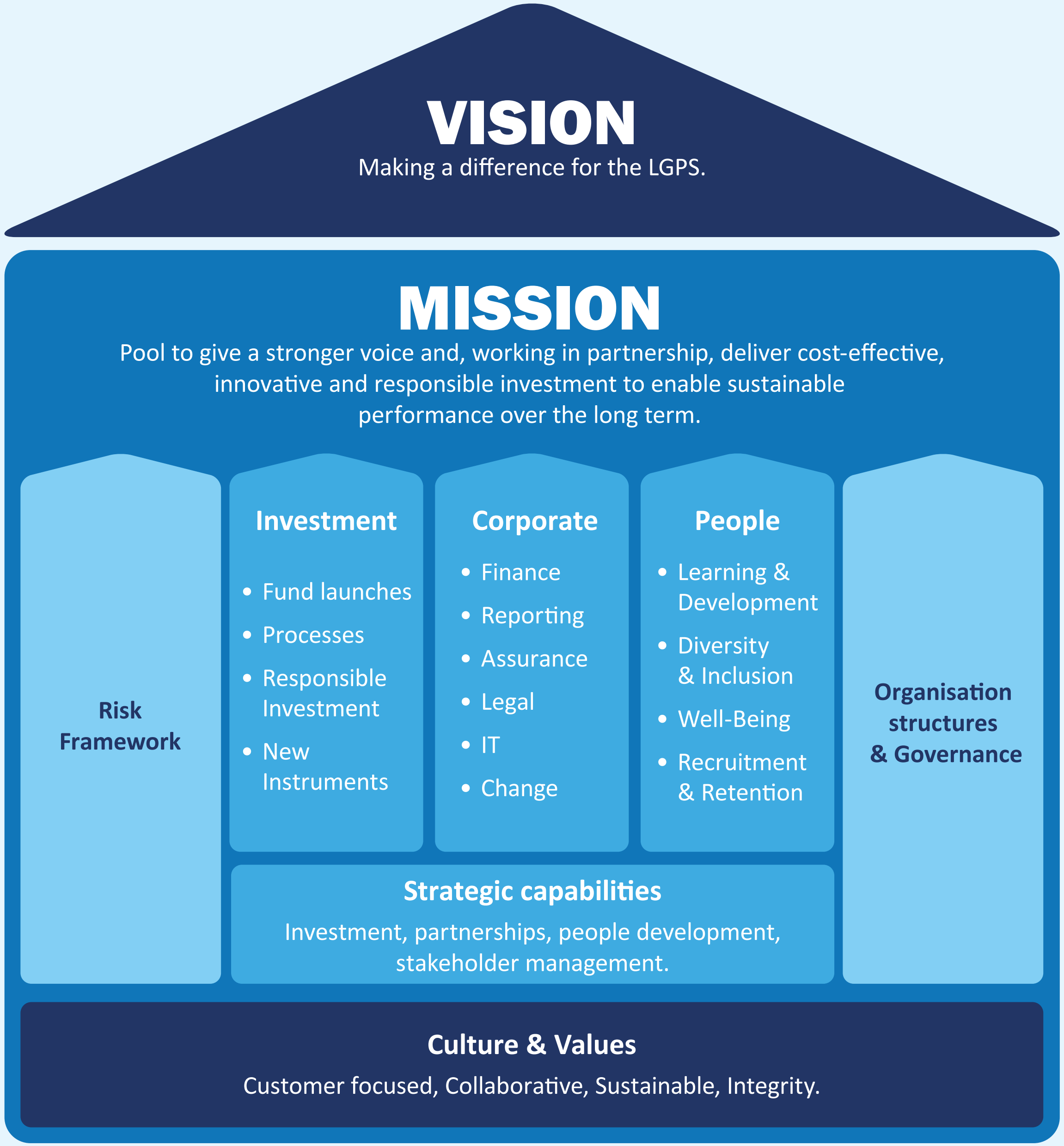
We are now approaching the final stages of our initial build. We have laid the foundations for a sustainable organisation, set up for long-term success. We have also developed and launched many of the propositions needed for Partner Funds to pool assets and implement investment strategies. Our focus continues to be the delivery of sustainable and cost-effective long-term investment returns.

Nonetheless, we live in a dynamic world where change seems to happen at an ever-increasing pace. Working together, we have shown that pooling can and does deliver. Having established ourselves as a trusted partner and as a centre of investment expertise, as we look ahead we are working with Partner Funds to understand how we can collaborate on the common issues and challenges we will face in the years to come. I am very much looking forward to exploring how we can collectively continue to make a difference for the LGPS.

Rachel Elwell
CEO


Slater's Bridge, Cumbria

BUSINESS MODEL AND STRATEGY



Business model

Border to Coast was established by our Partner Funds to enable the pooling of assets. Based in central Leeds, we are regulated by the FCA. Working with our Partner Funds, we provide the investment solutions needed to successfully secure the investment outcomes needed to meet the benefits of 1.1m members.

Our services

We provide a range of investment services, including:

- portfolio management: developing and managing a range of investment propositions to meet the long-term risk, return and liquidity, and income requirements of our Partner Funds
- asset management services, including arranging custody and administration of assets
- facilitating asset servicing support
- investment reporting and accounting information
- supporting Partner Funds on responsible investment and stewardship
- investment advice.

Operating model

Border to Coast designs, develops and operates investment propositions offering exposure to a broad range of asset classes for our Partner Funds. We are responsible for the management of these investments though our in-house investment team, both directly and through selecting and working with specialist external managers.

We provide portfolio and risk management for our investment propositions. This is supported by our third-party administrator, Northern Trust, to which we have outsourced a range of middle and back-office activities and fund administration. Border to Coast retains accountability for these functions while maintaining oversight of third-party providers.

We seek to deliver our vision and mission through our three strategic pillars: our Investment programme, Corporate programme, and People. However, these can only be delivered through our identified strategic capabilities and supported by a strong risk and governance framework. All of this is underpinned by our culture and values.

OUR INVESTMENTS

Our Propositions

How we invest

Our investment philosophy is shaped by the needs of our Partner Funds. Our investment horizon is better measured in years and decades than months and quarters as the invested assets are intended to fund pension payments for scheme members long into the future. As such, a deep understanding of the investments we make and the third parties we work with is crucial in developing and managing portfolios. In particular, we believe that ESG issues can have a material impact on the value of financial assets and on the long-term performance of investment portfolios. We have designed and developed a range of investment propositions to serve the needs of our Partner Funds and enable the implementation of long-term investment strategies. As at 31 March 2023, we have launched nine public market funds and four private market propositions.

Equity

Overseas Developed Markets Equity Fund
Assets under management **£6.2bn**

Emerging Markets Equity Fund
Assets under management **£1.2bn**

Global Equity Alpha Fund
Assets under management **£6.4bn**

UK Listed Equity Fund
Assets under management **£3.6bn**

UK Listed Equity Alpha Fund
Assets under management **£1.4bn**

Listed Alternatives Fund
Assets under management **£1.2bn**

Fixed Income

Sterling Investment Grade Credit Fund
Assets under management **£3.1bn**

Multi-Asset Credit Fund
Assets under management **£3.4bn**

Sterling Index-Linked Bond Fund
Assets under management **£1.8bn**

Private Markets

Infrastructure
Committed **£4.3bn**

Private Equity
Committed **£3.0bn**

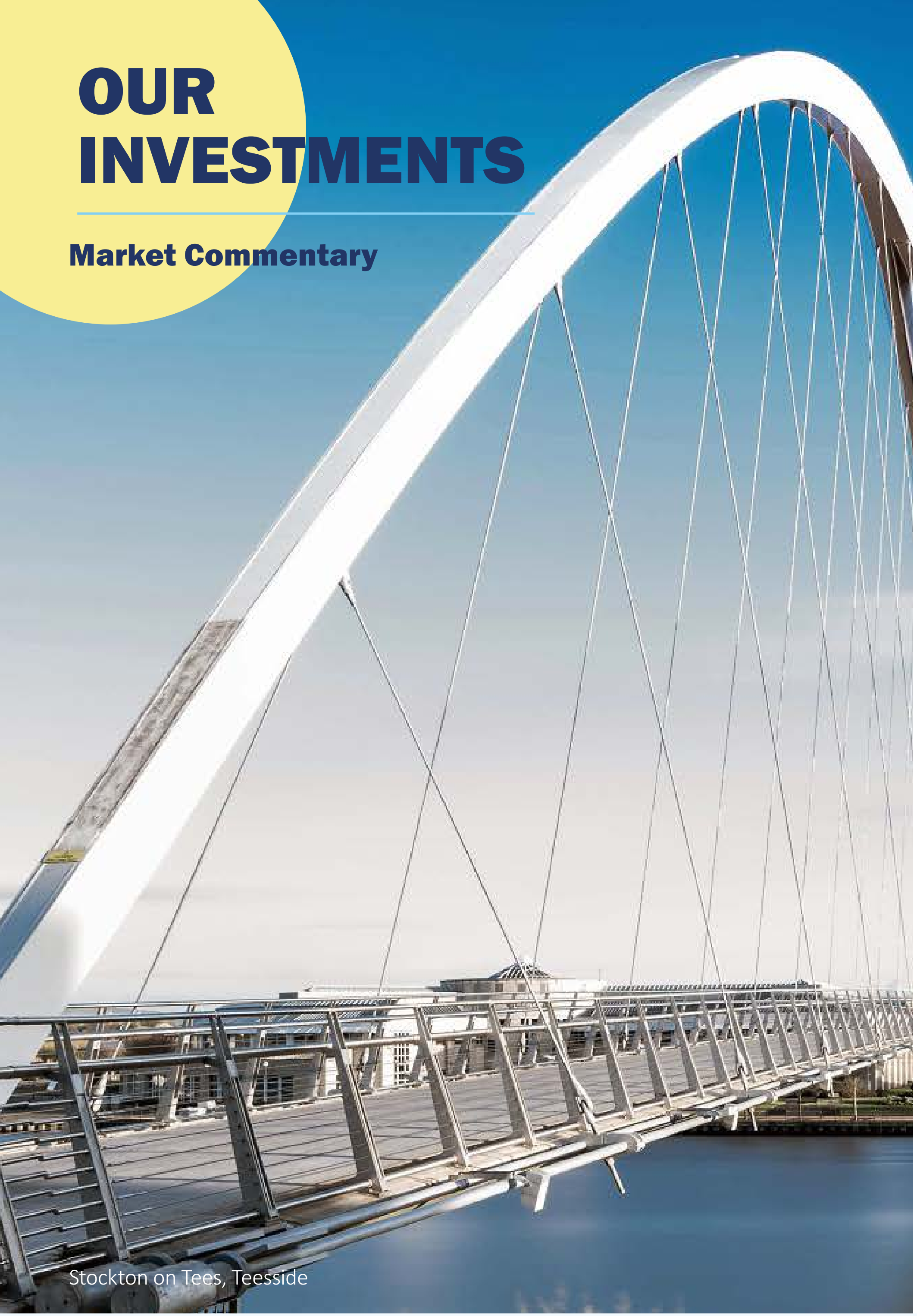
Private Credit
Committed **£3.3bn**

Climate Opportunities
Committed **£1.4bn**

*All asset values as at 31 March 2023

OUR INVESTMENTS

Market Commentary



Stockton on Tees, Teesside

The macroeconomic environment has been somewhat challenging during the financial year – the continuation of the Russian invasion of Ukraine; rising tensions between China, Taiwan and the US; the ebb and flow of the energy crisis in Europe; and the success of populist political parties – have increased the level of geopolitical risk. Closer to home, an increase in political uncertainty in the UK as a result of the ill-judged September 2022 mini-Budget, its impact on the gilt market and related derivatives strategies which necessitated intervention from the Bank of England, and the subsequent political changes also proved challenging.

Inflationary pressures have built as a result of higher commodity prices, supply chain pressures, a rebound in demand as economies recovered from Covid-induced disruption, and tight labour markets resulting in higher wages. This has caused a sharp and significant monetary tightening as central banks increase interest rates and either cease or reverse asset purchases.

Central banks are left with a delicate balancing act. Either they do not raise interest rates sufficiently to combat inflation and it becomes embedded, resulting in a higher peak in the rate cycle, or they raise interest rates too far, too fast and exacerbate a global slowdown into a full blown recession. Towards the end of the financial year there were concerns that tightening had gone too far, to the extent that the market is now pricing in an easing of monetary policy by the end of 2023.

A combination of aggressive monetary tightening by the US Federal Reserve, a deterioration in investor sentiment, the slowdown in Europe and China, and the Budget issues in the UK, resulted in significant dollar appreciation, to levels last seen in the mid-1980s when coordinated global action was required. There has been a reversal in dollar strength: as peak interest rates are anticipated to be lower than originally expected, combined with a recovery in China, (due to the abandonment of the zero-Covid policy) and Europe, as the impact of higher energy prices was less than feared.

Financial markets reacted negatively, with both global equity and bond markets falling by ~20% in the first half of the financial year, with only significant currency depreciation mitigating these losses to high single digits for sterling investors. An initial rebound in late summer quickly reversed as central banks indicated the likelihood of more aggressive interest rate rises to come, possibly in recognition of not moving quickly enough when inflationary pressures started to build. However, a more sustained recovery took hold from mid-October 2022 into early 2023 as macroeconomic activity was more resilient and valuations appeared more reasonable. Banking sector concerns triggered initially by the collapse of two US regional banks (Silicon Valley Bank and Signature Bank) and exacerbated by the rescue of Credit Suisse tempered the recovery in financial markets. Although measures of market volatility have eased, bond market volatility remains elevated relative to history.

Market Commentary continued

The current macroeconomic environment appears to be relatively fragile. Government debt levels are high and rising, which will likely require fiscal tightening to bring under control. Consumers have experienced a sharp fall in their disposable income, with knock-on effects on their confidence and spending. Governments and consumers will both be impacted by higher debt servicing costs. Corporate investment, which has been relatively weak in the last few years, is unlikely to rebound in the current uncertain environment, although US fiscal stimulus embodied in the Inflation Reduction Act (IRA) and the CHIPS and Science Act is likely to be beneficial, notwithstanding the potential impact on trade relations with other regions.

There are signs that inflationary pressures are reducing, with falling non-energy commodity prices and an easing of supply chain pressures. The latter is partly due to companies building an inventory buffer and reconfiguring supply chains to prevent future disruption. In addition, corporate and consumer balance sheets remain relatively strong, although the latter has been supported by rising property prices which are coming under pressure in a higher rate environment.

Despite the weak economic backdrop, there has not been a sharp fall in corporate earnings and only recently has there been a correction in earnings expectations, with analysts being notorious for failing to anticipate slowdowns. In the event that central banks can engineer a soft landing whilst bringing inflation under control, financial markets are arguably well supported at current levels.

South Yorkshire

OUR INVESTMENTS

Our Progress

While the markets may have been turbulent, we have delivered cost effective and innovative responsible investment opportunities for Partner Funds.

An integrated approach to responsible investment

In October 2022 we published our **Net Zero Implementation Plan** detailing the steps we will take to deliver on our 2021 pledge to reach net zero emissions by 2050, or sooner. Recognising that the real-world path to Net Zero across the globe will not be easy or straightforward, we became a founding member of the Emerging Markets Just Transition Investor Initiative. We also updated our voting policy, strengthening our expectations on climate progress made at both oil and gas firms and, for the first time, banks. As part of this update we also clarified our expectations on Board diversity.

In the year we re-appointed Robeco to provide support in implementing our specific voting and engagement priorities. We continued to deliver against the four pillars of our RI strategy; continuing to embed ESG factors into investment decisions, collaborating with other investors on areas aligned with our priority engagement themes, engaging with the wider industry, and further developing our RI reporting.

This work helped us to retain our status as a signatory to the FRC Stewardship Code, which sets a high benchmark for asset managers and asset owners in demonstrating how they manage, integrate and report on their stewardship activities. More information on our activity as an active steward can be found in our Responsible Investment and Stewardship Report.

Our **Climate Change Report** [as published on our website] (our fourth in line with the recommendations of the Task Force on Climate-related Financial Disclosures, TCFD) shares how we are managing climate risk and taking opportunities to help finance the net zero transition.

Evolving our offering

We are finalising the elements of a new, externally managed, Emerging Markets Equity Alpha Fund, which will complement our internally managed Emerging Markets Equity Fund, expanding Partner Fund access to specialist management in these markets. As part of our annual proposition review process we completed two fund restructures to improve the balance of risks within the funds. The first introduced two new managers, Train and Redwheel, to the UK Equity Alpha Fund, and the second added a specialist Emerging Markets sleeve to our Global Equity Alpha Fund.

Real Estate

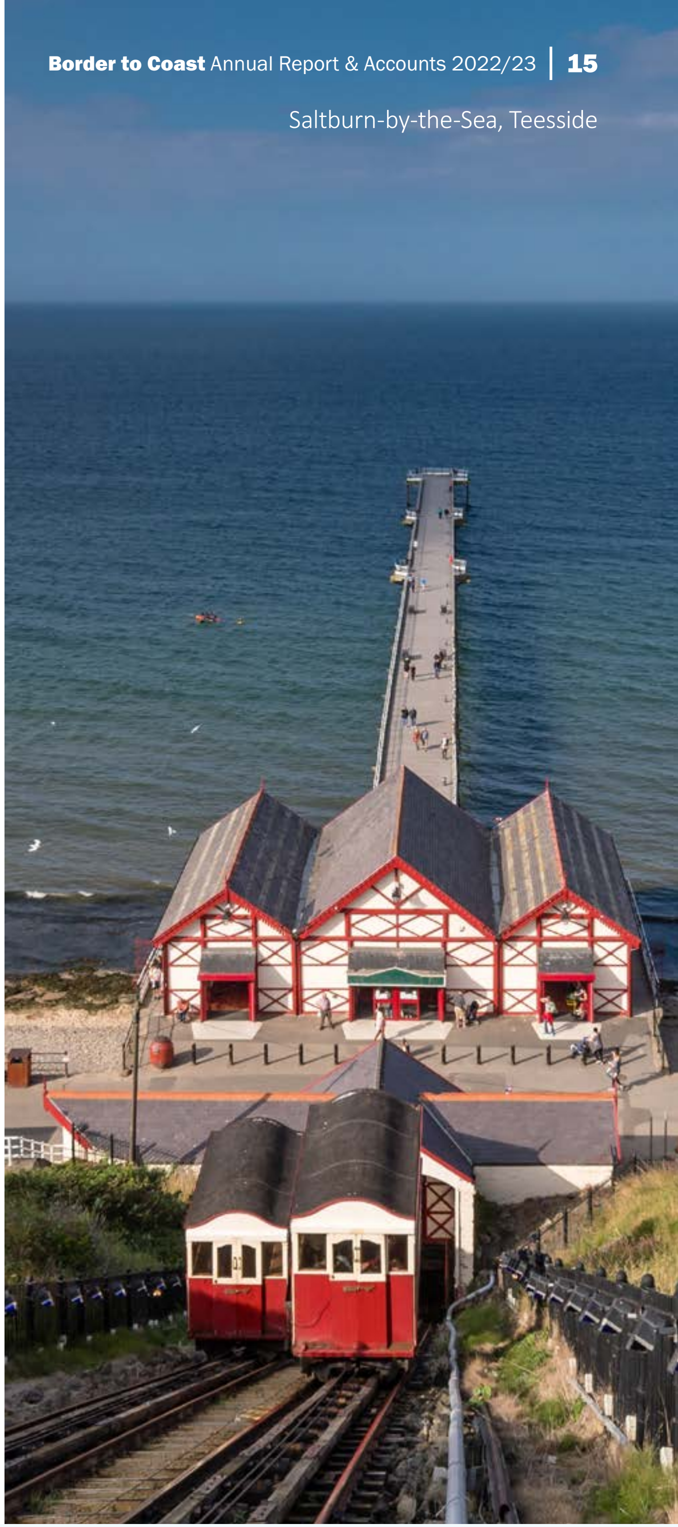
We progressed the design of a Global Real Estate proposition, with its launch expected in 2023, and we collaborated with Partner Funds and across the industry including the appointments of a number of external partners, on the development of an offering in UK Real Estate.

Diversifying with Private Markets

Partner Funds have continued to be very supportive of our Private Markets programme and commitments have remained at a strong level. In the year, £2.3bn was committed to Series 2B of the programme, which confirms our position as the largest Private Markets pooled investor in the LGPS. We have also made significant progress in deploying the assets committed to our £1.4bn Climate Opportunities portfolio (see page 17 for more detail).

Adding Value

Adding value to our Partner Funds is a key objective for us. Clearglass Analytics is an independent data company which helps asset owners assess value for money delivered by their asset managers. It has a scheme efficiency 'index' of 1,000 pension schemes, (total AUM £1.3 trillion) across over 50 asset classes and over 500 asset managers including a number of large schemes. As part of their research, this year it ranked Border to Coast at number one This has been achieved due to the impact of our scale, governance, and blend of internal management and an external manager selection framework.



Saltburn-by-the-Sea, Teesside


Middleton-in-Teesdale, Durham

Future activities

Plans for future capabilities include the development of a UK Opportunities offering, which will enable our Partner Funds to invest locally within the UK and the development of a second Climate Opportunities portfolio. We will also be investing in research expertise, further enhancing the investment insights offered to our Partner Funds.

Croxdale, Durham

OUR INVESTMENTS

Investing To Support The Energy Transition

As part of our net zero commitment,we are investing in infrastructure and technology solutions, on behalf of Partner Funds, to support the transition to a carbon-free economy. We estimate that at 31 March 2023, £6.9bn of the equity and fixed income portfolios that are covered under our net zero roadmap were invested in such solutions, based on MSCI's definition which identifies companies offering clean technology such as the facilitation of renewable energy production.

In addition, our private markets portfolio includes around £1.4bn of capital that has been committed to investments in climate solutions, of which c.£350m has been deployed. A significant proportion of these investments are in our Climate Opportunities portfolio, which was launched in April 2022 with £1.35bn of commitments. This portfolio will make investments focused on accelerating the net zero transition.

Climate Opportunities invests across private equity, infrastructure and private credit assets, with a focus on the following sectors:

CLEAN ENERGY

Renewable generation
Next Generation Grid
Hydrogen Battery storage

TECHNOLOGY

Emissions tracking /reporting
Climate modelling
Energy management

TRANSPORT

Electric vehicles
Charging
Low carbon fuels

INDUSTRY

New generation plastics
Low carbon cement / steel
Automation Energy efficiency

AGRICULTURE

Food production
Alternative proteins
Biodiversity
Water management

SEQUESTRATION

Carbon capture and storage
Direct air capture
and storage Forestry

Investing to support the energy transition - continued

A Quinbrook Renewables Impact Fund synchronous condenser

Case studies:

Innovative climate solutions

In October 2022 we committed €100m to Hy24's €2bn Clean Hydrogen Infra Fund, which invests exclusively in clean hydrogen, largely focused on building proven technologies into mature infrastructure that can play a major role in the journey to net zero. It is the world's first and largest infrastructure fund solely focused on investments across the clean hydrogen value chain, from production and conversion, to storage, supply, and usage. It is estimated that clean hydrogen solutions could represent up to 20% of the final energy demand within the 2050 net-zero agenda.

Developing a resilient energy network

In January 2023 we invested £90m in building critical grid infrastructure that will support the UK's energy transition to lower carbon and renewable forms of energy. Quinbrook Renewables Impact Fund supports the construction of four new synchronous condensers, which will be key in ensuring the electricity grid can handle the intermittency of renewable power, helping make its usage sustainable and effective. The development will play a critical part in enabling more variable and weather-dependent renewables to be built as the UK looks to secure its long-term energy supply, ultimately evolving from a 50 percent to a 100 percent decarbonised power system.

OUR PEOPLE

Our people, and the support we offer as an employer, are central to our success in delivering on behalf of Partner Funds. We have continued to make good progress in maturing our People Strategy in the year, with a focus on embedding our values, successful recruitment and retention, learning and development, wellbeing, diversity and inclusion and support for career development.

Purpose led

We exist to make a difference for the LGPS, and we have continued embedding our purpose and values into what we do and how we do it. From our induction process and recruitment strategy, to performance management, and how we recognise colleagues' work, we have sought to remain collaborative, with a focus on integrity, in order to engage colleagues and sustain high levels of contribution to our purpose.

A strong work environment

We have embraced the ripple of change impacting organisations after the pandemic; during the year a hybrid approach to work has become our 'new normal', entrusting colleagues to manage their time effectively and blending office and remote working to meet their team's and Partner Funds' needs, to enable us to continue to deliver our strategy. Yet the work environment is more than just where and when people work; we recognise the importance of sharing and embedding new ways of working. With that in mind we have a well-developed rhythm of engagement with colleagues including regular and transparent communication across the business, bringing the whole team together at least five times a year. We drew insight from our colleague working groups, our first engagement survey and colleague lunches with senior Leaders and our Non-Executive Directors to ensure that colleagues have a clear voice in how we work together and how we develop as a business.

Building our colleague experience

We're building a reputation as a centre of investment expertise, a learning-focused organisation and a supportive and inclusive place to work. External recognition included winning Investment Week's Investment Industry Contribution to Diversity & Inclusion award.

Opportunities for development are a critical part of our colleague experience, ranging from our graduates through to our most experienced people. We were delighted to celebrate a number of internal role changes and promotions during the year, marking our success in developing career paths across the organisation. Continued growth in support of delivering for our Partner Funds means at 31 March 2023 we had 138 colleagues, including 12 graduate trainees (around 9% of our workforce).

Our Leadership Capabilities

We have developed our Leadership Capabilities to help us unlock the leadership potential of every individual by embedding these capabilities in our people management practices - this includes feedback, development goals and programmes, induction, and succession.

Self-Awareness
We know ourselves and understand our impact on others

Communication
We build effective relationships through open and honest conversation

Influence
We know how to engage others with different perspectives

Development
We care about our learning and growth, individually and as a team

Direction
We work towards the same things and care about clarity for others

Agility
We are flexible and responsive in how we deliver our purpose

We believe that our focus on learning and personal growth, combined with career development and a strong team culture are critical to retention of talented colleagues, a core element of our sustainable organisation strategy.

Like many organisations, we have faced post-Covid challenges, with a toll on physical and mental health seen throughout society. we have stepped up our support for wellbeing across the organisation through initiatives such as our Employee Assistance Programme alongside ensuring our culture and management approach supports wellbeing.

Over the last year we have supported our people through the cost-of-living crisis, with our lower-paid colleagues receiving a one-off non-pensionable supplement to help them during a very challenging period.

Future activities

We will be enhancing our Employee Value Proposition by introducing a variable pay plan for the 2023/24 financial year for which all employees will be eligible for consideration for participation. Our Board Remuneration and Nomination Committee has worked closely with our Partner Funds to agree the plan.

This plan is distinctive as it is based on the collective performance and success of Border to Coast – not individuals or teams within our company. It has been designed to promote and support effective risk management and appropriate risk-taking behaviours, and is aligned with our collaborative culture and the interests of our 11 LGPS Partner Funds.

The benefit is non-contractual, remains at the discretion of the Committee and complies with relevant FCA requirements, having taken into account associated guidelines.

During the coming year we will further develop our people policies and practices to ensure they remain appropriate for an organisation that has grown and matured since inception five years ago, and that they serve our ambition, our culture and enable our people to operate at their best.

Knaresborough, North Yorkshire

CORPORATE STRATEGY

Lake Windermere, Cumbria

CORPORATE STRATEGY

Our Progress

Now approaching the end of our initial strategic phase, which covered a period of significant change both internally and externally (including pandemic, supply shortages, recruitment challenges, regulatory change, Local Government reorganisation and Brexit) we have successfully built firm foundations for a strong and resilient organisation that enables us to deliver for, and on behalf of, our Partner Funds.

In the true spirit of partnership, our development has continued to flex in the period to accommodate our customers' changing needs, our growing capabilities, a demanding regulatory agenda, and the pressures caused by the pandemic.

Surrey

Building a strong and sustainable organisation

The last few years have highlighted the importance of a robust, resilient and flexible organisation. We saw another successful year for external reviews, achieving clean audit opinions for the Company, Authorised Contractual Scheme (ACS) and our Alternatives structures. We also achieved an unqualified opinion of our controls assurance (AAF 01/20) and ISO27001 Information Security Accreditation. We also assessed our strategic approach to data management ahead of further work to build on our operating model resilience in the coming years.

Reflecting our business model's reliance on outsourcing, we enhanced our oversight of contract life cycle management. With this in place, we concluded the re-procurement of several material contracts including the external and internal auditors; our voting and engagement provider; and our research service contracts; as well as contract extensions for our Third-Party Administration and Depositary services and ICT Managed Services provision.

Strengthening our partnerships

Reflecting the importance of maintaining contemporary governance, we have worked closely with our Partner Funds to review and update our shareholder governance framework to ensure we maintain effective decision making and strong oversight.

We continue to work across the LGPS and have been invited to be part of the Scheme Advisory Board's working group looking at the development of the LGPS Code of Cost Transparency, which will continue into the next reporting period.

We use the strength of our collective voice to represent Partner Funds through our engagement with industry. We contributed to consultations such as the Department for Levelling Up, Housing and Communities' (DLUHC's) consultation on climate change reporting, and the FCA's discussion paper on Sustainability Disclosure Regulations. Our representation on industry association boards and committees remains an important approach to enabling our collective voice on behalf of Partner Funds to be heard. Maintaining a close relationship with our Partner Funds is at our heart.

Feedback in the 2022 Annual Satisfaction Survey of our Partner Funds remained very positive, while our fifth annual conference held in September 2022 was viewed as our most useful and effective to date, with 65% of respondents rating the conference as 'excellent' (a 5% increase on 2021).

Future activities

We will continue to review our operating model to ensure we deliver for our Partner Funds. With firm foundations, we are working with our Partner Funds to evolve our funding model and capital structure, to ensure they better reflect our current business as we have matured through our start-up phase. As a more steady-state enterprise, we can also consider how best to benchmark ourselves against other large asset owners, with a view to continuing to learn from others as we pursue our purpose of making a difference for the LGPS.
In the year ahead we will procure an enterprise risk and a customer relationship management system to help streamline our management and reporting processes.

Beverley, East Riding

FINANCIAL REVIEW

Fiona Miller
Deputy CEO

> We have delivered in line with our strategic objectives, while ending the period under budget and with our capital position remaining strong.

As discussed earlier in this report, the world around us continues to provide challenges that we need to understand and navigate our way through – whether the implications of the war in Ukraine, the political dynamics and cost of living crisis in the UK, or the ongoing market turbulance. As such, it is particularly pleasing to be able to say we have delivered in line with our strategic objectives, while ending the period under budget and with our capital position remaining strong.

The assets we are responsible for managing continued to grow, with £28.3bn of assets within the ACS, and an additional £2.3bn committed to private markets, taking total commitments £12.0bn.

We are currently working with our Partner Funds on further propositions, so we anticipate remaining in our growth phase for the next couple of years.

As such our costs are split into the following categories: ongoing costs, which include running a regulated company ('governance'); managing assets ('ACS management' and 'Private Markets management'); developing and launching new funds ('development'); and investment advisory services ('advisory').

EXPENSES BY CATEGORY £m (*2021/22 comparators shown in brackets)	
Governance	£3.4m (£3.2m)
ACS management	£12.2m (£10.1m)
Private markets management	£6.8m (£5.8m)
Development	£2.7m (£1.5m)

Although Border to Coast aims to operate on a cost recovery basis, marginal profits may be retained, subject to shareholder approval. We are reporting a £1,133k profit after tax (2022: £328k profit after tax) for the financial year. Total expenses of £25.1m (2022: £20.6m) were incurred in the year and recharged back to the Partner Funds.

ASSETS AT AT 31 March 2023 (*2021/22 comparators shown in brackets)	
ACS	£28.3bn (£28.6bn)
Private market commitments	£12.0bn (£9.7bn)
Number of Partner Funds invested	11 (11)

Operating model efficiency	
Delivery to operating budget	£1.14m/5% underspend (£0.33m/2% underspend)
Profit after tax	£1.14m (£0.33m)
Total expenses	**£25.12m (£20.64m)**

Financial review continued

Capital

We are authorised by the FCA as a Collective Portfolio Management Investment Firm that conducts MIFID business and is classed as a MIFIDPRU Investment Firm. We are therefore subject to the requirements of the General Prudential Sourcebook, the Prudential Sourcebook for MIFID Investment Firms (MIFIDPRU) and the Interim Prudential Sourcebook for Investment Businesses (Chapter 11) for capital requirement purposes. As a corporate entity regulated by the FCA, we have an obligation to ensure there are adequate measures in place to monitor current – and plan for future – financial resilience. Each year we undertake a formal process to determine the level of capital necessary to support the risks relevant to our business which is approved by the Board.

We also assess the impact on capital adequacy prior to the launch of each new proposition or other significant change to the business. In addition to this, the Board sets an additional capital buffer level to ensure that we remain above the level required by the FCA.

Liquidity

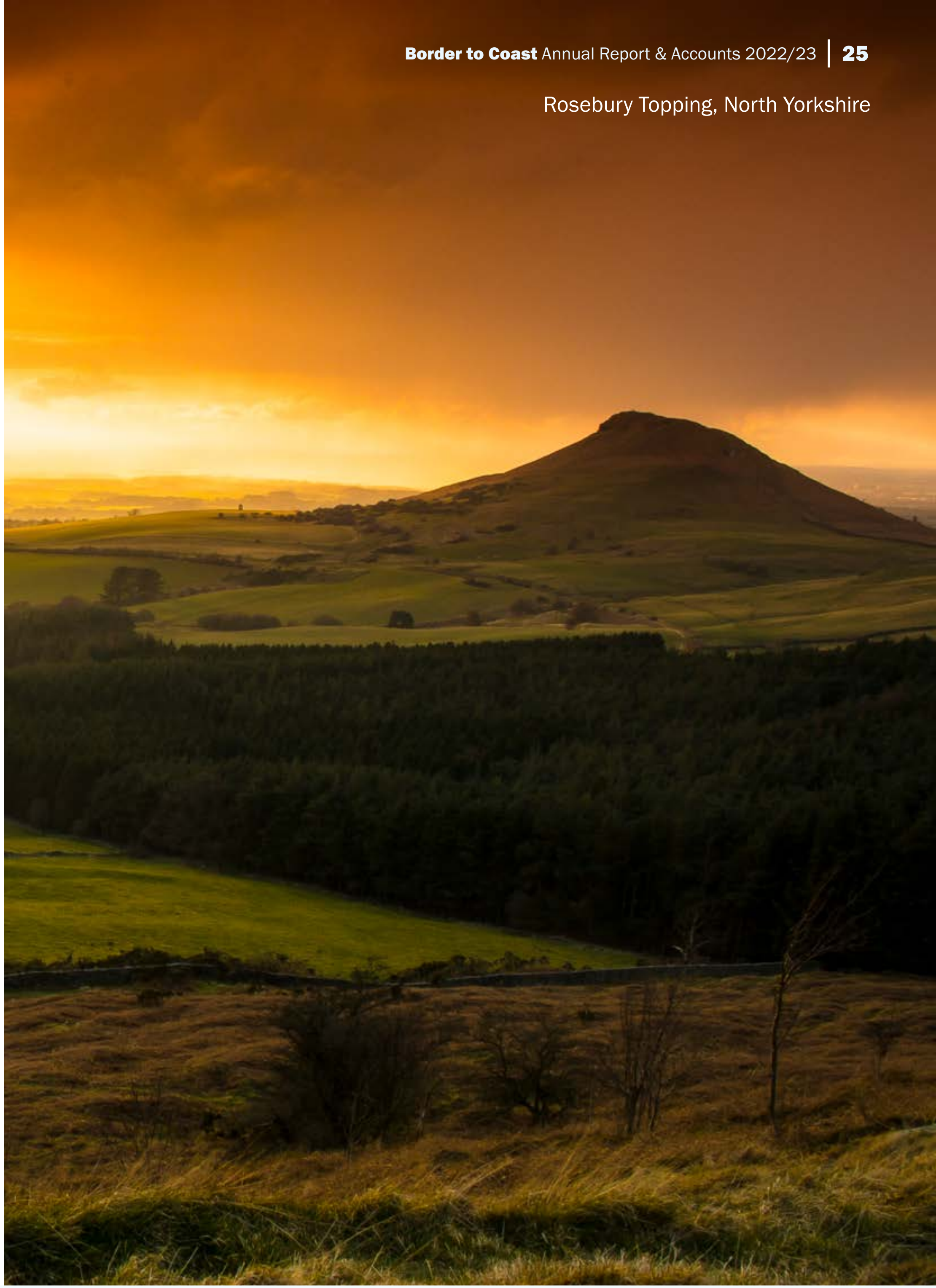
As well as it being good business practice, the FCA requires us to ensure the Company has sufficient liquidity to meet our financial obligations as they fall due. Our Partner Funds have agreed to pay in advance to ensure the Company can at all times remain cash flow solvent. Surplus liquidity is invested in AAA-rated money market funds (as at 31st March 2023: £14.4m [2022: £7.7m]) with our short-term working capital held in a current account (as at 31 March 2023: £3.4m [2022: £3.5m]).

Tax

We comply with tax law and practice in all territories in which we operate, including the UK, which is our main place of business. Compliance means paying the right amount of tax, in the right place, at the right time, and involves disclosing all relevant facts and circumstances to the tax authorities. It is our intention to act in accordance with not just the letter of the law, but the spirit of the law. As such, this means not aggressively pursuing tax loopholes or adopting unreasonable tax filing positions.

Equally, one of the objectives of pooling (as set by the UK Government) was to deliver cost savings for our Partner Funds. While our Partner Funds are tax exempt, as a corporate entity, we are not. To deliver on the objective set by the UK Government, any taxes should therefore be minimised. To balance these two elements, we do not seek to implement convoluted or aggressive tax planning strategies. We proactively engage with HMRC, in collaboration with other pools that are of a similar structure, on issues such as VAT, corporation tax, transfer pricing and global investment taxes.

We seek to ensure that the investments we make on behalf of our Partner Funds are based wherever possible on their tax-exempt status. With the support of our tax advisors, we have undergone an annual review to ensure our current and future financial procedures and organisational structure remain regulatory compliant and tax efficient.



Rosebury Topping, North Yorkshire


Bamburgh Castle, Tyne and Wear

Outlook for 2023/24

The shareholders have unanimously approved the budgeted expenditure for the next financial year at £28.8m (2022: £21.8m). The increase reflects not only the additional capabilities that our Partner Funds will be able to take advantage of in 2023/24, including supporting our Partner Funds' growing Responsible Investment needs and the additional regulatory requirements but also demonstrates the commitment of our Partner Funds to support us with continuing to build and grow a resilient and sustainable business for the longer term.

The primary cost driver, headcount (which drives salaries and associated costs), is expected to increase by 15% from 22/23 to an average of 142 in the year 23/24.

Going concern

Following a robust assessment of the Group's financial and liquidity forecasts, cash position, regulatory capital position, principal risks and other relevant matters, the Directors are satisfied that the financial statements of the Group can be prepared on a going concern basis as they do not intend to liquidate the Group or Company or to cease its operations.

We have continued to monitor the ongoing situation in Ukraine and whilst deplorable on a humanitarian basis this has not caused us any going concerns issues.

During March 2023 the collapse of the US Silicon Valley Bank, closely followed by two smaller banks in the US and issues at Credit Suisse sent ripples across the banking sector. Having learned the lessons from previous financial crises the regulators in both the US and Switzerland stepped in promptly and successfully prevented further contagion. Having reviewed both our corporate exposure and underlying investment exposure there is no impact on the business' ability to operate as a going concern. Taking this, and the Group's and key outsource partners' operational resilience, into account, there are no material uncertainties that could cast significant doubt over the Group and Company's ability to continue as a going concern for at least a year from the date of approval of the financial statements.

RISK MANAGEMENT

Border to Coast's Risk Management Framework forms an integral part of the processes and decision-making of our Board and Executive.

Based on the financial industry's standard 'three lines of defence' model, it helps us to identify and manage risks in line with our risk appetite and to take reasonable steps to mitigate those risks that could result in significant financial loss, harm to our Partner Funds, or reputational damage.

Governance and culture are fundamental underpins to the risk management framework. The Board and Executive have striven to build a culture that is open and committed to learning when it comes to identifying and managing risk.

Three lines of defence

Risk management governance structure

The Board has ultimate responsibility for ensuring the adequacy and effectiveness of risk management, and the Board Audit Committee and Board Risk Committee provide regular oversight, challenge and guidance. In addition to assurance provided from internal and outsourced functions, certain third-parties provide additional assurance, for example our external auditors KPMG LLP through the provision of our controls assurance (AAF 01/20) report; internal auditor; and United Register of Systems, which provides our ISO27001 certification.

Key developments

In the year, our risk management development priorities included further strengthening our risk reporting to the Executive and Board; the embedding of an overarching Investment Risk Management Policy introduced the previous year; and implementation of our Internal Capital Adequacy and Risk Assessment (ICARA) process, introduced under the Investment Firms Prudential Regime (IFPR) that came into effect in 2022 (and replaced the Internal Capital Adequacy Assessment Process, ICAAP, process previously used). We also expanded our second-line risk function capability with the addition of an Investment Risk Manager in September 2022.

PRINCIPAL RISKS

Surrey

We have identified 12 principal risks which can be grouped into four categories:

Strategic risk:
The risk that we are unable to meet our strategic objectives, or that they become misaligned with our mission and values.

Investment risk:
The risk that the propositions we manage under perform or breach the risk tolerances we set out in the governing documentation for those propositions.

Financial risk:
The risk that we maintain insufficient capital and/or financial resources to meet our financial and regulatory obligations.

Operational risk:
The risk of loss or missed opportunity resulting from inadequate or failed internal processes, people or systems, or from external events that impact our operations.

A description of our principal risks, how we mitigate them, and any key changes during the year are shown on pages 29 to 32.

Risk	Description	How we mitigate the risk	Changes during 2022/23
Strategic risk	**1. Strategic plans** The risk that our strategy is flawed, or we are unable to execute the strategy and fail to deliver our strategic objectives.	Our strategic plan is developed in collaboration with our Partner Funds and is subject to review and challenge. Progress against the plan is monitored by the Executive and Board.	We have made significant progress with the development of propositions and additional capabilities to meet our Partner Funds' needs into the future. We have actively managed people risk as society emerged from the pandemic and embraced new ways of working, to mitigate impact on strategic delivery. We are also looking beyond the usual 3-year planning horizon to support Partner Funds' long term needs in a manner that is both resilient and sustainable.
	2. Partner Fund concentration Our customer base is our 11 Partner Funds. This gives concentration, has the potential to impact the viability of individual propositions, should a particular proposition become over-reliant on one Partner Fund.	We work closely with our Partner Funds to create and maintain suitable and attractive propositions that are sustainable through the economic cycle.	While there will continue to be exposure to Partner Fund concentration, currently no propositions consist of a single investor. As proposition offerings evolve so will our exposure to this risk, and we continue to monitor and manage concentration risk as our range increases providing Partner Funds with choices and opportunities to meet their strategic asset allocation needs.
	3. Change management implementation and oversight The risk that our significant development programme leads to the material failure of our strategy to deliver the benefits of pooling.	We have a robust change methodology in place, supported where relevant by qualified asset transition managers and advisors, to enable us to oversee programme delivery and to manage the associated risks.	The year saw the delivery of a significant change programme. The 2022/23 annual review of our strategic plan included consideration of our change agenda and capacity, to enable us to maintain and further build capability and performance.
	4. External political environment Our Partner Funds operate in a political landscape which is shifting. This could change Partner Fund investment needs and/or lead to a divergence in Partner Fund requirements, reducing pooling opportunities. The current political landscape could also affect the prioritisation of the pooling agenda within central government.	We work closely with our Partner Funds, like-minded asset owners/managers and other third parties to understand the implications of the changing external environment on strategic objectives and how this might change the strategic capabilities required to support our Partner Funds.	We engaged in a range of topics in conjunction with our Partner Funds over the period including: responsible investment; greening finance; DLUHC's consultation on climate change reporting; the FCA discussion paper on sustainability disclosure requirements; government pooling policy; and managing the implications of world events. Whilst we undertake coordinated and carefully considered activity to mitigate political risks, where practicable, we recognise there are limitations to the influence we can have on certain external factors, and so continue to explore how to strengthen our resilience to factors outside of our control.

Risk	Description	How we mitigate the risk	Changes during 2022/23
Strategic risk	**5. Climate change** The risk that our approach to climate change is inappropriate or inadequate and becomes detrimental to achieving our strategic objectives.	We have a well-developed and effective Responsible Investment Policy and a dedicated Climate Change Policy. These cover risk analysis within our investment process; and engagement with portfolio companies directly, through our partnership with Robeco, via a number of collaborations with other asset owners, and by engaging with policy makers. We also recognise that we face direct climate risks to our organisation. At the operational level, Border to Coast has a low carbon footprint; we have a single office in central Leeds, with electricity sourced from renewables. As a result, our operational emissions are minimal.	Working closely with our Partner Funds we published our Roadmap to Net Zero in October 2022. We take a long-term outlook to our strategy, with the roadmap setting out our detailed implementation plan for how we will deliver our commitment to achieve net zero emissions by 2050 or sooner. We continued to embed ESG factors into investment decisions across all asset classes and develop our engagement strategy to complement our net zero pledge, and to support our Partner Funds in achieving their aims.
Investment risk	**6. Partner Fund outcomes** The risk that our propositions do not meet our Partner Funds' desired outcomes.	Our propositions are extensively tested prior to launch and reviewed annually to assess their continued appropriateness for Partner Funds requirements. This is monitored through our Investment Committee, which also oversees ongoing performance of the propositions. Performance reporting is prepared for quarterly review meetings with our Partner Funds.	During the year, we have held regular in-depth quarterly review meetings with our Partner Funds and their advisors. We also commissioned a review of our external investment manager process as our Global Equity Alpha fund approached its third anniversary. The review concluded that there is a robust and appropriate set of procedures and processes in place, and a way of operating that accounts for material risks and opportunities.
	7. Liquidity The risk that our collective investment vehicles do not hold sufficient liquidity to meet Partner Funds' requests within their required time frames.	The ACS Prospectus, the Investment Risk Management Policy and the liquidity monitoring framework set out management and oversight arrangements. The proposition design process incorporates an assessment of both investment capacity and redemption liquidity risk profile.	We further embedded our liquidity monitoring arrangements as the breadth of our investment capabilities grew through the year. This helped ensure the continuing effectiveness of our liquidity risk management. We also re-procured and implemented portfolio risk management software to enhance our analysis, monitoring, and risk management.

Risk	Description	How we mitigate the risk	Changes during 2022/23
Financial risk	**8. Credit and liquidity** The risk of an adverse impact on the company due to credit risk exposure in relation to balance sheet assets held and associated counterparty failure or having insufficient resources to meet financial obligations as they fall due.	We hold a prudent level of capital, with a buffer over our minimum regulatory requirements, including those assessed using our ICARA process. Liquidity metrics are monitored against risk limits. Monitoring is via the Executive Committee with oversight by the Board Risk Committee.	We evolved our capital and liquidity assessment approach as we implemented processes to meet the UK's IFPR requirements that came into effect in 2022 (replacing the previous capital assessment process). We also introduced further refinements to our wind-down planning and risk scenario analysis.
Operational risk	**9. IT systems availability, cyber threats, and performance** The risk that the IT systems operated and relied on by the company do not operate as intended. This includes modelling the stability, resilience, and capacity of the company's IT platforms and systems.	We undertake an annual review of our business continuity and disaster recovery plans and consider our operational resilience. We have effective processes in place that comply with ISO 27001 accreditation under the information security standard and require all material outsource providers have this, or an equivalent, accreditation.	During the year we maintained our ISO 27001 accreditation. Business continuity plans were maintained, with all colleagues able to work remotely with very little technical disruption, should the need arise. We implemented our Operational Resilience Policy, which was approved by the Board Risk Committee in February 2022. We have continued to identify and implement enhancements to operational process as appropriate.
	10. People: key person availability and dependency As a relatively new company outside traditional asset management hubs it is important for us to recognise and manage the risk of recruiting and retaining the right calibre of people. Increasing demand for certain skillsets has caused some challenges in relation to recruitment and retention. In addition, our significant development and change agenda can place a burden on key colleagues.	We work with our recruitment partners to identify cost-effective approaches to attracting high-calibre candidates. We have embedded succession planning, performance review, and personal development processes, and ensure colleague wellbeing is central to our culture. We undertake coordinated capacity and resource management across the company.	We have further increased the number of colleagues, by 22 over the year, growing our headcount to 138 at 31 March 2023. The Board Remuneration Committee reviewed our Employee Value Proposition and have engaged our Partner Funds on enhancements to our remuneration strategy and structure, to strengthen our ability to attract and retain high-calibre colleagues.

Risk	Description	How we mitigate the risk	Changes during 2022/23
Operational Risk	**11. Outsourcing** By design, we have a high reliance on third parties as we have outsourced several of our critical and important operational functions. Our key risk in this area is that these third parties fail to deliver agreed services, leading to material operational disruption, a failure to deliver our business objectives, and severe reputational damage. This reliance on third parties may also give rise to counterparty risk.	Our outsourcing framework includes monitoring and management of arrangements, with established controls in place, to ensure Partner Funds do not face an increased level of risk due to outsourcing. Third parties are monitored and held to account in regular management and service meetings, where service performance is reviewed. Associated risk information is prepared by management and monitored, with governance via our executive and board risk committee.	We continued to oversee our outsource partners and worked closely and supportively with them. We introduced enhanced outsourcing risk management monitoring and reporting, and updated our outsourcing policy in June 2022. Operational resilience analysis was enhanced during 2022, and our policy was refreshed in February 2023.
	12. Regulatory compliance and change The continuing evolution and breadth of the regulatory environment including for financial services, and our obligations to certain public sector regulations, means there is a risk of a failure of our company's activities, polices, processes, and procedures that leads to regulatory requirements not being met.	We carefully manage the implementation of regulatory change, which receives Executive and Board committee-level oversight. The Senior Managers and Certification Regime is being embedded across the company, which supports regulatory compliance. The annual compliance monitoring programme reviews adherence to applicable FCA regulatory requirements, and the compliance function oversees adherence with non-UK financial services regulations that apply to the Company.	Following a strengthening of our compliance function in 2021/22, we further developed the content of regulatory horizon scanning across 2022/23 and have improved our management and monitoring of activity required to address regulatory change. Recognising the growing in scale and complexity of our operations as per our strategic plan, we have continued to focus on how we learn from risk incidents when they have occurred, to further enhance operational and regulatory risk mitigation and controls.


Flamborough, East Riding

GOVERNANCE

BOARD OF DIRECTORS AND COMPANY SECRETARY

Chris Hitchen
Chair

Appointed 23 January 2018

Chris has more than 35 years' experience in the UK pensions and investments industry. For nearly 20 years he led the Railways Pension Scheme, a large multi-employer pension-pooling arrangement, first as CIO and then as CEO. As well as chairing Border to Coast, Chris is a trustee and investment committee chair for the National Employment Savings Trust (NEST) and the Chair of the Nuclear Liabilities Fund. He is also a director of the International Centre for Pensions Management and the Finance and Investment Board of the Institute and Faculty of Actuaries.

Rachel Elwell
Chief Executive Officer

Appointed 23 January 2018

Rachel joined Border to Coast as its first CEO following a 20 year career in pensions and institutional investment (at PricewaterhouseCoopers (PwC) and Royal London Mutual Insurance Society). In October 2020 Rachel joined the board of the Investment Association, the UK asset management industry's trade body, and in December 2021 she joined the board of Opera North. Rachel is a Cambridge maths graduate and qualified actuary.

Fiona Miller
Deputy Chief Executive Officer

Appointed 23 January 2018

After leading the government's pooling agenda, Fiona was a founding member of Border to Coast, joining from Cumbria County Council. Fiona is a Chartered Management Accountant with 30 years' experience in finance, ICT, and operational restructuring across both the public and private sectors. Fiona represents the LGPS pooling companies on the LGPS Scheme Advisory Board Investment Committee and is also a member of the Bank of England's Decision Maker Panel.

Tanya Castell
Independent Non-Executive Director

Appointed 23 January 2018

Tanya is a former senior global banker who spent most of her executive career with JP Morgan and UBS. She has served on a number of boards, including Handelsbanken plc, Multrees Investor Services, Standard Life Savings and Faster Payments Scheme. She chaired the Quality Assurance Scheme for the Institute and Faculty of Actuaries and was a pension trustee for HBOS and UBS. Tanya is a member of the Regulatory Decisions Committee of the FCA and the Bank of England's Prudential Regulation Committee and the founder of Changing the Chemistry. She is a Cambridge Computer Science graduate.

Kate Guthrie
Independent Non-Executive Director

Appointed 2 October 2020

Kate's executive career spanned financial services, pharmaceuticals, FMCG and retail. She was formerly Chief People Officer for Virgin Money. She brings experience of organisation transformation, people strategy, reward, culture change, talent and succession and performance management. She is also a Non Executive Director and People Committee Chair on the UK Defence Board. Kate was previously Chair at Lloyds Banking Group Foundation, Scotland; a trustee on the Action for Children Board (Chair of Scotland and Senior Independent Director). Kate was also a member of the Virgin Money Foundation Board.

Board of Directors and Company Secretary continued

Andrew November
Independent
Non-Executive Director

Appointed 5 February 2020

Andrew has spent more than 25 years in asset management, most recently as Head of Investment Office at Scottish Widows. He is also a Director of Bell November Consulting Ltd, a financial services consultancy specialising in business restructuring and management coaching.

Andrew is an Associate of the CFA Society of the UK. He holds an MSc in Applied Economics from the University of California at Santa Cruz, USA, and a BA in Chinese and Economics from the University of Leeds.

Cllr John Holtby
Partner Fund nominated
Non-Executive Director

Appointed 5 February 2020

John is a councillor in the East Riding of Yorkshire Council where he is the Deputy Leader, with a portfolio for Corporate Affairs including pensions, having first been elected in 2013.

He was High Sheriff in the area in 2011/12. John is an arable and livestock farmer on the land his family has farmed since 1890. He has an MA (Hons) in Land Economy from Magdalene College, Cambridge.

Cllr David Coupe
Partner Fund Nominated
Non-Executive Director

Appointed 19 October 2022

David is Chair of the Teesside Pension Fund Committee and was first elected as ward councillor for Stainton & Thornton on Middlesbrough Borough Council in 2015.

He became an executive member for Adult Health and Public Protection and Digital inclusion in 2022 and is also co-Chair on the Live Well South Tees Board.

David worked in the electronics and telecommunications industry before becoming self-employed and involved with electronic and computer systems.

Femi Sobo-Allen
Company Secretary

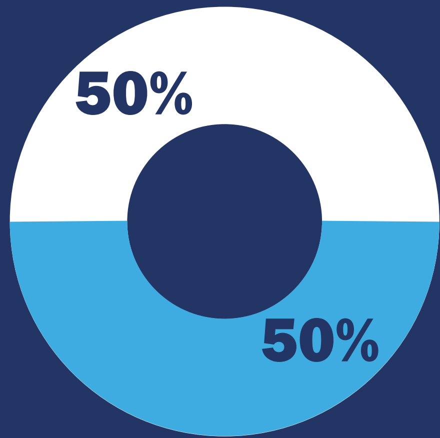
Appointed 8 November 2021

Femi has worked as a chartered secretary for over 26 years and has been a fellow of the Corporate Governance Institute since 2009. She has extensive experience in financial services having been Company Secretary for the Consumer Credit division of Provident Financial, and TD Wealth International. Femi joined Border to Coast in March 2019 as Deputy Company Secretary, was made Interim Company Secretary in November 2021 and was made permanent in June 2022. Femi left Border to Coast in May 2023 and the Company Secretary role is fulfilled by Amanda Blacker-Laybourn, the company's Head of Legal and Governance.

Board members' knowledge*	
Compliance and financial crime	8
ESG risks and opportunities	5
Finance and investment	8
Governance	4
Legal	3
Public sector	3
Strategic management and planning	6

* Number of members with knowledge

Board diversity



Female

Male

CORPORATE GOVERNANCE REPORT

Chris Hitchen
Chair

"The Board's role is to provide entrepreneurial leadership within a framework of prudent and effective controls which enable the Company to assess and manage risk."

Our governance

As Chair, it is my role to lead the Board, ensuring that it operates effectively, within a strong and sound governance framework. Its effectiveness is important, not only in ensuring the stability and sustainability of the pool but also in ensuring we fulfil our legal and regulatory duties. Border to Coast is regulated by the FCA and as such it is required to act in accordance with the 11 Principles for Business and Individual Conduct Rules.

Under the Companies Act 2006, each Director is required to display the knowledge, skill and experience reasonably expected of a person fulfilling this role, and there are seven legal duties required of each Director. The Nolan Principles of public life are also applicable to the way that each Board member conducts themselves. As we undertake our duties we abide by the principles of selflessness, integrity, objectivity, accountability, openness, honesty, and leadership.

We have also adopted relevant parts of the UK Corporate Governance Code that reflect our size and the nature of our business. Although the Code's standards are intended for publicly listed companies, we consider it is right to comply with its spirit and principles and, where appropriate, its specific provisions.

The Executive, and specifically the Head of Legal and Governance, the Company Secretary, the Chief Risk Officer (CRO) and the wider Risk & Compliance function support the Board to ensure the organisation is well run and delivering for stakeholders, as well as fulfilling its responsibility for the governance and oversight of the company in relation to the FCA's Principles for Businesses and Individual Conduct Rules, our obligations under the Companies Act 2006, and the UK Corporate Governance Code 2018.

The Board is unitary in nature. Besides the Chair, it consists of two Executive Directors, three independent Non-Executive Directors and two Non-Executive Directors nominated by our Partner Funds. As Border to Coast is wholly owned by our local government partners, it is important to us that we operate independently from, but in harmony with, our Partner Funds.

We are also working towards ensuring that the Board is diverse, reflecting our workforce and our Partner Funds.

We continue to exceed the gender diversity requirement of the Hampton-Alexander Review, which applies to FTSE companies, to have at least 33% women on company boards. This is a contributing factor in constructive and inclusive challenge around the boardroom table. We continue to consider how we can further improve Board diversity as we do not meet the requirements of the Parker Review. The Remuneration and Nomination Committee undertook a review of diversity of the Board in 2022.

The age distribution of our current Board members is as follows:

	2022	2023
40–49	1	1
50–59	5	5
60–69	2	2

Key governance changes

The Board has continued to fulfil its responsibility for oversight of the running of the business and holding the Executive to account for promoting an open and inclusive culture and establishing the values required to maintain a successful business. Among its activities, during the year the Board:

- Approved the Net Zero Implementation Plan
- Considered the Shareholder Governance Review, which included a review of the articles including those requirements of the A and B shares
- Reviewed and approved a number of new propositions, including UK and Global Real Estate Funds
- Recommended to shareholders the appointment of Cllr David Coupe following the resignation of Cllr Anne Walsh.

Two strategy 'away days' were held in the year which gave the Board the opportunity to consider the organisation's future development as well as to reflect on its own effectiveness and consider matters relating to culture and the Board's relationship with its Committees and the Executive, including their respective roles and responsibilities. The away days were also used to agree the framework for developing the 2023-26 Strategic Plan, which was recommended to shareholders for approval and subsequently unanimously approved by our Partner Funds in March 2023.

Corporate Governance Report continued

How the Board works

The Board is collectively responsible for promoting the success of Border to Coast by directing and supervising its affairs, with due regard for the interests of its shareholders, customers, employees and other stakeholders. The Board's role is to provide entrepreneurial leadership within a framework of prudent and effective controls which enable the company to assess and manage risk. It develops Border to Coast's strategic aims, for shareholder approval, along with the necessary financial resources and people are in place for us to meet our objectives, sets values and standards, reviews Executive performance, and ensures we understand and meet our obligations to stakeholders.

During the year the Board carried out a self-assessment of effectiveness including a skills analysis, building on the external review carried out in 2020. This review evidenced that the Board is made up of suitably skilled and experienced individuals with the collective knowledge and understanding of the company's markets, Partner Funds and propositions to enable them to carry out all their responsibilities effectively, efficiently and compliantly. To deepen the Board's expertise, we are seeking a Non-Executive Director with expertise in resilience, technology, information security and operational outsourcing.
Within the Board, the roles of Chair and CEO are distinct but complementary in accordance with the Corporate Governance Code which states that the Chair is responsible for Board leadership and ensuring its effectiveness in all aspects of its role.

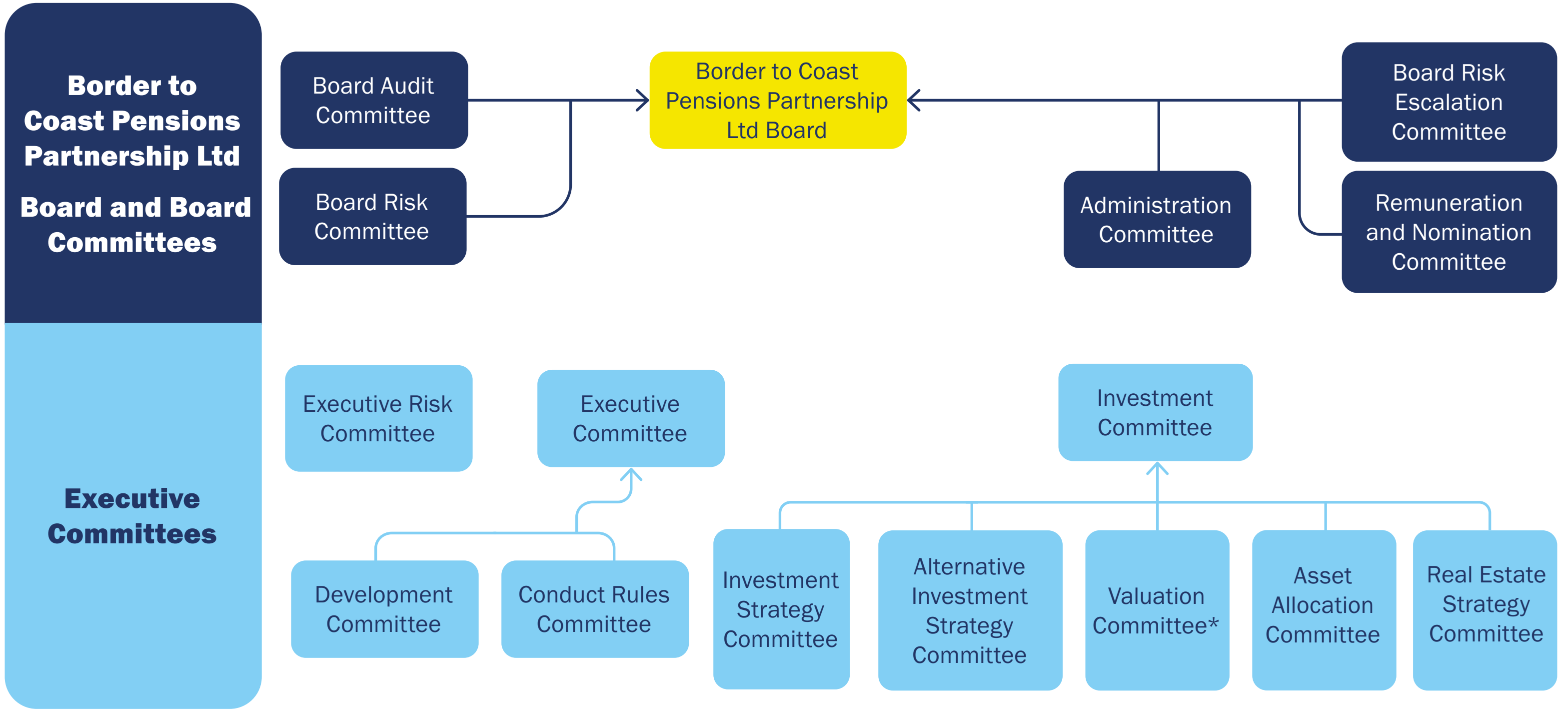
Warwickshire

Corporate Governance Report continued

The CEO's role is to ensure appropriate day-to-day management of the company in line with the strategy agreed with the Board and shareholders the Board. The Chair and CEO are responsible (through the Remuneration and Nomination Committee) for recommending for shareholder approval appropriate levels of remuneration.

Border to Coast recognises the importance of having diverse voices on its Board, and so has sought to include Board representation from its shareholders, the Partner Funds. The Partner Funds have nominated two appropriate individuals as Non-Executive Directors, offering their unique insight and ensuring the voice of our shareholders and customers are heard in our decision-making process. To support its effective operation, the Board has established five Board committees: the Board Audit Committee, the Board Risk Committee, the Remuneration and Nomination Committee, the Board Risk Escalation Committee and the Administration Committee. At the executive level, committees have also been created to assist the CEO and executive leadership team in its decision making and activity monitoring. Please refer to the governance diagram on this page.

The Board met 10 times (eight Board meetings and two strategy away days) during the year, when it considered a range of items relating to the company, its business and performance. The Chair continued to hold private meetings of the Non-Executive Directors without the presence of the Executive prior to the ordinary quarterly meetings. This page shows attendance at meetings for the Board and its committees The number in brackets shows the number of meetings each Director was eligible to attend.



	Board (8)	Board Audit Committee (4)	Board Risk Committee (4)	Remuneration and Nomination Committee (5)	Board Risk Escalation Committee (0)	Administration Committee (0)
Chris Hitchen	8 (8)	1+	4 (4)	5 (5)		
Tanya Castell	8 (8)	4 (4)	4 (4)	-		
Cllr David Coupe	4 (4)	1 (2)	-	-		
Rachel Elwell	8 (8)	4+	4+	5+		
Kate Guthrie	8 (8)	-	-	5 (5)		
Cllr John Holtby	7 (8)	-	-	5 (5)		
Fiona Miller	8 (8)	4+	4+	-		
Andrew November	8 (8)	4 (4)	4 (4)	-		
Cllr Anne Walsh	2 (4)	1 (2)		-		

+ attended by invitation and was not present for private business.

Information regarding the Board Audit Committee, the Board Risk Committee and the Remuneration and Nomination Committee can be found on pages 42 to 49.

*The Valuation Committee has a direct reporting line into the Board Audit Committee.

The Administration Committee

The Administration Committee can be called at short notice to make emergency decisions on matters reserved for the Board which may arise between meetings where there is insufficient time or quorum to convene a full Board meeting. The Chair and quorum for each Administration Committee shall be decided by the Board on a case-by-case basis but the quorum must be a minimum of two, of whom one shall be an independent Non-Executive Director. Although all Directors are invited to these meetings, there is no expectation that they must all attend other than if they have been included in the agreed quorum. The Administration Committee did not meet in the financial year.

The Board Risk Escalation Committee

The Board Risk Escalation Committee, can be called to meet as required to enable consideration of matters escalated from the Executive in relation to investments that may potentially fall outside the Board's risk appetite. The chair and quorum for each Board Risk Escalation Committee shall be decided by the Board on a case-by-case basis, but the quorum must be a minimum of two, of whom one shall be the Chair. There were no meetings of the Board Risk Escalation Committee in the period.

Board composition

When they were appointed, Cllrs John Holtby, Anne Walsh (term ended 30 September 2022) and David Coupe appointed 19 October 2022 were assessed as being not independent given their connection to our Partner Fund shareholders. All other Non-Executive Directors were assessed as being independent upon appointment, including our Chair, Chris Hitchen. Andrew November was re-elected at the Annual General Meeting (AGM) in 2022 to serve a further four years. Given the shareholders' ability to remove and appoint Directors, Border to Coast's Non-Executive Directors are not subject to annual re-election at the AGM. Rather, they enter into an agreement to serve a term of office approved by the shareholders, which can be extended at the agreement of the shareholders, the company and the individual Director.

The dates of expiry for Directors' terms are shown below:

Kate Guthrie	**30 September 2023**
Cllr John Holtby	**30 September 2023**
Tanya Castell	**30 September 2024**
Chris Hitchen	**30 September 2025**
Cllr David Coupe	**30 September 2025**
Andrew November	**30 September 2026**

The Board recommended the appointment of Cllr David Coupe as a Non-Executive Director to shareholders; this was approved and he was appointed for a term of three years.

Burghley Almhouses, Lincolnshire

Tyne and Wear

Stakeholder Engagement

As a Board we recognise the importance of maintaining effective relationships with our key stakeholders and understanding their views in our decision making – this includes colleagues, strategic partners, and, as customers, our Partner Funds. As a people business, we recognise the importance of hearing the voice of our workforce. While we recognise the potential benefits of appointing a workforce director, as a small company we believe it is possible to share information to and from colleagues using other methods. The Board also considers that due to the communication methods and routes with colleagues that there is no requirement for a workforce advisory panel – this includes regular 'Town Halls', newsletters, Board debriefs, informal lunches with colleagues, and focus groups.

In 2022 we held our first formal annual colleague engagement survey, which will form an additional mechanism to understand the views of our colleagues. The Executive and the Board keeps under review ways in which we engage with colleagues and enable them to have a voice.

We also maintain a close relationship with our key suppliers – this includes, for our material and key service providers, regular operational meetings, quarterly service review meetings, and annual strategic review meetings. Information on the state of our relationship with these suppliers is shared with the Board.

As a customer-owned business, we have a clear focus on serving our Partner Funds as customers – how we do this is outlined in detail in our Governance Charter. Among our activities we maintain regular ongoing dialogue with our Partner Funds to understand their objectives and requirements, and work closely with them in the design and launch of any new capabilities. We hold regular meetings with Partner Fund Officers in the 'Officer Operational Group' to discuss key customer related issues and join quarterly meetings with the Joint Committee, which consists of the Pension Committee Chairs from each of our 11 Partner Funds.

In addition to this we join our Partner Funds' Pensions Committee meetings where appropriate to provide updates and to further deepen our understanding of their needs.

In addition to this ongoing dialogue, we take additional feedback through both an Annual Conference and an annual survey with our Partner Funds. The results of both, with an associated action plan, are shared with both the Board and our Partner Funds.

Conflicts of interest

Directors have a statutory duty to declare any interests, covering (but not limited to) external directorships. The company and the Board have assessed all external positions of serving Directors to identify those which may give rise to conflicts, authorising those they recognise as appropriate with reference to the shareholders for approval where required.

Board effectiveness and skills

At its meeting on 20 September 2022 the Board considered a questionnaire for an internal effectiveness review of the Board and its Committees. Responses to the questionnaire were collated and analysed by the Company Secretary. Actions were proposed and discussed with the relevant Committee Chairs, the Chair of the Remuneration and Nomination Committee and the Chair of the Board prior to being presented to the Remuneration and Nomination Committee and, subsequently, the Board at meetings in March 2023. The results presented an improving assessment of the Board's overall effectiveness, with some areas to focus on as outlined in the section below. The results of the review showed that, overall, the committees were effective but, like the Board, actions to enable development were proposed.

Board development

The Chair has a responsibility to agree with Directors their development needs. The Company Secretary ensures that ongoing training is provided for Directors to refresh or enhance their skills and knowledge. The Board effectiveness and skills review informed this work and during the year the Directors received briefings to develop their knowledge and understanding of key business issues.

The main training topics were:

- our Partner Funds
- directors' duties
- financial crime
- climate change strategy
- net zero strategy
- global real estate
- depositary duties
- green bonds and UK opportunities.


Hadrian's Wall, Tyne and Wear

REMUNERATION AND NOMINATION COMMITTEE REPORT

Kate Guthrie
Independent Non-Executive Director

Purpose

The committee approves remuneration strategy, and its application to ensure alignment with performance related outcomes and shareholder interests. It also assists the Board in maintaining an appropriate culture within the business by actively participating in the approval of and overseeing the application of people policies.

Committee members

The Board Remuneration and Nomination Committee met five times during the financial year 2022/23. The committee consists of three members; Chair Kate Guthrie, Chris Hitchen and Cllr John Holtby. The Chair satisfies the requirement for at least 12 months' previous experience of remuneration committee work, having over 30 years of relevant experience. Kate Guthrie is an independent Non-Executive Director and Cllr Holtby is a Partner Fund nominated Non-Executive Director. Chris Hitchen is the Chair of the Board. Attendance at the meetings of the committee during 2022/23 is outlined in the Corporate Governance statement on page 38.

The Chair of the Committee attends the AGM, where shareholders can ask questions regarding all aspects of the committee's role and work. The CEO and the Chief People Officer (CPO) attend all meetings but, in line with the principle that no individual should be able to affect their own terms, leave for agenda items relating to themselves. The committee holds private sessions with the CEO, the CPO and the Committee Adviser separately throughout the year. The Committee also is attended by the CRO when appropriate and relevant.

Roles and responsibilities

The committee's duties as covered by its Terms of Reference are:

REMUNERATION

- Determine, and recommend to shareholders where relevant, the overall reward framework for the senior Executive and management team
- People strategy and policies
- Review pay information from a range of sectors to advise on remuneration policies
- Oversee changes to the employee benefit structure.

NOMINATIONS

- Talent management and succession planning for the senior Executive and management team
- Board succession planning, including the appointment of one Partner Fund Non-Executive Director
- The Chair of the Remuneration and Nomination Committee conducts the appraisal of the Board Chair.

CORPORATE ETHOS

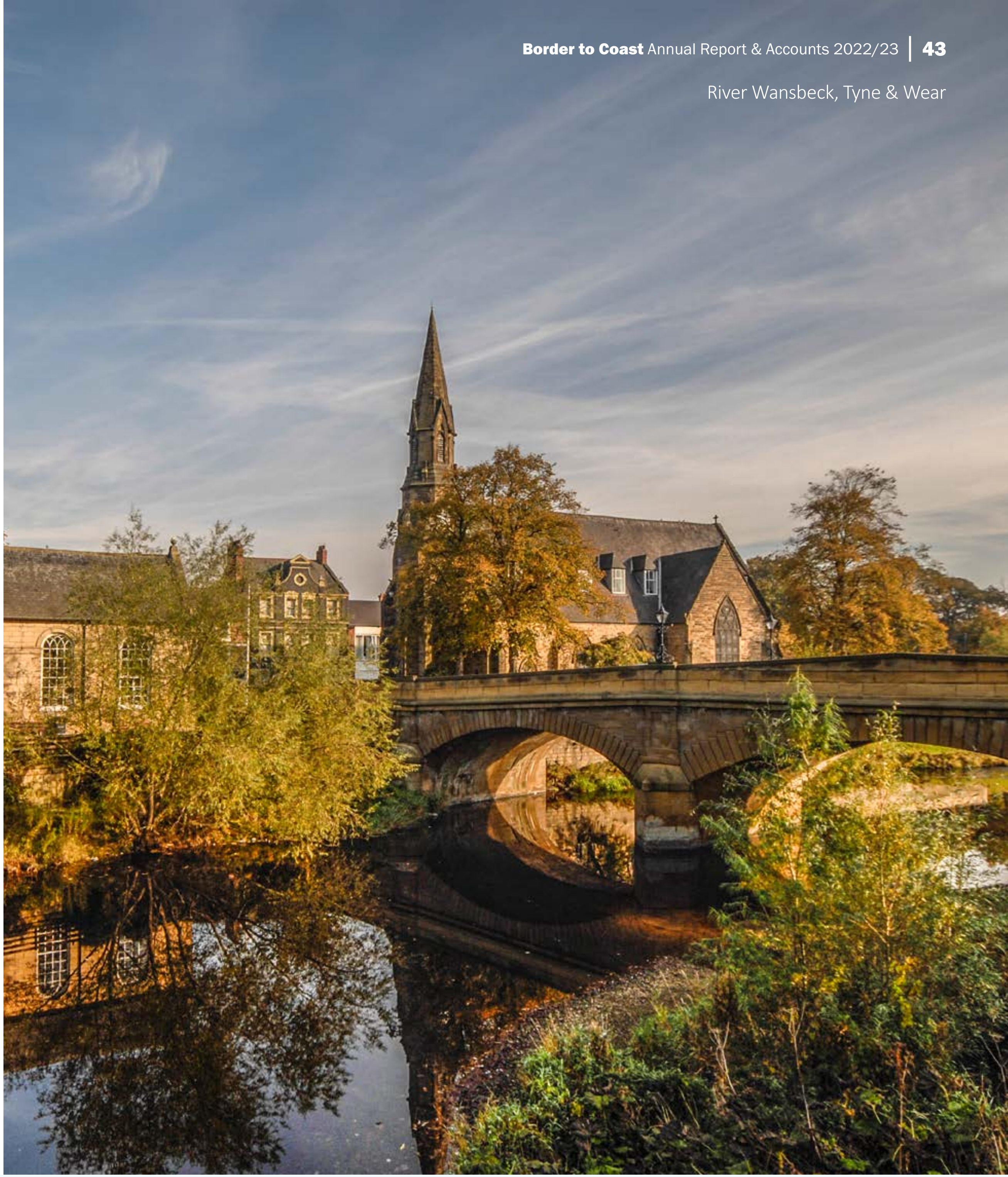
- Consideration of people risk
- Establish and review the outputs of the culture audit and engagement survey to develop our culture
- Regular review all aspects of the people strategy and operational/people risk management during the pandemic.

Remuneration and Nomination Committee Report continued

Focus during the year

Over the year the Committee:

- assessed the approach to people risk
- approved the Remuneration Statement, Remuneration Policy and the Expenses Policy to align with the company's culture and values
- the approval of a variable pay scheme and approved the plan details (to commence from April 2023)
- reviewed communication to support colleague understanding of the Employee Value Proposition
- proposed to shareholders the remuneration of executive directors
- oversaw the company's approach to performance management
- reviewed the completion of activities required to comply with the Senior Manager Certification Regime
- considered the IFPR (Investment Firms Prudential Regime) Remuneration Regulations, the remuneration rules for the new UK IFPR, and the AIFMD (Alternative Investment Fund Managers Directive), assisted by the external remuneration advisor, PwC
- considered Board and Executive succession planning and conducted a review of Board diversity
- considered how colleagues' voices are to be reflected in decision making, including discussions about remuneration
- reviewed the results of the colleague engagement survey
- reviewed, revised and recommended its Terms of Reference to the Board for approval.



River Wansbeck, Tyne & Wear

BOARD AUDIT COMMITTEE REPORT

Andrew November
Independent Non-Executive Director

Purpose

The committee helps the Board meet its responsibilities for monitoring the integrity of the group's financial statements and the performance and objectivity of its external and internal auditors. It also oversees the effectiveness of the group's financial controls.

In conjunction with the Board Risk Committee, the committee ensures that the risk management and internal control systems (encompassing financial, operational and compliance controls) are monitored and reviewed at least annually.

The committee holds private sessions with internal audit and external audit throughout the year to discuss the effectiveness of the functions and any issues arising from the audits.

Committee members

The Board Audit Committee met four times during the financial year 2022/23. The committee consists of three members, Chair Andrew November, Tanya Castell, Chair of the Board Risk Committee, and Cllr David Coupe, who replaced Cllr Anne Walsh as a Partner Fund nominated Non-Executive Director in October 2022. Andrew November and Tanya Castell are independent Non-Executive Directors. The Board considers that the committee possesses the recent relevant financial experience required by the committee's Terms of Reference and the UK Corporate Governance Code 2018.

Having Tanya as a member of the committee promotes a good understanding of risks and issues, and efficient communication between the Risk and Audit Committees. Attendance at the meetings of the committee during the period is outlined in the Corporate Governance statement on page 38. The Chair of the Committee attends the AGM, where shareholders can ask questions regarding all aspects of the committee's role and its work. The CEO, the Deputy CEO, CRO, and Head of Finance are invited to attend meetings. Internal and external audit also attend meetings of the committee.

Roles and responsibilities

The committee's duties as covered by its Terms of Reference are:

FINANCIAL REPORTING

- Oversee the integrity of the financial statements, in accordance with relevant policies. Review and challenge where necessary to enable recommendation for Board approval
- Report to the Board on significant financial reporting issues and judgements
- Review other statements that require Board approval and contain financial information
- Review the effectiveness of financial controls and financial reporting
- Approve the Border to Coast ACS accounts
- Approve the Financial Accounting Policy to be used for the Border to Coast Pensions Partnership Ltd Group Accounts and the Border to Coast ACS.

INTERNAL CONTROLS AND RISK MANAGEMENT SYSTEMS

- Keep under review the company's internal financial control systems that identify, assess, manage and monitor financial risks
- Monitor the availability and use of capital and liquidity in the company
- Received the annual Whistleblowing report.

INTERNAL AUDIT

- Approve internal audit plan and charter to ensure alignment with key business risks and ensure actions are addressed
- Assess annually, and monitor, the effectiveness of the internal audit function.

EXTERNAL AUDIT

- Make recommendations to the Board and shareholders regarding the external auditor's re-appointment
- Review and approve the annual AAF report
- Oversee the relationship with the external auditor and approve the fees
- Monitor the external auditor's process for maintaining its independence and compliance with relevant law, regulation and professional standards
- Approve the policy for the provision of non-audit services by the external auditor
- Receive feedback from the external auditor without the presence of the Executive.

Whitby, North Yorkshire

Focus during the year

Over the year the Committee:

- oversaw the selection procedures for the appointment of internal and external auditors and agreed the related fees
- approved the internal audit plan and charter, reviewed the internal audit reports and recommendations, and monitored the agreed management actions to improve internal controls, risk management and governance
- reviewed and approved the ACS Letter of Representation, its Annual Report and Accounts, and authorised the Executive Directors to sign off the accounts
- recommended to the Board approval of Border to Coast's Group Annual Report and Accounts, Going Concern assessment and the Letter of Representation and reviewed the CASS report
- scrutinised the Assessment of Value report and recommended it to the Board for approval
- considered the Task Force for Climate Related Financial Disclosures report
- received and discussed the AAF Type II controls assurance for year ending 31 December 2022
- received the external auditor's FRC Audit Quality Review 2022 report
- considered the performance of the external and internal auditors during the year
- reviewed and approved policies in accordance with the Policy Governance Framework
- reviewed and approved the accounting policies for the Border to Coast Pensions Partnership accounts for the year ended 31 March 2022 and the Border to Coast Pensions Partnership ACS accounts for year ended 31 March 2022
- reviewed, revised and recommended its Terms of Reference to the Board for approval.

Internal audit

Following a public procurement process Deloitte was re-appointed as internal auditor from April 2023 for an initial period of four years with the option to extend the contract for a further two years.

The Audit Committee approved the annual internal audit plan, reviewed internal audit reports and received regular progress on delivery of the plan from the internal auditor. Audits are undertaken on a risk-assessed basis and recommendations to improve internal controls, risk management, and governance are agreed with management. The committee has monitored the effectiveness of internal audit during the year and is satisfied that internal audit continues to be independent from the business, having a dual reporting line to both the Chair of the Committee and the CEO.

External audit

Following a public procurement process the shareholders at the AGM approved the re-appointment of KPMG as Border to Coast's external auditor in August 2022. The appointment is for a discretionary eight years (four plus four) with annual approval by the shareholders at the AGM. Audit Partner Tom Tyler continues to oversee the audit process. The committee considers Tom Tyler and KPMG to be independent within the meaning of regulatory and professional requirements. It also considers the objectivity of Tom Tyler and the audit staff not to be impaired. The committee's opinion is supported by the results of its annual external auditor effectiveness review.

The committee places great importance on the quality, effectiveness and independence of the external audit process. The committee approves and monitors KPMG's execution of the external audit. It also discusses all significant matters identified in KPMG's 2022/23 final audit report, including the key accounting judgements taken by management and management's responses to any audit findings.

At its meeting in November 2022, the committee reviewed the policy for the provision of non-audit services by the external auditor, where it also approved the fees for audit and non-audit services for the year ending 31 March 2023, as per the committee's Terms of Reference. The report states that any fees paid to the external auditor for work outside the scope of audit services should not exceed 50% of the total fees in any financial reporting period. Audit services cover the audit of the group's subsidiaries financial statements, the audit of the Authorised Contractual Scheme and the audit of the 10 Scottish Limited Partnerships established to support the alternative investments.

The company is to pay KPMG a fee of £108,200 for the audit of our 2022/23 consolidated and subsidiaries' financial statements and £393,000 for the audit of the Authorised Contractual Scheme and Scottish Limited Partnerships financial statements. In addition to these audit fees, we also paid KPMG a further £128,000 for its AAF work and the Client Assets Sourcebook review, both of which are audit assurance related. Of KPMG's total fee, 23% was for non-audit work which falls within the remit of the Policy for the Provision of Non-Audit Services by the external auditor. The committee considered that KPMG's independence was not compromised.

The effectiveness of external audit is assessed using measures including: a review of the quality and scope of the proposed external audit plan and progress against it; reviewing the FRC's 2022 quality review report; and monitoring the independence, professionalism, and transparency of the external auditor.

Whitby Abbey, North Yorkshire

BOARD RISK COMMITTEE REPORT

Tanya Castell MBE
Independent Non-Executive Director

Purpose

The committee ensures that the interests of the Company's shareholders and its Partner Funds are properly protected through the application of effective risk and capital management frameworks. It also oversees that the frameworks appropriately take into account the risk of harm to markets and other stakeholders.

Committee members

The Board Risk Committee met formally four times during 2022/23. The committee consists of three members – Chair Tanya Castell, Chris Hitchen, and Andrew November. The committee's Terms of Reference require that the majority of members are independent Non-Executive Directors. This is fulfilled by the inclusion of Tanya Castell and Andrew November in its membership. The committee also held three workshops with the Executive as detailed below.

Attendance at the meetings of the committee during 2022/23 is outlined in the Corporate Governance Statement on page 38. The Chair of the Committee attends the AGM, where shareholders can ask questions regarding all aspects of the committee's role and work.

The CRO attends all committee meetings, as do the CEO, the Deputy CEO and the Head of Compliance. Internal audit and external audit have also attended meetings of the committee.

Chesterton Old Windmill, Warwickshire

Board Risk Committee report continued

Cumbria

Roles and responsibilities

The committee's duties as covered by its Terms of Reference are:

RISK

- Make recommendations for the Board's approval on the group's risk strategy and risk appetite framework, including reviewing and challenging the risk appetite statements and recommending them to the Board for approval
- Review the risk management framework and oversee its implementation and operation
- Review and challenge the risk profile and material risk incident reports from the CRO, and the level of risk exposures relative to the Board's risk appetite
- Review and challenge the company's Risk Management Development Plan and monitor its progress
- Review the quarterly conduct risk report covering customer, market and colleague conduct
- Consider the risk and control assurance map.

LEGAL, COMPLIANCE AND FINANCIAL CRIME PREVENTION

- Receive reports from the relevant officers on the effectiveness of legal and regulatory compliance activities in the company, including the annual financial crime risk assessment and the money launder risk officer's report
- Approve and oversee the execution of the financial services regulatory compliance monitoring plan
- Review material risk management matters raised by the company's regulators and oversee that corrective action is taken as necessary.

CAPITAL AND LIQUIDITY

- Oversee the ICARA and recommend the associated annual report to the Board for approval
- Review and challenge the methodology, key assumptions and the results of the stress and scenario tests used in ICARA for both capital and liquidity.

REMUNERATION

- Work with the Remuneration and Nomination Committee to ensure risk management and regulation is considered within remuneration policy.

POLICIES

- Consider and, if thought fit, approve those policies delegated to it by the Board
- Consider and, if thought fit, recommend to the Board for approval those policies presented to the Committee, which the Board has reserved to itself.

CRO

- Ensure the risk and compliance functions are adequately resourced and independent
- Meet with the CRO and Head of Compliance in private without the rest of the Executive.

North Yorkshire

Focus during the year

The major risks discussed are set out in further detail in the Risk Management report on pages 27 to 32. Over the year the committee:

- oversaw management's implementation of the Risk Management Framework including adherence to the risk appetite framework and implications of major risks on the organisation
- input to advice and guidance provided to the Remuneration and Nomination Committee in relation to risk and regulatory considerations relevant to the Company's remuneration strategy
- reviewed the evolution of the Company's approach to operational resilience with the first specific operational resilience scenario assessment
- oversaw the ICARA process and outputs, and recommended the first annual ICARA report to the Board for approval
- agreed the introduction of enhanced quarterly outsourcing and supplier reporting
- received updates on the anti-financial crime risks including sanctions and exposures to higher risk jurisdictions with augmented reporting
- tracked the progress of the compliance monitoring work including any remediation activities
- reviewed an annual report on tax risk
- ensured that any regulatory breaches were handled appropriately and root causes analysed
- received financial services regulatory horizon scanning and emerging risks reporting
- held three workshops with the Executive to review and provide input to the development of the ICARA and the revised risk appetite.

FINANCIAL STATEMENTS

Warwickshire

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of the Group and Company for the year ended 31 March 2023.

Incorporation

Border to Coast Pensions Partnership Limited ('the Company') is incorporated in the United Kingdom and registered in England and Wales, registration number 10795539.

Principal activities

The principal activities of the Group and Company are that of investment management and, from 3 April 2019, acting as General Partner to each of the ten Limited Partnerships to facilitate the efficient deployment of the Limited Partners' capital into private equity, infrastructure and private credit investments.

Directors

The Directors in office during the period and at the date of signing this report were as follows*:

Name	Appointed	Resigned
Chris Hitchen	23 Jan 2018	–
Tanya Castell	23 Jan 2018	–
Rachel Elwell	23 Jan 2018	–
Fiona Miller	23 Jan 2018	–
Andrew November	5 Feb 2020	–
John Holtby	5 Feb 2020	–
Kate Guthrie	2 Oct 2020	–
Anne Walsh	6 Oct 2020	30 Sept 2022
David Coupe	19 Oct 2022	–

* Shareholders agree the terms of appointment for non-executive directors.

Results and dividends

The Group made a £1,143 profit after tax (2022 profit after tax: £328k).

No dividends were paid during the year (2022: £nil) and the Directors do not recommend the payment of a final dividend.

Post balance sheet events

Details of events which have occurred since 31 March 2023, and up to the date of this report, are disclosed in note 20 to the consolidated financial statements.

Political or charitable donations

During the year, the Group did not make any political or charitable donations (2021: £nil). Our colleagues have chosen to make collections throughout the period, which were donated to local charities. All amounts came directly from people within the Group and any external supporters rather than from the Group itself.

Expected future developments

Expected future developments are set out in the Strategic report on pages 15 and 16 and include the build of further investment capabilities including two Global and two UK Real Estate propositions. These are expected to lead to further increases in the level of assets under management.

Statement of directors' responsibilities

The Directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Directors' Report continued

Bridlington Harbour, East Riding

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the Group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent company and of the Group and parent company's profit or loss for that period. In preparing each of the Group and parent company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they intend to liquidate the group or parent company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmation

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group and Company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group and Company's auditor is aware of that information.

Independent Auditors

The auditor, KPMG LLP, has indicated its willingness to continue in office and a resolution concerning its re-appointment will be proposed at the Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board:

Fiona Miller
Deputy CEO
Border to Coast
30 June 2023

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of Border to Coast Pensions Partnership Limited

Opinion

We have audited the financial statements of Border to Coast Pensions Partnership Limited ("the Company") for the year ended 31 March 2023 which comprise the Consolidated and Company Income Statements and Statements of Comprehensive Income, Consolidated and Company Balance Sheets, Consolidated and Company Statements of Changes in Equity, Consolidated and Company Cash Flow Statements and related notes, including the accounting policies in note 2..

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2023 and of the Group's and parent Company's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

Sheffield, South Yorkshire

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee, risk committee and inspection of policy documents as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected, or alleged fraud.
- Reading Board, Audit committee, Risk Committee and Remuneration and Nomination committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgement such as pension assumptions. On this audit we do not believe there is a fraud risk related to revenue recognition because there is a limited perceived pressure and opportunity from the nature of revenue transactions.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of the Group-wide fraud risk management controls

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included entries created or posted by individuals who typically do not create, or post journals and entries posted to seldom-used accounts.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and others management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements various considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group's license to operate. We identified the following areas as those most likely to have such an effect: anti-bribery, employment law, FCA regulation and certain aspects of company legislation recognising the financial and regulated nature of Border to Coast Pensions Partnership Limited's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent Auditor's Report continued

Other Information

The directors are responsible for the other information, which comprises the 'Strategic Report', the 'Directors' Report', 'Our Purpose and Values', 'Our Partner Funds', the 'Highlight', 'Corporate Strategy' and the 'Governance' section of the Annual Report and Accounts. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion or any form of assurance conclusions thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the strategic report and the directors' report for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or

the parent Company financial statements are not in agreement with the accounting records and returns; or certain disclosures of directors' remuneration specified by law are not made; or

we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 51, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Thomas Tyler (Senior Statutory Auditor) for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
1 St Peters Square
Manchester
M2 3AE
United Kingdom
30 June 2023

Staithes, North Yorkshire

Consolidated Income Statement and Statement of Comprehensive Income

for the year ended 31 March 2023

	Note	2023 £000	2022 £000
Turnover	3	**26,317**	21,299
Administrative expenses	4	**(25,122)**	(20,639)
Other income		**–**	–
Operating profit		**1,195**	660
Other interest receivable and similar income	7	**267**	3
Profit before taxation		**1,462**	663
Tax on profit	8	**(319)**	(335)
Profit for the financial year		**1,143**	328
Other comprehensive income for the year, net of tax		**–**	–
Total comprehensive profit for the year		**1,143**	328

The results above all related to continuing operations.

The notes on pages 64 to 75 form an integral part of these financial statements.

Company Income Statement and Statement of Comprehensive Income

for the year ended 31 March 2023

	Note	2023 £000	2022 £000
Turnover	3	**26,307**	21,289
Administrative expenses	4	**(25,122)**	(20,639)
Other income		**–**	–
Operating profit		**1,185**	650
Other interest receivable and similar income	7	**267**	3
Profit before taxation		**1,452**	653
Tax on profit	8	**(319)**	(337)
Profit for the financial year		**1,133**	316
Other comprehensive income for the year, net of tax		**–**	–
Total comprehensive profit /(loss) for the year		**1,133**	316

The results above all related to continuing operations.

The notes on pages 64 to 75 form an integral part of these financial statements.

Consolidated Balance Sheet at 31 March 2023

	Note	£000	2023 £000	£000	2022 £000
Fixed assets					
Intangible assets	9	**56**		84	
Tangible fixed assets	10	**398**		488	
			454		572
Current assets					
Debtors:					
– amounts falling due within one year	12	**8,107**		11,473	
– amounts falling due after one year	12	**392**		2,736	
Cash at bank and cash equivalents	14	**17,822**		11,268	
			26,321		25,477
Creditors: amounts falling due within one year	15	**(11,994)**		(10,067)	
			(11,994)		(10,067)
Net current assets			**14,327**		15,410
Total assets less current liabilities			**14,781**		15,982
Creditors: amounts falling due after more than one year					
Pensions and similar obligations	16		**(392)**		(2,736)
Net assets			**14,389**		13,246
Capital and reserves					
Called up share capital	17		**13,000**		13,000
Profit and loss account			**1,389**		246
Shareholders' funds			**14,389**		13,246

These financial statements were approved by the Board of Directors on 27 June 2023 and were signed on its behalf by:

Fiona Miller
Deputy CEO
Border to Coast Pensions Partnership Limited
Registered no: 10795539
30 June 2023

The notes on pages 64 to 75 form an integral part of these financial statements.

Company Balance Sheet at 31 March 2023

	Note	£000	2023 £000	£000	2022 £000
Fixed assets					
Intangible assets	9	**56**		84	
Tangible fixed assets	10	**398**		488	
Investments	11	**–**		–	
			454		572
Current assets					
Debtors:					
– amounts falling due within one year	12	**8,065**		11,440	
– amounts falling due after one year	12	**392**		2,736	
Cash at bank and cash equivalents	14	**17,822**		11,268	
			26,279		25,444
Creditors: amounts falling due within one year	15	**(11,992)**		(10,064)	
			(11,992)		(10,064)
Net current assets			**14,287**		15,380
Total assets less current liabilities			**14,741**		15,952
Creditors: amounts falling due after more than one year					
Pensions and similar obligations	16		**(392)**		(2,736)
Net assets			**14,349**		13,216
Capital and reserves					
Called up share capital	17		**13,000**		13,000
Profit and loss account			**1,349**		216
Shareholders' funds			**14,349**		13,216

These financial statements were approved by the Board of Directors on 27 June 2023 and were signed on its behalf by:

Fiona Miller
Deputy CEO
Border to Coast Pensions Partnership Limited
Registered no: 10795539
30 June 2023

The notes on pages 64 to 75 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

	Called up share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 April 2021	13,000	(82)	12,918
Total comprehensive income for the period	–	328	328
Issue of share capital	–	–	–
Total contributions by and distributions to owners	–	–	–
Balance at 31 March 2022	13,000	246	13,246
Balance at 1 April 2022	**13,000**	**246**	**13,246**
Total comprehensive income for the period	**–**	**1,143**	**1,143**
Issue of share capital	**–**	**–**	**–**
Total contributions by and distributions to owners	**–**	**–**	**–**
Balance at 31 March 2023	**13,000**	**1,389**	**14,389**

The notes on pages 64 to 75 form an integral part of these financial statements.

Company Statement of Changes in Equity

	Called up share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 April 2021	13,000	(100)	12,900
Total comprehensive income for the period	–	316	316
Issue of share capital	–	–	–
Total contributions by and distributions to owners	–	–	–
Balance at 31 March 2022	13,000	216	13,216
Balance at 1 April 2022	**13,000**	**216**	**13,216**
Total comprehensive income for the period	**–**	**1,133**	**1,133**
Issue of share capital	**–**	**–**	**–**
Total contributions by and distributions to owners	**–**	**–**	**–**
Balance at 31 March 2023	**13,000**	**1,349**	**14,349**

The notes on pages 64 to 75 form an integral part of these financial statements.

Consolidated Cash Flow Statement
for year ended 31 March 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Profit before tax		**1,462**	663
Adjustments for:			
Depreciation, amortisation and impairment		**207**	179
Loss on disposal of fixed assets		**–**	–
Interest receivable and similar income		**(267)**	(3)
Corporation tax		**(319)**	(335)
(Increase) in trade and other debtors		**3,353**	(4,053)
Increase in trade and other creditors		**1,940**	876
Net cash from operating activities		**6,376**	(2,673)
Cash flows from investing activities			
Interest received		**267**	3
Acquisition of tangible fixed assets	10	**(80)**	(444)
Acquisition of other intangible assets	9	**(9)**	(69)
Net cash from investing activities		**178**	(510)
Cash flows from financing activities			
Proceeds from the issue of share capital	17	**–**	–
Net cash from financing activities		**–**	–
Net increase/(decrease) in cash and cash equivalents		**6,554**	(3,183)
Cash and cash equivalents at 1 April	14	**11,268**	14,451
Cash and cash equivalents at 31 March	14	**17,822**	11,268

The notes on pages 64 to 75 form an integral part of these financial statements.

Company Cash Flow Statement
for year ended 31 March 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Profit before tax		**1,452**	653
Adjustments for:			
Depreciation, amortisation and impairment		**207**	179
Loss on disposal of fixed assets		**–**	–
Interest receivable and similar income		**(267)**	(3)
Corporation tax		**(319)**	(337)
(Increase) in trade and other debtors		**3,363**	(4,043)
Increase in trade and other creditors		**1,940**	878
Net cash from operating activities		**6,376**	(2,673)
Cash flows from investing activities			
Interest received		**267**	3
Acquisition of tangible fixed assets	10	**(80)**	(444)
Acquisition of other intangible assets	9	**(9)**	(69)
Net cash from investing activities		**178**	(510)
Cash flows from financing activities			
Proceeds from the issue of share capital	17	**–**	–
Interest paid		**–**	–
Net cash from financing activities		**–**	3,000
Net increase/(decrease) in cash and cash equivalents		**6,554**	(3,183)
Cash and cash equivalents at 1 April	14	**11,268**	14,451
Cash and cash equivalents at 31 March	14	**17,822**	11,268

The notes on pages 64 to 75 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2023

1. General information

Border to Coast Pensions Partnership Limited ('the Company') is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales, registration number 10795539. The address of the Company's registered office is 5th Floor, Toronto Square, Toronto Street, Leeds LS1 2HJ.

2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The Group and Company financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and the requirements of the Companies Act 2006.

a. Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group and Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note *p*.

b. Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and all its subsidiary undertakings drawn up to 31 March 2023.

A subsidiary is an entity controlled by the parent. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where the Group owns less than 50% of the voting powers of an entity but controls the entity by virtue of an agreement with other investors which give it control of the financial and operating policies of the entity, it accounts for that entity as a subsidiary.

Subsidiaries are consolidated at the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

The Group financial statements include the results of ten subsidiary companies, each established on 3 April 2019 to act as a General Partner for ten Scottish Limited Partnerships ('SLPs') set up to manage alternative investments.

Border to Coast Pensions Partnership Limited has control over the assets held by the underlying ten SLPs in which the ten subsidiary companies act as the General Partner in its capacity as investment manager. However, since these are held on behalf of investors and Border to Coast Pensions Partnership Limited has no right to the economic benefits arising from these assets, the assets and the investment income and costs associated with the ten SLPs have not been consolidated.

Similarly, in its capacity as investment manager, Border to Coast Pensions Partnership Limited has control over the assets held by the Border to Coast ACS. However, since these are held on behalf of investors, and Border to Coast Pensions Partnership Limited has no right to the economic benefits arising from these assets, the assets and the investment income and costs associated with them have not been consolidated.

c. Functional and presentational currency

The financial statements are presented in Pounds Sterling and rounded to the nearest thousand (£000).

d. Going concern

The financial statements have been prepared using the going concern basis of accounting. The Directors have undertaken an assessment to establish whether the use of the going concern basis is appropriate for the preparation of the financial statements.

From the above assessment, in conclusion, the Directors are not aware of any material uncertainties that would cast doubt over the Group and Company's ability to continue as a going concern for at least twelve months from the date of approval of the financial statements.

Notes to the financial statements for year ended 31 March 2023 continued

Collingwood Monument, Tyne and Wear

2. Accounting policies (continued)

e. Turnover

Turnover comprises fees for the provision of investment management services. Turnover is measured at the fair value of the consideration received or receivable, net of value added taxes. Although the Company aims to operate on a cost recovery basis, marginal profits may be retained subject to shareholder approval.

f. Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding, and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

g. Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items, which are recognised in other comprehensive income.

h. Intangible assets

Computer software licences and software are capitalised on the basis of the cost incurred to acquire and bring into use the specific software. These costs are amortised over their estimated useful lives of up to three years.

i. Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation of each asset on a straight-line basis over its expected useful life or minimum lease commitments, as follows:

Fixtures and fittings	10 years
Leasehold	5 years
IT hardware	3 years

j. Impairment of financial assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss.

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Group and Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

k. Trade and other debtors

Trade and other debtors are recognised initially at transaction price and subsequently less any provision for impairment where such subsequent measurement would result in a difference to the carrying value of the asset.

l. Trade and other creditors

Trade and other creditors are recognised at transaction price.

m. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits with banks and other financial institutions. All cash and cash equivalents held are immediately available for withdrawal.

n. Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the financial statements for year ended 31 March 2023 continued

2. Accounting policies (continued)

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group and Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group and Company's taxable profits and their results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

n. Taxation (continued)

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. In other cases, the measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group and Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax income or expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax income or expense.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group and Company intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Group and Company have a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

o. Employee benefits

The Company operates a defined benefit pension scheme and a defined contribution pension scheme.

Defined benefit pension scheme – The defined benefit scheme is a Local Government Pension Scheme ('LGPS') administered by South Yorkshire Pensions Authority and is only open to members from existing LGPSs who have transferred into the Company LGPS or have rights under TUPE. The liabilities of the LGPS pension fund attributable to the Company are included in the balance sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions, for example, but not limited to, mortality rates, employee turnover rates, and projections of projected earnings for current employees.

- Liabilities are discounted to their value at current prices, using a discount rate based on the indicative rate of return on high-quality corporate bonds. In determining these liabilities, an assumption has been made on the advice of our actuaries that 50% of employees retiring will take an increase in their lump sum payment on retirement in exchange for a reduction in their future annual pension.
- The assets of the South Yorkshire Pension Fund attributable to the Company are included in the balance sheet at their fair value.

In accordance with the Pension Recharge Agreement Deed between the Company and the eleven shareholders of the Company, the deed guarantees reimbursement of any pension liability, additional employer contributions, entry payments or exit payments not covered by the rates pursuant to the regulations in accordance with the Funding Strategy Statement and the Rates and Adjustments Certificate in force. The deed guarantees both current and future deficits. Reimbursement from the shareholders would be through the annual operating charge or a charge to the investment sub-funds or by the provision of a payment notice.

The deed is considered a reimbursement asset and is recognised separately from the defined benefit liability. The net change in fair value of this asset is recognised as part of the cost of the defined benefit plan with the interest element presented in profit or loss and other movements taken to other comprehensive income. As the amount and timing of the reimbursement of the asset matches the sum

Notes to the financial statements for year ended 31 March 2023 continued

2. Accounting policies (continued)

of all benefits payable under the Defined Benefit Pension Scheme, the fair value of this asset is deemed to be the present value of the related obligation. Movements arising from the asset are therefore presented net of the defined benefit cost in profit or loss and other comprehensive income respectively, as permitted under FRS 102.

The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are included as either accruals or prepayments in the balance sheet.

Defined contribution pension scheme

The defined contribution scheme is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

p. Leases

Leases in which the Group and Company assume substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

q. Critical accounting judgements and estimates

In the application of the Group and Company's accounting policies, which are described in note 2, the Directors are required to make judgements and estimates that have a significant impact on the amounts recognised. The following are the critical judgements and estimates that the Directors have made in the process of applying the Group and Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Non-consolidation of Scottish Limited Partnerships – although the Company, in its capacity as investment manager, has control over the assets held by the underlying ten SLPs in which the ten subsidiary companies act as the General Partner, since these are held on behalf of investors and the Company has no right to the economic benefits arising from these assets, the ten SLPs have not been consolidated.

Defined benefit pension scheme – estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on Pension Fund assets. A consulting actuary is engaged to provide the Group and Company with expert advice about the assumptions to be applied. However, because these judgements cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

3. Turnover

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Priority profit share	**10**	10	**–**	–
Investment management	**20,106**	15,117	**20,106**	15,117
Governance	**3,345**	3,277	**3,345**	3,277
Development	**2,856**	2,895	**2,856**	2,895
	26,317	21,299	**26,307**	21,289

4. Expenses and auditor's remuneration

Included in profit/loss are the following:

	2023 £000	2022 £000
Amortisation of intangible fixed assets	**37**	25
Depreciation of tangible fixed assets	**170**	154
Operating leases	**223**	233
Foreign exchange differences	**(147)**	25
Auditor's remuneration:		
Audit of these financial statements	**49**	40
Audit of the subsidiaries	**59**	50
Non-audit services:		
Controls assurance	**115**	115
Client assets	**13**	10

5. Staff numbers and costs

The average number of persons employed by the Company (including Directors) during the year was 123 (2022: 110). The aggregate payroll costs of these persons were as follows:

	2023 £000	2022 £000
Wages and salaries	**9,657**	7,795
Social security costs	**1,280**	914
Contributions to defined contribution plans	**749**	569
Expenses related to defined benefit plans	**168**	699
	11,854	9,977

6. Directors' remuneration

	2023 £000	2022 £000
Emoluments	**687**	641
Contributions to defined contribution plans	**41**	32
	728	673

During the year two Directors (2022: two) participated in money purchase pension schemes.

The amounts set out above include remuneration in respect of the highest paid Director as follows:

	2023 £000	2022 £000
Emoluments	**281**	253
Contributions to defined contribution plans	**24**	16
	305	269

7. Finance income and expense

	2023 £000	2022 £000
Interest receivable on bank deposits and cash equivalents	**267**	3
Total interest receivable and similar income	**267**	3

8. Taxation

Total tax expense recognised in the profit and loss account and other comprehensive income

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Current tax on income for the period	**307**	320	**307**	320
Adjustment in respect of prior periods	**(23)**	–	**(23)**	2
Deferred tax (see note 13)	**35**	15	**35**	15
Total tax	**319**	335	**319**	337
Reconciliation of effective tax rate				
Profit excluding taxation	**1,462**	663	**1,452**	653
Tax using the UK corporation tax rate of 19% (2020: 19%)	**278**	126	**276**	124
Net effect of other non-taxable/non-deductible items	**(38)**	35	**(36)**	35
Adjustments to tax charge in respect of prior years	**(23)**	(2)	**(23)**	2
Deferred tax change	**35**	15	**35**	15
Transfer pricing adjustment	**67**	161	**67**	161
Total tax expense included in profit or loss	**319**	335	**319**	337

9. Intangible assets (Group and Company)

	Software £000
Cost	
Balance at 1 April 2022	134
Additions	9
Disposals	–
Balance at 31 March 2023	**143**
Amortisation and impairment	
Balance at 1 April 2022	50
Amortisation for the year	37
Disposals	–
Balance at 31 March 2023	**87**
Net book value	
At 1 April 2022	84
At 31 March 2023	**56**

10. Tangible fixed assets (Group and Company)

	Leasehold £000	Computer equipment £000	Fixtures and fittings £000	Total £000
Cost				
Balance at 1 April 2022	283	416	182	881
Additions	5	75	–	80
Balance at 31 March 2023	**288**	**491**	**182**	**961**
Depreciation and impairment				
Balance at 1 April 2022	83	259	51	393
Depreciation charge for the year	58	94	18	170
Balance at 31 March 2023	**141**	**353**	**69**	**563**
Net book value				
At 1 April 2022	200	157	131	488
At 31 March 2023	**147**	**138**	**113**	**398**

11. Investments

	2023 £000	2022 £000
Investment in subsidiaries	–	–

The Company owns 100% of the equity share capital of the following ten subsidiary companies, each registered in the United Kingdom at C/O Addleshaw Goddard LLP, Exchange Tower, 19 Canning Street, Edinburgh, EH3 8EH

Border to Coast Bedfordshire GP Limited

Border to Coast Cumbria GP Limited

Border to Coast Durham GP Limited

Border to Coast East Riding GP Limited

Border to Coast North Yorkshire GP Limited

Border to Coast South Yorkshire GP Limited

Border to Coast Surrey GP Limited

Border to Coast Teesside GP Limited

Border to Coast Tyne & Wear GP Limited

Border to Coast Warwickshire GP Limited

The above companies each act as the General Partner to a Limited Partnership established in April 2019 to facilitate the efficient deployment of capital into private equity, infrastructure, and private credit investments.

The investments are £1 each representing 100% of the share capital

12. Debtors

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Trade debtors	**4,498**	8,788	**4,466**	8,788
Other debtors	**1,093**	396	**1,093**	396
Pension fund guarantee (see note 16)	**392**	2,736	**392**	2,736
Deferred tax assets (see note 13)	**–**	–	**–**	–
Prepayments and accrued income	**2,516**	2,289	**2,506**	2,256
	8,499	14,209	**8,457**	14,176
Due within one year	**8,107**	11,473	**8,065**	11,440
Due after more than one year	**392**	2,736	**392**	2,736
	8,499	14,209	**8,457**	14,176

There was no impairment on trade debtors during the year (2022 nil).

As detailed within a "Pension Cost Recharge Agreement", dated 4 February 2019 between the shareholders and the Company, the shareholders have guaranteed that any deficit arising in respect of the Company's participation in the defined benefit pension scheme will be underwritten by the shareholders.

13. Deferred tax assets/(liabilities) (Group and Company)

Deferred tax assets/(liabilities) provided for at 19% (2022: 19%) in the financial statements are set out below:

	2023 £000	2022 £000
Balance b/f	**(12)**	3
Deferred tax (charge) in profit and loss account	**(35)**	(15)
Balance c/f	**(47)**	(12)
The closing balance represents		
Other timing differences	**(47)**	(12)

14. Cash and cash equivalents (Group and Company)

	2023 £000	2022 £000
Cash at bank and cash equivalents	**17,822**	11,268

15. Creditors: amounts falling due within one year

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Trade creditors	**911**	1,299	**911**	1,299
Taxation and social security	**423**	266	**423**	266
Corporation tax	**287**	322	**284**	319
Deferred tax	**47**	12	**47**	12
Other creditors	**1,008**	717	**1,008**	717
Accruals and deferred income	**9,318**	7,451	**9,319**	7,451
	11,994	10,067	**11,992**	10,064

16. Employee benefits (Group and Company)

Defined contribution pension scheme

The Company operates a defined contribution pension scheme. The total expense relating to this scheme in the current year was £749k (2022: £569k).

Defined benefit pension scheme

The Company operates a Local Government Pension Scheme ('LGPS') administered by South Yorkshire Pension Authority. A Pension Recharge Agreement Deed between the Company and the eleven Local Authority shareholders guarantees the reimbursement of any pension liability.

16. Employee benefits (Group and Company) continued

Net pension (liability)

	2023 £000	2022 £000
Defined benefit obligation	**(7,190)**	(9,203)
Plan assets	**6,798**	6,467
Net pension (liability)	**(392)**	(2,736)
Movements in present value of defined benefit obligation		
At 1 April	**9,203**	8,284
Current service cost	**370**	457
Interest on pension liabilities	**254**	188
Change in financial assumptions	**(5,136)**	143
Change in demographic assumptions	**438**	0
Other experience	**1,960**	10
Member contributions	**105**	126
Benefits/transfers paid	**(4)**	(5)
At 31 March	**7,190**	9,203
Movements in fair value of plan assets		
At 1 April	**6,467**	5,142
Interest on plan assets	**178**	117
Remeasurement (assets)	**(116)**	386
Employer contributions	**168**	701
Member contributions	**105**	126
Benefits/transfers paid	**(4)**	(5)
At 31 March	**6,798**	6,467
Expense recognised in the profit and loss account		
	2023 £000	2022 £000
Current service cost	**370**	444
Net interest cost	**76**	77
Total expense recognised in profit or loss	**446**	521

16. Employee benefits (Group and Company) continued

The fair value of the plan assets and the return on those assets were as follows:

	2023 Fair value £000	**2023 Fair value %**	2022 Fair value £000	2022 Fair value %
Equities	**4,623**	**68**	4,268	66
Bonds	**1,563**	**23**	1,552	24
Property	**544**	**8**	582	9
Cash	**68**	**1**	65	1
	6,798	**100**	6,467	100
Actual return on plan assets	**(212)**	**(3.2)**	503	9.5

Principal actuarial assumptions (expressed as weighted averages) at the year end were as follows:

	2023	2022
Discount rate	**4.75%**	2.70%
Future salary increases	**4.70%**	4.95%
Future pension increases (CPI)	**2.95%**	3.20%

Formal actuarial valuations are carried out every three years. The last full actuarial valuation was performed on 31 March 2022, which forms the basis for the 31 March 2023 disclosures reflecting actual individual membership data. The 31 March 2022 disclosures were based on a roll forward from the 2019 valuation. This has contributed to the £1,960k adverse 'other experience' reported under 'movements in present value of defined benefit obligation' reflecting the adjustments to the roll forward approach to allow for actual experience over the period. It also includes the impact of applying the 10.1% Pension Increase Order from 1 April 2023 which is higher than the assumed rate at the start of the period.

In valuing the liabilities of the pension fund at 31 March 2023, the following mortality assumptions have been made:

Current pensioner aged 65: 20.5 years (male) and 23.7 years (female).
Future retiree upon reaching 65: 21.5 years (male) and 25.2 years (female).

Sensitivities

The scheme asset values are sensitive to market conditions. The scheme liabilities are sensitive to actuarial assumptions used to determine the scheme obligations. Changes in these assumptions could have a material impact on the Consolidated Statement of Financial Position. The main assumptions are the discount rate, rate of inflation, salary increase and life expectancy rate. The following table provides an estimate of the potential impact on the net pension liability of changing these assumptions:

	2023 £000	2022 £000
Net pension liability	**392**	2,736
+0.1% p.a. discount rate	**170**	2,929
+0.1% p.a. inflation	**130**	2,869
+0.1% p.a. pay growth	**42**	2,794
+1 year life expectancy	**288**	3,104

As detailed within a "Pension Cost Recharge Agreement", dated 4 February 2019 between the shareholders and the Company, the shareholders have guaranteed that any deficit arising in respect of the Company's participation in the defined benefit pension scheme will be underwritten by the shareholders and therefore any change in the net pension liability will be matched by a corresponding change in the pension fund guarantee asset (see Note 12) resulting in a net nil balance sheet impact.

17. Capital and reserves

Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
11 ordinary shares of £1 each (A shares)	**11**	11
12,999,998 non-voting ordinary shares of £1 each (B shares)	**12,999,998**	12,999,998
	13,000,009	13,000,009

All shares have been issued and fully paid in cash.

18. Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2023 £000	2022 £000
Less than one year	**255**	260
Between one and five years	**455**	711
More than five years	**–**	–
	710	971

19. Related parties

Group

During the year, the Group entered into transactions, in the ordinary course of business, with other related parties (the ten SLPs). Transactions entered into, and trading balances outstanding at 31 March, are as follows:

	Sales to related party 2023 £000	Sales to related party 2022 £000	Amounts owed from related party 2023 £000	Amounts owed from related party 2022 £000
Shareholders of the Company	**19,282**	15,474	**4,846**	9,856
Related parties	**7,028**	5,824	**32**	1,620

Company

During the year, the Company entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 31 March, are as follows:

	Sales to related party 2023 £000	Sales to related party 2022 £000	Amounts owed from related party 2023 £000	Amounts owed from related party 2022 £000
Shareholders of the Company	**19,282**	15,474	**4,846**	9,856
Related parties	**7,028**	5,814	**0**	1,620

Notes to the financial statements
for year ended 31 March 2023 continued

20. Subsequent events

On 1 April 2023, Statutory Instrument 2023 No.187 (SI) came into force. The effect of the SI was to change the administering authority of Cumbria Local Government Pension Scheme from Cumbria County Council to Westmorland and Furness Council with effect from 1 April 2023.

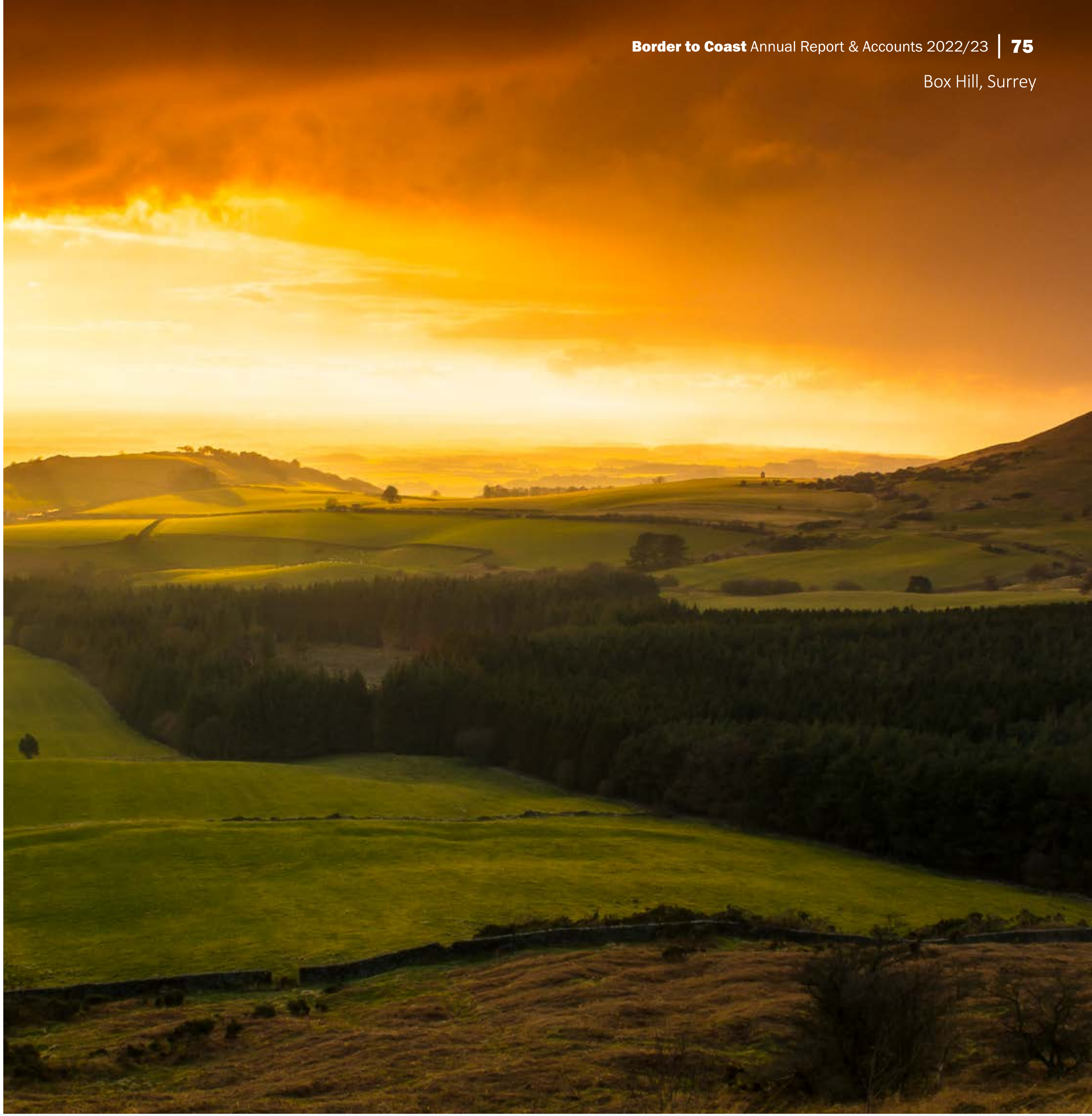
On 1 April 2023, Statutory Instrument 2022 No.328 (SI) came into force. The effect of the SI was to change the name of the administering authority of North Yorkshire Local Government Pension Scheme from North Yorkshire County Council to North Yorkshire Council.

The directors have concluded the financial statements do not require any adjustment.

Border to Coast Pensions Partnership Limited is authorised and regulated by the Financial Conduct Authority (FRN 800511)

Registered in England (registration number 10795539) at the registered office:
5th Floor, Toronto Square, Leeds LS1 2HJ.

www.bordertocoast.org.uk



Box Hill, Surrey

BORDER TO COAST
PENSIONS PARTNERSHIP

Border to Coast Pensions Partnership Limited is authorised and regulated by the Financial Conduct Authority (FRN 800511).

Registered in England (registration number 10795539) at the registered office:

5th Floor, Toronto Square, Leeds LS1 2HJ.

bordertocoast.org.uk

2022 - 2023

Manvers Lake, South Yorkshire