
**Foreign, Commonwealth &
Development Office**

**Overseas Superannuation
Annual Report and Accounts
2021-22**

(For the year ended 31 March 2022)

Foreign, Commonwealth & Development Office

Overseas Superannuation Annual Report and Accounts 2021-22

(For the year ended 31 March 2022)

Presented to the House of Commons pursuant to Section 6(4) of the
Government Resources and Accounts Act 2000

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Section A: Accountability Report

Corporate Governance Report

Report of the Managers

Introduction

These Accounts report the activities of the Overseas Superannuation Schemes. The financial statements have been prepared in accordance with the relevant provisions of the 2021-22 Government Financial Reporting Manual (FRoM).

The Schemes (listed in Appendix A) are the responsibility of the Foreign, Commonwealth and Development Office (FCDO) led by the Secretary of State for Foreign, Commonwealth and Development affairs.

FCDO's Overseas Pensions Department (OPD), on behalf of the Schemes, has responsibility for the administration and payment of pensions and related benefits to former expatriate colonial civil and public servants and their dependants, including those who served in a civil or military capacity in former British India and the Sudan public service. Other than HM Treasury, OPD are not reliant on any other UK Government Department to pay the pensions. OPD are also responsible for the formulation of the British Government's policy on overseas pensions and UK pension increase supplements.

The activities reported in these Accounts mainly derive from two policy initiatives by the British Government: a 1962 agreement to supplement the pensions paid to certain former colonial civil servants and a 1970 announcement that the British Government would assume responsibility from overseas governments for the payment of pensions due to expatriate colonial civil servants who had mainly been appointed by or on behalf of the Secretary of State for the Colonies.

The element of these pensions arising from service after independence, together with certain widows' pensions, derive from the capital sums which were paid over to the British Government on assuming responsibility from the overseas governments, or by funded pension schemes which have been wound up to cover their future liabilities. The British Government meets the cost of the pre-independence element and the cost of those widows' and dependants' pensions that do not derive from a previously funded scheme. The UK Government does not hold any dedicated assets in respect of these pension obligations.

The Accounts include beneficiaries and former beneficiaries of the Cordoba Agreement and Gibraltar Social Insurance Fund (GSIF) administered by Crown Agents Bank (CAB) on behalf of the UK Government. Whilst these schemes are fully funded by FCDO Overseas Superannuation, overall responsibility for the GSIF scheme lies with the Government of Gibraltar.

All payments have been agreed under HM Treasury classification to be Annually Managed Expenditure (AME). AME is used to reflect costs which are volatile in a way that cannot be controlled by OPD.

The Minister with responsibility for Overseas Superannuation Schemes for the financial year ending 31 March 2022 was Lord Ahmad of Wimbledon. The Schemes' Manager, with responsibility for the operation of the Overseas Superannuation Schemes, is William Hunter. Sir Philip Barton is the Permanent Under-Secretary and the Accounting Officer of the Schemes.

Management Commentary

Pensions and related benefits included in these Accounts and administered by OPD are all paid in sterling. All pensions are originally awarded in the currency of the country of service. Most pensions are paid at a fixed rate of exchange, but some are paid at a current rate of exchange. The foreign exchange liability is limited by the supplement and/or safeguard caps. This is considered by the Government Actuary's Department in their actuarial valuation (see Table 7).

These Accounts relate to 109 pension schemes (and their updates) that are covered by the following Acts of Parliament:

- the Overseas Pensions Act 1973,
- the Pensions (Increase) Act 1971 (as amended),
- the UK Police and Firemen Acts 1997, and
- the Hong Kong (Overseas Public Servants) Act 1996

Change in Member Numbers

The Schemes managed directly by OPD are closed to new members and the number of pensioners falls each year. Table 1 shows the number of pensioners, number of pensions payable and the total number of payments made under these pension obligations during the last three years. These figures are based on the actual position at 31 March each year. Note the figures in Tables 1 to 3 and all the statistics relate only to pensions administered directly by OPD and do not include pensions administered by CAB which are set out separately at Tables 4 and 5.

Table 1	2021-22	2020-21	2019-20
No. of Service Pensioners	2,579	2,872	3,286
No. of Dependants	3,711	4,040	4,418
Total No. of Pensioners	6,290	6,912	7,704
Total No. of Pensions ¹	12,705	14,024	15,725
Total No. of Payments	60,300	67,533	74,542

Pensioners are often in receipt of more than one pension, reflecting their service in different territories covered by different individual pension Schemes, however each individual payment they receive will include an element for each relevant pension. The total number of payments cannot be directly related to the number of pensioners at a given time. A pensioner's entitlement can be negated in any payment period due to exchange rate movements², periodic suspensions and death.

¹ This excludes Hong Kong pensions as these are paid by the Hong Kong Government, OPD pays top ups and/or safeguard if required. Also see footnote 2.

² Where OPD's responsibility is limited to payment of capped pension supplement and/or safeguard, if in any month the current sterling value of the original pension exceeds the amount of the capped supplement and/or safeguard no payment is due. The capped pension supplement and/or safeguard is the entitled financial limits calculated for each individual pensioner.

Change in Member Numbers (continued)

Table 2 shows the percentage change in pensioner numbers and payments in the last three years.

Table 2	2021-22 % Change	2020-21 % Change	2019-20 % Change
No. of Service Pensioners	-10.2%	-12.6%	-10.1%
No. of Dependants	-8.1%	-8.6%	-7.6%
Total No. of Pensioners	-9.0%	-10.3%	-8.7%
Total No. of Pensions	-9.4%	-10.8%	-9.0%
Total No. of Payments	-10.7%	-9.4%	-9.1%

Of the current 6,290 pensioners:

- 39 per cent are male
- 66 per cent live in the UK; the remainder in 71 other countries
- 87 per cent have chosen a monthly payment frequency; 13 per cent quarterly, bi-annually, or annually. Regardless of the frequency, payments are not always due because of exchange rate movements, periodic suspensions and death
- the average age of Hong Kong service and dependent pensioners is 79
- the average age of all other service pensioners is 91 years
- the average age of all other dependent pensioners is 90 years
- the oldest pensioner is 106, and there are 85 other centenarians in receipt of pensions.

Projections of pensioner numbers estimate that the remaining payments relating to existing pensioners will be fully realised by the middle of the century, at which point the Schemes will cease.

Service Standards

A key measure of OPD performance is the service it provides to pensioners. Standards are set through a Service Level Agreement (SLA) between FCDO and OPD. The SLA defines the required performance standards and efficiencies, which are subject to regular monitoring and review. OPD's aim is that its service should always be:

- prompt
- efficient
- accurate
- helpful and courteous
- responsive to those with special needs.

Table 3 shows performance against service standards. Data is extracted from OPD's computer systems.

Table 3	SLA % Target	2021-22 Achieved %	2020-21 Achieved %
Accuracy of initial payment calculations	97.50	100.00	99.85
Accuracy of initial calculation of new and revised awards	95.00	100.00	100.00
Number of new awards put into payment within 2 weeks	97.50	100.00	97.22
Timeliness of payments by due date	99.00	100.00	100.00
Response to enquiries within 2 weeks of receipt	99.00	99.20	97.74
Response to complaints within 2 weeks of receipt*	95.00	100.00	100.00

*OPD received no complaints during 2021-22 (2020-21: 0) from pensioners or their agents.

Service Standards (continued)

OPD measure customer service satisfaction through a questionnaire issued to existing members whose entitlement to pension has recently commenced. During 2021-22 OPD issued 116 questionnaires, of which 44 (38 per cent) were returned. The main conclusions were that:

- 72 per cent (2020-21: 73 per cent) of respondents rated OPD's service as excellent, 26 per cent (2020-21: 23 per cent) as good, 2 per cent (2020-21: 2 per cent) as satisfactory and 0 per cent (2020-21: 2 per cent) as poor
- 85 per cent described OPD staff as helpful (2020-21: 85 per cent)
- 80 per cent described OPD staff as efficient (2020-21: 92 per cent).

Questionnaire results are used in reviewing processes and to identify improvements.

Members Under the Cordoba Agreement and GSIF Schemes Administered by CAB

The pensions of the members under the Cordoba Agreement and GSIF Schemes, administered by Crown Agents Bank are also closed to new members and the number of pensioners falls each year. The tables below reflect the change in the numbers over the last 3 years and the actual position at 31 March each year.

Note, the figures in Tables 4 and 5 relate only to pensions administered by CAB.

Table 4

	2021-22	2020-21	2019-20
Total No. of Pensioners	961 ³	1,469	1,729
Total No. of Pensions	961	1,469	1,729

Table 5

	2021-22 % Change	2020-21 % Change	2019-20 % Change
Total No. of Pensioners	-34.6% ⁴	-15.0%	-12.9%
Total No. of Pensions	-34.6%	-15.0%	-12.9%

CAB operates its own service delivery standards. OPD hold quarterly performance reviews with CAB where any errors or delays in payments are noted. CAB have confirmed that there were no errors or delays in payments during 2021-22.

An independent verification of CAB payments during 2021-22 was completed by BDO in early July 2022. BDO confirmed pensions were delivered accurately and recorded only minor recommendations for improvements to processes and controls. Due to Covid-19 restrictions, the proof of life exercise for the period 2020-21 was not undertaken until August 2021, and it was on this exercise that BDO carried out their testing. BDO noted that their "*review of the implementation, and operating effectiveness of CAB's processes, with reference to the additional Proof of Life, did not identify any exceptions to the control design and operating effectiveness*". The proof of life exercise for the period 2021-22 commenced in April 2022 and is due to be completed in September 2022. Further details on this is provided in the Governance Report on pages 19 and 20.

³ At 31 March 2022 there were 913 Cordoba Agreement pensioners and 48 GSIF pensioners.

⁴ The significant reduction is due to 342 pensioners having been suspended in March 2022 after a Proof of Life exercise. However, as at 22 August 2022, 153 of these had been reinstated and 16 have been confirmed as deceased. 173 remain suspended.

Information Assurance

A large quantity of personal and sensitive data is kept for the Schemes. A governance structure is in place to ensure information security and to manage the associated risks. FCDO follows ISO/IEC 27001:2013, the international standard for information security management systems and conducts internal reviews and audits against that.

OPD identified no reportable incidents of the loss of any personal data to the Information Commissioner's Office in 2021-22 and the Information Commissioner made no findings against OPD for breach of Data Protection principles. No such incidents were reported in the previous fourteen years.

Financial Review

The pension liability at 31 March 2022 was £635.1 million (31 March 2021: £604.2 million).

A full actuarial valuation of the pension liability was carried out as at 31 December 2021 based on new membership data and it was assumed that there were no material changes to membership between these dates and 31 March 2022.

Valuation adjustments in 2021-22 increased the pension liability by £68.3 million (2020-21: £3.8 million decrease). The £68.3 million increase consists of:

- £26.99 million increase due to an experience loss - primarily as a result of incorporating the valuation results as at 31 March 2022 into the liability calculation, which uses updated membership data as at 31 December 2021. The results also incorporate the pension increase in April 2022, which was 3.1% for CPI-linked pensions compared with the 2.22% pa assumption used as part of the 2021 liability calculation, which in isolation would lead to a c.1% increase in liabilities (or £6m-£7m).
- £39.75 million increase due to changes in financial assumptions - the nominal discount rate increased from 1.25 per cent as at 31 March 2021 to 1.55 per cent as at 31 March 2022 which reduced the pension liability. This decrease was more than offset by an increase in the pension liability due to assumed CPI pension increases from 2.22 per cent as at 31 March 2021 to 2.90 per cent as at 31 March 2022, and RPI pension increases from 3.22 per cent as at 31 March 2021 to 3.90 per cent until February 2030 then 3.00 per cent thereafter.
- £1.55 million increase due to changes in mortality assumptions

Please also refer to Note 6 of the financial statements.

Pensions paid in 2021-22 were £44.6 million (2020-21: £50.1 million) and the interest cost was £7.3 million (2020-21: £11.2 million). The interest cost is a notional charge to reflect the fact that future benefit payments are one year closer to settlement, so should be discounted by one year less. It increases the value of the pension liability. The current year interest cost is determined by applying the nominal discount rate at the end of the previous year to the pension liability at the end of the previous year, with allowance made for movements in the pension liability over the current year. Discount rates are determined by HM Treasury with reference to market yields on high quality corporate bonds. The decrease in the interest cost is primarily due to the decrease in the nominal interest rate used from 1.80 per cent as at 31 March 2020 to 1.25 per cent as at 31 March 2021, in addition to the decrease in the pension liability from £646.9 million as at 31 March 2020 to £604.2 million as at 31 March 2021.

Financial Review (continued)

The inclusion of the pension liability of £635.1 million as at 31 March 2022 results in the Statement of Financial Position showing negative taxpayers' equity of £635.0 million (2020-21: £604.3 million). In common with other public service pension schemes, the future financing of the Schemes' liabilities is to be met by future grants of supply to be approved annually by Parliament. Such approval for amounts required for 2022-23 has already been given. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

The Parliamentary Supply Resource AME Outturn of £7.3 million was 23.2 per cent lower than the Estimate of £9.5 million due to changes in the assumptions on which the AME requirement was based. The Net Cash Requirement Outturn of £44.9 million was 9.3 per cent lower than the Estimate of £49.5 million reflecting lower than forecast pension payments, based on actual pensioner numbers.

The administration costs for managing pensions and the cost of audit of these Accounts by the Comptroller and Auditor General are part of FCDO administration expenditure and are included in FCDO's Annual Report and Accounts. In 2021-22 administration costs were £647,371 (2020-21: £719,072) and audit costs £55,600 (2020-21: £82,000).

Principal Risks and Uncertainties

The key risk which the Schemes face is the continued (unauthorised) payment of pension benefits after a member has died. To mitigate against this risk, the Schemes require all members to complete and return a signed annual declaration confirming proof of life and verifying their identity. The Annual Declaration of Entitlement (ADE) exercise was suspended in 2020-21 due to Covid-19, however as restrictions have eased, the FCDO has taken steps to strengthen its controls and reintroduce the ADE exercises. Further details on controlling this risk are provided within the Governance Statement.

FCDO Management Board

There is no Management Board in place within the Schemes due to the Schemes being closed. Instead, the FCDO Management Board assumes this responsibility.

The composition of the FCDO Management Board during 2021-22 was as follows:

Members of the FCDO Management Board 1 April 2021 – 31 March 2022	Date of in-year appointment/ departure	No. of meetings attended 1 April 2021 – 31 March 2022
Sir Philip Barton, Permanent Under-Secretary (Chair)		8/8
Sir Tim Barrow, Second Permanent Under Secretary and Political Director (This role requires frequent, often ad hoc travel, which has an impact on attendance at regular corporate engagements.)		1/8
Juliet Chua, Director General - Finance and Corporate		8/8
Thomas Drew, Director General - Middle East, North Africa, Afghanistan and Pakistan		6/8
Kumar Iyer, Director General - Delivery		7/8
Moazzam Malik, Director General - Africa		7/8

Vijay Rangarajan, Director General - Americas and Overseas Territories		7/8
Jenny Bates, Director General - Indo-Pacific		6/8
Julian Braithwaite, Director General - Europe	Appointed 28 January 2022	0/1
Nic Hailey, Director General - Transformation	Departed 21 September 2021	3/3
Sir Iain MacLeod, Director General - Legal	Departed 25 February 2022	7/8
Andrew Murdoch, Acting Director General – Legal	Appointed 25 February 2022	0/0
Nick Dyer, Director General – Humanitarian and Development	Appointed 17 March 2022	0/0
Harriet Mathews, Director General – Geopolitics and Security	Appointed 17 March 2022	0/0
Melanie Robinson, UK Ambassador to Zimbabwe (Overseas Network Representative)		7/8
Helen Bower-Easton, Director Communications (On Long-Term Leave from October 2021)		3/3
Danny Pruce, Interim Director – Communications	Appointed 25 October 2021	2/3
Andrew Sanderson, Financial Controller and Operations Director	Departed 17 October 2021	4/4
Tim Jones, Director Finance		7/8
Melinda Bohannon, Director Strategy		6/8
Mervyn Thomas, Chief People Officer		8/8
Corin Robertson, Director Transformation	Appointed 7 October 2021	2/4

Events After the Reporting Period

The Foreign, Commonwealth and Development Superannuation Accounts are laid before the Houses of Parliament by HM Treasury. IAS 10 *Events After the Reporting Period* requires the Accounts to disclose the date on which the Accounts are authorised for issue. This is the date on which the Accounts are certified by the Comptroller and Auditor General. Note 11 details any events after the reporting period.

Further Information

An explanatory booklet "A Guide to Your Pension" is issued to all pensioners. The booklet contains details of the standard of service they can expect to receive from OPD and general information on the administration of their pensions, including dispute resolution procedures. A copy of the Guide and other general information can be obtained from OPD.

Any enquiries about the Overseas Superannuation Accounts can be addressed to:

The Schemes' Manager
Overseas Pensions Department
Foreign, Commonwealth and Development Office
East Kilbride G75 8EA

Managers and Advisers

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Accounting Officer for the Overseas Superannuation Schemes
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/ 2 Devonshire Square, London EC2M 4XJ
- Citibank, N A Citigroup Centre, Canada Square, Canary Wharf,
London E14 5LB
- National Westminster Bank plc, 2nd Floor, 280 Bishopsgate, London
EC2M 4RB
- Legal Advisers:** Office of the Solicitor to the Advocate General for Scotland, Victoria
Quay, Edinburgh EH6 6QQ
- Auditors:** The Comptroller and Auditor General, 157-197 Buckingham Palace
Road, Victoria, London SW1W 9SP
- GSIF Administrators:** Crown Agents Bank, Quadrant House, Sutton, Surrey SM2 5AS

Sir Philip Barton KCMG OBE
Accounting Officer for the Overseas Superannuation Schemes

16 September 2022

Report of the Actuary

Overseas Superannuation Schemes administered by the Foreign, Commonwealth and Development Office

Accounts for the year ended 31 March 2022

Introduction

This statement has been prepared by the Government Actuary's Department (GAD) at the request of the Foreign, Commonwealth and Development Office (FCDO). It provides a summary of GAD's assessment of the scheme liability in respect of the FCDO Overseas Superannuation Schemes (the Schemes) as at 31 March 2022, and the movement in the scheme liability over the year 2021-22, prepared in accordance with the requirements of Chapter 12 of the 2021-22 version of the Financial Reporting Manual.

The Schemes are defined benefit schemes providing pension and lump sum benefits on retirement, death, and resignation. The Schemes were previously known as the Department for International Development Overseas Superannuation and have changed following the merger of the Department for International Development with the Foreign & Commonwealth Office in September 2020. The Schemes are wholly unfunded. I am not aware of any informal practices operated within the Schemes which lead to a constructive obligation

The assessment has been carried out by calculating the liability as at 31 March 2022 based on the data provided as at 31 December 2021 and using a valuation date of 31 March 2022.

Membership Data

Tables 6 and 7 below summarise the principal membership data as at 31 December 2021 used to calculate the liability as at 31 March 2022, which was used to prepare this statement

The tables report the number of records; some members have more than one record. The pension figures exclude the pension increases awarded in April 2022. Average ages are weighted by pension amount.

Table 6: Membership data (excluding Hong Kong) by type of member

Membership	Number of records	Total pension	Average age
		(£000's p.a.)	(years)
Service pensioners	3,332	12,888	91
Dependant pensioners	4,130	29,985	90
Total (excluding Hong Kong)	7,462	42,873	91

Membership Data (continued)

Table 7: Hong Kong membership data*

	Number of records	SPOS ceiling (£000's p.a.)	SPOS base (£000's p.a.)	Total safeguard (£000's p.a.)	Contingent safeguard (£000's p.a.)	Average age (years)
Total	1,114	35,608	18,535	21,227	4,228	79

*Pension increases are known as the Supplementary Pension for Overseas Service (SPOS). The "SPOS base" pension is the member's pension at retirement converted into Pounds Sterling and the "SPOS ceiling" pension is the SPOS base pension plus pension increases. The "Safeguard" pension acts as an underpin to the SPOS pension and may apply for example if the value of the Hong Kong Dollar falls against the Pound Sterling.

Methodology

The present value of the liabilities as at 31 March 2022 has been determined using the Projected Unit Credit Method (PUCM) and the demographic and financial assumptions applying as at 31 March 2022.

This statement takes into account the benefits normally provided under the Schemes.

Financial Assumptions

The principal financial assumptions adopted to prepare this statement are shown in Table 8.

Table 8: Principal financial assumptions

Assumption	31 March 2022 p.a.	31 March 2021 p.a.
Nominal discount rate	1.55%	1.25%
Rate of increase in pensions in payment (assuming CPI inflation)	2.90%	2.22%
Rate of increase in pensions in payment (assuming RPI inflation)	3.90% until February 2030 3.00% from February 2030	3.22% until February 2030 2.32% from February 2030
Real discount rate in excess of CPI inflation	(1.30%)	(0.95%)

The assessment of the liabilities allows for the known pension increases up to and including April 2022

Demographic Assumptions

Table 9 summarises the mortality assumptions adopted to prepare this statement, which were derived from the specific experience of the Scheme membership. The table refers to the standard mortality tables prepared by the Continuous Mortality Investigation (part of the Actuarial Profession) known as the 'S3 tables' with the percentage adjustments to those tables derived from scheme experience.

Demographic Assumptions (continued)

Table 9: Post-retirement mortality assumptions

Baseline mortality	Standard table		Adjustment	
	2022	2021	2022	2021
Males – retirements in normal health	S3NMA	S2NMA	101%	102%
Females – retirements in normal health	S3NFA	S2NFA	96%	100%

Mortality improvements are assumed to be in line with the latest 2018-based projections for the United Kingdom published by the ONS in October 2019. This is the same assumption as that used for the 2020-21 Accounts.

The other demographic assumptions for family statistics are unchanged from the 2020-21 Accounts.

Our advice on the selection of assumptions can be found in our assumptions and methodology report dated 17 August 2022.

Liabilities

Table 10 summarises the assessed value as at 31 March 2022 of benefits accrued under the scheme prior to this date based on the data, methodology and assumptions described in the sections 'Membership Data', 'Methodology', 'Financial Assumptions' and 'Demographic Assumptions'. The corresponding figures for the previous year are shown for comparison

Table 10: Statement of Financial Position

	31 March 2022	31 March 2021
	£ million	£ million
Total market value of assets	Nil	nil
Value of liabilities	(635.108)	(604.164)
Surplus/(Deficit)	(635.108)	(604.164)
of which recoverable by employers	n/a	n/a

Accruing Costs

Past service costs arise when an employer undertakes to provide a different level of benefits than previously promised. I am not aware of any events that have led to a material past service cost over 2021-22.

I am not aware of any events that have led to a material settlement or curtailment gain or loss over 2021-22.

Sensitivity Analysis

The results of any actuarial calculation are inherently uncertain because of the assumptions which must be made. In recognition of this uncertainty I have been asked to indicate the approximate effects on the actuarial liability as at 31 March 2022 of changes to the most significant actuarial assumptions.

The most significant financial assumptions are the nominal discount rate and the pension increases (the real discount rate represents the difference between the nominal discount rate and the assumed rate of pension increases) and the impact of these varies with the different types of pension benefit for which FCDO is responsible.

- Where FCDO is responsible for the entire increasing pension in-payment, the key impact comes from the difference between the nominal discount rate and the pension increase assumption.
- Where FCDO is responsible for the entire fixed pension in-payment, it is the nominal discount rate that affects the value placed on the benefit, as the value is unaffected by changes in the pension increase assumption.
- There are also pensions where FCDO is only responsible for the increases on pensions in payment, the impact depends on the difference between the value of an increasing and non-increasing pension, i.e. the difference between the values in the above two bullet points.

The key demographic assumption is pensioner mortality and we show the impact of assuming members live longer in retirement.

Table 11 shows the indicative effects on the total liability as at 31 March 2022 of changes to these assumptions (rounded to the nearest 0.5%).

Table 11: Sensitivity to significant assumptions

Change in assumption	Approximate effect on total liability		
Financial assumptions			
(i) Nominal discount rate*:	-0.5% p.a.	+5.0%	+£31.8 million
(ii) Pension increases*:	+0.5% p.a.	+7.0%	+£44.5 million
Demographic assumptions			
(iii) Members assumed to be one year younger*:		+5.5%	+£34.9 million

* Opposite changes in the assumptions will produce approximately equal and opposite changes in the liability.

Covid-19 Implications

As with the accounts last year, the 2021-22 Resource Accounts are being produced when the UK continues to deal with the Covid-19 pandemic. I have considered the potential implications of how this pandemic could impact on the actuarial calculations required for the Resource Accounts.

The assumptions for the discount rate and pension increases are specified by HM Treasury in the PES (2021) 10, dated 13 December 2021, and remain unchanged for these accounts. The PES assumptions reflect market conditions at the previous 30 November and are typically not amended for any changes between November and the accounting date.

Covid-19 Implications (continued)

The current population mortality projections make no specific allowance for the impact of Covid-19 or any other pandemics; however, some of the experience data used to derive the mortality base table includes time periods covered by Covid-19. The starting rates of mortality improvement are based on projections of past trends in UK mortality and the effects of past pandemics will already be reflected in these trends. My view is that it remains too early to determine whether Covid-19 changes the long-term view of life expectancy in the UK.

Garry Swann FIA

Actuary

Government Actuary's Department

17 August 2022

Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000, HM Treasury has directed the Foreign, Commonwealth and Development Office: Overseas Superannuation to prepare for each financial year a statement of Accounts in the form and on the basis set out in the Accounts Direction. The Accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Schemes and of their income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the financial statements, the Accounting Officer is required to comply with the requirements of the *Government Financial Reporting Manual* and in particular to:

- observe the Accounts Direction issued by HM Treasury including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- ensuring such internal controls are in place as deemed necessary to enable preparation of financial statements that are free from material misstatement, whether due to fraud or error
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards, as set out in the *Government Financial Reporting Manual* have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on a going concern basis
- confirm that the Accounts as a whole are fair, balanced and understandable and take personal responsibility for the Accounts and the judgements required for determining that they are fair, balanced and understandable.

HM Treasury has appointed the Accounting Officer of the Foreign, Commonwealth and Development Office as Accounting Officer for the Overseas Superannuation Schemes. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the assets of the Schemes, are set out in *Managing Public Money* published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Schemes' auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware and I believe that as a whole the accounts are fair, balanced and understandable.

Governance Statement

Introduction

As Accounting Officer, I have responsibility for ensuring that an effective corporate governance framework is formed and applied to the Overseas Superannuation Schemes that gives strategic direction and secures effective management of the Schemes and their administrators. This applies to actions carried out by the Foreign, Commonwealth and Development Office's (FCDO's) Overseas Pensions Department (OPD) on behalf of the Schemes. Key components of the governance framework are to ensure the supporting corporate governance systems are designed to manage risks, clarify accountability and deliver operational performance which is efficient and effective.

Opinion

As Accounting Officer, my opinion is informed by:

- the work FCDO Internal Audit performs relating to OPD in the year under review
- the FCDO Audit and Risk Assurance Committee
- the FCDO Director General Finance and Corporate, who has responsibility for OPD, confirmed through the Director's Statement of Assurance verification
- the FCDO Finance Director, who is accountable for OPD, confirmed through the Director's Annual Consolidated Certificate of Assurance verification
- the work performed and reported by the National Audit Office (NAO)
- the work performed and reported by BDO who are commissioned to undertake a specific review of the Cordoba Agreement and Gibraltar Social Insurance Fund (GSIF) schemes.

Based on this advice and evidence I am satisfied with the overall standard of corporate governance in place in OPD and applied to the Schemes for the year ended 31 March 2022 and up to the approval date of these Accounts.

Governing Bodies

This Statement describes the governance structure and arrangements that FCDO has put in place in its capacity as administrating authority for the Schemes.

The Minister with responsibility for the Overseas Superannuation Schemes for the financial year ending 31 March 2022 was Lord Ahmad of Wimbledon.

The Scheme Manager of the Overseas Superannuation Schemes was William Hunter, the Business and Support Services Manager, who is an employee of FCDO.

The FCDO Finance Director is accountable to FCDO's Management Board for the work of OPD and for assessing and managing associated risks. OPD's sole responsibility is to fulfil the requirements of the Schemes, as set out in the Service Level Agreement (SLA).

There is no Schemes' Management Board as these are closed Schemes. Decisions which would be sent to a Schemes' Board are sent to the Management Board of FCDO or the Audit and Risk Assurance Committee as appropriate. Refer to the 'Internal Control' section below.

Details of the FCDO Management Board members and their respective meeting attendance records are included within the Report of the Managers (refer to pages 6 and 7).

The pensions and related benefits under the Schemes are covered by the Acts of Parliament noted in the Management Commentary (refer to page 2).

Compliance with the Corporate Governance Code of Good Practice

As the governance of the Schemes mirrors that of FCDO, in line with the Corporate Governance Report within FCDO's 2021-22 Annual Report and Accounts, it is considered that the Overseas Superannuation Schemes comply with the 'Corporate Governance in Central Government Departments: Code of Good Practice 2017' with two exceptions. Firstly, the FCDO does not have a Nominations and Governance Committee but instead has a Senior Leadership Board, chaired by the Permanent Under Secretary. This carries out a similar role to a Nominations Committee, overseeing the performance, talent and broader aspects of management of the Senior Civil Service within the FCDO. Secondly, the requirement for the Supervisory Board's regular agenda to include scrutiny of arm's length bodies is fulfilled through other means, namely via the Management Board's oversight. A further exception to the Code of Good Practice was addressed during the reporting period. Membership of the Supervisory Board was extended for the March 2022 meeting to include all FCDO ministers. Junior ministers had previously not been members.

OPD's Performance

A Service Level Agreement (SLA) is in place between FCDO, as sponsoring employer to the Schemes, and OPD, who have been appointed to carry out the administration of the Schemes. It confirms that OPD are responsible for the administration and payment of pensions to the Schemes' members and their dependants. The terms of the agreement also include OPD's responsibilities to the British Government for advice and policy on colonial pension matters.

This SLA was agreed by the Scheme Manager and the Deputy Director of Finance Operations. It is subject to regular review to ensure it remains appropriate and effective in governing the work and resources of OPD. This includes consideration of the appropriateness of the content and quality of data used to measure performance. Key Performance Indicators showed that OPD met all performance targets during 2021-22.

Details of OPD's effectiveness are reported in the Report of the Managers. OPD's effectiveness is reviewed independently by Assessment Services Ltd, a UKAS accredited body, against the Customer Service Excellence criteria. Customer Service Excellence is a trade mark of the Cabinet Office and is used under licence to demonstrate service delivery competence, identify key areas for improvement and celebrate success. An interim assessment was carried out in January 2022 with OPD maintaining its eleven compliance plus elements.

Performance of Crown Agents Bank (CAB)

A contract is in place between FCDO, as sponsoring employer to the Cordoba Agreement and GSIF Schemes, and CAB. This confirms that CAB are responsible for the administration and payment of pensions to the Schemes' members. OPD provides funding for the pensions and the annual review while CAB reports to OPD on all aspects of the Schemes.

The contract is subject to review by FCDO's Commercial Directorate and OPD complete their Strategic Relationship Management Performance Scorecard. This enables the Commercial Directorate to hold contract compliance review meetings directly with CAB.

CAB report on their performance regularly and are reviewed by BDO separately from the annual NAO audit. Performance and relationship are discussed during quarterly reviews with CAB representatives. Refer to the Report of the Managers on page 4 for information on CAB performance.

Board's Performance

The FCDO 2021-22 Board Effectiveness Evaluation found that at this stage, the FCDO's corporate governance structures are functioning well. In the next phase of work, the corporate governance team will focus on strengthening the coherence of strategic agenda planning and linkages across all top-level boards and committees and systematise the tracking of agreed actions/decisions at Executive Committee and the Management Board. During 2021-22 there was a high level of attendance at the FCDO Management Board meetings and supporting Boards and Committees.

Highlights of Management Board Sub-Committees

FCDO's Management Board sub-committees held meetings throughout 2021-22. Highlights of the relevant Management Board sub-committees can be found within the Corporate Governance Report in FCDO's 2021-22 Annual Report and Accounts.

Risk Management and Internal Control Environment

The Schemes' assessment of risk and the internal control environment is based on the assessment of the environment applied within OPD and CAB and how this mitigates the principal risks and uncertainties identified which apply to the Schemes.

Internal Control

OPD's risk management architecture continues to be strengthened where required to deliver more active and effective management of risks. A key risk around continued entitlement relating to annual proof of life checks had a control change in 2020-21 to reflect the difficulties faced by the Covid-19 pandemic. A paper was sent to the Audit and Risk Assurance Committee and approved to apply during the pandemic. The Annual Declaration of Entitlement exercise was reintroduced for 2021-22. Further details are provided in 'The Risk and Control Framework' section below. Management of risk in OPD is supported by the FCDO Management Board's Risk Appetite Statement.

The Scheme Manager works with the Deputy Director of Finance Operations and the Finance Director, to identify the key risks facing the Schemes and develop controls within OPD to mitigate, prevent and detect weaknesses in controls over these risks. All OPD staff are up to date with the relevant Fraud Awareness training renewed in 2021 and continuing awareness is raised and discussed at OPD Team meetings.

OPD system upgrades have continued during 2021-22 to reduce the risks around system failure. The risk of single points of failure for system support in-house and by consultants will continue to be monitored and training of an internal resource is underway.

CAB continue to review their electronic systems, to improve their efficiency and reduce the risk of error. Following the relaxation of COVID restrictions, FCDO requested that CAB complete a full Annual Declaration of Entitlement (ADE) process in August 2021. CAB utilised their new facial recognition software to improve the way that they prove pensioners are still eligible for payment and followed up with paper ADE reminders in January 2022.

As part of the FCDO contract with CAB an external review is commissioned and undertaken annually. BDO were appointed by CAB to review the adequacy and effectiveness of the processes in place to certify those receiving pension payments and to consider how effective those processes and controls are in managing the risk of payments being made to ineligible individuals.

Internal Control (continued)

Looking ahead to 2022-23, the FCDO will:

- review BDO's conclusions for 2021-22 and work with CAB to continually improve processes and controls
- continue to hold quarterly performance reviews with CAB
- continue to require CAB to commission an independent annual review and specify the areas of focus of the review.

Capacity to Handle Risk

FCDO's capacity to handle risk, including that of OPD, is set out in the Corporate Governance Report in FCDO's 2021-22 Annual Report and Accounts. This includes the overall responsibility of the Management Board in respect of risk management, and details of the integration of risk management throughout the Department.

The Risk and Control Framework

FCDO's processes for identifying, evaluating and managing risk are set out in the Corporate Governance Report in FCDO's 2021-22 Annual Report and Accounts. These processes include the identification, evaluation and review of strategic risk by the Management Board and include the risks with potentially the most significant impact on FCDO financially and non-financially. Risks associated with the work of OPD have not been identified among the strategic and policy risks monitored by the Management Board.

OPD has a Risk Register which highlights potential areas of risk, the key point of impact and the controls in place. The Risk Register is reviewed monthly by the Scheme Manager. Control of risk within OPD is also partly exercised through the setting of performance standards for OPD in the SLA. The SLA defines the required performance standards and efficiencies which are subject to monitoring and review. The pension entitlement and payment authorisation processes have been reviewed and fully mapped. Performance against the SLA is included within the Report of the Managers. The Scheme Manager reviews these results and takes action where appropriate to identify and implement improvement opportunities.

CAB operates a three lines of defence model in line with industry best practice for risk management. Risk management is an integral part of the Pensions Operations team processes. As part of the risk management framework the team undertake risk control self-assessments on identification and assessment of business risks and identification and implementation of appropriate controls. This ensures staff are competent and capable in their roles and the risk management process.

The FCDO must ensure that benefit payments are regular and only made to individuals who are eligible under the pension scheme rules. The key control to ensure this is the Annual Declaration of Entitlement (ADE) exercise. This requires all members or their legal representatives to complete and return a signed declaration confirming proof of life, attested by a third party. This is carried out annually to detect ineligible payments to pensioners by identifying any change of pensioner circumstances, including whether pensioners have died. The inherent risk in any ADE process is that it only provides assurance at a point in time, and where a completed ADE is received before the financial year-end it cannot provide assurance of regularity for the entire period. Work is currently taking place to assess the level of this risk and to identify ways of mitigating it.

The Risk and Control Framework (continued)

In light of the COVID-19 pandemic restrictions and the age profile of the pensioners, the FCDO and CAB took the decision to suspend the ADE process in financial year 2020-21. In the context of national lockdowns worldwide, it was not deemed feasible to require elderly pensioners to physically verify their entitlement whilst protecting their wellbeing. This created a control weakness which resulted in a qualification of the 2020-21 accounts based on the regularity of benefit payments.

As worldwide restrictions eased, the FCDO took the following steps to strengthen its controls and reintroduce the ADE exercises:

OPD Administered Pensions:

Annual participation in the Cabinet Office's National Fraud Initiative (NFI) mortality screening is now an established practice in OPD (This enhances information on pension eligibility of UK citizens in the UK and abroad).

The November 2021 NFI screening exercise covered those pensioners with a UK NI number (c.85% of the pension population) and identified 91 matches:

- 36 (40%) of the matches confirmed deaths already known to OPD
- 39 (43%) further death notifications were subsequently received by OPD
- 16 (17%) pensioners remained suspended in March 2022.

In May 2021, an ADE exercise was conducted for staff overseas with no National Insurance number.

- 625 ADEs were issued in May 2021
- 161 reminders were issued in November 2021
- 69 pensioners were suspended in January 2022

The suspension figure currently stands at 27 as a result of clarification received in the form of further death notifications or receipt of a completed ADE leading to pension reinstatement.

The full annual ADE exercise for all pensioners was reintroduced in April 2022.

CAB Administered Pensions:

A full ADE exercise for the Cordoba scheme was initiated in August 2021.

- 1,402 ADEs were issued
- 990 reminders were issued in January 2022
- 342 pensioners were suspended in March 2022

The suspension figure currently stands at 173 as a result of further death notifications or reinstatements due to receipt of a completed ADE.

The full annual ADE exercise for the Cordoba scheme was reintroduced in April 2022 to cover the period to the end of the financial year.

The ADE exercise for the Gibraltar Social Insurance Fund (currently 48 pensioners) has not yet resumed. Although FCDO funds the GSIF scheme, management of the scheme is the responsibility of the Government of Gibraltar. CAB requires an instruction from the Government of Gibraltar to restart the ADE exercise. CAB are currently arranging to meet with the Government of Gibraltar to obtain this instruction.

The Risk and Control Framework (continued)

In addition, where either OPD or CAB identify any correspondence that is undelivered or returned, or bank payments rejected, steps are taken to suspend pension payments until an explanation is provided.

In OPD, consistent compliance with prescribed procedures is promoted and supported through guidance manuals, training programmes and central scrutiny and checks. OPD also has contingency plans in place to respond to threats to key information systems and, where possible, to maintain continuity of operations.

OPD, as part of FCDO, follows ISO/IEC 27001:2013, the internationally recognised standard for information security management. This provides considerable assurance on the efficiency of our information security management system, which is utilised by OPD to record information pertaining to the Overseas Superannuation Schemes. FCDO has an Information and Cyber Security Management Group, who manage FCDO's Information Security Management System and regularly report the information risk position to FCDO's Management Board.

FCDO is required to report on data incidents which meet criteria for severity to central government and to the Information Commissioner's Office. OPD had no incidents which met these criteria in 2021-22.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by the work of the internal auditors and the executive managers within FCDO, who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in the management letter and other reports and by the FCDO Audit and Risk Assurance Committee.

The Finance Director has provided me with an Annual Consolidated Certificate of Assurance for the directorate, covering identification and management of risk and an assurance on compliance with management and control systems. The certificate of assurance informs my review of OPD systems for performance management and compliance with control systems. This reflects input from the Scheme Manager on the performance of OPD during the year under review, which is provided in the Scheme Manager's annual report.

Significant Internal Control Issues

The suspension of the ADE exercise due to the Covid-19 pandemic, created a significant internal control issue during 2020-21. The ADE is a key control to prevent payments to ineligible pensioners and provides assurance to the Accounting Officer over the regularity of both OPD and CAB administered pensions. Partially as a result of the impact of the suspension, the 2020-21 accounts were certified with a qualified opinion on regularity. FCDO was unable to provide 8 out of 110 requested proof of life confirmations from the NAO's sample so could not prove whether the pensioners were eligible to receive pension payments or not. The total extrapolated value of irregular benefit payments recorded in the 2020-21 financial statements was therefore estimated at £1,361k.

During 2021-22, as worldwide restrictions eased, the FCDO enhanced its controls by utilising the NFI Mortality screening and introducing an in year ADE exercise to ensure prompt identification and suspension of those pensions where pensioners were not eligible for payments. Whilst this was effective in identifying pensions which needed to be suspended in year, it did not address the inherent risk that there could be a change in circumstances up to and including the 31 March 2022.

The Risk and Control Framework (continued)

The FCDO also reintroduced the year end ADE for 2021-22. However, the nature of the ADE is that it is issued in April 2022, after the year end, to ensure proof of life for 2021-22. A number of pensioners failed to provide a proof of life declaration and therefore evidence of their continuing eligibility to receive pension payments. Payments to all such pensioners have been suspended. The absence of a proof of life declaration meant that the FCDO could not prove whether the pensioners continued to be eligible to receive pension payments or not.

This is a common issue experienced across the pension industry and is not limited to the FCDO. However the following factors mean that the pensions administered by the FCDO have a higher inherent risk:

- The average age profile of the FCDO administered pensions is higher. It exceeds 90 years and, as the schemes are closed to new members, will increase every year.
- The vulnerability of the pensioners means that there is a recognised, although not excessive, period before the pension is suspended.
- There are a significant number of pensioners who are resident overseas and this can cause a delay in the notification of a change in circumstances.
- Attempts by CAB to offer alternatives to postal ADEs (i.e. facial recognition and digital options) have not been successful due to the age profile of the pensioners.

As a result of this, the 2021-22 accounts will again contain a qualified regularity opinion, as the NAO consider that insufficient evidence has been provided to prove that benefit payments were only made to those entitled to receive them. The full opinion of the Comptroller and Auditor General is set out on page 29, confirming that the overall potential error is estimated at £3.2m, which represents 23 missing ADEs from the audit sample of 180 tested. Though this rate appears higher than prior year, this is partially due to earlier signing by the Accounting Officer and certification by the C&AG (September this year compared to November in prior year), meaning there is a greater number of ADEs which are yet to be returned.

The FCDO will continue to work with the NAO to determine if there are any alternatives or modifications to the annual ADE exercise, including the timing of its issue, which could provide the evidence required to prove ongoing entitlement to pension payments.

Sir Philip Barton KCMG OBE
Accounting Officer for the Overseas Superannuation Schemes

16 September 2022

Parliamentary Accountability and Audit Report

Statement of Outturn against Parliamentary Supply

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires the Schemes to prepare a Statement of Outturn against Parliamentary Supply (SOPS) and supporting notes.

The SOPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

The SOPS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate. Supply is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated Fund), that Parliament gives statutory authority for entities to utilise. The Estimate details supply and is voted on by Parliament at the start of the financial year.

Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion.

The format of the SOPS mirrors the Supply Estimates, published on gov.uk, to enable comparability between what Parliament approves and the final outturn.

The SOPS contain a summary table, detailing performance against the control limits that Parliament have voted on, cash spent (budgets are compiled on an accruals basis and so outturn will not exactly tie to cash spent) and administration.

The supporting notes detail the following: Outturn by Estimate line, providing a more detailed breakdown (note 1); a reconciliation of outturn to net operating expenditure in the Statement of Comprehensive Net Expenditure, to tie the SOPS to the financial statements (note 2); and a reconciliation of outturn to net cash requirement (note 3).

Figures in the areas outlined in thick line cover the voted control limits voted by Parliament. Refer to the Supply Estimates guidance manual, available on gov.uk, for detail on the control limits voted by Parliament.

The SOPS provides a detailed view of financial performance, in a form that is voted on and recognised by Parliament. The financial review, in the Report of the Managers, provides a summarised discussion of outturn against estimate and functions as an introduction to the SOPS disclosures.

Statement of Outturn against Parliamentary Supply for the year ended 31 March 2022

Summary of Resource Outturn 2021-22, all figures presented in £000's

This section has been subject to audit

Type of Spend	SOPS Note	Outturn			Estimate			Outturn vs Estimate, saving/(excess)		Prior Year Outturn Total, 2020-21
		Voted	Non-Voted	Total	Voted	Non-Voted	Total	Voted	Total	
Departmental Expenditure Limit										
Resource		-	-	-	-	-	-	-	-	-
Capital		-	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-	-
Annually Managed Expenditure										
Resource	1	7,274	-	7,274	9,500	-	9,500	2,226	2,226	11,195
Capital		-	-	-	-	-	-	-	-	-
Total		7,274	-	7,274	9,500	-	9,500	2,226	2,226	11,195
Total Budget										
Resource	1	7,274	-	7,274	9,500	-	9,500	2,226	2,226	11,195
Capital		-	-	-	-	-	-	-	-	-
Total Budget Expenditure		7,274	-	7,274	9,500	-	9,500	2,226	2,226	11,195
Non-Budget Expenditure										
		-	-	-	-	-	-	-	-	-
Total Budget and Non-Budget		7,274	-	7,274	9,500	-	9,500	2,226	2,226	11,195

Figures in the areas outlined in thick line cover the voted control limits voted by Parliament. Refer to the Supply Estimates guidance manual, available on gov.uk, for detail on the control limits voted by Parliament.

Net Cash Requirement 2021-22, all figures presented in £000's

Item	SOPS Note	Outturn	Estimate	Outturn vs Estimate, saving/(excess)	Prior Year Outturn Total, 2020-21
Net Cash Requirement	3	44,865	49,500	4,635	50,084

Administration Costs 2021-22, all figures presented in £000's

Item	SOPS Note	Outturn	Estimate	Outturn vs Estimate, saving/(excess)	Prior Year Outturn Total, 2020-21
Administration Costs	1	-	-	-	-

The administration costs for managing pensions and the cost of audit of these Accounts by the Comptroller and Auditor General are part of FCDO administration expenditure and are included in FCDO's Annual Report and Accounts.

**Notes to the Statement of Outturn against Parliamentary Supply 2021-22,
all figures presented in £000's**

SOPS1. Analysis of Resource Outturn by Estimate Line

Type of Spend (resource)	Resource Outturn							Estimate			Outturn vs Estimate, saving/ (excess)	Prior Year Outturn Total, 2020-21
	Administration			Programme			Total	Total	Virements	Total inc. Virements		
	Gross	Income	Net	Gross	Incom e	Net						
Spending in Annually Managed Expenditure (AME)												
Voted Expenditure												
A: Interest on Schemes' liability and other expenses	-	-	-	7,274	-	7,274	7,274	9,500	-	9,500	2,226	11,195
Total Voted AME	-	-	-	7,274	-	7,274	7,274	9,500	-	9,500	2,226	11,195
Total Spending in AME	-	-	-	7,274	-	7,274	7,274	9,500	-	9,500	2,226	11,195
Total Resource	-	-	-	7,274	-	7,274	7,274	9,500	-	9,500	2,226	11,195

The total Estimate columns include virements. Virements are the reallocation of provision in the Estimates that do not require parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements is provided in the Supply Estimates Manual, available on gov.uk.

The Outturn vs Estimate column is based on the total including virements. The estimate total before virements have been made is included so that users can tie the estimate back to the Estimates laid before Parliament. There were no virements in 2021-22.

SOPS2. Reconciliation of Outturn to Net Operating Expenditure

No reconciliation is presented as the total resource outturn of £7,274k in SOPS 1 is the same as the net operating expenditure in the Statement of Comprehensive Net Expenditure (2020-21: £11,195k).

SOPS3. Reconciliation of Net Resource Outturn to Net Cash Requirement

Item	SOPS Note	Outturn Total	Estimate	Outturn vs Estimate, saving/ (excess)
Total Resource Outturn	1	7,274	9,500	2,226
<i>Adjustments to remove non-cash items:</i>				
Addition to pension liability		(7,274)	(9,500)	(2,226)
<i>Adjustments to reflect movements in working balances:</i>				
Use of pension liability		44,615	49,500	4,885
Increase in receivables		186	-	(186)
Decrease in payables		64	-	(64)
Total		44,865	49,500	4,635
Net Cash Requirement		44,865	49,500	4,635

As noted in the introduction to the SOPS above, Outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. Therefore, this reconciliation bridges the resource and capital outturn to the net cash requirement.

Parliamentary Accountability Disclosures

Losses and Special Payments

This section is subject to audit

Losses Statement

	2021-22	2020-21
Total number of losses	65	40
Total value of losses	£98,358	£12,436

Losses generally relate to overpayments to pensioners who have died. There are no individual cases greater than £300,000.

The increase in 2021-22 is mainly due to the write off of an overpayment of £72,257 made to a widow who had remarried. Extra validation checks are now targeted at widows requesting confirmation that they have not remarried.

Special Payments

	2021-22	2020-21
Total number of special payments	2	2
Total value of special payments	£60,477	£48,808

Special payments are ex-gratia payments. These are made in exceptional circumstances where despite there being no legal entitlement to payment, a constructive or moral obligation is deemed to exist. There are no individual cases greater than £300,000.

Sir Philip Barton KCMG OBE
Accounting Officer for the Overseas Superannuation Schemes

16 September 2022

THE CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSE OF COMMONS

Opinion on financial statements

I certify that I have audited the financial statements of the Foreign, Commonwealth and Development Office Overseas Superannuation schemes ('the Schemes') for the year ended 31 March 2022 under the Government Resources and Accounts Act 2000.

The Schemes' financial statements comprise: the

- Statement of Financial Position as at 31 March 2022
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards. In my opinion, the financial statements:

- give a true and fair view of the state of the Schemes' affairs as at 31 March 2022 and of its net expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on regularity

In my opinion, except for the matters described in the basis for the qualified opinion on regularity paragraphs, in all material respects,

- the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them; and
- the Statement of Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2022 and shows that those totals have not been exceeded.

Basis for qualified opinion on regularity

Note 6 of the financial statements shows that benefit payments of £44.6m were made by the Schemes in 2021-22.

To ensure that pensioners remain entitled to receive payment, the Foreign, Commonwealth and Development Office ('FCDO') operates an Annual Declaration of Entitlement ('ADE') exercise. FCDO was unable to provide sufficient evidence that benefit payments were made to those entitled to receive them, at the time of concluding my audit, due to the level of non-respondents. I was therefore unable to obtain sufficient evidence that payments estimated at £3.2m, which represent 7.2% of payments made in the year, were supported. I have therefore qualified my opinion on the Schemes' financial statements for 2021-22 with a limitation of scope in relation to the regularity of benefit payments.

My report, which follows on pages 35 to 36, provides further details on my qualified audit opinion on regularity.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law, Practice Note 15 (revised) '*The Audit of Occupational Pension Schemes in the United Kingdom*' and Practice Note 10 '*Audit of Financial Statements of Public Sector Entities in the United Kingdom*'. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Schemes in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Schemes' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Schemes' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Schemes is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Accountability Report, but does not include the financial statements nor my auditor's certificate and report. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000; and
- the information given in the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In light of the knowledge and understanding of the Schemes and its environment obtained in the course of the audit, I have not identified material misstatements in the Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit; or
- adequate accounting records have not been kept by the Schemes or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements and Accountability Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the Accountability Report and accounts as a whole are fair, balanced and understandable;
- internal controls, as the Accounting Officer determines is necessary, to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error; and
- assessing the Schemes' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Schemes will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My 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 a certificate that includes my opinion.

Reasonable assurance is a high level of assurance but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, we considered the following:

- the nature of the sector, control environment and operational performance including the design of the Schemes' accounting policies.
- Inquiring of management, the Schemes' head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Schemes' policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Schemes' controls relating to compliance with the Overseas Pensions Act 1973, the Pensions (Increase) Act 1971, the Hong Kong (Overseas Public Servants) Act 1996, the UK Police and Firemen's Act 1997, the Government Resources and Accounts Act 2000, the Supply and Appropriation (Main Estimates) Act 2021, Managing Public Money and the regulations set by The Pensions Regulator.
- discussing among the engagement team and involving relevant internal and external specialists, including actuarial specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Schemes for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates, the selection of inappropriate assumptions or methodology underpinning the pensions liability and related estimates and the payment of benefits to ineligible members. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I also obtained an understanding of the Schemes' framework of authority as well as other legal and regulatory frameworks in which the Schemes operate, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Schemes. The key laws and regulations I considered in this context included the Government Resources and Accounts Act 2000, the Supply and Appropriation (Main Estimates) Act 2021, Managing Public Money, the Overseas Pensions Act 1973, the Pensions (Increase) Act 1971, the Hong Kong (Overseas Public Servants) Act 1996, the UK Police and Firemen's Act 1997 and the regulations set by The Pensions Regulator.

In addition, I considered the control environment in place at the Schemes, the administrator and the scheme actuary, in respect of membership data, the pension liability and benefits payable.

Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management, the Audit and Risk Assurance Committee and in-house legal counsel concerning actual and potential litigation and claims;
- reading and reviewing minutes of meetings of those charged with governance and the Board and internal audit reports;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business;
- performing substantive testing of benefits paid in the year to ensure compliance with laws and regulations and regularity;
- engaging an auditor's expert to review the actuarial methods and assumptions used by the scheme actuary, reviewing the expert's report and undertaking any further procedures as necessary; and
- reviewing any significant correspondence with the Pensions Regulator.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain appropriate evidence sufficient to give reasonable assurance that the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement.

I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

**Gareth Davies
Comptroller and Auditor General**

21 September 2022

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Report of the Comptroller and Auditor General to the House of Commons

Introduction

The Foreign, Commonwealth and Development Office Overseas Superannuation schemes (the “Schemes”) report the administration by the Foreign, Commonwealth and Development Office (the “FCDO”) of the payment of pensions and related benefits to former expatriate colonial civil and public servants and their dependants, including those who served in a civil or military capacity in former British India and the Sudan public service.

Pension payments are administered by the FCDO Overseas Pension Department (the “OPD”) for the majority of pensioners, with a residual population of pension payments, relating to beneficiaries and former beneficiaries of the Gibraltar Social Insurance Fund and Cordoba Agreement which are administered by the Crown Agents Bank (the “CAB”) on behalf of the FCDO.

The outstanding pension liability on 31 March 2022 is £635.1m with benefit payments of £44.6m being made in the 2021-22 financial year.

The purpose of my report

This report explains the basis of my qualification in relation to the regularity opinion on the Schemes 2021-22 financial statements.

The regularity of benefit payments

In performing my audit under the Government Resources and Accounts Act 2000, I am required to obtain sufficient evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

As it is not Parliament’s intention to pay pensioners who are no longer eligible, all payments where ongoing entitlement cannot be confirmed are considered irregular. Irregular payments typically arise due to timing differences between a change in pensioner circumstance and the FCDO being informed so that payments can be stopped, for example, in the event of the death of a pensioner. Without sufficient evidence to confirm there has not been a change in circumstance the FCDO cannot prove ongoing entitlement to benefit payments.

I have qualified my opinion because the FCDO has been unable to provide sufficient evidence to prove ongoing entitlement for a material value of benefit payments. As such the scope of my audit has been limited in respect of the regularity of benefit payments.

Regularity requirements

The FCDO must ensure that benefit payments are regular and only made to individuals who are eligible under the pension scheme rules. This is inherently higher risk in these schemes given the age profile of members. The key control used by management is the Annual Declaration of Entitlement exercise (ADE), which detects ineligible payments to pensioners by identifying any change of pensioner circumstances, including whether pensioners have died.

Following the decision to suspend the ADE exercise in 2020-21 in the light of the COVID-19 pandemic restrictions and the age profile of the pensioners, the FCDO took the decision to re-introduce the ADE exercise in 2021-22. This exercise covered all pensions administered by OPD and CAB, with the exception of a small population (48 members) of the Gibraltar Social Insurance Fund. It began in April 2022 in order to provide assurance over eligibility for the whole of the 2021-22 financial year.

My audit identified a number of payments where the FCDO could not evidence whether the pensioners were still entitled to payment, due to the level of non-respondents to the ADE exercise. This affected both OPD and CAB administered schemes (and the whole of the Gibraltar Social Insurance Fund population), although the incidence was greater in the CAB administered schemes. I have estimated these payments to be £3.2m, which represents 7.2% of payments made in year, constituting a material level of expenditure in the schemes. As the FCDO could not provide evidence that the pensioners continued to be entitled to pension, I consider that this represents a material limitation of scope to my audit in respect of the regularity of benefit payments.

Action by the FCDO

As set out in the governance statement on pages 20 to 21, the FCDO will continue to work with the National Audit Office to determine if there are any alternatives or modifications to the ADE exercise, including the timing of its issue, which could in the future provide the evidence required to prove ongoing entitlement to pension payments. In my audit of the 2022-23 accounts, I will evaluate the effectiveness of this action in establishing the regularity of pension expenditure.

Gareth Davies
Comptroller and Auditor General

21 September 2022

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Section B: Financial Statements

Statement of Comprehensive Net Expenditure

for the year ended 31 March 2022

	Note	2021-22 £000	2020-21 £000
Expenditure			
Interest on Schemes' liability	6.2	(7,274)	(11,195)
Net expenditure		<u>(7,274)</u>	<u>(11,195)</u>
Other comprehensive net (expenditure)/income			
Pension re-measurements:			
Loss due to change in financial assumptions	6.3	(39,750)	(15,370)
Loss due to change in mortality assumptions	6.3	(1,545)	-
Experience (loss)/gain arising on Schemes' liability	6.3	(26,990)	19,199
		<u>(68,285)</u>	<u>3,829</u>
Total comprehensive net expenditure for the year		<u>(75,559)</u>	<u>(7,366)</u>

Notes on pages 41 to 48 form part of these Financial Statements.

Statement of Financial Position

as at 31 March 2022

	Note	31 March 2022 £000	31 March 2021 £000
Current assets			
Receivables	3	586	400
Cash and cash equivalents	4	122	317
Total current assets		708	717
Current liabilities			
Payables	5.1	(462)	(526)
Consolidated Fund payable for unused supply	5.2	(122)	(317)
Total current liabilities		(584)	(843)
Net current assets/(liabilities), excluding pension liability		124	(126)
Pension liability	6.2	(635,108)	(604,164)
Net liabilities, including pension liability		(634,984)	(604,290)
Taxpayers' equity			
General fund		(634,984)	(604,290)
		(634,984)	(604,290)

Sir Philip Barton KCMG OBE
Accounting Officer for the Overseas Superannuation Schemes

16 September 2022

Notes on pages 41 to 48 form part of these Financial Statements.

Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2022

	Note	General Fund	
		2021-22 £000	2020-21 £000
Balance at 1 April		(604,290)	(647,008)
Net Parliamentary funding - drawn down	5.2	44,670	50,285
Net Parliamentary funding - deemed	5.2	317	116
Supply payable adjustment	5.2	(122)	(317)
Comprehensive net expenditure for the year		(7,274)	(11,195)
Actuarial gain/(loss)		(68,285)	3,829
Net change in taxpayers' equity		(30,694)	42,718
Balance at 31 March		(634,984)	(604,290)

Notes on pages 41 to 48 form part of these Financial Statements.

Statement of Cash Flows

for the year ended 31 March 2022

	Note	2021-22 £000	2020-21 £000
Cash flows from operating activities			
Net expenditure for the year		(7,274)	(11,195)
Increase in pension provision	6.2	7,274	11,195
Use of pension provision - benefits paid	6.2	(44,615)	(50,103)
(Increase)/Decrease in receivables	3	(186)	62
(Decrease)/Increase in total payables	5.1	(259)	158
<i>Less: movements in payables for items not passing through the Statement of Comprehensive Net Expenditure</i>		195	(201)
Net cash outflow from operating activities	SOPS3	(44,865)	(50,084)
Cash flows from financing activities			
From the Consolidated Fund (Supply) – current year	5.2	44,670	50,285
Net financing		44,670	50,285
Net increase in cash and cash equivalents in the year before adjustment for receipts and payments to the Consolidated Fund			
		(195)	201
Payments of amounts due to the Consolidated Fund		-	-
Net increase in cash and cash equivalents in the year after adjustment for receipts and payments to the Consolidated Fund			
	4	(195)	201
Cash and cash equivalents at the beginning of the year	4	317	116
Cash and cash equivalents at the end of the year	4	122	317

Notes on pages 41 to 48 form part of these Financial Statements.

Notes to the Financial Statements

For the year ended 31 March 2022

1 Basis of preparation

- 1.1 The financial statements of the Overseas Superannuation Schemes have been prepared in accordance with the Government Resources and Accounts Act 2000 and the relevant provisions of the 2021-22 *Government Financial Reporting Manual* (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector. IAS 19 *Employee Benefits* and IAS 26 *Accounting and Reporting by Retirement Benefit Plans* are of particular relevance to these statements in the context of their application under the FReM.
- 1.2 In addition to the primary statements prepared under IFRS, the FReM also requires the Schemes to prepare an additional statement – a Statement of Outturn against Parliamentary Supply. This statement, and its supporting notes, show Outturn against Estimate in terms of the net resource requirement and the net cash requirement.
- 1.3 The financial statements of the Overseas Superannuation Schemes show the financial position at the year end and the income and expenditure during the year. The Statement of Financial Position shows the deficit of the Schemes; the Statement of Comprehensive Net Expenditure shows, amongst other things, the movements in the liability analysed between the pension cost and the interest on the Schemes' liability. Further information about the actuarial position of the Schemes is dealt with in the Report of the Actuary, and the Schemes' financial statements should be read in conjunction with that Statement.
- 1.4 The Schemes are mostly non-contributory defined benefit pension schemes, for colonial civil and military officers and their dependants. A fuller description of the Schemes is in the Report of the Managers.
- 1.5 The administration costs of the Overseas Pensions Department (OPD) are part of those of the Foreign, Commonwealth and Development Office (FCDO) and are included in the FCDO 2021-22 Annual Report and Accounts, as is the cost of the audit of these Accounts by the Comptroller and Auditor General. The Report of the Managers includes information on administration and efficiency.
- 1.6 In common with other public service pension schemes, the future financing of the Schemes' liabilities is to be met by future grants of supply to be approved annually by Parliament. Such approval for amounts required for 2022-23 has already been given. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

2 Statement of accounting policies

- 2.1 The accounting policies contained in the FReM follow IFRS to the extent that they are meaningful and appropriate in the public sector context.
- 2.2 Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Schemes for the purpose of giving a true and fair view has been selected. The accounting policies adopted have been applied consistently in dealing with items considered material in relation to the Schemes' financial statements.

2 Statement of accounting policies (continued)

- 2.3 Provision is made for liabilities to pay pensions and other benefits in the future. The Schemes' liabilities are measured on an actuarial basis using the projected unit credit method in accordance with IAS 19 *Employee Benefits* and are discounted at the real discount rate in excess of pension increases of -1.30 per cent (2020-21: -0.95 per cent). The discount rate is determined by HM Treasury who track changes in the real yield implied from high quality corporate bond rates.
- 2.4 Pension benefits payable are accounted for as a decrease in the Schemes' liabilities on an accruals basis.
- 2.5 The interest cost is a notional charge to reflect the fact that future benefit payments are one year closer to settlement, so should be discounted by one year less. It increases the value of the Schemes' liabilities and is recognised in the Statement of Comprehensive Net Expenditure. The current year interest cost is based on the nominal discount rate at the end of the previous year which was 1.25 per cent for 2021-22 (2020-21: 1.80 per cent). This is applied to the pension liability at the end of the previous year, with allowance made for movements in the pension liability over the current year.
- 2.6 Full actuarial valuations of the Schemes' liabilities in accordance with IAS 19 *Employee Benefits* are prepared every four years by the Government Actuary's Department. Interim year valuations are performed by rolling forward the previous full actuarial valuation adjusted for updated summary membership information. Actuarial gains and losses from changes in financial and mortality assumptions and events not coinciding with assumptions made for the last valuation (experience gains and losses) are recognised in the Statement of Comprehensive Net Expenditure.
- 2.7 Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* are stated at discounted amounts and the amount reported to Parliament separately noted.
- 2.8 The preparation of these Accounts requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. These assessments are based on historic and other factors that are believed to be reasonable, the results of which form the basis for making judgements. The estimates and underlying assumptions are reviewed on an on-going basis. The key estimates and judgements relate to the valuation of the pension liability as set out in Note 6 below.
- 2.9 The following accounting standards in issue but not yet effective at the reporting date are not applicable as the Schemes have not entered into any such arrangements or transactions:
- *IFRS 16 Leases* – public sector implementation in financial year 2022-23.
 - *IFRS 17 Insurance Contracts* - effective for accounting periods beginning on or after 1 January 2023, there is not yet an implementation date for the public sector.
 - *Amendment to IAS 1 Presentation of Financial Statements* (amendment to classification of some liabilities as current or non-current) - effective for accounting periods beginning on or after 1 January 2024, there is not yet an implementation date for the public sector.

3 Receivables – in respect of pensions

Analysis by type

	2021-22	2020-21
	£000	£000
Amounts falling due within one year		
Overpaid pensions	214	236
Accrued income	19	29
Other receivables	353	135
Balance at 31 March	586	400

There are no receivables falling due after more than one year (2020-21: £nil).

4 Cash and cash equivalents

	2021-22	2020-21
	£000	£000
Balance at 1 April	317	116
Net changes in cash balances	(195)	201
Balance at 31 March	122	317

The following balances at 31 March were held at:

	2021-22	2020-21
	£000	£000
Government Banking Service	122	317
Commercial banks	-	-
Balance at 31 March	122	317

5 Payables – in respect of pensions

5.1 Analysis by type

	Note	2021-22 £000	2020-21 £000
Amounts falling due within one year			
Payables:			
HMRC		(445)	(498)
Other payables		(17)	(28)
		<u>(462)</u>	<u>(526)</u>
Consolidated Fund payable:			
Supply issued and not used	5.2	<u>(122)</u>	<u>(317)</u>
Balance at 31 March		<u>(584)</u>	<u>(843)</u>

There are no payables falling due after more than one year (2020-21: £nil).

5.2 Consolidated Fund payable for unused supply

	Note	2021-22 £000	2020-21 £000
Supply drawn down		(44,670)	(50,285)
"Deemed" supply (retained from the previous year)		(317)	(116)
		<u>(44,987)</u>	<u>(50,401)</u>
Net cash requirement	SOPS3	44,865	50,084
Supply payable		<u>(122)</u>	<u>(317)</u>

6 Pension liability

6.1 Assumptions underpinning the Schemes' liability

The Schemes included in these financial statements are unfunded defined benefit schemes. The actuarial valuation has been carried out by calculating the liability as at 31 March 2022 based on the data provided as at 31 December 2021 and using a valuation date of 31 March 2022. The Report of the Actuary on pages 9 to 13 sets out the scope, methodology and results of the work the actuary has carried out.

6 Pension liability (continued)

6.1 Assumptions underpinning the Schemes' liability (continued)

The Schemes' Manager together with the actuary have signed a Memorandum of Understanding that identifies, as far as practicable, the range of information that the Schemes' Manager should make available to the actuary in order to meet the expected requirements of the Schemes' auditor. This information includes, but is not limited to, details of:

- Schemes' membership data, including age and gender profiles
- The benefit payable, including the member's pension and any spouse's pension
- The Schemes' income and expenditure
- Following consultation with the actuary, the key assumptions that should be used to value the Schemes' liabilities, ensuring that the assumptions are mutually compatible and reflect a best estimate of future experience.

The key financial assumptions used by the actuary were:

	At 31 March 2022	At 31 March 2021	At 31 March 2020	At 31 March 2019	At 31 March 2018
Rate of increase in salaries (%)	n/a	n/a	n/a	n/a	n/a
Rate of increase in pensions in payment - CPI (%)	2.90	2.22	2.35	2.60	2.45
Rate of increase in pensions in payment - RPI (%)					
- until February 2030	3.90	3.22	3.35	3.60	3.45
- from February 2030	3.00	2.32			
Real discount rate* in excess of CPI pension increases (%)	(1.30)	(0.95)	(0.50)	0.29	0.10
Nominal discount rate* (%)	1.55	1.25	1.80	2.90	2.55
Expected return on assets	n/a	n/a	n/a	n/a	n/a

* Discount rates are determined by HM Treasury with reference to market yields on high quality corporate bonds.

Pension scheme liabilities accrue over employees' periods of service and are discharged over the period of retirement and, where applicable, the period for which a spouse or eligible partner survives the pensioner. In valuing the Schemes' liability, the actuary must estimate the impact of several inherently uncertain variables into the future. These variables include not only the key financial assumptions noted in the table above, but also the changes that will occur in the future in the mortality rate.

6 Pension liability (continued)

6.1 Assumptions underpinning the Schemes' liability (continued)

Current baseline mortality rates have been assumed to be in line with the S3 mortality tables prepared by the Continuous Mortality Investigation (part of the Actuarial Profession), with the percentage adjustments to those tables derived from scheme experience:

Males – S3NMA, 101%
Females – S3NFA, 96%

Mortality improvements are assumed to be in line with the 2018 based population projections for the United Kingdom published by the Office for National Statistics in October 2019. This is the same assumption as that used for the 2020-21 accounts. This is discussed further in the Report of the Actuary on pages 12 and 13.

These key assumptions are inherently uncertain, since it is impossible to predict with any accuracy future changes in the rate of inflation, longevity or the return on corporate bonds. The actuary uses professional expertise in arriving at a view of the most appropriate rates to use in the valuation of the Schemes' liabilities. However, the Schemes' Manager acknowledges that the valuation reported in these Accounts is not certain, since a change in any one of these assumptions will either increase or reduce the liability. In reality, the complexity and range of assumptions underlying the calculation of the Schemes' liabilities are such that a change in one assumption is likely to have a knock-on effect on other assumptions. A sensitivity analysis for each significant assumption as at 31 March 2022 is included in the Report of the Actuary on pages 11 and 12.

In the opinion of the Schemes' Manager, the actuary has used key assumptions that are the most appropriate for the Schemes in the light of current knowledge and in accordance with IAS 19 *Employee Benefits*.

The net movement in future liability resulting from changes in financial and mortality assumptions and experience gains (gains due to events not coinciding with assumptions made for the last valuation) is disclosed in Note 6.3. At 31 March 2022, valuation adjustments increased the pension liability by £68.3 million (2020-21: £3.8 million decrease). The 2021-22 increase was a result of a £27.0 million experience loss due to the pension increase being higher than expected, a £39.75 million loss as a result of changes in financial assumptions and a loss of £1.5 million due to changes in mortality assumptions. The 2020-21 decrease was a result of a £19.2 million experience gain due to pension increase being lower than expected, offset by a loss of £15.4m as a result of changes in financial assumptions.

The pension liability also includes an estimate for contingent spouses' pensions.

6.2 Analysis of movements in the Schemes' liability

	2021-22	2020-21
Note	£000	£000
Schemes' liability at 1 April	(604,164)	(646,901)
Interest on Schemes' liability	(7,274)	(11,195)
Benefits payable	44,615	50,103
Actuarial (loss)/gain	6.3 (68,285)	3,829
Schemes' liability at 31 March	(635,108)	(604,164)

6 Pension liability (continued)

6.3 Analysis of actuarial gain/(loss)

	2021-22 £000	2020-21 £000
Experience (loss)/gain arising on Schemes' liability	(26,990)	19,199
Loss due to change in mortality assumptions	(1,545)	-
Loss due to change in financial assumptions	(39,750)	(15,370)
Total actuarial gain/(loss) at 31 March	(68,285)	3,829

6.4 History of experience gains/(losses)

	2022	2021	2020	2019	2018
Experience (losses)/gains on the Schemes' liability					
Amount	(£27.0m)	£19.2m	£8.8m	£45.2m	£53.9m
Percentage of the present value of the Schemes' liability	-4.6%	3.2%	1.4%	6.7%	7.3%
Total amount recognised in Statement of Changes in Taxpayers' Equity					
Amount	(£68.3m)	£3.8m	(£7.6m)	£54.1m	£98.2m
Percentage of the present value of the Schemes' liability	-10.7%	0.6%	-1.2%	8.0%	13.3%

7 Third party arrangement

	2021-22 £000	2020-21 £000
Balance held as at 31 March	20	20

The balance held by OPD for third parties is funding for the cost of pensions in relation to the Kenya Asian Officers' Family Pension Fund and the Pakistan High Commission.

The pension liability associated with the Kenya Asian Officers' Family Pension Fund is included in the pension liability balance in these Accounts. Although the Schemes are liable to pay the pensions, the Government of Kenya reimburses the Schemes with the amounts paid.

OPD acts solely as a paying agent for the Pakistan High Commission, holding no liability for these pensions.

During 2021-22, OPD paid pensions totalling £159,000 (2020-21: £162,000) in relation to the Kenya Asian Officers' Family Pension Fund and the Pakistan High Commission.

8 Financial instruments

As the cash requirements of the Schemes are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector scheme of a similar size. Some credit risk exists in relation to receivables, otherwise the Schemes are exposed to little credit, liquidity or market risk.

The carrying amounts of financial instruments as at 31 March were as follows:

	Note	2021-22 £000	2020-21 £000
Financial assets			
Receivables	3	586	400
Cash and cash equivalents	4	122	317
		708	717
Financial liabilities			
Financial liabilities at amortised cost	5.1	(584)	(843)
		(584)	(843)

9 Contingent liabilities

A contingent liability of £65.7 million (2020-21: £73.0 million) exists primarily relating to the Hong Kong (Overseas Public Servants) Act 1996, Sterling Safeguard Scheme for the value of public service pensions. The safeguard is the amount by which a member's safeguard pension exceeds the UK base pension plus pension increases in relation to the Supplementary Pension for Overseas Service (SPOS). The member's safeguard increases in line with UK inflation. If the Hong Kong pension ceased (either because of default by the government of the Hong Kong Special Administrative Region or because of a fall in the value of the Hong Kong dollar), then FCDO would be responsible for paying the full safeguard pension or the SPOS pension, whichever is greater. This is recognised as a contingent liability (net of the SPOS and the safeguard liability already recognised in the pension liability) and is valued assuming that members' Hong Kong pensions ceased on 1 April 2022.

10 Related party transactions

The administration costs for managing pensions and the cost of audit of these Accounts by the Comptroller and Auditor General are part of FCDO administration expenditure and are included in FCDO's Annual Report and Accounts. In 2021-22 administration costs were £647,371 (2020-21: £719,072) and audit costs £56,600 (2020-21: £82,000).

No other transactions with the Schemes have been undertaken by the Manager of the Schemes, key managerial staff or other related parties during the year.

11 Events after the reporting period

In accordance with the requirements of IAS 10 *Events After the Reporting Period*, events after the reporting period are considered up to the date on which the Accounting Officer authorises the Accounts for issue. The Accounting Officer authorised these financial statements for issue on the date of the Certificate and Report of the Comptroller and Auditor General. No non-adjusting or adjusting events after the reporting date have been identified.

Appendices (not subject to audit)

Appendix A: List of pension Schemes and their updates

These Accounts relate to 109 pension Schemes and their updates:

1. THE ANTIGUA OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1985
2. THE BARBADOS PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1985
3. THE BELIZE PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1982
4. THE BOTSWANA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1976
5. THE BURMA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1974
6. THE CYPRUS PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1979
7. THE DOMINICA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1975
8. THE EAST AFRICAN COMMUNITY PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1979 - 82
9. THE FIJI PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1975
10. THE GAMBIA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1974
11. THE GHANA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1976
12. THE GILBERT ISLANDS PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1976
13. THE GRENADA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1975
14. THE GUYANA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1978
15. THE INDIA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1986
16. THE JAMAICA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1976
17. THE KENYA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1977
18. THE LESOTHO PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1975
19. THE MALAWI PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1975
20. THE MALAYSIA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1979
21. THE MALTA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1976
22. THE MAURITIUS PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1975
23. THE NIGERIA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1979
24. THE PAKISTAN PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1986
25. THE SEYCHELLES PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1976
26. THE SIERRA LEONE PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1976
27. THE SINGAPORE PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1977
28. THE SOLOMON ISLANDS PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1976
29. THE SRI LANKA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1979
30. THE ST CHRISTOPHER, NEVIS AND ANGUILLA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1975
31. THE ST LUCIA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1975
32. THE ST VINCENT PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1975
33. THE SUDAN PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1973
34. THE SWAZILAND PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1975
35. THE TANZANIA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1976
36. THE TRINIDAD & TOBAGO PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1986
37. THE UGANDA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1985
38. THE ZAMBIA PUBLIC OFFICERS' PENSIONS (UNITED KINGDOM) SCHEME 1985
39. THE COLONIAL SERVICE PENSIONS ADDITION FOR WAR SERVICE (UNITED KINGDOM) SCHEME 1989
40. THE OVERSEAS SERVICE (ALLOCATION OF PENSION) (AMENDMENT) SCHEME 1991

41. THE BARBADOS PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1985
42. THE BELIZE PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1982
43. THE JOINT (BOTSWANA, LESOTHO AND SWAZILAND) PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS DEFUNDED (UNITED KINGDOM) SCHEME 1986
44. THE CYPRUS PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1979
45. THE EAST AFRICAN COMMUNITY (EAST AFRICAN SCHEME) PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1979
46. THE EAST AFRICAN COMMUNITY (RAILWAYS & HARBOURS CORPORATION) PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1979
47. THE FIJI PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1975
48. THE GAMBIA PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1974
49. THE GHANA PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (DEFUNDED) (UNITED KINGDOM) SCHEME 1986
50. THE GUYANA PUBLIC OFFICERS' WIDOWS' AND ORPHANS' (UNITED KINGDOM) SCHEME 1978
51. THE JAMAICA PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1976
52. THE KENYA ASIATIC PUBLIC OFFICERS' WIDOWS' AND ORPHANS' (UNITED KINGDOM) SCHEME 1977
53. THE KENYA PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (DEFUNDED) (UNITED KINGDOM) SCHEME 1990
54. THE MALAWI PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1975
55. THE MALAYSIA (PENINSULAR MALAYSIA) PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1979
56. THE MALAYSIA (SABAH) (BRITISH NORTH BORNEO COMPANY) PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1979
57. THE MALAYSIA (SABAH) PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (DEFUNDED) (UNITED KINGDOM) SCHEME 1986
58. THE MALAYSIA (SARAWAK) PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (DEFUNDED) (UNITED KINGDOM) SCHEME 1986
59. THE MALTA PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1976
60. THE MAURITIUS PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1975
61. THE NIGERIA PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1979
62. THE SEYCHELLES PUBLIC OFFICERS WIDOWS' AND ORPHANS' PENSIONS (DEFUNDED) (UNITED KINGDOM) SCHEME 1986
63. THE SIERRA LEONE PUBLIC OFFICERS' WIDOWS' AND ORPHANS' (DEFUNDED) (UNITED KINGDOM) SCHEME 1986
64. THE SINGAPORE PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1977
65. THE SRI LANKA PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1979
66. THE TANZANIA (TANGANYIKA) PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1976

67. THE TANZANIA (ZANZIBAR ASIATIC OFFICERS)) PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1976
68. THE TANZANIA (ZANZIBAR) PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1976
69. THE TRINIDAD AND TOBAGO PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1986
70. THE UGANDA (EUROPEAN OFFICERS) PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1985
71. THE ZAMBIA PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (DEFUNDED) (UNITED KINGDOM) SCHEME 1985
72. THE ZAMBIA PUBLIC OFFICERS' WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME 1985
73. THE ZAMBIA TRANSFERRED FEDERAL OFFICERS' (DEPENDANTS) PENSIONS (UNITED KINGDOM) SCHEME 1985
74. THE BARBADOS PUBLIC OFFICERS' WIDOWS' AND CHILDREN'S PENSIONS (UNITED KINGDOM) SCHEME 1986
75. THE MAURITIUS PUBLIC OFFICERS' WIDOWS' AND CHILDREN'S PENSIONS (UNITED KINGDOM) SCHEME 1975
76. THE SEYCHELLES PUBLIC OFFICERS' WIDOWS' AND CHILDREN'S PENSIONS (UNITED KINGDOM) SCHEME 1976
77. THE OVERSEAS SERVICE PENSIONS SCHEME 1985
78. THE INDIAN FAMILY PENSIONS (TRANSFERRED) (UNITED KINGDOM) SCHEME 1985
79. THE GOVERNORS PENSIONS SCHEME 1979
80. THE OVERSEAS SUPERANNUATION (DEFUNDED) SCHEME 1991
81. SECTION 4 OF THE ADEN, PERIM AND KURIA AURIA ISLAND ACT 1967 (THE ADEN WIDOWS' AND ORPHANS' PENSIONS (UNITED KINGDOM) SCHEME
82. SECTION 5 OF THE SUPERANNUATION (MISCELLANEOUS PROVISIONS ACT 1967 (PALESTINE PENSIONS)
83. THE PENSIONS (INDIA, PAKISTAN AND BURMA) ACT 1955 (INDIA CIVIL AND MILITARY PENSIONS ONLY)
84. THE CENTRAL OFFICE OF THE OVERSEAS AUDIT DEPARTMENT
85. THE GOVERNORS PENSIONS ACT 1957
86. SECTIONS 2 AND 4 OF THE OVERSEAS PENSIONS ACT 1958 (NIGERIAN SPECIAL LIST A AND B OFFICERS OF HMOCS)
87. THE POLICE PENSION SCHEME 1987
88. THE POLICE PENSION SCHEME ('OLD CASES') (APPLIES TO POLICE OFFICERS WHO LEFT ON OR BEFORE MARCH 1973)
89. THE FIREMEN'S PENSION SCHEME 1992
90. THE OVERSEAS SERVICE (PENSION SUPPLEMENT) REGULATIONS 1995
91. THE INCREASE OF PENSIONS (INDIA, PAKISTAN AND BURMA) REGULATIONS 1972
92. THE INCREASE OF PENSIONS (OVERSEAS SERVICE PENSIONS (SCHEME AND FUND)) REGULATIONS 1973
93. ADEN LOAN ADVANCE SCHEME
94. BURMA LOAN ADVANCE SCHEME
95. EAST AFRICAN COMMUNITY LOAN ADVANCE SCHEME
96. GUYANA LOAN ADVANCE SCHEME
97. SOMALI LOAN ADVANCE SCHEME
98. TANZANIA LOAN ADVANCE SCHEME
99. ZANZIBAR LOAN ADVANCE SCHEME
100. THE NAVAL, MILITARY AND AIR FORCES ETC (DISABLEMENT AND DEATH) SERVICE PENSIONS ORDER 1983, AS AMENDED (FOR FORMER BRITISH INDIA ARMED FORCES PERSONNEL AND THEIR DEPENDANTS)

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101. THE PERSONAL INJURY CIVILIAN SCHEME
 102. COTTON RESEARCH CORPORATION
 103. HONG KONG PENSION SCHEME
 104. EX-GRATIA AWARDS ON TERMS ANALOGOUS TO THE DSS PICs SCHEME
 105. ADDITIONAL PAYMENTS TO SCHEMES DUE AS BENEFITS FROM WAR SERVICE CREDIT PENSION SCHEME
 106. ADDITIONAL PAYMENTS TO SCHEMES DUE AS BENEFITS FROM ALLOCATION OF PENSION SCHEME
 107. KENYA AOFPF (FUND HELD BY CAIM ON BEHALF OF GOVERNMENT OF KENYA)
 108. GIBRALTAR SOCIAL INSURANCE FUND
 109. PENSION INCREASE ELEMENT SCHEMES WHERE OVERSEAS TERRITORIES PAY LEVEL PENSION:

BAHAMAS	BARBADOS	BERMUDA
BRITISH VIRGIN ISLANDS	BRUNEI	CAYMAN ISLANDS
DOMINICA	EGYPT	FALKLAND ISLANDS
FIJI	GAMBIA	GIBRALTAR
GRENADA	GUYANA	JAMAICA
KENYA	MALAYSIA	MAURITIUS
MONTSERRAT	NIGERIA	ST HELENA
SEYCHELLES	SINGAPORE	SOMALIA
SOUTH GEORGIA	SRI LANKA	TRINIDAD AND TOBAGO
TURKS AND CAICOS	TONGA	WEST INDIES FEDERATION
UGANDA	ZAMBIA	FEDERATION OF RHODESIA AND NYASALAND

