

The logo consists of three white squares arranged horizontally, each containing a dark blue letter: 'I', 'T', and 'B'.

THE ITB PENSION
FUNDS TRUSTEES'
2019/2020
ANNUAL REPORT
& FINANCIAL
STATEMENTS

Pension Scheme Registry No.: 10169800

YOUR SCHEME WORKING FOR YOUR FUTURE



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The scheme year ending 31 March 2020 has been memorable for a number of reasons.

Encouragingly, both the Closed Fund and DB Section of the Open Fund remain in positive funding positions and the DC Section continues to perform in line with expectations.

The positive funding positions have been maintained in the context of numerous important external events and issues, such as ongoing uncertainty following Brexit, continuing volatility in investment markets and, of course, the impact of the coronavirus pandemic.

However, despite this background and the awful human and economic toll of the pandemic, I am able to report that once again the ITB Pension Funds made good progress on a number of fronts, some of which are highlighted below or contained in the main body of the report.



THE OPEN FUND

DEFINED BENEFIT (DB) ACTUARIAL VALUATION

2019 saw the successful completion of the Open Fund triennial valuation. A triennial valuation is the process by which the financial health of a pension scheme is assessed and future contribution requirements determined.

The valuation is conducted by the Scheme Actuary, Martin Clarke of the Government Actuary's Department (GAD), who advises the Trustees on assumptions about factors such as long term interest rates, membership mortality rates and the expected return on the Fund's assets, to estimate the funding position of the Open Fund and whether any further contributions are required to provide all the current and future benefits due to be paid.

The outcome of the 2019 formal valuation was that the Fund was able to declare a surplus, using a prudent basis. This positive result, confirming that the DB Section of the Open Fund remains fully funded on an ongoing basis, has been welcomed by members, Trustees and Employers alike.

DB SECTION INVESTMENT STRATEGY

The Trustees, along with their investment advisers, are constantly seeking opportunities to increase the security of investments and reduce risk. During my report to you last year, I told you about our decision to create an allocation to a "buy and maintain" bond portfolio, to more closely match the Fund's liabilities and reduce risk. This has proved to be effective and has maintained focus on our de-risking strategy, Trustees are monitoring the scope for further investments in buy-in policies.

THE DEFINED CONTRIBUTION (DC) SECTION

All ITB Employers have now changed their policy on pension provision by only offering new and existing employees membership of the DC Section for future service.

The ITB Employers are following a well-established trend, as the UK has seen a significant move from DB to DC pension provision in recent years, and in line with this greater regulatory attention has focused on DC pension arrangements.

As I explained to you last year, this manifested itself in new legislation requiring multi-employer DC pension providers to register as regulated Master Trusts. This provided a significant challenge to the ITB, but I am delighted to be able to report that with a lot of hard work by Funds staff and with the support of Trustees and our professional advisers, the ITB DC Section achieved Master Trust authorisation from The Pensions Regulator on 18 September 2019. This is a significant outcome for our Employers and their employees.

THE CLOSED FUND

Following the successful completion of the 31 March 2018 Closed Fund Actuarial Valuation in the prior year, 2019 saw a planned interim valuation. This revealed a comfortable surplus and that the Closed Fund remained in a healthy position. This instigated an investment strategy review and a plan to fine tune some measures within the fund to secure its low risk profile, reduce costs and maximise returns, all to help provide further benefit enhancements.

EMPLOYER COVENANT

In line with many other pension schemes, the strength of the Employers' covenant is an important factor when formulating decisions about the appropriate actuarial assumptions and investment strategy for the ITB Open Fund DB Section. As it is such a key element of our risk assessment process, we have appointed an independent firm to advise on covenant strength and to report to us on each Employer's financial position and business prospects.

We work hard to understand the issues confronted by our sponsoring Employers as they react to the economic and business environment, including the risks presented by the coronavirus pandemic. An important activity for the Trustees is to monitor their ability to meet their funding obligations to the Fund.

During the past year, a number of employer related matters were overseen by the Trustees. First among these were the ongoing efforts to recover as much as possible of the s75 debt owed by People 1st and it now seems this complex

issue will soon be concluded. Other issues related to reducing risk for members included agreeing additional security over an Employer's property and continuing constructive discussions with the Department for Education regarding government policy towards the statutory ITB's. It is also pleasing to report that following OPITO Ltd terminating its participation in the ITB Pension Funds with effect from 5 March 2020, the scheme received full payment of the due s75 debt.



As I write this review of the scheme year, we remain in the grip of the coronavirus pandemic and the uncertainty that it generates. This uncertainty is exacerbated by proposals to reform RPI, which has meant significant effort in lobbying government to ensure least detriment to the Open Fund DB Section.

TRUSTEES

The business experience and skills of my colleagues on the Trustee Board makes a very positive contribution to decision making on the many varied and complex issues we have to deal with. I remain grateful for the support and input of my fellow Trustees, who have done much to contribute to the success of the ITB Pension Funds over the years.

Four of my Trustee colleagues have left during the scheme year. These are Tony Pringle, Employer's Trustee for Cogent, Andrew McLachrie, SEMTA Members' Trustee, Nigel Titchen, Employer's Trustee for Lantra and Darren Thow, Employer's Trustee for OPITO Ltd. I would like to formally thank them for their service and contribution over the years that they acted as Trustees and wish them well for the future.

It's my pleasure to also welcome to the Trustee Board two new Trustees. These are Ben Alexander-Dann, the new SEMTA, trading as Engenuity, Members' Trustee and Richard Capewell, Lantra's Employer's Trustee. →

CHAIRMAN'S REVIEW

GOVERNANCE

The ITB Trustees have long regarded the subject of governance as a high priority. We regularly review the skills and knowledge of individual Trustees and arrange and deliver a large number of training sessions throughout the year to improve skills and knowledge. The operation of, and authority delegated to, the three key Trustee sub-committees; the Management Panel, the Investment Committee and the Salaries Committee, is also reviewed regularly.

The question of conflicts of interest is likewise taken very seriously and is the first item of business at every Trustee Board and sub-committee meeting. We have a clear policy for identifying and managing conflicts that all my fellow Trustees are aware of and support.

In addition, we value the quality of advice and service we receive from our professional advisers. We review our advisers regularly to ensure that quality and value for money are maintained and during the past year we changed our auditor to further enhance fiduciary governance of the Funds.

It is also important to us that Employers feel engaged with governance and we held a successful training day for them all in November 2019.

Towards the end of the financial year and in the period immediately thereafter, the coronavirus struck and had an impact on many areas of Funds' governance. The Trustees ensured that high standards of governance were maintained over the Funds' operations and investments, and they also commissioned a report on how the virus had affected the participating employers to help inform any action necessary.

FUNDS' STAFF

Like most organisations, we are only as good as the people that represent us. The Funds' Office Chief Executive, Vincent Gordon, and the rest of the team at the Funds' Office once again made a significant contribution to our operational success. The team strive for high standards of management and administration to provide the desired level of service to all members of the Trustee Board, the Funds' Employers and to you the Members, active, retired or yet to draw benefits. On behalf of my fellow Trustees I would like to thank the team for its support.

Special thanks are due to Vincent, with his decision to retire at the end of May 2020. There is no doubt that without his efforts, commitment and leadership over almost twenty years, the Funds would not be in the positive position they are today. I would take the opportunity to record our appreciation and very best wishes to him for a long, healthy and happy retirement.

It is also my pleasure to welcome Mike Thorpe as the new ITB Chief Executive and his replacement as Funds' Accountant, Gareth Pryce. Both have considerable experience of the pensions industry and I am confident they will skilfully build on the legacy left by Vincent.

Finally, I would like to thank my fellow Trustees for putting their faith in me and re-electing me as Chairman for a further three-year period. I will do my utmost to repay that faith.

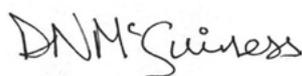
OUTLOOK

As I write this review of the scheme year, we remain in the grip of the coronavirus pandemic and the uncertainty that it generates. This uncertainty is exacerbated by proposals to reform RPI, which has meant significant effort in lobbying government to ensure least detriment to the Open Fund DB Section.

These factors notwithstanding, the Trustees feel that this past scheme year has, all things considered, been a successful one, with the Open Fund DB Section maintaining in a sound financial situation, based on a lower risk investment strategy as well as remaining in surplus.

The Closed Fund also maintains its strong position and the DC Section continues to be an important part of the service offered to Employers and achieve satisfactory investment returns on the various funds available. Pleasingly, the DC Section is now an authorised Master Trust.

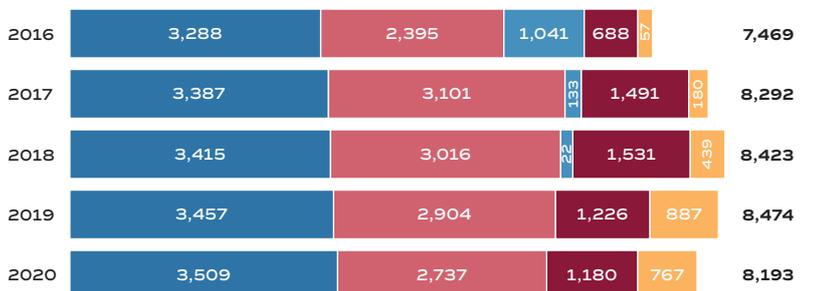
With this as our platform, the Trustees will continue to strive to ensure a positive outcome for all members of the ITB Pension Funds and it is my earnest hope that by the time you read this review all of us will be seeing at least a degree of normality returning to our lives.



David Newell McGuinness

OPEN FUND

Membership



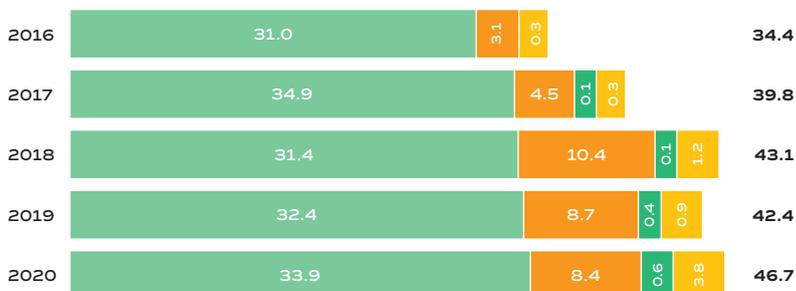
KEY: PENSIONERS & DEPENDANTS DEFERRED (DB) ACTIVE (DB) ACTIVE (DC) DEFERRED (DC)

DB & DC Sections Income (£m)



KEY: INVESTMENT (DB) CONTRIBUTIONS (DB) INVESTMENT (DC) CONTRIBUTIONS (DB)

DB & DC Sections Expenditure (£m)



KEY: BENEFITS (DB) OTHER (DB) BENEFITS (DC) OTHER (DC)

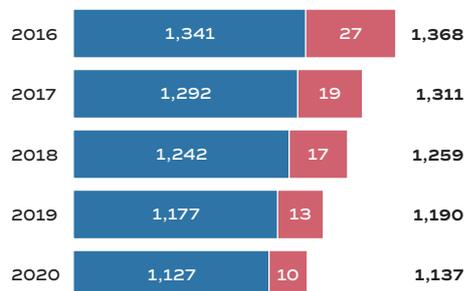
DB & DC Sections Fund Value (£m)



KEY: OPEN FUND (DB SECTION) OPEN FUND (DC SECTION)

CLOSED FUND

Membership



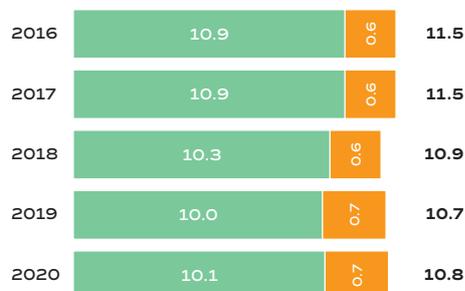
KEY: PENSIONERS & DEPENDANTS DEFERRED (DB)

Income (£m)



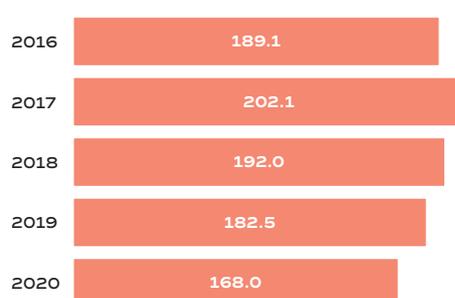
KEY: INVESTMENT CLOSED FUND

Expenditure (£m)



KEY: BENEFITS (DB) OTHER (DB)

Fund Value (£m)



KEY: CLOSED FUND

BOARD OF TRUSTEES

EMPLOYERS' TRUSTEES

David Birtwistle

Nominated by: Science, Engineering and Manufacturing Technologies Alliance, trading as Enginuity

(Pensions and Reward Consultant)



Enginuity



Richard Capewell

(from 15 April 2020)

Nominated by: Lantra

(Retired Trustee of Lantra)



John Dearden

Nominated by: CAPITB Limited

(Retired Chief Executive of CAPITB Limited)

CAPITB Ltd



Terry Lazenby, MBE

Nominated by: Engineering Construction ITB

(Retired Chairman of ECITB)



Newell McGuinness

(Chairman)

Nominated by: Scottish Electrical Charitable Training Trust (SECTT)

(Retired Managing Director of SELECT)



Tony Pringle

(to 28 June 2019)

Nominated by: Cogent SSC Limited

(Director of TPPLAST Ltd)



Peter Rogerson, OBE

(Deputy Chairman-Employers)

Nominated by: Construction ITB

(Retired Deputy Chairman of Construction ITB)



Darren Thow

(to 5 March 2020)

Nominated by: OPITO Limited

(Director of Finance and Corporate Services)



Nigel Titchen

(to 31 March 2020)

Nominated by: Lantra

(Former Lantra Trustee and Board Member)



MEMBERS' TRUSTEES

Ben Alexander-Dann

(from 15 April 2020)

Nominated by: Science, Engineering and Manufacturing Technologies Alliance, trading as Enginuity

(Data Scientist and Insight Analyst)



David Lewis

Nominated by: Engineering Construction ITB

(Senior Account Manager - Nuclear)

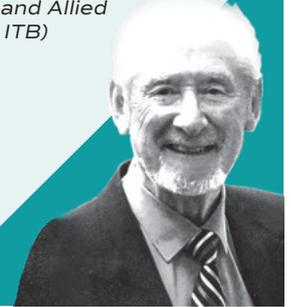


PENSIONERS' TRUSTEES

Maurice Alston

Nominated by: Closed Fund Pensioners Previously Chemical and Allied Products ITB

(Retired - formerly Senior Training Adviser Chemical and Allied Products ITB)



Andrew McLachrie

(from 4 October 2019 to 31 December 2019)

Nominated by: Science, Engineering and Manufacturing Technologies Alliance, trading as Enginuity

(Group Finance Director)



Martin McManus

Nominated by: Cogent SSC Limited

(Policy & Standards Manager)



David Barnett

(Deputy Chairman-Members)

Nominated by: Open Fund Pensioners Previously Road Transport ITB

(Retired - Formerly Director General of RTITB)



Robert Tabor

Nominated by: Lantra

(Chief Operating Officer/Deputy Chief Executive)



David Wake

Nominated by the trades union Unite for: Construction ITB

(Advisor - London East)



OFFICERS AND ADVISERS

OFFICERS

Vincent Gordon
FPMI

Chief Executive and Director
(to 31 May 2020)



Mike Thorpe
ACA

Funds' Accountant
(to 31 May 2020)

Chief Executive
(from 1 June 2020)



Gareth Pryce
ACA

Funds' Accountant
(from 11 May 2020)



Chris Bettles
DipPMI

Pensions Administration
Manager



ADVISERS

ACTUARY

Martin Clarke FIA Government
Actuary's Department

INDEPENDENT AUDITORS

BDO LLP *(resigned 3 January 2020)*

PricewaterhouseCoopers LLP
(appointed 13 January 2020)

COVENANT ADVISER

CVR Global LLP

INVESTMENT ADVISER AND PERFORMANCE MONITOR

Lane Clark & Peacock LLP

SOLICITORS

Mayer Brown International LLP

INVESTMENT MANAGERS

Allianz Global Investors GmbH

BlackRock Investment Management (UK) Ltd

Fidelity International

Fletcher King

Insight Investment Management (Global) Ltd

Just Retirement Ltd

Legal & General Investment Management
(DC Section and AVCs)

Pension Insurance Corporation PLC

Ruffer LLP *(terminated 25 February 2020)*

Schroder Investment Management
(Luxembourg) S.A.

CUSTODIANS

JP Morgan Chase Bank NA

The Bank of New York Mellon (International) Ltd

PROPERTY VALUER

BNP Paribas Real Estate UK

DC SECTION ADMINISTRATOR

Legal & General Assurance Society Ltd

PARTICIPATING EMPLOYERS

The Participating Employers comprise two Statutory Training Boards, CITB and ECITB, and five Companies, which are charities or commercial enterprises and, along with their wholly-owned subsidiaries, are the Successor Bodies that have replaced former Statutory Training Boards.

During the year four Participating Employers terminated their participation in the Funds. Science, Engineering and Manufacturing Technologies Alliance (SEMTA), trading as Enginuity, took on the pension liabilities of three of its subsidiaries - Metskill Ltd., National Skills Academy for Manufacturing Ltd. and Training Publications Ltd. and those companies ceased participation in the Funds on 1 February 2020. OPITO Ltd. opted to cease participation in the Funds on 5 March 2020 and settled a s75 debt of £2.2m plus cessation expenses in May 2020.

The Participating Employers at the scheme year-end, each of which must be a Statutory Training Board or a Successor Body to a Training Board, are shown opposite.

CAPITB LIMITED

COGENT SSC LIMITED

Participating Subsidiaries:

Cogent Skills Services Limited

Cogent Skills Training Limited

Cogent (Telford) Limited

Science Industry Assessment Service Limited

CONSTRUCTION ITB

ENGINEERING CONSTRUCTION ITB

LANTRA

SCIENCE, ENGINEERING AND MANUFACTURING TECHNOLOGIES ALLIANCE, trading as ENGINUITY

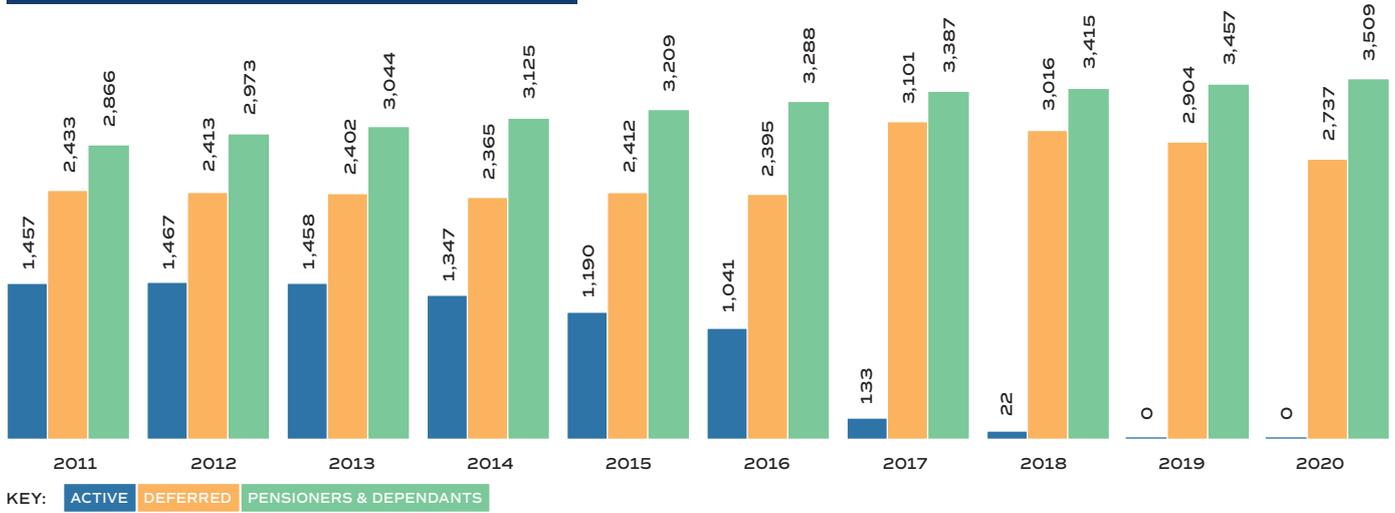
Participating Subsidiary:

Excellence, Achievement and Learning Limited

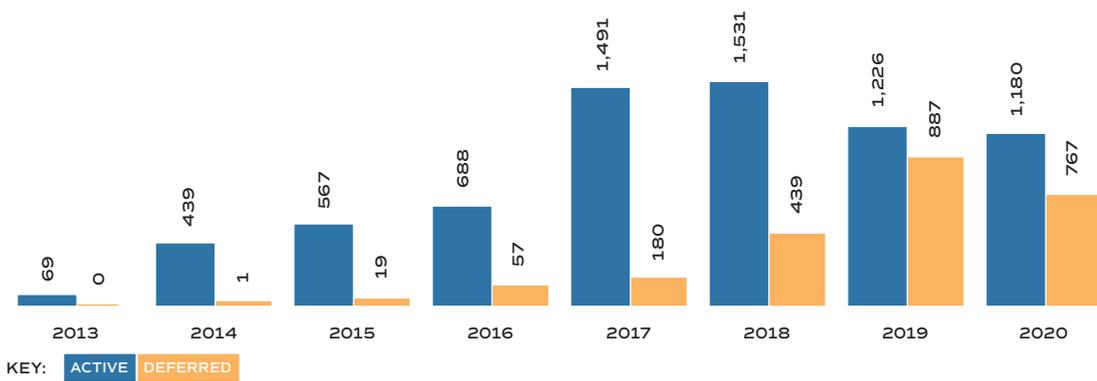
SCOTTISH ELECTRICAL CHARITABLE TRAINING TRUST

MEMBERSHIP

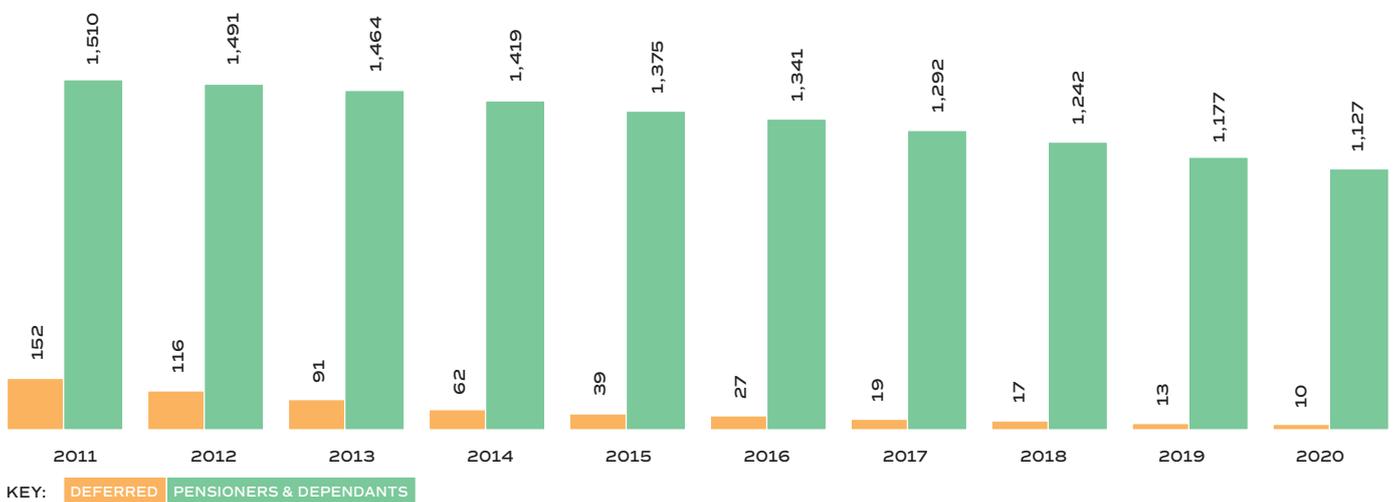
OPEN FUND DB SECTION



OPEN FUND DC SECTION



CLOSED SECTION



The Trustees present their annual report together with the financial statements for the year ended 31 March 2020. The financial statements have been prepared and audited in accordance with regulations made under sections 41(1) and (6) of the Pensions Act 1995.

FUNDS CONSTITUTION

The ITB Pension Funds, consisting of the Open and Closed Funds, is set up under a Trust Deed and Rules and administered by a Board of Trustees, comprising Member (including Pensioner) Trustees and Employer Trustees. It is a Registered Pension Scheme under Chapter 2 of Part 4 of the Finance Act 2004.

The assets of the Funds are separate from those of its Participating Employers and are held in trust by the Trustees, to apply them for paying pensions and other benefits in accordance with the Trust Deed and Rules.

FUNDS STRUCTURE

The Open Fund consists of four separate sections:

- the original section of the Open Fund, known as the 'Old Section'
- the 'New Section', which was introduced on 1 September 2003
- the '2007 Section', which was introduced on 1 January 2007, and
- the 'DC Section', which was introduced on 1 April 2012.

Employees of Participating Employers may join the Open Fund subject to eligibility conditions and elections made by Employers. The benefits received by members are determined by elections made by the Employers. All Employers elected not to offer further DB benefits from the following dates:

- ECITB from 6 April 2016
- CITB from 1 January 2017
- Lantra from 1 February 2017
- Cogent SSC (and subsidiaries) from 1 April 2017
- SEMTA (and subsidiary) and CAPITB from 1 October 2017, and
- SECTT from 1 July 2018.

The Closed Fund has no Participating Employers paying contributions, and it is predominantly invested in an insurance policy intended to match its liabilities.

TRUSTEESHIP

APPOINTMENT AND REMOVAL OF TRUSTEES

The Trust Deed and Rules provides for the Funds to be governed by a Board of 18 Trustees consisting of nine Employers', seven Members' and two Pensioners' Trustees. However, as at 31 March 2020 there were only five Employers' Trustees, as there are only now seven main Employers and two vacancies existed. Following the year-end one of these vacancies was filled. As at 31 March 2020 there were six Members' Trustees with one vacancy. This vacancy was also filled after the year-end. Details of the Trustees in office at the year-end are shown on pages 8 and 9.

The Trust Deed and Rules stipulate that, of the Trustees nominated by Employers, the two Statutory Training Bodies each nominate one Trustee.

Of the remaining Employers the six with the largest average number of active members at each triennial 31 December have a right to nominate an Employer Trustee for the three years commencing on the following 1 April (or such shorter period as the Trustee Board may determine), irrespective of annual changes in active membership numbers in the period following appointment. The next head-count date is 31 December 2021. Where an Employer has one or more wholly owned subsidiaries, those subsidiaries have no right to nominate Trustees, but the members in their employ are added to the Principal Employer's members for qualification purposes. Any successor bodies to a previous Training Board may join for the purpose of Trustee nomination and, if necessary, tally their combined membership for qualification.

Active members employed by each of the six Employers with the largest number of members are entitled to nominate one Trustee each by ballot. The exception to this is where an Employer recognises a trades union for negotiating terms and conditions of service. The trades union concerned then nominates the →

Trustee. The active members of all remaining Employers select one further Joint Members' Trustee by ballot.

All Trustees are normally expected to serve a minimum of three years on the Trustee Board, subject to there being no change in any Employer's status from Large to Small Employer for nominating a Trustee at the next 31 December headcount. If so, the period of Trustee appointment will come to an end as at the following 31 March.

Open Fund pensioners and members with preserved pensions, who are not also active members of the DC Section, nominate a Trustee by ballot, as do such members in the Closed Fund.

A Trustee may resign at any time and will automatically vacate office if he or she ceases to fulfil the eligibility qualifications. In addition, a Trustee will immediately vacate office upon becoming bankrupt or of unsound mind.

The Trustees have the power by resolution to terminate a Trustee's appointment if, in their opinion, the individual concerned has been guilty of misconduct, or is otherwise unfit or unable to carry out his or her duties.

To comply with the Charges & Governance Regulations 2015, the Employer Trustees must be appointed by an open and transparent process (OTP). Consequently, any appointment or re-appointment of an Employer's Trustee will be undertaken under an OTP and moreover, all newly appointed Trustees will have a maximum tenure of 10 years.

CHANGES TO THE TRUSTEES

Employers' Trustees

David Birtwistle, the Employer Trustee for SEMTA retired by rotation on 8 April 2019 and was re-nominated by SEMTA for a further three-year term under an OTP.

Tony Pringle, the Employer Trustee for Cogent SSC Ltd. resigned as a trustee on 28 June 2019. Cogent SSC Ltd. is making arrangements for a replacement to be nominated and in the meantime this position remains vacant.

Darren Thow, the Employer Trustee for OPITO Ltd. tendered his resignation as Trustee on 5 March 2020, the date OPITO Ltd. terminated its participation in the ITB Pension Funds.

Peter Rogerson, the Employer Trustee for CITB, retired by rotation on 31 March 2020 and was re-nominated by CITB for a further three-year term under an OTP.

Nigel Titchen, the Employer Trustee for Lantra retired by rotation on 31 March 2020 and was not re-nominated by Lantra. Lantra subsequently nominated Richard Capewell as its Employer's Trustee and he was appointed under an OTP on 15 April 2020.

Members' Trustees

Martin McManus, the Members' Trustee for Cogent SSC Ltd. retired by rotation on 30 June 2019 and following a nomination process, he was reappointed for a further three-year term.

Andrew McLachrie was nominated as the Members' Trustee for SEMTA following an election, and the Trustees approved his appointment on 4 October 2019.

Andrew McLachrie, the Members' Trustee for SEMTA, left the service of SEMTA and resigned as a Trustee on 31 December 2019. The members of SEMTA subsequently nominated Ben Alexander-Dann as its Members' Trustee and he was appointed under an OTP on 15 April 2020.

Pensioner Trustees

The term of office of Maurice Alston, Closed Fund Pensioner Trustee, came to an end on 3 April 2020 and following a nomination process, he was reappointed for a further three-year term.

Chairman

Newell McGuinness's period of office came to an end on 31 March 2020 and as he was the sole nominee in the nomination process his period of office continues for a further three-year term.

MEETINGS

Trustees normally meet at least four times a year.

COMMITTEES

The Trustees have appointed the following committees - an Investment Committee, a Management Panel and a Salaries Committee. The Investment Committee meets at least four times a year. The Management Panel meets as frequently as is required by the projects it is delegated to undertake. The Salaries Committee meets at least once a year.

MEMBERSHIP

The membership for the year to 31 March 2020 was as follows:

OPEN FUND DB Section	31 MARCH 2019	ADDITIONS	LEAVERS, RETIREMENTS & TRANSFERS	DEATHS	31 MARCH 2020
Deferred Members	2,904	0	(162)	(5)	2,737
Pensioners	2,843	128	0	(92)	2,879
Dependants	614	55	0	(39)	630
TOTAL	6,361	183	(162)	(136)	6,246

OPEN FUND DC Section	31 MARCH 2019	ADDITIONS	LEAVERS, RETIREMENTS & TRANSFERS	DEATHS	31 MARCH 2020
Active Members	1,226	291	(335)	(2)	1,180
Deferred Members	887	327	(446)	(1)	767
TOTAL	2,113	618	(781)	(3)	1,947

CLOSED FUND	31 MARCH 2019	ADDITIONS	LEAVERS, RETIREMENTS & TRANSFERS	DEATHS	31 MARCH 2020
Deferred Members	13	0	(3)	0	10
Pensioners	814	3	0	(52)	765
Dependants	363	30	0	(31)	362
TOTAL	1,190	33	(3)	(83)	1,137

New DC Section members additions and leavers are generally stated including auto-enrolment opt-outs.

PENSION INCREASES

OPEN FUND (Old Section) AND CLOSED FUND

The rules require pensions to be increased as if they were 'official pensions' to which the Pensions (Increase) Act 1971 applied (since incorporated into s59 Social Security Pensions Act 1975).

The level of increase is currently determined by reference to the annual rise in the Consumer Prices Index (CPI) at the end of the previous September each year, with any increase being applied from the first Monday on or following the beginning of the new tax year. This year the level of CPI increase was 2.4% and was payable from 8 April 2019.

OPEN FUND NEW AND 2007 SECTIONS

Under the rules of the Open Fund, New and 2007 Sections the level of increase is currently determined by reference to the annual rise in the Retail Prices Index (RPI) at the end of the previous September each year, and was 3.3% with any increase being

applied from the first Monday on or following the beginning of the new tax year (effective 8 April 2019). The actual increase is subject to a maximum increase cap as described for the New and 2007 Sections in the following table.

PRESERVED PENSIONS - INCREASE METHODS (All ITB Scheme Sections)

Annual increases to preserved pensions for the Closed Fund and Open Fund (Old Section) are in line with annual up-rating orders issued by the Government as described above.

Preserved pensions for the Open Fund (New Section) and Open Fund (2007 Section) are increased by the lower of (a) 5% to the extent that the pension is attributable to pensionable service which accrued before 6 April 2005 and 2.5% (or other such percentage as shall be specified for the purposes of section 51 of the 1995 Act) to the extent that the pension is attributable to pensionable service which accrued on or after 6 April 2005 and (b) an amount which is in line with the RPI over the 12 months to the preceding 30 September. →

PENSIONS IN PAYMENT - INCREASE METHODS (All ITB DB Sections):

	CLOSED FUND & OPEN FUND (Old Section)	OPEN FUND (New Section) & OPEN FUND (2007 Section)	THE STATE
Before State Pension Age the Scheme increases total pension by:	In line with annual up-rating orders issued by the Government	*RPI subject to a maximum in one year of: 5% for pensions accrued prior to 6 April 2005 and 2.5% for pensions accrued thereafter.	Nil
After State Pension Age the Scheme increases Excess over **GMP by:	In line with annual up-rating orders issued by the Government	*RPI subject to a maximum in any one year of: 5% for pensions accrued prior to 6 April 2005 and 2.5% for pensions accrued thereafter.	Nil
The **GMP is increased as follows: 6 April 1978 to 5 April 1988 by:	Nil	Nil	In line with annual up-rating orders issued by the Government
6 April 1988 to 5 April 1997 by:	Lesser of 3% and the annual up-rating orders issued by the Government	Lesser of 3% and the annual up-rating orders issued by the Government	Any excess over 3% of the annual up-rating orders issued by the Government

*RPI = Retail Prices Index **GMP = Guaranteed Minimum Pension

CONTRACTING-OUT – CURRENT POSITION

The introduction of the new state pension system in April 2016 brought an end to the ability for defined schemes to contract members out of the additional state pension.

Prior to that, from 6 April 1978, all members of the ITB Pension Funds (DB Section) were contracted out of the Second Tier of the State Pension, known as the State Second Pension (S2P, formerly called SERPS). DC members participated in S2P as they and their Participating Employers paid full rate National Insurance contributions.

A requirement of contracting-out was that an occupational pension scheme had to provide its members with pension benefits which were broadly equivalent to the S2P pension that members would have accrued had they not been contracted-out. This was known as a Guaranteed Minimum Pension (GMP). GMPs do not accrue for post 5 April 1997 Pensionable Service, but members remained contracted out and still receive benefits broadly equivalent to the S2P pension.

Where applicable, on attaining State Pension Age members are advised by the Department

of Work and Pensions (DWP) of the amount of the GMP that will be paid by the Funds as part of their total pension. The DWP will also confirm that subsequent cost of living increases on the GMP will be payable by the DWP by making the necessary addition to members' basic State Pensions. Spouses' GMPs are inflation protected by the State, irrespective of age.

TRANSFER VALUES

In accordance with guidance from the Pensions Regulator, transfer value calculations under the ITB Pension Funds (DB Section) use a method and basis determined by the Trustees, after taking advice from the Scheme Actuary, to be consistent with the relevant legislation and the rules of the ITB Pension Funds (DB Section) and do not include discretionary benefits.

Transfer values paid under the ITB Pension Funds (DC Section) equal the value of a members DC account as at the date of disinvestment. The Trustees do not accept transfers in to the DB Section. However, members of the DC Section may apply to the Trustees for the acceptance of transfer values from similarly approved schemes.

REPORT ON ACTUARIAL LIABILITIES

Under Section 222 of the Pensions Act 2004, every scheme is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its technical provisions. The technical provisions represent the present value of benefits members are entitled to, based on pensionable service to the valuation date. This is assessed using the assumptions agreed between the Trustees and the Participating Employers and set out in the Statements of Funding Principles, which are available to members on request.

Scheme funding legislation requires trustees to determine which actuarial funding method to use. However, since the differences between the permissible methods arise solely in relation to the treatment of active members no such decision is necessary for both the Open and Closed Fund as there are no active members in the defined benefit sections.

OPEN FUND - VALUATION RESULTS

The most recent full actuarial valuation of the Open Fund was carried out as at 31 March 2019. The valuation of the Fund's liabilities excludes the benefits of the members insured under the four buy-in policies held by the Fund and, for consistency, the values of the buy-in policies are also excluded from the valuation of the Fund's assets. The recent valuation showed that on that date the Fund was 104% funded:

The value of technical provisions was:
£485,900,000

The value of the assets at that date was:
£507,200,000

The significant actuarial assumptions used to determine the technical provisions are as follows (all assumptions adopted are set out in the Annex to the Statement of Funding Principles):

OPEN FUND - SIGNIFICANT ACTUARIAL ASSUMPTIONS

- Discount rate for determining the technical provisions (or, equivalently, the expected return on the assets):
The overall discount rate assumed for the valuation is derived based on consideration of the expected rates of return on the Scheme's assets and the yields available, at the valuation date, on government bonds (gilts). The expected return on the assets is assumed to be the redemption yields on gilts plus a prudent margin to allow for expected returns on the Fund's assets exceeding those from gilts and minus an allowance for an inflation risk premium of 0.25% a year. The trustees allow for 0.15% a year outperformance relative to the gilt yield curve.
- Future Retail Price Inflation (RPI): derived from the difference between annually compounded redemption yields on the nominal gilt yield curve, less an adjustment of 0.25% a year for an inflation risk premium, and the index linked gilt yield curve to determine the implied RPI curve.
- Future Consumer Price Inflation (CPI): derived from the assumed RPI curve less a prudent adjustment equal to 0.9% a year.
- Pension increases: are in line with the provisions under the Fund's rules, with the assumption for future CPI or RPI as appropriate, allowing for any caps and floors.
- Mortality (post retirement): is assumed to be in line with 85% of the S3NMA, S3NFA_H and S3DFA tables published by the UK actuarial profession. Ill health pensioners are assumed to experience the same rates of mortality as under the unadjusted S3IM/FA tables.
- Mortality Improvements: Projected improvements in mortality rates are assumed to be in accordance with the 2018 Continuous Mortality Investigation projection model using a smoothing factor of 7.5 and a 1.5% long term improvement per year.

CLOSED FUND - VALUATION RESULTS

The most recent full actuarial valuation of the Closed Fund was carried out as at 31 March 2018. The valuation of the Fund's liabilities excludes those liabilities which will be met by a bulk annuity policy and for consistency the bulk annuity →

policy is excluded from the valuation of the Fund's assets. The extent to which the Fund's residual assets are sufficient to meet future expenditure not met by the bulk annuity policy is then assessed at the valuation. The Fund's liabilities are valued using financial assumptions consistent with market conditions at the valuation date. This most recent valuation showed that on that date the Fund was 206% funded:

**The value of technical provisions was:
£36,600,000**

**The value of the assets at that date was:
£75,500,000**

The significant actuarial assumptions used to determine the technical provisions are as follows (all assumptions adopted are set out in the Annex to the Statement of Funding Principles):

CLOSED FUND - SIGNIFICANT ACTUARIAL ASSUMPTIONS

The largest part of the Closed Fund's liabilities is insured by a bulk annuity policy. Therefore, the significant assumptions relate to differences in the Fund's liabilities and the terms of the bulk annuity policy and to the provisions for insurer insolvency and future expenses.

- Discount rate for determining the technical provisions (or, equivalently, the expected return on the assets):
The expected return on the assets is assumed to be the redemption yield available on fixed interest gilts of a similar duration to that of the Fund liabilities minus an allowance for an inflation risk premium of 0.25% a year.
- Future Retail Price Inflation (RPI): derived from the difference between annually compounded redemption yield on fixed interest gilts and index linked gilts of a similar duration to that of the Fund liabilities less an adjustment of 0.25% a year for the inflation risk premium.
- Difference between RPI and CPI: There is no excess of the insurers benefit indexation (Retail Prices Index - RPI) above the Fund's benefit indexation (Consumer Prices Index - CPI).

- Mortality (post retirement): is assumed to be in line with the S2NMA, S2NFA and S2DFA standard tables published by the UK actuarial profession with 85% adjustment to rates except no adjustment for female dependants.
- Mortality Improvements: Projected improvements in mortality rates are assumed to be in accordance with those underlying the 2017 CMI core projection model with a long-term improvement of 1.5%.
- Insurer insolvency: The technical provisions include a provision for insurer insolvency, sufficient to cover an insolvency event in the year ended 31 March 2020 by setting a reserve equal to the present value of three years of benefit payments received from the insurer.
- Future expenses: The technical provisions include a provision for the Fund's expenses of £850,000 a year increasing in line with RPI until 2030.

AUDITOR

During the year BDO LLP resigned as Auditor. In its resignation letter it noted that there were no circumstances connected with its resignation which it considered significantly affect the interests of the members or prospective members of, or beneficiaries under, the Funds.

INVESTMENT REPORT

OPEN FUND - DB SECTION

Investment Strategy

The Trustees are responsible for determining the Fund's investment strategy. The Trustees have produced a statement of investment principles as required by section 35 of the Pensions Act 1995 and a copy is available on the Funds' website.

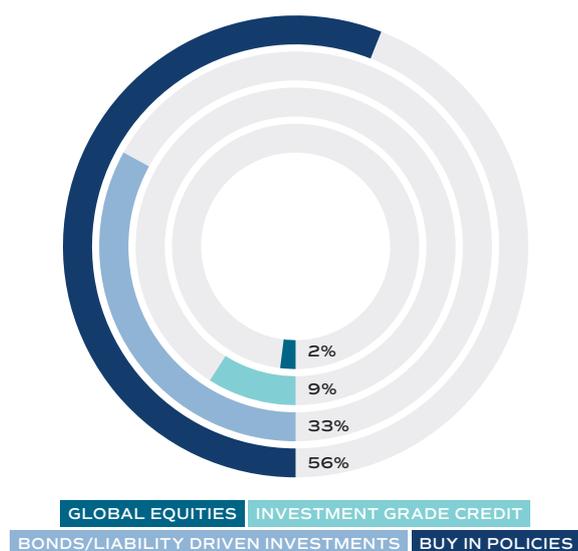
The results of the 31 March 2019 triennial actuarial valuation showed that the Open Fund DB Section had a surplus of £21m (104%) on a prudent technical provisions basis (gilts+0.15%). While finalising the results from the actuarial valuation the Trustees considered the Open Fund investment strategy and consulted with the Employers. The Trustees decided to maintain the existing long-term objective to target a complete buy-in of all the Open Fund's

DB liabilities by 2028, reduce risk further and target a long-term return of gilts +0.5% pa to further enhance the “self-sufficient” position of the Open Fund DB Section.

Self-sufficiency is taken to mean fully funded on a low-risk basis that assumes little or no outperformance over gilts and at this stage there would only be a small risk that the Open Fund would require additional contributions as a result of adverse market conditions or better than assumed longevity experience.

Asset Allocation

The target asset allocation, including buy-in policies, as at 31 March 2020 was as below. The Trustees review the allocation regularly to ensure that the investments remain appropriate when compared with the Fund’s liabilities and the amount of risk the Trustees are prepared to accept.



The investment strategy includes investing in assets that protect the Fund’s net funding position from changes in interest rates and inflation – liability driven investments (gilts and derivatives), investment grade credit and buy-in insurance policies that fully insure the Fund’s pensioner liabilities that were in payment up to 31 December 2017.

During the year the Fund was protected from interest rate and inflation risk by the liability driven and bond investments to the extent of broadly 100% of uninsured liabilities (measured on a low risk basis). During the year the Investment Committee made further progress in

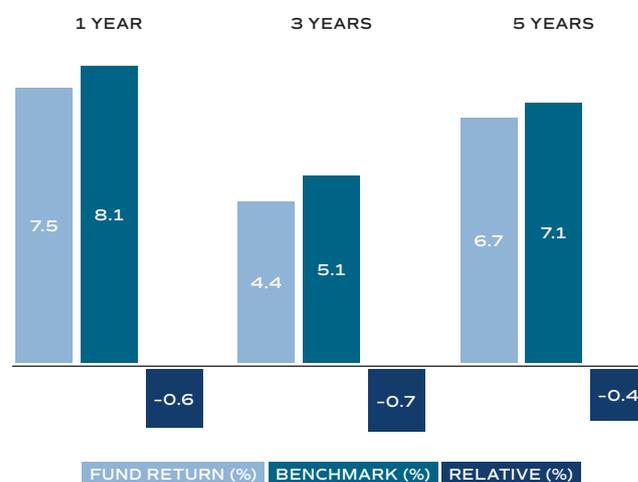
implementing the revised strategy by continuing to sell the property portfolio. By the beginning of the financial year, 75% of the value of property assets managed by Fletcher King had been sold since the original decision was made in November 2017 to reduce risk significantly. By the end of the financial year a further 20% had been sold. The Trustees expect the remainder to be sold within the next financial year, depending on property market conditions.

The actual asset allocation as at 31 March 2020 was 2% global equities, 9% investment grade credit, 39% bonds/liability investments and 50% buy-in policies. The higher allocation to bonds/liability investments at 31 March 2020 was due to short-term market movements. The asset allocations complied with the statement of investment principles throughout the year.

The buy-in policies reduce risk in the investment strategy by transferring investment and longevity risk to the insurer and the Trustees achieved this at prices lower than the value placed on the insured liabilities in the 2017 annual actuarial valuation update.

Investment Performance

The total performance of the Open Fund (excluding the buy-in policies) for the year ended 31 March 2020, after investment manager fees, was 7.5% compared with the overall benchmark of 8.1%. Performance of the Open Fund over one, three and five years to 31 March 2020 is shown below:



TRUSTEES' REPORT

OPEN FUND - DC SECTION

The Trustees are responsible for determining the investment strategy. The Trustees have produced a statement of investment principles as required by section 35 of the Pensions Act 1995 and a copy is available on the Funds' website.

Contributions made for members of the Open Fund DC Section are invested with Legal & General Assurance Society Ltd. Total contributions of £6,193,000 were made in the year (2019: £6,773,000). Contributions are allocated to a range of funds according to members' choices. If a member does not nominate specific separate investment funds, contributions are invested in the default fund. The default fund was reviewed in November 2017 and a revised default fund was implemented in April 2018. Over the year to 31 March 2020, the default fund growth phase was made up of a mixture of a global equity fund (70%) and a multi-asset fund (30%); and 15 years from retirement, this fund's allocation changes to

reduce risk, with a target allocation at retirement of 50% multi-asset fund, 25% diversified growth fund and 25% cash fund.

Shown below is the range of funds available to members during the year, together with the performance benchmarks, fee charges and the value of units held in each fund. All index-tracking funds performed in line with benchmarks during the year. The L&G Multi-Asset Fund performance for the year was -4.9%, which was 2.5% above its benchmark. The Standard Life Global Absolute Return Strategies (GARS) Fund performance for the year was 1.4%, which was 0.5% above its benchmark.

During the year, the Trustees further reviewed the DC Section strategy and default fund and decided to remove the diversified growth fund allocation. The Investment Committee decided to disinvest from the GARS fund in all DC arrangements (including the default fund) and this was implemented after the financial year end in April 2020. The assets invested in the GARS fund were re-allocated to the L&G Multi-Asset Fund.

FUND	FUND VALUE £000'S	% OF TOTAL DC FUNDS	PERFORMANCE BENCHMARK	PERFORMANCE TARGET	TER*
FIXED INTEREST FUNDS (INCLUDING INDEX-LINKED GILTS):					
Over 5 Years Index-Linked Gilts Index Fund	119	0.5%	FT A index-linked gilts (over 5 year) index	To track the index	0.38%
Over 15 Year Gilts Index Fund	46	0.2%	FT A gilts (over 15 year) index	To track the index	0.38%
AAA-AA-A Corporate Bond Over 15 Year Index Fund	47	0.2%	iBoxx £ non gilts (ex BBB) over 15 year index	To track the index	0.42%
GLOBAL EQUITY FUNDS:					
HSBC Islamic Global Equity Index Fund	-	-	Dow Jones Islamic Titans 100 index	To track the index	0.65%
Global Equity Market Weights 30:70 Index Fund (75% GBP Currency Hedged)	11,705	52.3%	Composite of 30/70 distribution between UK and overseas, 75% Ehedged	To track the index	0.44%
Ethical Global Equity Index Fund	232	1.0%	FTSE4 Good Global Index	To track the index	0.60%
OTHER FUNDS:					
Multi-Asset Fund	7,797	34.8%	Composite Index	To provide long-term investment growth	0.43%
Aberdeen Standard Global Absolute Return Strategies Fund	1,803	8.1%	6 month £ LIBOR	To outperform the benchmark by 5% pa	1.07%
Cash Fund	645	2.9%	7 day LIBID	CAPS pooled pension fund median	0.40%
TOTAL FUND	22,394	100.0%			

*TER (Total Expense Ratio) includes annual management charge, custody fees and other legal expenses, e.g. audit fees. TERs exclude transaction costs which are additional expenses borne by the fund.

INVESTMENT PERFORMANCE OF DC FUNDS (ALL L&G UNLESS STATED)	1 YEAR %	3 YEARS ANNUALISED %	5 YEARS ANNUALISED %
Over 5 Years Index-Linked Gilts Index Fund	6.0	4.5	6.8
Over 15 Year Gilts Index Fund	18.5	8.2	8.1
AAA-AA-A Corporate Bond Over 15 Year Index Fund	2.8	3.6	4.8
HSBC Islamic Global Equity Index Fund	8.2	8.8	11.1
Global Equity Market Weights 30:70 Index Fund (75% GBP Currency Hedged)	-11.1	0.0	3.0
Ethical Global Equity Index Fund	-1.9	3.2	7.4
Multi-Asset Fund	-4.9	1.0	4.3
Aberdeen Standard Global Absolute Return Strategies Fund	1.4	0.5	-0.5
Cash Fund	0.7	0.6	0.5

CLOSED FUND Investment Strategy

The Trustees are responsible for determining the Fund's investment strategy. The Trustees have produced a statement of investment principles as required by section 35 of the Pensions Act 1995 and a copy is available on the Funds' website.

The results of the 31 March 2019 annual funding update showed that the Closed Fund had a surplus of £32m (184%) on the existing technical provisions basis. As a result of the funding position as at 31 March 2019, in August 2019 the Trustees decided, in consultation with the Employers, to review the investment strategy and revise the investment objective.

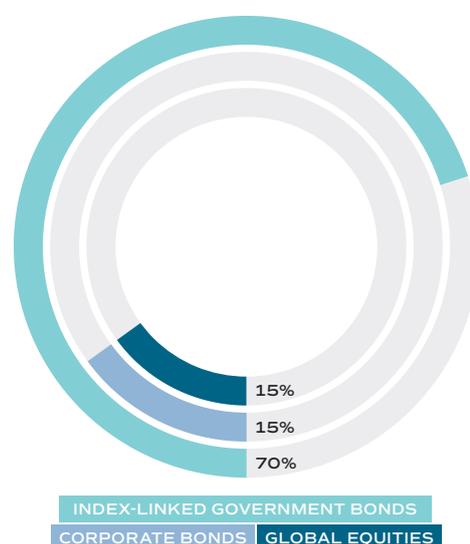
Following the review, the Trustees' revised objectives are: to maintain suitable assets to match the cost of current and future benefits; to maintain suitable assets of appropriate diversification for the remaining total assets, known as "the Reserve Assets", which will generate additional capital growth to meet further benefit enhancements; to aim to achieve low volatility of the Reserve Assets relative to annuity pricing; and to minimise the long-term costs of the Closed Fund by implementing a simple and low-cost investment strategy and maximising the return whilst having regard to the previous point.

Most of the Closed Fund's liabilities were bought-in through an insurance policy with Pension Insurance

Corporation in April 2011. The remaining assets of the Closed Fund form the "Reserve Assets" and are now invested as below.

Asset Allocation - Reserve Assets

The target asset allocation as at 31 March 2020 was as follows.



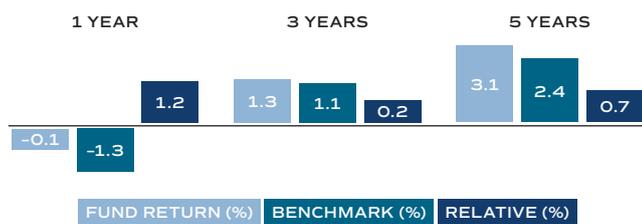
By 31 March 2020 the Investment Committee had implemented the new investment strategy. The implementation involved restructuring the equity portfolio from a number of regional equity funds to a single global equity fund at BlackRock, wholly disinvesting from the Ruffer diversified growth fund, investing in a corporate bond fund at BlackRock and transferring the portfolio →

of index-linked government bond funds from JP Morgan to BlackRock.

Investment Performance

The performance of the Closed Fund Reserve Assets for the year ended 31 March 2020, after investment manager fees, was -0.1% compared with the overall benchmark of -1.3%.

Performance of the assets over one, three and five years to 31 March 2020 is shown below:



The actual asset allocation as at 31 March 2020 was 16% global equities, 14% corporate bonds and 70% index-linked government bonds. The asset allocations complied with the statement of investment principles (SIP) throughout the period since the revised SIP was implemented.

INVESTMENT MARKETS YEAR ENDED 31 MARCH 2020

ECONOMIC OVERVIEW

Modestly weaker global growth had been in evidence for much of the first nine months of the year to 31 March 2020, driven by trade tensions (most notably between the US and China), geopolitical concerns, and weak manufacturing activity. That changed, much for the worse, in the final three months, as a lethal virus (coronavirus), first spotted in Wuhan, China, quickly spread across the globe. In an attempt to contain the virus and protect healthcare systems, many countries imposed strict quarantine measures. With flights grounded, borders closed, and factories shut, both supply and demand collapsed across multiple industries and sectors, with both deep and likely long-lasting consequences for the global economy. The International Monetary Fund's view is that 2020 will see the most severe downturn since the Great Depression, far worse than that of the Global Financial Crisis of 2009.

In response to the rapidly escalating crisis, major central banks, including the US Federal Reserve

and the European Central Bank reverted to an extremely accommodative monetary stance, reducing interest rates and restarting, or expanding, quantitative easing programmes in an attempt to cushion the effects of the pandemic. Governments also unleashed unprecedented stimulus packages, totalling around \$8tn worldwide.

In the UK, the Bank of England also eased monetary policy, cutting rates twice during March 2020, to leave the base rate at 0.1%, its lowest level in history, while also offering unlimited short-term financing for large companies. On the fiscal side, Chancellor Rishi Sunak announced several measures, including paying 80% of wages for furloughed employees, offering tax and business rate holidays, as well as making available £330bn in business loan guarantees.

Whilst Prime Minister Boris Johnson's decisive December general election Conservative victory appeared to cut the risk of a No-Deal Brexit outcome, the coronavirus outbreak pushed EU-UK trade negotiations off centre stage. The UK's transition period out of the EU is currently due to end on 31 December 2020, subject to an extension to 2022, if both requested and granted.

EQUITIES

Equities performed strongly over the first 9 months, reflecting investors' response to relatively easy monetary conditions and reduced concerns regarding US - China trade tensions. However, that all changed in the last quarter. With many countries putting large parts of their economic infrastructure into "deep freeze" in an attempt to slow the virus' spread, equities posted one of their worst ever quarters.

During the year, the US stock market passed a significant milestone as it marked the country's longest ever equity market rise, with key indices such as the S&P 500 and Dow Jones posting record highs. The reversal was brutal and sharp; both indices posted their worst ever three months to March, dropping by 20% and 23% respectively.

Other regional equity markets also performed strongly during the first three quarters, with Eurozone equities the best of the rest, buoyed by renewed European Central Bank stimulus. As the pandemic's epicentre shifted quickly in early 2020 from China to countries such as Italy, Spain

and France, the performance of those markets mirrored that of the US.

While somewhat behind their US and European counterparts, UK equities enjoyed a strong first 9 months. This performance clearly rested in part on the arguably market friendly result of December's general election, which was seen by investors, at least at the time, as reducing the risk of a No-Deal Brexit. UK equities were among the hardest hit in the three months to March with the FTSE 100 posting its worst quarterly performance since 1987.

Sterling fell against most major currencies over the year, including the Euro, the US Dollar and Japanese Yen. Its fall was sharpest against the latter two, which both benefited from perceived safe-haven status in the final three months of the period. Sterling's weakness benefited unhedged overseas equity investments.

BONDS

The early part of the year proved positive for bonds, given the Bank of England's decision to maintain the base rate at 0.75% on the back of Brexit-induced uncertainty. This, coupled with falling global growth expectations and continued high demand from risk-averse investors for safe-haven assets, caused both nominal and inflation-linked gilt yields to fall and consequently prices to rise. Yields did though rise in November and December, reflecting improved investor confidence in the outlook for the UK as well as an expectation of broader economic benefits on the back of the slight easing of global trade tensions.

Sterling corporate bonds also performed strongly overall during this nine-month period, aided by the fall in both government bond yields and in investment grade credit spreads.

However, as coronavirus took hold in the UK in early 2020, the outlook changed dramatically. In response to the developing economic crisis the Bank of England cut rates twice in March, leaving the base rate at 0.1%, pledged unlimited short-term financing for large companies and expanded its quantitative easing programme by an additional £200bn in purchases of gilts and corporate bonds. These measures, coupled with an understandable increased appetite for defensive assets, saw sovereign bond yields fall sharply and prices rise over the three months to March-end, although

yields did spike up very briefly in mid-March as cash-hungry investors panic-sold any liquid assets to hand.

Given their inherent default risk, corporate bonds did less well in these economically stressed conditions, with riskier credit bonds falling most of all.

UK PROPERTY

For most of the period, UK property posted modest gains, with rental income offsetting the falls in capital values seen in some sectors. The dispersion of performance across sectors was high. While retail struggled, with shopping centre and high street valuations falling, industrial property strengthened further. Investor and occupier demand for assets supporting logistics or click-and-collect storage remained high.

With the final quarter onset of the coronavirus outbreak, the number of transactions fell sharply, with many independent valuers unable to physically carry out due diligence property reviews given the social distancing measures enforced by government. Several funds suspended trading temporarily as, with no material investment activity, valuers were unable to provide reliable valuations. Property managers expect these funds to remain suspended until the market returns to normal. Leasing activity slowed dramatically, with tenants reluctant to commit to new lease terms given the huge level of economic uncertainty. Retail and leisure businesses were particularly impacted, and many requested help from landlords, through temporary relaxations of rental obligations.

RESPONSIBLE INVESTMENT

The Trustees have considered how environmental, social, governance ("ESG") and ethical factors should be taken into account in the selection, retention and realisation of investments, given the time horizon of the Open and Closed Fund and their members. The Trustees expect the investment managers to take account of financially material considerations (including climate change and other ESG considerations). The Trustees seek to appoint managers that have appropriate skills and processes to do this, and from time to time review how the managers are taking account of these issues in practice. →

The Trustees have limited influence over managers' investment practices where assets are held in pooled funds but expect their investment managers to take account of financially material considerations (including climate change and other ESG considerations) as the managers consider appropriate.

The Trustees do not generally take into account any non-financial matters (i.e. matters relating to the ethical and other views of members and beneficiaries, rather than considerations of financial risk and return) in the selection, retention and realisation of investments. However, within the DC Section the Trustees recognise that some members may wish for ethical matters to be taken into account in their investments and, therefore, have made available the L&G Ethical Global Equity Index Fund as an investment option.

The Trustees have considered the nature, disposition, marketability, security and valuation of the Funds' investments and consider them to be appropriate relative to the reasons for holding each class of investment. More details about investments are given in the notes to the financial statements.

MANAGEMENT AND CUSTODY OF INVESTMENTS

The Trustees have delegated management of investments to professional investment managers which are listed on page 10. These managers, which are regulated by the Financial Conduct Authority in the United Kingdom, manage the investments within the restrictions set out in investment management agreements or in accordance with pooled investment vehicle policy documents, which are designed to ensure that the objectives and policies set out in the Statements of Investment Principles are followed.

The Trustees have appointed JP Morgan Chase Bank to keep custody of the Open Fund's segregated assets. The Bank of New York Mellon is appointed, under a tripartite agreement with BlackRock, as custodian for the pooled funds managed by BlackRock for the Closed Fund. The investment managers of the pooled funds are responsible for appointing custodians for the underlying assets of the other pooled funds. Mayer Brown International holds the title deeds of the Open Fund's properties. Master policy documents for insurance policies are held by the Trustees.

EMPLOYER-RELATED INVESTMENTS

There were no employer-related in the year. (2019 - none).

STATEMENT OF TRUSTEES' RESPONSIBILITIES

TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The financial statements, which are prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), are the responsibility of the Trustees. Pension scheme regulations require, and the Trustees are responsible for ensuring, that those financial statements:

- show a true and fair view of the financial transactions of the Scheme during the Scheme year and of the amount and disposition at the end of the Scheme year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Scheme year; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including making a statement whether the financial statements have been prepared in accordance with the relevant financial reporting framework applicable to occupational pension schemes.

In discharging these responsibilities, the Trustees are responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis, and for ensuring that the financial statements are prepared on a going concern basis unless it is inappropriate to presume that the Scheme will continue as a going concern.

The Trustees are also responsible for making available certain other information about the Scheme in the form of an annual report.

The Trustees also have a general responsibility for ensuring that accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of the Scheme and to

prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

TRUSTEES' RESPONSIBILITIES IN RESPECT OF CONTRIBUTIONS

The Trustees are responsible under pensions legislation for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions showing the rates of contributions payable to the Scheme by or on behalf of employers and the active members of the Scheme and the dates on or before which such contributions are to be paid.

The Trustees are also responsible for keeping records in respect of contributions received in respect of any active member of the Scheme and for adopting risk-based processes to monitor whether contributions that fall due to be paid are paid into the Scheme in accordance with the schedule of contributions.

Where breaches of the schedule occur, the Trustees are required by the Pensions Acts 1995 and 2004 to consider making reports to the Pensions Regulator and to members.

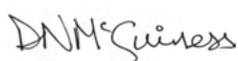
FINANCIAL DEVELOPMENT DURING THE YEAR

The financial statements of the Funds for the year ended 31 March 2020 are set out on pages 45 to 66. During the year, the net assets of the Funds decreased from £1.23bn to £1.20bn.

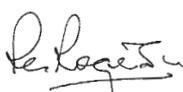
CONTACT

If members have a query or wish to make their views known to the Trustees on any aspect of the ITB Pension Funds they should in the first instance write to the ITB Pension Funds, 23 King Street, Watford, Herts, WD18 OBJ or email pensions@itbpen.com.

The Trustees' Report was approved by the Trustees on 18 September 2020 and signed on their behalf by:



D N McGuinness
Trustee



PG Rogerson
Trustee

INTRODUCTION

This statement has been prepared by the Trustees to demonstrate how the Funds have complied with the governance standards introduced under the Occupational Pension Schemes (Charges and Governance) Regulations 2015. It covers the scheme year to 31 March 2020 and six key areas relating to the Open Fund Defined Contribution Section (DC Section):

- The investment strategy relating to the DC default investment arrangement
- The financial transactions made within the DC Section
- The charges and transaction costs within the DC Section
- The Trustees compliance with knowledge and understanding requirements
- Appointment of Trustees
- Membership engagement

Where applicable this statement also applies to the Additional Voluntary Contribution (AVC) arrangements.

1. DC DEFAULT INVESTMENT ARRANGEMENT

The DC Section is currently invested in various funds offered by Legal & General Assurance Society Ltd. (L&G). The default arrangement is called ITB Drawdown. It is a lifestyle fund that targets income drawdown at retirement and automatically switches investments gradually to a lower risk investment strategy from 15 years before retirement. The Trustees' objective in relation to the default arrangement is to grow members pots materially above inflation whilst they are far from retirement, and then to gradually reduce investment risk as members become close to retirement, targeting an "at retirement" allocation which the Trustees consider appropriate for a member intending to drawdown in retirement.

The last full review of the DC Section investment strategy and performance, including the default arrangement, was conducted in November 2017. The next full review is scheduled for November 2020. Whilst a full review was not carried out during the scheme year, the Investment Committee monitored the performance of the DC Section and AVC funds each quarter. The

funds' short-term and longer-term performance figures were considered alongside the Trustees' relevant targets and other objectives. Except as mentioned below, the figures were considered satisfactory and no changes to investments were made.

In November 2019 the Trustees, after considering advice from the Funds' investment adviser, decided to disinvest from the Aberdeen Standard Global Absolute Return Strategies Fund (GARS Fund), which forms part of the lifestyle funds, including the default fund, and which is also available as a self-select fund, and re-allocate these assets to the L&G Multi-Asset Fund. This decision was reached mainly because the GARS Fund had not met its investment objective over the long-term. The disinvestment was implemented after the financial year end, in April 2020.

The Trustees have adopted a Statement of Investment Principles (SIP) which covers both the DB and DC sections of the Open Fund. The DC Section SIP as at 31 March 2020, dated 4 April 2019, is reproduced in the schedule to this statement. It sets out the investment principles for the DC funds, including a detailed description of the default arrangement and the Trustees' objectives and policies in relation to it.

2. FINANCIAL TRANSACTIONS

This section explains how, during the scheme year the Trustees monitored that core financial transactions of the DC Section were processed promptly and accurately. Core financial transactions include the investment of contributions, transfers out, fund switches, and payments out, both to and in respect of members. These transactions are undertaken on the Trustees behalf by the Funds' DC platform provider, L&G, under a policy to administer the Funds' DC Section.

The Trustees worked closely with the participating employers to help them understand their responsibilities as regards contributions and sharing information about members. Staff at the ITB Pension Funds (the Funds Office) were in regular communication with the employers about the detail of their obligations in respect of the DC Section. The Funds Office was notified by the participating employers of the various percentages of employer and employee contributions due and performed reconciliations

to ensure the correct payments were deducted. All contributions deducted from members' pay by the participating employers were paid to L&G by the end of the first week following the end of the calendar month in which they were taken from members' pay. This was well within the legislative requirement. L&G invested the contributions in funds within 24 hours following receipt of contributions, well within the period expected by the Pensions Regulator.

The Trustees obtained and reviewed administration reports each quarter. The reports showed L&G's performance against service level agreements (SLAs) for processing all core financial transactions. The SLAs are comprehensive and cover the processing of joiner and contribution files, allocating contributions to investments, investment switches, issuing maturity and leaver packs, issuing quotes for events like retirement, ill health and transfers, and customer enquiries.

The Trustees also reviewed the annual AAF O1/O6 / ISAE 3402 Assurance Report on Internal Controls issued by L&G Investment Management, which gives independent assurance on the strength of the systems and controls operating within L&G Investment Management, the investment manager of the DC funds.

Staff at the ITB Pension Funds reconciled L&G's quarterly reports to monthly contribution summaries supplied by the participating employers to monitor whether contributions had been processed accurately. Any identified errors were rectified quickly and, where necessary, processes at L&G and the employers were reviewed to prevent further similar errors. Contributions to the AVC arrangements were monitored in the same way.

The staff at the ITB Pension Funds liaised with the administrator each month about the service levels to identify any systemic administration issues that might affect members interests. Transfers out, fund switches and payments out, both to and in respect of members, were processed by L&G, on behalf of the Trustees. The promptness of processing these transactions was monitored by the Trustees through the service level performance reporting each quarter. The accuracy of processing these transactions was monitored by the Funds Office, which reconciled L&G's advance notice of the transactions to separate fund accounting reports.

The Trustees' review of SLA performance identified no substantive issues during the scheme year. The quarterly SLA review identified that service levels were adhered to for most transactions. All contribution allocations, retirement payments, short service refunds, surrender payments, individual transfers in and investment switches were processed within service level. Further, that while 46% of transfers out were processed within the service level of 5 working days, 26 transfers out were paid outside the service level by an average of 4 days and also, that while 66% of lump sum retirement payments were paid within the service level, 13 retirement lump sum payments were paid outside the service level by 3 days on average.

L&G has processes in place to help meet the SLAs, for example the dedicated L&G contributions team performed a daily contribution data reconciliation for all contribution payments received. L&G also performed daily automatic reconciliations of investment fund units purchased and sold within its fund reconciliation process controls. These reconciliations ensured that all units purchased and sold are recorded against a member's record.

The Trustees reviewed the DC Section's governance processes and internal controls each quarter and were satisfied that the processes and controls were consistent with the Pensions Regulator's DC Code of Practice No. 13.

Based on the above, the Trustees are satisfied that the core financial transactions relating to the DC Section and AVCs have substantially been processed promptly and accurately during the scheme year and that where transactions were processed outside service levels, the timing remained acceptable.

3. MEMBER BORNE CHARGES AND TRANSACTION COSTS

The level of annual charges (as measured by the total expense ratio (TER), which includes L&G's platform fee of 0.30% pa, but not transaction charges) for the lifestyle options, including the current default arrangement, were as shown below in *Table 1*. The annual charges varied according to the mix of assets, which begins to change from when members are 15 years from retirement. Shown in the table below is the annual charge before 15 years to retirement and the annual charges at five-yearly intervals within the period from 15 years to retirement.

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

Table 1: Annual charges for lifestyle options

PERIOD TO RETIREMENT:	MORE THAN 15 YRS %PA	15 YRS %PA	10 YRS %PA	5 YRS %PA	0 YRS %PA
Drawdown Lifestyle (Default Option)	0.44	0.44	0.53	0.62	0.61
Annuity Lifestyle	0.44	0.44	0.47	0.49	0.39
Cash Lifestyle	0.44	0.44	0.53	0.61	0.40

The level of annual charges (as measured by the total expense ratio (TER), which includes L&G's platform fee of 0.30% pa, but not transaction charges) for the self-select funds were as shown below in Table 2.

Table 2: Annual charges for self-select funds

FUND	%PA
Over 5 Years Index-Linked Gilt Fund	0.38
Over 15 Years Gilts Index Fund	0.38
AAA-AA-A Corp Bond Over 15 Years Index	0.42
Global Equity Market Weights 30:70 Index Fund	0.44
Ethical Global Equity Index Fund	0.60
HSBC Islamic Global Equity Index Fund	0.65
Multi Asset Fund	0.43
Aberdeen Standard Global Absolute Return Strategies Fund	1.07
Cash Fund	0.40

The Investment Manager, L&G, has provided the transaction costs for the years ended 5 April 2020 for the funds managed by L&G available within the DC Section. An annual average transaction cost has been calculated using the available data. Table 3 below sets out annual average transaction costs for the lifestyle options (including the default arrangement) and Table 4 sets out annual average transaction costs for the self-select funds. Transaction costs were borne by members. Explicit costs are those directly charged to or paid by the fund, e.g. taxes, levies and broker commissions, whereas implicit costs are costs such as differences between selling and buying prices (spreads) which may vary depending on market liquidity and the size of transaction. Implicit costs are calculated on the 'slippage' basis, as recommended by the Financial Conduct Authority. Under this basis negative implicit costs can arise when the actual price paid ends up being lower than the mid-market price at the time of placing an order.

Table 3: Transaction costs for lifestyle options

PERIOD TO RETIREMENT:	ANNUAL AVERAGE TO 5 APRIL 2020*				
	MORE THAN 15 YRS %PA	15 YRS %PA	10 YRS %PA	5 YRS %PA	0 YRS %PA
Drawdown Lifestyle (Default Option)	0.02	0.02	0.02	0.02	0.01
Annuity Lifestyle	0.02	0.02	0.02	0.02	-0.02
Cash Lifestyle	0.02	0.02	0.02	0.02	0.00

* As this period is close to the years ended 31 March 2020 the Trustees consider this data to be appropriate. The total may not add up due to rounding.

Table 4: Transaction costs for self-select funds

FUND	ANNUAL AVERAGE TO 5 APRIL 2020*		
	IMPLICIT %PA	EXPLICIT %PA	TOTAL %PA
Over 5 Years Index-Linked Gilt Fund	0.02	0.00	0.02
Over 15 Years Gilts Index Fund	-0.09	0.00	-0.07
AAA-AA-A Corp Bond Over 15 Years Index	-0.01	0.00	-0.01
Global Equity Market Weights 30:70 Index Fund	0.02	0.01	0.02
Ethical Global Equity Index Fund	-0.01	0.02	0.01
HSBC Islamic Global Equity Fund	0.00	0.07	0.07
Multi Asset Fund	-0.01	0.01	0.02
Aberdeen Standard Global Absolute Return Strategies Fund	0.00	0.26	0.26
Cash Fund	-0.03	0.00	-0.02

* As this period is close to the years ended 31 March 2020 the Trustees consider this data to be appropriate. The total may not add up due to rounding.

The Trustees have prepared the following illustrative example of the cumulative effect of costs and charges incurred by members, which has been prepared in accordance with statutory guidance. The charges and costs deducted are the charges and transaction costs set out in *tables 1 to 4* above, except that future charges for the default fund for the projected pot at age 50 retiring at 65 have changed due to the change in make up of the default fund referred to in Section 1 - DC Default Investment Arrangement. The annual charges for the default fund from April 2020 will be: More than 15 years 0.44% pa; 15 years 0.44% pa; 10 years 0.43% pa; 5 years 0.43% pa; 0 years 0.42% pa. The funds illustrated include the most popular, the funds with the highest and lowest expected return and highest and lowest total charges.

Table 5: Projected pension pot in today's money

		FUND CHOICE														
		"Most Popular"		"Most Popular, age 50, retiring at 65"		"Popular"		"Highest Expected Return"		"Lowest Expected Return"		"Highest Cost"		"Lowest Cost"		
		Default Fund Growth Phase		Default Fund at Age 50 Retiring at 65		Multi Asset		Global Equity		Cash Fund		Islamic Global Equity		Over 15 Years Gilts		
Yrs	Before charges	After all charges + costs deducted	Before charges	After all charges + costs deducted	Before charges	After all charges + costs deducted	Before charges	After all charges + costs deducted	Before charges	After all charges + costs deducted	Before charges	After all charges + costs deducted	Before charges	After all charges + costs deducted	Before charges	After all charges + costs deducted
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
1	15,547	15,499	15,547	15,499	15,380	15,334	15,618	15,570	14,866	14,828	15,618	15,543	14,916	14,885		
3	27,268	27,038	27,211	26,982	26,530	26,313	27,589	27,355	24,350	24,187	27,589	27,227	24,556	24,419		
5	39,880	39,340	39,617	39,081	38,221	37,723	40,612	40,057	33,515	33,161	40,612	39,754	33,948	33,650		
10	75,764	73,768	73,634	71,736	69,995	68,241	78,396	76,307	55,098	54,018	78,396	75,180	56,379	55,455		
15	118,859	114,169	109,116	104,986	105,770	101,835	125,033	120,023	74,908	72,801	125,033	117,357	77,390	75,560		
20	170,613	161,578	N/A	N/A	146,049	138,816	182,597	172,745	93,090	89,716	182,597	167,572	97,070	94,098		
25	232,767	217,210	N/A	N/A	191,398	179,524	253,649	236,328	109,778	104,948	253,649	227,358	115,504	111,190		
30	307,410	282,491	N/A	N/A	242,457	224,337	341,348	313,009	125,095	118,666	341,348	298,538	132,770	126,950		
35	397,052	359,097	N/A	N/A	299,945	273,666	449,596	405,487	139,154	131,019	449,596	383,285	148,943	141,481		
40	504,707	448,991	N/A	N/A	364,670	327,969	583,206	517,014	152,058	142,144	583,206	484,184	164,092	154,878		

Notes

- Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of future inflation.
- The starting pot size is assumed to be £10,000 - the median pot size as at 31 March 2020.
- Inflation is assumed to be 2.5% each year.
- It is assumed the current average level of contributions of £5,079 pa is made each year.
- There are no charges levied on contributions.
- Values shown are estimates and are not guaranteed.

- The projected growth rates for each fund or arrangement are as follows:

- Default Fund Growth Phase: 3.7% above inflation
- Default arrangement at Age 50 and retiring at 65: between 3.7% and 1.4% above inflation
- Multi Asset: 2.4% above inflation
- Global Equity: 4.3% above inflation
- Cash: 1.7% below inflation
- Islamic Global Equity: 4.3% above inflation
- Over 15 Years Gilts: 1.3% below inflation

It is a constant objective of the Trustees that members receive value for money, as small differences in charges can have a major impact on the size of members' pension funds by the time they retire. In order to meet this objective, a value for members assessment of the DC arrangements is carried out by the Trustees each year. The Trustees' latest annual assessment, conducted in November 2019, concluded that given the size of the DC Section, the fees members pay are good value. The Trustees considered the extent to which the cost of membership compares against the services and benefits provided by the DC Section, which include scheme governance and management, investment, administration and communications services. The assessment recognised that the only charges borne by members are the charges deducted from the funds (i.e. the TERs shown above, plus transaction costs), while the charges for all other services are borne by the participating employers. The assessment had particular regard to the services funded by member-borne charges, in particular the investment, platform, administration and communication services provided by L&G, which were felt to be good relative to the charges. These assessments were made after considering the advice of the investment adviser on the level of TERs based on their knowledge of the market as a whole, that members only pay the direct cost charged for the investment funds (which includes the L&G platform charge of 0.30% pa) and all other services are paid for directly by employers. In addition, the other costs and charges borne by employers are kept as low as possible by rigorous budgetary control and the charges borne by members are well below the government 'charge cap' of 0.75% pa in respect of default funds.

4. TRUSTEE KNOWLEDGE AND UNDERSTANDING

The Trustees are expected to meet the requirements for knowledge and understanding, as set out in s247 of the Pensions Act 2004 pertaining to individual Trustees, i.e. that they are conversant with key documents relating to the Funds, and have knowledge and understanding of pensions and trust law and the principles of funding and investment. This section describes the policies and programmes in place (including during the scheme year) to ensure these "TKU" requirements are met, and specific steps taken during the year.

The Trust Deed & Rules provide for the Funds to be governed by a board of 18 Trustees, consisting of nine Employer Nominated, seven Member Nominated and two Pensioner Nominated Trustees. However, as at 31 March 2020 there were five Employers' Trustees, as there are now only seven main employers and two vacancies existed. Following the year-end one of these vacancies was filled. As at 31 March 2020 there were six Members' Trustees with one vacancy. This vacancy was also filled after the year-end. Each Trustee serves for a fixed three-year term and can be re-appointed following each term. As at 31 March 2020, the average period of service as a Trustee is 8 years - 6 Trustees have been in office for six years or less, whilst 5 Trustees, including the Chair and the Deputy Chairs, have been in office for 9 years or more. There is a wide spectrum of trustee experience and, therefore, the training programme both keeps the experienced Trustees up to date with pension developments and gives newer Trustees a basis, in line with the minimum requirements, on which to develop their knowledge and experience.

The training programme comprises the following elements:

- All new Trustees attend an induction programme that introduces the Trust Deed and Rules, statement of investment principles, statement of funding principles and other Funds policy documents, for example the Funds' management of conflicts of interest policy. This programme was completed by all new Trustees appointed during the scheme year.
- Every year, each Trustee completes a training needs self-assessment and the Funds Office uses this assessment to identify areas where training is required and prepares a training plan for each Trustee. Through this process Trustees identified investment as a training need and, therefore, attended training on investments provided by an Investment Manager. New Trustees have identified a need for a comprehensive introduction to trusteeship. To address this, new Trustees attend a trustee foundation course provided by the Funds' legal advisers.
- The Funds also provide access to an ITB Funds Trustee website on which all key documentation can be accessed and encourage Trustees to maintain a good working knowledge of those

documents. The documents include the Trust Deed and Rules, statement of investment principles and statement of funding principles. The website also includes links to training course providers and the Pensions Regulator's e-learning course, the Trustee Toolkit, which all Trustees have completed.

- The papers for quarterly Trustee meetings included legal updates specifically prepared for the Funds, with the legal advisers present to discuss any questions raised by the Trustees.
- A formal training session is provided following each quarterly Trustee meeting, that is attended by all Trustees. Sessions during the scheme year included "Liability Driven Investment" by Insight Investment, "Active and Passive Equity Investment" by Allianz Global Investors, "Cyber security and disaster recovery" by Rio IT and "Retirement Living Standards and the Pensions Dashboard" by the PLSA. Significant training is also provided in the form of formal briefings and training provided at Trustee and Investment Committee meetings. This year all Trustees have received briefings on actuarial valuations, setting of late retirement factors, GMP equalisation, master trust contingency planning and supervision and protection of trustees.
- Each year all the Trustees attend a dedicated training seminar. In April 2019 training was provided by the Funds' advisers and investment managers on the latest investment strategy changes, the management of the property portfolio, an update on the latest pension legal and regulator developments including a refresher session on trust and pension law and the powers of the Pensions Regulator, pension transfers, defined benefit consolidation, collective defined contribution schemes, developments in mortality, the 2019 Open Fund valuation and recent developments in the buy-out and buy-in market.

All training needs and training received is logged on a central training register that is used by the Funds Office to identify relevant subjects for training, which are then delivered within the framework described above. Each new individual Trustee is required to complete the Trustee Toolkit and other training to meet the minimum requirements for knowledge and understanding.

The combined training, knowledge and understanding of the Trustee board, together with the available advice, enables the Trustees to properly exercise their functions. The combined knowledge of the board includes many years of trustee experience and training as described above. Several of the Trustees are current or former senior executives with substantial experience of financial, managerial and governance matters; for example, one Trustee was an HR Director with substantial pensions knowledge; another was Chief Engineer and Technology Director at a major oil company. Trustees are nominated by participating employers, or employees and pensioners of participating employers, and that ensures detailed knowledge of the participating employers is available to the board, which is useful for interpreting and understanding advice on employer covenant strength, subject to managing conflicts of interest. The Trustees' combined knowledge and understanding is also enhanced by the support of the Funds Office. The Funds outgoing Chief Executive is a qualified PMI professional of more than 33 years' experience in the pension industry, the outgoing Funds Accountant and new Chief Executive is a Chartered Accountant with 9 years' experience in life insurance and 13 years' experience in the pension industry, and the Pension Administration Manager has a PMI Diploma and 43 years' experience in the pension industry. The incoming Funds Accountant is also a Chartered Accountant with 22 years' experience in the pension industry.

The Trustees also have ready access to actuarial advice from the Government Actuary's Department, investment advice from LCP and legal advice from Mayer Brown International. The actuarial and legal adviser attend each Trustee board meeting and the investment adviser attends each Investment Committee meeting. This combined support is part of the combined knowledge that enables the Trustees to properly exercise their functions.

5. APPOINTMENT OF TRUSTEES

The Funds are a relevant multi-employer scheme under the 2015 Regulations. The Funds are, therefore, subject to a special requirement under Regulation 22, whereby a majority of the Trustees, including the Chair, must be "non-affiliated". →

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

For a Trustee to be “non-affiliated”, he or she must be appointed through an open and transparent process (OTP); must be independent of the Funds’ service providers; and must not have been in office for longer than prescribed periods.

All Trustees, including the Chairman, met the above requirements during the scheme year as explained below, and so were (and still are) non-affiliated. All Trustees were appointed through an OTP. None of the Trustees is (or has in the last five years been) a director, manager, partner or employee of any undertaking which provides advisory, administration, investment or other services for the ITB Pension Funds, or any undertaking which is connected to a service provider. Furthermore, none of the Trustees receive any payment or benefit from any undertaking which provides advisory, administration, investment or other services for the ITB Pension Funds, or any undertaking which is connected to a service provider. Neither do any of the Trustees have any obligations to any such service provider that conflict with their obligations as a Trustee.

None of the Trustees has (since the 2015 Regulations came into force), served for more than 10 years, with no single period in office being more than 5 years. In order to ensure compliance with Regulation 22, the Trustees have, during the scheme year and over the longer term, made arrangements with a view to ensuring that new Trustees are appointed through the process described below, which the Trustees consider to be an OTP. As described below, in relation to Members’ Trustees, the process meets the member-nominated trustee requirements under s241(2) Pensions Act 2004 and, in relation to Employers’ Trustees appointments are made through reasoned decisions, based on relevant and appropriate criteria, and made through due process, with both the process and the ultimate decision being clearly communicated to interested parties. During the scheme year and over the longer-term, the Trustees have monitored compliance with the conditions as to independence and term of office.

Members’ Trustees are nominated and selected by members or by trade unions which represent them, and the Trustees are satisfied that these arrangements meet the OTP requirement.

Employers’ Trustees are selected by employers and, to ensure that the OTP requirement is met, the Trustees stipulate that employers should follow certain ground rules when selecting candidates. Under the ground rules, employers must determine the constituency from which Trustees will be selected and the process used to make the selection, which must involve a panel of at least three individuals; notice as to these matters must be given to people in the constituency and to the employer’s active members (the “interested parties”); the selection must take account of candidates’ fitness and propriety to act as Trustees; the Chairman of Trustees must be consulted as to the proposed appointment; notice as to the final decision must be given to the interested parties; and the employer must confirm to the Trustees that the ground rules have been followed.

As regards non-affiliated Trustees appointed or reappointed during the scheme year, the OTP requirement was met as follows. David Birtwistle, Employer’s Trustee for SEMTA: SEMTA followed the ground rules in making its selection; Martin McManus, Members’ Trustee for Cogent SSC: nomination and selection process was by Cogent members, consistent with the member-nominated trustee legislation; Andrew McLachrie, Members’ Trustee for SEMTA: nomination and selection was by SEMTA members, consistent with the member-nominated trustee legislation; Peter Rogerson, Employer’s Trustee for CITB: CITB followed the ground rules in making its selection.

6. MEMBERSHIP ENGAGEMENT

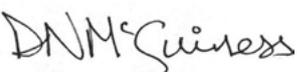
During the scheme year, the Trustees have encouraged members of the Funds to make their views known by operating a website for the Funds which includes a “feedback” button and contact details; by publishing an annual newsletter which is issued to all members who request it (currently 574 members) and which is available on the Funds’ website where all members can view it; by liaising with the Pensioners’ Association and informally through the Members’ Trustees, who frequently discuss pensions matters with workplace colleagues and provide feedback to the Trustee board. DC Section members also have access to L&G’s website where comprehensive documentation and guidance on the Funds’ DC section is available and which also facilitates

direct communication with the L&G administration team. Furthermore, all members with investments in the GARS Fund were sent a communication in March 2020 to explain the disinvestment of the GARS Fund and were invited to send comments and questions to the Funds Office about the changes.

The Trustees believe that the above arrangements are appropriate for the DC Section, having regard to the size, nature and demographic of the membership. In particular, the Trustees are conscious that the DC Section is a relatively small and immature arrangement, with a relatively high proportion of active members and a relatively low proportion of deferred pensioners.

The contact details of the Funds are as follows:
The ITB Pension Funds, 23 King Street, Watford, Herts, WD18 OBJ
Telephone: **01923 226264**
E-mail: **pensions@itbpen.com**
Website: **www.itb-online.co.uk**

Signed by the Chairman on behalf of the Trustees

Signed: 

Dated: 18 September 2020

David Newell McGuinness (Chairman of Trustees)

WHAT IS THE TRUSTEES' OVERALL INVESTMENT OBJECTIVE?

The Trustees recognise that members of the Defined Contribution Section may have differing investment needs. These needs may change during the course of a member's working life and members may have differing attitudes to risk. The Trustees believe that members should make their own investment decisions based on their individual circumstances.

The Trustees' investment objective is, therefore, to make available a range of pooled investment funds which serve to meet in general the varying investment needs and risk tolerances of the members of the Defined Contribution Section.

WHAT RISKS DO THE TRUSTEES CONSIDER AND HOW ARE THESE MEASURED AND MANAGED?

The Trustees have considered risk for the Defined Contribution Section from a number of perspectives, including, but not limited to, those set out below. Some of the risks are more quantifiable than others, but the Trustees have tried to allow for the relative importance and magnitude of each risk.

RISK OF INADEQUATE LONG-TERM RETURNS

As members' benefits are crucially dependent on the investment returns achieved, it is important that investment vehicles are available which can be expected to produce adequate real returns over the longer term.

RISK OF DETERIORATION IN INVESTMENT CONDITIONS NEAR RETIREMENT

For a given amount of money the level of pension secured for a member will depend upon investment conditions at retirement. A sharp deterioration in these conditions in the period just prior to retirement will have a substantial impact in the benefits provided. To protect against this, the Trustees have made a lifestyle strategy, the ITB Drawdown, which targets drawdown at retirement.

RISK OF LACK OF DIVERSIFICATION AND UNSUITABLE INVESTMENTS

Within each fund available to members the holdings should be adequately diversified. To achieve this, the Trustees have selected funds which invest in a suitable diversified range of holdings. The Trustees' policy is to make available to members funds which, in normal circumstances, should prove easy to buy and sell.

RISK FROM EXCESSIVE CHARGES

If the investment management charges together with other charges levied on, for example, transfers or early retirement are excessive then the value of members' accounts will be reduced unnecessarily. The Trustees have, therefore, looked closely at the terms and conditions of the investment manager and are comfortable that the charges applicable to the Open Fund are in line with market practice and assess regularly whether these represent good value for members.

INVESTMENT MANAGER RISK

This is the risk that the investment manager fails to meet its investment objective. The Trustees monitor the investment manager on a regular basis.

OTHER RISKS

The Trustees recognise that there are other, non-investment, risks within the Defined Contribution Section. Unlike the Defined Benefit Section, these risks fall generally on the individual Defined Contribution Section members rather than on the membership generally and/or the sponsoring employer. Examples of these risks include longevity risk (the risk that insurers expect members to live longer, which increases the cost of securing a pension), and knowledge/understanding risk (the risk that members make inappropriate investment choices, given their circumstances).

WHAT ARE THE INVESTMENT STRATEGY ARRANGEMENTS?

The Trustees have provided to members a range of investment options, having regard to the long-term performance characteristics of various asset classes, in terms of their expected returns and the variability of those returns. Following a review of the strategy in 2017, the Trustees

have elected to restructure some of the member options in order to allow them to transfer a number of deferred members into a “Section 32 Buy-out Policy”. The Trustees have also made

further changes to the options to reflect the latest product developments in the investment market. The range of funds that is available is set out below.

Current Fund Range

Manager	Fund name	Benchmark	Target
L&G	Global Equity Market Weights (30:70) Index Fund - 75% GBP Currency Hedged	Composite of 30/70 distribution between UK and overseas, 75% GBP Hedged	To track the benchmark
L&G	Ethical Global Equity Index Fund	FTSE4Good Global Equity Index	To track the benchmark to within +/- 0.50% pa for two years in three
HSBC	Islamic Global Equity Index Fund	Dow Jones Islamic Titans 100 Index	To track the benchmark
Aberdeen Standard	Global Absolute Return Strategies Fund	6 Month £ LIBOR	To outperform the benchmark by 5% pa (gross) over rolling three-year periods
L&G	Multi-Asset Fund	ABI UK - Mixed Investment 40%-85% Shares Pension Sector	To provide long-term investment growth through exposure to a diversified range of asset classes
L&G	AAA-AA-A Corporate Bond (Over 15 Years) Fund	iBoxx £ Non-Gilts (ex BBB) Over 15-year Index	To track the benchmark to within +/- 0.50% pa for two years in three
L&G	Over 5 Year Index-Linked Gilts Index Fund	FT A Index-linked Gilts (Over 5 year) Index	To track the benchmark to within +/- 0.25% pa for two years in three
L&G	Over 15 Year Gilts Index Fund	FT A Gilts (Over 15 year) Index	To track the benchmark to within +/- 0.25% pa for two years in three
L&G	Cash Fund	7 Day LIBID	To match the CAPS Pooled Pension Fund median

DEFAULT OPTION

The Open Fund also has three lifestyle strategies and the default investment option is a lifestyle strategy which targets income drawdown at retirement. The default option provides an automated investment switching facility, following a pre-selected investment strategy, which will move the funds into lower risk investments as retirement approaches.

Until 15 years prior to each member’s selected retirement age, the lifestyle strategy invests in:

- 70% in L&G’s Global Equity Market Weights 30:70 Index Fund - 75% GBP Currency Hedged;
- 30% in L&G’s Multi Asset Fund.

Fifteen years prior to each member’s selected retirement age, automatic monthly switches commence. The investment split at each member’s target retirement age would be as follows:

- 50% in the Multi Asset Fund; and
- 25% in Aberdeen Standard’s Global Absolute Return Strategies Fund; and
- 25% in the L&G Cash fund.

The table below outlines how the proportion of portfolio holdings changes in the 15 years up to retirement under the strategy.

It is for each member to decide on their required strategic allocation to each of the available investment funds. The fund range offered also includes three “lifestyle” strategies →

CHAIRMAN'S STATEMENT SCHEDULE

DC SECTION STATEMENT OF INVESTMENT PRINCIPLES - 4 APRIL 2019

that automatically combine the investments in proportions that vary according to the proximity to retirement age. Each of the three lifestyle strategies targets a different investment option for members at retirement; income drawdown, a cash lump-sum or the purchase of an annuity. If a member does not choose an investment option, their account will be invested into the default

lifestyle option, which targets income drawdown at retirement. As a result of the strategy review and corresponding changes mentioned above, the structure of the lifestyle strategies has also been modified slightly.

The lifestyle strategy is designed to offer some protection against the risks described above.

Years to Retirement	Global Equities (30/70) (%)	Multi-Asset (%)	Diversified Growth (%)	Cash (%)
15 or more	70.00	30.00	0.00	0.00
14	65.50	32.00	2.50	0.00
13	61.00	34.00	5.00	0.00
12	56.50	36.00	7.50	0.00
11	52.00	38.00	10.00	0.00
10	47.50	40.00	12.50	0.00
9	43.00	42.00	15.00	0.00
8	38.50	44.00	17.50	0.00
7	34.00	46.00	20.00	0.00
6	29.50	48.00	22.50	0.00
5	25.00	50.00	25.00	0.00
4	20.00	50.00	25.00	5.00
3	15.00	50.00	25.00	10.00
2	10.00	50.00	25.00	15.00
1	5.00	50.00	25.00	20.00
0	0.00	50.00	25.00	25.00

WHAT DID THE TRUSTEES CONSIDER IN SETTING THE OPEN FUND'S DEFINED CONTRIBUTION SECTION INVESTMENT STRATEGY ARRANGEMENTS?

In determining the investment arrangements for the DC Section the Trustees took into account:

- the best interests of all members and beneficiaries;
- the profile of the membership and what this is likely to mean for the choices members might make upon reaching retirement;

- the risks, rewards and suitability of a number of possible asset classes and lifestyle strategies and whether the return expected for taking any given investment risk is considered sufficient given the risk being taken. The main risks considered were inflation risk (the risk that a member's investments fail to keep pace with inflation over the longer term), conversion risk (the risk of a deterioration in the terms available for converting funds into pension at retirement - applicable to the annuity lifestyle) and capital risk (the risk of a fall in the amount of cash available to take at retirement);
- the need for appropriate diversification within the default strategy and other lifestyle options to ensure that, for each such option, both the overall level of investment risk and the balance of individual asset risks are appropriate;

- the need for appropriate diversification within the other investment options offered to members;
- the Trustees' investment beliefs about how investment markets work and which factors are most likely to impact investment outcomes.

Some of the Trustees' key investment beliefs are set out below.

- In deciding upon the funds to offer to members, the Trustees' primary asset allocation is the primary driver of long-term returns;
- risk-taking is necessary to achieve return, but not all risks are rewarded;
- equity and credit are the primary rewarded risks;
- risks that are typically not rewarded should generally be avoided, hedged or diversified;
- investment markets are not always efficient and there may be opportunities for good active managers to add value;
- investment managers who can consistently spot and profitably exploit market opportunities are difficult to find and therefore passive management, where available, is usually better value;
- responsible investment in well governed companies and engaging as long-term owners can reduce risk over time and may positively impact the Open Fund's returns; and
- costs have a significant impact on long-term performance.

APPOINTMENT OF INVESTMENT PROVIDER

The Trustees have appointed one main provider to provide the funds in which the Defined Contribution Section invests. The provider offers funds managed internally and by third party investment managers.

The provider's primary role is to maintain the funds in which the Defined Contribution Section invests. The provider is authorised under the Financial Services and Markets Act 2000 to carry out such activities.



ACTUARIAL CERTIFICATE – SCHEDULE OF CONTRIBUTIONS

Name of scheme: **The ITB Pension Funds – The Closed Fund**

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 31 March 2018 to continue to be met for the period for which the schedule is to be in force.
2. I also certify that any rates of contributions forming part of this schedule which the scheme requires me to determine are not lower than I would have provided for had I had responsibility for preparing or revising the schedule, the statement of funding principles and any recovery plan.

Adherence to statement of funding principles

3. I hereby certify that, in my opinion, this schedule of contributions is consistent with the statement of funding principles dated 25 January 2019.

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of their adequacy for the purpose of securing the scheme's liabilities by the purchase of annuities, if the scheme were to be wound up.

Signature:

Date:

28 January 2019

Name:

Martin Clarke

Qualification:

Fellow of the Institute and
Faculty of Actuaries

Address:

Finlaison House
15-17 Furnival Street
London EC4A 1AB

Name of Employer:

Government Actuary's
Department



ACTUARIAL CERTIFICATE – SCHEDULE OF CONTRIBUTIONS

Name of scheme: **The ITB Pension Funds – The Open Fund**

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective can be expected to continue to be met for the period for which the schedule is to be in force.
2. I also certify that any rates of contributions forming part of this schedule which the scheme requires me to determine are not lower than I would have provided for had I had responsibility for preparing or revising the schedule, the statement of funding principles and any recovery plan.

Adherence to statement of funding principles

3. I hereby certify that, in my opinion, this schedule of contributions is consistent with the statement of funding principles dated 30 November 2019.

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of their adequacy for the purpose of securing the scheme's liabilities by the purchase of annuities, if the scheme were to be wound up.

Signature: 

Date: 18 December 2019

Name: Martin Clarke

Qualification: FIA

Address: Finlaison House
15-17 Furnival Street
London EC4A 1AB

Name of Employer: GAD

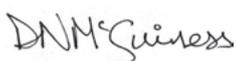
The Schedule of Contributions referred to in this certificate is that dated 30 November 2019.

SUMMARY OF CONTRIBUTIONS PAYABLE IN THE YEAR

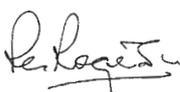
During the year, the contributions payable to the Open Fund by the Employers under the Schedules of Contributions were as follows:

	2020 £'000	2019 £'000
CONTRIBUTIONS PAYABLE UNDER THE SCHEDULES OF CONTRIBUTIONS		
Employers' normal contributions	5,922	6,543
Employers' deficit contributions	85	220
Employers' life assurance contributions	251	239
Members' normal contributions	271	269
Total contributions payable under the Schedules	6,529	7,271
OTHER CONTRIBUTIONS		
Employers' augmentation costs	-	39
Employers' buy-out contributions	2,200	304
TOTAL PAYABLE TO THE SCHEME	8,729	7,614

The Summary of Contributions was approved by the Trustees on 18 September 2020 and signed on their behalf by:



D N McGuinness
Trustee



PG Rogerson
Trustee

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ITB PENSION FUNDS

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, The ITB Pension Funds' financial statements:

- show a true and fair view of the financial transactions of the Scheme during the year ended 31 March 2020, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996.

We have audited the financial statements, included in the annual report, which comprise: the statement of net assets (available for benefits) as at 31 March 2020; the fund account for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Scheme's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Scheme's ability to continue as a going concern.

REPORTING ON OTHER INFORMATION

The other information comprises all the information in the annual report other than the financial statements, our auditors' report thereon and our auditors' statement about contributions. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities. →

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ITB PENSION FUNDS

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the Trustees for the financial statements

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for ensuring that the financial statements are prepared in accordance with the applicable framework and for being satisfied that they show a true and fair view. The Trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of the financial statements, the Trustees are responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to wind up the Scheme, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinion, has been prepared for and only for the Trustees as a body in accordance with section 41 of the Pensions

Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
Bristol

18 September 2020

INDEPENDENT AUDITORS' STATEMENT ABOUT CONTRIBUTIONS TO THE TRUSTEES OF THE ITB PENSION FUNDS

STATEMENT ABOUT CONTRIBUTIONS

OPINION

In our opinion, the contributions payable under the schedules of contributions for the Scheme year ended 31 March 2020 as reported in The ITB Pension Funds' summary of contributions have, in all material respects, been paid in accordance with the schedules of contributions certified by the Scheme actuary on 7 December 2016, 28 January 2019 and 18 December 2019.

We have examined The ITB Pension Funds' summary of contributions for the Scheme year ended 31 March 2020 which is set out on the page 40.

BASIS FOR OPINION

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the summary of contributions have, in all material respects, been paid in accordance with the relevant requirements. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Scheme under the schedule of contributions and the timing of those payments.

RESPONSIBILITIES FOR THE STATEMENT ABOUT CONTRIBUTIONS

Responsibilities of the Trustees in respect of contributions

As explained more fully in the statement of Trustees' responsibilities, the Scheme's Trustees are responsible for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions and for monitoring whether contributions are made to the Scheme by employers in accordance with relevant requirements.

Auditors' responsibilities in respect of the statement about contributions

It is our responsibility to provide a statement about contributions and to report our opinion to you.

Use of this report

This report, including the opinion, has been prepared for and only for the Trustees as a body in accordance with section 41 of the Pensions Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
Bristol
18 September 2020

The logo for ITB Pension Funds, consisting of the letters 'I', 'T', and 'B' in a bold, sans-serif font, each contained within a white square. The squares are arranged horizontally and are set against a dark blue background.

I T B

THE ITB PENSION FUNDS
**FINANCIAL
STATEMENTS
FOR THE YEAR
ENDED 31 MARCH**

2020

FUND ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	CLOSED FUND 2020 £'000	OPEN FUND DB SECTION 2020 £'000	DC SECTION 2020 £'000	COMBINED FUND 2020 £'000	COMBINED FUND 2019 £'000
Employer contributions	5	-	2,285	6,173	8,458	7,345
Employee contributions	5	-	-	271	271	269
Total contributions		-	2,285	6,444	8,729	7,614
Transfers in	6	-	-	77	77	114
Other income		-	1	185	186	265
		-	2,286	6,706	8,992	7,993
Benefits paid or payable	7	10,094	33,879	643	44,616	42,839
Payments to and on account of leavers	8	-	6,973	3,385	10,358	8,007
Other payments:						
Life assurance premiums		-	-	251	251	238
Administrative expenses:						
General administration	9	534	778	97	1,409	1,307
Professional services	9	121	503	61	685	717
Pension fund levy		5	26	3	34	33
Property revaluation		-	95	-	95	(45)
		10,754	42,254	4,440	57,448	53,096
NET (WITHDRAWALS)/ ADDITIONS FROM DEALINGS WITH MEMBERS		(10,754)	(39,968)	2,266	(48,456)	(45,103)
NET RETURNS ON INVESTMENTS						
Investment income	10	10,856	39,731	4	50,591	46,667
Change in market value of investments	13	(14,536)	(23,088)	(2,281)	(39,905)	(22,504)
Investment management expenses	11	(135)	(491)	(33)	(659)	(723)
Taxation	12	-	49	-	49	-
NET RETURNS ON INVESTMENTS		(3,815)	16,201	(2,310)	10,076	23,440
NET DECREASE IN THE FUNDS DURING THE YEAR		(14,569)	(23,767)	(44)	(38,380)	(21,663)
Opening net assets		182,526	1,028,461	22,513	1,233,500	1,255,163
CLOSING NET ASSETS		167,957	1,004,694	22,469	1,195,120	1,233,500

The notes on pages 47 to 66 form part of these financial statements

STATEMENT OF NET ASSETS

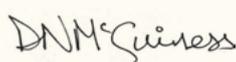
(AVAILABLE FOR BENEFITS) AS AT 31 MARCH 2020

	Notes	CLOSED FUND 2020 £'000	OPEN FUND DB SECTION 2020 £'000	DC SECTION 2020 £'000	COMBINED FUND 2020 £'000	COMBINED FUND 2019 £'000
INVESTMENT ASSETS						
Bonds		-	447,565	-	447,565	404,050
Property		-	1,600	-	1,600	13,800
Pooled investment vehicles	14	69,856	107,720	22,394	199,970	224,930
Derivative assets	15	-	-	-	-	15,400
Insurance policies	16	97,915	494,503	-	592,418	655,339
AVC investments	17	-	249	-	249	337
Cash		206	11,918	545	12,669	9,855
Other investment balances	19	-	1,704	-	1,704	1,409
		167,977	1,065,259	22,939	1,256,175	1,325,120
INVESTMENT LIABILITIES						
Derivative liabilities	15	-	(15,793)	-	(15,793)	(11,302)
Amounts payable under repurchase agreements	19	-	(51,155)	-	(51,155)	(82,808)
Other investment balances	19	-	(1)	-	(1)	(110)
		-	(66,949)	-	(66,949)	(94,220)
TOTAL NET INVESTMENTS	13	167,977	998,310	22,939	1,189,226	1,230,900
TANGIBLE FIXED ASSETS	22	-	997	-	997	1,088
CURRENT ASSETS	23	190	6,047	334	6,571	3,225
CURRENT LIABILITIES	24	(210)	(660)	(804)	(1,674)	(1,713)
NET ASSETS AVAILABLE FOR BENEFITS		167,957	1,004,694	22,469	1,195,120	1,233,500

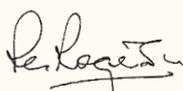
The financial statements summarise the transactions of the Funds and deal with the net assets at the disposal of the Trustees. They do not take account of obligations to pay pensions and benefits that fall due after the end of the scheme year. The actuarial position of the Funds, which does take account of such obligations for the defined benefit sections of the Funds, is dealt with in the Report on Actuarial Liabilities on pages 17 and 18 and these financial statements should be read in conjunction with this report.

The notes on pages 47 to 66 form part of these financial statements.

The financial statements on pages 45 to 66 were approved by the Trustees on 18 September 2020.



D N McGuinness
Trustee



PG Rogerson
Trustee

1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard (FRS) 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by The Financial Reporting Council (“FRS 102”) and the guidance set out in the Statement of Recommended Practice, “Financial Reports of Pension Schemes” (Revised June 2018) (“The SORP”).

In June 2018, a revised SORP was issued which is applicable to accounting periods commencing on or after 1 January 2019. The Trustees have adopted the revised SORP for the first time in these financial statements. The adoption of the revised SORP has had no material impact on the financial statements. However, it has required certain additions to or amendments of disclosures in the financial statements.

2. ORGANISATION OF THE FUNDS

The financial statements reflect the Actuary's report dated 22 January 1985 regarding the apportionment of assets between the Closed and Open Funds. This apportionment of the market value of the assets was made on 1 April 1985.

The Closed Fund relates to former employees of discontinued Industry Training Boards as at 1 April 1985 ; all employees of continuing Boards whose service ceased before 31 March 1982; and, certain other employees of those Boards whose service ceased before 31 March 1983 and whose membership was specifically agreed with Government.

On 1 April 2012 the Open Fund introduced a defined contribution section. On 18 September 2019 the Open Fund was authorised as a Master Trust scheme for the purposes of The Pension Schemes Act 2017.

The Funds, which are required to be administered as separate ring-fenced sections of the scheme, are established as a trust under English law.

The contact address for the Funds is on page 68.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

3. COMPARATIVE DISCLOSURES FOR THE PRIMARY STATEMENTS

FUND ACCOUNT <i>for the year ended 31 March 2019</i>	Notes	CLOSED FUND £'000	OPEN FUND DB SECTION £'000	DC SECTION £'000	COMBINED FUND £'000
Employer contributions	5	-	596	6,749	7,345
Employee contributions	5	-	6	263	269
TOTAL CONTRIBUTIONS		-	602	7,012	7,614
Transfers in	6	-	-	114	114
Other income		-	105	160	265
		-	707	7,286	7,993
Benefits paid or payable	7	10,019	32,373	447	42,839
Payments to and on account of leavers	8	3	7,637	367	8,007
Other payments:					
Life assurance premiums		-	-	238	238
Administrative expenses:					
General administration	9	490	729	88	1,307
Professional services	9	180	402	135	717
Pension fund levy		5	25	3	33
Property revaluation		-	(45)	-	(45)
		10,697	41,121	1,278	53,096
NET ADDITIONS/(WITHDRAWALS) FROM DEALINGS WITH MEMBERS		(10,697)	(40,414)	6,008	(45,103)
RETURNS ON INVESTMENTS					
Investment income	10	11,004	35,662	1	46,667
Change in market value of investments		(9,733)	(13,772)	1,001	(22,504)
Investment management expenses	11	(81)	(614)	(28)	(723)
NET RETURNS ON INVESTMENTS		1,190	21,276	974	23,440
NET (DECREASE)/INCREASE IN THE FUNDS DURING THE YEAR		(9,507)	(19,138)	6,982	(21,663)
NET ASSETS AS AT 31 MARCH 2018		192,033	1,047,599	15,531	1,255,163
NET ASSETS AS AT 31 MARCH 2019		182,526	1,028,461	22,513	1,233,500
STATEMENT OF NET ASSETS (AVAILABLE FOR BENEFITS) at 31 March 2019					
INVESTMENT ASSETS					
Bonds		18,591	385,459	-	404,050
Property		-	13,800	-	13,800
Pooled investment vehicles	14	51,441	151,163	22,326	224,930
Derivative assets	15	-	15,400	-	15,400
Insurance policies	16	111,882	543,457	-	655,339
AVC investments	17	-	337	-	337
Cash		404	8,909	542	9,855
Other investment balances	19	93	1,316	-	1,409
		182,411	1,119,841	22,868	1,325,120
INVESTMENT LIABILITIES					
Derivative liabilities	15	-	(11,302)	-	(11,302)
Other investment balances	19	-	(82,918)	-	(82,918)
		-	(94,220)	-	(94,220)
TOTAL NET INVESTMENTS	13	182,411	1,025,621	22,868	1,230,900
TANGIBLE FIXED ASSETS	22	-	1,088	-	1,088
CURRENT ASSETS	23	330	2,503	392	3,225
CURRENT LIABILITIES	24	(215)	(751)	(747)	(1,713)
NET ASSETS AS AT 31 MARCH 2019		182,526	1,028,461	22,513	1,233,500

4. ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Contributions

- i) Employer normal contributions relating to wages and salaries earned up to the year end have been included in these financial statements.
- ii) Employer augmentation contributions represent amounts recoverable from employers to improve the benefits of certain members and these are due to the Open Fund from the relevant Participating Employers. These are recognised when agreed with the Participating Employer concerned.
- iii) Employer deficit funding contributions have been paid to the Funds in accordance with an agreed Schedule of Contributions. These are recognised when received.
- iv) Employer buy-out contributions, due under section 75 of the Pensions Act 1995 when an employer ceases to be a Participating Employer, are accounted for when received or determined by the Actuary, whichever is earliest, taking into account the likelihood of recovery.
- v) Employee contributions, including AVCs, relating to wages and salaries earned up to the year end have been included in these financial statements.
- vi) Life assurance premium funding contributions have been paid to the Funds and are used to fund life assurance cover for members. Contributions received match the premiums paid.

b) Transfers receivable

Transfers from other pension funds into the Defined Benefit sections of the Funds are not currently accepted. Transfers into the Defined Contribution section are allowed and are recognised on settlement date when the liability is accepted. These transfers represent the capital sums receivable in respect of members from other pension schemes of previous employers.

c) Benefits payable

- i) Pension payments are accounted for in the period to which they relate.
- ii) Where members can choose whether to take their benefits as a full pension or as a

lump sum with reduced pension, retirement benefits are accounted for on an accruals basis on the later of the date of retirement and the date the option is exercised.

- iii) Other benefits are accounted for on an accruals basis on the date of retirement or death as appropriate.
- iv) Where the Trustees agree or are required to settle tax liabilities on behalf of a member (such as where lifetime or annual allowances are exceeded) with a consequent reduction in that member's benefits receivable from the Funds, any taxation due is accounted for on the same basis as the event giving rise to the tax liability and shown separately within benefits.

d) Payments to and on account of leavers

- i) Refunds of contributions relating to members who leave the Funds and are entitled to a refund of these, including interest, are recognised in the year of leaving.
- ii) Opt-outs are accounted for when the Trustees are notified of the opt-out.
- iii) Individual transfers out are accounted for when member liability is discharged, which is normally when the transfer is paid.

e) Administrative expenses

- i) Administrative expenses are accounted for on an accruals basis.
- ii) The Funds bear all the costs of administration. Direct costs are charged to the section to which they relate. Indirect expenses are allocated between the Closed Fund and Open Fund's DB and DC sections in accordance with a basis determined by the Trustees.
- iii) Administrative expenses include depreciation on equipment.

f) Investment income

- i) Interest on bonds is recognised on an accruals basis and includes interest bought and sold on investment purchases and sales.
- ii) Rental income is recognised when due.
- iii) Income from cash and short term deposits is accounted for on an accruals basis.
- iv) Annuity income is recognised on an accruals basis.
- v) Interest payable under repurchase agreements is recognised on an accruals basis. →

- vi) Foreign income has been translated into sterling at the rate ruling at the date of the transactions. Income due at the year end is translated at the rate ruling at the year end. All differences are taken to the Fund Account.

g) Change in market value of investments

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

h) Valuation of investment assets and liabilities

Investments are valued at fair value determined as follows:

- i) Bonds and certain pooled investment vehicles are valued at last traded price or bid-market price ruling at the year end date.
- ii) Unitised pooled investment vehicles which are not traded on an active market but where the manager is able to demonstrate that they are priced daily, weekly or at each month end, and are actually traded on substantially all pricing days are included at the last price provided by the manager at or before the year end.
- iii) Properties are included at open market value as at 31 March 2020 determined in accordance with Practice Statement 4 of the Royal Institute of Chartered Surveyors' Appraisal and Valuation Standards. The properties have been valued by BNP Paribas, Chartered Surveyors, who have recent experience in the locations and class of the investment properties held by the Open Fund. As at 31 March 2020, the valuation is reported on the basis of 'material valuation uncertainty' as per VPS3 and VPGA 10 of the RICS Valuation Global Standards.
- iv) Forward exchange contracts are valued at the gain or loss that would arise from closing out the contract at the reporting date by entering into an equal and opposite contract at that date.
- v) Exchange traded derivatives are stated at fair values determined using market quoted prices.
- vi) Over the counter derivatives are stated at fair value using pricing models and relevant market data as at the year end date.
- vii) Repurchase agreements and reverse repurchase agreements are included at

the amount payable or receivable under the agreement. The scheme continues to value, and recognise in investments, the securities that are delivered out as collateral under repurchase arrangements. Cash received is recognised as an asset and the obligation to pay it back is recognised as a liability. Similarly, under reverse repurchase arrangements, cash delivered to the counterparty is recognised as a receivable in other investment assets and the scheme does not recognise the collateral securities received as an asset.

- viii) The insurance policies have been valued by the insurance companies under the assumptions set-out in note 16.

i) Currency

The Fund's functional currency and presentational currency is pounds sterling (GBP). Assets and liabilities in foreign currencies are expressed in sterling at the rates of exchange ruling at the year end. Foreign currency transactions are translated into sterling at the spot exchange rate at the date of the transaction. Gains and losses arising on conversion or translation are dealt with as part of the change in market value of investments.

j) Tangible fixed assets

Tangible assets are initially recorded at cost. Freehold properties are revalued annually to fair value and the revaluation amount is disclosed in the Fund Account. Depreciation is provided on other tangible fixed assets based on cost, in equal annual instalments over the estimated useful lives of the assets. The depreciation charge is part of administrative expenses. The rates of depreciation are as follows:

Furniture - 10% per annum

Equipment - 20% per annum

k) Critical accounting judgements and estimation uncertainty

The Trustees make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. For the Funds, the Trustees believe the only estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are related to the valuation of the Funds' investments and, in particular, those classified in Level 3 of the fair-value hierarchy. Explanation of the key assumptions underpinning the valuation of investments are included within (h) above and within notes 20 and 21.

5. CONTRIBUTIONS

2020	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
EMPLOYER CONTRIBUTIONS:				
Normal	-	-	5,922	5,922
Deficit funding	-	85	-	85
Buy-out contributions (section 75 debt)	-	2,200	-	2,200
Other	-	-	251	251
Total employer contributions	-	2,285	6,173	8,458
EMPLOYEE CONTRIBUTIONS:				
Normal	-	-	271	271
	-	2,285	6,444	8,729

2019	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
EMPLOYER CONTRIBUTIONS:				
Normal	-	33	6,510	6,543
Deficit funding	-	220	-	220
Augmentation	-	39	-	39
Buy-out contributions (section 75 debt)	-	304	-	304
Other	-	-	239	239
Total employer contributions	-	596	6,749	7,345
EMPLOYEE CONTRIBUTIONS:				
Normal	-	6	263	269
	-	602	7,012	7,614

Employer normal contributions include contributions in respect of salary sacrifice arrangements made available to members by certain Employers.

Normal contributions receivable by the Scheme during the year, including amounts outstanding at the year end (see note 23), were paid in accordance with the Scheme Rules (and the recommendation of the Actuary).

Following the formal agreement of a revised Schedule of Contributions to deal with the deficit arising in the Open Fund valuation as at 31 March 2013, appropriate Employers continued to pay deficit recovery contributions and these have been included in the financial statements on the basis of amounts due under that Schedule of Contributions.

In addition to these contributions there are section 75 debts in respect of former employers. OPITO Ltd. ceased membership of the scheme on 5 March 2020. At that time a section 75 debt of £2.2m plus cessation expenses became due and was received on 22 May 2020. A section 75 debt in respect of Skills for Logistics of £304,000 was received in the year ended 31 March 2019.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

6. TRANSFERS IN

	2020 £'000	2019 £'000
OPEN FUND - DC SECTION		
Individual transfers from other schemes	77	114

7. BENEFITS PAID OR PAYABLE

	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
2020				
Pensions	10,050	30,262	-	40,312
Commutation of pensions and lump sum retirement benefits	44	3,496	401	3,941
Purchase of annuities	-	-	11	11
Lump sum death benefits	-	121	231	352
	10,094	33,879	643	44,616

	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
2019				
Pensions	9,995	29,591	-	39,586
Commutation of pensions and lump sum retirement benefits	24	2,656	210	2,890
Lump sum death benefits	-	126	237	363
	10,019	32,373	447	42,839

8. PAYMENTS TO AND ON ACCOUNT OF LEAVERS

	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
2020				
Individual transfers to other schemes	-	6,979	3,377	10,356
Refund of contributions	-	(6)	8	2
	-	6,973	3,385	10,358

The Open Fund DB Section was in net receipt of contributions equivalent premiums for leavers during the year.

	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
2019				
Individual transfers to other schemes	3	7,635	365	8,003
Refund of contributions	-	2	2	4
	3	7,637	367	8,007

9. ADMINISTRATION EXPENSES

2020	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
GENERAL ADMINISTRATION:				
Employment costs	362	523	67	952
Office accommodation	17	25	3	45
General expenses	113	169	19	301
Trustees' honoraria	42	61	8	111
	534	778	97	1,409
PROFESSIONAL SERVICES:				
Audit fees	27	39	5	71
Legal and professional services	47	75	56	178
Actuarial services	43	332	-	375
Other	4	57	-	61
	121	503	61	685
2019				
2019	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
GENERAL ADMINISTRATION:				
Employment costs	323	467	59	849
Office accommodation	17	25	3	45
General expenses	110	180	19	309
Trustees' honoraria	40	57	7	104
	490	729	88	1,307
PROFESSIONAL SERVICES:				
Audit fees	18	26	3	47
Legal and professional services	37	100	130	267
Actuarial services	122	212	-	334
Other	3	64	2	69
	180	402	135	717

10. INVESTMENT INCOME

2020	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
Income from bonds	241	6,050	-	6,291
Net rents from properties	-	332	-	332
Income from pooled investment vehicles	391	4,572	-	4,963
Annuity income	10,220	29,338	-	39,558
Derivative cost	-	(163)	-	(163)
Interest on cash deposits	4	82	4	90
Interest paid under repurchase agreements	-	(478)	-	(478)
Underwriting commission	-	(2)	-	(2)
	10,856	39,731	4	50,591

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

10. INVESTMENT INCOME (CONT'D)

	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
2019				
Income from bonds	327	10,173	-	10,500
Net rents from properties	-	627	-	627
Income from pooled investment vehicles	399	327	-	726
Annuity income	10,275	27,615	-	37,890
Derivative cost	-	(3,611)	-	(3,611)
Interest on cash deposits	3	1,852	1	1,856
Interest paid under repurchase agreements	-	(1,320)	-	(1,320)
Underwriting commission	-	(1)	-	(1)
	11,004	35,662	1	46,667

Net rents from properties is stated after deducting £91,000 (2019 - £182,000) of property related expenses. Income related to derivative costs and interest paid under repurchase agreements is included in the related income categories.

11. INVESTMENT MANAGEMENT EXPENSES

	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
2020				
Administration, management and custody	43	389	-	432
Advisory	77	75	29	181
Performance measurement service	15	27	4	46
	135	491	33	659

	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
2019				
Administration, management and custody	52	448	-	500
Advisory	13	137	22	172
Performance measurement service	16	29	6	51
	81	614	28	723

12. TAXATION

The ITB Pension Funds is a Registered Pension Scheme under Chapter 2 of Part IV of the Finance Act 2004. The Scheme is therefore exempt from income tax and capital gains tax. The income of £49,000 for the year (2019: £nil) is withheld taxation on investment income now recovered.

13. RECONCILIATION OF INVESTMENTS

The movements in investments during the year were:

CLOSED FUND	<i>Notes</i>	VALUE AT 1 APR 2019 £'000	TRANSFERS & PURCHASES AT COST £'000	TRANSFERS & SALES PROCEEDS £'000	CHANGE IN MARKET VALUE £'000	VALUE AT 31 MAR 2020 £'000
Bonds		18,591	-	(18,759)	168	-
Pooled investment vehicles	14	51,441	67,474	(48,322)	(737)	69,856
Insurance policy	16	111,882	-	-	(13,967)	97,915
		181,914	67,474	(67,081)	(14,536)	167,771
Cash		404				206
Other investment balances	18	93				-
		182,411				167,977

OPEN FUND - DB SECTION	<i>Notes</i>	VALUE AT 1 APR 2019 £'000	PURCHASES AT COST & DERIVATIVE PAYMENTS £'000	SALES PROCEEDS & DERIVATIVE RECEIPTS £'000	CHANGE IN MARKET VALUE £'000	VALUE AT 31 MAR 2020 £'000
Bonds		385,459	12,459	(6,102)	55,749	447,565
Property		13,800	-	(10,590)	(1,610)	1,600
Pooled investment vehicles	14	151,163	-	(36,075)	(7,368)	107,720
Derivatives	15	4,098	1,662	(665)	(20,888)	(15,793)
Insurance policies	16	543,457	-	-	(48,954)	494,503
AVC investments	17	337	-	(71)	(17)	249
		1,098,314	14,121	(53,503)	(23,088)	1,035,844
Cash		8,909				11,918
Other investment balances	18	(81,602)				(49,452)
		1,025,621				998,310

OPEN FUND - DC SECTION	<i>Notes</i>	VALUE AT 1 APR 2019 £'000	PURCHASES AT COST £'000	SALES PROCEEDS £'000	CHANGE IN MARKET VALUE £'000	VALUE AT 31 MAR 2020 £'000
Pooled investment vehicles	14	22,326	6,197	(3,848)	(2,281)	22,394
Cash		542				545
		22,868				22,939

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

There are no direct transaction costs included within the above purchases and sales figures. Costs are borne by the Scheme in relation to transactions in pooled investment vehicles. However, such costs are taken into account in calculating the bid/offer spread of these investments and are not therefore separately identifiable.

The Funds do not invest in any of the Participating Employers' businesses. Apart from the insurance policies disclosed in note 16, there are no other individual investments in which more than 5% of the total value of the net assets of the Funds is invested.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

14. POOLED INVESTMENT VEHICLES

2020	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
Equities	11,099	19,236	13,509	43,844
Bonds	58,757	88,222	443	147,422
Property	-	262	-	262
Diversified	-	-	7,797	7,797
Cash	-	-	645	645
	69,856	107,720	22,394	199,970

2019	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
Equities	20,799	21,224	14,037	56,060
Bonds	10,676	92,312	342	103,330
Property	-	1,599	-	1,599
Diversified	19,966	-	7,534	27,500
Cash	-	36,028	413	36,441
	51,441	151,163	22,326	224,930

15. DERIVATIVES - OPEN FUND

The Trustees hold derivatives in accordance with the Statement of Investment Principles for the Open Fund and use them to reduce the effect on the scheme of interest rate and inflation fluctuations. At 31 March 2020 the open arrangements may be summarised as follows:

	2020 ASSET FAIR VALUE £'000	2020 LIABILITIES FAIR VALUE £'000	2019 ASSET FAIR VALUE £'000	2019 LIABILITIES FAIR VALUE £'000
Swaps	-	(15,468)	15,400	(11,302)
Futures	-	(325)	-	-
	-	(15,793)	15,400	(11,302)

Swaps

TYPE	NOTIONAL £'000	BASE	SETTLEMENT	ASSET FAIR VALUE £'000	LIABILITY FAIR VALUE £'000
Limited price index swap	77,787	UK LPI	2020 - 2058	-	(15,468)
TOTAL 2020				-	(15,468)
TOTAL 2019				15,400	(11,302)

The contracts are traded over the counter. The counterparties for all the swaps are banks. At 31 March 2020 the Funds had received collateral of £Nil (2019: £12,383,000) and pledged collateral of £10,658,000 (2019: £6,518,000) in a mixture of cash and bonds. This collateral is not reported within the Scheme's net assets.

Future

The balance at 31 March 2020 represents the unrealised loss on a gilt future settled in June 2020.

16. INSURANCE POLICIES

2020	LIABILITY PROVISION BASIS	CLOSED FUND £'000	OPEN FUND		COMBINED FUND £'000
			DB SECTION £'000	DC SECTION £'000	
PIC	RPI	97,915	60,049	-	157,964
JRL	RPI	-	86,700	-	86,700
PIC	CPI	-	170,815	-	170,815
PIC	CPI	-	176,939	-	176,939
TOTAL		97,915	494,503	-	592,418
PERCENTAGE OF NET ASSETS		58.3%	49.2%	0.0%	49.6%

2019	LIABILITY PROVISION BASIS	CLOSED FUND £'000	OPEN FUND		COMBINED FUND £'000
			DB SECTION £'000	DC SECTION £'000	
PIC	RPI	111,882	67,706	-	179,588
JRL	RPI	-	87,100	-	87,100
PIC	CPI	-	190,939	-	190,939
PIC	CPI	-	197,712	-	197,712
TOTAL		111,882	543,457	-	655,339
PERCENTAGE OF NET ASSETS		61.3%	52.8%	0.0%	53.1%

The insurance policies are bulk annuity policies (also known as a “buy-in”) with Pension Insurance Corporation PLC (“PIC”) and Just Retirement Limited (“JRL”). The Closed Fund policy secures the benefits of Closed Fund members. The Open Fund policies secure all pensions in payment as at 31 December 2017. The policies are written in the name of the Trustees and do not discharge their liabilities to those members. The policies have been included in the Net Assets Statement at values provided by PIC and JRL, valued on an actuarial basis. The principal assumptions underlying the calculation of insurance contracts are as follows:

PIC

Mortality – Set with reference to the S2 series mortality tables published by the Continuous Mortality Investigation (CMI), adjusted according to several factors including gender, age, pension amount, occupation and place of residence. The assumption for future improvements to mortality is modelled using the CMI 2016 model.

Valuation discount rate – Set at 100% of the risk adjusted yield on assets backing liabilities. Risk adjustments are applied for credit risk associated with the assets. The risk adjustments, applied via a fixed basis points default allowance by asset, based on historic levels of default and downgrade with prudent margins, are principally driven by ratings changes in PIC’s investment portfolio.

Inflation – Assumptions for expected future RPI inflation and CPI inflation are based on a curve derived from market prices of inflation-linked swap contracts.

Other – Internal costs of maintaining insurance contracts, the fees payable to third-party administrators engaged to manage payments due under the in-force policies, fees due to reinsurers and investment management expenses are factored into the calculation of liabilities by adding appropriate allowances, and include an estimate of the impact of future inflation where this is applicable.

JRL

Mortality – Set by reference to reinsurer supplied mortality tables underpinned by the Self-Administered Pension Scheme S1 tables, with CMI 2009 model mortality improvements, adjusted to reflect the future mortality experience of the policyholders taking into account the medical and lifestyle evidence collected during the underwriting process, premium size, gender, and an assessment of how this experience will develop in the future.



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Valuation discount rate – Set by considering the yields on the assets available to back the liabilities. The yields on lifetime mortgage assets are derived using internal models which project future cash flows expected to arise from each loan. An explicit allowance for credit risk is included by making an explicit deduction from the yields on debt and other fixed income securities based on a prudent expectation of default experience of each asset class. An additional allowance is made for voluntary redemptions.

Inflation – The assumed future policy expense levels incorporate an annual inflation rate allowance derived from the expected RPI implied by inflation swap rates and an additional allowance for earnings inflation.

Other – Assumptions for future policy expense levels are determined from JRL's recent expense analysis.

17. ADDITIONAL VOLUNTARY CONTRIBUTION (AVC) INVESTMENTS

Money purchase schemes

The Trustees hold assets invested separately from the Funds to secure additional benefits on a money purchase basis for those members electing to pay AVCs. Members participating in this arrangement each receive an annual statement confirming the amounts held in their account and the movements in the year. The aggregate amounts of AVC investments are as follows:

OPEN FUND – DB SECTION	2020 £'000	2019 £'000
Legal & General	249	337

18. DEFINED CONTRIBUTION ASSETS

Defined contribution section investments held in the Open Fund are allocated to provide benefits to the individuals on whose behalf corresponding contributions are paid. The investment manager holds the investment units on a pooled basis for the Trustees. The Fund administrator allocates investment units to members. The Trustees may hold investment units representing the value of employer contributions that have been retained by the Fund that relate to members leaving the Fund prior to vesting.

Defined contribution investment assets are allocated to members by the administrator and not allocated or designated to members (and therefore available to the Trustees to apply as specified in the Fund rules), as follows:

	2020 £'000	2019 £'000
Allocated to members	22,394	22,326
Not allocated or designated to members	545	542
TOTAL	22,939	22,868

Defined contribution assets (including those allocated to the Trustees in the table above) are not part of a common pool of assets available to meet defined benefit liabilities. The assets not allocated or designated to members represents the Financial Reserve which is held to provide capital to meet the costs of a master trust triggering event and is not freely available to the Trustees.

19. OTHER INVESTMENT BALANCES

2020	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
ASSETS:				
Investment revenue receivable	-	1,379	-	1,379
Margin debtor	-	325	-	325
	-	1,704	-	1,704
LIABILITIES:				
VAT	-	1	-	1
Repurchase agreement	-	51,155	-	51,155
	-	51,156	-	51,156
NET INVESTMENT BALANCES	-	(49,452)	-	(49,452)

2019	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
ASSETS:				
Investment revenue receivable	93	1,316	-	1,409
	93	1,316	-	1,409
LIABILITIES:				
Amounts due to brokers	-	86	-	86
VAT	-	24	-	24
Repurchase agreements	-	82,808	-	82,808
	-	82,918	-	82,918
NET INVESTMENT BALANCES	93	(81,602)	-	(81,509)

Repurchase agreements

At the year-end an amount payable under a repurchase agreement was due in September 2020 (2019 - May to September 2019). The counterparties for all the repurchase agreements are banks. At the year-end they held as collateral gilts to a value of £45,531,000 (2019 - £85,709,000) which are reported in Funds assets.

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20. INVESTMENT FAIR VALUE HIERARCHY

The fair value of financial instruments has been determined using the following fair value hierarchy:

- Level 1** The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2** Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3** Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The Scheme's investment assets and liabilities have been fair valued using the above hierarchy categories as follows:

AT 31 MARCH 2020	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
CLOSED FUND				
Pooled investment vehicles	-	69,856	-	69,856
Insurance policies	-	-	97,915	97,915
Cash	206	-	-	206
	206	69,856	97,915	167,977

AT 31 MARCH 2020	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
OPEN FUND - DB SECTION				
Bonds	-	447,565	-	447,565
Property	-	-	1,600	1,600
Pooled investment vehicles	-	107,458	262	107,720
Derivatives	(325)	-	(15,468)	(15,793)
Insurance policies	-	-	494,503	494,503
AVC investments	-	249	-	249
Cash	11,918	-	-	11,918
Other investment balances	1,378	(50,830)	-	(49,452)
	12,971	504,442	480,897	998,310

AT 31 MARCH 2020	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
OPEN FUND - DC SECTION				
Pooled investment vehicles	-	22,394	-	22,394
Cash	545	-	-	545
	545	22,394	-	22,939

20. INVESTMENT FAIR VALUE HIERARCHY (CONT'D)

AT 31 MARCH 2019	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
CLOSED FUND				
Bonds	-	18,591	-	18,591
Pooled investment vehicles	-	51,441	-	51,441
Insurance policies	-	-	111,882	111,882
Cash	404	-	-	404
Other investment balances	93	-	-	93
	497	70,032	111,882	182,411

AT 31 MARCH 2019	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
OPEN FUND - DB SECTION				
Bonds	-	385,459	-	385,459
Property	-	-	13,800	13,800
Pooled investment vehicles	-	149,564	1,599	151,163
Derivatives	-	-	4,098	4,098
Insurance policies	-	-	543,457	543,457
AVC investments	-	337	-	337
Cash	8,909	-	-	8,909
Other investment balances	1,292	(82,894)	-	(81,602)
	10,201	452,466	562,954	1,025,621

AT 31 MARCH 2019	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
OPEN FUND - DC SECTION				
Pooled investment vehicles	-	22,326	-	22,326
Cash	542	-	-	542
	542	22,326	-	22,868

Investments reported under Level 3 are included at fair value based on values estimated by the underlying investment managers, or for property the independent valuer, using accepted methodologies and use of market information in the absence of observable market data.

21. INVESTMENT RISKS

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out as follows:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market risk comprises currency risk, interest rate risk and other price risk, defined as follows:

- Currency risk is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- Other price risk is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Trustees determine the Funds' investment strategy after taking advice from a professional investment adviser. The Funds have exposure to these risks because of the investments held to implement the investment strategy.

Within each investment portfolio, investment objectives and restrictions to manage risk are implemented through the agreements in place with the Funds' investment managers. The Trustees monitor the performance of the strategy and associated risks, and each investment manager against its objectives and restrictions, regularly.

Further information on these risks and the Trustees approach to risk management is set out below. This does not include AVC investments, as these are not considered significant in relation to the overall investments of the Funds.

OPEN FUND DEFINED BENEFIT SECTION AND CLOSED FUND

Credit risk

The Funds are subject to credit risk because the Open Fund invests directly in bonds (£448m) and both Funds have cash balances (£12m). The Open Fund has further exposure to credit risk through its OTC derivative holdings (£16m). The Funds are also directly exposed to credit risk in relation to the "buy-in" insurance policies with Pension Insurance Corporation and Just Retirement Limited (£592m). Both Funds also invest in pooled investment vehicles (£200m) and are, therefore, directly exposed to credit risk in relation to the investments held in pooled investment vehicles. The Funds are indirectly exposed to credit risks arising on the financial instruments held within the pooled investment vehicles.

Credit risk arising on bonds held directly is mitigated by investing in government bonds where the credit risk is minimal, or corporate bonds which are almost entirely rated at least investment grade.

Cash is held within financial institutions which are at least investment grade credit rated.

Credit risk arising on derivatives depends on whether the derivative is exchange traded or over the counter (OTC). OTC derivative contracts are not guaranteed by any regulated exchange and therefore the Open Fund is subject to risk of failure of the counterparty. The credit risk for OTC swaps is reduced by collateral arrangements (see note 15).

In the case of the buy-in insurance policies, the credit risk is mitigated as a result of the protections in place under the UK insurance regime. The regime is intended to protect policyholders by ensuring insurance companies are adequately capitalised, to minimise the risk of not being able to meet their obligations.

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled investment manager, the regulatory environments in which the pooled investment managers operate and diversification of investments amongst a number of pooled arrangements. The Trustees carry out due diligence on the appointment of the new pooled investment managers and on an ongoing basis monitor any changes to the operating environment of the pooled investment manager.

Pooled investment arrangements used by the Funds comprise unit linked insurance contracts and authorised unit trusts.

The Funds are indirectly exposed to credit risks arising from the underlying investments held by the pooled investment vehicles, where they invest in bonds, derivatives or cash. The amount invested in each of these mandates is shown in note 14. The managers of these pooled investment vehicles manage credit risk by having a diversified exposure to bond issuers, conducting thorough research on the probability of default of those issuers, and having limited exposure to bonds rated below investment grade. The magnitude of credit risk within each fund will vary over time, as the manager changes the underlying investments in line with its views on markets, asset classes and specific bonds.

	CLOSED FUND		OPEN FUND	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Qualifying investor alternative investment fund	-	-	88,222	92,312
Closed ended fund	-	-	262	1,599
Unit linked insurance contacts	69,856	31,475	-	-
Open ended investment companies	-	19,966	19,236	57,252
	69,856	51,441	107,720	151,163

Legal nature of the pooled arrangements

Currency risk

The Funds are subject to currency risk because some of the Funds' investments are held in overseas markets within pooled investment vehicles, however the only pooled investment vehicle denominated in an overseas currency is a European property fund (£262,000, 2019: £1.6m). The exposure to foreign currencies within the pooled investment vehicles will vary over time as the manager changes the underlying investments, but is not expected to be a material influence on returns over the long-term.

The Trustees consider the overseas currency exposure in the context of the overall investment strategy, and believe that the currency exposure that exists is appropriate. Furthermore, the Trustees manage the amount of currency risk by

investing in pooled funds that hedge some or all of their currency exposure.

Interest rate risk

The Funds are subject to interest rate risk because some of the Open Fund's investments are held in government bonds, limited price index swaps and cash (the liability driven investment "LDI" assets) and corporate bonds. In the Open Fund the Trustees have set a benchmark for hedging interest rate risk of 100% of liabilities. Under this strategy, if interest rates fall, the value of bonds and swaps will rise to help match the increase in actuarial liabilities arising from a fall in the discount rate. Similarly, if interest rates rise, the LDI assets will fall in value, as will the actuarial liabilities because of an increase in the discount rate. Therefore, the interest rate exposure of these assets is structured to hedge the corresponding risks associated with the Funds' liabilities. The net effect is to reduce the volatility of the funding level of the Open Fund, and so the Trustees believe that it is appropriate to take exposures to these risks in this manner. At the year-end the LDI assets and corporate bonds represented 95% (2019: 95%) of the Open Fund investment portfolio, excluding the buy-in policies. In the Closed Fund the buy-in insurance policy mitigates all interest rate risk arising from the Closed Fund's liabilities.

Other price risk

Other price risk arises principally in relation to the Funds' return seeking assets, which includes equities and investment properties. The Open Fund has a target asset allocation of 5% (2019: 5%) of investments being held in return seeking investments excluding the buy-in policies. The Fund manages this exposure to overall price movements by investing in a diverse fund that invests across various markets.

OPEN FUND DEFINED CONTRIBUTION SECTION

Credit Risk

The Open Fund Defined Contribution Section (DC Section) is subject to direct credit risk in relation to Legal & General Assurance Society Limited through its holding in unit linked insurance funds provided by Legal & General Assurance Society Limited.

Legal & General Assurance Society Limited is regulated by the Financial Conduct Authority and maintains separate funds for its policy holders. The Trustees monitor the creditworthiness of Legal & General Assurance Society Limited →

by reviewing published credit ratings. Legal & General Assurance Society Limited invests most of the Fund's investments in its own investment unit linked funds. In the event of default by Legal & General Assurance Society Limited the Fund is protected by the Financial Services Compensation Scheme.

The DC Section is also subject to indirect credit and market risk (including interest rate risk) arising from the underlying investments held in the funds. Member level risk exposures will be dependent on the funds invested in by members.

At the Fund year-end the Bond, Cash, Multi-Asset and Diversified Growth funds were exposed to underlying credit risk.

Market Risk

The DC Section is subject to indirect foreign exchange, interest rate and other price risk arising from the underlying financial instruments held in the funds managed by Legal & General Assurance Society Limited.

The Equity funds are exposed to foreign exchange and other price risks. The Bond funds are exposed to interest rate risk. The Cash fund is exposed to foreign exchange and interest rate risk. The Multi-Asset and Diversified Growth funds are exposed to foreign exchange risk, interest rate risk and other price risk.

Trading has not been suspended in any of the DC Section funds in the volatile market during the period of the coronavirus impact. All the DC Section funds remain liquid and marketable.

22. TANGIBLE FIXED ASSETS

	PROPERTY £'000	EQUIPMENT £'000	TOTAL £'000
OPEN FUND - DB SECTION			
COST OR VALUATION			
Balance at 1 April 2019	970	501	1,471
Additions	-	61	61
Revaluation	(95)	-	(95)
BALANCE AT 31 MARCH 2020	875	562	1,437
DEPRECIATION			
Balance at 1 April 2019	-	383	383
Charge	-	57	57
BALANCE AT 31 MARCH 2020	-	440	440
NET BOOK VALUE AT 31 MARCH 2020	875	122	997
NET BOOK VALUE AT 31 MARCH 2019	970	118	1,088

Freehold property is included at valuation. The property was valued by BNP Paribas, Chartered Surveyors at open market value on 31 March 2020. The historical cost of the property was £998,000 (2019 - £998,000).

At the year-end there were capital commitments of £40,174 (2019 - £66,958) for the purchase of equipment.

23. CURRENT ASSETS

	CLOSED FUND £'000	OPEN FUND DB SECTION £'000	DC SECTION £'000	COMBINED FUND £'000
2020				
Bank balances	189	2,976	289	3,454
DEBTORS:				
Amounts due from employers				
Employer contributions	-	2,215	43	2,258
Employee contributions	-	-	2	2
Other debtors	1	79	-	80
External current assets	190	5,270	334	5,794
Interfund balance	-	777	-	777
CURRENT ASSETS	190	6,047	334	6,571
2019				
Bank balances	329	1,879	351	2,559
DEBTORS:				
Amounts due from employers				
Employer contributions	-	7	40	47
Employee contributions	-	-	1	1
Other debtors	1	37	-	38
External current assets	330	1,923	392	2,645
Interfund balance	-	580	-	580
CURRENT ASSETS	330	2,503	392	3,225

Amounts due from employers in respect of contributions were paid in full to the Scheme within the timescale required by the Schedule of Contributions currently in force. The DC Section bank balance is not designated to members and is held by the Trustees to pay the ongoing administration costs of the DC Section.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

24. CURRENT LIABILITIES

2020	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
External other current liabilities	182	660	55	897
Interfund balance	28	-	749	777
CURRENT LIABILITIES	210	660	804	1,674

2019	CLOSED FUND	OPEN FUND		COMBINED FUND
	£'000	DB SECTION £'000	DC SECTION £'000	£'000
Unpaid benefits	-	-	108	108
Other	185	751	89	1,025
External current liabilities	185	751	197	1,133
Interfund balance	30	-	550	580
CURRENT LIABILITIES	215	751	747	1,713

25. RELATED PARTY TRANSACTIONS

KEY MANAGEMENT PERSONNEL

Related party transactions and balances comprise contributions (note 5) and contributions receivable (note 23) including amounts in respect of 4 Trustees and pensions paid in respect of 3 Trustees (2019: contributions 6, pensions 3). Fees and expenses of 168,160 (2019: £157,670) were paid to Trustees.

EMPLOYERS AND OTHER RELATED PARTIES

The Trustees agreed a second ranking legal mortgage over Access House, Halesfield 17, Telford TF7 4PW with RTITB Ltd, fellow subsidiary with CAPITB Ltd of CAPITB Trust, as guarantee to the Trustees in respect of CAPITB Ltd's section 75 liabilities to the Funds. Other than this there were no transactions with employers or other related parties.

26. CONTINGENCIES AND COMMITMENTS

On 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded the schemes should be amended to

equalise pension benefits for men and women in relation to guaranteed minimum pension (GMP) benefits. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. The Trustees are aware that the issue will affect the Funds and will consider this further at future meetings and decisions will be made as to the next steps. Under the ruling, schemes are required to backdate benefit adjustments in relation to GMP equalisation and provide interest on the backdated amounts. Based on an initial assessment of the likely backdated amounts and related interest the Trustees do not expect these to be material to the financial statements and therefore have not included a liability in respect of these matters in these financial statements. Work is ongoing to determine a reliable estimate. They will be accounted for in the year they are determined.

At the year-end there were capital commitments as disclosed in note 22.

In the opinion of the Trustees, the Funds had no other contingent liabilities or commitments as at 31 March 2020 (2019: nil).

27. SUBSEQUENT EVENTS

There are no subsequent events requiring disclosure in the financial statements.

INTERNAL DISPUTE RESOLUTION

The Pensions Act 1995 (as amended by the Pensions Act 2004) requires that all pension schemes have a formal internal dispute resolution procedure in place allowing members, prospective members, beneficiaries and contingent beneficiaries an avenue for complaint. It is hoped that members and beneficiaries will always be pleased with the service provided by the ITB Pension Funds and that no-one has reason to complain. However, in the unlikely event that a complaint arises and a member of the Funds' staff fails to provide a satisfactory answer, then a copy of the formal internal dispute resolution procedure is available upon request from:

**The Chief Executive, The ITB Pension Funds,
23 King Street, Watford WD18 OBJ**

THE PENSIONS OMBUDSMAN

You can at any stage seek free and impartial help from the Pensions Ombudsman's "early resolution" service. This independent service is available to assist members and beneficiaries in connection with any difficulty with the Funds. The contact details for this purpose are:

Telephone: **0800 917 4487** and select the option to discuss a potential complaint

Email: enquiries@pensions-ombudsman.org.uk

**The Pensions Ombudsman, 10 South Colonnade,
Canary Wharf E14 4PU**

Website: www.pensions-ombudsman.org.uk

The Pensions Ombudsman also has power to investigate and determine complaints about injustice caused by maladministration, and disputes of fact or law, which are referred to the Ombudsman in accordance with the Pension Schemes Act 1993. Normally the Ombudsman will expect the complainant first to go through the Funds' internal dispute resolution procedure. The Ombudsman's contact details for this purpose are:

Telephone: **0800 917 4487** and select the option to make a formal application

Email: enquiries@pensions-ombudsman.org.uk

Address and website as above.

THE PENSIONS REGULATOR

The Pensions Regulator is the UK regulator of work-based pension schemes. Under the Pensions Act 2004, the Pensions Regulator's objectives are to protect the benefits of members, promote good administration; and to reduce the risk of

situations arising that may lead to claims for compensation from the Pension Protection Fund and to maximise employer compliance with employer duties and the employment safeguards introduced by the Pensions Act 2008. The Pensions Regulator can intervene in the running of schemes where trustees, employers or professional advisers have failed in their duties.

**Address: Napier House, Trafalgar Place,
Brighton BN1 4DW**

Website: www.thepensionsregulator.gov.uk

THE PENSION PROTECTION FUND

The Pension Protection Fund was set up under the provisions of the Pensions Act 2004 in April 2005 and is classified as a public financial corporation. It was established to pay regular compensation to members of eligible defined benefit schemes when there has been a qualifying insolvency event in relation to the employer, and where there are insufficient assets in the pension scheme to cover Pension Protection Fund levels of compensation. The Pension Protection Fund is also responsible for the Fraud Compensation Fund - a fund that will provide compensation to occupational pension schemes that suffer a loss that can be attributable to dishonesty.

**Address: Pension Protection Fund, Renaissance,
12 Dingwall Road, Croydon, Surrey CRO 2NA**

Website: www.ppf.co.uk

Email: information@ppf.co.uk

Telephone: **0345 600 2541**

'PENSION WISE'

Pension Wise only provides guidance on defined contribution (DC) pensions. It cannot answer specific questions about your pension. For independent help you can contact the Pensions Advisory Service or the Money Advice Service.

Pension Wise is a free government service delivering impartial, broad guidance to defined contribution (DC) pension holders to help them make sense of their options at retirement. The service is operated through the Citizens Advice Bureau and the Pensions Advisory Service and is available on-line, over the phone or by appointment. See www.pensionwise.gov.uk for further details. However, none of this guidance is regulated by the Financial Conduct Authority and is not intended to replace independent financial advice.

INDEPENDENT FINANCIAL ADVICE

An Independent Financial Adviser (IFA) can for a fee provide more detailed advice taking account of individual financial circumstances. The IFA directory can be accessed at: www.unbiased.co.uk/pensions

PENSION TRACING SERVICE

If you think you may have an old pension, but are not sure of the details, contact the Pension Tracing Service. The Service (part of the Department for Work and Pensions) has access to a database of over 200,000 pension schemes and can be used, free of charge, to search for a scheme.

Address: The Pension Service, 9 Mail Handling Site A, Wolverhampton, WV98 1LU
Website: www.gov.uk/find-pension-contact-details
Telephone: 0800 731 0193

ITB PENSION FUNDS TAX OFFICE

The Tax Office dealing with the ITB Pension Funds can be contacted via:

Address: HM Revenue & Customs, Pay As You Earn Self-Assessment, PO Box 1970, Liverpool, L75 1WX
Telephone: 0300 2003300
Open Fund Reference: 073/11012A
Closed Fund Reference: 073/11012

AGE UK

Age UK is the country's largest charity dedicated to helping everyone make the most of later life.

Website: www.ageuk.org.uk
Telephone: 0800 678 1602

THE MONEY ADVICE SERVICE

Provides free and impartial money advice, set up by government.

Website: www.moneyadvice.org.uk
Telephone: 0800 138 7777

KEEPING US INFORMED

Please ensure that you keep the Trustees of the ITB Pension Funds advised of any change of address. You can do this by writing to the Funds' Office or using the Funds' website www.itb-online.co.uk

CONTACT

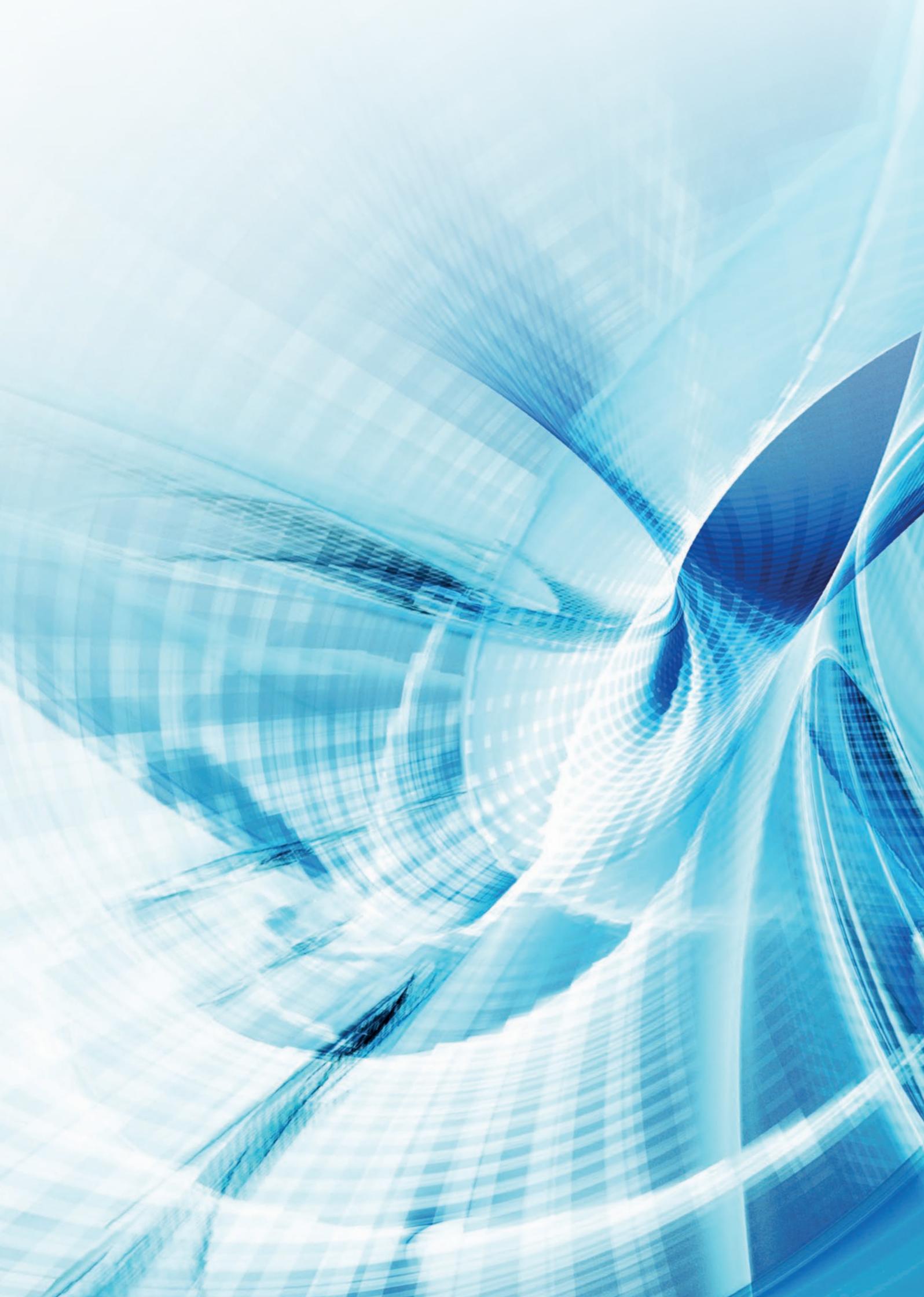
The ITB Pension Funds, 23 King Street, Watford, Herts, WD18 0BJ

Telephone: 01923 226264

E-mail: pensions@itbpen.com

Website: www.itb-online.co.uk

Pension Scheme Registry No. 10169800





The ITB Pension Funds

23 King Street, Watford, Herts, WD18 OBJ
Telephone: 01923 226 264
Website: www.itb-online.co.uk

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