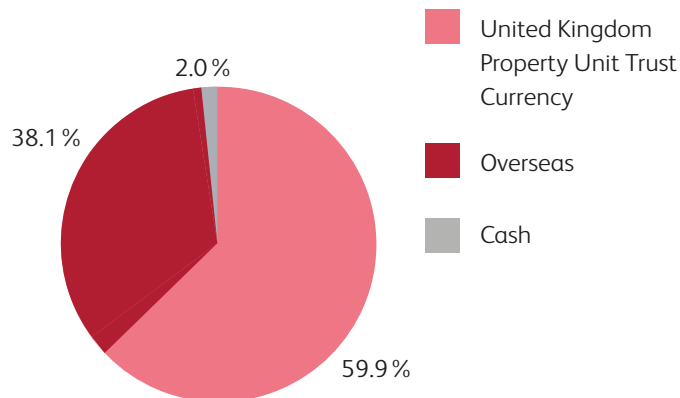


Investment Portfolio by Asset Class

Analysis of investments at 31 March 2013:

Bonds	£m	%
United Kingdom	160.9	12.0
Overseas	59.1	4.4

Equities	£m	%
United Kingdom	468.7	34.9
USA	131.1	9.8
Continental Europe	139.1	10.4
Japan	65.2	4.9
Asia/Emerging Markets	115.0	8.6
Property Unit Trust	75.2	5.6
Private Equity	93.0	6.9
Currency	6.8	0.5
Cash	26.4	2.0
Total	1340.5	100.0



Top Ten Investments

Variation in annual investment returns is controlled by diversifying investments. For example, the Fund has shares in about 300 individual UK and overseas companies. It also invests in seven managed equity funds which in turn invest in a wide spread of individual companies or other assets. These are administratively more efficient and allow the Fund to react more quickly to market changes. The Fund's ten largest direct investments at 31 March 2013 were in the following:

	Company		Value £m	% of the Fund
1.	BP	UK	5.4	0.6%
2.	Vodafone	UK	4.8	0.5%
3.	Samsung Electronic	S. Korea	4.5	0.5%
4.	Glaxosmithkline	UK	3.3	0.4%
5.	Royal Dutch Shell	UK	2.9	0.3%
6.	HSBC Holdings	UK	2.9	0.3%
7.	Barclays	UK	2.8	0.3%
8.	Toyota Motor Corporation	Japan	2.3	0.3%
9.	BAE Systems	UK	2.2	0.2%
10.	Royal Bank of Scotland	UK	2.2	0.2%

Further Information

The current Statement of Investment Principles (SIP) and the full Annual Report for 2012/13 are available via Cardiff Council's website. The Report includes an explanation of the SIP and further details of the Fund's income and expenditure, asset allocation and individual portfolio performance.

Telephone enquiries should be made to:

Fund Investments

Gareth Henson, Pensions Manager - 029 2087 2975

Pension and Benefits

Gerry Kiddie, Pension Officer - 029 2087 2330

The Cardiff and Vale of Glamorgan Pension Fund

Summary Annual Report & Accounts

2012 - 2013



Introduction

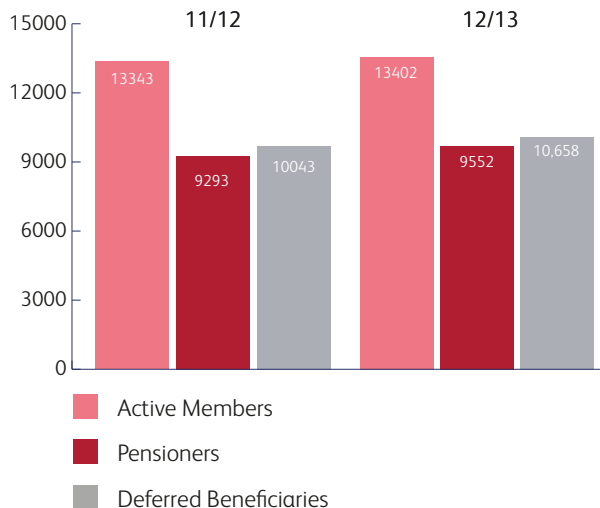
Cardiff Council is the administering authority for the Cardiff and Vale of Glamorgan Pension Fund which is part of the national Local Government Pension Scheme (LGPS). The LGPS is open to all employees of local authorities, except teachers. Membership of the Fund has also been extended to a total of 35 employers who perform public duties.

Executive Summary

The total value of the Fund continues to rise and as at 31st March 2013 reached £1.350 billion.

The Fund's return on investments for 2012/2013 was 14.9%, which was 0.6% above the 14.3% benchmark.

Membership of the fund continues to rise, with an increase in both contributors and pensioners.



Implementation of the new LGPS scheme will take place from 1st April 2014. The main changes are a move from a final salary to a career average scheme, protection of accrued rights and alignment of the scheme retirement age with the state pension age.

Income and Expenditure Year to 31st March 2013

The Fund at 31st March 2013 was valued at £1.350bn, with investments accounting for £1.341bn. Details of the main income and expenditure of the fund are shown below. Surplus income is re-invested to pay future pension benefits.

Income	£m
Contributions	
Employees	15.5
Employers	57.7
Transfer Value Income	2.6
Investment and other Income	17.1
Total Income	92.9

Expenditure	£m
Benefits	66.4
Expenses	4.0
Total Expenditure	70.4
Surplus	22.5

Both employees and employers contribute to the Fund. Employers have to pay rates which the Fund's actuary considers necessary to ensure future benefits can be paid. These contribution rates are assessed every three years, with new rates effective from the following April. The 2013 actuarial valuation is currently in progress and will be effective from April 2014. Like most other local authority pension funds, the fund is at present under funded.

Investing the Fund

Responsibility for the fund has been delegated by the Council to Christine Salter, Corporate Director, Resources. She is advised on investment matters by the Investment Advisory panel. Working to the principle that the Fund's assets and income aim to meet current and future liabilities, the panel considers which investment categories to invest in. Management of the underlying assets is delegated to individual external investment managers. These managers continuously monitor, review and revise the investments to obtain the best returns within an acceptable level of risk.

Investment Performance

During 2012/13 the fund's performance was 0.6% above the benchmark. Performance over 5 years was in line with the benchmark, but over ten years was 0.4% higher.

