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## **PRAG publishes guidance on investment disclosure requirements for pension scheme annual reports**

The Pensions Research Accountants Group (PRAG) has published a guidance note to help practitioners understand the additional investment disclosure requirements that have been introduced since the publication in 2018 of the current pensions SORP (Statement of Recommended Practice Financial Reports of Pension Schemes in relation to amendments to FRS 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland). The new requirements do not affect financial reporting disclosures but do have an impact on the information included in the annual report of pension schemes as referred to in the SORP.

Philip Briggs, Chair of the PRAG SORP Working Party, said:

*“The recently implemented investment regulations include a number of disclosure requirements for certain schemes in relation to the Statement of Investment Principles, the Implementation Statement and also the investment report included in the scheme’s annual report. It is difficult to interpret the purpose of certain duplicated disclosure requirements within these documents and so the guidance has been provided on a factual basis to raise awareness in this area.”*

Shona Harvie, Chair of the PRAG Executive, said:

*“Pension scheme report and accounts are becoming very long. One of the key reasons for this is the regulatory requirements for further information to be incorporated into the annual report, including the DC Chair’s Statement and Implementation Statement. This means that the annual report is becoming less ‘readable’ due to the sheer volume of information. The additional information is already available to members (and publicly) on a website, therefore there is no value in also including this information in the annual report. The amount of information will increase again when the TCFD climate change requirements come into force. Consideration should be given to whether the annual report is the right place for this information.”*

**Ends**

### **Notes to editors:**

#### **Contacts:**

For further information or a copy of PRAG’s guidance paper, please contact Mike Hammer, PRAG’s Press Officer, on [press@prag.org.uk](mailto:press@prag.org.uk). The guidance is available to PRAG members on our website.

### **About PRAG:**

Pensions Research Accountants Group (“PRAG”) is a leading independent industry body working for the development of occupational pensions schemes, with a focus on financial reporting and internal controls. PRAG is a body of accountants and professionals working in the pensions industry. PRAG is the body recognised by the Financial Reporting Council for the publication of the accounting guidance through the Pensions Statement of Recommended Practice (“SORP”) which is a significant focus of our activities. PRAG also issues guidance on other topical areas and responds to consultations on areas affecting occupational pension schemes.

[www.prag.org.uk](http://www.prag.org.uk)