



Kent Pension Fund



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External Tel: (03000) 419205  
Ask for: John Betts  
Email: [john.betts@kent.gov.uk](mailto:john.betts@kent.gov.uk)  
Date: 30 October 2025

Dear Grant Thornton UK LLP

## **Kent Pension Fund**

### **Financial Statements for the year ended 31 March 2025**

This representation letter is provided in connection with the audit of the financial statements of Kent Pension Fund ("the Fund") for the year ended 31 March 2025 for the purpose of expressing an opinion as to whether the Fund financial statements give a true and fair view in accordance with International Financial Reporting Standards, and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024-25 and applicable law.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

#### **Financial Statements**

- i. We have fulfilled our responsibilities for the preparation of the Fund's financial statements in accordance with the Accounts and Audit Regulations 2015, International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024-25 ("the Code"); in particular the financial statements are fairly presented in accordance therewith.
- ii. We have complied with the requirements of all statutory directions affecting the Fund and these matters have been appropriately reflected and disclosed in the financial statements.
- iii. The Fund has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of any regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
- iv. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- v. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. Such accounting estimates include the valuation of investments, in particular private equity, infrastructure and freehold and leasehold property and pooled property investments held at level 3 in the fair value hierarchy which

have significant unobservable inputs into valuations. The disclosure of the actuarial present value of promised retirement benefits is also a significant estimate. We are satisfied that the material judgements used in the preparation of the financial statements are soundly based, in accordance with the Code and adequately disclosed in the financial statements. We understand our responsibilities includes identifying and considering alternative, methods, assumptions or source data that would be equally valid under the financial reporting framework, and why these alternatives were rejected in favour of the estimate used. We are satisfied that the methods, the data and the significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in accordance with the Code and adequately disclosed in the financial statements.

- vi. Except as disclosed in the financial statements:
  - a. there are no unrecorded liabilities, actual or contingent;
  - b. none of the assets of the Fund has been assigned, pledged or mortgaged; and
  - c. there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.
- vii. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the Code.
- viii. All events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the Code require adjustment or disclosure have been adjusted or disclosed.
- ix. We have considered adjusted misstatements, and disclosure changes schedules included in your Audit Finding Report. The financial statements have been amended for these misstatements and disclosure changes and are free of material misstatements, including omissions.
- x. We confirm that we have considered the effects of the unadjusted misstatement identified by the auditor as included in your Audit Findings Report and as included in appendix A of this letter. We are satisfied that the unadjusted misstatement is not material, either individually or in aggregate, to the financial statements. The unadjusted misstatement relates to the auditor's projected misstatement in respect of benefits payable, which are understated in the fund account. Having considered the amount involved and the impact on the financial statements as a whole we have considered that adjustment is not required.
- xi. Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.
- xii. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- xiii. The prior period adjustments disclosed in note 1 to the financial statements are accurate and complete. There are no other prior period errors to bring to your attention.
- xiv. We have updated our going concern assessment. We continue to believe that the Fund's financial statements should be prepared on a going concern basis and have not identified any material uncertainties related to going concern on the grounds that that:
  - a. the nature of the Fund means that, notwithstanding any intention to liquidate the Fund or cease its operations in their current form, it will continue to be appropriate to adopt the going concern basis of accounting because, in such an event, services it performs can be expected to continue to be delivered by related public authorities and preparing the financial statements on a going concern basis will still provide a faithful representation of the items in the financial statements;

- b. the financial reporting framework permits the Fund to prepare its financial statements on the basis of the presumption set out under a) above; and
- c. the Fund's system of internal control has not identified any events or conditions relevant to going concern.

We believe that no further disclosures relating to the Fund's ability to continue as a going concern need to be made in the financial statements.

### **Information Provided**

- xv. We have provided you with:
  - a. access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
  - b. additional information that you have requested from us for the purpose of your audit; and
  - c. access to persons within the Fund from whom you determined it necessary to obtain audit evidence.
- xvi. We have communicated to you all deficiencies in internal control of which management is aware.
- xvii. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- xviii. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- xix. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Fund, and involves:
  - a. management;
  - b. employees who have significant roles in internal control; or
  - c. others where the fraud could have a material effect on the financial statements.
- xx. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, analysts, regulators or others.
- xxi. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
- xxii. There have been no communications with The Pensions Regulator or other regulatory bodies during the year or subsequently concerning matters of non-compliance with any legal duty.
- xxiii. We are not aware of any reports having been made to The Pensions Regulator by any of our advisors.
- xxiv. We have disclosed to you the identity of the Fund's related parties and all the related party relationships and transactions of which we are aware.
- xxv. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

### **Approval**

The approval of this letter of representation was minuted by the Governance and Audit Committee its meeting on 30 October 2025.

Yours faithfully

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Name: Michael Brown

Position: Chair of the Governance and Audit Committee

Date: 30 October 2025

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Name: John Betts

Position: Interim Corporate Director Finance

Date: 30 October 2025

**Signed on behalf of the Council**

## Appendix A – Schedule of unadjusted misstatements

Detail	Pension Fund Account		Net Asset Statement		Reason for not adjusting
	Debit (£000s)	Credit (£000s)	Debit (£000s)	Credit (£000s)	
1 – Based on our testing of benefit payments, we identified one unadjusted projected difference of £8.4m. This arose from comparing sample benefit payments against expectations derived from pension increase and calculation sheets. The difference represents a projected, rather than an actual, error and was estimated by extrapolating the small variances identified in the sample to the wider population	Benefit payment - £8,404			Benefit payable – (£8,404)	As this relates to a projected, not actual, error no adjustments have been made.