

From: Chairman Pension Fund Committee
Interim Corporate Director - Finance

To: Pension Fund Committee – 19 September 2024

Subject: Pension Fund Report & Accounts and External Audit

Classification: Unrestricted

Summary:

This report presents the draft Annual Report and Accounts of the Kent Pension Fund for 2023-24.

Recommendation:

Members are asked to note the report and to delegate authority to the Interim Corporate Director – Finance and the Chairman of the Pension Fund Committee to authorise the final Annual Report on receipt of the audit certificate.

FOR DECISION

1. Annual Report and Accounts

- 1.1 Guidance issued by CIPFA in 2019 for Local Government Pension Scheme Funds on preparing the Annual Report requires the Kent Pension Fund Annual Report to be formally reviewed by the Committee and authorised by the Chair of the Pension Fund Committee and the Interim Corporate Director - Finance.¹
- 1.2 Additionally, under the LGPS Regulations, the Fund must publish the Annual Report on or before 1 December each year following the scheme year end.
- 1.3 The Pension Fund accounts, and Annual Report have been prepared and are currently being externally audited by Grant Thornton. At the time of writing this report, the audit of the Pension Funds' accounts is substantively complete, and Grant Thornton are in the process of finalising their draft Audit Findings Report (AFR) on the basis that they do not expect the remaining audit work to materially impact their audit findings.
- 1.4 The AFR contains any major findings arising from the external audit and is issued to those charged with governance to oversee the financial reporting process. In the Fund's case, this is the Governance and Audit Committee, who will receive the AFR in the interim and approve the Council's Statement of Accounts for 2023/24 (including the Pension Fund accounts) once the Kent County Council audit is fully

¹ CIPFA Preparing the Annual Report: Guidance for Local Government Pension Scheme Funds (2019 Edition)

complete and the audit certificate is issued. The Audit Certificate is an opinion on the True and Fair view of the accounts itself and is issued when the external audit is complete and, in the case of the Pension Fund, it is issued when the external audit of the Council's Statement of Accounts is complete.

- 1.5 The AFR to will also be shared with the Pensions Board given their role in ensuring compliance with regulation. Officers will report any material findings or changes to the draft Pension Fund accounts or Annual Report identified in the AFR to this Committee.
- 1.6 Given that the Pension Fund Committee is not scheduled to meet again until after the publication deadline for the Annual Report of 1 December 2024, it is recommended that the Committee delegate authority to both the Interim Corporate Director Finance and the Chairman of the Pension Fund Committee to authorise the Fund's Annual Report on receipt of the audit certificate.
- 1.7 Following approval, the Annual Report will be published on the Pension Fund website.
- 1.8 If the audit certificate is outstanding by 1 December 2024, the draft version of the Annual Report will be published on the Fund's website. Whilst this does not strictly meet the regulatory requirement, officers judge that it will aid transparency and assist stakeholders by providing information pertaining to the financial year 2023-24 on a timely basis.
- 1.9 A copy of the draft 2023-24 Pension Fund Annual Report and Accounts is attached at Appendix 1.

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6 September 2024
