



PENSIONS COMMITTEE

24 SEPTEMBER 2024

REPORT TITLE:	MERSEYSIDE PENSION FUND ANNUAL REPORT & ACCOUNTS 2023/24 AND LETTER OF REPRESENTATION
REPORT OF:	DIRECTOR OF FINANCE (S151)

REPORT SUMMARY

The purpose of this report is to present to Members:

- Annual Report & Accounts for Merseyside Pension Fund for 2023/24
- A letter of representation prepared by Officers on behalf of the Committee.

The Statement of Accounts summarises the Fund's transactions for the 2023/24 financial year and its position at year end. The Fund's financial position for the year ended 31 March 2024 is reported as £10.8bn.

The primary reporting publication for the Fund's Statement of Accounts is part of Wirral Council's Accounts, as the Administering Authority. The Local Government Pension Scheme (LGPS) Regulations require the Fund's financial statements to also be published within the Fund's statutory Annual Report.

The accounts were prepared and submitted for external audit in June 2024. The external auditors, Grant Thornton, subject to outstanding work, has indicated there will be an unqualified opinion. The audit work has identified one adjustment to the financial statements financial position. A small number of changes to the disclosure notes have also been made. At the time of writing this report, the Fund has agreed to these amendments and there are no recommendations; a verbal update at the meeting will be provided.

The Audit Opinion will be issued following final completion of the audit, consideration of the Audit Findings Report and approval of the amended Statement of Accounts at both the Pensions Committee and the Audit and Risk Management Committee. Subject to this, the accounts will form the basis of the Annual Report for the year ended 31 March 2024.

A Letter of Representation on behalf of the Committee has been prepared, which gives assurances to the Auditor on various aspects relating to the Pension Fund.

RECOMMENDATION/S

That the Pensions Committee be recommended to:

1. approve the audited Statement of Accounts for 2023/24, considers the amendments to the accounts, the Audit Findings Report and the Letter of Representation.
2. refer the recommendations above to the Audit and Risk Management Committee.
3. approve for publication the Annual Report of Merseyside Pension Fund for 2023/24

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION

- 1.1 As required by International Standard on Auditing and the Code of Audit Practice, the Auditor reports its findings on the audit of the Pension Fund Financial Statements to those charged with governance.
- 1.2 As the Pension Fund receives a separate Audit Findings Report, this report will be first considered by Pensions Committee, and then by Audit and Risk Management Committee.
- 1.3 There is a statutory requirement to produce and publish an annual report for the year to 31 March by 1 December of that year.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Not relevant for this report. There are no suitable options.

3.0 BACKGROUND INFORMATION

- 3.1 The primary reporting publication for the Fund's Statement of Accounts is part of Wirral Council's Accounts, as the Administering Authority. The LGPS Regulations require the Fund's financial statements to also be published within the Fund's statutory Annual Report.
- 3.2 The purpose of the Statement of Audited Accounts is to present the overall financial position of the Pension Fund as at 31 March 2024 in accordance with prescribed guidance.
- 3.4 The Statement of Accounts, including notes were prepared and available for audit in June 2024, in line with the statutory deadline for 2023/24 reporting. The Fund's Annual Report was available for audit during August.
- 3.5 Grant Thornton's audit work of the accounts is ongoing, and the Audit Findings Report is on this agenda. They may provide a verbal update at the meeting on the report and officers will respond if necessary.
- 3.6 The audit work has identified one adjustment to the financial statements financial position.
- 3.7 A small number of disclosure adjustments to improve the presentation of the financial statements and annual report have been agreed.
- 3.8 A Letter of Representation on behalf of the Committee has been prepared, which gives assurances to the Auditor on various aspects relating to the Pension Fund.

4.0 FINANCIAL IMPLICATIONS

- 4.1 There are none arising directly from this report.

5.0 LEGAL IMPLICATIONS

- 5.1 There is a legal requirement to prepare and approve the statement of accounts under Regulation 57 of The Local Government Pension Scheme Regulations 2013 and The Accounts and Audit Regulations 2015.

6.0 RESOURCE IMPLICATIONS: STAFFING; ICT AND ASSETS

- 6.1 There are none arising directly from this report.

7.0 RELEVANT RISKS

- 7.1 A failure to provide Pensions Committee with information on legislative changes and the Fund's activities could hinder the Committee in fulfilling its statutory duties.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The Fund's statement of accounts form part of Wirral Council's accounts and where available for public inspection.

9.0 EQUALITY IMPLICATIONS

- 9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?
(b) No because there is no relevance to equality.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 There are no environmental or climate implications arising from this report.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 The content and/or recommendation contained within this report have no direct implications for community wealth.

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APPENDICES

1. Annual Report & Accounts.
2. Letter of Representation

BACKGROUND PAPERS

The Fund's Statement of Accounts

Cipfa The Code of Practice for Local Authority Accounting in the UK 2023/24
Grant Thornton Audit Findings Report

Cipfa Guidance for LGPS – Preparing the Annual Report (2024)

TERMS OF REFERENCE

This report is being considered by the Pensions Committee in accordance with Section A of its Terms of Reference:

(a) To be responsible for the overall investment policy, strategy and principles of the Fund and its overall performance.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
The Fund's Statement of Accounts are brought annually to this Committee.	26 September 2023 28 September 2022 20 September 2021