



## **PENSIONS COMMITTEE**

**26 SEPTEMBER 2023**

<b>REPORT TITLE:</b>	<b>GRANT THORNTON – THE AUDIT FINDINGS REPORT FOR MERSEYSIDE PENSION FUND</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF PENSIONS</b>

### **REPORT SUMMARY**

This report highlights the key findings and other matters arising from Grant Thornton's external audit of the financial statements of Merseyside Pension Fund for the year ended 31 March 2023.

Subject to the satisfactory completion of the outstanding audit work, Grant Thornton's anticipated audit opinion will be unqualified.

### **RECOMMENDATION/S**

That the Pensions Committee be recommended to consider and note the report provided by the external auditor, Grant Thornton.

## **SUPPORTING INFORMATION**

### **1.0 REASON/S FOR RECOMMENDATION**

- 1.1 There is a statutory requirement to audit the financial statements of Merseyside Pension Fund and to report to those charged with governance, who oversee the financial reporting process.

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 There is a statutory requirement for this report. No other options are considered suitable.

### **3.0 BACKGROUND INFORMATION**

- 3.1 The Audit Findings Report, prepared by the external auditor, presents the findings and observations arising from the external audit of the Pension Fund accounts.
- 3.2 External audit are required to report on whether the Pension Fund's financial statements give a true and fair view of the financial position of the Pension Fund and its income and expenditure for the year; and whether the financial statements have been prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting, and the Local Audit and Accountability Act 2014.
- 3.3 External audit also report on whether other information published, together with the audited financial statements and the Fund's Annual Report, is consistent with their knowledge of the organisation and the financial statements they have audited.

### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 Merseyside Pension Fund is charged a fee for the external audit of the Fund's financial statements; the proposed fee is £51,225 and the final fee is to be confirmed as detailed within the Grant Thornton report.

### **5.0 LEGAL IMPLICATIONS**

- 5.1 There is a statutory requirement for the accounts of Merseyside Pension Fund to be subject to external audit.

### **6.0 RESOURCE IMPLICATIONS: STAFFING; ICT AND ASSETS**

- 6.1 There are none arising directly from this report.

### **7.0 RELEVANT RISKS**

- 7.1 Grant Thornton complete a risk-based audit whereby they focus audit effort on those areas where they have identified a risk of material misstatement in the accounts.
- 7.2 If any concerns identified by Grant Thornton are not addressed by the Pension Fund and the Council, then there is a risk that the Council will not be able to meet its statutory requirements in respect of the Statement of Accounts.

## **8.0 ENGAGEMENT/CONSULTATION**

- 8.1 There has been no consultation undertaken or proposed for this report. There are no implications for partner organisations arising from this report.

## **9.0 EQUALITY IMPLICATIONS**

- 9.1 The content and/or recommendation contained within this report have no direct implications for equality.

## **10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS**

- 10.1 The content and/or recommendation contained within this report have no direct environmental or climate implications.

## **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**

Merseyside Pension Fund Audit Findings Report 2022/23

## **BACKGROUND PAPERS**

Local Audit and Accountability Act 2014  
CIPFA/LASAAC Code of Practice on Local Authority Accounting

## **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)**

<b>Council Meeting</b>	<b>Date</b>
The Fund's Audit Findings Report is brought annually to this Committee.	<b>28 September 2022</b> <b>20 September 2021</b> <b>2 November 2020</b>