



AUDIT & GOVERNANCE COMMITTEE
29 July 2019

**SURREY PENSION FUND
LOCAL GOVERNMENT PENSION SCHEME ACCOUNTS 2018/19
AND
GRANT THORNTON EXTERNAL AUDIT FINDINGS REPORT**

SUMMARY AND PURPOSE:

This report presents the audited financial statements of the Pension Fund for the year ended 31 March 2019, in light of the County Council's obligations as the administering authority under the Local Government Pension Scheme (LGPS) Regulations.

The external auditor (Grant Thornton) expects to issue an unqualified opinion on the accounts.

Grant Thornton, as the Council's external auditor, has completed its audit and the Pension Fund financial statements are presented to this Committee to be approved prior to publication.

Annex 1 represents the primary statements and accompanying notes to the accounts.

The result of the external audit is reported in the Audit Findings for Surrey Pension Fund Report, which is presented at Annex 2.

The draft letter of representation to the external auditor in respect of matters that are material to the financial statements, is presented at Annex 3.

RECOMMENDATIONS:

The Committee is asked to:

- (i) Approve the 2018/19 Pension Fund Accounts in Annex 1.
- (ii) Consider the content of the Audit Findings for Surrey Pension Fund Report in Annex 2.
- (iii) Determine any issues that need to be referred to Cabinet in relation to the external auditor's conclusions and recommendations.
- (iv) Consider the content of the draft representation letter as set out in Annex 3 and authorise the Deputy Chief Finance Officer to sign it on the Council's behalf.

2018/19 PENSION FUND ACCOUNTS

1. Grant Thornton audits both the County Council and Pension Fund accounts and is required to present separate audit opinions on each.
2. During the audit, Grant Thornton identified a few minor issues, which have led to a number of minor, non-material amendments being made to the 2018/19 draft financial statements and related notes to the accounts.
3. Annex 1 represents the 2018/19 Pension Fund Accounts.

2018/19 AUDIT FINDINGS REPORT

4. The external auditor is required to report on the Pension Fund financial statements. The Audit Findings for Surrey Pension Fund Report 18/19 is presented at Annex 2 and sets out a summary of the work carried out, the conclusions reached and recommendations made.
5. The Committee will note that the auditor is anticipating issuing an unqualified opinion on the financial statements

MANAGEMENT REPRESENTATION LETTER

6. It is considered good practice for those charged with governance to provide the external auditor with a letter of representation (Annex 3) in respect of matters that are material to the financial statements, but appropriate audit evidence cannot reasonably be expected to exist.

IMPLICATIONS:

- A) Financial
There are no direct financial implications.
- B) Equalities
There are no direct equality implications.
- C) Risk management and value for money
Pension Fund risks are proactively monitored by officers and the Surrey Pension Fund Committee.

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Annexes:

1. Pension Fund Accounts 2018/19
2. Audit report 2018/19
3. Draft letter of representation