



Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	Pensions Committee
Date:	01 December 2022
Subject:	Annual Report and Accounts 2021/22: The External Auditor's Audit Completion Report

Summary:

This report brings to the Pensions Committee the Audit Completion Report from Mazars, the Fund's External Auditor, on the 2021/22 audit of the financial statements.

Recommendation(s):

That the Committee consider the report and discuss the feedback from the external auditor in the Audit Completion Report.

Background

1.1 The Pension Fund Annual Report and Accounts for the year ended 31 March 2022 have been completed and were approved by this Committee at its meeting on 14 July. They have now been independently audited by the Fund's external auditors, Mazars.

2.0 Audit Completion Report

2.1 A copy of the External Auditors Audit Completion Report is attached to this report at appendix A. The Audit Completion Report reconfirms the messages reported to this Committee in September in the Audit Update Report from Mazars. In summary:

- For the two significant risk areas identified in their Audit Strategy Memorandum: management override of controls and valuation of investments with level 3 of the fair value hierarchy, their work has provided the assurances sought;
- There are no significant internal control deficiencies to report; and
- There are no unadjusted misstatements. The summary of misstatements section includes reference to the valuation update for unquoted assets which

have been adjusted for in the accounts. Updated valuation information from investment managers increased the value of Fund investment assets by £21.691m.

2.2 The External Auditor has a small amount of work to complete including: final checks of the updated pension fund accounts and the final review from the Key Audit Partner.

2.3 An unqualified audit opinion for the Pension Fund accounts is expected to be issued alongside the audit opinion on the Lincolnshire County Council accounts.

3.0 Annual Report

3.1 The Pension Fund Annual Report has been published on the Fund’s website for the statutory deadline of 1 December. If the opinion has not been received by this date, the document will include a statement explaining that it is published without the audit opinion. Once the opinion has been received the Annual Report will be republished including the audit opinion.

Conclusion

4.1 The audit of the Pension Fund Statement of Accounts for the year ended 31 March 2022 is complete and it is expected that the external auditor, Mazars, will issue an unqualified audit opinion.

Consultation

a) Risks and Impact Analysis

The Pension Fund has a risk register which can be obtained by contacting the Head of Pensions.

Appendices

These are listed below and attached at the back of the report	
Appendix A	Mazars External Audit Completion Report (October 2022)

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Claire Machej, who can be contacted on 01522 553641 or claire.machej@lincolnshire.gov.uk.

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