

COUNTY COUNCIL
19 December 2023

Addendum Recommendation to Agenda Item 4
Warwickshire Pension Fund Accounts 2022/23

As a result of comments received from Auditors between Audit and Standards viewing the draft Accounts and the final decision by Council, there are some minor adjustments that will need to be made to the wording of the accounts pre-publication. The changes do not impact on the opinion on the accounts that Council are being asked to approve and relate to final audit queries that are to be addressed. The proposed addition is below and seeks a delegation to officers in consultation with the Chair to make any final adjustments.

Add as Recommendation 2

That Council authorises the Executive Director for Resources in consultation with the Chair of the Council to amend the accounts for any final adjustments requested by the external auditors prior to the accounts being formally published and require a report to the next Audit and Standards Committee setting out the changes.

The known amendments have been reviewed by officers and the external auditor and are considered not to be material and thus not to impact on the accounts as presented. They include:

- Note 14 - changed the term "*non audit fees*" to "*Audit related services fees*" to better describe the nature of those fees. This change is not significant.
- Note 16 and Note 22 - change of font of pooled investments which are all changed to italic to make it clearer they all relate to each other. This change is not significant.
- Note 19 - LGIM equity funds have been split down into their component parts - L&G Fundamental Indexation and LGIM EUR (EX UK) Equity Index. This change is not significant.
- Pension Fund Account
 - Net Return on Investment - amended from £15.5m to £14.6m.
 - Profit and losses on disposal of investments amended from (£79.9m) to (£80.7)m.
 - After the above two amendments the face of the accounts balance correctly to £2,750.5m net assets, this number does not change and was/is correct.

- Note 24 Level 3 property commentary requested by GT - commentary has already been added to page 37 - that is all that was intended to be added by us. We can discuss with GT further but at most this will result in some more detailed commentary being added on the valuation of level 3 property. It will make no difference to the figures in the accounts.
- Note 24 amendments added to highlight that only the property fund managed by Schroders is level 3. This change is not significant.
- Note 24 page 38 - footnote to the table - amend to simply refer to the two property funds i.e. "*...Level 2 property refers to the Threadneedle Fund and Level 3 property refers to the Schroders Fund. ...*". This change is not significant.