

# LONDON BOROUGH OF CROYDON

<b>REPORT:</b>	<b>PENSION BOARD</b>	
<b>DATE OF DECISION</b>	<b>16 January 2025</b>	
<b>REPORT TITLE:</b>	<b>Pension Fund annual reports 2019/20 to 2023/24</b>	
<b>CORPORATE DIRECTOR:</b>	<b>Jane West, Corporate Director of Resources (Section 151 Officer)</b>	
<b>LEAD OFFICER:</b>	<b>Matthew Hallett – Head of Pensions and Treasury;</b>	
<b>CONTAINS EXEMPT INFORMATION?</b>	<b>NO</b>	

## 1. SUMMARY OF REPORT

- 1.1 This report asks the Board to note the latest positions in respect of the Pension Fund annual reports for the years 2019/20, 2020/21, 2021/22, 2022/23 and 2023/24.

## 2. RECOMMENDATION

The Pension Board is recommended:

- 2.1 to note the latest positions in respect of the Pension Fund annual reports for 2019/20, 2020/21, 2021/22, 2022/23 and 2023/24.

## 3. REASON FOR RECOMMENDATION

- 3.1 Under the Local Government Pension Scheme (LGPS) Regulations 2013 the Administering Authority must prepare and publish a pension fund annual report by 1 December following the Scheme year end. The annual report must include the fund account and net assets statement with supporting notes and disclosures prepared in accordance with proper practices (“the pension fund financial statements”)
- 3.2 Due to the impact of the covid pandemic and various other issues which prevented local authorities from meeting the publishing deadline, a series of backstop dates were set under the Accounts and Audit (Amendment) Regulations 2024 requiring the Council to publish audited accounts including the pension fund financial statements for years up to and including 2022/23 by 13 December 2024.
- 3.3 The auditors have issued an unqualified opinion on the Pension Fund accounts for 2019/20, disclaimed audit opinions for 2020/21 and 2021/22 and it is expected that they will also issue disclaimed opinions for 2022/23 and 2023/24.

## **4 BACKGROUND AND DETAILS**

- 4.1** According to the LGPS Regulations 2013 the Administering Authority must prepare and publish a pension fund annual report by 1 December following the Scheme year end. The annual report must include the fund account and net assets statement with supporting notes and disclosures prepared in accordance with proper practices (“the pension fund financial statements”)
- 4.2** According to the Accounts and Audit (Amendment) Regulations 2022 local authorities were required to publish audited accounts, including the pension fund financial statements, for 2021/22 by 30 November 2022 and for 2022/23 by 30 September 2023.
- 4.3** For various reasons there have been delays in the preparation and publishing of Croydon Council’s accounts, including those of the Pension Fund, since 2018/19 which has led to the statutory deadlines not being met.
- 4.4** On 30 July 2024 the Government proposed secondary legislation to facilitate a return to timely, purposeful audits of local body accounts. The secondary legislation amending the Accounts and Audit Regulations (2015) through the Accounts and Audit (Amendment) Regulations 2024 was passed setting a series of backstop dates. The legislation required local authorities to publish audited accounts up to and including 2022/23 by 13 December 2024 (the backstop date) and audited accounts for 2023/24 by 28 February 2025. Where auditors are unable to complete audits, they will issue a disclaimed or modified audit opinion.
- 4.5** The position of the Fund’s accounts for each of the relevant years is as follows:

### **2019/20**

On 3 December 2021 draft accounts were presented to the Committee and on 14 December 2024 the auditors issued an unqualified opinion of the Fund’s unamended accounts. The Fund’s Annual Report will now be republished including the audit opinion.

### **2020/21**

Under the Accounts and Audit (Amendment) Regulations 2024 the Fund was required to publish audited accounts by 13 December 2024. Draft accounts were presented to the Committee 3 December 2021 and a final version, with no amendments, to the Audit and Governance Committee on 20 November 2024. The auditors reported to the Audit and Governance Committee that “we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements” and issued a “Disclaimer of Opinion.” The Fund’s Annual Report will now be republished including the audit opinion.

### **2021/22**

Under the Accounts and Audit (Amendment) Regulations 2024 the Fund was required to publish audited accounts by 13 December 2024. Draft accounts were presented to the Audit and Governance Committee on 20 November 2024 and to the Pension Committee on 3 December 2024. The auditors reported to the Audit and Governance Committee that “we have not been able to obtain sufficient appropriate audit evidence

to provide a basis for an audit opinion on these financial statements” and issued a “Disclaimer of Opinion”. The Fund’s Annual Report will now be published including the audit opinion.

## **2022/23**

Under the Accounts and Audit (Amendment) Regulations 2024 the Fund was required to publish audited accounts by 13 December 2024. At the time of writing this report the Council has yet to publish its draft Accounts for public inspection. The auditors have advised the Council that they have been unable to audit the Accounts and it is expected that they will issue a “Disclaimer of Opinion” as for the previous two years. The Fund’s Annual Report will be published including the audit opinion when received.

## **2023/24**

Under the Accounts and Audit (Amendment) Regulations 2024 the Fund was required to publish audited accounts by 28 February 2025. At the time of writing this report the Council has yet to publish its draft Accounts for public inspection. The Fund will publish its Annual Report alongside the Council’s accounts. It is expected that the auditors will again issue a “Disclaimer of Opinion”.

## **5 ALTERNATIVE OPTIONS CONSIDERED**

5.1 N/A

## **6 CONSULTATION**

6.1 No consultation outside the formal process is required.

## **7 IMPLICATIONS**

7.1 There are no direct implications arising from this report other than those already mentioned.

## **8 APPENDICES**

8.1 None

## **9. BACKGROUND DOCUMENTS**

9.1 None

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## **CONTACT OFFICER:**

Matthew Hallett – Head of Pensions and Treasury.