

Pension Fund Committee

5 December 2013



Audit Completion Report for the year ended 31 March 2013

Don McLure, Corporate Director Resources

Purpose of the Report

- 1 To inform Members of the completion of the audit of the Pension Fund Accounts and to present the Audit Completion Report for the financial year ended 31 March 2013.

Background

- 2 A report to the Pension Fund Committee on 5 September 2013 included the Pension Fund Statement of Accounts. At that time, the Accounts were subject to audit by our external Auditor, Mazars LLP.
- 3 The Statement of Accounts has now been approved by the Audit Committee and the External Auditor has expressed his opinion on the County Council and Pension Fund Accounts.
- 4 The Annual Report and Accounts of the Pension Fund, which contains the audited Statement of Accounts, was circulated to Members and was presented to the Annual Meeting of the Pension Fund on 19 November 2013. The Report is available on the County Council's [website](#).

Audit Completion Report

- 5 The Audit Completion Report and the letter from the External Auditor presented to the Audit Committee on 30 September are attached to the report for Members' information.
- 6 Appendix 3a to the Audit Completion Report gives the Auditor's unqualified opinion on the Pension Fund's Financial Statements and the Annual Report:

"In our opinion the financial statements:

- *give a true and fair view of the financial position of the Durham County Council Pension Fund as at 31 March 2013 and of its expenditure and income for the year then ended; and*

- *have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.*

Opinion on other matters

In our opinion, the information given in the explanatory foreword for the financial year for which the financial statements are prepared is consistent with the financial statements.”

- 7 Section 9 to the Audit Completion Report details the adjusted errors. There were no significant errors found in the accounts that have not been corrected. The letter to the Audit Committee concludes the issues outstanding at the time of the publication of the Audit Completion Report as detailed in Section 4 of the report.
- 8 Overall, the External Auditor had no significant issues to highlight in respect of the qualitative aspects of the Pension Fund's accounting practices.
- 9 However, as there were a number of amendments to disclosures, which were made in order to enhance clarity and consistency, the External Auditor has highlighted some areas for the Pension Fund to review in 2013/14. These are.
 - The project management of the statement of accounts production is important, the managers of the Pension Fund should continue to monitor the closedown timetable and review processes to see if there are any areas for improvement.
 - Focusing work on the following two areas may help reduce the amendments to disclosures (and the number of audit queries):
 - developing further the quality assurance review of the draft statement of accounts (in the context of the challenging timetable); and
 - carrying out a more detailed analytical review of the primary statements.
- 10 These areas will be addressed during the 2013/14 closing of accounts process.

Summary

- 11 Members are asked to note the contents of this report.

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