

Pension Fund Committee

15 December 2015



Audit Completion Report for the year ended 31 March 2015

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 2015.

Background

- 2 A report to the Pension Fund Committee on 10 September 2015 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 was approved by the Audit Committee on 30 September 2015 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 5 November 2015. 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 at Appendix 1 and 2 for Members' information.
- 6 Appendix B 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 Pension Fund's financial statements:

- *give a true and fair view of the financial transactions of the pension fund during the year ended 31 March 2015 and the amount and disposition of the fund's assets and liabilities as at 31 March 2015 other than liabilities to pay pensions and other benefits after the end of the scheme year; and*

- *have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15.*
- 7 Appendix C to the Audit Completion Report gives the Auditor's opinion on the consistency of the Pension Fund's Annual Report and the County Council's Statement of Accounts.
- "In our opinion, the pension fund financial statements are consistent with the full statement of accounts of Durham County Council for the year ended 31 March 2015 and comply with applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15."*
- 8 Section 4 to the Audit Completion Report details the misstatements in the Accounts. There were no adjustments identified during the audit which impacted on the core accounting statements, the Fund Account and the Net Assets Statement.
- 9 The financial statements have, however, been amended for a number of minor errors, omissions, rounding error corrections, clarifications and typographical errors. The main disclosure note misstatements identified during the course of the audit are outlined in the table in Section 4 to the Audit Completion Report. All of these misstatements have been amended by management:
- 10 Overall, the External Auditor had no significant issues to report during the audit and had the full co-operation of management.
- 11 Although, no issues that would impact on the financial accounts were identified, improvements to the Pension Fund financial accounting systems are set out in Section 3 of the Audit Completion Report. Relevant action plans have been established by officers that will be tracked for progress in the coming weeks and months in order to address the identified recommendations and improve the way we manage the financial affairs of the Pension Fund.

Recommendation

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

Background Papers

- (a) Pension Fund Committee - 10 September 2015 - Statement of Accounts for the year ended 31 March 2015
- (b) Audit Committee - 30 September 2015 - External Audit: Audit Completion Report Year Ended 31 March 2015 – Pension Fund