

Bath & North East Somerset Council

MEETING:	Avon Pension Fund Committee	
MEETING DATE:	25 September 2014	AGENDA ITEM NUMBER
TITLE:	Audited Statement of Accounts, the Annual Governance Report & Annual Report – 2014/15	
WARD:	ALL	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendix 1 – Audited Statement of Accounts 2014/15 TO FOLLOW		
Appendix 2 – Annual Governance Report 2014/15 TO FOLLOW		
Appendix 3 – Draft Avon Pension Fund Annual Report 2014/15 TO FOLLOW		

THE AUDITED ACCOUNTS, GOVERNANCE REPORT AND ANNUAL REPORT HAVE YET TO BE FINALISED. THEY WILL BE CIRCULATED TO ALL MEMBERS ONCE THEY HAVE BEEN COMPLETED PRIOR TO THE MEETING.

1 THE ISSUE

- 1.1 The Audited Statement of Accounts and the Annual Governance Report are now presented to be noted.
- 1.2 The Annual Governance Report summarises the results of the Grant Thornton audit of the 2014/15 accounts. It includes the issues arising from the audit of the financial statements and those issues which they are formally required to report under the Audit Commission's Code of Audit Practice and International Standard of Auditing (UK & Ireland) (ISA (UK&I) 260) – "Communication of audit matters with those charged with governance".
- 1.3 The Corporate Audit Committee will be recommended to approve the final audited Statement of Accounts for 2014/15 and note the issues raised in the Governance reports at its meeting on 28 September 2015.
- 1.4 The Fund's Annual Report 2014/15 is a statutory document which the Auditor reviews as part of the Fund's audit. The Committee is asked to approve the draft report on the basis that no substantive changes will be made following Committee approval.

2 RECOMMENDATION

That the Committee:

- 2.1 Notes the final audited Statement of Accounts for 2014/15.**
- 2.2 Notes the issues raised in the Annual Governance Report.**
- 2.3 Approves the draft Avon Pension Fund Annual Report 2014/15.**

3 FINANCIAL IMPLICATIONS

- 3.1 The Pension Fund's Statement of Accounts shows the Total Net Assets at 31 March 2015 as £3,835 billion.

4 THE REPORT

- 4.1 The draft Statement of Accounts 2014/15 is in Appendix 1.
- 4.2 The Committee noted the draft Statement of Accounts 2014/15 at its meeting of 26 June 2015. The only significant change to the Statement of Accounts since the June Committee meeting is the addition of a creditor of £4,524k. This creditor relates to the refund of contributions overpaid by Bristol City Council. £2,188k of the overpayment was known to the Fund at 31 March 2015 but it was believed that the payment was to be retained by the Fund as a deficit contribution. The Fund was not informed of the remaining £2,336k until after the June Committee. The inclusion of this creditor reduced the stated net value of the Fund by £4,524k.
- 4.3 The Annual Governance report is in Appendix 2.
- 4.4 The draft Avon Pension Fund Annual Report is in Appendix 3. Under the Local Government Pension Scheme (Administration) Regulations 2008 the Fund is required to publish a report annually by 1st December. As this is before the next Committee meeting, the Committee are asked to approve the 2014/15 report in draft form. No substantive changes are expected to be made following the Committee's approval. The report will be published ahead of the 1st December deadline. The report will be published on the Fund's website.
- 4.5 The external auditor has reviewed the annual report as part of the audit.

5 RISK MANAGEMENT

- 5.1 The Avon Pension Fund Committee is the formal decision making body for the Fund. As such it has responsibility to ensure adequate risk management processes are in place. It discharges this responsibility by ensuring the Fund has an appropriate investment and funding strategy that is regularly monitored. In addition, it monitors the benefits administration, the risk register and compliance with relevant investment, finance and administration regulations. The work in relation to this year's audit has not identified any new corporate risks or significant changes.

6 EQUALITIES

- 6.1 An equalities impact assessment is not necessary

7 OTHER OPTIONS CONSIDERED

- 7.1 None as this report is a statutory requirement.

8 CONSULTATION

- 8.1 Consultation has been carried out with the Section 151 Finance Officer.

9 ISSUES TO CONSIDER IN REACHING THE DECISION

- 9.1 No decision as this is a statutory requirement.

10 ADVICE SOUGHT

10.1 The Council's Monitoring Officer (Divisional Director – Legal & Democratic Services) and Section 151 Officer (Director of Business Support) have had the opportunity to input to this report and have cleared it for publication.

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Background papers	Pension Fund Committee 26 June 2015: Draft Statement of Accounts
Please contact the report author if you need to access this report in an alternative format	