

Open Report on behalf of Executive Director Resources and Community Safety

Report to:	Audit Committee
Date:	26 September 2011
Subject:	External Audit Annual Governance Report on the Pension Fund Accounts for the year ended 31 March 2011

Summary:

The accounts for the Lincolnshire Pension Fund for the financial year 2010-11 have been completed and independently audited to meet the statutory deadline to publish by 30 September 2011.

Recommendation(s):

The Executive Director - Resources and Community Safety recommends that the Audit Committee:

1. Consider the External Auditors Annual Governance Report (AGR) (Appendix A);
2. Agree the amendments made to the draft Pension Fund Accounts previously presented to this Committee as part of the Council's Statement of Accounts and note revised Pension Fund Accounts (Appendix B); and
3. Approve the Letter of Representation on behalf of the Council to enable the Audit Opinion to be issued (AGR - appendix 3).

Background

The Audit Committee were presented with the draft Statements of Accounts for 2010-11 at the meeting on 14 July 2011, which included the accounts for the Pension Fund, which is administered by the County Council. Our external auditors, The Audit Commission have now completed their work on these accounts. Appendix A to this report is their Annual Governance Report (AGR), which provides details of matters arising and errors identified in the unaudited accounts. The AGR also includes a draft Letter of Representation that is required to be signed before the audit opinion is given.

The Audit Committee is asked to consider the AGR as presented by the External Auditor. The key points to note are:

- Financial Statements (page 5) – the External Auditor plans to issue an unqualified opinion on the Pension Fund’s accounts. Table 2 sets out the key areas of judgement and audit risk that have been considered.
- Table 3 - Accounting practices, policies and estimates and financial statement disclosures (page 6) sets out two SoRP disclosure issues.
- One recommendation (page 7) has been made to change the presentation of the accounts.

There have been no amendments made to the accounts since the draft version that was presented to this Committee in July.

Conclusion

The 2010-11 Pension Fund Accounts have been presented satisfactorily and are of good quality and the External Auditor will issue an unqualified opinion once they have received the Letter of Representation from this Committee.

Consultation

a) Policy Proofing Actions Required

N/A

Appendices

These are listed below and attached at the back of the report	
Appendix A	The External Auditors - Annual Governance Report 2010-11
Appendix B	Lincolnshire Pension Fund Accounts 2010-11

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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