

MEETING	AUDIT AND GOVERNANCE COMMITTEE
DATE	19 July 2018
TITLE	GWYNEDD PENSION FUND'S 2017/18 STATEMENT OF ACCOUNTS (for the year ended 31 March 2018)
PURPOSE / RECOMMENDATION	Receive the Pension Fund's Statutory Statement of Accounts (pre-audit draft) for information
AUTHORS	Dafydd L Edwards, Head of Finance, and Caroline L Roberts, Investments Manager

1. INTRODUCTION

- 1.1 This report introduces the Pension Fund's statutory Statement of Accounts for the 2017/18 financial year, which provides details of the Fund's financial activities during the year which ended on 31 March 2018.
- 1.2 The following document is the draft Statement of Accounts in its statutory format, 33 pages long in each language. The Statement was presented to members of the Council's Pensions Committee and members of the local Pension Board on 16 July.
- 1.3 The draft accounts presented here have yet to be audited, so some changes will be necessary before a final version is submitted for approval at the 27 September 2018 meeting of the Audit and Governance Committee.
- 1.4 The basic form and content of these Statements is prescribed under the Accounts and Audit (Wales) (Amendment) Regulations 2018, as well as other national regulations and standards. Several requirements of the IFRS (International Financial Reporting Standards) are based on the Code of Practice on Local Authority Accounting and apply to the Fund's Statement of Accounts for 2017/18.
- 1.5 This year, for the first time, in accordance with the latest Code of Practice, the Pension Fund's Statement of Accounts is presented to the Audit and Governance Committee separately from the Statement of Accounts of the Council.

2. ACTION REQUIRED

- 2.1 The Audit and Governance Committee are "those charged with governance" on behalf of the Pension Fund, but revisions in 2010 to the Accounts and Audit Regulations gave responsibility for approving and certifying the draft accounts before 30 June to the Statutory Finance Officer (for Gwynedd Pension Fund, the Head of Finance).
- 2.2 There is no longer any requirement for elected members to approve the draft version of the Pension Fund's Statement of Accounts, but this is presented to the Audit and Governance Committee FOR INFORMATION as "good practice".

- 2.3 Doubtless, the Audit and Governance Committee's members will wish to consider and understand the content now, in preparation for approving the final version in September, and to equip themselves with information to consider relevant risks in their context.

3 SUBSEQUENT STEPS

- 3.3 Further to certification by the Head of Finance and consideration by the Committees, the 2017/18 Statement of Accounts will be subject to the annual audit process by Deloitte, Gwynedd Council's external auditors, who were appointed by the Auditor General for Wales. This year, for the first time, Deloitte are employing specialist pension fund auditors for this purpose.
- 3.4 In accordance with the Accounts and Audit (Wales) (Amendment) Regulations 2018, the Council will also notify the public, via the local press, that the accounts are available for inspection for a 20 working day period. As part of the audit process, local government electors also have the opportunity to question the external auditor about the Pension Fund's accounts.
- 3.5 As noted in paragraph 1.3 (above), the final (audited) version of the Pension Fund's 2017/18 Statement of Accounts will be submitted to the 27 September 2018 meeting of the Audit and Governance Committee FOR APPROVAL, along with an 'ISA260' report by Deloitte's external auditors on behalf of the Auditor General for Wales.
- 3.6 Subsequently, it is the Finance Department's intention to provide a link to the final Statement to all elected members of the Council, the fund's employers, and other interested parties.
- 3.7 The final version of the Pension Fund's Statement of Accounts will also be presented to the Annual General Meeting of the Pension Fund on 10 October 2018.

4 RECOMMENDATION

- 4.1 The Audit and Governance Committee is asked to receive and note the Pension Fund's Statement of Accounts (subject to audit) for 2017/18.
- 4.2 Finance officers will be present at the Audit and Governance Committee meeting on 19 July to answer any questions the Committee members may have regarding these accounts.