

Committee:	Date:
<b>Audit and Risk Management</b>	<b>4 November 2014</b>
Subject: <b>Deloitte's final reports on the audit of the City Fund and Pension Fund</b>	<b>Public</b>
Report of: <b>Chamberlain</b>	<b>For Information</b>
<p>At its meeting on the 22 July, the Committee received the City Fund and Pension Fund financial statements together with the interim audit reports from Deloitte noting that the audit work was substantially completed.</p> <p>Subsequently, Deloitte issued unqualified audit opinions on the City Fund and Pension Fund financial statements and an unqualified value for money conclusion on the City Fund.</p> <p>Updated audit reports on the City Fund and Pension Fund showing tracked changes from the July versions presented to the Committee are attached as appendices 1 and 2 respectively. A copy of the certificate issued on completion of the audit is attached as appendix 3.</p> <p>On the City Fund, matters reported as outstanding in July were completed satisfactorily. There were no changes to the primary statements. In the notes to the accounts an entry was made to reclassify an amount from cash equivalents to cash.</p> <p>On the Pension Fund, Deloitte's July report noted a difference of £6.5m between the Change in Market Value balance and the Net Asset Statement which officers were investigating at that time. This difference was resolved, but a number of adjustments to various balances and disclosures were required. Deloitte's recommendation on this issue and the management response is set out on page 10 of the updated Pension Fund report at appendix 2. This is the same issue identified by Moore Stephens in its audit of Bridge House Estates as reported to the Committee in July and stems from the change in accounting treatment following the transfer of non-property investments to pooled investment vehicles.</p> <p><b>Recommendation</b></p> <p>Members are asked to note Deloitte's final audit reports.</p>	

- Appendix 1 – Final report on the City Fund
- Appendix 2 – Final report on the Pension Fund
- Appendix 3 – Audit Certificate

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