

08 September 2015**Agenda Item: 4****REPORT OF SERVICE DIRECTOR – FINANCE & PROCUREMENT****PENSION FUND ACCOUNTS 2014/15****Purpose of the Report**

1. To present the Nottinghamshire Pension Fund accounts for 2014/15.

Information and Advice

2. The Nottinghamshire Pension Fund accounts for 2014/15 are attached. These show that the value of the fund as at 31 March 2015 was £4,079 million with net returns on investments for 2014/15 of £423 million and net withdrawals from dealings with members of £77 million. During the year an amount of £76 million was paid to the Greater Manchester Pension Fund in respect of the transfer out of liabilities relating to the Nottinghamshire Probation Trust as part of the transfer of services to the National Probation Service. Excluding this bulk transfer, the net withdrawal from dealings with members was £0.7 million.
3. The external auditors, KPMG, have substantially completed their audit work and anticipate issuing an unqualified audit opinion. No material misstatements or uncorrected audit differences were identified and only a small number of minor amendments focused on presentational improvements were made to the draft financial statements. The auditor's draft ISA260 report is also attached for information.
4. Two key areas of potential risk were identified by KPMG in advance of the audit – the new 2014 scheme and the change of pensions administration system. There were no significant matters to raise in relation to the new scheme and KPMG were satisfied that the change in pensions system has not had a material impact on the 2014/15 financial statements. An issue was identified with the reports used to extract data from the system to provide to the Fund actuaries and this will be rectified in time for the 2015/16 submissions.

Reason/s for Recommendation/s

5. Under the terms of the Council's constitution, the Nottinghamshire Pension Fund Committee is responsible for the administration of the Nottinghamshire Pension Fund and it is best practice to present the accounts to those charged with governance.

Statutory and Policy Implications

6. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) That the accounts and draft audit report for 2014/15 be noted.

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Constitutional Comments

7. Because this report is for noting only no Constitutional Comments are required.

Financial Comments (SRC 18/08/2015)

8. There are no direct financial implications arising from the report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- 'None'