

London Borough of  
Hillingdon

Report to the Pension  
Committee and Audit  
Committee on the year  
ended 31 March  
2012Local Government  
Pension Fund Audit

Final Report

# Contents

Executive summary	1
1. Key audit risks	3
2. Accounting and internal control systems	8
3. Current accounting and regulatory issues	9
4. Other matters for communication	12
5. Responsibility statement	13
Appendix 1: Draft representation letter	14

# Executive summary

We have pleasure in setting out in this document our report to the Pension and Audit Committee's of the London Borough of Hillingdon for the year ended 31 March 2012 for discussion at the committee meetings scheduled for 19 September 2012 and 20 September 2012 respectively. This report summarises the principal matters that have arisen from our audit for the year ended 31 March 2012.

This summary is not intended to be exhaustive but highlights the most significant matters to which we would like to bring your attention. It should, therefore, be read in conjunction with the report and the appendices thereto.

Status	Description	Detail
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Key findings on audit risks and other matters		
<p><b>We have concluded satisfactorily on each of the key audit risks identified in our audit plan. We did not identify any additional risks in the course of our work.</b></p>	<p>We discuss within Section 1 the results of our work in relation to key audit risks which have been identified as being significant to the 2011/12 accounts, and which were presented to the Audit Committee in February 2012 as follows:</p> <p><b>Key risks</b></p> <ol style="list-style-type: none"> <li><b>Contributions:</b> The risk surrounding identification, calculation and payment of contributions, due to the complexities surrounding admitted bodies, has been addressed through our testing. No issues were noted with the exception of an incorrect classification of the contributions between employer deficit and employer normal contributions. As such an adjustment was posted increasing deficit contributions and decreasing normal contributions by £0.2 million;</li> <li><b>Benefits:</b> Complexities in the calculation of both benefits in retirement and ill health and death benefits have been reviewed during our testing with no issues identified;</li> <li><b>Financial instruments:</b> The unquoted investments have been agreed to independent returns from the investment managers. We identified that in one case the adjustment posted to the value of the private equity fund for LGT Partners had been included in the change in market value figure again during 2011/12 resulting in an over valuation of the assets held by LGT Partners. An adjustment was posted amounting to £467,000 to change in market value to reduce the valuation to bring it in line with the reported valuation from the custodian.</li> </ol> <p>We also continued to identify that some of the private equity funds audited financial statements included an emphasis of matter paragraph indicating the uncertainties over valuation of equities in illiquid markets. We have held discussions with the managers of these funds to ensure that the valuation techniques represent the most accurate fair value of the equities.</p> <ol style="list-style-type: none"> <li><b>Management Override of Controls:</b> all testing was completed with satisfactory results.</li> </ol>	<p>Section 1</p>

# Executive summary (continued)

Status	Description	Detail
<b>Audit status</b>		
<b>Subject to the clearance of final points, we expect to issue an unmodified audit opinion on the financial statements.</b>	<p>We are satisfied that the status of the audit is as expected at this stage of the timetable agreed in our audit plan.</p> <p>We have substantially completed our audit in accordance with our Audit Plan which was presented to you prior to the commencement of the audit subject to the satisfactory completion of the matters set out below:</p> <ul style="list-style-type: none"> <li>• receipt of signed management representation letter (see appendix 1); and</li> <li>• update of post balance sheet event review.</li> </ul> <p>We will report to you verbally in respect of any modifications to the findings or opinions contained in this report that arise on completion of these matters.</p> <p>At the date of this report and subject to the satisfactory completion of the outstanding matters referred to above, there are no matters in relation to the Local Government Pension Fund information that would result in the issuance of a modified audit opinion.</p>	N/A
<b>Identified misstatements</b>		
<b>No uncorrected misstatements</b>	<p>Audit materiality was set at £7.5m (2010/11 £7.8m), which is consistent with that of the local government audit. The basis on which this is calculated is set out in our report to the audit committee.</p> <p>This is slightly higher than set out in the planning meeting report, which was based on a preliminary materiality for the Authority before the year end results were available, however we continue to report all unadjusted misstatements greater than £0.4m (2% of materiality) to the Audit and Pension Committees.</p> <p>There are no identified uncorrected misstatements above this level, and no qualitatively material misstatements that we wish to bring to your attention.</p>	N/A
<b>Accounting and internal control systems</b>		
<b>Review of underlying private equity funds</b>	<p>We have previously identified one area for improvement in relation to the internal control system. This improvement related to the review of the underlying private equity funds. We continue to recommend improvements in this area.</p> <p>Further detail on the area for improvement in the internal control system is included in Section 2 of the report.</p>	Section 2

# 1. Key audit risks

The results of our audit work on key audit risks are set out below:

Contributions	
<b>Audit risk</b>	Unlike the positions in the private sector, we are not required to issue a separate statement on contributions for the Fund. Nevertheless, in view of the complexity arising from the participation of different employers within the Fund, we have included the identification, calculation and payment of contributions as an area of significant risk.
<b>Deloitte response</b>	<p>We have performed the following testing to address the significant risks around contributions:</p> <ul style="list-style-type: none"><li>• reviewed the design and implementation of controls present at the Fund for ensuring contributions from all Scheduled and Admitted bodies are identified and calculated correctly;</li><li>• we have received from officers an analysis of contribution rates by employer and signed monthly statements from each Scheduled and Admitted body;</li><li>• we performed tests of details to test whether each material income stream was calculated in accordance with the actuarial valuation and schedule of rates; and</li><li>• we developed an expectation based on changes in membership numbers and changes in contribution rates to analytically review the contributions received in the year, the results of which fell within our tolerance level.</li></ul> <p>It was noted that an incorrect allocation of the contributions was being disclosed in the fund account. As such £0.2 million was re-allocated to deficit funding from employer normal contributions. All other testing was completed with satisfactory results.</p>

# 1. Key audit risks (continued)

Benefits	
<b>Audit risk</b>	Changes were made to the Fund from April 2008 which introduced complexities into the calculation of both benefits in retirement and ill health and death benefits which are in addition to the annual increases required by the 1997 Regulation and Pension (Increases) Act 1971.
<b>Deloitte response</b>	<p>The following tests were performed to address the significant risk around benefits:</p> <ul style="list-style-type: none"><li>• we reviewed the design and implementation of controls present at the Fund for ensuring the accuracy, completeness and validity of benefits through discussion with the pensions team and testing to controls were in force during the year under review;</li><li>• we obtained a schedule of benefits paid and supporting calculations and tested whether benefits paid were in accordance with the appropriate rules;</li><li>• we performed tests of detail, on a sample of benefits paid, by agreement to supporting documentation, to test whether benefits were in all material respects correctly calculated, by reference to their qualifying service, Fund rules and benefit choices made; and</li><li>• we developed an expectation based on changes in membership numbers and pension increases to analytically review the benefits paid in the year.</li></ul> <p>All testing was completed with satisfactory results.</p>

# 1. Key audit risks (continued)

## Financial instruments

### Audit risk

The Fund makes some use of investments in unquoted investments vehicles, such as private equity houses.

Although these funds are normally subject to third party external audit, up to date audited accounts were not available at the time that the pension fund accounts were compiled and audited. In such cases, year end fair values of investments in such funds will need to be estimated on the basis of unaudited information. In addition, market volatility raises questions about how to value these investments. It would normally be expected that the reasonableness of the fund managers' valuation could be assessed by comparison with the funds' latest available audited accounts as adjusted for subsequent cash movements (investments and distributions) between the pooled investment vehicle and the investors. However, market volatility means such comparison may be inappropriate especially when there is a significant time period between the latest audited accounts and the fund year end.

As these investments are more complex to value we have identified the Fund's investments in property and pooled investment vehicles as a significant risk.

### Deloitte response

The following tests were performed to address the significant risk around investments:

- we have reviewed the design and implementation of controls present at the Fund for ensuring investments are valued correctly;
- we have obtained a further understanding of the valuation of investments. The value of unquoted investments vehicles represents less than 6% (2011: 6%) of the assets of the Fund as a whole. The majority of the investments held by the Fund being in investments which have a quoted value;
- we have reconciled the total value of the investments held by the Fund as reported in the investment report from Northern Trust to the value of investments reported in the Net Assets Statement;
- we have compared the valuations provided by Northern Trust to the reports provided by the investment manager;
- we have performed a test of detail on a sample basis of quoted investment and compared the value reported by the Northern Trust to the quoted price obtained from Bloomberg, DataStream or other third party sources; and
- we have performed a test of detail on a sample basis of the unquoted pooled investments to the valuations received from the external investment managers.

We identified that in one case the adjustment posted in 2010/11 to the value of the private equity fund for LGT Partners had been included in the change in market value figure again during 2011/12 resulting in an over valuation of the assets held by LGT Partners. An adjustment was posted amounting to £467,000 to change in market value to reduce the valuation to bring it in line with the reported valuation from the custodian. as at 31 March 2012.

# 1. Key audit risks (continued)

## Financial instruments(continued)

### Deloitte response (continued)

In addition it was noted that the audited accounts for the LGT funds again contained modified opinions. The financial statements of the funds included an emphasis of matter paragraph over the valuation of the illiquid investments. We held discussions with the fund manager to satisfy ourselves that the values of the investments are unlikely to contain a material error. Our discussions included gaining a further understanding of the valuation process used and comparing this to the industry standard.

In line with the prior year additional disclosure has been included in the financial statements to give the users of the accounts better information on the risks surrounding this type of investment.

We continue to recommend that the committee annually review the funds audited accounts to satisfy themselves that the valuations provided are sufficiently accurate, see section 2.

Other than the above no issues were identified during our audit procedures.



# 1.Key audit risks (continued)

## Management override of controls

<b>Audit risk</b>	We are required by ISA 240 ‘ The auditors responsibility to consider fraud in an audit of the financial statements’ to presume there is a significant risk of management override of the system of internal control
<b>Deloitte response</b>	<p>Our audit work included:</p> <ul style="list-style-type: none"><li>• we have reviewed analysis and supporting documentation for journal entries, key estimates and judgements;</li><li>• we have performed substantive testing on journal entries to confirm that they have a genuine, supportable rationale;</li><li>• we have reviewed ledgers for unusual items and on a test basis investigated the rationale of any such postings;</li><li>• we have reviewed significant management estimates and judgements such as year end accruals and provisions and consider whether they are reasonable; and</li><li>• we have made enquiries of those charged with governance as part of our planning and detailed audit processes.</li></ul> <p>All testing was completed with satisfactory results.</p>

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## 2. Accounting and internal control systems

### Control observation

During the course of our audit we identified one area for improvement in the internal control system which is detailed below:

#### Review of private equity funds financial statements

<b>Observation</b>	Whilst an annual review process has been implemented to review the annual statements received from the private equity firms, there remains no procedure in place to complete a detailed review of the underlying private equity funds annual audited financial statements. It was again noted that the audit opinion on some of the funds was modified to include an emphasis of matter paragraph raising attention to the possibility the valuation may differ from that shown due to the illiquid market for these securities. This could lead to incorrect valuation of these funds in the pension scheme financial statements.
<b>Recommendation</b>	We recommend that a process is implemented to review annually the audited financial statements for all private equity funds. The committee should consider any issues identified by the auditors and the impact on the scheme should be assessed and disclosure included in the accounts to explain any uncertainties identified.
<b>Management response</b>	Management agree with the intention of the recommendation and will undertake an annual review through the Investment Sub Committee who meet at a time more suitable to the audit timetable.
<b>Owner</b>	Nancy LeRoux

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# 3. Current accounting and regulatory issues

## Upcoming financial reporting developments

For reference, the following developments in the pension industry may impact the governance arrangements and financial statements of the London Borough of Hillingdon. Whilst we appreciate that Local Government Pension Fund are not regulated by the Pensions Regulator we consider their guidance to be indicative of what is currently considered to be best practice in the pensions sector. In addition, whilst the Fund is not a company some information surrounding governance best practice may be of interest.

### **Governance Update - The FRC publishes guidance for Directors on the potential impact of increased country and currency risk on financial reports**

The Financial Reporting Council (FRC) has published 'An Update for Directors of Listed Companies: Responding to increased country and currency risk in financial reports'. Organisations are operating in uncertain and volatile times and country and/or currency risks have seen significant change in the last year. This update aims to support Directors in considering the impact of these risks on their annual reports and guide them in providing a balanced and understandable assessment of the organisation's position and prospects to stakeholders, who are likely to be paying particular attention to these risks and the organisation's response to them.

The update highlights the more significant issues Directors and Audit Committees may wish to use as a starting point in considering the possible implications of the current economic uncertainties to their business. These include:

- exposure to country risk both through financial instruments and exposure to third party providers;
- the impact of austerity measures being implemented in many countries on the entity's forecasts, impairment reviews, assessment of going concern etc;
- consequences of currency events not factored into forecasts but that may nevertheless impact reported disclosures and sensitivity testing of impairment and going concern considerations; and
- whether there is a post balance sheet event requiring disclosure to avoid misleading stakeholders.

### 3. Current accounting and regulatory issues (continued)

#### The new LGPS 2014 project

On 22 December an agreement reached by the Local Government Association (LGA) and local government unions on how to take forward the future reform of the Local Government Pension Scheme (LGPS) in England and Wales was accepted by the Government. The agreement consists of:

- A set of principles covering:
  - The design of a new LGPS.
  - The future management and cost of the scheme.
  - Governance of the LGPS.
    - A timetable for implementing the new scheme by April 2014.
    - A project outline for managing the process of agreeing, by April 2012, the 'big ticket' elements of the new scheme.

During April 2012, following the acceptance by Government of a principles document submitted by the Local Government Association, UNISON and GMB on how to take forward the reform of the Local Government Pension Scheme (LGPS) in England and Wales, a project has been set up to reach agreement on the elements of the new scheme together with the management and governance of the scheme going forward.

Further information is available at:

<http://www.lgps.org.uk/lge/core/page.do?pagelId=15431012>

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### 3. Current accounting and regulatory issues (continued)

#### Pension Schemes and VAT

Despite VAT's establishment as a common, harmonised tax system, there is currently no uniformity across the EU for pension fund management. EU VAT law allows Member States to define a list of "Special Investment Funds" or "SIFS" which can be exempt from VAT. Some Member States treat all pension fund management as taxable (on the basis that pension funds are not SIFS), some as all exempt (as SIFS), with a whole spectrum of positions in between. The UK treats pension fund management as a fully taxable service which is subject to VAT at the standard rate (currently 20%). As a result of this, the majority of pension funds have been incurring significant irrecoverable VAT costs on pension fund management. There are currently two cases reviewing the VAT liability of pension fund management, these are:

- ***Wheels***, looks to challenge whether the UK is lawful in excluding occupational defined benefit schemes from the VAT exemption. Questions have been referred to the CJEU which should provide clarification around the VAT liability of this service.
- ***Fiscale***, is looking to make a wider challenge by questioning whether the management of all pension funds would come within the VAT exemption of SIF management. Questions have not yet been referred to CJEU. However, we expect this to happen shortly.

Where these cases are successful and it is deemed that VAT should never have been charged on pension fund management fees there will be an opportunity for pension funds to recover this VAT which has been overpaid from their investment managers. Therefore, the key point is for a pension funds to ensure it has protected its position by engaging in discussions with its various pension fund managers (as the VAT claim lies with the pension fund manager as the entity that charged VAT and paid this to HMRC). The pension fund needs to check to ensure its pension fund manager has submitted a claim, and continues to submit claims, which covers all relevant periods.

To date, as UK VAT law caps VAT claims to **just four years**, pension funds have been requesting their pension fund managers to submit claims as soon as possible to stop any earlier periods from "falling out of time". However, following the recent CJEU case of *Banca Antoniana*, there could potentially be scope for pension funds to request repayment of overpaid VAT for periods beyond the four year cap, and that the pension fund manager can claim this cost from HMRC to the extent it is not covered by the UK's capped period. However, HMRC have not yet confirmed how they will implement this judgement into UK VAT law and so it is advised that pension funds continue to engage in discussions with its pension fund managers to submit claims

## 4. Other matters for communication

As part of our obligations under International Standards on Auditing (UK & Ireland), we are required to report to you on the matters listed below.

<b>Independence</b>	<p>We consider that we comply with APB Revised Ethical Standards for Auditors and that, in our professional judgement, we are independent and the objectivity of the audit engagement partner and audit staff is not compromised.</p> <p>If the Audit or Pension Committee's wishes to discuss matters relating to our independence, we would be happy to arrange this.</p>
<b>Non-audit services</b>	<p>We are not aware of any inconsistencies between APB Revised Ethical Standards for Auditors and the Administering Authority's policy for the supply of non audit services or of any apparent breach of that policy.</p> <p>Fees payable to the auditors for the audit of the annual accounts of the London Borough of Hillingdon (excluding VAT) have been provided to the audit committee in the report covering the local authority.</p> <p>Our fee is consistent with the scale fee determined by the Audit Commission.</p>
<b>International Standards on Auditing (UK and Ireland)</b>	<p>We consider that there are no additional matters in respect of those items highlighted in our publication "Briefing on audit matters" to bring to your attention that have not been raised elsewhere in this report or our audit plan.</p>
<b>Liaison with internal audit</b>	<p>The Audit team, following an assessment of the independence and competence of the internal auditor, reviewed the findings of internal audits to inform the risk assessment and considered the impact on our audit approach.</p> <p>No adjustments were made to the audit approach as a result of our review of the work of internal audit.</p>
<b>Written representations</b>	<p>A copy of the representation letter to be signed on behalf of the Authority is attached at Appendix 1.</p>
<b>Relationships</b>	<p>There are no relationships (including the provision of non-audit services) we have with the London Borough of Hillingdon, its trustees and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on our objectivity and independence, together with the related safeguards that are in place.</p>

## 5. Responsibility statement

The Audit Commission published a 'Statement of responsibilities of auditors and of audited bodies' alongside the Code of Audit Practice. The purpose of this statement is to assist auditors and audited bodies by summarising where, in the context of the usual conduct of the audit, the different responsibilities of auditors and of the audited body begin and end, and what is expected of the audited body in certain areas. The statement also highlights the limits on what the auditor can reasonably be expected to do.

Our audit plan has been prepared on the basis of, and our audit work carried out in accordance with the Code and the Statement of Responsibilities, copies of which have been provided to the Council by the Audit Commission.

The audit may include the performance of national studies developed by the Audit Commission, where the auditors are required to follow the methodologies and use the comparative data provided by the Audit Commission. Responsibilities for the adequacy and appropriateness of these methodologies and the data rest with the Audit Commission. The audit may also include reviews such as this report which address locally determined risks and issues the scope of which is agreed with management in advance of the work. In this case it is for management to determine whether the scope is adequate and appropriate to their needs.

While our reports may include suggestions for improving accounting procedures, internal controls and other aspects of your business arising out of our audit, we emphasise that our consideration of the Pension Fund's system of internal control was conducted solely for the purpose of our audit having regard to our responsibilities under Auditing Standards and the Code of Audit Practice. We make these suggestions in the context of our audit but they do not in any way modify our audit opinion which relates to the financial statements as a whole. Equally, we would need to perform a more extensive study if you wanted us to make a comprehensive review for weaknesses in existing systems and present detailed recommendations to improve them.

Any conclusion, opinion or comments expressed herein are provided within the context of our opinion on the financial statements and our conclusion on value for money as a whole, which was expressed in our auditors' report.

We view this report as part of our service to you for corporate governance purposes and it is to you alone that we owe a responsibility for its contents. We accept no duty, responsibility or liability to any other person as the report has not been prepared, and is not intended, for any other purpose. It should not be made available to any other parties without our prior written consent.

### **Deloitte LLP**

Chartered Accountants  
St Albans  
07 September 2012

# Appendix 1: Draft representation letter

Deloitte LLP

*Our Ref:*     **MGB/HB/2012**

*Date:*

Dear Sirs

## **London Borough of Hillingdon Pension Fund (the “Fund”)**

This representation letter is provided in connection with your audit of the financial statements of the Fund for the year ended 31 March 2012 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the Fund, in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2011, the financial transactions of the Pension Fund during the year ended 31 March 2012, and the amount and disposition of the Fund's asset and liabilities as at 31 March 2012, other than liabilities to pay pensions and other benefits after the end of the Fund year.

We acknowledge as members of London Borough of Hillingdon Council our responsibilities for ensuring that the financial statements are prepared which give a true and fair view, for keeping records in respect of active members of the Fund and for making accurate representations to you.

We confirm, to the best of our knowledge and belief, the following representations.

1. All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the Fund have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of Officer and Committee member meetings, have been made available to you.
2. We acknowledge our responsibilities for the design, implementation and operation of internal control to prevent and detect fraud and error.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We are not aware of any significant facts relating to any frauds or suspected frauds affecting the Fund involving:
  - (i). management;
  - (ii). employees who have significant roles in internal control; or
  - (iii). others where the fraud could have a material effect on the financial statements.
5. We have disclosed to you our knowledge of any allegations of fraud, or suspected fraud, affecting the Fund's financial statements communicated by members, former members, employers, regulators or others.
6. We are not aware of any actual or possible instances of non-compliance with laws and regulations, the effects of which should be considered when preparing financial statements.



7. Where required, the value at which assets and liabilities are recorded in the net asset statement is, in the opinion of the Authority, the fair value. We are responsible for the reasonableness of any significant assumptions underlying the valuation, including consideration of whether they appropriately reflect our intent and ability to carry out specific courses of action on behalf of the Fund. Any significant changes in those values since the balance sheet date have been disclosed to you.
8. We confirm the completeness of the information provided regarding the identification of related parties, and the adequacy of related party disclosures in the financial statements.  
We have made enquiries of any key managers or other individuals who are in a position to influence, or who are accountable for the stewardship of the Fund and confirm that we have disclosed in the financial statements all transactions relevant to the Fund and we are not aware of any other such matters required to be disclosed in the financial statements, whether under Statement of Recommended Practice – Financial Reports of Pension Funds (revised May 2007) (“Pensions SORP 2007”) or other requirements.
9. We confirm that the financial statements have been prepared on the going concern basis. We do not intend to wind up the Fund. We are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Fund’s ability to continue as a going concern. We confirm the completeness of the information provided regarding events and conditions relating to going concern at the date of approval of the financial statements, including our plans for future actions.
10. You have been informed of all changes to the Fund rules during the year and up to the current date.
11. We have not commissioned advisory reports which may affect the conduct of your work in relation to the Fund’s financial statements.
12. No claims in connection with litigation have been or are expected to be received.
13. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
14. There have been no events subsequent to 31 March 2012 which require adjustment of or disclosure in the financial statements or notes thereto.
15. There have been no irregularities involving management or employees who have a significant role in the accounting and internal control systems or that could have a material effect on the financial statements.
16. The pension Fund accounts and related notes are free from material misstatements, including omissions.
17. The Fund has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
18. The Fund has satisfactory title to all assets.
19. We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent.
20. No transactions have been made which are not in the interests of the members of the Fund during the Fund year or subsequently.
21. We confirm that:
  - all retirement benefits and Funds, including UK, foreign, funded or unfunded, approved or unapproved, contractual or implicit have been identified and properly accounted for;
  - all settlements and curtailments have been identified and properly accounted for;

- all events which relate to the determination of pension liabilities have been brought to the actuary's attention;
- the actuarial assumptions underlying the valuation of the Fund liabilities (including the discount rate used) accord with the directors' best estimates of the future events that will affect the cost of retirement benefits and are consistent with our knowledge of the business;
- the actuary's calculations have been based on complete and up to date member data as far as appropriate regarding the adopted methodology; and
- the amounts included in the financial statements derived from the work of the actuary are appropriate.

22. All trades in complex financial instruments are in accordance with our risk management policies, have been conducted on an arm's length basis and have been appropriately recorded in the accounting records, including consideration of whether the complex financial instruments are held for hedging, asset/liability management or investment purposes. None of the terms of the trades have been amended by any side agreement and no documentation relating to complex financial instruments (including any embedded derivatives and written options) and other financial instruments has been withheld.
23. We confirm that the Pension Fund Annual Report is compliant with the requirements of Regulations 34(1)(e) of the Local Government Pension Fund (Administration) Regulations 2008 and related guidance.
24. We confirm that the information that is contained within the Pension Fund Annual Report and Accounts for the year to 31 March 2012 is complete, accurate and consistent with the information that is contained within the Accounts.

We confirm that the above representations are made on the basis of adequate enquiries of other officials of the Fund (and where appropriate, inspection of evidence) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully

Signed on behalf of London Borough of Hillingdon

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