

Report by the Chair
of the Finance Committee
of the meeting on 13 – 14 June 2017

Annual Progress Report – Comments by the FC and the AC

Audit Committee

- The Internal Audit service/ the management has made good progress in closing a number of open high-priority recommendations
- Unscheduled assignments could throw the schedule off course - limited resources.

Finance Committee

- FC decided, by unanimous vote of the delegations present, to recommend that the Council approve the 2016 Annual Progress Report
- FC voiced satisfaction with the expanded section on Key Performance Indicators

Financial Statements of CERN for 2016

Audit Committee

- The AC wishes to reiterate to the PFGB, the Finance Committee and the Council the importance of their continuous monitoring of the impact of the package of measures adopted in 2010-2011 regarding the long-term liabilities of the Fund.
- Letter to the CERN Management on the Financial Statements of the Organization from the External Auditors: five observations;
 - three of these have been accepted by the Management,
 - one will be the object of further discussions with the Auditors and
 - one remains outstanding (relating to the possible adoption of the COSO framework across the whole of CERN).

Finance Committee

- FC unanimously decided to recommend that the Council
 - to approve the 2016 Financial Statements set out in document CERN/FC/6117-CERN/3303 and
 - to grant discharge to the Director-General.
 - Report by the External Auditors on the Financial Statements of CERN
 - Recommendations from the External Auditors to the CERN Management on the Financial Statements of CERN and Comments from the CERN Management

Financial Statements of the CERN Pension Fund for 2016

Audit Committee

- Congratulations to the Pension Fund Management Unit on the progress made in the implementation of previous audit findings and recommendations, and on the absence of any significant new observations.
- The AC wishes to reiterate to the PFGB, the Finance Committee and the Council the importance of their continuous monitoring of the impact of the package of measures adopted in 2010-2011 regarding the long-term liabilities of the Fund.

Financial Committee

Annual Report and Financial Statements of the CERN Pension Fund for the year 2016: and unanimously decided to recommend that the Council:

- to approve the Financial Statements of the CERN Pension Fund for the 2016 financial year, and
- to grant discharge to the Pension Fund Governing Board.
- The Finance Committee expressed appreciation to the External Auditors for their work on the Annual Reports and Financial Statements of both CERN and its Pension Fund.
- Delegations voiced appreciation for the decrease in the investment management fees and encouraging the Management Unit to pursue its efforts in that direction