

EY – 2016/17 PENSION FUND ANNUAL AUDIT PLAN

Contact Officers

Sian Kunert, 01895 556578

Papers with this report

EY Audit Plan

SUMMARY

The attached document sets out the initial plans for the audit of the Pension Fund Accounts 2016/17 by our external auditors EY. The format of the plan follows that prescribed by the Audit Commission for external audit work. The plan sets out the approach to the audit and a broad timetable which should enable the whole process to be completed by early September.

RECOMMENDATIONS

The Committee is asked to note the report.

REASONS FOR OFFICER RECOMMENDATIONS

The Committee needs to be made aware of the plans for the audit of the 2016/17 accounts.

COMMENT ON THE CONTENT OF THE PENSION FUND AUDIT PLAN

Materiality: Materiality is calculated on the basis of 1% of the net assets of the fund which for 2016/17 is estimated as £8.102m (2015/16 £8.0m). Based on this amount, EY would expect to report on all unadjusted misstatements greater than £0.4m (2016 £0.4m).

Key Financial Statement Risks: The plan highlights the key financial statement, these being the main areas on which specific audit work will focus. They are as follows:

- Risk of incorrect valuation of investments
- Risk of management override
- Risk of error due to change in Pension Fund administrator
- Accounting for changes in investment managers

TIMETABLE

The main timetable remains unchanged with the deadline for draft accounts being 30 June and the audit opinion due by 30 September 2017.

FEES

The proposed fees for the 2016/17 audit are £21k, no change from 2015/16.

LEGAL IMPLICATIONS

There are no legal implications arising from this report.

BACKGROUND PAPERS

None