

Report to: **Audit, Best Value and Community Services Scrutiny Committee**

Date: **15 March 2016**

By: **Chief Operating Officer**

Title of report: **External Audit Plan for East Sussex Pension Fund 2015/16**

Purpose of report: **To inform the Committee of the content of the Pension Fund External Audit Plan for 2015/16**

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## **RECOMMENDATIONS**

**The Committee is recommended to consider and comment upon the External Audit Plan for the East Sussex Pension Fund for 2015/16.**

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### **1. Background**

1.1 The Plan confirms the core external audit fee as £26,607. This is unchanged from the 2014/15 fee. The fee is based on a number of assumptions, including the Council providing the auditors with complete and materially accurate financial statements, with good quality supporting working papers, within agreed timeframes. The audit fee is charged to the Pension Fund and not to the Council itself.

### **2. Supporting Information**

2.1 The attached Pension Fund external audit plan set out in more detail the work the external auditors will conduct in order to audit the Pension Fund's 2015/16 accounts. The Plan reflects relevant issues that have arisen as a result of the audit of the 2014/15 Pension Fund accounts and other work carried out by KPMG.

2.2 KPMG's initial assessment has not identified any significant risks that are specific to the Pension Fund. Areas of audit focus, either due to their size, level of judgement or their influence on other balances within the financial statements, are:

- LGPS accounting treatment;
- Management override of controls.

### **3. Conclusion and reasons for recommendations**

3.1 KPMG's overall audit approach remains similar to last year with no fundamental changes. Officers will continue to liaise with KPMG to ensure that their work is delivered as efficiently and effectively as possible and that internal and external audit plans are complementary and make best use of audit resources. The Plan will be reported to the Pension Committee for approval on 31 May 2016.

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Local Member(s): All  
Background Documents  
None