

Report to: **Pension Committee**

Date of meeting: **18 July 2016**

By: **Chief Finance Officer**

Title: **Independent Auditor's (KPMG) Report to those charged with governance and Annual Report 2015/16**

Purpose: **To present the KPMG report to those charged with governance, and to report on anticipated unqualified audit opinion on the 2015/16 Pension Fund Annual Report**

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## **RECOMMENDATIONS**

**The Committee is recommended to:**

**(1) Note the Independent Auditor's (KPMG) report to those charged with governance on Pension Fund Annual Report 2015/16.**

**(2) Approve the Pension Fund Annual Report for publication.**

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### **1. Background**

1.1 This report summarises the key findings arising from KPMG final audit work in relation to the Pension Fund - 2015/16 Annual Report.

### **2. Supporting Information**

2.1 The Pension Committee at its meeting on 31 May 2016 received the draft Annual Report and Accounts of the Pension Fund for the year ended 31 March 2016, in line with the statutory requirement to prepare the accounts and that the draft accounts are presented to Members.

2.2 KPMG LLP is obliged to produce a report to those charged with governance on the Pension Fund annual report/accounts (Appendix 1), which formally reports on the outcome of the final audit of the financial statements.

2.3 The auditor report requires publication of more detailed points, which in the past were treated as routine technical matters between officers and the auditors. As it happens, on this occasion there are few such points.

### **3. Changes to ESCC Statement of Accounts**

3.1 The Chief Finance Officer on 31 May 2016 formally approved the draft Pension Fund Accounts, in line with the Accounts and Audit 2015 Regulations. Since then the final audit has been carried out by the Council's External Auditor (KPMG), who is expected to issue an unqualified "true and fair" audit opinion. The Regulations require me to report on changes to the accounts before they can be published.

3.2 Subject to any issues been identified by the auditor between the issue of this report and the meeting, I am able to report that the auditors propose to issue an unqualified opinion.

3.3 As in any year, few presentational adjustments arising from normal audit work have been noted, discussed, and resolved as stated on page 8 of the report, and KPMG have not identified any control findings or recommendations in the course of 2015/16 audit that need to be reported to this committee.

3.4 The Pension Fund Annual Report is attached as Appendix 2, and the legal deadline for publishing the 2015/16 Annual Report is 1 December 2016.

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

4.1 The committee is recommended to note the Independent Auditor's (KPMG) report to those charged with governance, and approve the 2015/16 Pension Fund Annual Report for publication.

**MARION KELLY**  
**Chief Finance Officer**

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#### Background Documents

None