

RESPONSE TO THE AUDIT RESULTS REPORT 2016/17 – PENSION FUND

Report of the Assistant Director, Finance

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Executive Member: David Williams, Executive member for Resources

1. Purpose of report

- 1.1 To provide the Committee with a response to Ernst & Young's draft Audit Results Report for the Pension Fund presented as a separate agenda item to this meeting.

2. Response to the Annual Governance Report

- 2.1 Ernst & Young LLP have issued a draft Audit Results Report for the Pension Fund following the audit of the 2016/17 annual report and accounts. Officers are pleased to report that there are no recommendations and the auditors are expected to confirm an unqualified opinion on the accounts. The report is in a draft form at present as we await final sign off.
- 2.2 The audit identified a small number of minor disclosure errors which have been agreed with management for amendment. The Auditor did not consider any of these significant and therefore did not provide further detail of these amendments in their report.

3. Letter of Representation

- 3.1 It is an annual requirement (set out on Page 5 of the Auditor's draft report) for a letter of representation from management to be prepared in order to gain management's confirmation in relation to a number of matters, for which the auditor does not currently have sufficient audit evidence. A draft is attached at Appendix A to this report for members to review. This letter is to be signed by the Director of Resources and the Chairman of the Audit Committee.

4. Recommendation

- 4.1 That the response to the Audit Results Report 2016/17 for the Pension Fund is approved, and that the Letter of Representation is signed by the Director of Resources and Chairman of the Audit Committee.