



PAPER E

Purpose: For Noting

Committee report

Committee	ISLE OF WIGHT PENSION FUND COMMITTEE
Date	20 MAY 2016
Title	EXTERNAL AUDIT PLAN 2015-16 – ISLE OF WIGHT COUNCIL PENSION FUND
Report of	TECHNICAL FINANCE MANAGER

EXECUTIVE SUMMARY

1. This report introduces the plan for the audit of the Isle of Wight Council Pension Fund's accounts for the year ended 31 March 2016 from its external auditors, Ernst & Young LLP. This report was presented, by Ernst & Young, to the audit committee meeting on 9 May 2016.
2. The committee is asked to note the report.

BACKGROUND

3. The council's external auditors have a number of obligations placed upon them to review and report on a range of specific issues throughout the year. The attached appendix provides the committee with draft plan for external audit activity for the pension fund in relation to the current financial year.
4. At the date of publication of these papers, the audit plan is still subject to review by the Executive Director in the UK Pensions team. Any changes to the audit plan following this review will be presented to the committee at the meeting today.

STRATEGIC CONTEXT

5. The external audit of the council, including the pension fund, represents a significant element of the council's overall corporate governance.

CONSULTATION

6. Consultation about the draft audit plan has taken place with the council's Director of Finance and section 151 officer and the Technical Finance Manager.

FINANCIAL / BUDGET IMPLICATIONS

7. The plan set out the charge to be made by the external auditors as follows:

	Planned fee 2015-16	Actual fee 2014-15
Isle of Wight Council Pension Fund	21,085	21,085

LEGAL IMPLICATIONS

- The Local Audit and Accountability Act 2014 (the 2014 Act) closes the Audit Commission and repeals the Audit Commission Act 1998. The 2014 Act requires the Comptroller and Auditor General to prepare a code of audit practice which auditors must follow. This plan is prepared on the basis of the continued application of the National Audit Office's 2015 Code of Audit Practice throughout the 2015-16 audit.
- In auditing the accounts of the pension fund, the auditor must, by examination of the accounts and otherwise, provide an audit opinion on whether the financial statements of Isle of Wight Council Pension Fund give a true and fair view of the financial position as at 31 March 2016 and of the income and expenditure for the year then ended.

EQUALITY AND DIVERSITY

- The council has a legal duty under the Equality Act 2010 to seek to eliminate discrimination, victimisation and harassment in relation to age, disability, gender re-assignment, pregnancy and maternity, race, religion, sex, sexual orientation and marriage and civil partnership. Following an initial screening it is considered that there are no direct equality and diversity implications of this report for any of the protected groups.

RISK MANAGEMENT

- There are no risk issues in relation to this report as the appendix is for noting only.

RECOMMENDATION

- Members are asked to note the contents of the auditor's plan for the audit of the pension fund's 2015-16 accounts.

APPENDICES ATTACHED

- [Appendix A](#) – Isle of Wight Council Pension Fund draft audit plan.

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