

A photograph of four business professionals (three men and one woman) sitting around a glass conference table in a modern office. They are all dressed in business attire (shirts and ties). One man on the left is gesturing with his hand while speaking. A laptop is open on the table, and there are several white coffee cups. The background shows a blurred cityscape through a window.

# CAMBRIDGESHIRE COUNTY COUNCIL PENSION FUND

## ISA260 AUDIT COMPLETION REPORT TO THE AUDIT AND ACCOUNTS COMMITTEE

Audit for the year ended 31 March 2017

12 October 2017

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# SUMMARY

## AUDIT SCOPE AND OBJECTIVES

Audit status	We have substantially completed our audit procedures in accordance with the planned scope and our objectives have been achieved, subject to resolution of matters set out in the outstanding matters section below.
Audit risks	No additional significant audit risks were identified during the course of our audit procedures subsequent to our audit plan to you dated 13 April 2017.
Materiality	Our final materiality is £28.536 million for the net asset statement, £12.0 million for the fund account and £6.422 million for contributions specifically. We have increased our materiality from £27.0 million to £28.536 million for the net asset statement as a result of the significant increase in valuation of investment asset year end. We also increased our specific contributions materiality from £6.0 million to £6.422 million as a result of the increased level of contributions at the yearend; the original materiality calculations were performed on the prior year signed financial statements.
Changes to audit approach	There were no significant changes to our planned audit approach nor were any restrictions placed on our audit.

## KEY AUDIT AND ACCOUNTING MATTERS

Material misstatements	Our audit identified no material misstatements. Management has made a number of presentational corrections and amendments to disclosures as a result of the audit.
Unadjusted audit differences	Please see Appendix I for the errors which have been identified during the audit which remain unadjusted.
Control environment	Our audit identified no significant deficiencies in internal controls.

# SUMMARY

## AUDIT OPINION

Financial statements	Subject to the successful resolution of outstanding matters set out on page 5, which are largely procedural, we anticipate issuing an unmodified opinion on the financial statements for the year ended 31 March 2017.
Pension fund annual report	Our review of the separate pension fund annual report is similarly complete, and we anticipate issuing an unmodified consistency opinion on the financial statements for the year ended 31 March 2017.

## OTHER MATTERS FOR THE ATTENTION OF THE AUDIT AND ACCOUNTS COMMITTEE

Audit independence	Our observations on our audit independence and objectivity and related matters are set out in Appendix IV.
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# INTRODUCTION

## PURPOSE AND USE OF THIS REPORT

We present our report to the Audit And Accounts Committee, which details the key findings arising from the audit for the attention of those charged with governance. It forms a key part of our communication strategy with you, a strategy which is designed to promote effective two way communication throughout the audit process.

As auditors we are responsible for performing our audit in accordance with International Standards on Auditing (UK & Ireland) which provide us with a framework which enables us to form and express an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management nor those charged with governance of their responsibilities for the preparation of the financial statements.

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed primarily for the purpose of expressing our opinion on the financial statements. As the purpose of the audit is for us to express an opinion on the financial statements, you will appreciate that our audit cannot necessarily be expected to disclose all matters that may be of interest to you and, as a result, the matters reported may not be the only ones which exist. As part of our work, we considered internal control relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

This report has been prepared solely for the use of the Audit And Accounts Committee. In preparing this report we do not accept or assume responsibility for any other purpose or to any other person.

We would like to thank staff for their co-operation and assistance during the audit and throughout the period.

## AUDIT QUALITY

BDO is totally committed to audit quality. It is a standing item on the agenda of BDO's Leadership Team who, in conjunction with the Audit Stream Executive (which works to implement strategy and deliver on the audit stream's objectives), monitor the actions required to maintain a high level of audit quality within the audit stream and address findings from external and internal inspections. BDO welcome feedback from external bodies and is committed to implementing necessary actions to address their findings.

We recognise the importance of continually seeking to improve audit quality and enhancing certain areas. Alongside reviews from a number of external reviewers, the AQR (the Financial Reporting Council's Audit Quality Review team), QAD (the ICAEW Quality Assurance Department) and the PCAOB (Public Company Accounting Oversight Board who oversee the audits of US firms), the firm undertake a thorough annual internal Audit Quality Assurance Review and as member firm of the BDO International network we are also subject to a quality review visit every three years. We have also implemented additional quality control review processes for all listed and public interest audits.

More details can be found in our latest Transparency Report at [www.bdo.co.uk](http://www.bdo.co.uk).

# OUTSTANDING MATTERS

We have substantially completed our audit work for the year ended 31 March 2017, and anticipate issuing an unmodified opinion on the financial statements.

The following matters are outstanding at the date of this report. We will update you on their current status at the Audit and Accounts Committee meeting at which this report is considered:

**1** Subsequent events review

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**2** Final review and approval by you of the financial statements, including the management representation letter attached in Appendix VI

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# KEY AUDIT AND ACCOUNTING MATTERS

AUDIT RISKS

We assessed the following matters as significant audit risks, as identified in our earlier audit plan.  
Below we set out how these risks have been addressed and the outcomes of our procedures.

Key: ■ Significant risk ■ Normal risk ■ Other issue

AUDIT AREA		RISK DESCRIPTION	HOW RISK WAS ADDRESSED BY OUR AUDIT	AUDIT FINDINGS AND CONCLUSION
1	Management override of controls	<p>Under International Standards on Auditing (UK and Ireland) 240, there is a presumed significant risk of management override of the system of internal controls.</p> <p>The primary responsibility for the detection of fraud rests with management. Their role in the detection of fraud is an extension of their role in preventing fraudulent activity. They are responsible for establishing a sound system of internal control designed to support the achievement of the fund's policies, aims and objectives and to manage the risks facing the fund; this includes the risk of fraud.</p>	<p>Our response to this risk included:</p> <ul style="list-style-type: none"><li>• testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements</li><li>• reviewing accounting estimates for biases and evaluating whether the circumstances producing the bias, if any, represent a risk of material misstatement due to fraud</li><li>• obtaining an understanding of the business rationale for significant transactions that are outside the normal course of business for the entity or that otherwise appear to be unusual.</li></ul>	<p>Our audit work did not identify any significant issues.</p> <p>We have not found bias in accounting estimates. See page 15 for our findings regarding the reasonableness of significant management estimates.</p> <p>No unusual or transactions outside of the normal course of business were identified.</p>

## KEY AUDIT AND ACCOUNTING MATTERS

AUDIT AREA	RISK DESCRIPTION	HOW RISK WAS ADDRESSED BY OUR AUDIT	AUDIT FINDINGS AND CONCLUSION
<p><b>2</b> Fair value of investments (unquoted investments - excluding Cambridge &amp; Counties Bank)</p>	<p>The investment portfolio includes unquoted investment holdings valued by the fund manager. The valuation of these assets may be subject to a significant level of assumption and estimation and valuations may not be based on observable market data.</p> <p>In some cases, the valuations are provided at dates that are not coterminous with the pension fund's year end and need to be updated to reflect cash transactions (additional contributions or distributions received) since the latest available valuations.</p> <p>As a result, we consider there to be a significant risk that investments are not appropriately valued in the financial statements.</p> <p>The valuation of Cambridge &amp; Counties Bank is considered separately as a non-significant risk below.</p>	<p>We have obtained direct confirmation of investment valuations from the fund managers.</p> <p>Where the financial statement date supporting the valuation is not coterminous with the pension fund's year end, we have confirmed that the appropriate adjustments have been made to the valuations in respect of additional contributions and distributions with the funds.</p> <p>We have reviewed the methods and assumptions used and considered whether investments have been correctly valued in accordance with relevant accounting policies.</p>	<p>We have reconciled the valuations to direct confirmations from the investment managers and reviewed the basis used to value these.</p> <p>We have concluded that the valuation basis used appears reasonable and the values are not materially misstated. We identified an immaterial variance arising from the fact that some investment reports used during the preparation of financial statements were not coterminous with year-end see Appendix I journal 2</p>



## KEY AUDIT AND ACCOUNTING MATTERS

AUDIT AREA	RISK DESCRIPTION	HOW RISK WAS ADDRESSED BY OUR AUDIT	AUDIT FINDINGS AND CONCLUSION
3 Revenue recognition (CCC contributions)	<p>Under International Standard on Auditing 240 “The Auditor’s responsibility to consider fraud in an audit of financial statements” there is a presumption that income recognition presents a fraud risk. We have rebutted this presumed significant risk as the majority of income is from contributions, which is a highly controlled stream (with limited subjectivity or opportunity for manipulation), and levels of contributions are set by the scheme actuary.</p> <p>However, the majority of contributions are from a single employer, Cambridge County Council (CCC). Therefore, there is a risk that manipulation may occur within the CCC contributions, but this is not regarded as significant. We have scoped out from this specific risk the contributions received from other bodies, as it would require significant manipulation of multiple bodies for any misstatement to be material.</p>	<p>We have undertaken substantive testing of contributions receivable by the fund from CCC, on a sample basis, to verify the monthly contributions received by the pension fund and traced these back to returns issued to the pension fund and the employer payroll records.</p> <p>For a sample of individual members, we have verified their inclusion in the employer payroll and confirmed that employer contribution rates are in line with the latest rates set by the actuary, and member rates are in accordance with the LGPS Contributions Table.</p>	Our testing has not identified any issues with the timings of contributions receivable to the fund or the accuracy of the amounts paid by the employer or employee.

AUDIT AREA	RISK DESCRIPTION	HOW RISK WAS ADDRESSED BY OUR AUDIT	AUDIT FINDINGS AND CONCLUSION
4	<p>Fair value of investments (Cambridgeshire and Counties Bank)</p>	<p>The investment in Cambridge &amp; Counties Bank (CCB) is unquoted and is valued by an external valuer appointed by the fund (Grant Thornton). The valuation of the investment is based upon the unquoted results of the bank and includes an element of assumption and estimation.</p> <p>There is a risk that investments may not be appropriately valued and correctly recorded in the financial statements. However, from our experience gained by reviewing the valuation basis in the prior year, and our expectation that the same basis will be applied this year, we have concluded this does not present a significant risk of misstatement.</p>	<p>We have reviewed the valuation of the bank completed by the external valuer and the significant assumptions made in this valuation. As part of this we have consulted with our own valuation specialists to help assess the reasonableness of the valuation.</p> <p>We have ensured that the investments have been correctly valued in accordance with the relevant accounting policies.</p> <p>Our testing has not identified any issues with the valuation of Cambridgeshire and Counties Bank at year end and it has been concluded that the valuation has been accounted for in accordance with the relevant accounting.</p>
5	<p>Pension liability assumptions</p>	<p>An actuarial estimate of the pension fund liability to pay future pensions is calculated by an independent firm of actuaries with specialist knowledge and experience. The estimate is based on the most up to date membership data held by the pension fund and has regard to local factors such as mortality rates and expected pay rises along with other assumptions around inflation when calculating the liability.</p> <p>There is a risk the valuation uses inappropriate assumptions to value the liability.</p>	<p>We have reviewed the controls in place at the Pension Fund to ensure that the data provided to the actuary is complete and accurate.</p> <p>We have reviewed the reasonableness of significant assumptions used in the calculations against other local government pension fund actuaries and other observable data.</p> <p>We have agreed the disclosure to the information provided by the actuary.</p> <p>No issues have been identified in our review of the assumptions used and our work on accounting estimates has not identified any evidence of bias.</p>

# KEY AUDIT AND ACCOUNTING MATTERS

**OTHER ISSUES**

We comment below on other issues identified in the course of our audit, of which we believe you should be aware:

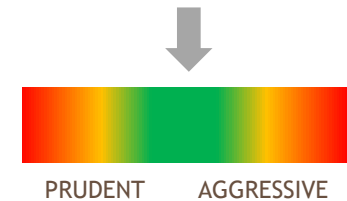
AUDIT AREA		AUDIT FINDINGS
6	Monthly PEN18 contributions	<p>PEN18s are not always received monthly from employers. When this is the case, no accrual is posted for the expected contributions. For example, we tested contributions from one employer for the month of April 2016, but the respective PEN18 was not received until January 2017, so the month 9 ledger (used during the interim audit) did not include contributions in respect of April 2016 for that employer. In addition, this was also noted during our completeness testing carried out over contributions at the year end. This relates to the unadjusted error identified and shown in Appendix I.</p> <p>We recommend that management push employers to submit the PEN18's on time and where these are late an accrual should be input based on management's best estimate. We suggest that this would be based on the previous month's contributions for that employer.</p>

# KEY AUDIT AND ACCOUNTING MATTERS

## ACCOUNTING ESTIMATES

Our views on significant estimates arrived at in the preparation of your financial statements are set out below:

ESTIMATES		COMMENT			
13	PENSION LIABILITY ASSUMPTIONS	The actuary has used the following assumptions to value to future pension liability. Whilst this figure is not part of the Fund’s primary statements, it is disclosed in the accounts and is, of course, included within the primary statements of the Administering Authority and member bodies.			
	We compared the assumptions used by the scheme actuary with assumptions used by other local government actuaries to assess the reasonableness of the assumptions and impact on the calculation of the present value of estimated future pension payments.	We have compared these to the expected range used by your actuary and the assessment provided by PwC consulting actuary as to whether the range is reasonable:			
			Actuary Range	Applied	PwC assessment of actuary range to market expectations
		RIP increase	3.4%	3.4%	Reasonable
		CPI increase	2.4%	2.4%	Reasonable
		Salary increase	2.7%	2.7%	Reasonable
		Pension increase	2.4%	2.4%	Reasonable
		Discount rate	2.5-2.7%	2.6%	Reasonable
		Mortality			
		Male - current	21.5 - 22.8	22.4 years	Reasonable
		Female - current	24.1 - 25.1	24.4 years	Reasonable
		Male - retired	23.7 - 24.4	24.0 years	Reasonable
		Female - retired	26.2 - 26.9	26.3 years	Reasonable
Commutation	50%	50%	Reasonable		



# OTHER REPORTING MATTERS

We comment below on other reporting required to be considered in arriving at the final content of our audit report:

MATTER		COMMENT
14	Pension fund annual report	We are required to review the pension fund annual report and report on the consistency of the pension fund financial statements within the annual report with the pension fund financial statements in the statement of accounts. Our review of the separate pension fund annual report is in progress and we will provide an oral update on the findings to the Audit And Accounts Committee.

## CONTROL ENVIRONMENT

We are required to report to you, in writing, significant deficiencies in internal control that we have identified during the audit. These matters are limited to those which we have concluded are of sufficient importance to merit being reported to you.

As the purpose of the audit is for us to express an opinion on the financial statements, you will appreciate that our audit cannot necessarily be expected to disclose all matters that may be of interest to you and, as a result, the matters reported may not be the only ones which exist. As part of our work, we considered internal control relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

We did not identify any significant deficiencies in internal controls during the audit.

However, we identified during our review of the pension system upgrade that there was no formal documentation of test results during system upgrade or system programme changes prior to implementation to live environment. There is a risk that errors may occur in the live environment without proper testing which may adversely affect the completeness and accuracy of key information and data.

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## APPENDICES

## APPENDIX I: AUDIT DIFFERENCES

We are required to bring to your attention audit differences identified during the audit, except for those that are clearly trivial, that the Audit And Accounts Committee is required to consider. This includes: audit differences that have been corrected by management; and those that remain uncorrected along with the effect that they have individually, and in aggregate, on the financial statements.

### ADJUSTED AUDIT DIFFERENCES

Our audit has not identified any material misstatements. Management has made a number of presentational corrections and amendments to disclosures as a result of the audit.

### UNADJUSTED AUDIT DIFFERENCES

	£'000	PENSION FUND ACCOUNT		NET ASSET STATEMENT	
		DR £'000	CR £'000	DR £'000	CR £'000
DR Accrued income (contributions)				640	
CR Contributions			640		
(1) Being the omission of accrued contributions due to late PEN18s.					
DR Investments				6,480	
CR Changes in market values of investments			6,480		
(2) Being Variances are arising from Investment reports used during the preparation of financial statements not being coterminous with year-end and therefore estimates were made.					

### UNADJUSTED DISCLOSURE MATTERS

The following unadjusted disclosure matter was noted:

Cash held by the Custodian amounting to £23m is being included within individual fund managers totals, rather than separately.



## APPENDIX II: RECOMMENDATIONS AND ACTION PLAN

Key: ■ Significant deficiency in internal control ■ Other deficiency in internal control ■ Other observations

AREA	OBSERVATION AND IMPLICATION	RECOMMENDATION	MANAGEMENT RESPONSE	RESPONSIBLE OFFICER	TIMING
FINANCIAL STATEMENTS					
Late/missing PEN18's	<p>PEN18s are not always received monthly from employers. When this is the case, no accrual is posted for the expected contributions. For example, we tested contributions from one employer for the month of April 2016, but the respective PEN18 was not received until January 2017, so the month 9 ledger (used during the interim audit) did not include contributions in respect of April 2016 for that employer.</p> <p>In addition this issue was also noted during our completeness testing carried out over contributions at the year end. An unadjusted error is included in Appendix I in respect of this.</p>	We recommend that management push employers to submit the PEN18s on time and where these are late an accrual should be input based on management's best estimate; this would likely be based on the previous month's contributions for that employer.	<p>Late receipt of PEN18s are logged monthly and reported to the Pension Committee quarterly. There is an escalation process agreed by the Pension Committee for employers who provide PEN18s late. An average of 96% are received on time and we believe that the current process is appropriate.</p> <p>Accruals are made at year end based upon cash received during April in respect of March contributions and, together with controls over the receipt of PEN18s, we ensure that contributions are recorded in the correct accounting period.</p>	Ben Barlow	Implemented

## APPENDIX III: MATERIALITY

MATERIALITY - FINAL AND PLANNING		
	FINAL	PLANNING
Pension fund overall materiality	£28.536 million	£27.0 million
Fund account specific materiality	£12.0 million	£12.0 million
Contributions specific materiality	£6.422 million	£6.0 million
<b>Clearly trivial threshold:</b>		
Pension fund overall	£540,000	£570,000
Fund account specific	£240,000	£240,000
Contributions specific	£120,000	£128,000
<p>Planning materiality for the pension fund financial statements was based on 1% of prior year net assets. Contributions specific materiality was set on 5% of prior year contributions for the fund account. These were updated for actual amounts reported in the draft financial statements.</p>		

# APPENDIX IV: INDEPENDENCE

We confirm that the firm complies with the Financial Reporting Council’s Ethical Standards for Auditors and, in our professional judgement, is independent and objective within the meaning of those Standards.

In our professional judgement the policies and safeguards in place ensure that we are independent within the meaning of all regulatory and professional requirements and that the objectivity of the audit engagement lead and audit staff is not impaired. These policies include engagement lead and manager rotation, for which rotation is required after 5 years and 10 years respectively.

INDEPENDENCE - ENGAGEMENT TEAM ROTATION	
Senior team members	Number of years involved
David Eagles - Engagement lead	2
Stephanie Bettinson - Audit manager (final)	1
Paul Jack - Audit Manager (planning and interim)	2
Archie Rwavazhinji - Audit Assistant Manager (final and ongoing)	1

We are not aware of any financial, business, employment or personal relationships between the audit team, BDO and the Council.

## APPENDIX V: FEES SCHEDULE

	2016/17 FINAL PROPOSED £	2016/17 PLANNED £	2015/16 FINAL £
Code audit fee	22,410	22,410	22,410
TOTAL AUDIT	22,410	22,410	22,410
Fees for other non-audit services	-	-	-
TOTAL ASSURANCE SERVICES	22,410	22,410	22,410

## APPENDIX VI: DRAFT REPRESENTATION LETTER

TO BE TYPED ON CLIENT HEADED NOTEPAPER

BDO LLP  
16 The Havens  
Ransomes Europark  
Ipswich  
Suffolk  
IP3 9SJ

[DATE]

Dear Sirs

### Financial statements of Cambridgeshire County Council Pension Fund for the year ended 31 March 2017

We confirm that the following representations given to you in connection with your audit of the pension fund's financial statements for the year ended 31 March 2017 are made to the best of our knowledge and belief, and after having made appropriate enquiries of other officers and members of the Fund.

The Chief Finance Officer has fulfilled his responsibilities for the preparation and presentation of the financial statements as set out in the Accounts and Audit Regulations 2015 and Statement of Responsibilities of auditors and of audited bodies: local government issued by Public Sector Audit Appointments (PSAA), and in particular that the financial statements give a true and fair view of the financial transactions of the scheme and the amount and disposition at the end of the year of its assets and liabilities, other than the liabilities to pay pensions and benefits after the end of the year in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code) and for making accurate representations to you.

We have fulfilled our responsibilities on behalf of the Fund, as set out in the Accounts and Audit Regulations 2015, to make arrangements for the proper administration of the pension fund's financial affairs, to conduct a review at least once in a year of the effectiveness of the system of internal control and approve the Annual Governance Statement, to approve the Statement of Accounts (which include the financial statements), and for making accurate representations to you.

We have provided you with unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence. In addition, all the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the Council have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management and other meetings have been made available to you.

In relation to those laws and regulations which provide the legal framework within which the pension fund's business is conducted and which are central to our ability to conduct our business, we have disclosed to you all instances of possible non-compliance of which we are aware and all actual or contingent consequences arising from such instances of non-compliance.

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## APPENDIX VI: DRAFT REPRESENTATION LETTER

There have been no events since the balance sheet date which either require changes to be made to the figures included in the financial statements or to be disclosed by way of a note. Should any material events of this type occur, we will advise you accordingly.

We are responsible for adopting sound accounting policies, designing, implementing and maintaining internal control, to, among other things, help assure the preparation of the financial statements in conformity with international financial reporting standards and preventing and detecting fraud and error.

We have considered the risk that the financial statements may be materially misstated due to fraud and have identified no significant risks.

To the best of our knowledge we are not aware of any fraud or suspected fraud involving members of the Fund, management or employees. Additionally, we are not aware of any fraud or suspected fraud involving any other party that could materially affect the financial statements.

To the best of our knowledge we are not aware of any allegations of fraud or suspected fraud affecting the financial statements that have been communicated by members of the Fund, employees, former employees, analysts, regulators or any other party.

We have disclosed to you the identity of all related parties and all the related party relationships and transactions of which we are aware. We have appropriately accounted for and disclosed such relationships and transactions in accordance with the applicable financial reporting framework.

We have no plans or intentions that may materially affect the carrying value and, where relevant, the fair value measurement, or classification of assets or liabilities reflected in the financial statements.

The value at which investment assets are recorded in the net assets statement is the market value. We are responsible for the reasonableness of any significant assumptions underlying the valuations, including consideration of whether they appropriately reflect our intent and ability to carry out specific courses of action on behalf of the scheme. Any significant changes in those values since the year end date have been disclosed to you.

None of the assets of the scheme has been assigned, pledged or mortgaged.

We confirm that we have not been made aware of any concerns over the operations of the fund managers that could indicate that the controls as described in the assurance reports for each fund manager relating to the existence and valuation of investments held on behalf of the pension fund, where this does not cover the period to 31 March 2017, have materially changed or may not be suitable designed to provide reasonable assurance over the existence and valuation of the pension fund's investments.

The following key assumptions have been used to calculate the actuarial present value of future pension benefits disclosed in the financial statements:

- RPI increase: 3.4%
- CPI increase: 2.4%
- Salary increase: 2.7%
- Pension increase: 2.4%
- Discount rate: 2.6%
- Mortality: male current 22.4 years, female current 24.4 years, male retired 24.0 years and female retired 26.3 years
- Commutation take up: 50%

We consider these assumptions to be appropriate for the purposes of estimating the pension liability in accordance with the Code and IAS 19.

## APPENDIX VI: DRAFT REPRESENTATION LETTER

We confirm that the above representations are made on the basis of enquiries of councillors, management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

We confirm that the financial statements are free of material misstatements, including omissions.

- We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. All officers and members have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

Chris Malyon  
Chief Finance Officer and S151 Officer

[date]

Councillor Michael Shellens  
Chairman of the Audit and Accounts Committee  
Signed on behalf of the Audit And Accounts Committee

[date]

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**FOR MORE INFORMATION:**

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The matters raised in our report prepared in connection with the audit are those we believe should be brought to the attention of the organisation. They do not purport to be a complete record of all matters arising. No responsibility to any third party is accepted.

BDO LLP is a corporate establishment under the Limited Liability Partnership Act 2000 and a UK Member Firm of BDO International. BDO Northern Ireland, a separate partnership, operates under a licence agreement. BDO LLP and BDO Northern Ireland are both separately authorised and regulated by the Financial Conduct Authority to conduct investment business.

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