

**FINAL ISA 260 AUDIT COMPLETION REPORT FOR THE PENSION FUND
AUDIT**

To: **Audit and Accounts Committee**

Date: **21 November 2017**

From: **BDO LLP**

Electoral Division(s): **All**

Purpose: **To present the final ISA 260 Audit Completion report and highlight the changes made to the version presented to the Audit and Accounts Committee on 19 September 2017.**

Recommendation: **The Committee is asked to note the final version of the Audit Completion Report and the changes made to the version presented to the Audit and Accounts Committee on 19 September 2017.**

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1. BACKGROUND

- 1.1 International Standards on Auditing (UK) require the auditor to communicate to those charged with governance (the Audit and Accounts Committee) a number of matters relating to the audit process, including significant findings from the audit. Our Audit Completion Report forms part of this communication process.
- 1.2 At the Audit and Accounts Committee held on 19 September 2017, we presented our Audit Completion Report. This document reflected the state of completion of the audit as at 6 September 2017 and was supplemented by a verbal update from the audit team at the committee meeting. The audit work outstanding was completion of final quality review and closedown processes.

2. CHANGES TO THE AUDIT COMPLETION REPORT

- 2.1 One notable change was made to the to the Audit Completion Report presented to the 19 September 2017 committee, which related to the inclusion of one additional paragraph within the draft Letter of Representation. This is set out below:

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.

- 2.2 In addition, the Report was amended to correct for a number of typographical errors identified by the Committee Chairman and to update the position statement to reflect the completion of all outstanding audit work barring, at the time, receipt of the final signed set of accounts and Letter of Representation. The final Report is attached as an appendix.