

EXTERNAL AUDIT: PENSION FUND EXTERNAL AUDIT PLAN 2018/19

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1. Summary

- 1.1. The Shropshire County Pension Fund is administered by Shropshire Council. The report attached at Appendix A provides an overview of the planned scope and timing of the statutory audit for those charged with governance. A copy of this report was considered by the Pensions Committee at its meeting of 15 March 2019.

2. Recommendations

The Committee is asked to consider and endorse, with appropriate comment the External Audit Plan.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1 The External Audit Plan forms part of the external audit of the Shropshire County Pension Fund end of year accounts. The plan provides Audit Committee with the opportunity to review and consider the approach taken and any issues identified.

4. Financial Implications

- 4.1 Materiality is determined at the planning stage of the audit and for Shropshire County Pension Fund the value is based upon approximately 1% of the value of net assets at 30 November 2018 i.e. £18m. In addition a 'Clearly Trivial' limit has been set at £0.9m.
- 4.2 The audit fee is £18,039 for 2018/19, a reduction of £5,388 compared to last year. The fee is charged to the Pension Fund.

5. Background

- 5.1 Grant Thornton were appointed as External Auditors for Shropshire Council following a procurement process undertaken by Public Sector Audit Appointments Ltd (PSAA – a company established by the Local Government

Association) in 2017. The contracts cover a five year period commencing with the audit of the 2018/19 accounts. PSAA has an option to extend the contracts by a further two year period to seven years in total. Grant Thornton undertakes year audits for Shropshire Council and Shropshire County Pension Fund.

- 5.2 The attached report identifies matters that have come to the attention of Grant Thornton and are reported as part of the audit planning process. The plan is not comprehensive and is subject to change.
- 5.3 The attached report identifies the key factors impacting on the audit, significant risks identified (as defined by International Standards on Auditing) and any other matters.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Appendices

Appendix A – External Audit Plan