

Report title	External Audit Plan	
Originating service	Pensions Services	
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Report to be/has been considered by	Rachel Brothwood Email	Executive Director of Pensions Rachel.Brothwood@wolverhampton.gov.uk

Recommendations for action:

The Pensions Board is asked to note:

1. The management responses to questions from the external auditors, Grant Thornton LLP, as part of their audit planning [Appendix B].
2. The external Audit Plan for the 2022/2023 Audit Progress and Indicative Risks Report as prepared by Grant Thornton [Appendix A].

1.0 Purpose

- 1.1 The purpose of this report is to inform Board members of the progress of the external audit and the preparation of the Audit Plan for the Fund's Annual Report and Accounts for 2022/23.

2.0 Background

- 2.1 The purpose of the Audit Plan is to direct and communicate the audit approach to the Pensions Board. The Audit Plan considers the risks to the audit in forming the Audit Opinion and details the approach to addressing the key areas of the Fund's financial statements.

3.0 Audit of Accounts 2022/23

- 3.1 Two documents prepared by Grant Thornton are appended to this report:
- *The Audit Progress and Indicative Risks Report [Appendix A]* – this sets out the high level timings of Grant Thornton's proposed work on the external audit along with other relevant information in advance of completing the Audit Plan.
 - *Informing the Audit Risk Assessment [Appendix B]* – this document sets out some of the potential areas of risk with regard to the Annual Report and Accounts. In accordance with auditing standards, Grant Thornton are required to formally seek the views of the Pensions Committee on these areas. The document provides management responses to the questions posed by the auditor and the Pension Committee approved these responses as part of the meeting in March 2023.
- 3.2 *Informing the Audit Risk Assessment* considers themes of particular relevance to the external audit under six areas:
- General Enquiries of Management.
 - Fraud Risk Assessment.
 - Impact of Laws and Regulations.
 - Related Party Considerations.
 - Going Concern.
 - Accounting Estimates Considerations.
- 3.3 The ultimate outcome of Grant Thornton's work will be an opinion on the Fund's Annual Statement of Accounts and Annual Report.
- 3.4 The audited Statement of Accounts, including the audit opinion, will be presented for Committee's formal approval in September ahead of this year's statutory deadline for publication by 30 September 2023.

4.0 Financial Implications

4.1 External audit of the Annual Report and Accounts is a fundamental part of the system of financial controls that govern the Fund's work. It provides independent assurance to stakeholders that the financial statements provide a true and fair view of the Fund's financial position and transactions for the period in question and that those statements have been prepared in accordance with generally accepted accounting practice.

5.0 Legal Implications

5.1 This report contains no direct legal implications.

6.0 Equalities Implications

6.1 This report contains no equalities implications.

7.0 Other Potential Implications

7.1 This report contains no other potential implications.

8.0 Schedule of Background Papers

8.1 None.

9.0 Schedule of Appendices

9.1 Appendix A: External Audit Progress and Indicative Risks Report.

9.2 Appendix B: Informing the Audit Risk Assessment for West Midlands Pension Fund.