



City of Westminster

Audit and Performance Committee Report

Meeting:	Audit and Performance Committee
Date:	4th February 2015
Classification:	General Release
Title:	KPMG Audit Plan for the Council's Financial Statements and the Pension Fund for the financial year 2014/15
Wards Affected:	All
Financial Summary:	Outlines the approach to be taken by KPMG to auditing the Council's Financial Statements and the Pension Fund for the financial year 2014/15.
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1. Executive Summary

The external audit plan attached as **Appendix 1** outlines the work that KPMG propose to undertake for the audit of the Council's Financial Statements and the Pension Fund for the financial year 2014/15. The plans are based upon KPMG's risk based approach to audit planning. They reflect:

- The statutory requirements and proper practices with which the accounts are required to comply;
- A number of key areas of focus which are relevant to the Council's and the Pension Fund's local circumstances; and
- The Council's and the Pension Fund's local risks.

2. Recommendations

That the Committee considers and understands the basis on which KPMG will be undertaking their audit of the Council's Financial Statements and the Pension Fund for the financial year 2014/15.

3. Reasons for Decision

These reports set out the audit framework and approach to be adopted by KPMG for their audit of the Council's Financial Statements and the Pension Fund for the financial year 2014/15.

4. Background, including Policy Context

2014/15 Audit Plans

The Audit Plan outlines the work that KPMG proposes to undertake for the audit of the Council's Financial Statements and the Pension Fund for the financial year 2014/15. The report is split into the following key sections:

Introduction. This section sets out the scope, responsibilities and structure of the report.

Headlines. This section identifies the key areas of focus for the audit of the Financial Statements, the Pension Fund as well as for the value for money conclusion.

Our audit approach. This section identifies the key stages of the audit process namely planning, control evaluation, substantive procedures and completion.

Key Financial Statements. This section identifies the areas of focus in preparing the key financial statements, these are Property Plant and Equipment, Cash, Pension Costs and Liabilities and the Enhanced Timetable.

Value For Money (VFM) audit approach. This section identifies the approach to VFM work.

The Audit Team. The KPMG personnel who will be responsible for the audit of the 2014/15 Financial Statements and Pension Fund.

Audit Deliverables. This section identifies the key deliverables which KPMG are to deliver and the related timescales.

Audit timeline. This section highlights the audit timeline leading to the issuing of the audit opinion by 21st May 2015.

Audit Fee. These fees are as proposed by KPMG's are: £247,625 for the audit of the Council's Financial Statements, £21,000 for the Audit of the Pension Fund and £29,880 for the grant claims. There may be an increase in the fee of upto £15,000 to allow for any necessary audit work arising from the audit

5. Financial Implications

There are no direct financial obligations arising from this report.

6. Legal Implications

There are no direct legal obligations arising from this report.

If you have any queries about this Report or wish to inspect any of the Background Papers please contact:

Steven Mair at smair@westminster.gov.uk or 0207 641 2904

BACKGROUND PAPERS

External Audit Plan 2014/15 – KPMG