

Essex Fire Authority

Policy and Strategy Committee Summary

For the year ended 31 March 2015

Audit Results Report – ISA (UK and Ireland) 260

September 2015



Building a better
working world

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Section 1

Executive summary

Executive summary – key findings

Audit results and other key matters

The Audit Commission's Code of Audit Practice (the Code) requires us to report to those charged with governance – the Policy and Strategy Committee – on the work we have carried out to discharge our statutory audit responsibilities together with any governance issues identified. This report summarises the findings from the 2014/15 audit which is substantially complete. It includes the messages arising from our audit of your financial statements and the results of the work we have undertaken to assess your arrangements to secure value for money in your use of resources.

Financial statements

- ▶ As of 16 September 2015, we expect to issue an unqualified opinion on the financial statements. Our audit results demonstrate, through the few matters we have to communicate, that the Authority has prepared its financial statements well.

Value for money

- ▶ We have concluded that the Authority has made appropriate arrangements to secure economy, efficiency and effectiveness in its use of resources, except for the weaknesses in arrangements for promoting and demonstrating the principles and values of good governance that have been identified in the independent cultural review that was commissioned by the Authority. We will therefore be qualifying our value for money conclusion in this respect.

Whole of Government Accounts

- ▶ We expect to report to the National Audit Office (NAO) regarding the Whole of Government Accounts that the Authority is below the specified audit threshold of £350 million.

Audit certificate

- ▶ The audit certificate is issued to demonstrate that the full requirements of the Audit Commission's Code of Audit Practice have been discharged for the relevant audit year. We expect to issue the audit certificate at the same time as the audit opinion.

Section 2

Extent and purpose of our work

Extent and purpose of our work

The Authority's responsibilities

- ▶ The Authority is responsible for preparing and publishing its Statement of Accounts, accompanied by the Annual Governance Statement. In the Annual Governance Statement, the Authority reports publicly on the extent to which it complies with its own code of governance, including how it has monitored and evaluated the effectiveness of its governance arrangements in the year, and on any planned changes in the coming period.
- ▶ The Authority is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Purpose of our work

- ▶ Our audit was designed to:
 - ▶ Express an opinion on the 2014/15 financial statements and the consistency of other information published with them
 - ▶ Report on an exception basis on the Annual Governance Statement
 - ▶ Consider and report any matters that prevent us being satisfied that the Authority had put in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources (the Value for Money conclusion)
 - ▶ Discharge the powers and duties set out in the Audit Commission Act 1998 and the Code of Audit Practice

In addition, this report contains our findings related to the areas of audit emphasis and any views on significant deficiencies in internal control or the Authority's accounting policies and key judgments.

As a component auditor, we also follow the NAO group instructions and report the results on completion of the WGA work through the Assurance Statement to the NAO and to the Authority. The extent of our review and the nature of our report are specified by the NAO. As the Authority is below the specified audit threshold of £350 million, there is no requirement for detailed work other than to submit the assurance statement to the NAO (WGA audit team) confirming the Authority is below the threshold.

This report is intended solely for the information and use of the Authority. It is not intended to be and should not be used by anyone other than the specified party.

Section 3

Addressing audit risks

Addressing audit risks – significant audit risks

We identified the following audit risks during the planning phase of our audit, and reported these to you in our Audit Plan. Here, we set out how we have gained audit assurance over those issues.

A significant audit risk in the context of the audit of the financial statements is an inherent risk with both a higher likelihood of occurrence and a higher magnitude of effect should it occur and which requires special audit consideration. For significant risks, we obtain an understanding of the entity's controls relevant to each risk and assess the design and implementation of the relevant controls.

Audit risk identified within our audit plan	Audit procedures performed	Assurance gained and issues arising
Significant audit risks (including fraud risks)		
<p>Risk of management override As identified in ISA (UK and Ireland) 240, management is in a unique position to perpetrate fraud because of their ability to directly or indirectly manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. We identify and respond to this fraud risk on every audit engagement.</p> <p>For fire authorities the potential for the incorrect classification of revenue spend as capital is a particular area where there is a risk of management override.</p>	<ul style="list-style-type: none"> • We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements. • We reviewed the accounting estimates for pensions, depreciation and valuation for evidence of management bias. • We checked for significant unusual transactions and evaluated the business rationale, where these were found. • We tested capital expenditure on property, plant and equipment to ensure it met the relevant accounting requirements to be capitalised. 	<ul style="list-style-type: none"> • We did not identify any material errors in our sample testing of journal entries or management bias in accounting estimates. • We did not identify any significant unusual transactions. • We did not identify any material errors in our sample testing of additions on property, plant and equipment.
<p>Valuation of fixed assets The Authority appointed an external valuer to carry out a full valuation of all its land and building assets as at 31 March 2015.</p> <p>This work required a revaluation of the assets to the relevant basis and adjustments to be made to the asset register and financial statements to reflect the new values. The resulting entries in the Authority's accounts were likely to be material.</p>	<ul style="list-style-type: none"> • We assessed the work of the valuers, including reviewing the figures produced for the revaluation of the assets and ensuring that an appropriate basis for valuation has been used. • We agreed the figures produced by the valuer for the revaluation of the assets to the asset register. • We tested the accounting transactions for the adjustments made in the financial statements to ensure the Authority's accounts were materially accurate and compliant with the CIPFA Code of practice. 	<ul style="list-style-type: none"> • We did not identify any material errors in our sample testing of the revaluation of land and building assets. • We did not identify any material errors in our sample testing of the accounting transactions for the adjustments in the financial statements.

Addressing audit risks – other financial statement risks

- We identified the following audit risks during the planning phase of our audit, and reported these to you in our Audit Plan. Here, we set out how we have gained audit assurance over those issues.

Audit risk identified within our Audit Plan	Audit procedures performed	Assurance gained and issues arising
Other financial statement risks		
<p>Firefighters' pension injury payments</p> <p>In 2013/14, the Authority identified that payments in respect of firefighters' pension injury benefits had been incorrectly paid from the firefighters' pension fund instead of the general fund.</p> <p>The Authority corrected this error in the 2013/14 financial statements. However, there remained a risk regarding the correct classification of current year payments.</p>	<ul style="list-style-type: none"> • We reviewed management's response to the issues identified in 2013/14 and the associated controls. • We tested a sample of payments made in 2014/15 from the firefighters' pension fund to ensure they were correctly classified. • We reviewed the accounting treatment of firefighters' pension injury benefits to ensure the Authority's accounts were materially accurate and compliant with the CIPFA Code of practice. 	<ul style="list-style-type: none"> • We did not identify any material errors in our sample testing of firefighters' pension injury payments.

Section 4

Financial statements audit – issues and findings

Financial statements audit – issues and misstatements arising from the audit

Progress of our audit

- ▶ The following areas of our work programme remain to be completed. We will provide an update of progress at the Policy and Strategy Committee meeting:
 - ▶ Completion of Director review and following up review points from Manager and Director review of the audit work performed.
 - ▶ Receipt of a Letter of Representation and signed accounts.
 - ▶ Final Director review of the financial statements
- ▶ In addition to the above, the accounts will need to be amended to include an appropriate post balance sheet disclosure in relation to the recent high court ruling on a pensions case (Milne v GAD) . This will have an impact on all Fire bodies. The additional pensions, lump sums and interest payments that will be due as a result of this court ruling will be fully funded by the Department for Communities and Local Government (DCLG) and will have no impact on the financial position of either the Authority or Firefighters Pension Fund. These payments are expected to be made in 2015/16 once the sums due have been calculated and have no material impact on the Authority Accounts for 2014/15.
- ▶ Subject to the satisfactory resolution of the above items, we propose to issue an unqualified audit report on the financial statements.

Uncorrected misstatements

- ▶ Our work to date has not identified any errors within the draft financial statements, which management have chosen not to adjust.

Corrected misstatements

- ▶ Our audit identified a number of further misstatements which our team have highlighted to management for amendment. These have been corrected during the course of our work and further details are provided at Appendix A.
- ▶ One of the disclosure misstatements related to a miscalculation between the number of officers in the banding £120,000 - £124,999 and £125,000 - £129,999 in note 25.

Other matters

- ▶ As required by ISA (UK&I) 260 and other ISAs specifying communication requirements, we are required to communicate to you significant findings from the audit and other matters that are significant to your oversight of the Authority's financial reporting process including the following:
 - ▶ Qualitative aspects of your accounting practices; estimates and disclosures;
 - ▶ Matters specifically required by other auditing standards to be communicated to those charged with governance. For example, issues about fraud, compliance with laws and regulations, external confirmations and related party transactions;
 - ▶ Any significant difficulties encountered during the audit; and
 - ▶ Other audit matters of governance interest

We have no matters we wish to report.

Financial statements audit – application of materiality

Our application of materiality

- ▶ When establishing our overall audit strategy, we determined a magnitude of uncorrected misstatements that we judged would be material for the financial statements as a whole.

Item	
Planning materiality and tolerable error	<p>We determined planning materiality to be £1.7 million (2014: £1.5 million), which is 1.5% of gross expenditure reported in the accounts of £83.0 million adjusted for pension admin costs of £0.015 million, interest payable on debt of £1.7 million and net interest on the defined benefit pensions liability of £26.3 million.</p> <p>We consider gross expenditure to be one of the principal considerations for stakeholders in assessing the financial performance of the Authority.</p> <p>We set a tolerable error for the audit. Tolerable error is the application of planning materiality at the individual account or balance level. It is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds planning materiality. The level of tolerable error drives the extent of detailed audit testing required to support our opinion.</p> <p>We have set tolerable error at the upper level of the available range because the material misstatement which was corrected in the 2013/14 financial statements related to the incorrect accounting treatment of firefighters' pension injury payments. This was identified by the Finance team based on further guidance from DCLG. Further misstatements, both corrected and uncorrected were not material either individually or cumulatively and had no impacted on the General Fund.</p>
Reporting threshold	<p>We agreed with the Audit, Governance and Review Committee that we would report all audit differences in excess of £0.083 million (2014: £0.076 million)</p>

Financial statements audit – application of materiality

Our application of materiality to specific areas of the accounts

We also identified the following areas where misstatement at a level lower than our overall materiality level might influence the reader. For these areas we developed an audit strategy specific to these areas. The areas identified and audit strategy applied include:

- Remuneration disclosures including any severance payments, exit packages and termination benefits – Strategy applied was that we:
 - checked the bandings reported in the disclosure notes;
 - tested the completeness of the disclosures;
 - verified compliance with the Code; and
 - sample checked transactions to the payroll system and supporting documentation.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations.

Financial statements audit – internal control, written representations and whole of government accounts

Internal control

- ▶ It is the responsibility of the Authority to develop and implement systems of internal financial control and to put in place proper arrangements to monitor their adequacy and effectiveness in practice. Our responsibility as your auditor is to consider whether the Authority has put adequate arrangements in place to satisfy itself that the systems of internal financial control are both adequate and effective in practice.
- ▶ We have tested the controls of the Authority only to the extent necessary for us to complete our audit. We are not expressing an opinion on the overall effectiveness of internal control.
- ▶ We sample tested the key controls within the payroll and pensions systems, including:
 - ▶ Checking the annual upload of parameters.
 - ▶ Sample testing pension fund reports and payroll error reports.
 - ▶ Sample testing approvals for lump sum payments and ongoing entitlements from the firefighters' pension fund.
 - ▶ Sample testing approvals for retained firefighter hours.
 - ▶ Sample testing the payroll control account reconciliation .
- ▶ We have reviewed the Annual Governance Statement and can confirm that:
 - ▶ It complies with the requirements of CIPFA/SOLACE Delivering Good Governance in Local Government Framework; and
 - ▶ It is consistent with other information that we are aware of from our audit of the financial statements.
- ▶ We have not identified any significant deficiencies in the design or operation of an internal control that might result in a material misstatement in your financial statements of which you are not aware.

Request for written representations

- ▶ We have requested a management representation letter to gain management's confirmation in relation to a number of matters. We have not requested any specific representations.

Whole of Government Accounts

- ▶ Alongside our work on the financial statements, we also review and report to the National Audit Office on your Whole of Government Accounts return. The extent of our review and the nature of our report are specified by the National Audit Office.
- ▶ As the Authority is below the specified audit threshold of £350 million, there is no requirement for detailed work other than to submit the assurance statement to the NAO (WGA audit team) confirming the Authority is below the threshold.
- ▶ We are currently concluding our work in this area and do not expect to have any matters to report.

Section 5

**Arrangements to
secure economy,
efficiency and
effectiveness**

Arrangements to secure economy, efficiency and effectiveness

The Code of Audit Practice (2010) sets out our responsibility to satisfy ourselves that Essex Fire Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. In examining the Authority's corporate performance management and financial management arrangements, we have regard to the following criteria and focus specified by the Audit Commission.

Criteria 1 – arrangements for securing financial resilience

- ▶ 'Whether the Authority has robust systems and processes to manage financial risks and opportunities effectively, and to secure a stable financial position that enables it to continue to operate for the foreseeable future'
- ▶ Since issuing our Audit Plan in March 2015, we have identified a significant risk in relation to this criteria. The significant risk is in relation to the level of future budget gap in the Authority's medium term financial strategy (MTFS). The Authority clearly recognises the scale of the challenge and the fact that plans to manage the expected reductions in Government funding need to be developed.
- ▶ To address the specific risk identified we have undertaken a more detailed review of the Authority's MTFS and the key assumptions within this. We have also looked at the level and planned use of reserves and the Authority's track record in delivering previous budgets and savings plans. Our key findings in relation to these areas are set out on the next page of this report.
- ▶ As a result of our work, we have concluded that the Authority has good track record in delivering savings and a balanced budget. It is taking a measured and strategic approach to developing plans to address the expected reductions in funding and resulting budget gaps. As part of this process, the Authority has consulted on its Integrated Risk Management Plan and is continuing with its 2020 Programme of work. The aim of this is to investigate, develop and engage stakeholders in preparing a plan to design a Fire & Rescue Service that can improve community safety, meet future strategic challenges, provide value for money and remain fit for purpose in 2020 and beyond.
- ▶ We have therefore concluded that the Authority has adequate arrangements in place for securing financial resilience.
- ▶ We will consider the Authority's progress in addressing the budget gaps identified in the MTFS and its plans for service transformation as part of our 2015/16 value for money conclusion work.

Arrangements for securing financial resilience

As noted in our conclusion, the Authority has a good track record in delivering savings and a balanced budget. Essex Fire Authority, along with other Fire Authorities, is facing significant uncertainty in terms of the levels of future Government Funding and is expecting to face significant financial challenges that could impact on its future financial stability. We have set out below further details on how the Authority has responded to the challenges it is facing along with our understanding of the current financial position.

Current budget gap and track record in delivering previous budgets and savings

- ▶ In its MTFS issued in September 2014, the Authority has reported a budget gap of £0.67 million for 2015/16. This gap has subsequently been addressed and the Authority set a balanced budget for 2015/16 which included a planned contribution to reserves of £0.5 million.
- ▶ The Authority has a strong track record of delivering its budget and planned savings, reporting underspends in previous years. In 2014/15, the Authority spent in line with its budget, and was also able to reduce the planned use of reserves of £1.8 million by approximately £1 million.

Reserves and balances

- ▶ At 31 March 2014, the Authority had £9.9m in earmarked reserves and £2.6m in its general reserve. The general reserve represents 3.6% of planned expenditure in 2015/16 and is above the minimum level of £2.2 million recommended by the Finance Director and Treasurer.
- ▶ At the end of 2015, the level of General Fund balances had increased to £3.7 million, with earmarked reserves reducing slightly to £7.8 million. This reduction in the overall level of reserves reflects the planned use of the earmarked reserves in 2014/15 (which was actually reduced by around £1 million).
- ▶ A proportion (around £3.5 million) of the Authority's earmarked reserves are required for specific purposes. The remainder of around £4.3 million have been set aside to support future projects such as spend to save initiatives and therefore are available to help the Authority to implement any necessary changes to the service resulting from the 2020 Programme and the Integrated Risk Management Plan Consultation.

MTFS and future plans

- ▶ The September 2014 MTFS identifies a budget gap totalling £8.4 million over the two years from 2016/17 to 2017/18 (£3.2 million in 2016/17 and £5.2 million in 2017/18).
- ▶ Within the MTFS, the Authority emphasised the uncertainty of the scale and timing of the anticipated reductions in government funding. The MTFS makes clear that in the future Government Funding is expected to reduce in future years and includes an assumed reduction of around £2 million per year in both 2016/17 and 2017/18. This represents around a 7% reduction each year.
- ▶ The Authority is clear that plans to manage the expected reductions in funding need to be developed and that many of the changes that will be required to achieve the necessary savings will take time to develop and implement. With this in mind, the Authority has put in place its 2020 programme with the aim of transforming the Service to meet the demands of a modern Fire and Rescue Service.
- ▶ As part of the 2020 Programme, the Authority is undertaking wide ranging engagement and consultation with stakeholders with the aim of designing a Fire & Rescue Service that can improve community safety, meet future strategic challenges, provide value for money and remain fit for purpose in 2020 and beyond. The Integrated Risk Management Plan is a key element of the 2020 Programme and the Fire and Rescue Service has been consulting on this widely over the 2015 Summer. The Authority aims to agree a Service Plan arising from these streams of work in early 2016.
- ▶ As noted above, the Authority is undertaking a wide ranging consultation process to update its Service Plan for the future. For this reason, detailed plans have not currently been developed to address the budget gaps that have been identified for 2016/17 and future years. The Authority has already identified and earmarked reserves that will support the delivery of any agreed transformation and change programme. It is however crucial that the Authority and Service work together to agree the future Vision for the Service which enables the financial and cultural challenges that are facing Essex Fire and Rescue Service to be addressed on a timely basis.

Arrangements to secure economy, efficiency and effectiveness

The Code of Audit Practice (2010) sets out our responsibility to satisfy ourselves that Essex Fire Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. In examining the Authority's corporate performance management and financial management arrangements, we have regard to the following criteria and focus specified by the Audit Commission.

Criteria 2 – arrangements for securing economy, efficiency and effectiveness

- ▶ 'Whether the Authority is prioritising its resources within tighter budgets, for example by achieving cost reductions and by improving efficiency and productivity'.
- ▶ We did not identify any significant risks in relation to this criteria in our Audit Plan
- ▶ However, since we issued our Plan in March 2015, the Authority has commissioned a wide-ranging review, including the Fire and Rescue Authority itself, to look at how the culture of the Fire and Rescue Service in Essex is having a detrimental impact on the organisation, its employees and the communities it serves. The review was initiated by the Authority in response to widely recognised and publically reported issues, which include serious incidents, allegations of bullying and intimidation, and ongoing and protracted industrial disputes.
- ▶ The outcome from this review, which was undertaken by Irene Lucas CBE, was reported in an 'Independent Cultural Review of Essex County Fire and Rescue Service' which was issued to the Fire Authority in September 2015. The report was issued publically at the same time it was released to the Fire Authority. We have therefore considered the conclusions of this review as part of our value for money assessment.
- ▶ One of the main conclusions from the review was that:
 - ▶ *Culturally, Essex County Fire and Rescue Service is a failing organisation. From its leadership to the frontline, the service is in urgent need of a radical overhaul to ensure that it is held to account, and becomes more adaptable to the needs of the twenty-first century, and ensures the safety and wellbeing of its employees.'*
- ▶ The report however also recognised that:
 - ▶ *'There is an appetite for change across the board'*
- ▶ The report made a number of recommendations, one of which was that:
 - ▶ *The governance of the service needs to be strengthened with greater clarity and visibility given to the role of the FRA who need to focus on the strategic challenges facing the service, with more scrutiny support for elected members.*

Arrangements to secure economy, efficiency and effectiveness

The Code of Audit Practice (2010) sets out our responsibility to satisfy ourselves that Essex Fire Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. In examining the Authority's corporate performance management and financial management arrangements, we have regard to the following criteria and focus specified by the Audit Commission.

Criteria 2 – arrangements for securing economy, efficiency and effectiveness

- ▶ We have considered the actions the Authority has taken to address the challenges it faces along with the conclusions from the independent review that it commissioned in terms of the impact on our value for money conclusion.
- ▶ We recognise the challenging nature of the issues being faced by the Fire and Rescue Service, and the action that has been taken to try to address these in commissioning this publically reported independent review. We also recognise that the Authority has already publically responded to the report and has fully accepted its findings and recommendations.
- ▶ The Authority considered the report and its recommendation at a full Authority meeting in September, and now needs to develop its detailed response and action plan to address the conclusions reached and the recommendations made. The issues outlined in the report are difficult and wide ranging, and that the Authority and Fire Service will need to work together to address them. The report makes a number of recommendations which the Authority now needs to consider carefully in order to action them effectively. It is expected that the Authority will continue to need external specialist support to help it implement the necessary changes. We will consider the Authority's response to the report and recommendations as part of our 2015/16 value for money conclusion.
- ▶ As a result of the issues identified in the report commissioned by the Authority, we have concluded that the Authority's arrangements for promoting and demonstrating the principles and values of good governance are inadequate. We will therefore be qualifying our value for money conclusion regarding the Authority's arrangements for securing economy, efficiency and effectiveness in this respect. We do however recognise the action the Authority has taken over the last year to start to address three challenging issues.
- ▶ Our work did not identify any other matters relating to aspects of your corporate performance and financial management framework which are not covered by the scope of the two specified criteria above..

Section 6

Independence and audit fees

Independence and audit fees

Independence

- ▶ We confirm there are no changes in our assessment of independence since our confirmation in our Audit Plan dated 18 March 2015.
- ▶ We complied with the Auditing Practices Board's Ethical Standards for Auditors and the requirements of the Audit Commission's Code and Standing Guidance. In our professional judgement the firm is independent and the objectivity of the audit engagement partner and audit staff has not been compromised within the meaning of regulatory and professional requirements.
- ▶ We confirm that we are not aware of any relationships that may affect the independence and objectivity of the firm that we are required by auditing and ethical standards to report to you.
- ▶ We consider that our independence in this context is a matter that should be reviewed by both you and ourselves. It is therefore important that you consider the facts of which you are aware and come to a view. If you wish to discuss any matters concerning our independence, we will be pleased to do so at the forthcoming meeting of the Policy and Strategy Committee on 23 September 2015.

- ▶ We confirm that we have met the reporting requirements to the Policy and Strategy Committee, as 'those charged with governance' under International Standards on Auditing (UK and Ireland) 260 – Communication with those charged with governance. Our communication plan to meet these requirements was set out in our Audit Plan of 18 March 2015.

Audit fees

- ▶ The table below sets out the scale fee and our final proposed audit fees.

	Proposed final fee 2014/2015	Scale fee 2014/2015	Variation comments
	£	£	
Audit Fee: Code work	47,500	47,500	None

- ▶ Our actual fee is in line with the agreed fee at this point in time, subject to the satisfactory clearance of the outstanding audit work.
- ▶ We confirm that we have not undertaken any non-audit work outside of the Audit Commission's Audit Code requirements.

Section 7

Appendices

Appendix A – corrected audit misstatements

- ▶ The following corrected misstatement, greater than £1.2 million, has been identified during the course of our audit and in our professional judgement warrants communicating to you.
- ▶ This item has been corrected by management within the revised financial statements

Cash flow statement

Item of cash flow	Description	Type	Operating cash flows	Investing cash flows	Financing cash flows
			Increase/(decrease) £000	Increase/(decrease) £000	Increase/(decrease) £000
Adjustment to surplus or deficit on the provision of services for non-cash movements	Capital creditors were incorrectly included in 'operating cash flows' but should have been included in 'investing cash flows.'	F	1,628		
Purchase of assets		F		(1,628)	
Cumulative effect of uncorrected misstatement			1,628	(1,628)	

Key

- ▶ F – Factual misstatement
- ▶ P – Projected misstatement based on audit sample error and population extrapolation
- ▶ J – Judgemental misstatement

Appendix A – corrected audit misstatements (cont'd)

- ▶ The following corrected misstatements have been identified during the course of our audit and in our professional judgement warrant communicating to you.
- ▶ These items have been corrected by management within the revised financial statements

Disclosures

Disclosure	Type	Description of misstatement
Note 25.1 Senior officer remuneration 2014/15	F	The car & mileage taxable benefits disclosures for the Finance Director & Treasurer and Director of Human Resources & Organisational Development had been incorrectly stated. The benefits for the Finance Director & Treasurer had been stated as £7,675, but should be £6,720. The benefits for the Director of Human Resources & Organisational Development had been stated as £12,327, should be £11,372.
Note 31 Redundancy and early retirement costs – exit packages	F	The redundancy and early retirement costs in the note had been incorrectly stated to include a compensation payment. The total number of compulsory exit packages had been stated as 13, but should be 12. The total cost had been stated as £119, 000, but should be £112,000.

Key

- ▶ F – Factual misstatement
- ▶ P – Projected misstatement based on audit sample error and population extrapolation
- ▶ J – Judgemental misstatement

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