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Ref: [EY/BS/PN15](#)

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Dear Keith

Practice Note 15 (Revised): The Audit of Occupational Pension Schemes in the UK

We welcome the opportunity to comment on the Financial Reporting Council's (FRC's) exposure draft of Practice Note 15 (Revised): The audit of occupational pension schemes in the United Kingdom (PN15).

We support the need for the revisions made to PN15 to reflect the changes to the UK legislative and regulatory landscape.

We set out below our responses and comments to the specific consultation questions.

We trust our comments are helpful. We would, of course, be pleased to provide further particulars on any of the points raised or discuss our responses in more detail. If this would be helpful please do not hesitate to contact me.

A handwritten signature in black ink, appearing to read 'Baldeep Singh', is positioned above the printed name.

Baldeep Singh
Partner

Ernst & Young LLP

Response to Consultation Questions

Q1. Overall do you agree with the proposed revisions to the Practice Note? If not please explain why.

Yes, overall we broadly agree with the proposed revision of the Practice Note. We have set out some specific comments on the content in response to question 2 below.

Q2. Is the included guidance appropriate? If you believe it should be amended please explain why and how.

The included guidance is appropriate. However, we have the following comments on specific paragraphs:

Paragraph 99. The FRC may wish to consider if this guidance should also be extended to refer to cyber breaches, not just pension scams.

Paragraph 191. The list of procedures does not address the use of analytics tools. The FRC may wish to consider including references to analytics as well, given the more frequent use of these tools by the profession and its own recent review into analytics.

Paragraphs 252-290. More guidance is needed on how to approach side agreements or similar set ups in the schedule of contributions and what the auditor's responsibility is in respect of these.

Paragraph 259. Amend 'secure' to 'ensure'.

Q3. Has any extant guidance been deleted that you believe should be retained? If yes, please explain why it should be retained and whether, and if so how, it should be updated.

On the basis that the Practice Note is not intended to provide detailed guidance for auditors of occupational pension schemes we do not think that any of the deleted guidance should be retained except for the Illustrative example statement of trustees' responsibilities in Appendix 7 which should be updated and retained

Q4. Are there any other matters in relation to the audit of occupational pension schemes that you believe should be covered in the Practice Note and, if so, what do you believe the guidance should address?

Yes, as the FRC has not released an example of an audit report for pension schemes we think it would be helpful to provide example reports in the appendices.