

Your reference:  
Our reference: 85/350

**MOORE STEPHENS**

---

30 June 2017

Keith Billing  
Financial Reporting Council  
8th Floor  
125 London Wall  
London  
EC2Y 5AS

Moore Stephens LLP  
150 Aldersgate Street  
London EC1A 4AB  
T +44 (0)20 7334 9191  
F +44 (0)20 7248 3408  
DX 15 London/Chancery Lane  
[www.moorestephens.co.uk](http://www.moorestephens.co.uk)

Dear Mr. Billing,

Moore Stephens LLP is pleased to respond to the FRC on the above proposal.

We welcome the proposals, and consider that the format and approach that is now being adopted for this and other Practice Notes represents an improvement and renders them more usable by practitioners than the Notes they are intended to replace.

Attached to this letter you will find an Appendix with our comments on the specific questions raised in the paper.

If you wish to discuss any matters raised in this letter then please contact David Chopping, Partner (+44 (0) 207 651 1050).

Yours faithfully

Moore Stephens LLP

## Appendix

### **Question 1**

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

We agree with the approach that has been adopted to the revision of the Practice Note.

### **Question 2**

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

We agree that the guidance included is appropriate.

### **Question 3**

Has the 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.

We consider that the retention of further guidance in relation to going concern would be useful, reflecting both changes in the reporting requirements and the unusual position of pension schemes when assessing going concern.

### **Question 4**

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?

We have the following comments.

Notwithstanding the comment in paragraph 168 that materiality needs to be assessed on an individual scheme basis, "rather than applying any general guidelines" we consider that a little further discussion would be helpful in achieving greater consistency between auditors in the determination and application of materiality.

We also consider that a slightly more detailed discussion of the audit work that may be undertaken in relation to assets under annuity policies would be helpful. This is discussed very briefly in paragraphs 205 and 206.

We would also appreciate some clarification in relation to paragraph 54 dealing with accounting information for other purposes. This refers to relevant accounts and audited financial statements but would be clearer if it dealt more precisely with what is required. In some cases the requirements relate to a net assets statement.