

By: Chairman Superannuation Fund Committee
Director of Finance

To: Superannuation Fund Committee –18 June 2010

Subject: **EXTERNAL AUDIT**

Classification: Unrestricted

Summary: To agree an assurance statement for Governance & Audit Committee.

FOR DECISION

INTRODUCTION

1. This report sets out arrangements for the external audit of the Fund in context of KCC's governance arrangements.
2. Whilst the Council's Constitution states that this Committee "discharges the functions of the Council in relation to the control and investment of the Superannuation Fund" the Audit Commission's interpretation is that the financial accounts of the Fund have to be approved by Governance & Audit Committee. This was set out in a report to Governance & Audit Committee on 30 April.
3. This report sets out the necessary steps to comply with this.

AUDIT OPINION PLAN

4. The Audit Opinion Plan is attached in Appendix 1. The Audit Commission will be present at the meeting to answer questions.
5. We have been notified that for 2009-10 and 2010-11 the District Auditor proposes a fee reduction for the audit from £64,250 to £50,000.

ASSURANCE STATEMENT

6. This Committee needs to provide an assurance statement to the Governance & Audit Committee. Governance & Audit Committee will receive KCC's accounts at a meeting on 30 June including some elements of the full Superannuation Fund accounts.

The Fund's full accounts and revised annual report will be submitted to the Committee's next meeting on 20 August.

7. A draft report to Governance & Audit Committee is attached in Appendix 2 for Member's comments.

RECOMMENDATION

8. Members are asked to agree this report.

Nick Vickers
Head of Financial Services
Ext 4603