

By: John Simmonds Cabinet Member for Finance
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To: Governance and Audit Committee – 16 March 2011

Subject: **Audit Commission – Kent Superannuation Fund**
Audit Opinion Plan

Classification: Unrestricted

Summary: The attached plan sets out the proposed work of the Audit Commission to enable them to give an opinion on the Superannuation Fund's 20010/11 financial statements.

FOR DECISION

Introduction

1. The Audit Commission are required to provide the Committee (defined as those charged with governance under International Standards of Auditing), an update on the proposed work in relation to the Kent Superannuation Fund, which forms part of the Council's financial statements. The report attached sets out the results of the Audit Commission's latest risk assessment in relation to their audit of the Kent Superannuation Fund and provides information on:
 - Assumptions underpinning the fee for the audit, and the proposed fee
 - Identification of risks to the audit opinion
 - The audit testing strategy and timetable

Issues for the Committee to note

2. The fee for the audit of the Kent Superannuation Fund remains unchanged as a result of the updated risk assessment, and the assumptions upon which the fee is based remain valid. The fee for the audit, notified to the Council in June 2010 is £50,000 (2009/2010 - £64,250).
3. The report sets out the results of the Audit Commission's risk assessment. Paragraph 14 and Table 1 of the report sets out the specific risks to the audit opinion, and the work proposed to mitigate these. Paragraphs 19 to 21 and Table 2 set out the proposed timetable for the opinion audit, including reporting to the Committee.
4. The Audit Commission's plan will also be shared with the Superannuation Fund Committee.

Recommendations

5. Members of the Committee are asked to:

- Comment on the outcomes of the Audit Commission's updated risk assessment and review of the assumptions supporting the fee.
- Approve the Audit Plan for the Superannuation Fund.

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