

AUDIT PANEL			
Report Title	AUDIT FEES 2009/10		
Key Decision			Item No. 7
Ward			
Contributors	EXECUTIVE DIRECTOR FOR RESOURCES		
Class	Part 1	Date: 27 MAY 2009	

1. Executive Summary

To note the proposed external audit fees payable to the Audit Commission for work on the audit of the 2009/10 financial statements including the Pension Fund.

2. Recommendation

It is recommended that the report be noted.

3. Background

- 3.1 The Audit Commission have submitted their proposals for the audit fees for the 2009/10 Accounts. The total audit fee requested is £633,906. The analysis of this is shown in the Table below.

Audit Area	Proposed Fee 2009/10	Planned Fee 2008/09	Estimated Actual Fees 2007/08	Variation 2008/09	Variation 2007/08
Financial Statements	333,900	325,400	326,400	8,500	7,500
Use of Resources	113,456	117,200	114,800	(3,744)	(1,344)
Grant Claims & Returns	148,050	149,000	156,000	(950)	(7,950)
Pension Fund	38,500	38,000	0	500	38,500
Total Audit Fee	633,906	629,600	597,200	4,306	36,706

- 3.2 The Table above does indicate an increase of £36,706 in the proposed fee 2009/10 when compared to the fee for 2007/08. The largest variation of £38,500 has been caused by the introduction of a separate fee for the Pension Fund audit.
- 3.3 Prior to 2008/09 the Audit Fee for the audit of the Pension Fund was included with the Financial Statements Fee.
- 3.4 For 2008/09 the Pension Fund Accounts will be approved by the Pensions Investment Committee before coming to this Panel as part of the overall Statement of Accounts. There are new accounting requirements for the Pension Fund for

2008/09 and these will require additional disclosure notes in the Accounts. There will therefore be some additional audit requirements arising from this.

- 3.5 A letter has been sent by the Executive Director of Resources to the District Auditor requesting a justification for the increase in the proposed fee since 2007/08. Hopefully the District Auditor will consider this in the light of the continuing improvement in the quality of the Accounts, the improved quality of the working papers, and the improved service to the auditors from the Finance Team.
- 3.6 It should also be noted that the Audit Commission will be submitting further details of their Audit Fee Proposals in connection with this report.

Background Papers

None reported