

AGENDA ITEM: 9

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Meeting	Pension Fund Committee
Date	15 September 2010
Subject	External Auditor's Report under International Standard on Auditing (ISA) 260 for the year 2009/10
Report of	Deputy Chief Executive
Summary	To consider the detailed report from the external auditors on matters arising from the audit of the 2009/10 pension fund accounts

Officer Contributors	Chris Malyon, Assistant Director of Finance Karen Bannister, Interim Treasury Manager
Status (public or exempt)	Public
Wards affected	None
Enclosures	Appendix A – ISA260 report (to follow) Appendix B – Pension Fund Annual Report 2009/10 (to follow)
For decision by	Pension Fund Committee
Function of	Council
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

Contact for further information: Karen Bannister – Interim Treasury Manager Tel: 0208 359 7119

1. RECOMMENDATIONS

- 1.1 That the matters raised by the external auditor relating to detailed aspects of the 2009/10 pension fund accounts audit be noted.**
- 1.2 That the Committee notes there are no adjustments identified by the External Auditors that will not be processed by officers.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 The Pension Fund Annual Report for 2009/10 was approved, subject to audit, by the Pension Fund Committee on 16 June 2010.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 Review of reports made under the International Standard on Auditing (ISA)260 are an integral part of corporate governance.
- 3.2 Effective monitoring of the Pension Fund will provide support towards the Council's corporate priorities in providing better services, with less money.

4. RISK MANAGEMENT ISSUES

- 4.1 A positive external audit opinion on the Pension Fund's Annual Report plays an essential and key role in providing assurance that Barnet's financial risks are managed in an environment of sound stewardship and control.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 Accurate financial reporting is important to ensure the management of resources to enable the equitable delivery of services to all members of the community and to reduce the differential impact of the services received by all of Barnet's diverse communities.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 External Audit's opinion on the annual report, as summarised in the ISA260, is the main factor that determines the Council's score in the Financial Reporting theme of the Use of Resources assessment. As a result, it plays a key role in determining the Council's overall Use of Resources assessment. As a result, it plays a key role in determining the Council's overall Use of Resources score.

7. LEGAL ISSUES

- 7.1 None other than contained in the body of the report and appendices.

8. CONSTITUTIONAL POWERS

- 8.1 Constitution – Part 3 Responsibility for Functions – Section 2 – Responsibility for Council Functions delegated to the Pension Fund Governance Compliance Statement.

9 BACKGROUND INFORMATION

- 9.1 In accordance with International Standard on Auditing (ISA) 260, the External Auditor is required to issue detailed reports on matters arising from the audit of the Council accounts and pension fund accounts.
- 9.2 The ISA 260 report has to be considered by “those charged with governance” before the External Auditor can sign the accounts, which legally has to be done by 30 September 2010.

10. LIST OF BACKGROUND PAPERS

- 10.1 None.

Legal: TE
CFO: CM