

Sue Scane  
Assistant Chief Executive and Chief Finance Officer  
Oxfordshire Pension Fund  
County Hall  
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14 December 2012

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Dear Sue

## Annual Audit Fee 2012/13

We are writing to confirm the audit work that we propose to undertake for the 2012/13 financial year at Oxfordshire Pension Fund. The fee reflects the risk-based approach to audit planning set out in the Code of Audit Practice and the work mandated by the Audit Commission for 2012/13. The audit fee covers the audit of the financial statements and Annual Report.

Our fee has been set by the Audit Commission as part of the recent 5-year procurement exercise and consequently is not liable to increase in that period without a change in scope.

### Indicative audit fee

For 2012/13 the Audit Commission has set the scale fee for each audited body. The 2012/13 scale fee is based on certain assumptions, including:

- ▶ the overall level of risk in relation to the audit of the financial statements is not significantly different from that of the prior year;
- ▶ we are able to place reliance on the work of internal audit to the maximum extent possible under auditing standards;
- ▶ the financial statements will be available to us in line with the agreed timetable;
- ▶ working papers and records provided to us in support of the financial statements are of a good quality and are provided in line with our agreed timetable; and
- ▶ prompt responses are provided to our draft reports.

Meeting these assumptions will help ensure the delivery of our audit at the indicative audit fee.

The indicative audit fee set out in the table below has initially been set at the scale fee level as the overall level of risk in relation to the audit of the financial statements is not significantly different from that of the previous year.

	Indicative fee 2012/13 £	Planned fee 2011/12 £	Actual fee 2010/11 £
Total Code audit fee	24,108	39,414	37,678



Any additional work that we may agree to undertake (outside the Audit Code of Practice) will be separately negotiated and agreed with you in advance.

Our audit plan for the audit of the financial statements will be issued in March 2013. This will show in detail the significant financial statement risks identified, planned audit procedures to respond to those risks, and any changes in fee. Should we need to make any significant amendments to the audit fee during the course of the audit, we will discuss this in the first instance with the Assistant Chief Executive and Chief Finance Officer and, if necessary, prepare a report outlining the reasons for the fee change for discussion with the Audit and Governance Committee.

### Billing

The indicative audit fee will be billed in quarterly instalments of £6,027.

### Audit team

The key members of the audit team for 2012/13 are:

David Wilkinson <b>Partner</b>	<a href="mailto:dwilkinson@uk.ey.com">dwilkinson@uk.ey.com</a>	Tel: 0117 981 2318
Maria Grindley <b>Director</b>	<a href="mailto:mgrindley@uk.ey.com">mgrindley@uk.ey.com</a>	Tel: 07769 932 604
Mary Fetigan <b>Manager</b>	<a href="mailto:mfetigan@uk.ey.com">mfetigan@uk.ey.com</a>	Tel: 07867 152501

We are committed to providing you with a high quality service. If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please contact me. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London, SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute.

Yours sincerely



Maria Grindley  
Audit Director  
Ernst & Young LLP  
United Kingdom

cc. Lorna Baxter, Deputy Chief Finance Officer  
David Wilmshurst, Chairman, Audit and Governance Committee