

Joanna Simons
Chief Executive
Oxfordshire Pension Fund
Oxfordshire County Council
New Road
Oxford
OX1 1ND

22 April 2013

Ref: OPF fee letter 2013 14

Direct line: 01189 2815000

Email: poneill@uk.ey.com

Dear Joanna

Annual audit fee 2013-14 for Oxfordshire Pension Fund

We are writing to confirm the audit work that we propose to undertake to provide our audit opinion on the 2013-14 pension fund accounts. The 2013-14 fee reflects the risk-based approach promoted by the Audit Commission for audit work.

Planned audit fee

The Audit Commission has set scales of fees as part of its five year procurement exercise. It has indicated scale fees are not liable to increase in that period unless there is a change in scope. For 2013-14 the Audit Commission has set a scale fee for each audited body. The scale fees for 2013-14 pension fund audits are the scale fees applicable for 2012-13. The 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.
- ▶ Prompt responses are provided to our draft reports.

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

We have set the planned audit fee at the scale fee level which assumes the overall level of risk is not significantly different from that of 2012-13. The 2012-13 audit is in progress. We will update our risk assessment and undertake more detailed planning for the 2013-14 audit after we complete the 2012-13 audit.



	Planned fee 2013-14 £	Planned fee 2012-13 £	Actual fee 2011-12 £
Total Code audit fee	24,108	24,108	39,414
Non-audit work	0	0	0

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

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

Audit plan

We will issue our 2013-14 audit plan for the pension fund accounts in January 2014. This will detail the accounts 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.

Audit team

The key members of the audit team for 2013-14 are:

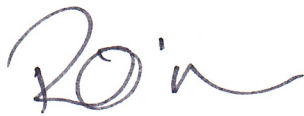
Peter O'Neill Partner	poneill@uk.ey.com	Tel: 01189 2815000
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Maria Grindley Director	mgrindley@uk.ey.com	Tel: 07769 932604
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Mary Fetigan Manager	mfetigan@uk.ey.com	Tel: 07867 152501
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We 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



Peter O'Neill
Partner
Ernst & Young LLP

cc. Cllr David Wilmshurst Chairman, Audit and Governance Committee
Sue Scane Assistant Chief Executive and Chief Financial Officer
Lorna Baxter Deputy Chief Finance Officer