

**Our reference** TC/Rivermead

1 April 2011

Mr Pete Moore  
Corporate Director of Resources and Community Safety  
Lincolnshire County Council  
County Offices  
Newland  
Lincoln  
Lincs  
LN1 1YL

**Direct line** 0844 798 4098  
**Mobile** 07966 184819  
**Email** t-crawley@audit-commission.gov.uk

Dear Pete

### **Annual audit fee 2011/12 – Lincolnshire County Council Pension Fund**

I am writing to confirm the audit work that we propose to undertake for the 2011/12 financial year on the Lincolnshire County Council Pension Fund. The work reflects the requirements of the Code of Audit Practice and covers the audit of the financial statements.

#### **Audit fee**

The Audit Commission has set a specific scale fee for each Pension Fund for 2011/12, based mainly on a fixed sum (£33,300) but with a variable element reflecting the value of pension fund investments at 31 March 2010 (0.00055%). There is no inflationary increase in 2011/12 although the new scale fee does result in a small increase in the overall fee (£919) compared with the previous year.

The scale fee for Lincolnshire County Council Pension Fund is £39,919.

<b>Audit area</b>	<b>Scale fee 2011/12</b>	<b>Planned fee 2010/11</b>
<b>Audit fee</b>	<b>£39,919</b>	<b>£39,000</b>

As I have not yet completed my audit for 2010/11 the audit planning process for 2011/12, including the risk assessment, will continue as the year progresses. I expect to issue a separate audit opinion plan in December 2011 which will detail the risks identified to the financial statements audit. The audit plan will set out the audit procedures I plan to undertake and any changes in fee. If I need to make any significant amendments to the audit fee, I will first discuss this with the Corporate Director of Resources. I will then prepare a report outlining the reasons the fee needs to change for discussion with the Audit Committee.

I will issue several reports over the course of the audit. I have listed these at Appendix 1.

## Audit team

Your audit team must meet high specifications and must:

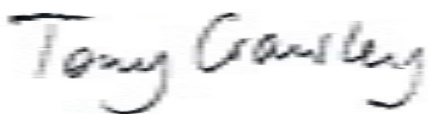
- understand you, your priorities and provide you with fresh, innovative and useful support;
- be readily accessible and responsive to your needs, but independent and challenging to deliver a rigorous audit;
- understand national developments and have a good knowledge of local circumstances; and
- communicate relevant information to you in a prompt, clear and concise manner.

The key members of the audit team for 2011/12 are:

Name	Contact details	Responsibilities
Tony Crawley Engagement Lead	<a href="mailto:t-crawley@audit-commission.gov.uk">t-crawley@audit-commission.gov.uk</a> 0844 798 4098	Responsible for the overall delivery of the audit including the quality of outputs, liaison with the Director of Resources and Chair of the Audit Committee and issuing the auditor's report.
Mike Wood Audit Manager	<a href="mailto:m-wood@audit-commission.gov.uk">m-wood@audit-commission.gov.uk</a> 07946 592339	Manages and coordinates the different elements of the audit work. Key point of contact for the Pensions team.
Peter Wass Team Leader	<a href="mailto:p-wass@audit-commission.gov.uk">p-wass@audit-commission.gov.uk</a> 01522 552294	Has experience of auditing the financial statements of pension funds. Will lead the on-site team in delivering the audit.

I am committed to providing you with a high-quality service. If you are in any way dissatisfied, or would like to discuss how we can improve our service, please contact me. Alternatively you may wish to contact Chris Westwood, Director of Professional Practice, Audit Practice, Audit Commission, 1st Floor, Millbank Tower, Millbank, London SW1P 4HQ (c-westwood@audit-commission.gov.uk)

Yours sincerely

A handwritten signature in black ink that reads "Tony Crawley". The signature is written in a cursive, slightly slanted style.

Tony Crawley  
*District Auditor*

cc Chair of the Audit Committee

**Appendix 1: Planned outputs**

Our reports will be discussed and agreed with the appropriate officers before being issued to the audit committee.

<b>Planned output</b>	<b>Indicative date</b>
Opinion audit plan	December 2011
Annual governance report	September 2012
Auditor's report giving the opinion on the financial statements	September 2012
Final accounts memorandum (to the Director of Resources)	October 2012