

Pension Fund Committee

Meeting to be held on 3 February 2012

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| Electoral Division affected: All |
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Audit Commission – Lancashire County Pension Fund Audit Plan 2011/12 (Appendix 'A' refers)

Contact for further information:

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Executive Summary

This report sets out the Audit Commission's detailed audit plan including the key audit risks for 2011/12 and the planned audit strategy. The report also refers to a proposed increase in the audit fee.

Recommendation

The Committee is asked to note the Audit Commission's report.

Background and Advice

In July 2011 the Pension Fund Committee received the proposed fee letter for the audit of the County Pension Fund for 2011/12. Since then, the 2010/11 audit has been completed and a detailed audit plan has now been produced setting out in particular the key audit risks for 2011/12 and the planned audit strategy.

The plan set out the audit work the Audit Commission propose to undertake in relation to the audit of the pension fund financial statements (Appendix 'A'). It includes a summary of the key risks for the financial statements identified through the planning process together with the auditor's planned response.

During 2011/12 there have been some significant changes impacting on the management of the pension fund. Following an assessment of the impact of the changes in the operation of the pension fund and their impact on audit requirements an increase in the audit fee is proposed. The fee has now been set at £67,000, £5,205 higher than the 2010-11 fee and £11,911 higher than the initial fee set out in the letter which went to the July Pension Fund Committee.

This plan was reported to and considered by the Audit Committee on 23rd January 2012.

Karen Murray, District Auditor and Fiona Blatcher, Senior Audit Manager, will attend the meeting to present the reports and respond to questions.

Consultations

These reports have been agreed with the County Treasurer.

Implications:

Risk management

No significant risks have been identified.

Local Government (Access to Information) Act 1985

List of Background Papers

| Paper | Date | Contact/Directorate/Tel |
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| Audit Commission's Statement of Responsibilities of Auditors and of Audited Bodies | | Fiona Blatcher Audit Commission 0844 798 7056 |
| Audit Commission Act 1998 | | |
| Code of Audit Practice | | |
| Reason for inclusion in Part II, if appropriate | | |
| N/A | | |