

13 April 2011

Mr Clive Heaphy
Director of Finance and Corporate Services
London Borough of Brent
Brent Town Hall
Forty Lane
Wembley, Middlesex
HA9 9HD

Direct line 0844 798 5784
Email a-white@audit-commission.gov.uk

Dear Clive

London Borough of Brent Pension Fund Annual Audit Fee 2011/12

I am writing to confirm the audit work that we propose to undertake for the 2011/12 financial year at the London Borough of Brent. The audit fee:

- is based on the risk-based approach to audit planning as set out in the Code of Audit Practice and work mandated by the Audit Commission for 2010/11; and
- covers the audit of the financial statements.

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.

Audit fee

The Audit Commission has set the scale fee for each audited body for 2011/12. The scale fee for London Borough of Brent Pension Fund is £35,000. Variations from the scale fee will only occur where my assessments of audit risk and complexity are significantly different from those identified and reflected in the 2010/11 fee.

Audit area	Scale fee 2011/12	Planned fee 2010/11
Audit fee	£35,000	£35,000

I will issue a separate audit plan in December 2011. This 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 Director of Finance and Corporate Services. 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.

The fee excludes work the Commission may agree to undertake using its advice and assistance powers. We will negotiate each piece of work separately and agree a detailed project specification.

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
Andrea White Engagement Lead	a-white@audit-commission.gov.uk 0844 798 5784	Andrea is responsible for the overall delivery of the audit including the quality of outputs, liaison with the Chief Executive and Chair of Audit Committee and issuing the auditor's report.
Paul Viljoen Audit Manager	p-viljoen@audit-commission.gov.uk 0844 798 2688	Responsible for reviewing the quality of audit work and any specialist technical areas. Key point of contact for the Director of Finance and Corporate Services.
Gary McLeod Audit Manager	g-mcleod@audit-commission.gov.uk 0844 798 5773	Manages and coordinates the different elements of the audit work. Key point of contact for the Deputy Director of Finance.

Jon Ware Team Leader	g-mcleod@audit-commission.gov.uk 0844 798 5773	Jon leads the on-site team in delivering the audit.
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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



Andrea White
District Auditor

cc Gareth Daniels, Chief Executive
Stephen Wood, Chair of the Audit Committee

Appendix 1- Planned outputs

We will discuss and agree our reports with officers before issuing them to the audit committee.

Table 1

Planned output	Indicative date
Audit plan	December 2011
Annual governance report	September 2012
Auditor's report giving the opinion on the financial statements	September 2012
Auditor's report giving the opinion on the pension fund annual report	September 2012
Final accounts memorandum (to the Director of Finance and Corporate Services)	October 2012