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Dear s151 Colleague

This letter follows on from the letter from Stephen Reid dated 21 August 2024 setting out our approach as a firm to addressing the Government's policy proposals as set out in the statement to parliament on 30 July 2024.

As Stephen stated in his letter, while guidance remains to be issued, we have been working with the system leaders to understand what their expectations will be on all auditors to implement the government's policy proposals effectively. We have also reviewed the auditing standards and the work required to move to a disclaimed opinion. Primarily, whilst we do not need to complete detailed testing of the financial statements we do need to review them, complete certain tasks to plan our approach to the audit, understand the business, get updates on key areas to ensure that we are sighted on developments, form a view on aspects that we report on, and communicate the outcome of this work to those charged with governance.

Therefore, once we have completed our work, in addition to the auditor's report including the disclaimed opinion for each year, we will issue one completion report for those charged with governance per authority that includes: details of the work undertaken for planning; the results from the work completed for this process; and our value for money commentary. For organisations with more than one open year to 31 March 2023, there will be one completion report to cover all open years.

We have set out below the programme of work that will need to be completed to ensure that together we can meet the backstop date of 13 December 2024 for the audits for financial years through to 2022/23.

The following are critical deadlines as this is an extremely tight timetable. There is clearly lots for us all to do to achieve this and we will need your support by completing the following tasks by the dates set out below.

Action required by the Authority	Why	Date by which action required
<i>Statement of accounts procedures – Authority actions and responses required</i>		
<p>1. Approval of the statement of accounts for audit by the Responsible Finance Officer (RFO). If, for any open year of account, the draft statement of accounts has not been approved for audit, please make arrangements to do so.</p>	<p>In order to meet the December backstop date, draft statements of accounts for each open year need to be drafted and approved before we can undertake procedures to complete our work and issue our report. If statements of accounts are not approved for audit, and procedures are delayed, the Authority will be required to publish a statement by 13 December 2024, explaining why the backstop date has not been met.</p>	<p>We recommend that statements of accounts are approved for audit no later than 9 September 2024, to avoid delays in our completion procedures.</p>
<p>Please provide the following information: The date at which, for each open year of account, the draft statement of accounts was or will be approved for audit by the RFO. Please provide by 9 September 2024 to kristi.maughan@uk.ey.com</p>		
<p>2. The Authority is required to publish the draft statement of accounts including an Annual Governance Statement for all open years up to and including 31/3/2023.</p>	<p>This is a requirement of the Local Audit and Accountability Act 2014, Section 25,26,27; Accounts and Audit Regulations 14, 15 and 21 and Local Audit (Public Access to Documents) Act 2017 Section 1. We cannot issue an opinion without this having been completed and confirmed.</p>	<p>By the 9th September, if not already done.</p>
<p>Please confirm date(s) on which the financial statements were/will be published. Please confirm by 9 September 2024 to Kristi.Maughan@uk.ey.com</p>		
<p>3. For the prepared and published draft financial statements and Annual Governance Statement, the Authority is required to advertise and then hold the 30 day public inspection period.</p>	<p>This is a requirement of the Local Audit and Accountability Act 2014, Section 25,26,27; Accounts and Audit Regulations 14, 15 and 21 and Local Audit (Public Access to Documents) Act 2017 Section 1. We cannot issue an opinion without this having been completed and confirmed.</p>	<p>If not already done, we recommend that the Authority advertises and holds the public inspection period as soon as possible, to ensure it has completed before the backstop date.</p>
<p>Please confirm date(s) of inspection periods for each open year of account. Where inspection periods have not yet been undertaken/not yet completed, please confirm planned inspection period dates. Please provide dates by 9 September 2024 to kristi.maughan@uk.ey.com</p>		
<p>4. Authority to consider the need to update and approve any open Annual Governance Statements (AGS) in line with CIPFA bulletin 16.</p>	<p>As part of our completion procedures we are required to review and report on the final version of the AGS.</p>	<p>As soon as possible</p>

Action required by the Authority	Why	Date by which action required
<p>Please confirm if you intend to update the AGS for open years of account and timing for approval an updated version, by 9 September 2024 to kristi.maughan@uk.ey.com</p> <p>Please provide the final updated version of the AGS, by 30 September 2024 to kristi.maughan@uk.ey.com</p>		
<p>5. You will need an Audit Committee meeting or delegated authority to approve the statement of accounts when we have completed the required work. The s151 should then authorise the statement of accounts for issue.</p>	<p>Depending on when we receive all of the required information, we are aiming to have our procedures completed by the end of November. We will require your approved and signed statement of accounts from you once we are ready to sign.</p>	<p>Before 29 November</p>
<p>Please confirm your planned approach and timing to approve the statement of accounts, bearing in mind that you may need either to delegate authority at the next scheduled meeting or to schedule an extra meeting of the Audit Committee if the planned dates do not allow the committee to receive our audit completion report in late November 2024.</p> <p>Please send details of your planned approach to kristi.maughan@uk.ey.com</p>		
<p><i>Audit procedures – Authority actions and responses required</i></p>		
<p>6. Provide updated responses to the attached inquiry letters.</p> <p>Please provide updated responses from s151 Officer, the Monitoring Officer, the Audit Committee chair and internal audit.</p>	<p>Under the auditing standards and our reporting duties we must ensure that we have considered any key matters that may have occurred during the period to date. Therefore, as with the recent work on vfm, we need to ask for updated inquiry letter responses and notification of any key changes or issues.</p> <p>We are not sending these separately to each individually but are sending to you as RFO to distribute, collate and return within your Authority.</p>	<p>By the 16 September 2024 latest.</p>
<p>Please provide the following confirmation/information: Updated inquiry letter responses as attached. Please return all responses by 16 September 2024 to kristi.maughan@uk.ey.com</p>		
<p>7. Review and provide comments on our Audit Completion Report prior to approval of the statement of accounts</p>	<p>We aim to get the report to you by late November to allow you time to review it in time for finalisation of the report and work before the December deadline.</p>	<p>Prior to your accounts approval date (5. above) and by 29 November at the latest.</p>

Action required by the Authority	Why	Date by which action required
8. Provide signed letter of Representation and subsequent events confirmation to us on date of audit opinion	We attach the Template Letter of Representation for you to prepare on your letterhead. Please do not remove any paragraphs within the letter.	Date of audit opinion.
Prepare letter of representation on letterhead, to be signed on date of audit opinion. Please be available to respond to subsequent events queries on date of audit opinion. We will notify you of the planned date in November 2024.		
9. Availability for audit follow up queries during the audit period September – 13 December 2024	We are running this process with a large team over a number of audits and therefore we will require access to a key contact throughout the period, to ensure we can turn around queries quickly.	Throughout September – November for key contacts.
Please provide key contacts and contact numbers/emails for the period above by 9 September 2024 to kristi.maughan@uk.ey.com		
10. Publishing the final auditor’s report and the Completion report on the website alongside the financial statements.	It is vital that our auditor’s report and completion report are published on your website alongside the financial statements to which they refer. They should be easily accessible.	This upload should take place on receipt of the auditor’s report and completion report.
Following receipt of our reports please provide confirmation that they have been published on your website and provide a link to kristi.maughan@uk.ey.com		

If you have any questions on the above or want to discuss in detail, please contact me at mgrindley@uk.ey.com

Thank you for your help with this matter.
Yours faithfully

Maria Grindley

Partner
Ernst & Young LLP
United Kingdom