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Ref: EY/18-19/Broads Authority
/Audit timing
Your ref:

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Dear Emma,

ACCOUNTS & AUDIT TIMETABLE 2018/19

Thank you for your time for our call earlier this week. In response to our discussion, I am now writing to update you on the proposed audit timeline for your 2018/19 audit.

Our responsibilities in relation to Accounts

From the PSAA Statement of responsibilities of auditors and audited bodies, Paragraph 17, available at www.PSAA.co.uk, our responsibilities include:

Auditors provide an opinion on whether the audited body's financial statements:

- *give a true and fair view of the financial position of the audited body and its expenditure and income for the period in question; and*
- *have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards or other direction.*

We are also required to conduct our work economically, efficiently and effectively, and in as timely a way as possible.

Your responsibilities in relation to Accounts

Under the Accounts and Audit Regulations 2015, Regulation 10, your responsibilities for publication of the Accounts are as follows:

Publication of statement of accounts, annual governance statement and narrative statement for Category 1 authorities

10.-(1) A Category 1 authority must, after approving the statement of accounts in accordance with regulation 9(2) but not later than 31st July of the financial year immediately following the end of the financial year to which the statement relates, publish (which must include publication on the authority's website)-

(a) the statement of accounts together with any certificate or opinion, entered by the local auditor in accordance with section 20(2) of the Act;

(b) the annual governance statement approved in accordance with regulation 6(2); and

(c) the narrative statement prepared in accordance with regulation 8.

(2) Where an audit of accounts has not been concluded before the date specified in paragraph (1) an authority must–

(a) publish (which must include publication on the authority's website) as soon as reasonably practicable on or after that date a notice stating that it has not been able to publish the statement of accounts and its reasons for this;

(b) comply with paragraph (1) as if for "but not later than 31st July of the financial year immediately following the end of the financial year to which the statement relates" there were substituted "as soon as reasonably practicable after the receipt of any report from the auditor which contains the auditor's final findings from the audit which is issued before the conclusion of the audit".

I will work with you to draft and agree the narrative of the notice for publication by the 31 July 2019 deadline.

Audit timing 2019

Our priority is to ensure high quality in undertaking our audits, as this is key to ensuring we meet our responsibilities and issue the correct opinion.

As your auditors we try to conduct our work in as timely a manner as possible, having regard to your responsibilities. With the tighter timescales across the sector, and having encountered a number of audit issues on the Major Local Audits (MLA's) that we commenced in June, we are not able to resource your audit this month, as we seek to complete those audits that we have started.

To ensure you receive the best quality audit from EY, we are therefore proposing an alternative timetable for your 2018/19 audit. We will work with you to agree a revised detailed delivery and reporting timetable taking into account the availability of your finance team and your upcoming budget preparation arrangements.

We have explained our decision to reschedule a number of audits to Public Sector Audit Appointments and committed to keep them informed about both our discussions with clients and our plans. They share our overriding concern to ensure delivery of a quality audit.

They have also sought reassurance that EY will make every effort to minimise inconvenience to clients and to complete rescheduled audits as soon as possible after 31 July. We have been happy to give that reassurance.

Whilst we always strive to provide excellent client service, my first priority must be to safeguard the quality of the audits provided, and avoid putting our professional standards at risk. I apologise for the inconvenience that the rescheduling of your audit may cause. We will work with you to ensure that any disruption is minimised.

Thank you for taking the time to take my call and for the manner in which we discussed the sensitive nature of this topic. I do look forward to working with you going forward.

Yours sincerely

Mark Hodgson
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