

Councillor Keith Hoskins MBE
Finance, Audit and Risk Committee Chair
North Hertfordshire District Council
Council Offices,
Gernon Road,
Letchworth Garden City,
SG6 3JF

24 September 2021

Email: DHanson@uk.ey.com

Dear Councillor Hoskins

Audit letter – North Hertfordshire District Council audit of financial statements 2020/21

Under the 2020 Code of Audit Practice, for Local Government bodies, we are required to issue our Auditor's Annual Report by 30 September or, where this is not possible, issue an audit letter setting out the reasons for delay. The target date for you to publish your financial statements for the financial year ended 31 March 2021 is 30 September 2021, as set out within the Accounts and Audit (Amendment) Regulations 2021.

As a result of the ongoing impact of the coronavirus pandemic, and the impact it has had on both preparers and auditors of financial statements to complete their work as quickly as would normally be expected, the National Audit Office updated its guidance to auditors to allow us to postpone completion of our work on arrangements to secure value for money and focus our resources firstly on the delivery of our opinions on the financial statements. This is intended to help ensure as many as possible could be issued in line with national timetables and legislation. The guidance allows auditors to issue our Auditor's Annual Report 3 months after giving our opinion on the financial statements.

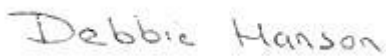
Due to required rescheduling of the audit we will not be able to give our opinion on your financial statements by 30 September 2021. At the present time, we anticipate that we will be able to meet the guidance for issuing our Auditor's Annual Report, including our commentary on arrangements to secure value for money, within the period of 3 months after giving our opinion on the financial statements. If circumstances should change, we will write to you again with an explanation.

For the purposes of compliance with the 2020 Code, this letter constitutes the required audit letter explaining the reasons for delay.

In writing this audit letter we also take the opportunity to remind you that you should still publish your financial statements by 30 September 2021, without the audit report. Set out below is an example of the wording that we suggest could be used to meet the requirements of the regulations to explain why your accounts would not be audited as at that date.

The external audit of the draft statement of accounts for the year ended 31 March 2021 has not yet been completed by our external auditors, EY LLP, due to the audit being rescheduled. This situation is allowed for by Regulation 10, paragraph (2a) of the Accounts and Audit Regulations 2015. (See attached link: <http://www.legislation.gov.uk/uksi/2015/234/regulation/10/made>). Therefore this notification explains, as per paragraph (2a), that we are not yet able to publish our audited 2020/21 final statement of accounts in line with deadline of 30th September 2021, as per paragraph (1). The Governance & Assurance Committee will consider the results of the 2020/21 audit, after which we will publish the final audited accounts.

Yours sincerely



Debbie Hanson
Associate Partner
For and on behalf of Ernst & Young LLP

cc: Ian Couper, Service Director – Resources