

**Private and Confidential**

The Board of Directors  
Cambridgeshire Community Services NHS Trust  
Units 7 & 8  
Meadow Park  
Meadow Lane  
St Ives  
Cambridgeshire  
PE27 4LG

5 December 2022

Our ref: CCS/DE/ALF/CVS

Dear Madams/Sirs

**Cambridgeshire Community Services NHS Trust**

Following our previous correspondence, we are writing to formally confirm our resignation as auditors of Cambridgeshire Community Services NHS Trust. This letter constitutes our notice of resignation under Regulation 3 of the Local Audit (Auditor Resignation and Removal) Regulations 2014 ("LAR 2014"), and of termination of the relevant contract (comprising our Engagement Letter dated 11 May 2022 and the Internal and External Audit, Counter Fraud & Well Led Governance Review Service Level Agreement (SLA) Ref: SBS/16/PC/ZY/8952).

In accordance with Section 3 (3) of LAR 2014, this notice of resignation will take effect 28 days after the date of it, i.e. on 2 January 2023.

In accordance with Section 3 (2) (a) of LAR 2014, we state the following reasons for ceasing to hold the office of auditors:

- Auditor capacity issues, arising largely as a consequence of the delayed implementation of legislation to restructure the NHS commissioning bodies until part way through the 2022/23 financial year, which led to the need for a significant additional volume of statutory audits covering part-year of the demising bodies as well as part-year of the successor bodies, and prevented us from being able to deliver all of the 2021/22 and extra 2022/23 portfolio audits within, or reasonably close to, anticipated timetables. It has therefore been necessary to assess resource utilisation, and we have determined that it would not be feasible for us to continue as auditors of Cambridgeshire Community Services NHS Trust. This is due to several factors, including but not limited to:
  - Poor quality draft financial statements, evidenced by the notable volumes of corrected and uncorrected errors identified and issues with supporting working papers (as reported in detail to the Audit Committee in our Audit Completion Reports);
  - Late delivery and poor quality of supporting working papers including, notably, for key audit focus areas such as property valuation, income and expenditure;
  - Notable volumes of control deficiencies identified during the audit, and failures to address recommendations raised in previous years; and
  - An inadequately resourced finance team, including capacity to support an audit.

In accordance with Section 3 (2) (b) of LAR 2014, we are required to state any matters connected to our ceasing to hold office that we consider need to be brought to your attention or the attention of your auditor panel:

- All of the matters referred to above are considered necessary to be brought to your attention or the attention of your auditor panel. We have already reported these issues to the Audit Committee in our Audit Completion Reports.




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IP3 9SJ

We would also like to take this opportunity to remind you of your obligations under the LAR 2014, which are outlined in Appendix A to this letter.

Yours faithfully

DocuSigned by:  
  
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BDO LLP

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## Appendix A: Your responsibilities with regards to our resignation

LRA 2014 Ref	Requirement
3. (4)	You must, as soon as is practicable after receiving our notice of resignation, give a copy of this notice (and if applicable the statement referred to in paragraph (2) of S 3.) to your auditor panel.
3. (5)	Within the period of 28 days beginning with the date on which you receive the statement referred to in paragraph (2) of regulation 3: (a) send a response to us and a copy of the response to your auditor panel (b) publish the statement and the response: i. if you have a website, on your website; ii. otherwise, in accordance with regulation 1(3).
3. (6)	You must exclude from the statement and response published under paragraph (5) of regulation 3 information whose disclosure would prejudice commercial confidentiality, unless there is an overriding public interest in favour of disclosure.
4. (1)	Your auditor panel must, within the period of three months beginning with the date on which our resignation takes effect: (a) investigate the circumstances connected with our ceasing to hold office; (b) consider whether any action is required to be taken by you to address any matters raised by our resignation; and (c) give a statement to you containing: i. the results of the panel's investigations under sub-paragraph (a); and ii. the panel's recommendations in relation to any action to be taken by you.
4. (2)	You must, within the period of 28 days beginning with the date on which you receive the statement, publish it: (a) if you have a website, on your website; (b) otherwise, in accordance with regulation 1(3).
4. (3)	You must exclude from the statement published under paragraph (2) information whose disclosure would prejudice commercial confidentiality, unless there is an overriding public interest in favour of disclosure.
8.	You must, no later than the end of the period of 14 days beginning with the date on which we cease to hold office, notify the supervisory authority by which we are recognised (being the Institute of Chartered Accountants in England and Wales) that we have ceased to hold office as your local auditor. Your notification must be accompanied by a copy of the statement required by regulation 3(2).

### Contact details for notification under regulation 8

Notifications can be sent by letter or e-mail as follows:

By e-mail to [auditorchange@icaew.com](mailto:auditorchange@icaew.com)  
 Change of Auditor Notifications  
 Quality Assurance Department  
 ICAEW  
 Metropolitan House  
 321 Avebury Boulevard  
 Milton Keynes  
 MK9 2FZ