

Audit Committee

Meeting to be held on 27 June 2011

Electoral Division affected: All

Response of the Audit Committee to the Audit Commission's request for information to support its compliance with International Standards on Auditing (Appendix 'A' refers)

Contact for further information:

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Executive Summary

The Audit Commission is obliged to comply with International Auditing Standards and to obtain reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. To support this work the Audit Committee has been asked to provide some information as follows.

The Audit Committee is asked to explain how, with the Standards Committee, it oversees management's processes in relation to:

- Assessing the risk that the financial statements may be materially misstated due to fraud;
- Identifying and responding to the risk of fraud in the council;
- Communicating the council's views on business practice and ethical behaviour to employees; and
- Communicating to those charged with governance the council's processes for identifying and responding to fraud.

The Audit Committee is also asked to confirm the following:

- How the committee oversees management processes to identify and respond to the risk of fraud and possible breaches of internal control;
- Whether the committee or its chair has knowledge of any actual, suspected or alleged frauds affecting the council; and
- How it gains assurance that all relevant laws and regulations have been complied with.

A response has been prepared for consideration by the committee and is attached at Appendix A.

Recommendation

It is recommended that:

- a) the response attached at Appendix A is considered and approved.
- b) the chair of the Audit Committee be authorised to sign the response on behalf of the committee.

Background and Advice

As set out in the Executive Summary above.

Consultations

Not applicable.

Implications

Not applicable

Risk Management

The risk to the authority as detailed in the report.

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/ Directorate/ Ext
Letter from Fiona Blatcher of the Audit Commission to Councillor S. Chapman	4 April 2011	

Reason for inclusion in Part II, if appropriate:

Not appropriate.