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14 February 2018

Dear Angie

Lancashire County Council Financial Statements for the year end 31 March 2018

To comply with International Auditing Standards, we need to establish an understanding of the management processes in place to prevent and detect fraud and to ensure compliance with law and regulation. We are also required to make inquiries of both management and the Audit, Risk and Governance Committee as to their knowledge of any actual, suspected or alleged fraud. International Auditing Standards also place certain obligations on auditors to document Management's view on some key areas affecting the financial statements

To assist us in meeting these requirements, I would be grateful if you would consider and formally respond to the matters set out in the attached schedule. In completing this task, you may wish to take into account the views of other directors where you think appropriate. The schedule relates to operational issues as well as the financial statements of the Council.

In addition to our request to management, we also need to gain an understanding of how the Audit, Risk and Governance Committee maintains oversight of the above processes. I will provide you with a copy of the letter that I sent to Councillor Alan Schofield, Chair of the Audit, Risk and Governance Committee, for your information.

It would be useful to co-ordinate both the Audit, Risk and Governance Committee and management responses to our letters in time for discussion at the Audit, Risk and Governance Committee meeting scheduled for 30 April 2018. Please could you provide a response to me by **Monday 30 April 2018**. Please contact me if you wish to discuss anything in relation to this request. My contact details are:

Richard McGahon 0141 223 0889 / 07880 456156 richard.a.mcgahon@uk.gt.com

Yours sincerely

Richard McGahon
Senior Manager
For Grant Thornton UK LLP

Chartered Accountants

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