



# Grant Thornton

Councillor Heath  
Governance Committee Chair  
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Tuesday, 21 June 2016

Dear Councillor Heath,

**Dover District Council Financial Statements for the year end 31 March 2016 - obtain an understanding how the Audit Committee gains assurance from management**

To comply with International Auditing Standards, each year we need to refresh our understanding of how the Governance Committee gains assurance over management processes and arrangements.

I would be grateful, therefore, if you could write to me with your responses to the following questions.

- 1 How does the Committee oversee management's processes in relation to:
  - carrying out an assessment of the risk the financial statements may be materially misstated due to fraud or error
  - identifying and responding to the risk of breaches of internal control
  - identifying and responding to risks of fraud in the organisation ( including any specific risks of fraud which management have identified or that have been brought to its attention, or classes of transactions, account balances, or disclosure for which a risk of fraud is likely to exist)
  - communicating to employees its views on appropriate business practice and ethical behavior (for example by updating, communicating and monitoring against the codes of conduct)?
- 2 Do you have knowledge of any actual, suspected or alleged frauds? If so, please provide details.
- 3 How does the Committee gain assurance that all relevant laws and regulations have been complied with?
- 4 Are you aware of any actual or potential litigation or claims that would affect the financial statements?
- 5 How has the Committee satisfied itself that it is appropriate to adopt the going concern basis in preparing the financial statements?

We would be grateful if you could provide a response by 30 June 2015. You may find it useful to co-ordinate both the Committee and management responses to our letters in time for discussion at that the June Committee meeting.

Please contact me if you wish to discuss anything in relation to this request.

Yours sincerely

A handwritten signature in black ink, appearing to read 'T Blackman', with a long horizontal flourish extending to the right.

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