# Note: Included in the Report to the Audit Committee–Annual Audit Plan is a discussion on Fraud and Error and asks the Committee to provide us with information they have on fraud has soon as practicable. You may use this section as an introduction to making your inquiries.

# [Entity ]

# Year ended [Date]

**Date** [DATE]

**Attendees** [NAME], [ENTITY NAME]

[NAME], OAG

| Questions **(*The italicized questions are mandatory.*** All others are example questions that could be addressed to the Audit Committee or others charged with governance**).** | **Response** |
| --- | --- |
| **a) Questions to gain an understanding of the commitment of the Audit Committee or others charged with governance regarding fraud prevention, deterrence and detection.**   * What are your views about the risk of fraud? * *Are you aware of any fraud that either has been alleged, perpetrated, or is suspected?* * How do you ensure that the financial statements and other materials submitted to the Board are free of management manipulation and override? * What incentives and pressures do you perceive to be on management and how are the related fraud risks managed? * [Additional question] * [Additional question] |  |
| **b) Questions to gain an understanding of how the Audit Committee or others charged with governance monitor controls and programmes that prevent, deter and detect fraud.**   * *How do you exercise oversight over activities regarding the risks of fraud and the programmes and controls established to mitigate risks?* * What protocols have you established with management to be informed of all fraud, material or not, that involves management or other employees that have a significant role in internal controls? * Were any matters relating to fraud reported to the Audit Committee or others charged with governance, where we were not present, during the year? What action did management and the Audit Committee or others charged with governance take? * [Additional question] * [Additional question] |  |
| **c) Questions about tips or complains regarding the company’s financial reporting.**   * Have you received any tips or complaints regarding the company’s financial reporting (including through the whistle-blower program)? * If so, how have you or management responded to such tips or complaints? * [Additional question] * [Additional question] |  |
| **d) Questions regarding the risks of material misstatement due to error.**  [Using your knowledge of the entity and its environment as well as information from other risk assessment procedures, make inquiries of the Audit Committee regarding the identification and assessment of the risks of material misstatement due to error. Such inquiries may include, for example:   * Changes in business or financial risks * New or changes in significant contracts, complex or unusual transactions * Consideration of financial performance measures, including impact on compensation] |  |

**Note:** When addressing questions to gain an understanding of the Audit Committee’s assessment of risk of material misstatement due to fraud or error and related controls, teams should consider the linkage with the assessment of internal control components