

**THE SMITH REPORT (GUIDANCE FOR AUDIT COMMITTEES)**

---

**1. SUMMARY**

This report introduces the key elements of guidance produced by a small group formed by the Financial Reporting Council (FRC) to assist organisations in making suitable arrangements for their audit committees. (See Attached)

**2. RECOMMENDATIONS**

2.1 The attached report is for guidance only.

**3. DETAILS**

3.1 The report appended offers the Chairman, Members of the Audit Committee and senior management the opportunity to consider the key elements of the new guidance prepared by the FRC. Further detail can be provided by KPMG our internal audit partners if requested.

3.2 At present CIPFA is presently compiling a new Code of Practice for Internal Audit and once this is formerly issued internal audit will provide feedback to the Audit Committee as to how the changes affect this Council.

**4. CONCLUSIONS**

Reports pertinent to the role of the Audit Committee will continue to be brought to the attention of the Audit Committee.

**5. IMPLICATIONS**

5.1	Policy:	None
5.2	Financial:	None
5.3	Personnel:	None
5.4	Legal:	None
5.5	Equal Opportunities:	None

For further information please contact Ian Nisbet, Internal Audit Manager (01546 604216)

Ian Nisbet  
Internal Audit Manager 31 October 2003.  
31octfinalreport31oct