

[Company Letterhead]

Date: [Insert Date]

To: [Board of Directors / Audit Committee / Senior Management]

From: [Audit Team / Internal Auditor Name]

Subject: Post-Audit Summary: Fraud Risk Defenses and Whistleblower Policies

Dear [Recipient Name],

Following the completion of the recent audit for the period of [Insert Date Range], this letter serves to highlight our findings regarding the organization's fraud risk management framework and the effectiveness of current whistleblower protocols.

1. Assessment of Fraud Risk Defenses

Our review evaluated the internal controls designed to prevent and detect fraudulent activity. Key observations include:

- **Internal Controls:** [Briefly describe if controls are adequate or require strengthening].
- **Segregation of Duties:** [Note any risks identified in the separation of financial responsibilities].
- **Asset Safeguarding:** [Comment on the physical and digital security of company assets].

2. Whistleblower Policy Review

The audit examined the accessibility and anonymity of the company's reporting channels. The following areas were assessed:

- **Reporting Channels:** [Confirm if hotlines or reporting emails are functional and publicized].
- **Non-Retaliation:** [Verify if policies clearly protect employees from professional repercussions].
- **Investigation Procedures:** [Evaluate the speed and neutrality of the response to reported concerns].

3. Recommended Actions

To further mitigate risk, we recommend the following enhancements:

- [Recommendation 1: e.g., Mandatory fraud awareness training for all staff].
- [Recommendation 2: e.g., Implementation of automated flag systems for irregular transactions].
- [Recommendation 3: e.g., Periodic third-party review of the whistleblower hotline].

4. Conclusion

While the existing defenses provide a baseline of security, the continuous evolution of fraud tactics requires regular updates to our defensive posture and a strong culture of transparency.

We are available to discuss these findings in detail at your earliest convenience.

Sincerely,

[Signature]

[Name]

[Title]

[Department]