

Example Audit Prepared by Client List

Please note that not every item will be relevant for your business.

Ref	Item	Comment	Example File Ref
1	General		
	Copy of the up-to-date group structure		1.1
	Budget/forecasts for the 12 months after the proposed sign off of the statutory financial statements.		1.2
	Monthly management accounts for the year and post year end, as available.		1.3
	Insurance documentation.		1.4
	Board minutes.		1.5
	Directors' emolument certificates to be completed by each director (auditors can provide pro-forma).		1.6
	A breakdown of sales/sales day book for the period which reconciles to the turnover disclosed within the statutory accounts		1.7
	A breakdown of purchases/purchase day book for the period which reconciles to the statutory accounts		1.8
	A full listing of journals processed in the year (in Excel if possible)		1.9
	<p>Post Balance Sheet Information</p> <p>Prior to sign Auditors will need to review the following information from the year end to as close to the date of signing as possible:</p> <ul style="list-style-type: none"> - Sales - Purchases - Cashbook - Journals - Board minutes 		
	Draft Financial Statements		
	Draft 1 of the Statutory financial statements.		FS
	<p>Auditors will require the following back up to support the necessary disclosure notes within the statutory accounts required under the relevant accounting standard e.g.</p> <p>Staff cost/number note plus any workings of how this information actually has been obtained from the payroll records;</p> <p>Workings for the operating lease note;</p> <p>Workings for the finance lease/hire purchases;</p> <p>Workings and back up to support any pension scheme disclosure;</p> <p>Workings/calculation for any share based payment transactions as well as supporting back up agreements etc.</p> <p>Details of any contingent liabilities and any legal cases pending against the company;</p> <p>Details of any capital commitments made as at the period end;</p> <p>Details of related party transactions - including name of the party, how they are related, value of transactions in the year and the year-end debtor/creditor balance;</p> <p>Workings to support any other notes as applicable.</p>		<p>FS.1</p> <p>FS.2</p> <p>FS.3</p> <p>FS.4</p> <p>FS.5</p> <p>FS.6</p> <p>FS.7</p> <p>FS.8</p> <p>FS.9</p>

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	Trial balance at the year-end per the accounting system including a reconciliation showing how the trial balance feeds into the statutory financial statements		1.TB
2	Trading Results		
2A	Turnover		
	Detailed listing of each income stream.		2A.1
	Sales as per VAT returns (Q1-4) reconciled to turnover.		
	Copies of any contracts signed during the year for amounts >£x (amount to be agreed with your Auditor).		2A.3
	Turnover split by geographical market which reconciles to the disclosure within the statutory accounts		2A.4
2B	Wages and Salaries		
	A reconciliation between the gross salaries per the monthly payroll records and total payroll costs charged in the accounts and TB. Provide a copy of the payroll documents used to perform the reconciliation (e.g. last sheet of monthly payroll)		
	Access to the payroll records.		
	Details of significant pay rises in the year. Including access to any supporting documentations such as signed memos to HR which resulted in increases of the pay.		
	A summary of the monthly payroll records, the total of which should agree to the accounts.		
	Details of any termination payments.		
	Details of bonuses paid in the year.		
	Details of the number of employees per month throughout the period		
	Directors' remuneration reconciled to balances disclosed in the notes to the accounts.		
2C	Other direct and indirect expenses		
	Summary of annual rent payable.		
	Nominal ledger print outs of the following balances: <ul style="list-style-type: none"> - Rent & Rates; - IT costs repairs and maintenance; - Sundry; - Legal & professional; - Entertaining; - Other staff costs; and, - Consultancy N.B: If your Audit firm is also completing your tax computation, it should be noted that backup documentation may be requested in relation to the detailed analysis provided to tax during the audit.		
	Schedule of interest on bank loans.		
	Details of any exceptional items and supporting documentation.		
3	Tangible Fixed Assets		
	A lead schedule summarising cost brought forward for each category, additions, disposals, depreciation brought forward and charged in the year (should agree to the note in the financial statements).		
	For each fixed asset category:		

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	A list of all the individual assets within the category in Excel detailing their initial cost, acquisition date, depreciation charged in the year and net book value at the beginning and end of the period.		
	Listing of all the assets (with original cost) that are fully depreciated.		
	Listing of all additions and disposals with supporting documentation for all additions over £10K (i.e. purchase invoices) and all disposals over £10K (i.e. sales invoices).		
	Calculation of profit/loss on disposal for each asset disposed of in the year.		
4	Group Balances (If applicable)		
	Intercompany matrix and confirmations from other group companies of the year end balances.		
	Analysis of significant movements in intercompany balances.		
5	Investments (If applicable)		
	Details of all investments and supporting documentation of any additions, disposals or impairments in the year.		
	Balance sheet and income statement detailing the investments' position and performance at the period end. Preferably statutory financials, including the relevant currency translations as applicable.		
6	Stock (If applicable)		
	A detailed stock listing of stock held as at the year-end including a description of each item of stock, its cost, net realisable value and quantity held at the year end.		
7	Debtors		
7A	Trade debtors		
	An aged trade debtors listing as at the year-end showing the balance owed by individual debtors as at the year-end (the total of the listing should agree to the balance on the financial statements)		
	A recent trade debtors listing (at the date of the audit) to show how many debtors have paid up post year end.		
	Details of amounts recovered post year end relating to balances at the year-end of > £x (amount to be agreed with your Auditor).		
	An explanation for all credit balances over £x (amount to be agreed with your Auditor)		
	An explanation of all balances >£x (amount to be agreed with your Auditor) and older than 90 days and reasons for variances on the prior year.		
	A summary detailing the number of sales invoices processed every month imported into Excel to aid any further analysis needed.		
	A summary detailing the number of credit notes processed every month.		
	A list of credit notes issued post year end.		
	Detailed listing of amounts included in bad debt provision		
7B	Other debtors		
	A detailed schedules of the individual other debtors.		
7C	Prepayments & Accrued income		

Ref	Item	Comment	Example File Ref
	A detailed schedule of the individual prepayments including year end balances and reasons for variances year on year		
	A detailed breakdown of accrued income, including how the balance has arisen and reasons for variances year on year		
8	Bank		
	Details of each bank account held as at the year-end i.e. account name, account number, sort code, branch details.		
	Signed bank authority letter for each bank where accounts were held at the year-end providing the authority to obtain a year end confirmation of the balance (your Auditor will provide a pro-forma).		
	A bank reconciliation for each bank account reconciling the cash book balance to the balance on the bank statements as at the year end.		
	Explanation for all significant reconciling items on bank reconciliations >30days old		
	Access to copies of bank reconciliations for all accounts through the year		
	The cashbook in Excel for the whole year and the post year end period in Excel		
	Bank agreements for any new/modified facilities agreed.		
	Details of any new bank accounts opened in the year		
9	Creditors		
9A	Trade creditors		
	A detailed aged creditors listing showing all the individual creditors and how much is owed to each at the year end		
	Access to the individual trade creditors ledgers during the audit to trace invoices and payments logged in the year and post year end if necessary.		
	An explanation of all balances greater £x (amount to be agreed with your auditor) and older than 90 days and reason for variances on prior year along with third party support to support the reason		
	An explanation of all debit balances greater £x (amount to be agreed with your auditor)		
	A summary of number of invoices processed each month imported into Excel to aid any further analysis needed.		
9B	Other creditors		
	A detailed listing showing all the individual other creditors including the name and description of the creditor and reason for the variance year on year.		
9C	Other tax and social security		
	<i>VAT</i>		
	Support for the VAT creditor i.e. a reconciliation between the balance shown on the VAT return and the balance included on the financial statements		
	<i>PAYE/NI</i>		
	An extract of the December payroll records to show the PAYE/NI due as at the year end		
	A copy of the information submitted to HMRC to show how much the company owed in PAYE/NI at the end of the year		
9D	Accruals & Deferred income		
	A detailed listing of all the individual accruals and reasons for variances on prior year		
	A detailed listing of all the balances included in the deferred income balance		

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	A detailed listing of all holiday pay accruals and supporting documentation		
	Supporting calculation for the holiday pay accrual (if holiday year is different to financial year or if staff can carry over holiday entitlement)		
9E	<i>Bank Loan (if applicable)</i>		
	Provide documentation of any loan extensions and all repayments during the year.		
9F	<i>Finance Lease (if applicable)</i>		
	Provide documentation of all finance lease held at the year end		
10	Share Capital		
	Schedule of Share Capital and any Share Premium year on year with backup for any changes		
	Listing of directors and changes year on year.		
11	Reserves		
	A detailed schedule of movements in reserves.		