

Audit Preparation Checklist

To enable us to provide an efficient and timely audit, we require that certain information is ready for us at the start of our audit.

We have prepared this checklist to assist you to collate documents and other information that will be required during the audit process.

This is a standard checklist. Please ignore reference to items not applicable to your organisation.

General

- Copy of raft Financial Statements/ Performance Report including completed notes
- Documents accompanying the financial statements/ performance report which will comprise the annual report, eg: Annual resolutions, Treasurer's report, Chairperson's report etc.
- Copy of trial balance (TB) and general Ledger (GL) (preferably in excel format. Or as a MYOB, QuickBooks or Reckon file; where you do not use a cloud based accounting system)
- Access to your online accounting package such as Xero (advisor role) or MYOB online
- Details of the mapping between the TB and the financial statements
- Supporting workpaper for the statement of cash flows
- Copy of this year's and next year's approved budgets
- General ledger journals & supporting documentation (may be among below) for the year, and also one month after balance date
- Copies of signed minutes of meetings for the year, plus any subsequent meetings
- Copy of any constitution or deed changes
- Completed or updated internal control questionnaire (We will prompt this process)
- Details of any related party transactions during the year.

Performance Report – for PBE/charities only

- Supporting documentation to evidence entity information page
- Supporting documentation and calculations to evidence outputs and outcomes in the statement of service performance.

Debtors, accounts receivable

- A schedule of all debtors that agrees with the balance in the financial statements
- Supporting documents to evidence debtors
- Explanation concerning the recovery of all outstanding debtors over three months old.

Fixed assets

- A copy of the fixed asset register that agrees with the balance in the financial statements
- Copies of invoices for asset additions greater than \$500
- Details of disposed assets, together with copies of supporting invoices
- Supporting details for calculation of gain/loss on disposal
- Title deeds and valuations of all properties.

Fraud risk assessment

- Completed or updated our Fraud Risk Assessment (we will provide a link to this electronic work paper).

Commitments and contingencies

- Details of all capital and operating commitments (leases etc) and contingent liabilities at balance date
- Arrange for solicitor confirmation request letter to be sent to all legal advisors used during the year (We will prompt this process)
- Copies of rent and lease agreements.

Bank, cash and investments

- Bank reconciliations for all bank accounts at balance date
- Bank statements for all accounts for the year, and for the month following balance date
- Arrange for audit bank confirmation report from all banks
- Certificates and details of investments held and their market value as at balance date
- Loan agreements and latest information of loans receivable.

Stock, inventory and work in progress

- Copy of stocktake instructions
- Details on:
 - Goods on consignment
 - Obsolete goods
 - Unsaleable or unusable materials
 - Materials held for repair
 - Defective or redundant goods.
- Details of:
 - Goods invoiced before balance date but still on hand at, and immediately after, balance date
 - Goods received during stock take
 - Goods on loan

- Details of:
 - Sale or return goods
 - Goods held on behalf of third parties
 - Goods held by third parties.
- Copy of final stock reconciliation including adjustments and stock write-offs.

Creditors, accounts payable and loans

- Supporting documentation to evidence creditors
- A schedule of all creditors that agrees with the balance in the financial statements
- Loan agreements and latest information of loans payable

Taxation

- Supporting workpapers for GST, FBT, and Income Tax calculations and copies of returns
- Reconciliations of GST, Imputation Credit Account and FBT balances at balance date
- Copies of income tax assessments and statements of account.

Employee expenses

- Report from your payroll system detailing total gross wages for the year
- Copies of employment contracts, or at least access to them where requested

- Supporting documentation of all employee provisions, such as:
 - Holiday pay/time in lieu/sick leave/long service leave
 - Payroll accrual
 - Bonuses.

Income and expenditure

- Details and supporting documentation of grant funding and other income received
- Copies of all funding contracts
- Receipt books and sales vouchers or invoices filed in numerical or other logical order for the year and two months following balance date
- List of sales invoices issued for the year
- Payment vouchers/ bills/ supplier invoices filed in date or other logical order for the year and two months following balance date
- Details of how expense items, including credit card and petty cash are authorised/approved for payment
- Credit card statements and supporting invoices for the year
- Details of the last cheque written in the period ended balance date, and the cheques written in the month following balance date.