

# Annual Financial Audit Engagement Letter

Date: [Insert Date]

[Client's Name]

[Client's Address]

[City, State, Zip Code]

Dear [Client's Name],

We are pleased to confirm our understanding of the services we are to provide for [Client's Company Name] for the year ended [Year]. This letter outlines the terms of our engagement for the annual financial audit.

## Scope of Audit

We will conduct an audit of the financial statements of [Client's Company Name] in accordance with Generally Accepted Auditing Standards (GAAS). Our audit will encompass the following:

- Examination of financial statements.
- Assessment of internal controls.
- Verification of account balances.

## Auditor Responsibilities

Our responsibilities include:

- Providing reasonable assurance that the financial statements are free from material misstatement.
- Reporting on the financial statements as required by GAAS.

## Management Responsibilities

Management is responsible for:

- Preparing the financial statements.
- Establishing and maintaining internal controls.
- Providing us with access to all financial records.

## Fees and Billing

Our fees for this engagement will be based on the time and expenses incurred. We estimate the total fee to be approximately [Insert Fee Amount].

If the terms outlined in this letter are acceptable, please sign and return a copy of this letter. We appreciate the opportunity to work with you and look forward to your response.

Sincerely,

[Your Name]

[Your Title]

[Your Firm's Name]

[Your Firm's Address]

[City, State, Zip Code]

Accepted by:

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[Client's Name] [Title]

[Date]