

Audit Preparation Checklist for Financial Statements

Date: [Insert Date]

To: [Auditor's Name]

[Auditor's Firm]

[Auditor's Address]

Dear [Auditor's Name],

As we prepare for the upcoming audit, we have outlined a checklist to ensure that all necessary documentation and information are ready for your review. Below is the audit preparation checklist for the financial statements:

- **1. Financial Statements:** Preliminary Drafts of Income Statement, Balance Sheet, and Cash Flow Statement.
- **2. Adjusting Entries:** Details of any proposed adjusting entries awaiting auditor approval.
- **3. Trial Balance:** Last trial balance before audit commencement.
- **4. Bank Reconciliations:** Bank statements and reconciliations as of year-end.
- **5. Supporting Documentation:** Invoices, receipts, contracts, and other supporting documents for significant transactions.
- **6. Inventory Records:** Inventory counts and valuation methods used.
- **7. Accounts Receivable and Payable:** Ageing schedules and reconciliations for receivables and payables.
- **8. Internal Controls Documentation:** Policies and procedures for internal controls related to financial reporting.
- **9. Minutes of Meetings:** Board meeting minutes for the year.
- **10. Compliance Documentation:** Any letters or correspondence regarding compliance with laws and regulations.

We appreciate your assistance and look forward to a smooth audit process. Please let us know if you require any additional information or documentation.

Thank you for your cooperation.

Sincerely,

[Your Name]

[Your Position]

[Your Company]

[Your Contact Information]