

[Your Company Name]  
[Your Address]  
[City, State, Zip Code]  
[Date]

[Client Name]  
[Client Title]  
[Client Company Name]  
[Client Address]

**Subject: Audit and Assurance Services Engagement Letter**

Dear [Client Name],

The purpose of this letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.

**1. Scope of Audit**

We will audit the financial statements of [Client Company Name], which comprise the balance sheet as of [Year End Date], and the related statements of income, retained earnings, and cash flows for the year then ended. Our audit will be conducted in accordance with generally accepted auditing standards.

**2. Objective of the Audit**

The objective of our audit is the expression of an opinion as to whether your financial statements are presented fairly, in all material respects, in accordance with the applicable financial reporting framework.

**3. Responsibilities of Management**

Management is responsible for the preparation and fair presentation of the financial statements and for maintaining effective internal control over financial reporting. Management is also responsible for making all financial records and related information available to us.

**4. Responsibilities of Auditors**

We are responsible for conducting our audit in accordance with professional standards. An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. We will also communicate any significant deficiencies or material weaknesses in internal control that we identify during the audit.

**5. Fees and Billing**

Our fees for these services will be based on the time required by the individuals assigned to the engagement plus direct out-of-pocket expenses. We estimate the total fee to be [Amount]. Invoices will be rendered as work progresses and are payable upon presentation.

## **6. Reporting**

We will issue a written report upon completion of our audit of [Client Company Name]'s financial statements. Our report will be addressed to the Board of Directors of [Client Company Name].

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements.

Sincerely,

[Your Signature]

[Your Name]

[Your Title]

### **Acknowledgment and Acceptance:**

Accepted by: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_