



Our External Audit Services

Overview

What would your company need or consider the benefits of an audit?

Whilst you may or may not legally require an audit, you may feel there are some important benefits such as:

- Reliable information to base your business decisions upon
- Detection of fraud or errors that impact on your accounts
- Reduced likelihood of fraud or error based on staff knowing that an objective, independent review will occur
- Greater credibility of your accounts, which is important to lenders, investors, customers, suppliers, credit rating agencies and HMRC.

About us

Chapman, Robinson & Moore are a firm of accountants and auditors formed by professionals with vast experience providing assurance and advisory services in public practice. The firm has been involved in assisting individuals and companies of varying sizes, and from different industry sectors, community organisation and not-for-profit organisations. We offer assurance activities, accounting services, financial management advice, risk management etc. The firm has taken significant steps to become a modern small-medium sized firm of choice that reaches out to all sectors and its surrounding communities to share financial skills and knowledge for the betterment of its clients.

A key strength as a small – medium sized firm is in the added value that we bring, utilising our extensive knowledge gained across multiple business sectors over the years, and our personal approach that we offer to all clients.

There is a high level of continuity with our staff, and we appreciate that this is important to most business owners. We pride ourselves in being flexible, and take into consideration the concerns, needs and expectations of our clients.

This guide has been drafted to demonstrate how CRM is appropriately positioned to assist management with audit and assurance services within your business.



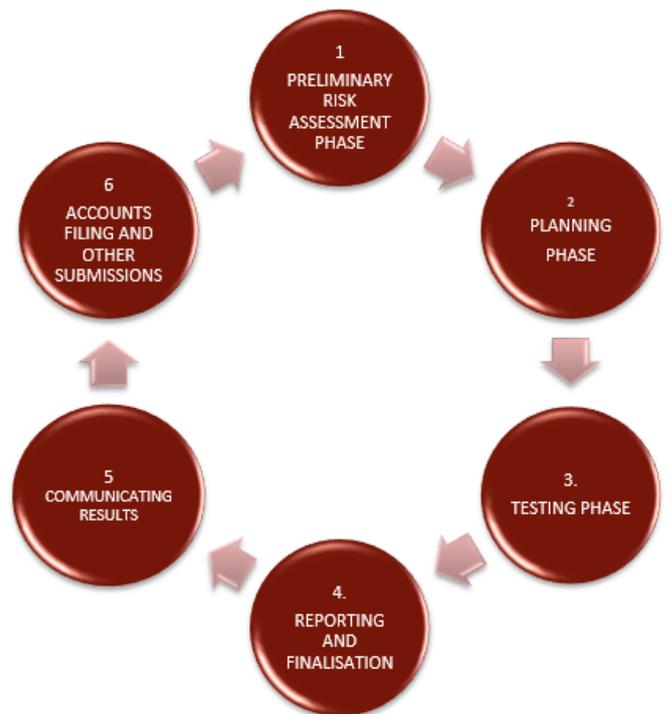
Our Audit Methodology

Our audit methodology is risk-based; firstly, identify the risk per audit category, then formulate an effective audit plan based on the level of risks identified, in a manner which allows us to obtain an opinion on the Financials being reviewed. Our audit work is carried out under the guidance of the International Auditing Standards.

Performing individual audits

STEP **1** - PRELIMINARY RISK ASSESSMENT PHASE

Our team facilitates discussions with operating management to identify business processes and risks. Key high-level information, including financial data, business strategies, and objectives, as well as relevant operational data is obtained. Additionally, we solicit management's concerns and work with them to be able to define expectations.



STEP **2** - PLANNING PHASE

Our audit staff are responsible for carrying out the planning procedures for each engagement. During this stage, they will;

- Obtain an understanding of the entity and its environment
- Obtain an understanding of the entity's internal control system (*Involves evaluating the design, and testing the implementation of controls during the period under review*)
- Identification of risks through different procedures such as Analytical reviews, Enquiries of management and key staff, Review of documentation, historical and future projections.

An overall assessment is then performed to ensure that any areas of significant risk to the audit are identified. Our team define the testing strategy based on the assessment of the control environment, our understanding of the entity and its environment, performance in the current year and management's concerns.

Any identified deficiencies, or weaknesses in the internal control system are communicated to management together with any other issues identified at the Planning phase.

STEP 3 - TESTING PHASE

Our team executes the test programme defined above. Throughout this phase, test results are analysed to determine if additional test work is required, or if no further testing is necessary to be able to issue an opinion on the accounts. We ensure timely communication of issues arising as test work is executed. Issues are communicated, validated, and drafted as they are identified.

STEP 4 – REPORTING AND FINALISATION

During this phase, the audit team, analyses the results obtained from all tests. This enables the practitioner (signing auditor) to be able to form a clear opinion and give a true and fair view of the accounts. This phase is also driven by guidance from the International Auditing Standards and involves procedures such as

- review of all misstatements identified (you will be notified of all identified misstatements)
- Going concern reviews
- Subsequent events review
- Posting of all audit adjustments agreed upon with management
- Drafting of accounts, and final tax adjustments by the non-audit team.

STEP 5 - COMMUNICATING RESULTS

Communicating Results is not considered a separate phase. It is embedded in all of the above processes. Throughout the audit, all issues identified are validated with the client and action plans are immediately developed by management. Audit recommendations (if any) and management responses are included in the final letter to management.

We will also offer you an opportunity for a Post audit meeting, where final results and our opinion on the accounts can be explained to you. This is also an opportunity for management to review strategies for the future.

STEP 6 – ACCOUNTS FILING AND OTHER SUBMISSIONS

Depending on your needs, we are able to take the administrative burden of filing the Annual accounts from you, as well as submitting tax returns to the HMRC. You can rest-easy knowing that you have a team of professionals who are available to support you and your business.

The process is briefly summarised in the table below:

Planning		Fieldwork		Reporting		Post audit
Pre- engagement		Audit Sampling		Draft of Issues Identified		Post audit closing meeting
Engagement letter		Analytical procedures		Management Responses		Accounts filing
Understanding entity & its environment		External confirmations		Discuss audit adjustments		Submission of tax returns
Management enquiries		Pulling of Documentation		Compliance checklists		Submission of annual returns
Design & Implementation of Controls		Enquiries		Closing procedures		
Review of financial data		Data and system interrogation		Final Accounts Prepared		
Developing Audit Plans		Stock counts		Accounts filing		
Tailoring Audit Program						

Meeting the client's expectations

We understand your needs and expectations and we are confident that we will not only meet these needs and expectations, but we will exceed them.

Needs and expectations	Client's Expectations
Engagement Planning	The planning phase of the audit: The audit team notifies the client of the audit, discusses the scope and objectives of the examination in a formal meeting with organisation management, gathers information on important processes, evaluates existing controls, and plans the remaining audit steps.
Preliminary analytical review	The audit team gathers financial and operational data covering the year under review. This is done to obtain a general overview of the performance of the entity and its operations. Discussions are held with key staff members and reports, files, and other sources of information are reviewed.
Review of internal controls	The audit team reviews the entity's internal control structure and identifies key controls. The review of internal controls assists the audit team to determine the areas with high risks and design appropriate tests to be performed.
Audit Programme	The audit team prepares the audit program, which is the conclusion to the planning phase. The program outlines the fieldwork necessary to achieve the audit objectives.
Audit testing	During this phase, various tests are performed. These are split as <ul style="list-style-type: none"> - Controls testing, and - Substantive procedures (Detailed tests and Analytical reviews)
Development of findings and recommendations	The audit team reviews the audit objectives, hold discussions with management and research appropriate solutions as recommendations to management.
Management responses	The audit team meets with management to discuss key issues identified and requests their responses in writing where necessary. Initial consultation is done with the respective Heads of department.
Exit Meetings	At this stage the audit management approves the draft report for discussion, the audit team meets with the management team to discuss the findings, recommendations, and format of the draft. The client is given an opportunity to confirm the comments on the draft and the meeting reaches an agreement on the audit findings, as well as adjustments to be posted.
Finalisation	The audit team prints and distributes the final reports and accounts to management, and those charged with governance for signing. The accounts are then signed by CRM, and copies distributed as agreed.

Quality Assurance Policy

Our policy includes the following:

- Proper planning of assignments;
- Proper supervision of staff;
- Regular project status meetings;
- Review of working paper files; and
- Adherence to documented policies and procedures which guide the external audit activity.

Audit fees

Our fees are computed on the basis of estimated time to be spent by the assigned team and on the level of skills and competency required to conduct the assignment.

Relevant sector expertise

We offer both audit and non-audit services to clients in the Industry sectors below amongst others;

Sector
Construction
Logistics
IT solutions provider
Not- For – Profit organisations
Energy
Entertainment - Music
Education
Individual
Sports and recreation
Hospitality, health and beauty

Audit Team

Brief summaries of the key audit team members appear below:

Names /Role	Specialist areas
Tony Hobbs <i>Managing Director</i>	Overview of all activities Business development (head of business mentoring programme)
Alan Sowden <i>Technical Director</i>	Audit Director Tax expert
Tatenda Jana <i>Audit Manager</i>	External audits

To meet the rest of the team, please see <http://www.crmoxford.co.uk/About-us/The-team>

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