



D & S Audit Tips

Keep your audit fees and audit interruptions down

Be ready for us - Make sure you have our audit materials list. Number the list and have a folder, notebook tab, or pile for each number. Impress the auditor, be organized, that's what we're looking for. Provide documents in electronic form whenever possible (spreadsheet, Word or PDF).

Be consistent and predictable - We like ordinary and boring. If you have a group of month end journal entries for depreciation, accrued payroll, etc., make them all on one entry that looks the same each month. Keep entries as ordinary and routine as possible. Record deposits the same. Record invoices the same. Make the transactions as easily identifiable as possible.

Support, Support, Support - Every transaction requires support. Checks, deposits, journal entries. Be consistent by including the same support on each type of transaction. Make sure every transaction has the required approvals.

Document your approval processes and follow them - If a disbursement requires a board signature, make sure it has a board signature. Make sure your approval processes will pass the auditor's tests.

Don't turn the audit engagement into an accounting engagement. Get the accounting work done first. Post accruals, depreciation, make sure everything ties in, etc. Can't do accounting work and audit at the same time. Auditors like to tick and tie. Hire an accountant to do a monthly or quarterly review so that you'll be more prepared for your audit, or ask us for a recommendation.

Insist on consistency from your audit team. Ask ahead of time, which will be coming. Are they the same auditors as last year? If not, push back a little bit. The more consistency, the less learning curve and less interruption.

Create an Audit Committee. Having an audit committee for your company is a crucial tool to preventing fraud and saving time and money with your outside auditor. The role of the audit committee will be the direct line of communication between the board of directors and the outside auditor.

Internet Connection. We do our audit work in a paperless mode. Saves paper and time. Please provide the audit team with a high speed internet connection if possible.

Fill out your own confirmations. If you really want to save some money on your audit, assign an employee from your company to fill out the audit confirmations for mailing by the auditor. New auditing standards require that your auditor receive all of the responses to your confirmations prior to beginning the audit.