



Audit and Assurance

Whether your audit is a statutory requirement or you just want independent assurance of the integrity of your financial information, Mitchell Charlesworth can help. We ensure your business ticks all the regulatory boxes but also make the process a positive one for your business.

Mitchell Charlesworth's specialist audit team support private companies and groups with turnover between £1m - £350m.

Our clients choose us because of our robust and tailored approach to the audit, and a wider consideration of the business, its risks and opportunities, making the whole process a more positive one.

We aim to take away some of the financial reporting challenges by keeping you informed about how these changes will affect your business and the potential impact on your reported results.

Audit

Statutory Audit

The requirement for an audit is dependent on the size of a company, group, charity or limited liability partnership. The fact that it is a legal requirement does not take away the value it can bring.

We will take the time to understand your business in detail, enabling us to deliver a bespoke service that will focus on your core processes and transactions and provide recommendations on controls, business improvements and efficiencies.

Non Statutory Audit

Even though many businesses are not legally required to have an audit by law, many of our clients choose to have one because of the benefits it brings.

There are many reasons why companies continue with the audit process:

- It can be a requirement from funders or might help access further funding

- It provides credibility and transparency to suppliers
- It is often a requirement by customers or to get on tender panels
- Or it may help in securing the best price when selling the business.

So what added value can an audit bring?

An audit can bring many elements of added value such as:

- Identifying weaknesses in internal controls
- Identifying where profitable changes can be made
- Lends credibility to financial statements
- Educates business owners
- Increases stakeholder confidence.

Identifying weaknesses in internal controls is part of the overall audit process. Our audit testing is specifically designed to identify any significant deficiencies which can increase the possibility of a material misrepresentation of the financial information by a business.

Our process is not to just verify the financial information, but also to ensure that the processes used to report and compile the financial information is sufficiently robust to reduce the chance of misreporting or fraud. The usual approach can also aid an entity become more efficient if there are inefficiencies throughout their processes.

An externally verified set of financial statements are usually considered more reliable in the market place than those that have not been. Stakeholders such as lenders, potential clients and suppliers will find your organisation a much more attractive proposition when presented with an externally verified set of financial statements, free from material error or fraud!

www.mitchellcharlesworth.co.uk

Chester 01244 323 051 | Liverpool 0151 255 2300 | Manchester 0161 817 6100 | Widnes 0151 423 7500



Registered to carry on audit work in the UK and Ireland and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales. Mitchell Charlesworth is the trading name of Mitchell Charlesworth LLP, registered in England and Wales number OC391811. A list of members is available for inspection at our offices. Any reference to a partner in relation to Mitchell Charlesworth LLP means a member of Mitchell Charlesworth LLP. Registered address: 3rd Floor, 5 Temple Square, Temple Street, Liverpool L2 5RH.



A member of Kreston Global
An international advisory and accountancy network.

As well as conducting our audit verification work, an audit allows our team to really understand your business and how it operates within its chosen market or sector. Our collective knowledge and expertise in different sectors can help educate business owners. We often work closely with business owners to improve not only the overall accounting process, but other processes throughout the business, ensuring that you in turn are providing an efficient service provision to your own customers. We will provide current tax and accounting standards advice whilst creating a personal relationship with you to help grow your business and ensure you have the correct advice on a timely basis.

Why would I want to switch my auditor?

There are many reasons why you may want to switch auditors:

- Fresh energy** - It can be difficult to make the break, especially if you have developed a strong relationship with your auditor over the years. This in itself can be a reason to make the change – a new firm can inject fresh energy into a company and improve the robustness of the audit. Risk areas are reassessed, and different questions are asked of the management team, as the new advisors get to grips with your company.
- Growth** - Growth may also be a deciding factor. What worked for you as a young company may not be the right fit for you now. You may now need an auditor with more industry experience, for example.
- Range of services** - Assessing the balance between non-audit and audit services should be high priority if considering making the leap. Mitchell Charlesworth are a 'one stop shop' when it comes to audit, tax and advisory services.
- Legal Requirement** - Since the introduction of the EU Audit Reform on 17 June 2016, credit institutions, public interest entities, and larger companies may be required to re-tender for audit every 10 years, and change auditor at least every 20 years. Please contact us for further information regarding this requirement.

We understand that the prospect of choosing a new advisor can be daunting, but remember – a fresh pair of eyes could bring a new impetus to your business.

The audit process – The MC Way

Mitchell Charlesworth is a partner led firm. Most of our audit partners have a general portfolio with a concentration in one or two areas of expertise. Sectors of expertise include:

- Academies
- Charities
- Leisure and tourism
- Manufacturing
- Pension scheme
- Social Housing
- Solicitors' accounts rule.

Mitchell Charlesworth understands that Audit and Assurance is a complex area of our business and therefore we have ensured that we have a team of individuals who are capable of completing these tasks in the most efficient way - our audit team consists of an engagement partner, assignment manager and audit senior. Assistants may also be used for audit testing purposes.

We focus on our four key stages of audit:

- Planning and identifying the audit approach** - The engagement partner will meet with you to discuss your individual business and to ensure they understand the company's industry, regulators, accounting policies, business risks, objectives and strategies prior to commencing the audit process. As part of the audit planning process the audit team will meet to discuss the approach of the audit and the individual responsibilities for each member of the team.
- Documenting and testing the companies' internal controls** - The fieldwork will ensure that there is consistency between financial and non-financial information by sample testing documents in all material areas.
- Verifying and testing the financial statements to ensure they are compliant and the numbers add up** - The fieldwork, via analytical review procedures, will ensure that there is consistency between financial years and constant training ensures that any changes in regulations and accounting standards are identified from year to year.
- Producing an auditor's report** - All aspects of our findings will be discussed on site with you and a final report to outline our findings will be produced for your retention. We will then complete our audit report to include our opinion as to whether the company's financial statements are accurate and fairly presented, along with our audit findings and recommendations, both qualitative and quantitative.

Our engagement partners lead each audit assignment but are also supported by a dedicated audit partner who has overall responsibility for maintaining quality and standards. They complete warm and cold file reviews throughout the year, and our audit and tax team members remain available to you to provide support on any ad hoc queries.

As a result of the audit, a range of other assurance services can be provided and tailored to your needs, such as:

- Accountants' compilation reports
- Limited reviews
- Agreed upon procedures
- Assurance on non-financial information, including sustainability reports.

For further information please contact your usual Partner contact or email our Audit Compliance team below.



Philip Griffiths
Partner

T: 0151 255 2300

E: philip.griffiths@mitchellcharlesworth.co.uk



Louise Casey
Head of Audit

T: 0151 255 2300

E: louise.casey@mitchellcharlesworth.co.uk

www.mitchellcharlesworth.co.uk

Chester 01244 323 051 | Liverpool 0151 255 2300 | Manchester 0161 817 6100 | Widnes 0151 423 7500



Registered to carry on audit work in the UK and Ireland and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales. Mitchell Charlesworth is the trading name of Mitchell Charlesworth LLP, registered in England and Wales number OC391811. A list of members is available for inspection at our offices. Any reference to a partner in relation to Mitchell Charlesworth LLP means a member of Mitchell Charlesworth LLP. Registered address: 3rd Floor, 5 Temple Square, Temple Street, Liverpool L2 5RH.



A member of Kreston Global
An international advisory and accountancy network.