

Audit Objectives and Scope Document

Document Title	Audit Objectives and Scope Document
Audit Title	Annual Financial Audit 2024
Prepared By	Jane Doe, Internal Auditor
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1. Introduction

This document outlines the objectives and scope of the planned audit activity. It serves as the foundation for audit planning and execution, ensuring all stakeholders have clarity on what the audit intends to achieve and the areas it will cover.

2. Audit Objectives

- To assess the accuracy and reliability of the organization's financial statements for the year ending December 31, 2024.
- To evaluate compliance with applicable laws, regulations, and internal policies.
- To examine the adequacy and effectiveness of the internal control environment.
- To identify potential risks and areas for process improvement within the accounting function.

3. Audit Scope

- Review period: January 1, 2024 – December 31, 2024.
- Departments covered: Finance, Procurement, and Payroll.
- Key transactions and processes: revenue recognition, expense recording, asset management, and cash handling.
- Sample testing of financial transactions over the review period.
- Assessment of compliance with IFRS accounting standards and relevant local regulations.

4. Exclusions

- Non-financial operational processes not directly impacting financial statements.
- Subsidiaries and branches outside the United States.

5. Audit Approach

- Documentation review and walkthroughs.
- Interviews with key personnel.
- Analytical procedures and substantive testing.
- Reporting of findings and recommendations.

6. Key Contacts

Name	Role	Email
Jane Doe	Lead Auditor	jane.doe@company.com
John Smith	Finance Manager	john.smith@company.com

Important Notes

- The objectives and scope set boundaries for the audit and should be clearly communicated to all stakeholders.
- Any changes to the scope during the audit must be documented and approved.
- This document serves as a reference point throughout the audit engagement.
- Alignment of audit objectives with organizational goals ensures relevance and value.
- Proper documentation supports transparency and accountability in the audit process.