

Audit Planning Memorandum

Client Name:	ABC Corporation
Period Under Audit:	01 January 2024 – 31 December 2024
Prepared by:	John Doe
Date:	10 May 2024

1. Background Information

ABC Corporation is engaged in the manufacturing of consumer electronics with operations in three main locations. This is the third consecutive year of audit engagement with the entity.

2. Scope and Objectives

- To express an opinion on the Company's financial statements for the year ended 31 December 2024.
- To review compliance with relevant statutory and regulatory requirements.
- To assess the adequacy of internal controls and risk management processes.

3. Key Areas of Focus

- Revenue recognition and related party transactions.
- Inventory valuation and existence.
- Assessment of impairment for non-current assets.
- Compliance with new accounting standards (if any).

4. Audit Approach

- Risk-based audit focusing on significant account balances and classes of transactions.
- Combination of substantive and compliance procedures.
- Use of analytical procedures and transaction testing.
- Coordination with internal audit where applicable.

5. Audit Team

Name	Role
John Doe	Audit Partner
Jane Smith	Audit Manager
Mike Lee	Senior Auditor

6. Timetable

Activity	Planned Date
Preliminary Planning & Review	15 May 2024
Fieldwork	01 June – 30 June 2024
Completion & Reporting	15 July 2024

7. Significant Risks Identified

- Material misstatement in revenue due to complex contracts.
- Inventory obsolescence.
- Potential non-compliance with tax regulations.

8. Important Notes

- The Audit Planning Memorandum is a working document and may be updated as the audit progresses.
- It serves as a communication tool among the audit team and with those charged with governance.
- Key risks and focus areas should be tailored to the specific client and industry context.
- Proper documentation and approval are essential for audit quality and compliance.