

Joint Audit Engagement Letter

Date: [Insert Date]

To: [Client Name]
[Client Address]

Dear [Client Contact],

1. OBJECTIVE AND SCOPE OF THE AUDIT

This letter confirms our understanding of the arrangements for a joint audit of the financial statements of [Client Name] for the year ending [Year End Date], to be performed by [Audit Firm 1] and [Audit Firm 2] ("the Joint Auditors"). The audit will be conducted in accordance with applicable auditing standards.

2. RESPONSIBILITIES OF THE JOINT AUDITORS

The Joint Auditors will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error. Both firms will share audit work; coordination and communication will be maintained to ensure consistency and efficiency.

3. RESPONSIBILITIES OF MANAGEMENT

Management is responsible for preparing and fairly presenting the company's financial statements in accordance with the applicable financial reporting framework. Management is also responsible for providing the Joint Auditors with access to all relevant information and any additional information, explanations, and documentation requested.

4. AUDIT APPROACH

The audit will include procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The nature, timing, and extent of audit procedures will be determined jointly and may include tests of the accounting records and other procedures as necessary.

5. REPORTING

Upon completion of the audit, the Joint Auditors will issue a joint audit opinion on the financial statements. Any significant findings, issues, or recommendations will also be communicated to management and those charged with governance.

6. COORDINATION OF WORK

The division of audit responsibilities, points of contact, and communication protocols will be further detailed in the joint audit planning memorandum, to be agreed upon by both auditors and the client before the audit commences.

7. FEES AND BILLING ARRANGEMENTS

The total audit fee will be [Insert Fee] (exclusive of VAT and out-of-pocket expenses), to be shared between the Joint Auditors as per the agreement. Invoices will be rendered according to the agreed billing schedule.

8. ACKNOWLEDGMENT AND ACCEPTANCE

Please indicate your acceptance of the terms outlined in this letter by signing and returning a copy to both audit firms.

Sincerely,

[Name]

[Title]

[Audit Firm 1]

Sincerely,

[Name]

[Title]

[Audit Firm 2]

Agreed and accepted for and on behalf of [Client Name]:

Name:

Title:

Date:

IMPORTANT NOTES:

- Joint audit requires effective coordination and communication between the engaged audit firms.
- Roles, responsibilities, and division of audit work should be clearly documented and agreed upon in advance.
- Any issues of independence or confidentiality must be openly addressed by all parties.
- This engagement letter should be reviewed and updated regularly as required by changes in laws, regulations, or business circumstances.
- Acceptance and understanding by all signatories is crucial for successful joint audit execution.