

Audit Fees and Billing Arrangements

Date: June 24, 2024
To: Board of Directors, ABC Corporation
From: Smith & Partners Audit Firm

Audit Fees

The total fees for the audit engagement of the financial statements for the year ending December 31, 2024, are estimated as follows:

Service Description	Estimated Hours	Hourly Rate	Total Fee (USD)
Planning & Risk Assessment	20	\$120	\$2,400
Fieldwork & Testing	40	\$120	\$4,800
Reporting & Review	15	\$120	\$1,800
Total Professional Fees			\$9,000

The audit fee does not include out-of-pocket expenses (such as travel and communication), which will be billed separately at cost.

Billing Arrangements

Invoices for professional fees and expenses will be rendered as follows:

- 50% upon commencement of fieldwork
- 25% upon completion of fieldwork
- 25% upon issuance of final audit report

Payment is due within 30 days of invoice date.

Agreement

If you have any questions about this schedule or require any changes, please let us know. Kindly sign below to indicate acceptance of these arrangements.

Authorized Representative, ABC Corporation

Date: _____

Important Notes

- Actual total fees may vary if additional services or unforeseen complexities arise during the audit.
- All fees are exclusive of applicable taxes.
- This document should be reviewed annually or as engagement circumstances change.
- Clear communication ensures transparency in the billing process.
- Acceptance of terms is required before commencement of audit work.