

# Audit Report Sample for Subsidiary Companies

## Independent Auditor's Report

To the Board of Directors

[Parent Company Name]

[Subsidiary Company Name]

We have audited the accompanying financial statements of **[Subsidiary Company Name]**, which comprise the balance sheet as at **[Year-End Date]**, and the statement of profit and loss and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the applicable accounting standards and relevant laws and regulations. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **[Subsidiary Company Name]** as at **[Year-End Date]**, and its financial performance and its cash flows for the year then ended in accordance with the applicable accounting standards.

### Report on Other Legal and Regulatory Requirements

As required by the applicable laws and regulations, we report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company so far as appears from our examination of those books.
- The balance sheet and the statement of profit and loss dealt with by this report are in agreement with the books of account.

**[Auditor's Name]**

[Audit Firm Name]

[Date]

[Place]

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### **Important Notes:**

- This audit report sample is intended for subsidiary companies and should be tailored based on jurisdiction and specific circumstances.
- The parent company may require consolidation of subsidiaries' audited financials.
- Ensure compliance with local statutory requirements and international accounting/auditing standards.
- Include all applicable disclosures and explanatory notes as required by law or group policies.
- The actual content and format may vary based on regulatory requirements and company policies.