

# PREPARING FOR A REVIEW

HELPING YOU THRIVE IN A CHANGING WORLD

[www.mooremarkhams.nz](http://www.mooremarkhams.nz)



# ALL YOU NEED TO KNOW ABOUT A REVIEW

We've prepared this guide to help our clients prepare for a review engagement. You'll find out how to prepare for your review, what to expect and what goes on during a review.

## ARE YOUR FINANCIAL STATEMENTS FINALISED?

Here's a checklist to ensure that your financial statements are ready for our review:

- check that all accruals, debtors and creditors are included
- ensure that a stock-take was done at balance date, and that appropriate adjustments have been made
- read through the draft financial statements and make sure they comply with the relevant financial reporting framework
- compare the current and past year's figures to make sure everything looks right – we may ask for explanations on any unusual or material variations
- obtain your governing body's approval to release the draft financial statements to us for our review.

## LET'S GET STARTED

Firstly contact us to discuss the arrangements for the review engagement. We'll ensure that there is an engagement letter in place and we'll confirm our independence. We will agree on:

- the scope of the review engagement – the financial reporting framework, balance date, and confirm our compliance with the International Standard on Review Engagements (NZ)
- the timetable - ensuring we have sufficient time to go through the review process
- where we'll undertake the review – this can be at your office or at ours
- fee estimates – a sensible and realistic price to undertake the review
- the review engagement team – who the engagement partner is and the team members
- any other information relevant to the review.

## GET YOUR RECORDS SORTED

To enable us to provide an efficient and timely review, we require that certain information is ready for us at the start of our review. We will provide you with a review preparation checklist to assist you to collate documents and other information that we require.

## WHAT YOU CAN EXPECT

We'll undertake the review in accordance with the International Standard on Review Engagements (NZ) and various ethical and professional requirements. Our review will be undertaken in accordance to the Moore Markhams methodology, which requires us to undertake various procedures and tests. Every review is different so our review programme is tailored to your organisation.

A review is limited primarily to inquiries of personnel and analytical review procedures so we may interview (either in person or via email) your staff or governing body to ask them questions about their knowledge of financial policies and transactions. We may also request further documentation from your staff, or confirmations from external parties. Any issues or adjustments we find will be brought to your attention and discussed in a timely manner. The independent assurance practitioner's report will follow after the review fieldwork has been completed.

# OUR REVIEW ENGAGEMENT PROCESS

To help you understand the Moore Global Review engagement process, we have provided a brief summary. Please don't hesitate to contact our team if you have any questions during the review.



## APPOINTMENT

You appoint us to undertake a review engagement at the AGM or at a meeting of the governing body.

## REVIEW ENGAGEMENT LETTER

Issued to agree to terms of engagement – the objective and scope of the review. This letter is usually issued about every three years. If there are significant changes to the terms of your review, a new letter will be issued.

## PLANNING

At this stage we confirm timetable, staffing, fees and information requirements. We then obtain knowledge of your organisation and plan our procedures, which primarily consist of making enquiries of your team and applying analytical procedures, and evaluating the evidence obtained.

## REVIEW

We carry out the review of your organisation. This may include a site visit, and meetings with those involved in the accounting process.

## EXIT DISCUSSION

We will meet or correspond about issues or adjustments to be made.

## MANAGEMENT LETTER OF REPRESENTATION

We will request from your governing body representations on material matters relating to the review.

## INDEPENDENT ASSURANCE PRACTITIONER'S REPORT

We will issue our conclusion on your financial statements.


## REVIEW MANAGEMENT REPORT

Issued at the end of the review, we will write to you detailing our findings and any recommendations for potential improvements.

## WHAT YOU'LL RECEIVE

You will receive value from our services from the following:

- discussions at the commencement of the assurance engagement to facilitate an efficient, effective and timely review
- our focus on evaluating the effectiveness of your systems of internal control and reporting practical recommendations that will strengthen controls where deficiencies are identified
- a meaningful review carried out by a credible and reputable assurance firm
- a realistic and sensible fee
- an assurance team that is friendly, professional and approachable. We place significant emphasis on the continuing education of our professional staff who regularly attend training sessions and seminars
- Regular newsletters and updates to share topical information affecting the business and the auditing world
- most importantly, an Independent Assurance Practitioner's Report that you can be proud to attach to your financial statements, knowing that it has been prepared after a comprehensive and professional review engagement process.



A meaningful review carried out by a credible and reputable assurance firm



## MOORE MARKHAMS - INDEPENDENT LOCAL FOCUS

We are one of the few remaining audit practices trading as a national network of independent firms rather than being a national firm. This gives us the great advantage of ensuring we maintain a local focus on clients, while still maintaining access to national resources.

**We provide audits and reviews and a variety of other assurance services. Contact your local Moore Markhams Audit office to discuss your requirements.**



### OUR SERVICES INCLUDE:

- financial statement audits
- financial statement review engagements
- due diligence assignments
- financial reporting and disclosure services
- special purpose audits
- agreed-upon procedures
- internal control reviews
- real estate trust account audits
- AML / CFT audits
- fraud investigations
- other special purpose engagements.

Due to independence requirements, our audit team doesn't provide financial statement preparation services, but we can point you in the right direction.

**Get in touch to learn how we can help you thrive in a changing world**

WITH OFFICES IN

AUCKLAND CHRISTCHURCH DUNEDIN HAWKE'S BAY  
QUEENSTOWN WAVERLEY WELLINGTON WHANGANUI



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