

## **Audit Exemption Consultation and Accounting Framework - Response 5**

---

**From:** Roger Rothwell [mailto:[roger@kmaccountants.co.uk](mailto:roger@kmaccountants.co.uk)]

**Sent:** 14 October 2011 08:19

**To:** Audit Exemptions Consultation

**Subject:** new audit threshold proposals

Dear Sirs

I have a client who will exceed the the turnover only threshold for the first time to 31/03/12 and thus will be subject to audit for the first time

If the new rules are implemented he will be eligible for audit exemption being still a small company on the number of employees and balance sheet assets values rules

You should include a transitional break in the switch over period to avoid companies having to have an audit for the one year, the costs of an audit in the first year are abnormally high due to the system and risk documentation that has to be completed prior to audit commencement and then there is the routine audit tests on top

This client would save £4000 in extra cost, a heavy price to pay for a small company if this information is not required in the following year

Roger Rothwell FCA

K M Business Solutions Limited

Company No. 03901337

Registered in England

Registered Office Address: 4-6 Grimshaw Street, Burnley, Lancashire, BB11 2AZ

Tel: +44 (0) 1282 426331

Fax: +44 (0) 1282 424236

http: [www.kmaccountants.co.uk](http://www.kmaccountants.co.uk)

email : [roger@kmaccountants.co.uk](mailto:roger@kmaccountants.co.uk)

This message may contain confidential information and will be protected by copyright. If you receive it in error, notify us, delete it and do not make use of or copy it. Any reply may be read by the recipient to whom you send it and others within K M Business Solutions Limited.

Although we aim to use efficient virus checking procedures, we accept no liability for viruses, and recipients should use their own virus checking procedures.

An electronic signature incorporated in this document or associated with it, the means of producing, communicating or verifying it and/or the procedure applied to it is a valid means of establishing the authenticity of the document and/or its integrity as a document issued and approved by K M Business Solutions Limited.

To stop receiving these emails, or to amend your details send an email to [mail@kmaccountants.co.uk](mailto:mail@kmaccountants.co.uk).