

FDD AUDIT SERVICES

Reeder CPA Group is an entrepreneurial CPA and consulting firm comprised of CPAs and professionals specializing in assisting franchisors and franchisees with navigating complex tax and accounting issues. Our team provides Franchise Disclosure Document (FDD) Audit Services via our partner CPA firm.

IMPORTANCE OF ANNUAL FDD RENEWAL

Franchisors are required to update their Franchise Disclosure Document (FDD) annually, which involves a comprehensive review of financial statements, including balance sheets, income statements, and cash flow details, typically performed by an independent CPA or accounting firm within 120 days post-fiscal year end. These audits ensure a franchisor's financial information in the FDD is current and accurate, maintaining compliance and transparency.

YOUR PARTNER IN COMPLIANCE

For over a decade, Michael Reeder, CPA and Managing Partner of Reeder CPA Group, has cultivated deep relationships with franchisees and franchisors nationwide. Aiming to broaden the scope of services offered to franchisors, Reeder CPA Group has allied with a reputable affiliate firm to bolster its audit and assurance capabilities. In this collaboration, Reeder CPA Group and its expanded network of affiliates are equipped to provide a comprehensive range of audit services with unparalleled expertise, maintaining a commitment to precision, transparency, and regulatory compliance. This partnership enhances our ability to assist you through each phase of the FDD audit process, delivering the insights and assurance you need for continued franchise success.

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FDD AUDIT PROCESS OVERVIEW

01 ENGAGEMENT

The franchisor selects an independent CPA or accounting firm, unaffiliated with their business, to conduct the audit.

02 PLANNING

The auditor works with the franchisor to outline the scope and timeline of the audit, gaining an understanding of the financial reporting system and internal controls in place.

03 FIELD WORK

The auditor conducts a thorough review of the franchisor's accounting records, such as balance sheets and income statements, verifying financial transactions with supporting documents.

04 ANALYSIS

The financial data is evaluated for discrepancies and assessed for compliance with Generally Accepted Accounting Principles (GAAP).

05 REPORT

Based on the analysis, the auditor crafts a report providing an opinion on the fairness and accuracy of the financial statements, also highlighting any major deficiencies or instances of non-compliance.