*This illustrative report has been prepared by the AICPA Stockbrokerage and Investment Banking Expert Panel.*

*The audit guidance in this document has been reviewed by the AICPA Audit and Attest Standards staff and published by the AICPA and is presumed to be appropriate. This document has not been approved, disapproved, or otherwise acted on by a senior technical committee of the AICPA.*

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the [Board of Directors and Equity Owners] [[1]](#endnote-2) of [Blank Broker or Dealer]

**Opinion on the Financial Statements**

We have audited the accompanying [consolidated] statement of financial condition[[2]](#endnote-3) of [Blank Broker or Dealer] [and its subsidiaries] (the "Company") as of December 31, 20x5, and the related [consolidated] statements of income, comprehensive income[[3]](#endnote-4), cash flows, changes in shareholders' equity, and changes in liabilities subordinated to claims of general creditors for the year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 20x5, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

**Report on Supplemental Information**

The accompanying information contained in Schedules [identify, e.g.: g, h, and i][[4]](#endnote-5)”) has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The supplemental information is the responsibility of the Company's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, are presented in conformity with Rule 17a-5 under the Securities Exchange Act of 1934. In our opinion, the supplemental information contained in Schedules g, h, and i is fairly stated, in all material respects, in relation to the financial statements as a whole.

[Signature][[5]](#endnote-6)

[City and State or Country]

[Date]

We have served as the Company's auditor since [year].

1. AS3101.07 requires the auditor's report “must be addressed to the shareholders and the board of directors, or equivalents for companies not organized as corporations”. The PCAOB Staff Guidance [“CHANGES TO THE AUDITOR'S REPORT EFFECTIVE FOR AUDITS OF FISCAL YEARS ENDING ON OR AFTER DECEMBER 15, 2017”](https://pcaobus.org/Standards/Documents/Auditors-Report-Staff-Guidance.pdf) indicates that the auditor’s report may be addressed to “the directors (or equivalent) and equity owners for brokers or dealers”. [↑](#endnote-ref-2)
2. The statement of financial condition may also be referred to as a balance sheet. [↑](#endnote-ref-3)
3. If a combined statement of income and comprehensive income is presented, modify this language to refer to the “related statements of income and comprehensive income.” [↑](#endnote-ref-4)
4. Refer to table of contents for appropriate schedules to be included. [↑](#endnote-ref-5)
5. Reports that are submitted directly with the SEC and CFTC are required to be signed manually. [↑](#endnote-ref-6)