

EARTHWEAR CLOTHIERS
Analysis of Legal and Audit Expense
31/12/13

T20
GMP
4/2/14

Date	Payee	Amount	Explanation
2 Feb.	Katz & Fritz	€28,500.00 V	For services related to a patent infringement suit by Gough Mfg. Co. Lawsuit was dismissed.
10 Apr.	Willis & Adams International	950,000.00 V	Annual audit fee.
1 Oct.	Katz & Fritz	26,200.00 V	Legal fee for patent infringement suit against Weshant.
20 Oct.	Smoothe, Sylk, Fiels, Goode & Associates	2,100.00 V	Legal services for a purchase contract with McDonald Merchandise.
Total		<u>€1,006,800.00</u>	
		F T/B	

Tick Mark Legend

V = Examined payees' bills for amount and description.

F = Footed.

T/B = Agreed to trial balance.

Conclusion: Based on the audit work performed, EarthWear's legal and audit expense account is not materially misstated.