

Update - January 2024

What's changed

We are pleased to issue updates to your Mercia Audit Manual (dated 01/24).

The principal technical changes in this update include:

- Removal of content for periods commencing before 15 December 2021 as this is no longer relevant;
- Update of disclosure checklists for recent minor changes in accounting standards; and
- Best practice amendments.

In addition a number of other minor improvements and amendments have been made to the manual.

See below for a full list of changes.

Contact us

We are always pleased to receive feedback on our manuals, including any improvements that you would like to see incorporated. Please contact me if you have any comments to make.

Joanne Gregory

January 2024

January 2024 - Detailed list of changes

The below table provides a detailed list of changes within the manual. In addition to the items listed below, minor changes have been made for formatting, grammar, and other editorial amendments.

Updated area	Main reason for change
Guidance	
Contents	<ul style="list-style-type: none">• Updated to reflect the removal of content for periods commencing before 15 December 2021 and other amendments made in this update.
Guidance notes	<ul style="list-style-type: none">• Example forms for periods commencing before 15 December 2021 have been removed.
What's changed	<ul style="list-style-type: none">• A copy of this What's changed notice has been added to the manual.
Example letters	
Letter of representation	<ul style="list-style-type: none">• Letter of representation for periods commencing before 15 December 2021 removed.
Example reports	
Report to management	<ul style="list-style-type: none">• References to 'recommendations' removed.
Example accounts	
1 Small Full (FRS 102 1A) accounts	<ul style="list-style-type: none">• Updated to state the accounts are based on standards and amendments in issue at 31 December 2023.
1a Small Abridged (FRS 102 1A) accounts	<ul style="list-style-type: none">• Updated to state the accounts are based on standards and amendments in issue at 31 December 2023.
2 Not small (FRS 102) accounts	<ul style="list-style-type: none">• Updated to state the accounts are based on standards and amendments in issue at 31 December 2023.
3 UK-adopted IAS accounts	<ul style="list-style-type: none">• Updated to state the accounts are based on standards and amendments in issue at 31 December 2023.
Accounts disclosure checklists	
A32 SMALL FRS 102 1A	<ul style="list-style-type: none">• Updated to state the accounts are based on standards and amendments in issue at 31 December 2023.• Content relevant for periods commencing before 1 January 2021 removed.• Updated for the Amendments to FRS 102 - International tax reform - Pillar Two model rules.
A32 NOT SMALL FRS 102	<ul style="list-style-type: none">• Updated to state the accounts are based on standards and amendments in issue at 31 December 2023.• Content relevant for periods commencing before 1 January 2021 removed.• Updated for the Amendments to FRS 102 - International tax reform - Pillar Two model rules.

A32 IFRS UK-adopted international accounting standards	<ul style="list-style-type: none"> Updated to state that the checklist reflects standards and amendments in issue as at 31 December 2023 and is applicable for periods commencing on or after 1 January 2021 but before 1 January 2025. Updated for Amendments to IAS 7 - Supplier Finance Arrangements. Updated for Amendments to IAS 12 - Pillar Two Model Rules.
A32 FRS 101	<ul style="list-style-type: none"> Updated to state that the checklist reflects standards and amendments in issue as at 31 December 2023 and is applicable for periods commencing on or after 1 January 2021 but before 1 January 2025. Updated for Amendments to IAS 7 - Supplier Finance Arrangements. Updated for Amendments to IAS 12 - Pillar Two Model Rules. Updated for the Amendments to FRS 101 - International tax reform - Pillar Two model rules.
Current file documents	
All	<ul style="list-style-type: none"> Forms related to periods commencing before 15 December 2021 removed.
Current file indices	<ul style="list-style-type: none"> Updated to refer to new form A29-1 Other information.
A21-1 Responsible individual review and conclusion	<ul style="list-style-type: none"> Updated to refer to new form A29-1 Other information.
A22 Overall review of the financial statements	<ul style="list-style-type: none"> Reference to new form A29-1 Other information added.
A29-1 Other information	<ul style="list-style-type: none"> New form added to address Other information.
B14 Opening balances and consistency of accounting policies	<ul style="list-style-type: none"> Reminder added in Section C of the requirement to include an Other matter paragraph in the auditor's report stating that corresponding figures are unaudited where this is the case.
SSF Substantive sampling form - Statistical	<ul style="list-style-type: none"> Additional box added to justify selection of key items, where relevant.
SSF Substantive sampling form - Judgemental	<ul style="list-style-type: none"> Additional box added to justify selection of key items, where relevant.
Audit programme - C Taxation	<ul style="list-style-type: none"> Updated to refer to associated companies, where applicable.
Audit programme - I Bank and cash	<ul style="list-style-type: none"> Audit programme for cash flow statement moved from supplementary forms into I Audit programme - Bank and cash.
Permanent file documents	
All	<ul style="list-style-type: none"> Forms related to periods commencing before 15 December 2021 removed.
PF1-1 The entity and its environment	<ul style="list-style-type: none"> Additional box added to ensure what the entity does is more specifically recorded.
Supplementary forms	
BREXIT	<ul style="list-style-type: none"> Supplementary form removed as no longer current.
COVID-19	<ul style="list-style-type: none"> Supplementary form removed as no longer current.
File review checklist	<ul style="list-style-type: none"> Checklist related to periods commencing before 15 December 2021 removed.
Audit programme - Cash flow statement	<ul style="list-style-type: none"> Audit programme for cash flow statement moved from supplementary forms into I Audit programme - Bank and cash.

