

Audit Exemption

What do you need to know about this manual?

The audit exemption specialist assignment manual has been developed to enable accountants to:

- check adherence to legislation and regulatory requirements;
- comply with relevant technical guidance; and
- provide audit exempt companies and unincorporated businesses with a choice of comprehensive but cost effective services.

What does this manual include?

The manual consists of nine main sections as detailed on the contents page:

- The guidance notes summarise the relevant legal and regulatory framework within which audit exempt companies operate. Guidance is also included on the performance of unincorporated assignments.
- Example engagement letters are provided for compilation and assurance assignments for limited companies and for unincorporated clients. There is also example letter of representation wording.
- The example reports cover a variety of compilation and assurance reports, along with the directors' statement on the balance sheet.
- Limited company pro-forma accounts have been provided covering abbreviated accounts, small company (FRSSE) accounts and full accounts not claiming the small company exemptions.
- The limited company accounts disclosure checklists provide guidance for abbreviated, small (FRSSE), full, and small group accounts.
- The permanent file documentation outlines the information required which is of continuing importance over a number of years.
- The limited company audit exemption documentation covers planning, completion, detailed work programmes and lead schedules. The unincorporated assignment documentation includes simple planning and completion documents, along with work programmes.
- Creator enables you to produce client-specific current and permanent file documentation.
- The cold file review checklist will assist with the performance of reviews of audit exempt assignments.

What else do you need?

It is recommended that the manual is read in conjunction with:

- The Companies Act 2006.
- Financial Reporting Standards (including the Financial Reporting Standard for Smaller Entities), Statements of Standard Accounting Practice and UITF Abstracts.
- Audit 02/04 Chartered Accountants' Reports on the Compilation of Financial Statements of Incorporated Entities (available from www.icaew.co.uk); or
- ACCA Technical Factsheet 163 Audit Exempt Companies - ACCA Accounts Preparation Report (available from www.acca.global.com).

- ICAS guidance - Framework for the Preparation of Accounts. Best Practice Guidance for Member Firms (available from www.icas.org.uk).
- Interim Technical Release AAF 03/06 The ICAEW Assurance Service on Unaudited Financial Statements (available from www.icaew.co.uk).
- Audit 01/05 Chartered Accountants' Reports on the Compilation of Historical Information of Unincorporated Entities (available from www.icaew.co.uk).

Training

No specific training is needed in order to use the manual, although we recommend that you review the getting started guidance included in your manual.

Costs

There is a one-off initial fee for the right to use and copy the documentation dependent on the number of Responsible Individuals (RIs) for audit purposes in your firm.

In order to keep you up to date, you will be automatically enrolled in our online update service. No charge is made for any updates issued from purchase until 30 June.

Subsequent updates are covered by an all encompassing annual fee invoiced on 1 July each year, dependent on the number of Responsible Individuals (RIs) for audit purposes in your firm.

Where your firm is not registered for audit purposes the sole practitioner fees will apply.

Size of firm	Initial Fee	Annual Update Fee
Sole practitioner / non-audit firm	£195*	£60*
2-4 RIs	£225*	£75*
5-9 RIs	£345*	£125*
10-19 RIs	£495*	£245*

For 20 and over RIs contact Belinda Auchimowicz on 0116 2581200 or belinda.auchimowicz@mercia-group.co.uk

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All prices are plus VAT.



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