

## What do you need to know about this manual?

The Charities guidance notes and programmes have been developed to enable the accountant to:

- satisfy the accounting, examination and auditing requirements relating to charities; and
- provide the charity with a comprehensive but cost effective service.



## What does this manual include?

The manual consists of eight main parts as detailed on the contents page.

- The guidance notes provide a useful framework to the charities sector. They include the key aspects of the accounting and reporting requirements for charities. A cold file review checklist is also included.
- Example engagement letters are included for the various categories of charity and we have provided some suggested wording for a possible letter of representation.
- Example reports are included for the various categories of charity.
- Pro forma accounts are also provided.
- Charity accounts disclosure checklists are included which cover the requirements of the SORP, the Charities (Accounts and Reports) Regulations 2005, the Charities Accounts (Scotland) Regulations 2006, Accounting Standards, Charity Commission Guidance and the Companies Act as appropriate.
- The permanent documentation section contains information which is of continuing importance to the assignment over a number of years.
- The detailed programmes include separate packs of documentation for audit and independent examination. These programmes include schedules to assist in the recording and carrying out of the necessary steps. Each programme incorporates planning, fieldwork and completion documentation. Lead schedules and file dividers are also provided.
- Creator enables you to produce client-specific current and permanent file documentation.

## What else do you need?

As an auditor, examiner or accountant of a charity it is essential to obtain a copy of each of the following (as appropriate):

- Statement of Recommended Practice 2005 - Accounting and Reporting by Charities.
- Charity Commission publications. In particular:
  - CC32 Independent examination of charity accounts
  - CC16 Receipts and payments accounts pack
  - CC17 and CC39 Accruals accounts pack
  - Example Trustees' Annual Reports and Accounts (SORP 2005)
- Office of the Scottish Charity Regulator publications. In particular:
  - OSCR Scottish Charity Accounts: An Updated Guide to the 2006 Regulations
  - Independent Examination OSCR Guidance for Charities and Independent Examiners
  - OSCR Receipts and payments pack.
- International Standards on Auditing (UK and Ireland) and Ethical Standards.

- APB practice note 11 (Revised) - The Audit of Charities in the United Kingdom (March 2012).
- Statement of Standards for Reporting Accountants (a copy of which can be found on the APB website at [www.frc.org.uk/apb/publications](http://www.frc.org.uk/apb/publications)).

## Training

We run occasional open courses to help you ensure that you make the best use of the Mercia Charities Specialist Assignment Manual. These half day courses are ideal for those who are new to the Mercia system and in particular those who do not use our corporate audit manual and have not therefore benefited from training on the Mercia methodology. For further details visit [http://www.mercia-group.co.uk/technical\\_manuals/specialist\\_assignments\\_training.htm](http://www.mercia-group.co.uk/technical_manuals/specialist_assignments_training.htm)

## 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@merciam-group.co.uk](mailto:belinda.auchimowicz@merciam-group.co.uk)

\* Mercia members (excluding CPD members) receive a 10% discount.

All prices are plus VAT.



If you would like to know more about our range of specialist assignment manuals please contact [belinda.auchimowicz@merciam-group.co.uk](mailto:belinda.auchimowicz@merciam-group.co.uk)

For queries regarding technical matters please contact [enquiries@merciam-group.co.uk](mailto:enquiries@merciam-group.co.uk)

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