**The Manuals have been re-named to be XX January 2022. This reflects the fact that the manuals are relevant for accounting periods that begin on or after 1 January 2022.**

**The principal driver for change is the revision of ISA (UK) 315.**

**As well as updates to the methodology, a number of workpapers that were previously uploaded as word documents have also now been created.**

**CORPORATE AUDIT**

**CHAPTER 1**

* Engagement letter – updated to match ICAEW update (para 4.2 only)
* Ac1 – updated as necessary
* Ac2 – new question 2, lots more detail added to Question 3, some reformatting of Informed management and EQCR section
* Ab2 (Small co exemption) - definition as per section 384 updated and matches legislation perfectly. Also added emphasis box for ineligibility to page 1.
* Added 1.4.3 Ab2-2 Medium company exemption checklist
* Ab2-1 – reformatted. Amended the wording to question 8 re confusion over the application of ineligibility
* Ac3 (non small) – formatting changed
* Ac7 updated as needed. Removed pre-set referencing except where linked to new PAF docs (as per below)
* Added new PAF docs:
	+ New PAF A1/11 re FR Framework
	+ New PAF B1 – Financial Reporting Control Process
	+ New PAF B1-1 IT Environment
	+ New PAF B1-2 IT Controls
	+ New PAF B1-5 Service Organisations
* Deleted old PAF docs:
	+ Old B1 Systems Overview checklist
	+ Old B2-B4 Segregation of Duties
* Client info request – updated to include narrative guidance
* Ac9 – complete overhaul and updated
* Structure from Ac10 onwards:
	+ Ac10: Overall risk
	+ Ac11/1: Going concern risk
	+ Ac11/2: Fraud risk
	+ Ac12: Control environment
	+ Ac13: Materiality
	+ Ac14: Assertion specific risk (THIS IS THE NEW RISK ASSESSMENT SPREADSHEET)
	+ Ac14/1 Control risk assessment
	+ Ac15: Accounting Estimates
	+ Ac16: Key Risks
	+ Ac17: Planning Memo
	+ Ac18: Team Discussion
	+ Ac19: Assignment Terms Letter
	+ Ac20: Placeholder for Budget
	+ Random number generator: no file reference

(NB: THIS HAS MEANT ALL THE APPENDIX REFS HAVE CHANGED)

* Ac10 – removed the “Risk summary” page – Changed risk options to be Lower / Moderate / Higher. Added some additional narrative at the start of the form.
* Moved Going concern to Ac11/1. Changes made to question 5 and 8 to assist with understanding
* New Ac11/2 – Fraud Risk Assessment. I have moved consideration of mgmt. override here as its part of 240
* Ac12 is now Control Environment assessment. Deals purely with looking at the 5 elements of system of internal control
* New Ac12/1 which covers off design & implementation of controls
* Ac14 – the new assessment of assertion risk form
* App 1.14.1 – re-named to “Example Risks by audit area”
* Added new App 1.14.2 re: possible risks by inherent risk factor to support new Ac14
* DELETED the Control Risk Assessment as it didn’t add anything.
* App 1.12.2 (was previously 1.14.2) – deleted and reinstated (formatting was a nightmare!!). Changed the order, removed “receipts cycle” controls as all related to cash, and got rid of “payments cycle” controls as again related to cash, but added a new risk to the “purchases cycle” instead
* Accounting Estimates (Ac15) – Removed most of the guidance (it was already in Chapter 1 text doc)
* ASSIGNMENT PLAN: Moved to Ac17
* Ac18 – Updated as tracked to cover off 315 and 240 amendments
* Ac19 – now says “Dear Directors”
* Moved random number table “out of the index”

**CHAPTER 2**

* ALL PROGRAMMES – QUESTION 6 or 7 UPDATED FOR REFERENCES TO PLANNING DOCS WHICH HAVE CHANGED LOCATION. TRACKED ON B2 ONLY FOR ILLUSTRATIVE PURPOSES> ALL PROGRAMMES HAVE BEEN UPDATED AS A RESULT
* D2 – small amendment for x-refs
* N2 audit programme split into two –
	+ App 2.12.1 N2-1 “Irregularities and Fraud” – significant update re: fraud questions, journals testing now here with lots more narrative
	+ App 2.12.2 N2-2 “Other Areas”
* R2-2 added a test asking for a wages reconciliation to be obtained
* S2-1 (Full) – added new test re mandatory climate related disclosures
* U2-2 – New test 1 added due to ISQM1
* U2-1 – journal testing removed and moved to N2-1
* Inv prop programme (Word doc) – added more definitive fraud requirements

**CHAPTER 3**

* LOR – addressed to “Dear Auditors”
* Ab4 Disclosure checklist
	+ Renamed to be FRS 102 (Jan 2022)
	+ Added Climate-related disclosure to Strategic Report section
	+ In Directors Report intro text, clarified a point about small co exemptions where part of an ineligible group.
	+ Identified specific Large company requirements by use of “LARGE COMPANIES”
	+ Re-formatted where required
* Aa1:
	+ removed the text box at question 48 and various other changes to reflect the amendments in the planning index
	+ added new question 40 re differences of opinion (driven by ISQM1)
	+ added new question 2 in section 7 (driven by ISQM1)
* New EQCR form brought in at App 3.8
* Old 3.8 has been re-referenced to 3.9.1
* Old 3.9 has been re-referenced to 3.9.2
* Management letter – addressed to “Dear Directors”
* Aa7 – changed the definition of significant risk per ISA 315
* Aa11 – overhaul of formatting and changed the conclusions
* App 3.19 – changed to “Dear Auditors”
* Deleted 3.11.2 and re-indexed 3.11.1 to 3.11

**CHAPTER 4**

* Text – minor amendment
* LOR – now says “Dear Auditors”
* Ab4 IFRS Disclosure checklist
	+ Added Climate-related disclosure to Strategic Report section
	+ In Directors Report intro text, clarified a point about small co exemptions where part of an ineligible group.
	+ Identified specific Large company requirements by use of “LARGE COMPANIES”
	+ Re-formatted where required
	+ New requirement added at 4.2 of Section 4
* Ab4 FRS 101 Disclosure checklist
	+ Added Climate-related disclosure to Strategic Report section
	+ In Directors Report intro text, clarified a point about small co exemptions where part of an ineligible group.
	+ Identified specific Large company requirements by use of “LARGE COMPANIES”
	+ Re-formatted where required
	+ New requirement added at 4.2 of Section 4

**CHAPTER 5**

* Some changes to text required re: update to AQSE Access Rulebook
* App 5.1 – reformatting
* App 5.2 – minor formatting
* App 5.3 – reformatting
* App 5.4 – addressed to “Dear Audit Committee”
* App 5.5.1 – updated to refer to revised ISRE 2410 and updated wording to comply
* App 5.5.2 – added new tests to ensure compliance with updated ISRE 2410
* App 5.5.3a – reformatting
* App 5.5.3b – new tests added in Section 2b re amends to FRS 104.
* App 5.5.4 – added new wording for GC
* App 5.5.5 – complete change to comply with ISRE (UK) 2410 appendix 9

**CHAPTER 6**

No changes made – some reformatting amendments to most docs