MEMO 10/26

To: Subscribers of the methodology
From: Simon Kettlewell
Date: 2 October 2026

UPDATE TO THE HAT GROUPS METHODOLOGY: 2026 UPDATE

The HAT Groups Methodology has been updated as part of the annual update cycle. The new version is referred to as "Groups - 2026 Update".

The primary driver for changes in this cycle of updates is the introduction of FRS 102 (September 2024), which is effective for periods commencing on or after 1 January 2026 (so typically 31 December 2026 year ends). However, this has not resulted in many changes being made to the Groups methodology.

Where the documents have been amended in this update, the right hand side footer states 09/26.

The updated Groups Methodology should be used for any accounting period commencing on or after 1 January 2026. For periods commencing prior to this, the HAT Groups Methodology – 2025 Update should still be used.

In addition, the Proforma Docs folder has been updated. This includes an updated Engagement letter cover letter and an updated Terms of Business template. The Terms of Business template has seen the most significant amendments, being made to the limitation of liability clauses and the introduction of a section related to the use of Artificial Intelligence.

Users should download the Methodology and Proforma docs IN FULL from the members area of our website.

For firms using CaseWare and BrightWorkpapers, these changes will (where relevant) be reflected in forthcoming updates of their packs which will be issued in due course.

We are always pleased to receive feedback on our methodologies; if you have any comments, please email simon@hatgroup.co.uk