

To: All firms
From: Andrew Jarvis
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HAT NOT FOR PROFIT ENTITIES MANUAL – JANUARY 2016 (02/18 UPDATE)

The HAT Not for Profit Entities Manual, which covers audit and accountancy assignments for Registered Societies and Community Interest Companies (CICs) has been updated as follows:

- Updated wording for letters of engagement and assignment terms letters, which were reflected in our Corporate Audit Manuals towards the end of 2017;
- Other consequential changes made to our Corporate manuals as explained in Technical Memo 01/18;
- Simplification of the Manual by removing documents which related to periods commencing prior to 17 June 2016.

The revised Manual can be used for all current accounting periods and as the changes are not significant it remains the 'January 2016' Manual. Schedules which have changed are dated '02/18'. The Manual should be used in conjunction with the HAT Corporate Audit Manual – January 2016 (01/18 Update).

It is anticipated that the audit threshold of a registered society will increase to £10.2m turnover (from £5.6m) and £5.1m gross assets (from £2.8m) later this year. This change is expected to have negligible impact for most societies dealt with by HAT firms (most of which are below the existing thresholds). However, where relevant the proposed thresholds have been noted in the updated Manual.

We are always pleased to receive feedback on our manuals. If you have any comments on this Manual then please email andrew@hatgroup.co.uk