

To: All firms
From: Roger Morris
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HAT SRA ACCOUNTS RULES MANUAL – NOVEMBER 2019 (03/20 UPDATE)

We have today published an updated HAT SRA Accounts Rules Manual, which replaces the now superseded November 2019 version and as such, it should be used for any accounting period which commences before and ends on or after 25 November 2019.

Guidance has recently been issued by the ICAEW on the conduct of SRA Accounts Rules assignments following the 2019 changes and TECH 03/20 AAF has prompted some minor amendments to the HAT SRA Accounts Rules Manual which was released on 10 January 2020.

TM 01/20 remains within the HAT SRA Accounts Rules Manual which highlights the primary amendments from the HAT SRA Accounts Rules Manual (May 2016). The following are the incremental changes reflected within this Manual on any document showing an “03/20” footer:

- Reflecting TECH 03/20 AAF as being current guidance for such assignments;
- Enhancing wording in the letter of engagement;
- Enhancing tests on the Client Accounts work programme covering suspense accounts and writing off of old balances;
- Highlighting that when the Accountant’s Report indicates that the solicitor has rectified control / system weaknesses that, if these have not been verified, this fact is included within the Accountant’s Report; and
- Highlighting that as SRA guidance will evolve over time that the Reporting Accountant should always have regard to the current SRA guidance.

Experienced members of the team involved in SRA Accounts Rules assignments should be trained on the changes. HAT can provide a half day course at a firm’s office, or team members can attend the course being held on either 24 March / 23 June 2020 in central London.

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