

UK LLP Audit (Mercia)

2023-11 Release

Mercia's Limited Liability Partnerships Manual 2023-03 update

Released November 2023

2023-03 Detailed list of changes – Released November 2023

Document	Change/Detail
General	
Document manager	<ul style="list-style-type: none"> Updated to more accurately reflect naming of A21-1, A21-2, A21-3 and B03. References to Engagement quality control review or EQCR amended to Engagement Quality review or EQR
Permanent file	
PF1-2 The applicable financial reporting framework	<ul style="list-style-type: none"> Additional bullet 'Requirements for a statement of cash flows' added.
PF1-1 The entity and its environment PF1-3 Laws and regulations PF1-4 Related parties PF1-5 Groups PF1-6 - Using a service organisation PF1-7 Using the work of an expert PF1-8 Accounting estimates PF1-10 Going concern PF2-3 Internal control overview	<ul style="list-style-type: none"> Conclusion wording "identifying and assessing" amended.
PF1-6 Using a service organisation	<ul style="list-style-type: none"> Minor wording corrections.
PF5 Permanent audit planning documentation	<ul style="list-style-type: none"> Document added to list engagement team members each year if desired.

Audit exemption documents : Planning	
B40-FRF Change of financial reporting framework impact assessment	<ul style="list-style-type: none"> • A new document has been added to assist in assessing the impact of a change of financial reporting framework (FRF).
B13 New client checklist	<ul style="list-style-type: none"> • The checklist has been expanded to include a number of general factors when taking on a new client as well as space to record agreed action points.
Planning	
B01 Planning checklist	<ul style="list-style-type: none"> • Statement on Control Review / Engagement Quality removed.
B02 Audit strategy	<ul style="list-style-type: none"> • References to EQCR replaced with EQR.
B03 Preliminary engagement quality review	<ul style="list-style-type: none"> • ISQC version of form removed. • ISQM version retained but renamed to remove reference to ISQM as this is now the only version.
B10 Engagement review	<ul style="list-style-type: none"> • Under the 'New client checklist' heading, the wording has been updated from "We have completed B13..." to "We have completed / reviewed B13..." to reflect the fact that relevant matters should also be identified in future years when the client is not new.
B11 Acceptance of appointment or reappointment	<ul style="list-style-type: none"> • References to engagement quality control review now referred to as an engagement quality review.
B12 Compliance with ethical standard	<ul style="list-style-type: none"> • References to engagement quality control review now referred to as an engagement quality review. • ISQC and ISQM specific document links directed to the superseded singular versions.

B32 Accounting estimates summary	<ul style="list-style-type: none"> Updated wording of the key assertions relevant to the accounting estimate which may be selected for clarity.
Planning Freeform	
B01 Planning checklist - Freeform memorandum approach	<ul style="list-style-type: none"> References to engagement quality control review now referred to as an engagement quality review.
B05 Audit planning memorandum	<ul style="list-style-type: none"> Minor spelling corrections.
Audit exemption documents : Audit Programmes	
All	<ul style="list-style-type: none"> Tests have been added and other minor amendments made to bring the work programmes in line with other manuals.
C Audit programme - Taxation	<ul style="list-style-type: none"> Minor amendments to corporation tax section to ensure it is kept up to date.
G Audit programme - Stocks	<ul style="list-style-type: none"> Minor punctuation/letter changes.
O Audit programme - VAT	<ul style="list-style-type: none"> Minor amendments to ensure terminology is kept up to date.
Audit exemption documents : Completion	
A21 Audit exemption completion checklist, partner review and conclusion	<ul style="list-style-type: none"> A new test has been added within the 'Completion checklist' section prompting consideration of matters which appear to indicate the financial statements may be misleading.
A22 Audit exemption overall review of the financial statements	<ul style="list-style-type: none"> New tests have been added under the heading 'General' prompting reviews in respect of accounting policies, consideration of information contained in other documents issued with the accounts (including the directors' report and strategic report), etc.

Completion	
A21-2 Engagement quality review checklist	<ul style="list-style-type: none"> ● ISQC version of form removed. ● ISQM version retained but renamed to remove reference to ISQM as this is now the only version.
A21-3 Consultation review	<ul style="list-style-type: none"> ● ISQC version of form removed. ● ISQM version retained but renamed to remove reference to ISQM as this is now the only version.
A22 Overall review of the financial statements	<ul style="list-style-type: none"> ● Additional bullet 'requirements for and of a statement of cash flows' added.
A31 Audit completion checklist	<ul style="list-style-type: none"> ● References to ISA (UK) 240 updated to reflect the FRC's reissued ISA which includes corrected numbering aligned to the international version.
A46 Fraud update and evaluation	<ul style="list-style-type: none"> ● References to ISA (UK) 240 updated to reflect the FRC's reissued ISA which includes corrected numbering aligned to the international version.