

# SCR Reporting

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## Bulletin 2023/2

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### Newly updated Charity audit programmes

prepared by

Valerie Steward, BSc BFP FCA FCCA FRSA

## Introduction

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This Bulletin sets out the changes that have been made to the Charity packs.

All of the Charity programmes and checklists were reviewed. No changes were made to the independent examination programme or the disclosure checklists as these are still up to date. However the Charity Audit Programmes have been updated to bring them in line with the main audit programmes and also to enhance the risk assessment which had previously been amended for the update to ISA 315.

Details of the changes have been further detailed below.

## Charity audit programmes

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The revised charity audit programmes should be utilised for audits going forward. The main changes made have been introduced to ensure better compliance with the revised ISA 240 The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements and ISA 315 Identifying and Assessing the Risks of Material Misstatement.

Amendments had been made to the old programmes but these are more comprehensive.

The following summarises the main changes and reasons for the changes – for example, changing engagement quality control review to engagement quality review to align with the new standard.

**Main changes:**

A1 – we have added a new question to the programme to highlight the need to confirm the client agreement with audit journals

A2 – we have added a link to connect the planning through to the finalisation by including a requirement to consider both the key risks identified at planning and any other issues arising during the audit

B - we have introduced a know your client section at the front of the planning section, This has been introduced to ensure that the knowledge of the client is good. This should be completed this year for the first time and then carried forward and updated on an annual basis.

We have also included the risk assessments in this document. The risks are rated from 1-5 with 1 being very low and 5 very high. The risk ratings are then filtered through to the main planning memorandum.

B1a – there is an increased emphasis on there being effective communication with the client throughout the audit. This new document is a template to record the discussions on all the key issues required by the standards. You need to ensure that it is clear when and with whom discussions took place.

All sections – approach summaries have been introduced to help improve the quality of the recording of evidence on the individual sections

## Other checklists

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There are no other changes to checklists at present. The disclosure checklists will be revised when the revised FRS 102 and 105 have been finalised for expected application for accounting periods commencing on or after 1 January 2025.

**This completes the present updates of all audit related matters – bringing in ISA 315 and ISA 240.**

Val Steward

Editor

## Feedback

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