

FOREWORD

Credit unions with under \$10 million in assets are provided this *Accounting Manual for Federal Credit Unions* (the Manual) as a guide in accounting for financial transactions and reporting in accordance with a regulatory-basis of accounting prescribed herein. The Manual sets forth procedures for the maintenance of accounting records and contains accounting guidelines and requirements for accounting topics of interest such as investments in credit union service organizations, interest method of amortization, securities, repossessed property, share drafts, credit cards, etc. The manual may be adopted by federally insured, state chartered credit unions (FISCUs) under \$10 million in assets at the option of the credit unions and their state supervisor.

In accordance with the *Credit Union Membership Access Act* (CUMAA), credit unions with \$10 million or more in assets must follow generally accepted accounting principles (GAAP) in the call reports they file with the NCUA. **Those credit unions should not look to this Manual but should seek the advice of an independent accountant to gain a full understanding of GAAP and its implementation.**

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