

100 The Accounting and Review Services Committee

What Is Its Purpose?

100.1 The Accounting and Review Services Committee (ARSC) is a senior technical committee of the American Institute of Certified Public Accountants (AICPA). The mission of ARSC is—

to develop and communicate comprehensive performance and reporting standards and practice guidance to enable accountants of nonissuers to provide high quality, objective compilation and review services in the best interests of the profession and the users of compiled and reviewed financial statements, with the ultimate purpose of serving the public interest.

What Is Its Scope?

100.2 The scope of the Committee's authority is limited to *unaudited financial statements* or *other unaudited financial information* of a *nonpublic entity*. The Statements on Auditing Standards (SASs) issued by the ASB provide guidance to CPAs who perform services in connection with *audited financial statements* of *nonissuers*. PCAOB Standards provide guidance to CPAs who perform audit or review services for *issuers*. The charge also does not include responsibility to determine the content of financial statements in accordance with accounting principles. Pronouncements of the ARSC are issued as Statements on Standards for Accounting and Review Services (SSARS). These have been codified in the *AICPA Professional Standards*.

100.3 The term *unaudited* is used in practice when referring to the following financial statements:

- a. Prepared financial statements of a nonpublic entity [SSARS No. 21 (AR-C 70)].
- b. Compiled financial statements of a nonpublic entity [SSARS No. 19 (AR 80) or SSARS No. 21 (AR-C 80)].

c. Reviewed annual financial statements of a nonpublic entity [SSARS No. 19 (AR 90) or SSARS No. 21 (AR-C 90)].

d. Reviewed interim financial statements ¹ of a nonpublic entity [SSARS No. 19 (AR 90) or SSARS No. 21 (AR-C 90) or AU-C 930].

What Is Its Authority?

100.4 ARSC has been designated by the AICPA Council to promulgate standards under ET 1.300.001 and ET 1.310.001 of the AICPA's *Code of Professional Conduct*. The pronouncements of the ARSC represent the authoritative literature for CPAs when providing accounting and review services to nonpublic entities. However, SSARS do not apply to AICPA members not in public practice.

How Is It Structured?

100.5 Currently ARSC has seven members. The Director of the AICPA Audit and Attest Standards nominates the ARSC Chair and in consultation with the ARSC Chair, nominates the other members of the ARSC. These nominations are approved by the AICPA Board of Directors.

How Does It Speak?

100.6 As mentioned in paragraph 100.2, pronouncements by the ARSC primarily are issued as SSARS. As of April 2015, the ARSC has issued the following pronouncements: ²

- SSARS No. 1, *Compilation and Review of Financial Statements* (December 1978) (Superseded December 2010 by the issuance of SSARS No. 19).
- SSARS No. 2 (AR 200), *Reporting on Comparative Financial Statements* (October 1979).
- SSARS No. 3 (AR 300), *Compilation Reports on Financial Statements Included in Certain Prescribed Forms* (December 1981).
- SSARS No. 4 (AR 400), *Communications Between Predecessor and Successor Accountants* (December 1981).

- SSARS No. 5, *Reporting on Compiled Financial Statements* (July 1982) (Superseded November 1992 by the issuance of SSARS No. 7).
- SSARS No. 6 (AR 600), *Reporting on Personal Financial Statements Included in Written Personal Financial Plans* (September 1986).
- SSARS No. 7, *Omnibus Statement on Standards for Accounting and Review Services—1992* (November 1992) (Not published as a stand-alone section).
- SSARS No. 8, *Amendment to Statement on Standards for Accounting and Review Services No. 1, Compilation and Review of Financial Statements* (October 2000) (Not published as a stand-alone section).
- SSARS No. 9, *Omnibus Statement on Standards for Accounting and Review Services—2002* (November 2002) (Not published as a stand-alone section).
- SSARS No. 10, *Performance of Review Engagements* (May 2004) (Not published as a stand-alone section).
- SSARS No. 11, *Standards for Accounting and Review Services* (May 2004) (Superseded December 2010 by the issuance of SSARS No. 19).
- SSARS No. 12, *Omnibus Statement on Standards for Accounting and Review Services—2005* (July 2005) (Not published as a stand-alone section).
- SSARS No. 13 (AR 110), *Compilation of Specified Elements, Accounts, or Items of a Financial Statement* (July 2005).
- SSARS No. 14 (AR 120), *Compilation of Pro Forma Financial Information* (July 2005).

- SSARS No. 15, *Elimination of Certain References to Statements on Auditing Standards and Incorporation of Appropriate Guidance Into Statements on Standards for Accounting and Review Services* (July 2007) (Not published as a stand-alone section).
- SSARS No. 16 (AR 20), *Defining Professional Requirements in Statements on Standards for Accounting and Review Services* (December 2007) (Superseded December 2010 by the issuance of SSARS No. 19).
- SSARS No. 17, *Omnibus Statement on Standards for Accounting and Review Services—2008* (February 2008) (Not published as a stand-alone section).
- SSARS No. 18, *Applicability of Statements on Standards for Accounting and Review Services* (February 2009) (Not published as a stand-alone section).
- SSARS No. 19 (AR 60, AR 80, and AR 90), *Compilation and Review Engagements* (December 2009).
- SSARS No. 20, *Revised Applicability of Statements on Standards for Accounting and Review Services* (February 2011) (Not published as a stand-alone section).
- SSARS No. 21, *Statements on Standards for Accounting and Review Services: Clarification and Recodification* (October 2014).

100.7 The Statements on Standards for Accounting and Review Services (SSARS) Nos. 1-20 are codified into AR Sections. SSARS No. 21 is codified into AR-C Sections. Exhibit 1-1 shows the cross referencing of the SSARS to their current AR or AR-C Section.

Exhibit 1-1

Cross-Referencing of SSARS to AR and AR-C Sections

SSARS	Title	Section ^a
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No.		
1	Compilation and Review of Financial Statements	Superseded
2	Reporting on Comparative Financial Statements	AR 200
3	Compilation Reports on Financial Statements Included in Certain Prescribed Forms	AR 300
4	Communications Between Predecessor and Successor Accountants	AR 400
5	Reporting on Compiled Financial Statements	Superseded
6	Reporting on Personal Financial Statements Included in Written Personal Financial Plans	AR 600
7	Omnibus Statement on Standards for Accounting and Review Services—1992	Not published as a stand-alone section
8	Amendment to Statement on Standards for Accounting and Review Services No. 1, <i>Compilation and Review of Financial Statements</i>	Not published as a stand-alone section
9	Omnibus Statement on Standards for Accounting and Review Services—2002	Not published as a stand-alone section
10	Performance of Review Engagements	Not published as a stand-alone section
11	Standards for Accounting and Review Services	Superseded
12	Omnibus Statement on Standards for Accounting and Review Services—2005	Not published as a stand-alone section
13	Compilation of Specified Elements, Accounts, or Items of a Financial Statement	AR 110
14	Compilation of Pro Forma Financial Information	AR 120
15	Elimination of Certain References to Statements on Auditing Standards and Incorporation of Appropriate Guidance Into Statements on Standards for Accounting and Review Services	Not published as a stand-alone section
16	Defining Professional Requirements in Statements on Standards for Accounting and Review Services	Superseded
17	Omnibus Statement on Standards for Accounting and Review Services—2008	Not published as a stand-alone section
18	Applicability of Statements on Standards for Accounting and Review Services	Not published as a stand-

		alone section
19	Compilation and Review Engagements	AR 60, AR 80, and AR 90
20	Revised Applicability of Statements on Standards for Accounting and Review Services	Not published as a stand-alone section
21	Statements on Standards for Accounting and Review Services: Clarification and Recodification	AR-C 60, AR-C 70, AR-C 80, and AR-C 90

Notes:

^a SSARS No. 21, *Statements on Standards for Accounting and Review Services: Clarification and Recodification*, is effective for periods ending on or after December 15, 2015, with early implementation permitted. SSARS No. 21 will supersede all extant SSARS, except SSARS No. 14 (AR 120), *Compilation of Pro Forma Financial Information*. AR codification references are used for pre SSARS No. 21 Standards. AR-C codification references are used for SSARS No. 21 guidance.

SSARS Interpretations

100.8 The staff of the ARSC has been authorized to issue interpretations to provide timely guidance on the application of SSARS. According to AR 60.18 and AR-C 60.06, SSARS Interpretations are interpretative publications. They are not as authoritative as a SSARS, but CPAs should be aware that they are required to consider applicable interpretative publications when performing their SSARS engagements. See the discussion of the SSARS hierarchy beginning at paragraph 101.5. The following interpretations have been released by the staff. These interpretations are currently found in the 9000 series of the AR Sections of the AICPA *Professional Standards*.

	Issue Date	Revision Date(s)
Interpretations of Section 80 (AR 9080)		
1. Reporting When There Are Significant Departures From the Applicable Financial Reporting Framework	8/81	11/02, 5/04, 7/05, 12/10
2. Reporting on Tax Returns	11/82	2/08,12/10
3. Additional Procedures Performed in a	3/83	10/00, 11/02, 5/04, 12/10

Compilation Engagement

4. Differentiating a Financial Statement Presentation From a Trial Balance	9/90	10/00, 2/08, 12/10
5. Submitting Draft Financial Statements	9/90	10/00, 12/10
6. Reporting When Financial Statements Contain a Departure From Promulgated Accounting Principles That Prevents the Financial Statements from Being Misleading	2/91	10/00, 11/02, 5/04, 7/05, 12/10
7. Applicability of Statements on Standards for Accounting and Review Services to Litigation Services	5/91	10/00, 2/08, 12/10
8. Applicability of Statements on Standards for Accounting and Review Services When Performing Controllership or Other Management Services	7/02	12/10
9. Use of the Label "Selected Information—Substantially All Disclosures Required by [the applicable financial reporting framework] Are Not Included" in Compiled Financial Statements	12/02	12/10
10. Omission of the Display of Comprehensive Income in Compiled Financial Statements	9/03	5/04, 7/05, 6/09, 12/10
11. Special-Purpose Financial Statements to Comply With Contractual Agreements or Regulatory Provisions	12/06	12/10
12. Reporting on an Uncertainty, Including an Uncertainty About an Entity's Ability to Continue as a Going Concern	2/07	2/08, 12/08, 6/09, 12/10
13. Compilations of Financial Statements Prepared in Accordance With International Financial Reporting Standards	5/08	6/10, 8/10, 12/10
14. Compilations of Financial Statements Prepared in Accordance With A Financial Reporting Framework Generally Accepted in Another Country	5/08	6/10, 8/10, 12/10
15. Considerations Related to Compilations Performed in Accordance with International	5/08	6/10, 8/10, 12/10

Standard on Related Services 4410,
Engagements to Compile Financial Statements,
 Issued by the International Audit and Assurance
 Standards Board

16. Preparation of Financial Statements for Use by an Entity's Auditors	12/08	12/10
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17. Required Supplementary Information That Accompanies Compiled Financial Statements	10/11	
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Interpretations of Section 90 (AR 9090)

1. Reporting When There Are Significant Departures From the Applicable Financial Reporting Framework	8/81	11/02, 5/04, 7/05, 12/10
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2. Reporting on Tax Returns	11/82	2/08, 12/10
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3. Additional Procedures Performed in a Review Engagement	3/83	10/00, 11/02, 5/04, 12/10
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4. Submitting Draft Financial Statements	9/90	10/00, 12/10
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5. Reporting When Financial Statements Contain a Departure From Promulgated Accounting Principles That Prevents the Financial Statements from Being Misleading	2/91	10/00, 11/02, 5/04, 7/05, 12/10
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6. Special-Purpose Financial Statements to Comply With Contractual Agreements or Regulatory Provisions	12/06	12/10
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7. Reporting on an Uncertainty, Including an Uncertainty About an Entity's Ability to Continue as a Going Concern	2/07	2/08, 12/08, 6/09, 12/10
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8. Reviews of Financial Statements Prepared in Accordance With International Financial Reporting Standards	5/08	6/10, 8/10, 12/10
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9. Reviews of Financial Statements Prepared in Accordance With a Financial Reporting Framework Generally Accepted in Another Country	5/08	6/10, 8/10, 12/10
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10. Considerations Related to Reviews Performed in Accordance With International Standard on Review Engagements 2400,	5/08	6/10, 8/10, 12/10
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Engagements to Review Financial Statements,
Issued by the International Audit and Assurance
Standards Board

11. Required Supplementary Information That
Accompanies Reviewed Financial Statements 10/11

Interpretations of Section 200 (AR 9200)

1. Reporting on Financial Statements That
Previously Did Not Omit Substantially All
Disclosures 11/80 11/02, 5/04, 7/05, 12/12

Interpretations Section 300 (AR 9300)

1. Omission of Disclosures in Financial
Statements Included in Certain Prescribed
Forms 5/82 2/08, 12/12

Interpretations of Section 400 (AR 9400)

1. Reports on the Application of Accounting
Principles 8/87 11/02, 12/12

Interpretations of SSARS Section 600 (AR 9600)

1. Submitting a Personal Financial Plan to a
Client's Advisers 5/91 12/12

100.9 SSARS No. 21 does not contain any Interpretations. Some of the guidance included in the Interpretations, especially as it pertains to review engagements, is included in SSARS No. 21. Most of the guidance, or similar guidance, from the Interpretations, the authors believe is likely to be included in the AICPA Guide: *Preparation, Compilation, and Review Engagements*, (AICPA Guide) which is expected to be available in July 2015. Accountants will be required to follow all of the guidance included in SSARS No. 21 once SSARS No. 21 is implemented. For the Interpretation guidance not included in SSARS No. 21, the authors believe accountants should continue to consider such guidance in both compilation and review engagements, when it is applicable, because the authors consider it to be good guidance. Accountants are cautioned, however, to carefully consider and follow the final guidance included in the AICPA Guide once it becomes available.

AICPA SSARS Engagements Guide

100.10 The AICPA Guide: *Preparation, Compilation, and Review Engagements* (AICPA Guide)³ is expected to be available in July 2015. The 2015 edition will include updated guidance for engagements performed in accordance with SSARS No. 21. It was developed under the supervision and authority of ARSC, and is considered an interpretive publication pursuant to AR-C 60.06. The purpose of the AICPA Guide is to assist accountants in preparing, compiling, or reviewing financial

statements in accordance with the SSARS. As the 2015 edition was not available as of the date of this *Guide*, the authors caution accountants to consider any applicable interpretive guidance included in the AICPA Guide which is relevant to their engagements. Future editions of this *Guide* will be updated for the AICPA Guide.

SSARS Exhibits

100.11 The AICPA SSARS Codification of SSARS Nos. 1-20 includes the following exhibits, which are considered other compilation and review publications and, thus, are nonauthoritative:

- Exhibit A, *Analytical Procedures in a Review Engagement*. This exhibit illustrates how an accountant might document expectations in a review engagement. (The information in this exhibit is also included in the 2014 AICPA CAR Guide at Paragraphs 4.119-.127. ⁴)

- Exhibit B, *Going Concern Considerations*. This exhibit provides accounting guidance with respect to an entity's ability to continue as a going concern.

The SSARS No. 21 codification does not include any nonauthoritative guidance, exhibits or otherwise.

Technical Questions and Answers (TIS 9150) ⁵

100.12 Selected inquiries and replies by the staff of the Technical Information Service of the AICPA are published in the AICPA *Technical Questions and Answers*. Section TIS 9150 of *Technical Questions and Answers* pertains to compilation and review engagements. Views expressed in the *Technical Questions and Answers* are not official opinions of the AICPA or any of its committees, including the ARSC—they must be accepted as the personal views of the individuals who offer them. As of April 2015, the following *nonauthoritative aids* pertaining to SSARS have been issued.

.01	(Withdrawn)
.02	(Withdrawn)
.03	(Withdrawn)
.04	Financial Statements Marked as “Unaudited”
.05	(Withdrawn)
.06	(Withdrawn)
.07	(Withdrawn)
.08	Supplementary Information

- .09 Application of AR Section 300 to Certain Companies Required To File with Regulatory Bodies
- .10 Review of Financial Statements Included in a Prescribed Form
- .11 (Withdrawn)
- .12 (Withdrawn)
- .13 (Withdrawn)
- .14 (Withdrawn)
- .15 (Withdrawn)
- .16 Reference to Accountant's Report in Notes to Financial Statements
- .17 (Withdrawn)
- .18 Bank Engaged an Accountant To Compile a Financial Statement of Another Entity
- .19 (Withdrawn)
- .20 Reissuance When Not Independent
- .21 (Withdrawn)
- .22 (Withdrawn)
- .23 (Withdrawn)
- .24 Issuing a Compilation Report on Financial Statements That Omit Substantially All Disclosures After Issuing a Report on the Same Financial Statements That Include Substantially All Disclosures
- .25 Determining Whether Financial Statements Have Been Prepared by the Accountant
- .26 The Accountant's Responsibilities for Subsequent Events in Compilation and Review Engagements
- .27 The Accountant's Reporting Responsibility With Respect to Subsequent Discovery of Facts Existing at the Date of the Report
- .28 (Withdrawn)
- .29 Effects on Compilation and Review Engagements When Management Does Not Assess Whether the Reporting Entity Is the Primary Beneficiary of a Variable Interest Entity and Instructs the Accountant to Not Perform the Assessment
- .30 Disclosure of Independence Impairment in the Accountant's Compilation Report on Comparative Financial Statements When the Accountant's Independence Is Impaired in Only One Period
- .31 Break-Even Financial Statements

- .32 Modification to the Accountant's Compilation or Review Report When a Client Adopts a Private Company Council Accounting Alternative
- .33 Compilation or Review Report in Which Management Refuses to Include Disclosure Related to Adoption of a PCC Accounting Alternative
- .34 Modification to the Accountant's Compilation or Review Report When a Client Adopts a Private Company Council Accounting Alternative That Results in a Change to a Previously Issued Report

Other Accounting, Compilation, and Review Technical Questions and Answers

100.13 Following is a listing identifying other accounting, compilation, and review related AICPA *Technical Questions and Answers*, other than the TIS 9150 series. (See the TIS 9150 series listing at paragraph 100.12.)

- TIS 1300.17, *Omission of Reconciliation of Net Income to Cash Flows From Operations*

- TIS 1500.07, *Disclosure Concerning Subsequent Events in Special Purpose Financial Statements*

- TIS 1800.06, *Applicability of Fair Value Disclosure Requirements in FASB ASC 820 to Financial Statements Prepared in Accordance With a Special Purpose Framework*

- TIS 8800.30, *Making Reference to Review Report*

- TIS 8900.10, *Successor Accountant Becomes Aware of Information During the Performance of a Compilation or Review That Leads the Successor Accountant to Believe That Financial Statements Reported On by a Predecessor Accountant Who Has Ceased Operations May Require Revision*

- TIS 9110.07, *Statement of Cash Receipts and Disbursements*

- TIS 9160.26, *Compilation and Review—Comparative Financial Statements*

The Exhibit at AR-C 60.A50 includes a list of Technical Questions and Answers reviewed by the AICPA staff and, therefore, considered appropriate publications for consideration by the accountant when performing a SSARS engagement (AR-C 60.18).

AICPA's Review, Compilation, and Financial Statement Preparation Engagements Alert

100.14 Each year, the AICPA staff prepares an alert that is a nonauthoritative practice aid designed to help accountants plan and perform their SSARS engagements. The AICPA Alert, *Developments in Review, Compilation, and Financial Statement Preparation Engagements 2014/2015*, addresses emerging issues and practice problems in compilation, review, and financial statement preparation engagements. Although guidance in the AICPA's alert is not authoritative, it is designed to help accountants plan and perform their SSARS engagements. Copies of the alert are available on Checkpoint or can be ordered from the AICPA at www.cpa2biz.com. (Note that *PPC's Guide to Compilation and Review Engagements* covers all relevant topics included in the AICPA's alert.)

- ¹ See discussion of when SSARS applies to reviewed interim financial statements at paragraph 202.3.
- ² SSARS No. 21, *Statements on Standards for Accounting and Review Services: Clarification and Recodification*, is effective for periods ending on or after December 15, 2015, with early implementation permitted. SSARS No. 21 will supersede all extant SSARS, except SSARS No. 14 (AR 120), *Compilation of Pro Forma Financial Information*. SSARS No. 14 is currently being redrafted. See the discussion in section 103.
- ³ Practitioners should refer to the 2014 AICPA Guide: *Compilation and Review Engagements* for SSARS No. 19 engagements.
- ⁴ The 2015 edition will be updated for SSARS No. 21 and is expected to be available in July 2015.
- ⁵ Technical Practice Aids (TIS) were renamed Technical Questions and Answers (Q&A) by the AICPA in 2015. Consequently, the terms and abbreviations are used interchangeably throughout this *Guide*.

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101 SSARS No. 19 Codification

101.1 SSARS No. 19 is codified into AR Sections 60, 80, 90, 110, 120, 200, 300, 400, and 600. Each of these AR Sections is superseded by SSARS No. 21, except AR 120. SSARS No. 21 is effective for financial statement periods ending on or after December 15, 2015, with early implementation permitted. Each of the AR Sections are discussed in the following paragraphs. The SSARS No. 21 codification is discussed in section 102.

AR 60—Framework for Reporting on Compilation and Review Engagements

101.2 AR 60 provides a framework and defines and describes the objectives, limitations, and elements of compilation and review engagements. It also defines certain terms used in the SSARS to describe the professional requirements imposed on accountants performing compilation and review engagements and defines the terminology that ARSC uses to describe the degrees of responsibility that the requirements impose on the accountant.

101.3 *Unconditional requirements* are defined as requirements with which accountants are required to comply in all cases in which the circumstances exist to which the requirement applies. Such requirements are introduced by the words *must* or *is required*.

101.4 *Presumptively mandatory requirements* are requirements with which accountants are required to comply in all cases in which the circumstances exist to which the requirement applies. However, accountants may depart from such a requirement if they justify the departure and how alternative procedure(s) performed in the circumstances were sufficient to achieve the objectives of the requirement. Such requirements are introduced by the word *should*.

101.5 AR 60 also sets forth the hierarchy of compilation and review standards and guidance. The SSARS hierarchy includes three levels—

- *Statement on Standards for Accounting and Review Services (SSARS)*. The SSARS are issued by the AICPA Accounting and Review Services Committee and provide performance and reporting standards for compilations and reviews.

- *Interpretative Publications.* Interpretative publications include Interpretations of the SSARS, appendixes to the SSARS, compilation and review guidance included in AICPA Audit and Accounting Guides, and AICPA Statements of Position to the extent that those Statements are applicable to compilation and review engagements. The AICPA CAR Guide falls into this category.

- *Other Compilation and Review Publications.* Other compilation and review publications consist of AICPA accounting and review publications not previously listed; the AICPA's annual *Compilation and Review Alert*; compilation and review articles in the *Journal of Accountancy* and other professional journals; compilation and review articles in the *AICPA CPA Letter*, and other compilation and review materials published by state CPA societies or other organizations or individuals.

AR 80—Compilation of Financial Statements

101.6 AR 80 establishes the standards and provides guidance on compilations of financial statements. The accountant is required to comply with the provisions of AR 80 whenever he or she is engaged to report on compiled financial statements or submits financial statements to a client or to a third party. The understanding with the entity in such engagements is discussed in Chapter 2 and the performance requirements are discussed in Chapter 3.

AR 90—Review of Financial Statements

101.7 AR 90 establishes the standards and provides guidance on reviews of financial statements. The accountant is required to comply with the provisions of AR 90 whenever he or she is engaged to review financial statements, except for the reviews of interim financial information when AU-C 930 applies. (See the discussion of the applicability of SSARS to interim reviews at paragraph 202.3.) The understanding with the entity in such engagements is discussed in Chapter 2 and the performance requirements are discussed in Chapter 4.

AR 110—Compilation of Specified Elements, Accounts, or Items of a Financial Statement

101.8 AR 110 addresses the compilation of specified elements, accounts, or items of a financial statement. The understanding with the entity in such engagements is discussed in Chapter 2 and the performance requirements are discussed in Chapter 3.

AR 120—Compilation of Pro Forma Financial Information

101.9 AR 120 addresses the compilation of pro forma financial information. The understanding with the entity in such engagements is discussed in Chapter 2 and the performance requirements are

discussed in Chapter 3.

AR 200—Reporting on Comparative Financial Statements

101.10 AR 200 established standards for reporting on comparative financial statements of a nonpublic entity when financial statements of one or more periods presented have been compiled or reviewed.

101.11 AR 200 applies to reports on any comparative financial statements that include current period compiled or reviewed financial statements of an entity that is a nonpublic entity *as of the current period balance sheet date*. If the current period financial statement is *audited* or if the entity is an *issuer* as of the current period balance sheet date, SASs apply rather than AR 200.

101.12 When comparative statements are presented, the accountant must select the appropriate reporting option for the prior period financial statements from the following list of alternatives:

- a. Reissue the previous report on the prior period financial statements.

- b. Make reference to the previously issued report and describe the degree of responsibility assumed for the financial statements of the prior period.

- c. Update the previous report on the prior period financial statements.

- d. Compile or review the prior period financial statements and issue the appropriate report.

101.13 Section 617 of this *Guide* discusses in detail the many reporting alternatives the accountant faces when issuing comparative statements.

AR 300—Compilation Reports on Financial Statements Included in Certain Prescribed Forms

101.14 AR 300 provides for an alternative form of standard compilation report on prescribed forms that call for departures from generally accepted accounting principles (GAAP).

101.15 According to AR 300, a prescribed form is any standard preprinted form designed or adopted by the body to which it is to be submitted, e.g., a bank. Under AR 300, the accountant may use a standard compilation report identifying all GAAP measurement or disclosure departures, or he or she may use the AR 300 report, which is especially designed for prescribed forms. Prescribed forms are discussed in detail in Chapter 13.

AR 400—Communications between Predecessor and Successor Accountants

101.16 AR 400 provides guidance to a successor accountant who decides to communicate with a predecessor in connection with acceptance of a compilation or review engagement. AR 400 *does not require a successor accountant to communicate with a predecessor*. However, a successor accountant may decide to communicate when certain circumstances exist.

101.17 AR 400 *requires a predecessor accountant, if authorized by a former client, to respond promptly and fully when a successor makes inquiries*. However, the predecessor may decide to limit his or her response because of unusual circumstances, such as impending litigation. AR 400 is discussed in detail in section 210 of this *Guide*.

101.18 AR 400 requires a successor accountant to request that the client notify the predecessor accountant when the successor believes that the financial statements reported on by the predecessor need to be revised.

AR 600—Reporting on Personal Financial Statements Included in Written Personal Financial Plans

101.19 AR 600 provides an exemption from SSARS No. 19 for personal financial statements included in written personal financial plans. However, the statement does not preclude an accountant from complying with SSARS No. 19 in such engagements. Chapter 15 further discusses personal financial statements included in financial plans.

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102 SSARS No. 21 Codification

102.1 SSARS No. 21, *Statements on Standards for Accounting and Review Services: Clarification and Recodification*, is effective for engagement periods ending on or after December 15, 2015, with early implementation permitted. SSARS No. 21 supersedes all of the existing AR sections other than AR 120, *Compilation of Pro Forma Financial Information*. The new standards have AR-C references to differentiate them from the extant literature. This is the same method that the AICPA used to differentiate between the old (AU references) and clarified auditing standards (AU-C references). Part of ARSC's goal when drafting SSARS No. 21 was to present the requirements and application and other explanatory guidance in a very concise manner, especially as it relates to preparation and compilation engagements. As a result, much of the guidance formerly included in Interpretations, as well as some other guidance such as the guidance related to comparative financial statements, is not carried forward into SSARS No. 21. Instead, many of those topics will be addressed in the AICPA Guide, *Preparation, Compilation, and Review Engagements*, when it is available in July 2015. See the discussion beginning at paragraph 100.9.

102.2 SSARS No. 21 is comprised of four sections—

- AR-C 60, *General Principles for Engagements Performed in Accordance with Statements on Standards for Accounting and Review Services*.
- AR-C 70, *Preparation of Financial Statements*.
- AR-C 80, *Compilation Engagements*.
- AR-C 90, *Review of Financial Statements*.

Each of the AR-C Sections are discussed in the following paragraphs. The SSARS No. 19 codification is discussed in section 101.

AR-C 60—General Principles for Engagements Performed in Accordance With Statements on Standards for Accounting and Review Services

102.3 AR-C 60 provides general principles for any engagements performed in accordance with the SSARS and is intended to help accountants understand their professional responsibilities when performing SSARS engagements. AR-C 60 addresses—

- *Financial Statements.* The financial statements belong to the entity. The SSARS do not impose responsibilities on management of the entity, and do not override laws and regulations that govern the entity.

- *Ethical Responsibilities.* The accountant should comply with ethical requirements. See the discussion of ethics standards in section 212.

- *Professional Judgment.* The accountant should exercise professional judgment when performing a SSARS engagement.

- *Conduct of the Engagement in Accordance with the SSARS.* The accountant should comply with all relevant sections of the SSARS. In addition, the accountant should understand the requirements of the SSARS and the application and other explanatory materials in order to properly apply the requirements of the SSARS. This *Guide* incorporates the requirements of the SSARS throughout.

- *Engagement-level Quality Control.* See the discussion in section 212.

- *Acceptance and Continuance of Client Relationships and Engagements.* See the discussion in section 201.

102.4 AR-C 60 provides the overall framework for conducting an engagement in accordance with SSARS. AR-C 60.15 defines certain terms used in the SSARS to describe the professional requirements imposed by accountants performing compilation and review engagements.

102.5 *Unconditional requirements* are defined as requirements with which accountants are required to comply in all cases in which the circumstances exist to which the requirement applies. Such requirements are introduced by the word *must*.

102.6 *Presumptively mandatory requirements* are requirements with which accountants are required to comply in all cases in which the circumstances exist to which the requirement applies. However, accountants may depart from such a requirement if they justify the departure and how alternative procedure(s) performed in the circumstances were sufficient to achieve the objectives of the requirement. Such requirements are introduced by the word *should*.

AR-C 70—Preparation of Financial Statements

102.7 AR-C 70 applies when an accountant is engaged to prepare financial statements, but is not engaged to perform an audit, review, or compilation of those statements. (There are other more narrow exemptions from the requirements of AR-C 70 listed at AR-C 70.01. See the discussion in section 302.) It establishes the performance requirements for the preparation of financial statements. An accountant engaged to prepare the financial statements should—

- a. Establish an understanding with the client regarding the services to be performed and document the understanding through a written communication signed by both the accountant or the accountant's firm and management or those charged with governance.

- b. Have, or obtain, an understanding of the applicable financial reporting framework and significant accounting principles and practices intended to be used to prepare the financial statements.

- c. Prepare the financial statements using the records and other information provided by management.

- d. Ensure that a statement is included on each page of the financial statements indicating that no assurance is provided. (If such a statement is not included, the accountant should either issue a disclaimer or perform a compilation engagement.)

- e. If the financial statements are prepared in accordance with a special purpose framework (such as cash basis or tax basis), include a description of the financial reporting framework on the face of the financial statements or in a note to the financial statements.

- f. If the accountant assists management with significant estimates regarding amounts or disclosures in the financial statements, ensure that management understands and accepts responsibility for those estimates.

- g. Request additional or corrected information when the accountant becomes aware that information supplied by the client is incorrect, incomplete, or otherwise unsatisfactory.

- h. If the accountant prepares financial statements that contain a known departure or departures from the applicable financial reporting framework, disclose the departure.

- i. If the accountant prepares financial statements that omit substantially all disclosures required by the applicable financial reporting framework, disclose such omission on the face of the financial statements or in a note to the financial statements.

- j. Prepare documentation in sufficient detail to provide a clear understanding of the work performed.

AR-C 70 engagement letters are discussed in Chapter 2 and the performance requirements are discussed in section 302.

AR-C 80—Compilation Engagements

102.8 AR-C 80 establishes the standards and provides guidance on compilations of financial statements. The accountant is required to comply with the provisions of AR-C 80 whenever he or she is engaged to report on compiled financial statements. The understanding with the entity in such engagements is discussed in Chapter 2. The performance requirements are discussed in Chapter 3, and the reporting requirements are discussed in Chapter 6.

AR-C 90—Review of Financial Statements

102.9 AR-C 90 establishes the standards and provides guidance on reviews of financial statements. The accountant is required to comply with the provisions of AR-C 90 whenever he or she is engaged to review financial statements, except for the reviews of interim financial information when AU-C 930 applies. (See the discussion of the applicability of SSARS to interim reviews at paragraph 202.3.) The understanding with the entity in such engagements is discussed in Chapter 2. The performance requirements are discussed in Chapter 4, and the reporting requirements are discussed in Chapter 6.

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103 Recent SSARS Developments

Compilation and Review Standards Clarity Project

103.1 In May 2010, the Accounting and Review Services Committee of the AICPA (ARSC) approved a project to clarify the compilation and review standards using the drafting conventions adopted by the Auditing Standards Board (ASB) and used by the ASB to clarify and converge the auditing standards with international auditing standards issued by the International Auditing and Assurance Standards Board (IAASB). Unlike with the auditing standards, convergence with international standards was not a primary factor for the compilation and review standards due to incompatibilities between the United States and international standards. The ARSC drafting conventions were—

- Establish objectives for each clarified AR section.
- Include a definition section, where relevant, in each clarified AR section. The new definition sections include the term *special purpose framework*.
- Separate requirements from application and other explanatory material.
- Number application and other explanatory material paragraphs using an A-prefix and present them in a separate section that follows the requirement section.
- Use formatting techniques, such as bulleted lists, to enhance readability.

- Try to eliminate all SSARS interpretations by pulling the information that is still applicable into the application material, into the requirements, or into the AICPA Guide ⁶ .

103.2 In October 2014, the Accounting and Review Services Committee (ARSC) issued SSARS No. 21, *Statements on Standards for Accounting and Review Services: Clarification and Recodification*, which is effective for periods ending on or after December 15, 2015. Early implementation is permitted. SSARS No. 21 supersedes all of the existing SSARS other than SSARS No. 14, *Compilation of Pro Forma Financial Information*. SSARS No. 21 is comprised of four sections—

- AR-C 60, *General Principles for Engagements Performed in Accordance with Statements on Standards for Accounting and Review Services*.
- AR-C 70, *Preparation of Financial Statements*.
- AR-C 80, *Compilation Engagements*.
- AR-C 90, *Review of Financial Statements*.

This *Guide* has been updated to enable accountants who perform SSARS engagements to comply with the requirements of SSARS No. 19 and the requirements of SSARS No. 21.

103.3 In addition, ARSC has twice exposed and withdrawn a proposed clarified association SSARS. After a couple of attempts and numerous comments, it is ARSC's belief that how a firm chooses to address the matter of association is a risk management decision. Consequently, ARSC does not presently plan to issue an association standard. ⁷

103.4 Furthermore, ARSC is investigating whether there are additional requirements in the extant literature that should either be incorporated into the AICPA Guide or included in a future Omnibus SSARS. In addition, ARSC is working on projects to clarify the standard on compilations of pro forma financial information, and to include the assembly and compilation of prospective financial information guidance that is currently in the Attestation Standards (AT) into the clarified SSARS. ARSC is hoping to issue an exposure draft that includes the compilations of pro forma financial information guidance and the preparation and compilation of prospective financial information guidance during the summer of 2015.

6 The guidance from SSARS interpretations that remain applicable after the issuance of SSARS No. 21 will be included beginning in the 2015 edition of the AICPA Guide, which is expected to be available in July 2015. See paragraph 100.10.

7 Association occurs when an accountant's name is used in a document or written communication containing unaudited financial statements that the accountant has not prepared, compiled, reviewed, or audited.

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104 Recent Accounting Developments

104 Recent Accounting Developments

104.1 Generally accepted accounting principles (or a special purpose framework) are the same for any financial statements regardless of whether they are prepared, compiled, reviewed, or audited. To perform a SSARS engagement successfully, the CPA should have an adequate understanding of the accounting principles and practices that may be pertinent to the particular client and their circumstances. The disclosure checklist at Appendix 5C-2 list the primary disclosure requirements for financial statements of *nonpublic entities* as required by GAAP. However, the checklist is not a GAAP application checklist; accordingly, GAAP application and measurement questions are not included. Consequently, to further assist accountants in insuring that they comply with GAAP, a listing of significant accounting pronouncements that have been issued or took effect between May 1, 2014, and April 30, 2015, or will become effective thereafter, is included at Appendix 1B of this *Guide*. Further information regarding accounting and GAAP can be found in *PPC's Guide to Preparing Financial Statements* and *PPC's Guide to GAAP*.

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105 International Compilation and Review Standards

105 International Compilation and Review Standards

105.1 The International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) issued International Standard on Related Services (ISRS) 4410, *Engagements to Compile Financial Statements*, and International Standard on Review Engagements (ISRE) 2400, *Engagements to Review Financial Statements*. The purpose of this ISRS and ISRE is to—

- Establish international standards and provide guidance on the accountant's professional responsibilities when engaged to compile or review financial statements.
- Provide guidance on the form and content of the report the accountant issues for that compilation or review.

ISRS 4410 and ISRE 2400 can be found in IFAC's *Handbook of International Auditing, Assurance, and Ethics Pronouncements*, which is available online at www.ifac.org.

Interaction with SSARS

105.2 ISRS 4410 and ISRE 2400 do not override the SSARS. However, Interpretation No. 15 of AR Section 80 (AR 9080.58-.60), *Considerations Related to Compilations Performed in Accordance with International Standard on Related Services 4410, "Engagements to Compile Financial Statements," Issued by the International Audit and Assurance Standards Board* and Interpretation No. 10 of AR Section 90 (AR 9090.38-.40), *Considerations Related to Reviews Performed in Accordance with International Standard on Related Services 2400, "Engagements to Review Financial Statements," Issued by the International Audit and Assurance Standards Board* allow an accountant who performs a compilation or review of historical financial statements of a U.S. entity to follow the compilation or review standards of another set of compilation or review standards (such as ISRS 4410 or ISRE 2400), in addition to the required SSARS standards.

105.3 Interpretation Nos. 13-14 of AR Section 80 (AR 9080.49-.57), *Compilations of Financial Statements Prepared in Accordance with International Financial Reporting Standards and Compilations of Financial Statements Prepared in Accordance with a Financial Reporting Framework Generally Accepted in Another Country*, and Interpretation Nos. 8-9 of AR Section 90 (AR 9090.29-.37), *Reviews of Financial Statements Prepared in Accordance with International Financial Reporting Standards and Reviews of Financial Statements Prepared in Accordance With a Financial Reporting Framework Generally Accepted in Another Country*, respectively, provide guidance regarding accountant's reports issued in connection with compilations and reviews of historical financial statements prepared in accordance with International Financial Reporting Standards or in accordance with a financial reporting framework generally accepted in another country. See the discussion beginning at paragraph 600.4.

105.4 Although SSARS No. 21 does not include any Interpretations, or the guidance discussed in the preceding paragraphs, the authors believe that it remains good guidance and anticipate that it will be included in the AICPA Guide that is expected to be available in July 2015.

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Appendix 1A Comparison of Financial Statement Preparation, Compilation, Review, and Audit Engagements

Appendix 1A

Comparison of Financial Statement Preparation, Compilation, Review, and Audit Engagements ^a ^b

	Preparation of Financial Statements Engagement	Compilation Engagement	Review Engagement ^c	Audit Engagement
1. Acceptance and continuance	Required	Required	Required	Required
2. Accountant's independence	Accountant does not have to be independent or assess independence	Accountant must assess independence, but does not have to be independent	Lack of independence precludes issuing review report	Nonissuer— compilation report [SSARS (AR-C 80)] if not independent
3. Level of assurance	No assurance as to GAAP	No assurance as to GAAP	Limited assurance as to GAAP	Statements are fairly presented in accordance with GAAP
4. Entities covered	Nonissuer only	Nonpublic entity only	Nonpublic entity only	Issuer or nonpublic entity
5. Knowledge of client's industry	Knowledge and understanding of the client's financial reporting framework and of the significant	Knowledge and understanding of the client's financial reporting framework and of the significant	Knowledge and understanding of the accounting principles and practices of the industry and of the	Knowledge of the economy, the relevant industry, and the client's business (AU-C 315)

	accounting policies	accounting policies	client's business	
6. Reconcile financial statements to underlying accounting records	Not required	Not required	Required	Required (AU-C 500)
7. Inquiry procedures required	Inquiries not required unless information supplied by client is questionable	Inquiries not required unless information supplied by the client is questionable	Inquiry and analytical procedures required <i>plus</i> additional procedures if the information appears questionable	Inquiry, analytical procedures (AU-C 520), and other audit procedures
8. GAAP disclosures omitted	Substantially all disclosures required by GAAP may be omitted	Substantially all disclosures required by GAAP may be omitted	All disclosures required by GAAP must be included or report must be modified to include the disclosures	Inadequate disclosure requires qualified or adverse opinion
9. Known departures from GAAP measurement	Disclosure required in the financial statements	Disclosure required in modified compilation report	Disclosure required in modified review report	Departure from GAAP requires qualified or adverse opinion
10. Obtain an understanding of internal control and assess control risk	Not required	Not required	Not required	Required (AU-C 315)
11. Assess fraud risk	Not required	Not required	Not required	Required (AU-C 240)
12. Engagement letter	Required (AR-C 70 requires accountants to obtain an understanding with their clients regarding the financial statement preparation	Required (AR-C 80 requires accountants to obtain an understanding with their clients regarding the compilation services to be	Required (AR-C 90 requires accountants to obtain an understanding with their clients regarding the review services to be performed and	Required (AU-C 210 requires accountants to obtain an understanding with their clients regarding the audit services to be performed and

	services to be performed and to document that understanding through written communications with the clients. In addition, the written communication must be signed by the accountant and the client.)	performed and to document that understanding through written communications with the clients. In addition, the written communication must be signed by the accountant and the client.)	to document that understanding through written communications with the clients. In addition, the written communication must be signed by the accountant and the client.])	to document that understanding through written communications with the clients.)
13. Representation letter	Not required	Not required	Required	Required (AU-C 580)
14. Report/opinion	Legend requiring words "No Assurance"	No assurance	Limited assurance	Reasonable assurance (AU-C 700)

Notes:

^a Adapted for SSARS No. 21 and the clarified auditing standards from Dan M. Guy, "Disclosure Needs in Financial Reporting for Closely Held Businesses," University of Alabama, 1978 Accounting Research Convocation.

^b This appendix does not cover engagements relating to personal financial statements or prospective financial information. In addition, this appendix does not cover financial statements prepared using a financial reporting framework other than GAAP.

^c Excludes SAS and PCAOB interim reviews. AU-C 930 interim reviews are discussed in section 909 of *PPC's Guide to Audits of Nonpublic Companies*. PCAOB interim reviews are discussed in section 1001 of *PPC's Guide to PCAOB Audits*.

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Appendix 1B Accounting Standards Recently Issued or Soon to be Effective

Appendix 1B

Accounting Standards Recently Issued or Soon to be Effective

The following is a list of significant Financial Accounting Standards Board pronouncements that have been issued or became effective between May 1, 2014, and April 30, 2015, or will become effective thereafter.

	Standard	Effective Date ^a
ASU 2013-04	<i>Liabilities (Topic 405): Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date (a consensus of the FASB Emerging Issues Task Force)</i>	FYEA 12/15/14
ASU 2013-05	<i>Foreign Currency Matters (Topic 830): Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity (a consensus of the FASB Emerging Issues Task Force)</i>	PBA 12/15/14
ASU 2013-06	<i>Not-for-Profit Entities (Topic 958): Services Received from Personnel of an Affiliate (a consensus of the FASB Emerging Issues Task Force)</i>	FYBA 6/15/14
ASU 2013-11	<i>Income Taxes (Topic 740): Presentation of an Unrecognized Tax Benefit When a</i>	PBA 12/15/14

Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists (a consensus of the FASB Emerging Issues Task Force)

ASU 2014-01	<i>Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Qualified Affordable Housing Projects (a consensus of the FASB Emerging Issues Task Force)</i>	APBA 12/15/14 IPBA 12/15/15
ASU 2014-02	<i>Intangibles—Goodwill and Other (Topic 350): Accounting for Goodwill (a consensus of the Private Company Council)</i>	APBA 12/15/14 IPBA 12/15/15 ^b
ASU 2014-03	<i>Derivatives and Hedging (Topic 815): Accounting for Certain Receive-Variable, Pay-Fixed Interest Rate Swaps—Simplified Hedge Accounting Approach (a consensus of the Private Company Council)</i>	APBA 12/15/14 IPBA 12/15/15 ^b
ASU 2014-04	<i>Receivables—Troubled Debt Restructurings by Creditors (Subtopic 310-40): Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans upon Foreclosure (a consensus of the FASB Emerging Issues Task Force)</i>	APBA 12/15/14 IPBA 12/15/15 ^b
ASU 2014-05	<i>Service Concession Arrangements (Topic 853) (a consensus of the FASB Emerging Issues Task Force)</i>	APBA 12/15/14 IPBA 12/15/15 ^b
ASU 2014-07	<i>Consolidation (Topic 810): Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements (a consensus of the Private Company Council)</i>	APBA 12/15/14 IPBA 12/15/15 ^b
ASU 2014-08	<i>Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360): Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity</i>	APBOA 12/15/14 IPBOA 12/15/15 (APBOA 12/15/14 IPBOA 12/15/14 nonprofit) ^c
ASU 2014-09	<i>Revenue from Contracts with Customers (Topic 606)</i>	APBA 12/15/17 IPBA 12/15/18 ^d
ASU 2014-10	<i>Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting</i>	APBA 12/15/14 IPBA 12/15/15 ^e

	<i>Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation</i>	
ASU 2014-11	<i>Transfers and Servicing (Topic 860): Repurchase-to-Maturity Transactions, Repurchase Financings, and Disclosures</i>	APBA 12/15/14 IPBA 12/15/15
ASU 2014-12	<i>Compensation—Stock Compensation (Topic 718): Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period (a consensus of the FASB Emerging Issues Task Force)</i>	PBA 12/15/15
ASU 2014-13	<i>Consolidation (Topic 810): Measuring the Financial Assets and the Financial Liabilities of a Consolidated Collateralized Financing Entity (a consensus of the FASB Emerging Issues Task Force)</i>	APEA and IPBA 12/15/16
ASU 2014-14	<i>Receivables—Troubled Debt Restructurings by Creditors (Subtopic 310-40): Classification of Certain Government-Guaranteed Mortgage Loans upon Foreclosure (a consensus of the FASB Emerging Issues Task Force)</i>	APEA and IPBA 12/15/15
ASU 2014-15	<i>Presentation of Financial Statements—Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern</i>	f
ASU 2014-16	<i>Derivatives and Hedging (Topic 815): Determining Whether the Host Contract in a Hybrid Financial Instrument Issued in the Form of a Share Is More Akin to Debt or to Equity (a consensus of the FASB Emerging Issues Task Force)</i>	g
ASU 2014-17	<i>Business Combinations (Topic 805): Pushdown Accounting (a consensus of the FASB Emerging Issues Task Force)</i>	11/18/14
ASU 2014-18	<i>Business Combinations (Topic 805): Accounting for Identifiable Intangible Assets in a Business Combination (a consensus of the Private Company Council)</i>	h

ASU 2015-01	<i>Income Statement—Extraordinary and Unusual Items (Subtopic 225-20): Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items</i>	PBA 12/15/15
ASU 2015-02	<i>Consolidation (Topic 810): Amendments to the Consolidation Analysis</i>	i
ASU 2015-03	<i>Interest—Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs</i>	g
ASU 2015-04	<i>Compensation—Retirement Benefits (Topic 715): Practical Expedient for the Measurement of an Employer's Defined Benefit Obligation and Plan Assets</i>	i
ASU 2015-05	<i>Intangibles—Goodwill and Other-Internal-Use Software (Subtopic 350-40): Customer's Accounting for Fees Paid in a Cloud Computing Arrangement</i>	g
ASU 2015-06	<i>Earnings Per Share (Topic 260): Customer's Accounting for Fees Paid in a Cloud Computing Arrangement</i>	j

Abbreviations

APBA	Annual Periods Beginning After
APBOA	Annual Periods Beginning On or After
APEA	Annual Periods Ending After
CYBA	Calendar Years Beginning After
FPBA	Fiscal Periods Beginning After
FYBA	Fiscal Years Beginning After
FYEA	Fiscal Years Ending After
IPBOA	Interim Periods Beginning on or After
IPBA	Interim Periods Beginning After
PBA	Periods Beginning After
UI	Upon Issuance

Ethics

Notes:

- a** Refer to the FASB ASU for a complete explanation of the effective date, as the ASU may specify a different effective date for different aspects of the ASU.
- b** The ASU is effective for interim periods within annual periods beginning after December 15, 2015. ASU 2014-03 excludes financial institutions, not-for-profit entities, and employee benefit plans.
- c** Nonpublic entities should apply the guidance in the ASU prospectively to both of the following: (1) all disposals (or classifications as held for sale) or components of an entity that occur within annual periods beginning on or after December 15, 2014, and interim periods within annual periods beginning on or after December 15, 2015, and (2) all businesses or nonprofit activities that, on acquisition, are classified as held for sale that occur within annual periods beginning on or after December 15, 2014, and interim periods within annual periods beginning on or after December 15, 2015. The effective date for nonprofit entities that have issued, or are a conduit bond obligor for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market is generally the same as nonpublic entities except the amendments are effective for interim periods within annual periods beginning on or after December 15, 2014.
- d** ASU 2014-09 is effective for nonpublic entities for interim periods within annual periods beginning after December 15, 2018.
- e** The amendments related to the elimination of inception-to-date information and the other remaining disclosure requirements of Topic 915 are effective for nonpublic entities for annual periods beginning after December 15, 2014, and interim periods beginning after December 15, 2015. The amendment eliminating the exception to the sufficiency-of-equity-at-risk criterion for development stage entities is effective for nonpublic entities for annual periods beginning after December 15, 2016, and interim periods beginning after December 15, 2017.
- f** The ASU is effective for annual periods ending after December 15, 2016, and interim periods within annual periods beginning after December 15, 2016.
- g** The ASU is effective for fiscal years beginning after December 15, 2015, and interim periods within fiscal years beginning after December 15, 2016.
- h** The decision to adopt the accounting alternative in the ASU must be made upon the occurrence of the first transaction within the scope of the accounting alternative in fiscal years beginning after December 15, 2015, and the effective date of adoption depends on the timing of that first in-scope transaction. See the ASU for additional transition guidance.
- i** The ASU is effective for fiscal years beginning after December 15, 2016, and interim periods

within fiscal years beginning after December 15, 2017.

j The ASU is effective for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years.

k The revised Code is effective on December 15, 2014, with the exception of the two broad conceptual frameworks, one for members in public practice and another for members in business, that will be given an additional one-year delayed effective date.

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