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## Course Information

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### *The New Compilation and Review Standards: SSARS No. 21 # 313116*

#### **Recommended CPE credit hours recommended for this course**

In accordance with the standards of the Certified Financial Planner Board of Standards, Inc. the National Registry of CPE Sponsors, and the Internal Revenue Service, CPE credits have been granted based on a 50-minute hour.

**CPA 10** (All states)

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 4761 (Ethics #11467)

Hawaii State Board of Public Accountancy 14003

New York State Board of Accountancy: 002146

Ohio State Board of Accountancy: M0021

Texas State Board of Accountancy: 009349

#### **Course Description**

The purpose of this course is to inform the reader of the various changes made to the entire compilation and review codification by SSARS No. 21. The course addresses all three types of engagements that can be performed under the SSARSs including: a preparation of financial statements engagement, a compilation engagement, and a review engagement.

**Program Delivery Method:** Self-Study (NASBA QAS Self-Study/Interactive)

#### **Subject Codes/Field of Study**

NASBA (CPA): Auditing

#### **Course Level, Prerequisites, and Advance Preparation Requirements**

Program Level: NASBA (CPA), Overview

This program is appropriate for professionals at all organizational levels.

Prerequisites: General understanding of U.S. GAAP

Advance Preparation: None

#### **Course Content**

Publication/Revision Date: 5/24/2016.

Author: Steven C. Fustolo, CPA, MBA.

Final Exam (online): Fifty questions (multiple choice)

## Instructions for taking this course

You must complete this course within one year of the date of purchase (if you do not complete the course within one year, contact us to determine whether an updated edition of the course is available, in which case we will provide you with a PDF of the updated course and the online exam at no charge).

A passing grade of at least 70% is required on the final exam for this course. You may retake the exam if you do not pass it on the first attempt (no charge).

Complete the course by following the learning objectives listed on the following page, studying the text, and studying the review questions at the end of each major section (or at the end of the course). Once you have completed studying the course and you are confident that the learning objectives have been met, answer the final exam questions (online).

## Instructions for Taking the Final Exam Online

- Login to your account online at [www.bhfe.com](http://www.bhfe.com).
- Go to "My Account" and view your course.
- Select "Take Exam" for this course and follow instructions.

### Additional Information

- The exam may be started, stopped, then resumed at a later date.
- The exam is "open book," it is not timed, and it may be retaken if not passed on the first attempt (no charge).
- Results (correct, incorrect answers) and certificate appear immediately upon passing the exam.

**Have a question?** Call us at 800-588-7039 or email us at [contact@bhfe.com](mailto:contact@bhfe.com).

## ABOUT THE AUTHOR

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Mr. Fustolo is a partner with the Boston CPA firm of James J. Fox & Company and Director of the National Tax Institute, Inc. He is a frequent lecturer and author of numerous tax and accounting issues affecting closely held businesses. An AICPA author, Mr. Fustolo's articles are regularly featured in *The Practical Accountant* and other publications. He is the author of *Practice Issues: Compilation and Review*, *Accounting and Auditing Reference Guide*, *Everything You Never Wanted to Know About GAAP*, *Enron: Fraud, Deception and the Aftermath*, *FASB Review for Industry*, and *FASB, SSARS and SAS Update and Review* and numerous other books and manuals that have been published by Practitioners Publishing Company (PPC) and Commerce Clearing House (CCH). He is the recipient of several Outstanding Discussion Leader awards from many professional organizations including the New York and Florida Societies of CPAs. Mr. Fustolo's course entitled *FASB, SSARS and SAS Update and Review* continues to receive accolades and is regarded as one of the top live CPE programs in the country today with ratings that average 4.91 on a scale of 5.0. He speaks regularly for professional groups including being a guest lecturer at the AICPA Advanced Accounting and Auditing Technical Symposium. Mr. Fustolo is the recipient of the Elijah Watts Sells Award (AICPA) and Silver Medal (Massachusetts) for scores received on the CPA Examination.

This publication is designed to provide accurate and authoritative information in regard to the subject matter covered. It is sold with the understanding that the author and sponsor are not engaged in rendering legal, accounting, or other professional service. If legal advice or other expert assistance is required, the services of a competent professional person should be sought-- *From a Declaration of Principles jointly adopted by a Committee of the American Bar Association and a Committee of Publishers and Associations.*

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# Learning Assignments and Objectives

The purpose of this course is to inform the reader of the various changes made to the compilation and review codification by SSARS No. 21. The course addresses the three types of engagements that can be performed under the SSARSs including: a preparation of financial statements engagement, a compilation engagement, and a review engagement.

After reading the Sections I and II course material, you will be able to:

- Identify some of the changes in SSARS No. 21 that are and are not carried over from auditing standards
- Identify engagement types that are and are not authorized under SSARS No. 21

After reading the Section III course material, you will be able to:

- Recall whether the new preparation of financial statements standard is an attest or nonattest service
- Identify some of the preparation engagements that are subject to the AR-C 70 standards found in SSARS No. 21
- Recognize the new term that is assigned to engagements performed on the cash, tax and regulatory bases of accounting
- Recall whether a preparation engagement under AR-C 70 is subject to peer review
- Identify whether a report is required in a preparation of financial statements engagement under AR-C 70
- Recognize what the reporting requirements are, if any, when a "no assurance" legend is omitted from prepared financial statements under the AR-C 70 standards
- Recognize an acceptable location to place the description of a special purpose framework in a preparation of financial statements engagement
- Identify where to disclose GAAP departures in a preparation of financial statements engagement
- Recognize whether an accountant and his or her client must sign an engagement letter for a preparation of financial statements engagement under AR-C 70

After reading the Section IV course material, you will be able to:

- Recall the objective of a compilation engagement under AR-C 80 of SSARS No. 21
- Identify some of the safeguards that must be in place in order for an accountant to perform a nonattest service for an attest client
- Identify some procedures that must be performed in a compilation engagement under AR-C 80 of SSARS No. 21
- Recognize some of the changes made to the new compilation report under SSARS No. 21 including those related to special purpose frameworks and GAAP departures, among others
- Recognize some of the documentation requirements in a compilation engagement
- Identify how an accountant should report on a disclaimer of supplementary information in a compilation engagement

After reading the Section V course material, you will be able to:

- Recognize the type of information on which an accountant may or may not perform a review engagement under AR-C 90 of SSARS No. 21
- Identify requirements to be satisfied to perform a review engagement under AR-C 90
- Identify the date as of which management representations should be made in a management representation letter for a review engagement
- Recognize an appropriate title that can be used for a review report under new SSARS No. 21
- Identify the order in which certain report paragraphs should be placed in the new review report
- Recall the items that should be documented in a review engagement

After reading the Section VI course material, you will be able to:

- Recognize the effective dates of SSARS No. 21 including early implementation options

# Table of Contents

Course Information.....	ii
Learning Assignments and Objectives .....	iv
Table of Contents .....	vi
<b>I. Overview of the New Standards .....</b>	<b>1</b>
A. Issued.....	1
B. Effective Date .....	1
C. Objective.....	1
D. Background.....	1
<b>II. AR-C Section 60- General Principles for Engagements Performed in Accordance With Statements on Standards for Accounting and Review Services .....</b>	<b>8</b>
A. Introduction .....	8
B. Key Changes Made to New AR-C 60.....	9
C. Definitions .....	10
D. Requirements for Performing SSARS Engagements.....	11
REVIEW QUESTIONS .....	22
<b>III. AR-C Section 70- Preparation of Financial Statements .....</b>	<b>26</b>
A. Effective Date .....	26
B. Introduction.....	26
C. Scope of AR-C 70.....	26
D. Definitions .....	33
E. Brief Summary of a Preparation of Financial Statements Engagement .....	34
F. General Rules in Applying a Preparation of Financial Statements Engagement Under AR-C 70 .....	37
G. Specific Rules for Preparing Financial Statements per AR-C 70 .....	41
H. Documentation in a Preparation Engagement.....	49
I. Engagement Letter- Preparation of Financial Statements Engagement .....	50
J. Exhibit —Illustrative Engagement Letters - Preparation Engagement .....	52
K. Illustrative Financial Statements -AR-C 70.....	57
L. Preparation of Personal Financial Statements .....	80
REVIEW QUESTIONS .....	91
<b>IV. AR-C Section 80- Compilation Engagements.....</b>	<b>99</b>
A. Introduction .....	99
B. Effective Date .....	101
C. Scope of AR-C 80- Compilation Engagements .....	101
D. Objective of a Compilation Engagement.....	102
E. Definitions.....	102
F. Requirements- Compilation Engagements- AR-C 80 .....	104
G. Engagement Letter- Compilation.....	107
H. The Accountant’s Knowledge and Understanding of the Entity’s Financial Reporting Framework- Compilation Engagement .....	124
I. Compilation Procedures .....	124
J. The New Accountant’s Compilation Report.....	125
K. Elimination of Management-Use Only Financial Statements.....	140
L. Examples of the Accountant’s Compilation Reports on Financial Statements .....	141
M. Documentation in a Compilation Engagement .....	158
N. Change from an Audit or Review Engagement to a Compilation Engagement.....	158
O. Compilation of Personal Financial Statements .....	159
REVIEW QUESTIONS .....	166
<b>V. AR-C Section 90: Review of Financial Statements .....</b>	<b>174</b>
A. Introduction .....	174
B. Scope of AR-C 90- Review Engagements .....	175
C. Effective Date .....	176
D. Objective.....	176
E. Definitions.....	177
F. Requirements for Performing a Review Engagement Under AR-C 90.....	180
G. Illustrative Engagement Letters.....	186
H. Communication with Management and Those Charged With Governance.....	196

I. Understanding of the Industry .....	198
J. Knowledge of the Entity .....	198
K. Designing and Performing Review Procedures .....	199
L. Analytical Procedures .....	199
<b>Appendix A of SSARS No. 21—Analytical Procedures the Accountant May Consider Performing When Conducting a Review of Financial Statements .....</b>	<b>201</b>
M. Inquiries of Members of Management Who Have Responsibility for Financial and Accounting Matters .....	202
<b>Appendix B of SSARS No. 21—Unusual or Complex Situations to Be Considered by the Accountant When Considering Inquiries in a Review of Financial Statements .....</b>	<b>204</b>
N. Reading the Financial Statements.....	204
O. Using the Work of Other Accountants.....	204
P. Reconciling the Financial Statements to the Underlying Accounting Records .....	205
Q. Evaluating Evidence Obtained From the Procedures Performed .....	205
R. Materiality.....	206
S. Written Representations in a Review Engagement .....	207
T. Reporting on the Financial Statements.....	216
U. Review Documentation .....	251
REVIEW QUESTIONS .....	253
<b>VI. Implementation of SSARS No. 21.....</b>	<b>261</b>
<b>Glossary .....</b>	<b>262</b>
<b>Index .....</b>	<b>265</b>