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COURSE INFORMATION

Compilation and Review Standards: SSARS Nos. 21 -26 2024

313124

Recommended CPE credit hours recommended for this course

In accordance with the standards of the National Registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour.

CPA 12 (Accepted in all states)

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 0004761 (Ethics #0011467)

Hawaii State Board of Public Accountancy 14003

New York State Board of Accountancy (for ethics): 002146

Ohio State Board of Accountancy: CPE.51 PSR

Pennsylvania Board of Accountancy: PX178025

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 compilation and review codification by SSARS No. 21 as amended by SSARS No. 22, *Compilation of Pro Forma Financial Information*, SSARS No. 23, *Omnibus Statement on Standards for Accounting and Review Services- 2016*, and SSARS No. 24, *Omnibus Statement on Standards for Accounting and Review Services- 2018*, SSARS No. 25, *Materiality in a Review of Financial Statements and Adverse Conclusions*, and SSARS No. 26: *Quality Management for an Engagement Conducted in Accordance With Statements on Standards for Accounting and Review Services*.

The course addresses the three types of engagements that can be performed under the SSARSs: a preparation of financial statements engagement, a compilation engagement, and a review engagement.

Course Content

Publication/Revision Date: 4/1/2024.

Author: Steven C. Fustolo, CPA, MBA.

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

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 compilation and review and auditing standards

Advance Preparation: None

Instructions for Taking This Course

- Log in to your secure account at www.bhfe.com. Go to "My Account."
- You must complete this course within one year of purchase (If the course is "Expired," contact us and we will add the latest edition of the course to your account (no charge).
- **To retain the course-PDF after completion (for future reference) and to enable enhanced navigation:** From "My Account," Download and save the course-PDF to your computer. This will enable the search function (Menu: Edit>Find) and bookmarks (icon on left side of document window).
- **Complete the course by** following the learning objectives listed for the course, studying the text, and, if included, 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 Online Exam

- ✦ Log in to your secure account at www.bhfe.com. Go to "My Account."
- ✦ A passing grade of at least **70%** is required on the exam for this course.
- ✦ You will have three attempts to pass the exam (call or email us after three unsuccessful attempts for instructions).
- ✦ The exam is not timed, and it does not need to be completed in one session.
- ✦ For a printed copy of the exam questions, open the exam and press "Print Exam."
- ✦ Once you pass the exam, the results (correct/incorrect answers) and certificate of completion appear in "My Account." A confirmation email is also sent.
- ✦ CFP Board and IRS credit hours, if applicable, are reported on Tuesdays and at the end of the month.

Have a question? Call us at 800-588-7039 or email us at contact@bhfe.com.

ABOUT THE AUTHOR

STEVEN C. FUSTOLO, CPA

Mr. Fustolo is a partner with the Boston CPA firm of James J. Fox & Company. He is a frequent lecturer and author of numerous tax and accounting issues affecting closely held businesses. An AICPA author, Mr. Fustolo's articles have been featured in *The Practical Accountant* and other publications. He is the author of numerous books and publications including: *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*, *Current Developments: Accounting and Financial Reporting*, *Making Money with Special Engagements*, *Understanding the Variable Interest Entity Rules*, *FASB, SSARS and SAS Update and Review*, *Tax Basis Accrual Financial Statements*, *Accounting for the New Lease Standard*, and numerous other books and manuals that have been published by Practitioners Publishing Company (PPC) and Commerce Clearing House (CCH.) Mr. Fustolo's recent best-selling courses entitled *The Impact of the Tax Cuts and Jobs Act on GAAP and Financial Reporting*, *Implementing the New Revenue Standard (ASC 606)- Guidance for Private Companies*, and *Accounting and Financial Reporting for COVID-19 and the CARES Act*, have received accolades from the financial media. Mr. Fustolo 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 be 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.

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LEARNING ASSIGNMENTS AND OBJECTIVES

(Table of Contents follows the Learning Objectives.)

As a result of studying each assignment, you should be able to meet the objectives listed below for each individual assignment.

A. ASSIGNMENT AND SUBJECT

1. Review the materials from Sections I and II
2. Study the review questions and suggested solutions throughout Sections I and II
3. Answer the Review Questions compare your answers to the Suggested Solutions

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

- Identify some of the changes in SSARS No. 21, as amended by SSARS No. 23, that are (and are not) carried over from auditing standards
- Identify engagement types that are (and are not) authorized under SSARS No. 21

B. ASSIGNMENT AND SUBJECT

1. Review the materials from Section III
2. Study the review questions and suggested solutions throughout Section III
3. Answer the Review Questions and compare your answers to the Suggested Solutions

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

- Recall whether the preparation of financial statements standard is an attest or nonattest service
- Recognize the 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 in which 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 a client must sign an engagement letter for a preparation of financial statements engagement under AR-C 70

C. ASSIGNMENT AND SUBJECT

1. Review the materials from Section IV
2. Study the review questions and suggested solutions throughout Section IV
3. Answer the Review Questions and compare your answers to the Suggested Solutions

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 compilation report under SSARS No. 21 including those related to special purpose frameworks and GAAP departures, among others
- Identify how an accountant should report on a disclaimer of supplementary information in a compilation engagement

D. ASSIGNMENT AND SUBJECT

1. Review the materials from Sections V, VI and VII
2. Study the review questions and suggested solutions throughout Sections V, VI and VII
3. Answer the Review Questions and compare your answers to the Suggested Solutions

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
- 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 SSARS No. 21
- Identify the order in which certain report paragraphs should be placed in the review report
- Recognize the definition of a reasonable period of time in evaluating going concern
- Recall some of the items that should be documented in a review engagement

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

- Identify which party is responsible for determining that engagement team members have appropriate competence and capabilities to perform a SSARS engagement.
- Identify one of the requirements required by SSARS No. 24 when reporting on an international financial reporting framework.

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