

# The Compilation and Review Standards: *SSARS No. 21-25*

## Course Description

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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, and SSARS No. 25, Materiality in a Review of Financial Statements and Adverse Conclusions.

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.

**Completion Deadline & Exam:** This course, including the examination, must be completed within one year of the date of purchase. In addition, unless otherwise indicated, no correct or incorrect feedback for any exam question will be provided.

**Course Level:** Overview. This program is appropriate for professionals at all organizational levels.

**CPE Credits:** 12

**Category:** Auditing

**Prerequisite:** Basic understanding of US GAAP.

**Advanced Preparation:** None

## Course Learning Objectives

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### Section I and II:

1. 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
2. Identify engagement types that are and are not authorized under SSARS No. 21

### Section III:

1. Recall whether the preparation of financial statements standard is an attest or nonattest service
2. Recognize the term that is assigned to engagements performed on the cash, tax and regulatory bases of accounting
3. Recall whether a preparation engagement under AR-C 70 is subject to peer review
4. Identify whether a report is required in a preparation of financial statements engagement under AR-C 70

5. 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
6. Recognize an acceptable location in which to place the description of a special purpose framework in a preparation of financial statements engagement
7. Identify where to disclose GAAP departures in a preparation of financial statements engagement
8. Recognize whether an accountant and a client must sign an engagement letter for a preparation of financial statements engagement under AR-C 70

## **Section IV**

1. Recall the objective of a compilation engagement under AR-C 80 of SSARS No. 21
2. Identify some of the safeguards that must be in place in order for an accountant to perform a nonattest service for an attest client
3. Identify some procedures that must be performed in a compilation engagement under AR-C 80 of SSARS No. 21
4. 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
5. Identify how an accountant should report on a disclaimer of supplementary information in a compilation engagement

## **Section V**

1. Recognize the type of information on which an accountant may or may not perform a review engagement under AR-C 90
2. Identify requirements to be satisfied to perform a review engagement under AR-C 90
3. Identify the date as of which management representations should be made in a management representation letter for a review engagement
4. Recognize an appropriate title that can be used for a review report under SSARS No. 21
5. Identify the order in which certain report paragraphs should be placed in the review report
6. Recognize the definition of a reasonable period of time in evaluating going concern
7. Recognize how to report in a review engagement per SSARS No. 25, when there is or is not substantial doubt of an entity's ability to continue as a going concern
8. Recall some of the items that should be documented in a review engagement

## **Section VI**

1. Identify one of the requirements required by SSARS No. 24 when reporting on an international financial reporting framework.