

AR Section 600**Reporting on Personal Financial Statements
Included in Written Personal Financial Plans**

Issue date, unless
otherwise indicated:
September 1986

See section 9600 for interpretations of this section.

Source: SSARS No. 6

.01 This section provides an exemption from section 80, *Compilation of Financial Statements*, for personal financial statements that are included in written personal financial plans prepared by an accountant, and specifies the form of written report required under the exemption.¹ However, this statement does not preclude an accountant from complying with section 80 in such engagements. [Revised, December 2010, to reflect conforming changes necessary due to the issuance of SSARS No. 19.]

.02 Because the purpose of such financial statements is solely to assist in developing the client's personal financial plan, they frequently omit disclosures required by an applicable financial reporting framework. [Revised, December 2010, to reflect conforming changes necessary due to the issuance of SSARS No. 19.]

.03 An accountant may submit a written personal financial plan containing unaudited personal financial statements to a client without complying with the requirements of section 80 when all of the following conditions exist:

- a. The accountant establishes an understanding with the client and documents the understanding through a written communication with the client that the financial statements
 - i. will be used solely to assist the client and the client's advisers to develop the client's personal financial goals and objectives.
 - ii. will not be used to obtain credit or for any purposes other than developing these goals and objectives.
- b. Nothing comes to the accountant's attention during the engagement that would cause the accountant to believe that the financial statements will be used to obtain credit or for any purposes other than developing the client's financial goals and objectives.

[Revised, December 2010, to reflect conforming changes necessary due to the issuance of SSARS No. 19.]

.04 An accountant using the exemption provided by this section should issue a written report stating that the unaudited financial statements

¹ For purposes of this statement, personal financial statements are those financial statements of an individual that meet the definition of *financial statements* in paragraph .04 of section 60, *Framework for Performing and Reporting on Compilation and Review Engagements*. [Footnote revised, December 2010, to reflect conforming changes necessary due to the issuance of Statement on Standards for Accounting and Review Services (SSARS) No. 19]

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- a.* are designed solely to help develop the financial plan.
- b.* may be incomplete or contain other departures from the applicable financial reporting framework and should not be used to obtain credit or for any purposes other than developing the personal financial plan.
- c.* have not been audited, reviewed, or compiled.

.05 See the exhibit, "Illustrative Report When the Accountant Submits a Written Financial Plan Containing Unaudited Personal Financial Statements That the Accountant Did Not Compile," for an illustration. [Revised, December 2010, to reflect conforming changes necessary due to the issuance of SSARS No. 19.]

.06 Each of the personal financial statements should include a reference to the accountant's report.

Effective Date

.07 This section is effective on September 30, 1986.

.08

Exhibit**Illustrative Report When the Accountant Submits a Written Financial Plan Containing Unaudited Personal Financial Statements That the Accountant Did Not Compile****Accountant's Report**

The accompanying Statement of Financial Condition of X, as of December 31, 20XX, was prepared solely to help you develop your personal financial plan. Accordingly, it may be incomplete or contain other departures from accounting principles generally accepted in the United States of America and should not be used to obtain credit or for any purposes other than developing your financial plan. We have not audited, reviewed, or compiled the statement.

[Paragraph added, December 2010, to reflect the presentation style and conforming changes necessary due to the issuance of SSARS No. 19.]
