



AR section 300, *Compilation Reports on Financial Statements Included in Certain Prescribed Forms* – Disposition of Requirements

**NOTE: HIGHLIGHTED LANGUAGE IS NOT INCLUDED IN SSARS 21 OR THE 2015 GUIDE.**

| AR section | Paragraph # | Requirement  | Section 80 of SSARS 21 | Section 90 of SSARS 21 | Guide Chapter – Preparation | Guide Chapter – Compilation | Guide Chapter – Review | Notes |
|------------|-------------|--|------------------------|------------------------|-----------------------------|-----------------------------|------------------------|-------|
| 300        | .04         | If the accountant becomes aware of a departure from an applicable financial reporting framework other than departures that may be called for by the prescribed form or related instructions (see paragraph .01), he or she <b>should</b> follow the guidance in paragraphs .27–.29 of section 80 |                        |                        |                             | Paragraph 2.82              |                        |       |

Disposition of AR section 300 requirements and interpretation

| AR section | Paragraph # | Requirement   | Section 80 of SSARS 21 | Section 90 of SSARS 21 | Guide Chapter – Preparation | Guide Chapter – Compilation | Guide Chapter – Review | Notes |
|------------|-------------|---|------------------------|------------------------|-----------------------------|-----------------------------|------------------------|-------|
|            |             | regarding such departures. If the accountant becomes aware of a departure from the requirements of the prescribed form or related instructions, he or she <b>should</b> consider that departure as the equivalent of a departure from an applicable financial reporting framework in determining its effect on his or her report. |                        |                        |                             | Paragraph 2.83              |                        |       |
| 300        | .05         | The accountant <b>should</b> not sign a preprinted report form that does not conform to the guidance in this section or section 80,   |                        |                        |                             | Paragraph 2.85              |                        |       |

Disposition of AR section 300 requirements and interpretation

| AR section | Paragraph # | Requirement   | Section 80 of SSARS 21 | Section 90 of SSARS 21 | Guide Chapter – Preparation | Guide Chapter – Compilation | Guide Chapter – Review | Notes |
|------------|-------------|---|------------------------|------------------------|-----------------------------|-----------------------------|------------------------|-------|
|            |             | whichever is applicable. In such circumstances, the accountant <b>should</b> append an appropriate report to the prescribed form. |                        |                        |                             | Paragraph 2.85              |                        |       |

Pre-SSARS 21 Interpretations

Reporting on Compilation Reports on Financial Statements Included in Certain Prescribed Forms: Accounting and Review Services Interpretations of Section 300

**NOTE: HIGHLIGHTED LANGUAGE IS NOT INCLUDED IN SSARS 21 OR THE 2015 GUIDE.**

| Interpretation  | SSARS 21 | Guide Chapter – Preparation | Guide Chapter – Compilation | Guide Chapter – Review |
|---|----------|-----------------------------|-----------------------------|------------------------|
| <p><b>1. Omission of Disclosures in Financial Statements Included in Certain Prescribed Forms</b></p> <p><b>.01 Question</b>—The accountant may have reviewed financial statements including disclosures required by accounting principles generally accepted in the United States of America and be asked to compile financial statements included in a prescribed form which does not request such disclosures. If the measurement principles to be used do not cause the compiled financial statements in the prescribed form to be materially different from the reviewed statements, can the accountant's compilation report on the prescribed form refer to the accountant's report on the reviewed financial statements?</p> <p><b>.02 Interpretation</b>—Yes. An accountant who has reviewed the financial statements of a nonissuer may issue a compilation report on financial statements for the same period that are included in a prescribed form that calls for a</p> |          |                             | Paragraph 2.49              |                        |

| Interpretation  | SSARS 21 | Guide Chapter – Preparation | Guide Chapter – Compilation | Guide Chapter – Review |
|---|----------|-----------------------------|-----------------------------|------------------------|
| <p>departure from accounting principles generally accepted in the United States of America. When the difference between the previously reviewed financial statements and the financial statements included in the prescribed form is limited to the omission of disclosures not requested by the form, the accountant may wish to refer to his review report in his report on the compiled financial statements included in the prescribed form. This might be accomplished by adding a sentence such as the following to the introductory paragraph of the report or as a separate paragraph: "These financial statements were compiled by me (us) from financial statements for the same period which I (we) previously reviewed, as indicated in my (our) report dated_____." The reference to a previous review report should include a description or a quotation of any modifications of the standard review report previously issued and of any paragraphs emphasizing a matter regarding the financial statements.</p> <p><b>.03</b> If the measurement principles used in the compiled financial statements in the prescribed form cause such financial statements to be materially different from the previously reviewed financial statements, no reference should be made to the review engagement.</p> |          |                             |                             |                        |