

**Accounting and Review Services Committee
Teleconference Meeting Highlights
January 30, 2018**

Committee members present:

Mike Fleming, Chair
Denny Ard
Jimmy Burkes
Sheila Balzer
Jeremy Dillard
David Johnson
Dustin Verity

AICPA staff present:

Mike Glynn – Senior Technical Manager, Audit & Attest Standards; Staff Liaison –
Accounting and Review Services Committee
Jennifer Gum – Manager, Peer Review
Richard Miller – Special Counsel
Carl Peterson – Vice President, Small Firm Interests – Public Accounting

Incoming ARSC Members:

Bruce Nunnally – Carr, Riggs & Ingram, LLC (current member of the AICPA PCPS
Technical Issues Committee)
Victoria L. Pitkin – Ostrow Reisin Berk & Abrams Ltd.

Observers:

Amy Archer – RSM US LLP
Laura Billingsley – Practitioners Publishing Company
Nigyar Madenova – National Association of State Boards of Accountancy
Debbie A. Ransdell – CliftonLarsonAllen LLP
Chris M. Stanz – CliftonLarsonAllen LLP
Duncan Will – CAMICO Insurance
Jay Wurz – BDO USA

Proposed SSARS, Omnibus Statement on Standards for Accounting and Review Services - 2018

The ARSC discussed the proposed application paragraph added to hang off the requirement in paragraph .26c(ii) of AR-C section 60, that, as a precondition for accepting an engagement to be performed in accordance with SSARSs, the accountant should obtain the agreement of management that it acknowledges and understands its responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error, unless the accountant decides to accept responsibility for such internal control. The application paragraph is intended to clarify that accepting such responsibility would impair independence and would preclude a review of the financial statements. The ARSC directed that the proposed

application paragraph be revised to be clearer that accepting such responsibility would impair the accountant's independence without implying that the accountant could not perform internal control activities.

After discussion, J. Burkes made a motion, seconded by J. Dillard, and the ARSC voted unanimously to ballot for issuance as a final standard the proposed SSARS, *Omnibus Statement on Standards for Accounting and Review Services – 2018*.

Recommendation to the Auditing Standards Board Regarding AT-C section 210

The ARSC discussed the preclusion in AT-C section 210 of the practitioner performing a limited assurance engagement on prospective financial information; internal control; and compliance with requirements of specified laws, regulations, rules, contracts, or grants. The ARSC clarified that its recommendation to the ASB is that the preclusion be removed given that the proposed revised AT-C section 210 makes clear that the practitioner can perform a limited assurance engagement on subject matter that does not lend itself to the performance of analytical procedures. The ARSC is specifically concerned with continuing the preclusion of a limited assurance engagement on prospective financial information.

Approval of highlights from the January 8-10 ARSC meeting

J. Dillard made a motion that the ARSC approve the highlights of the January 8-10, 2018 meeting as presented. D. Johnson seconded the motion and the ARSC voted to approve the highlights. The vote was unanimous excepting J. Burkes who abstained from the vote as he was excused from the January 8-10, 2018 meeting.