

January 14, 2013

Mr. Michael Glynn  
American Institute of Certified Public Accountants  
1211 Avenue of the Americas  
New York, N.Y. 10036-8775

By e-mail: [mglynn@aicpa.org](mailto:mglynn@aicpa.org)


**Re: AICPA Proposed Statements on Standards for Accounting and Review Services (SSARs) – Review of Financial Statements, Review of Financial Statements—Special Considerations**

Dear Mr. Glynn:

The New York State Society of Certified Public Accountants (NYSSCPA), representing more than 29,000 CPAs in public practice, industry, government and education, welcomes the opportunity to comment on the above captioned exposure draft.

The NYSSCPA's Accounting and Review Services Committee deliberated the exposure draft and prepared the attached comments. If you would like additional discussion with us, please contact Kenneth Chan, Chair of the Accounting and Review Services Committee at (516) 336-2453, or Ernest J. Markezin, NYSSCPA staff, at (212) 719-8303.

Sincerely,

  
Gail M. Kinsella  
President

Attachment

**NEW YORK STATE SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS**

**COMMENTS ON**

**AICPA PROPOSED STATEMENTS ON STANDARDS FOR ACCOUNTING AND  
REVIEW SERVICES (SSARSS)  
REVIEW OF FINANCIAL STATEMENTS,  
REVIEW OF FINANCIAL STATEMENTS—SPECIAL CONSIDERATIONS**

**January 14, 2013**

**Principal Drafters**

**Sebastiano Banchitta  
Kenneth K. Chan  
Fred J. Sandoval**

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Ernest J. Markezin  
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## **New York State Society of Certified Public Accountants**

### **Comments on**

#### **AICPA Proposed Statements on Standards for Accounting and Review Services (SSARSs) *Review of Financial Statements, Review of Financial Statements—Special Considerations***

##### **Review of Financial Statements**

We support the AICPA’s continuous efforts to make the compilation and review standards align with the evolving roles of accountants serving their clients and easier for practitioners to read, understand and apply.

The explicit requirement to obtain a signed engagement letter for review engagements helps to document the understanding between the accountant and a client clearly with mutual acknowledgements of each party’s responsibilities under the review engagement. In addition, the signatures of both parties signify their agreement to fulfill the tasks and the terms as written in the engagement letter.

Similar to the reporting requirements for both the clarified audit and proposed clarified compilation standards, the proposed SSARS Review of Financial Statements also requires the use of headings throughout the accountant’s review report. This will make it easier for the financial statement user to understand the purpose of the various sections throughout the accountant’s review report. This will draw special attention to the readers to those sections such as “emphasis-of-matter” and “other-matter” paragraphs/sections.

##### **Review of Financial Statements—Special Considerations**

The proposed SSARS review standard introduces and defines the term “required supplementary information.” It provides guidance on when the accountant should include an “other-matter” paragraph in the review report with regard to the “required supplementary information.” It helps eliminate any confusion and unintentional misunderstandings under the current review standard.