

November 20, 2024

Attn: AICPA Accounting and Review Services Committee (ARSC)
commentletters@aicpa-cima.com

Re: Exposure Draft – Proposed Statement on Standards for Accounting and Review Services:
Applicability of AR-C Section 70 to financial statements prepared as part of a consulting services
engagement.

Dear AICPA ARSC:

We appreciate the opportunity to provide feedback on the proposed Statement on Standards for Accounting and Review Services (SSARS), *Applicability of AR-C Section 70 to Financial Statements Prepared as Part of a Consulting Services Engagement*, dated September 23, 2024. If issued as final, the proposed SSARS will amend SSARS No. 21, *Statement on Standards for Accounting and Review Services: Clarification and Recodification*, as amended, AR-C section 70, *Preparation of Financial Statements*.

The views expressed herein are written on behalf of the Professional Standards Committee (PSC) of the Texas Society of CPAs. The committee has been authorized by the Texas Society of CPAs' Leadership Council to submit comments on matters of interest to the membership. The views expressed in this document have not been approved by the Texas Society of CPAs' Leadership Council or Board of Directors and, therefore, should not be construed as representing the views or policy of the Texas Society of CPAs. Please find our responses below for the request for comment.

Question 1:

Do respondents believe that it is in the public interest to explicitly exclude financial statements prepared as part of a consulting services engagement performed in accordance with CS section 100 from those engagements for which AR-C section 70 is required to be applied? Please provide your reasons for your position.

Response:

The PSC agrees that it is in the public interest to explicitly exclude financial statements prepared as part of a consulting services engagement performed in accordance with CS section 100 from those engagements for which AR-C section 70 is required to be applied. The PSC believes the proposed SSARS will help clarify and simplify the preparation of financial statements as part of a consulting services engagement. In addition, the PSC believes the proposed SSARS will benefit our members, as it will allow them to better compete with other providers of controllership services.

Question 2:

Do respondents believe that the proposed effective date of the SSARS is appropriate? If not, why not?

Response:

The PSC agrees the proposed effective date of the SSARS is appropriate, as it allows for sufficient time for implementation and permits early implementation as well.



Question 3:

Do respondents believe that the proposed revisions to paragraph .01 and the introduction of new application paragraph .A4 are appropriate? If not, respondents are asked to state their reasons.

Response:

The PSC agrees that the proposed revisions to paragraph .01 and the introduction of new application paragraph .A4 are appropriate.

We appreciate the opportunity to submit comments on the proposed Statement on Standards for Accounting and Review Services (SSARS), *Applicability of AR-C Section 70 to Financial Statements Prepared as Part of a Consulting Services Engagement*, dated September 23, 2024.

Sincerely,

A handwritten signature in cursive script that reads "Jeffrey L. Johanns".

Jeffrey Johanns, CPA
Chair, Professional Standards Committee
Texas Society of Certified Public Accountants