

March 2, 2016

Mike Glynn
Accounting and Review Service Committee
American Institute of CPAs
mglynn@aicpa.org

RE: ARSC Proposed Statement on Standards for Accounting and Review Services
Compilation of Prospective Financial Statements, et al

Dear Mr. Glynn:


One of the expressed goals of the Texas Society of Certified Public Accountants (TSCPA) is to speak on behalf of its members when such action is in the best interest of its members and serves the cause of Certified Public Accountants in Texas, as well as the public interest. The TSCPA has established a Professional Standards Committee (PSC) to represent those interests on accounting and auditing matters. The views expressed herein are written on behalf of the PSC, which has been authorized by the TSCPA Board of Directors to submit comments on matters of interest to the committee members. The views expressed in this letter have not been approved by the TSCPA Board of Directors or Executive Board and, therefore, should not be construed as representing the views or policy of TSCPA.

The TSCPA PSC is supportive of the proposed changes to the Compilation and Review professional guidance included in the above referenced exposure draft (ED). We believe the proposed changes are positive and will enhance the performance of engagements focused on compilation of prospective financial statements and pro forma financial information.

The question posed on page 9 of the ED asked respondents to specifically address whether they agree with the decision to not require written representation in a compilation of prospective financial information. We agree that a representation letter should not be required in such engagements. We believe adequate representations for the accountant in such engagements will be forthcoming through forecast information, financial information, memos, emails, and other resources including the engagement letter in which the client accepts responsibility for the preparation of the prospective financial information.

We appreciate the opportunity to provide input into the standards setting process.

Sincerely,



Jerilyn K. Barthel, CPA
Chair, Professional Standards Committee
Texas Society of Certified Public Accountants