



Timely Help in Keeping Up with New Standards

Standards overload is a pressing concern for small practitioners, and the Institute is committed to helping members address the problem. In this issue, we'll cover several important new standards becoming effective now and the implementation guidance that is available to help small practitioners understand and comply with them.

Free FIN 48 Practice Guide

The AICPA has developed a free practice guide on FIN 48, *Accounting for Uncertainty in Income Taxes*, a recent FASB interpretation that will result in important changes affecting CPAs and their clients. The AICPA Accounting Standards, Auditing and Attest Standards, and Tax Teams worked together to create the guide, and by year-end over 15,000 members had downloaded it. The standard applies to all GAAP-based financial statements for years beginning after December 15, 2006. To comply with the standard, calendar year corporations must analyze all income tax positions for open years in all jurisdictions as of January 1, 2007.

The practice guide summarizes the standard's key points and describes the standard's implications for auditors, tax practitioners and corporate accountants. It can be found at www.aicpa.org/fin48guide.

SAS No. 112

Statement on Auditing Standards No. 112, *Communicating Internal Control Related Matters Identified in an Audit*, became effective for audits of periods ending on or after December 15, 2006. Both public and private companies subject to audits will be affected by the standard, which contains several new definitions and requirements for auditors that differ from existing standards. It is recommended that CPAs consider now how the SAS will affect their clients and discuss the changes with them.

To help members interpret and comply with this SAS, the Institute has prepared an alert featuring practical implementation information. *Understanding SAS No. 112 and Evaluating Control Deficiencies—Audit Risk Alert* can be found at <https://www.cpa2biz.com/CS2000/Products/CPA2BIZ/Publications/Understanding+SAS+No+112+and+Evaluating+Control+Deficiencies+Audit+Risk+Alert.htm>.

The Risk Assessment Suite

The risk assessment suite is a set of recent auditing standards that will also have an important effect on practice. Among other changes, the standards, which include SAS Nos. 104 to 111, may affect practitioners' risk assessment process and documentation procedures. They are effective for audits of financial statements for periods beginning on or after December 15, 2006.

The PCPS Firm Practice Center has created a resource center that includes links to an audit risk alert, CPE and a *Journal of Accountancy* article on the subject. To learn more, go to <http://pcps.aicpa.org/Resources/Keeping+Up+With+Standards/Risk+Assessment+Standards+Implementation+Guidance.htm>.

Timely News

It may not be possible to slow the pace of new standard setting, but we are determined to provide our members with timely alerts about pronouncements that will affect them and their clients and to create understandable implementation guidance that describes how to comply. I urge you to take advantage of these resources, which are designed specifically to provide CPAs with a thorough understanding of the most effective road to compliance.

Practitioners can learn more about new and developing standards in the *TIC Alert*, a newsletter created by the PCPS Technical Issues Committee that provides brief synopses of new guidance and what it will mean to small firms and their clients. It can be found at <http://pcps.aicpa.org/Resources/Technical+Issues+Committee+and+Communications/Monthly+TIC+Alerts/>.



Let Me Know Your Thoughts

I would like to hear your comments and suggestions on how the AICPA can help enhance your professional life. Don't hesitate to contact me to share your ideas and opinions at jmetzler@aicpa.org.



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Did You Know?

A proposed revision to Section 23 of the Uniform Accountancy Act—crafted by AICPA and National Association of State Boards of Accountancy committees—would make it easier for CPAs to meet the needs of clients across state lines and the capital markets while still protecting the public interest. The exposure draft can be found at http://www.aicpa.org/download/states/UAA_Section_23_Exposure_Draft_2006.pdf.

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