



Timely Updates from TIC

I have written before in this column about the work of the PCPS Technical Issues Committee (TIC), whose mission is to introduce the small firm perspective into the standard-setting process. TIC, which is made up of partners who are from small practices or who work with small business clients and who have expertise in auditing and accounting, monitors and comments on developing standards, making sure that the rulemakers don't overlook or misunderstand the needs and challenges of small practitioners and their clients. The group meets regularly with representatives of bodies such as the Financial Accounting Standards Board, Governmental Accounting Standards Board, and Auditing Standards Board to exchange observations and ideas.

TIC also publishes the *TIC Alert*, which is available on the PCPS Firm Practice Center at www.aicpa.org/pcps/community. The *Alert* not only offers concise descriptions of ongoing standard-setting issues, but also updates readers on pending effective dates for guidance that will have an impact on small practitioners and their clients. For example, here are some standards of importance to small firms that will be becoming effective in the near future.

FASB Standards

For these Financial Accounting Standards Board pronouncements, early adoption may be acceptable in some cases. Check the FASB site (www.fasb.org) to learn more on each one.

- Financial Accounting Standards Board Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, is generally effective for fiscal years beginning after December 15, 2006.
- Statement No. 123(R), *Share-Based Payment*, is effective as of the beginning of the first interim or annual reporting period that begins after December 15, 2005 for public entities that file as small business issuers and as of the beginning of the first annual reporting period that begins after December 15, 2005 for nonpublic entities.
- FASB Statement No. 151, *Inventory Costs*, is effective for inventory costs incurred during fiscal years beginning after June 15, 2005.
- Statement No. 153, *Exchanges of Nonmonetary Assets*, is effective for nonmonetary asset exchanges in fiscal periods beginning after June 15, 2005.
- Statement No. 154, *Accounting Changes and Error Corrections—a replacement of APB Opinion No. 20 and FASB Statement No. 3*, is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005.

Auditing Guidance

CPAs can find out more about these standards—and the work of the AICPA Audit and Attest Team—at <http://www.aicpa.org/members/div/auditstd/index.htm>. To keep up with ongoing developments, check out *In Our Opinion*, the team's free quarterly newsletter, which can be found at <http://www.aicpa.org/members/div/auditstd/opinion/index.htm>.

- SAS No. 103, *Audit Documentation*, is effective for periods ending on or after December 15, 2006.
- SAS No. 112, *Communicating Internal Control Related Matters Identified in an Audit*, is effective for periods ending on or after December 15, 2006.

Free Resources for Members

The Small Firm Corner has always been devoted to telling our members about the many resources and developments that are free to AICPA members. We understand that keeping up with technical standards is an important concern for small practitioners dedicated to offering quality services, but it can also be a real challenge. To that end, the updates available in the *TIC Alert* are designed to help members gain understandable, timely information about technical issues that are meaningful to their practice.



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?

The AICPA is committed to helping members retain their most talented young staff, and the recently launched AICPA Young CPA Network was designed to tell CPAs aged 35 and younger about the profession's many stimulating challenges and opportunities. The Network Web site (www.aicpa.org/youngcpanetwork) contains many great resources, including issues of *The Edge*, a free monthly e-newsletter that features career-related tools, resources and guidance. Make sure your promising young staff members are aware of it!

Small Firm Corner Index to Past Issues

- Introduction to the *Small Firm Corner*
- The Technical Issues Committee (TIC)
- The PCPS Firm Practice Center
- A Front Row Seat at Every Table in the Institute
- Maintaining the Profession's Strong Reputation
- Upholding Our Core Values
- Planning for Transition
- Recruiting and Retention Tips
- Marketing Opportunities: An Exciting Time to Be a Small Practitioner
- Practical Marketing Steps
- Preparing for Disaster
- The Benefits of Flexibility
- The Small Firm Advantage in Staffing
- Tax Advocacy in Washington
- Addressing Policy Issues
- Retirement Planning Tips for Small Firms
- Ensuring Practice Continuation
- Encouraging Staff Talents
- Nurturing Future Leaders
- The Benefits of Specialization
- Smart Steps to Practice Development
- Firing Clients: A Practical Approach
- The CPA Exam: Promoting the Value
- A Case Study in Coping with Disaster—Part I
- A Case Study in Coping with Disaster—Part II
- Top Five Issues for Small Firms
- Understanding Your Top Talent
- Best Practices in Attracting and Retaining Top Talent: Part I
- Best Practices in Attracting and Retaining Top Talent: Part II
- Making the Most of the Small Firm Advantage
- Does Your Staff Know Why It's Great to be a CPA?
- New Location, Same Dedication to Member Services

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