Accounting Ethics: 2025

Presented by:

Duncan Will, CPA/ABV/CFF, CFE
Loss Prevention Director/Accounting & Auditing Specialist

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Today's Agenda

- Ethics Perspectives
- Accounting Ethics Fundamentals
- NOCLAR
- Tax Standards
- Ethics Matters — What Would You Do?
- Closing Comments and Takeaways

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Ethical Perspectives

Just because it's legal, doesn't mean it's ETHICAL

Just because "everyone is doing it" doesn't mean it's RIGHT

Just because we've done it forever doesn't mean it's JUST

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Ethical Guidance from the Bench

"Knowing the difference between what you have a right to do, and what is the right thing to do."

— Justice Potter Stewart

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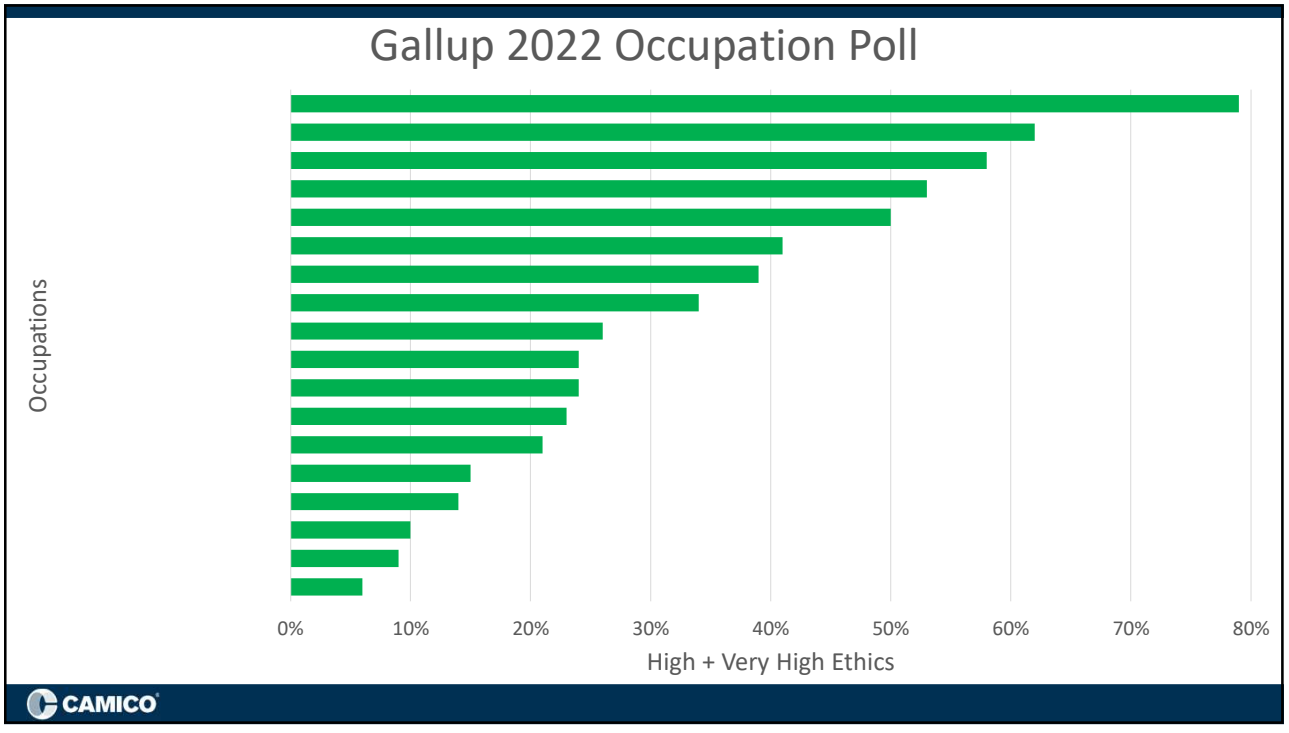
Occupations — 2022 Gallup Ethics Poll

- Accountants
- Advertising practitioners
- Bankers
- Business executives
- Car salespeople
- Clergy
- High school teachers
- Journalists
- Judges
- Labor union leaders
- Lawyers
- Medical doctors
- Members of Congress
- Nurses
- Pharmacists
- Police officers
- Real estate agents

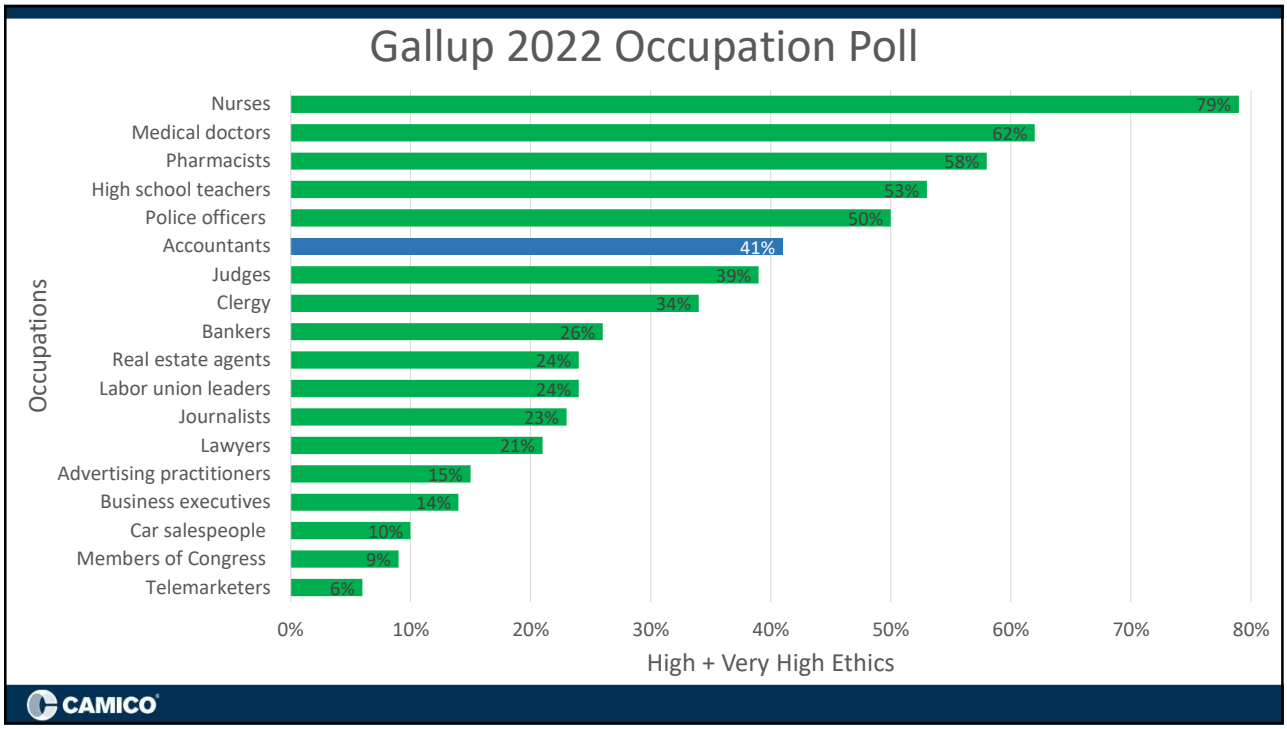
2025 survey results [collected Dec 2-18, 2024, again omitting Accountants] can be found here:
Americans' Ratings of U.S. Professions Stay Historically Low

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Historic Gallup Poll Results for Accountants

Polling Dates	Very High	High	Average	Low	Very Low	No Opinion	Very High / High
Nov 9 – December 2, 2022	7%	34%	50%	6%	1	0%	41%
December 3 - 12, 2018	5%	37%	48%	6%	1%	3%	42%
December 2 – 6, 2015	6%	33%	51%	7%	*	3%	39%
Nov 28 – Dec 1, 2011	7%	36%	49%	6%	1%	2%	43%
November 7 – 9, 2008	5%	33%	51%	7%	1%	2%	38%
November 17 – 20, 2005	5%	34%	51%	6%	1%	3%	39%
November 22 – 24, 2002	4%	31%	52%	8%	2%	3%	35%
February 8 – 10, 2002	5%	27%	54%	8%	3%	3%	32%
November 26 – 27, 2001	5%	36%	53%	3%	*	3%	41%
November 13 – 15, 2000	5%	33%	51%	5%	1%	5%	38%

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Political Bias

Profession	Total	Democrat High + Very High	Republican High + Very High	Change	% Diff.
					70%
					54%
					34%
					24%
					18%
					17%
					15%
					13%
					11%
					10%
					10%
					10%
					10%
					6%
					4%
					4%
					2%
					0%

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Political Bias

Profession	Total	Democrat High + Very High	Republican High + Very High	Change	% Diff.
Journalists	23%	41%	9%	32%	70%
Labor union leaders	24%	38%	12%	26%	54%
High school teachers	53%	73%	37%	36%	34%
Police officers	50%	38%	62%	-24%	24%
Business executives	14%	12%	17%	-5%	18%
Advertising practitioners	15%	17%	12%	5%	17%
Medical doctors	62%	73%	54%	19%	15%
Clergy	34%	31%	40%	-9%	13%
Members of Congress	9%	10%	8%	2%	11%
Real estate agents	24%	22%	27%	-5%	10%
Car salespeople	10%	12%	10%	2%	10%
Bankers	26%	24%	29%	-5%	10%
Lawyers	21%	22%	18%	4%	10%
Nurses	79%	86%	76%	10%	6%
Pharmacists	58%	63%	58%	5%	4%
Judges	39%	42%	39%	3%	4%
Accountants	41%	40%	42%	-2%	2%
Telemarketers	6%	6%	6%	0%	0%

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Accounting Ethics Fundamentals

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Preamble

Membership in the AICPA is *voluntary*. By accepting membership, a CPA assumes an obligation of *self-discipline* above and beyond the requirements of laws and regulations.

These Principles of the Code of Professional Conduct of the AICPA express the profession's recognition of its *responsibilities to the public, to clients, and to colleagues*. They guide members in the performance of their professional responsibilities and express the basic tenets of ethical and professional conduct. The Principles call for an *unswerving commitment to honorable behavior*, even at the *sacrifice of personal advantage*.

ET 0.300.010

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Responsibilities

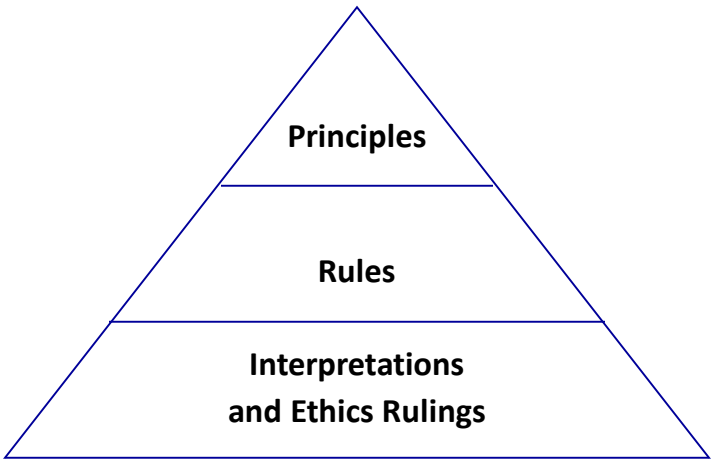
- Exercise sensitive professional and moral judgments
- Essential role in society to:
  - *All* who use their professional services
  - *Cooperate* with each other
  - Improve the *art of accounting*
  - Maintain the *public confidence*
  - *Self-govern*

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ET 0.300.020 Responsibilities

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AICPA Code of Professional Conduct

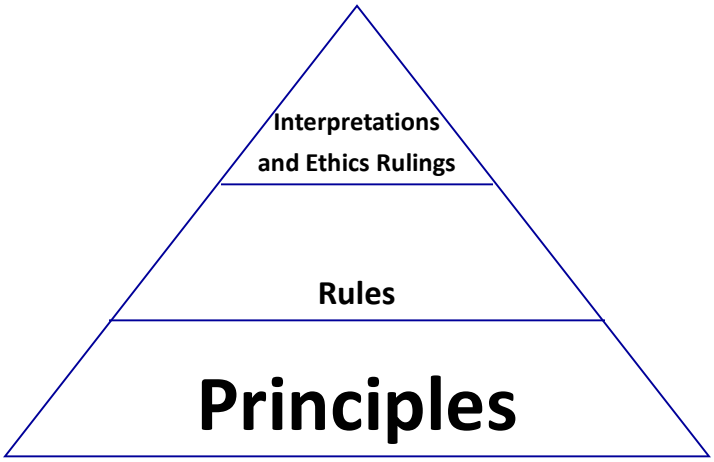


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AICPA Code of Professional Conduct



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Rule Limitations

- Rules give only necessary conditions, but not sufficient or complete conditions
- Rules use terms that must be interpreted
- Additional terms are almost always necessary to clarify rules
- Diligence is needed to verify adherence to a rule or that there was no violation of a rule
- Departures require justification

Understanding Accounting Ethics – Cheffers, M. and M. Pakaluk

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Definitions

.01 An *acceptable level* is a level at which a reasonable and informed third party aware of the relevant information would be expected to conclude that a member's independence is not impaired.

.03 *Attest client* – A person or entity with respect to which an attest engagement is performed.

.04 *Attest engagement* – An engagement that requires independence.

.08 *Close relative* – A parent, sibling or nondependent child.

.11 *Confidential client information* – Any information not available to the public.

.21 *Immediate family* – A spouse, spousal equivalent, or dependent.

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Definitions – ET 0.400

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Definitions

Continued

.23 *Independence* – Consists of the following 2 elements:

Independence of mind – The state of mind that permits members to perform an attest service without being affected by influences that compromise professional judgment, thereby allowing an individual to act with integrity and exercise objectivity and professional skepticism.

Independence in appearance – The avoidance of circumstances that would cause a reasonable and informed third party with knowledge of all relevant information, including safeguards applied, to reasonably conclude that the integrity, objectivity, or professional skepticism of a member of the attest engagement team is compromised.

The Independence definition is not absolute.

Emphasis added: Text

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Ethical Conflicts – ET 0.400

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Definitions
Continued

.25 *Individual in a position to influence the attest engagement* –

A person who:

.a. *Evaluates the performance or recommends the compensation of the attest engagement partner;*

.b. *Directly supervises or manages the a*ttest engagement partner, including all successively senior levels above that individual through the firm's chief executive;

.c. Consults with the attest engagement team regarding technical or industry-related issues specific to the attest engagement; or

.d. Participates in or oversees, at all successively senior levels, quality control activities, including internal monitoring, with respect to the specific attest engagement.

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Ethical Conflicts – ET 0.400

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Definitions
Continued

.29 *Key position* – A position in which an individual has:

.a. Primary responsibility for significant accounting functions that support material components of the financial statements;

.b. Primary responsibility for the preparation of the financial statements; or

.c. The ability to exercise influence over the contents of the financial statements, including when the individual is a member of the board of directors or similar governing body, CEO, president, CFO, COO, general counsel, chief accounting officer, controller, director of internal audit, director of financial reporting, treasurer, or any equivalent position.

.46 *Safeguards* – Actions or other measures that may eliminate or reduce a threat to an acceptable level.

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Ethical Conflicts – ET 0.400

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General Standards

A member shall comply with the following standards and with any interpretations thereof by bodies designated by Council

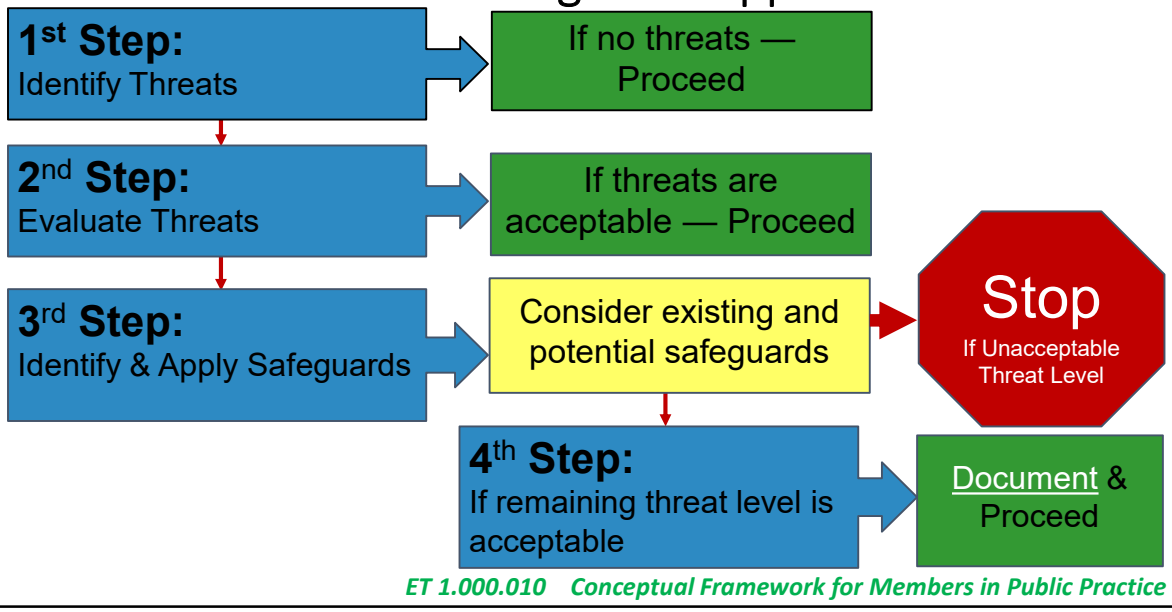
- Professional Competence
- Due Professional Care
- Planning and Supervision
- Sufficient Relevant Data

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ET 1.300.001 and 2.300.001

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Conceptual Framework: Threats and Safeguards Approach



ET 1.000.010 Conceptual Framework for Members in Public Practice

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Integrity and Objectivity

In the performance of any professional service, a member shall maintain objectivity and integrity, shall be free of conflicts of interest, and shall not knowingly misrepresent facts or subordinate his or her judgment to others.

ET 1.100.001 and 2.100.001

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Knowing Misrepresentations

Specified prohibitions:

- Making, permitting, or directing another to make *materially* false or misleading entries; or
- Failing to correct an entity's financial statements or records that are *materially* false or misleading; or
- Signing, permitting, or directing another to sign a document containing *materially* false or misleading information.

Interpretation 102-1; ET 1.130.010, 2.130.010

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Definition of Materiality

The omission or misstatement of an item in a financial report is material if, in light of surrounding circumstances, the magnitude of the item is such that it is probable that the judgment of a reasonable person relying upon the report would have been changed or influenced by the inclusion or correction of the item.

FASB Statement of Financial Accounting Concept No. 8

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Materiality Poll

For what engagements do you *calculate* materiality?

- Audits?
- Reviews?
- Compilations?
- Tax?
- Litigation Support/Consulting?

For what engagements do you *consider* materiality?

SSARS 25 explicitly requires determining materiality for reviews; effective 12/15/21

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Conflicts of Interest

Professional Standards *do NOT prohibit* performance of a service where a conflict of interest is perceived *if*:

- The member believes that the service can be performed with objectivity; and
- The relationship is disclosed to, and consent is obtained from:
  - Clients,
  - Employers, or
  - Third parties

Consider ET 1.700.001 *Confidential Client Information Rule* when making this disclosure.

Interpretation 102-2; ET 0.300.050, 1.110.010, ET 1.700.001, 2.110.010

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Conflicts of Interest — IRS

Conflicts of interest are *prohibited unless*:

- The practitioner reasonably believes he/she will be able to provide competent and diligent representation to each affected client;
- The representation is not prohibited by law; and
- Each affected client gives informed consent, confirmed in writing.

Consents must be:

- Written;
- Retained 36 months; and
- Given to IRS upon request

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Treasury Circular 230 §10.29

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Confidential Client Information Rule

A member in public practice shall not disclose any confidential client information without the specific consent of the client.

ET 1.700.001

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Confidential Client Information Rule
Continued

This Rule does NOT trump:

- Compliance with Standards, or
- Accounting Principles

Members must still:

- Comply with valid and enforceable subpoena or summons;
- Comply with laws and regulations;
- Disclose to peer review; and
- Disclose to AICPA or State ethics or disciplinary body

ET 1.700.001

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Compliance with Standards

A member who performs auditing, review, compilation, management consulting, tax, or other professional services shall comply with standards promulgated by bodies designated by Council.

Rule 202; ET 1.310.001 and 2.310.001

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Standards Setting Bodies

- Accounting and Review Services Committee
- Auditing Standards Board
- Federal Accounting Standards Advisory Board
- Financial Accounting Standards Board
- Forensic and Valuation Services Executive Committee
- Governmental Accounting Standards Board
- International Accounting Standards Board
- Management Consulting Services Executive Committee
- Personal Financial Planning Executive Committee
- Public Company Accounting Oversight Board
- Tax Executive Committee

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Rule 202; ET 1.310.001 and 2.310.001

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Ethical Conflicts

Ethical conflicts arise when one or both of the following are encountered:

- Obstacles to following an appropriate course of action due to internal or external pressures
- Conflicts in applying relevant professional standards or legal standards

Example: You suspect a fraud may have occurred but reporting the suspected fraud would violate the Client Confidentiality Rule.

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Ethical Conflicts – ET 1.000.020

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Ethical Conflicts

Continued

- You may be required to take steps to best achieve compliance with the rules and law.
- In weighing alternative courses of action, members should consider factors such as:
  a. Relevant facts and circumstances, including applicable rules, laws, or regulations
  b. Ethical issues involved
  c. Established internal procedures

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Ethical Conflicts – ET 1.000.020

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Ethical Conflicts
Continued

- Be prepared to justify any departures deemed appropriate in applying the relevant rules and law or be prepared to address the consequences.
- Consider consulting with appropriate persons within your firm or organization.
- If you don't consult with appropriate persons within your firm or organization and the conflict remains unresolved after pursuing the selected course of action, consider:
  - consulting with other individuals for help; or
  - obtaining advice from an appropriate professional body or legal counsel.

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Ethical Conflicts – ET 1.000.020

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Ethical Conflicts
Continued

- Consider documenting:
  - The substance of the issue,
  - The parties with whom the issue was discussed,
  - Details of any discussions held, and
  - Any decisions made concerning the issue
- If the ethical conflict remains unresolved, continued association with the matter will likely violate one or more rules. Accordingly, consider your continuing relationship with the engagement team, specific assignment, client, firm, or employer.

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Ethical Conflicts – ET 1.000.020

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Independence Rule

A member in public practice shall be independent in the performance of professional services as required by standards promulgated by bodies designated by Council.

ET 1.200.001

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Independence Rule Applicability

Attribute	**Applies to:**
Has direct or material indirect financial interest, loan, or joint business investment; trustee or administrator of estate or trust that has such interest	Covered Members
Owns 5% or more of client's outstanding ownership interest (ET 1.240.010, ¶ .03)	All Partners and Professional Staff
Associated with client as director, officer, employee, etc.	All Partners and Professional Staff

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Independence Threats

- **Adverse interest** — That you will not act with objectivity because you and your client have opposing interests. [¶ .10]
- **Advocacy of client** — You promote a client's interests or position to a point that your objectivity or independence is compromised. [¶ .11]
- **Familiarity** — Due to a long or close client relationship, you become too sympathetic to a client's interests or too accepting of that client's work or product. [¶ .12]
- **Management participation** — That you take on the role of your client's management or otherwise assume management responsibilities. [¶ .13]
- **Self-interest** — That you benefit, financially or otherwise, from an interest in, or relationship with, a client or persons associated with the client. [¶ .14]
- **Self-review** — That you will not appropriately evaluate the results of a previous judgment made or service performed or supervised by the member or someone in the member's firm and that the member will rely on that service in forming a judgment as part of another service. [¶ .15]
- **Intimidation** — That you subordinate your judgment to someone associated with your client or a relevant third party due to that person's reputation or expertise, aggressive or dominant personality, or attempts to coerce or exercise excessive influence you. [¶ .16]

AICPA Conceptual Framework for Independence – ET §1.000.010 ¶ .08 - .16

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Independence Threats

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AICPA Conceptual Framework for Independence – ET §1.000.010 ¶ .08 - .16

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- **Self-review** — That you will not appropriately evaluate the results of a previous judgment made or service performed or supervised by the member or someone in the member's firm and that the member will rely on that service in forming a judgment as part of another service. [*¶ .15*]
- **Undue Influence** — That you subordinate your judgment to someone associated with your client or a relevant third party due to that person's reputation or expertise, aggressive or dominant personality, or attempts to coerce or exercise excessive influence you. [*¶ .16*]

AICPA Conceptual Framework for Independence – ET §1.000.010 ¶ .08 - .16

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Financial Interests

	Direct	**Indirect**
Investment types	Investment in client, such as stock, bonds, or loans	Investment in a mutual fund, which owns client securities
Not impairing independence	None	Immaterial

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ET 1.240 Financial Interests

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Covered Members

- Staff working on attest engagements
- Individual who may influence the attest engagement
- A partner in the office in which the partner in charge of the attest engagement primarily practices
- Partners or managers providing 10 hours of non-attest services to client
- Any entity controlled by one or more of the above

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ET 0.400 Definitions, ¶ .14

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Nonattest Services

- Cash to accrual conversions (1.295.010 ¶.06)
- Reconciliations (1.295.010 ¶.06)
- Advisory services (1.295.105)
- Appraisal, valuation, and actuarial services (1.295.110)
- Assisting attest clients with implementing accounting standards (1.295.113)
- Benefit plan administration (1.295.115)
- Bookkeeping, payroll, and other disbursements (1.295.120)
- Business risk consulting (1.295.125)
- Corporate finance consulting (1.295.130)
- Executive or employee recruiting (1.295.135)
- Financial statement preparation (1.295.010 ¶.06)
- Forensic accounting (1.295.140)
- Hosting services (1.295.143)
- Information systems services (1.295.145)
- Internal audit (1.295.150)
- Investment advisory or management (1.295.155)
- Tax services (1.295.160)

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ET 1.295 Nonattest Services

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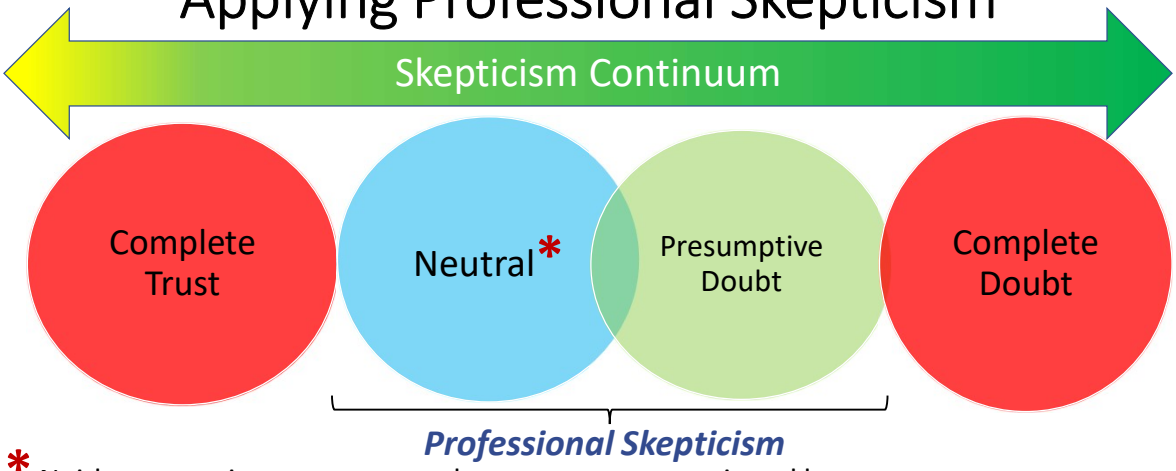
Common Issues in Many Claims

- Conflicts of interest
- Professional skepticism traps
- Professional judgment traps

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Applying Professional Skepticism



* Neither assuming management honesty nor unquestioned honesty

Enhancing Auditor Professional Skepticism — Steven Glover and Douglas Prawitt, BYU

Professional skepticism definitions: *An attitude that includes a questioning mind, being alert to conditions that may indicate possible misstatement due to fraud or error, and a critical assessment of audit/review evidence.* AU-C 200 ¶ .14; AR-C 90A ¶ .08

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Selected Claims Issues

- Engagement Letter/Documentation Issues
  - Obtain signed EL with detailed scope and limits
- Going Concern
- Independence Issues
- ET 1.295 (*Formerly Interpretation 101-3*)
  - Litigation threat

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Words to ~~Live~~ Survive By:

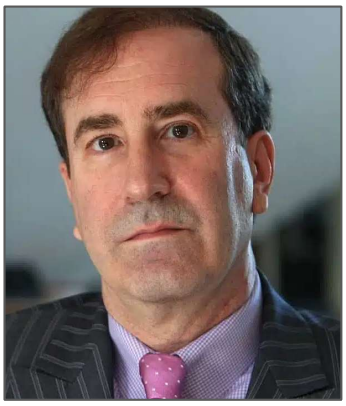
You cannot ignore a problem once you are aware of it

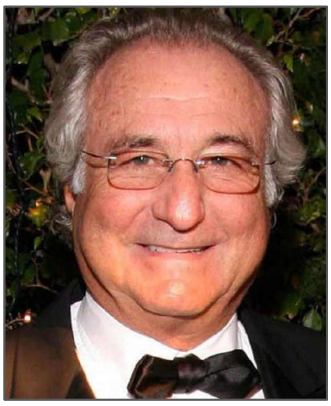


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"NOCLAR" — An Unofficial Origin Story





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Are the NOCLAR Standards the Cure?

CPAs providing audit or review services must:

- Obtain an understanding of the matter;
- Advise the client to take appropriate and timely actions to rectify or remediate the NOCLAR;
- Document aspects of the NOCLAR; and
- Inform the appropriate authorities

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Are the NOCLAR Standards the Cure?

CPAs providing audit or review services must:

- Obtain an understanding of the matter;
- Advise the client to take appropriate and timely actions to rectify or remediate the NOCLAR;
- Document aspects of the NOCLAR; and
- ~~Inform the appropriate authorities; and~~
- Consider disengaging

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Are the NOCLAR Standards the Cure?

CPAs NOT providing audit or review services must:

- Obtain an understanding of the matter;
- Advise the client to take appropriate and timely actions to rectify or remediate the NOCLAR;
- Document aspects of the NOCLAR;
- CANNOT inform the firm reporting on the financial statements or the authorities; and
- Consider disengaging

ET 1.180.010 Responding to Noncompliance With Laws and Regulations

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SAS No. 147 — Inquiries of the Predecessor Auditor Regarding Fraud and Noncompliance With Laws and Regulations

Before accepting audit engagements, auditors must request that client management authorize predecessor auditors to respond fully to the successor auditor inquiries.

Has management authorized the predecessor auditor to respond to successor auditor questions?

Yes

- Successor auditors *should* ask predecessors whether they identified or suspected fraud or matters involving NOCLAR.
- Predecessor auditors *should* timely respond + state whether their responses are limited due to unusual circumstances.
- Successor auditors *should* evaluate the predecessors' responses or consider the implications of no or limited responses during client acceptance process.
- Successor auditors *should* document their inquiries and all responses for all audit engagements they accept.

No

- Successor auditors *should* ask why prospective audit clients did not permit their predecessors to respond or imposed limitations on those responses and *should* consider engagement acceptance implications.

New SAS No. 147 Procedures | Extant Requirements

SAS No. 147 is effective for periods beginning on or after 6/30/2023 …
Effective NOW! Consider for all services!

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Tax Standards

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Ethical Guidance from the Bench

"Anyone may arrange his affairs so that his taxes shall be as low as possible; he is not bound to choose that pattern which best pays the treasury. There is not even a patriotic duty to increase one's taxes. Over and over again the Courts have said that there is nothing sinister in so arranging affairs as to keep taxes as low as possible. Everyone does it, rich and poor alike and all do right, for nobody owes any public duty to pay more than the law demands."

— **Justice Learned Hand**

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Statements on Standards for Tax Services

New/Revised SSTSs became effective Jan. 1, 2024

- No. 1 General Standards — Addresses general matters applicable to all tax services. [Includes guidance from prior SSTS Nos. 1, 5 and 6 and adding new standards for data protection and reliance on tools.]
- No. 2 Tax Compliance Services, Including Tax Return Positions — Addresses tax compliance services including guidance from prior SSTS Nos. 1–5.
- No. 3 Tax Consulting Services — Addresses providing tax advice and including guidance from the prior SSTS No. 7.
- No. 4 Tax Representation Services — Establishes a new standard for taxpayer representation.

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Information Requested by the IRS

Upon request by the IRS, practitioners must:

- Submit non-privileged records and information
- Notify IRS of location of requested information in possession of others
- Make reasonable inquiries of the client regarding the location of information in the possession of others

Not required to inquire of others or verify information provided by client

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Treasury Circular No. 230; §10.20

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Knowledge of Client's Omission

The practitioner must:

- Promptly advise clients of identified noncompliance, error, or omission
- Advise clients of the consequences

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Treasury Circular No. 230; §10.21

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§10.28 Return of Client's Records; Records Requests

Retaining client records may be considered an act discreditable to the profession. Rules:

- **Client-provided records** — Should always be returned to the client.
- **Member-prepared records** (e.g., payroll records) — Should be provided to client, but may be withheld if incomplete or fees are due for them.
- **Supporting records** (e.g., adjusting entries) — Should be provided to client but may be withheld if fees are due for them.
- **CPA working papers** (e.g., audit programs) — CPA's property and need not be provided to client, unless required by law.

59 *Treasury Circular No. 230 §10.28 and ET 1.400.200*

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§10.28 Return of Client's Records; Records Requests
Continued

Would you be in compliance with the Records Request Interpretation if you made information available for pickup or via your client portal?

- Yes.
- "When an engaging entity engages a member to perform professional services with respect to another entity that is not the beneficiary of the professional services, absent an agreement stating otherwise, the member would be in compliance with the requirements of this interpretation related to a member's work products if the member ~~provided~~ ***made*** such work products ***available*** to the engaging entity ***or to the individual designated or held out as the engaging entity's representative***.

60 *ET 1.400.200, ¶ .04, Effective 7/31/2023*

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Standards re: Tax Returns and Other Documents

Advising clients on potential penalties

- Inform the client of reasonably likely penalties.
- Advise client of opportunity to avoid penalty by disclosing.
- Even when practitioner is not subject to a penalty.

Relying on information furnished by clients

- A practitioner may rely in good faith without verification upon information furnished by the client.
- The practitioner may not ignore implications.
- Practitioner must make reasonable inquiries if information appears to be incorrect or incomplete.

61

Treasury Circular No. 230; §10.34

61

Negotiation of Taxpayer Checks

Practitioners may *not* endorse or negotiate any IRS check issued to a client.

Clarified

62

Treasury Circular No. 230; §10.31

62

Negotiation of Taxpayer Checks

"A practitioner may not endorse or otherwise negotiate any check (including directing or accepting payment by any means, electronic or otherwise, into an account owned or controlled by the practitioner or any firm or other entity with whom the practitioner is associated) issued to a client by the government in respect of a Federal tax liability."

Clarifications:

1) Applies to all tax practitioners, not just tax preparers.
2) This change will require a "step transaction" — taxpayers depositing their checks and then paying their tax preparer.

63

Treasury Circular No. 230; §10.31

63

Ethics Matters:

What Would You Do?

64

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Common Problematic Hotline Comments

- I've got a "good" client that …
- Can I …
- Am I independent if …
- My client owes me $

65

65

Financial Statement Preparation Services

Issue

In most cases, I don't produce the financials. I just inform my client the books are reconciled, and they can view/print financials if they choose. Are these services AR-C 70 preparation engagements?

Response

No, since NOT *engaged* to prepare financial statements. BUT … If you aren't engaged to prepare financial statements → DON'T prepare financial statements **and** state in your engagement letter … *"This engagement does not contemplate the audit, review, compilation or preparation of financial statements."*

66

AR-C 70, ¶.01

66

Financial Statement Preparation Services

Continued

Response Continued

To be "engaged" does not mean to obtain an engagement letter. Instead, it is what the accountant is hired to do. Obtaining an engagement letter is a required procedure after the accountant has been engaged. *The understanding with the entity about what the accountant is engaged (that is, hired) to do is paramount in determining whether AR-C section 70 applies*. [Emphasis added]

AAG CRV Chapter 3—Preparation of Financial Statements, 3.01 AR-C Section 70 – Applicability and Observations

67

CPA Asked to Provide Lender with Financial Statements and Letter

Issue

My client's mortgage broker requests that I sign the P&L statements and write the attached letter to be sent to the broker.

Please let me know if it is OK for me to sign and send these to the mortgage broker.

What would you do?

68

68

CPA Asked to Provide Lender with Financial Statements and Letter

Continued

Response

- Do NOT provide the requested letter
- Doing so would be problematic as beyond the scope of services
- Letter sought could create "privity"

69

69

AICPA Attest Interpretation Regarding "Comfort Letters"

.24 May a practitioner provide assurance concerning "matters relating to solvency" as hereinafter defined?

.25 *Interpretation — No.* For reasons set forth below, a practitioner should not provide any form of assurance, through examination, review or agreed-upon procedures engagements, that an entity:

- Is not insolvent at the time the debt is incurred or would not be rendered insolvent thereby.
- Does not have unreasonably small capital.
- Has the ability to pay its debts as they mature.

AT 9101 .23 - .33 Responding to Requests for Reports on Matters Relating to Solvency

70

CPA Asked to Provide Lender with Financial Statements and Letter

Continued

Response Continued

- An audit provides only "reasonable assurance" … you're being asked to state the financial statement is "accurate."
- You are not compelled to accommodate a lender's request for financial statements in support of a borrower's loan.
- If the lender insists on receiving financial statements, and you wish to accommodate the request, then you may accommodate by engaging to perform either a preparation (AR-C 70) or a compilation (AR-C 80) engagement.
- Neither a compilation nor a preparation engagement provides any assurance — noted in the requisite engagement letter.
- Consider preparation engagement with disclaimer.

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CPA Asked to Provide Lender with Financial Statements and Letter

Continued

Additional Question

The mortgage broker has asked me to sign on the P&L statement. Should I sign it?

72

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CPA Asked to Provide Lender with Financial Statements and Letter

Continued

Response

- No.
- If engaged to compile (AR-C 80 compilation engagement) or prepare (AR-C 70 preparation engagement) the client's financial statements, you should sign (and only sign) the compilation report accompanying the compiled financial statements or disclaimer report accompanying the prepared financial statements.
- There is no service that contemplates the CPA autographing financial statements; merely signing their report.

73

73

Misleading "Comfort Letter"

Issue

Client's 1040 is on extension. The taxpayer had several Schedule C, non-SE investment activities reported on prior years' income tax returns which were all liquidated in 2024. Taxpayer has applied for a loan and wants CPA to send a "comfort letter" to the mortgage broker stating that the Schedule C activity has existed since 2019 and will be present in taxpayer's 2024 income tax return.

What would you do?

74

74

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Misleading "Comfort Letter"
Continued

Response

- What is being requested is NOT a "comfort letter" but a "creditworthiness letter"
- The request is an attempt to mislead the mortgage broker and if provided as requested would be an error of omission
- If you choose to provide a letter:
  - State services performed
  - Indicate those services were based upon client-provided information that was not verified
  - State all relevant information (nothing misleading)
  - Reiterate recipient must perform its own due diligence

AT 9101 .23 - .33 Responding to Requests for Reports on Matters Relating to Solvency

75

Beneficiary Requests Trust Tax Return

Issue

CPA prepares tax returns for a trust. Beneficiary is also a client. Trustee is beneficiary's brother and not a client. Beneficiary has mild mental-function deficiencies. Beneficiary has requested CPA fax a copy of the trust return to her attorney. Likely due to some embarrassment, beneficiary has asked CPA not to mention the request to her brother.

Is trustee's authorization needed to comply with beneficiary/client request?

Response

- CPA may NOT voluntarily accommodate this request
- Instead, beneficiary should be informed that she must obtain the trustee's (her brother's) consent
- Truncate EIN omitting first 5 digits

ET 1.110.010 – Conflict of Interest; ET 1.700.001 – Client Confidentiality

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Conflict of Interest? — Small Town Perspective

Issue

- Family dispute over long-time client estate of family patriarch
- Patriarch survived by 2nd wife and two sons from first marriage
- Patriarch's S-Corp transferred to two sons
- Each family member is client and represented by counsel
- CPA runs securities and insurance business out of CPA's office
- CPA is trustee for 2nd wife's trust
- CPA assists 2nd wife's attorney in dispute with her step-sons
- CPA's take: "You just don't understand. Things are done differently in a small town."

77

77

Conflict of Interest? — Small Town Perspective

Continued

Response

- Conflict waiver with each client — any reluctance would suggest CPA is potential target
- Carbon copy all parties on matters even tangentially related
- Disengage from deceased's second wife

78

ET 1.110.010 – Conflict of Interest

78

Unanticipated/Complimentary Client-Initiated Disengagement

Issue

CPA received email "out of the blue" from school superintendent terminating the audit of a school district's financial statements. The communication was extremely complimentary of the auditor.

- School superintendent (not the school board) terminated the auditor
- Auditor believes disengagement was prompted because of numerous material weaknesses identified that would be reported to the Board were auditor to continue

What would you do?

79

79

Unanticipated/Complimentary Client-Initiated Disengagement "Noisy Disengagement"

Continued

Response

- Even when a client disengages you, acknowledge your termination with a letter of your own and:
  - State services performed
  - State clearly the last day of service
  - List status of work and pending due dates
  - Identify status of account balance
  - Encourage client to retain new professional ASAP
  - Keep your letter professional, not emotional!
  - Indicate you will cooperate with new professional as appropriate [CAMICO has sample letters for successors and former clients to sign before cooperating]
  - State disposition of all client records (if you have some originals inquire how they wish to obtain them [have an itemized receipt prepared for their signature], state if records were previously returned)
- Consider writing a "noisy disengagement" letter addressed to the school board, and "as a courtesy" communicate the SAS 114 and SAS 115 issues identified.

80

AU-C 260 and AU-C 265

80

Client Desires Prospective Financial Statements

Issue

"Client wants me to provide 'prospective' financial statements for the next four months — just a QuickBooks P&L report. Client advised me to just use the average amounts from the last eight months. I'm not signing the financials or rendering an opinion. I will generate from QuickBooks and then forward the results to him." Is this ok to do?

What would you do?

81

81

Client Desires Prospective Financial Statements
Continued

Response

- Must comply with the SSARSs. [peer review implications]
- SSARS No. 23 expanded AR-C 70 and AR-C 80 to include prospective (projections or forecasts) and pro forma financial information.
- Reviews (AR-C 90) of prospective financial information are prohibited.
- Use CAMICO prospective financial information EL as foundation.
- Tweak the agreement for assumptions client is to provide.
- Expand testimony clause to clarify expert witness testimony is not entertained as it would impair independence.
- Purchase AICPA's *Guide to Prospective Financial Information.*
- Consider need for nonattest services clause in EL.

82

AR-C 70, ¶ .01 and .19; AR-C 80, ¶ .01 and .24

82

Obligations to Employer's External Accountant

Situation

Chris is the controller of a business. Chris is aware of questionable accounting treatment and suspects "irregularities" by the business's CFO. Chris answers all questions posed by the external CPA honestly but is not forthcoming with his suspicions.

Has Chris violated the Code of Professional Conduct?

Chris will have violated ET 2.110.010. In dealing with an employer's external accountant, a member must be candid and not knowingly fail to disclose material facts.

ET 2.110.010

83

83

Regulator Certification

Issue

State regulator requires businesses to list their monthly revenue by category and have CPA certify the financial activity.

What would you do?

84

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2023	Total Revenue	Total Food Revenue	Total Liquor Revenue
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Totals			

The undersigned hereby affirms that the above information is true and correct, and further acknowledges that he/she has been notified that any failure to truthfully supply the requested information may result in sanctions, including but not limited to, denial of any requested renewal of a liquor license or revocation of their liquor license.

Name of Licensee _____ Name _____ Title _____ Date _____

I hereby attest and affirm that the above reported figures are true and accurate.

_____
Certified Public Accountant

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2023	Total Revenue	Total Food Revenue	Total Liquor Revenue
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Totals			

The undersigned hereby affirms that the above information is true and correct, and further acknowledges that he/she has been notified that any failure to truthfully supply the requested information may result in sanctions, including but not limited to, denial of any requested renewal of a liquor license or revocation of their liquor license.

Name of Licensee _____ Name _____ Title _____ Date _____

I hereby attest and affirm that the above reported figures are true and accurate.

_____
Certified Public Accountant

86

2023	Total Revenue	Total Food Revenue	Total Liquor Revenue
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Totals			

The undersigned hereby affirms that the above information is true and correct, and further acknowledges that he/she has been notified that any failure to truthfully supply the requested information may result in sanctions, including but not limited to, denial of any requested renewal of a liquor license or revocation of their liquor license.

Name of Licensee _____ Name _____ Title _____ Date _____

I hereby attest and affirm that the above reported figures are true and accurate.
'SEE ACCOMPANYING COMPILATION REPORT'
Certified Public Accountant

AAG CRV 2.82 – 2.87 – Reporting Financial Statements Included in Certain Prescribed Forms

87

Client Requests Electronic Records

Issue

Client has requested the CPA's Lacerte file. Is the file considered CPA's working papers or a member-prepared record (i.e., must the electronic file be provided)?

Response

- The electronic tax data file is generally considered a member's working paper created in the performance of the tax return preparation engagement, and not a file that the member was specifically engaged to prepare (*e.g., the tax return is work product, but the electronic file is not*).
- Accordingly, the tax data file would not meet the description of a member-prepared record. Therefore, a member would not be required to provide the electronic data file to the client.
- However, contractual agreements and federal or state statutes or regulations may be stricter.

88 ***AICPA Professional Ethics Division's August 2016 FAQs***

88

Daughter Divorcing Client

Issue

CPA's daughter is divorcing from client with extensive holdings the CPA serves.

What would you do?

89

89

Daughter Divorcing Client
Continued

Response

- CPA should consider whether he can be objective.
- If so:
  - Document situation
  - Document belief/decision that objectivity can be maintained
  - Obtain written representations from impacted parties acknowledging the potential conflict of interest and willingness to have CPA work for them despite potential conflict of interest

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Preparing Divorcing Couple's Tax Returns

Issue

CPA performed MFJ and MFS tax projections for a divorcing woman to offer tax planning advice and tax compliance services. Both spouses signed conflict of interest acknowledgment waivers and engagement letter.

She and her husband requested MFJ status. CPA finalized their returns, and couple signed the form 8879 e-file authorization. The filing status analysis was never shared with the husband.

What would you do?

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91

Preparing Divorcing Couple's Tax Returns

Continued

Response

- Not apprising husband could be perceived as conspiring against his interests.
- Obtain wife's consent to share marital status analyses.
- Disengage due to conflict of interest if she declines.
- Obtain defensive documentation of both spouses' consent.

Interpretation 102-2; ET 0.300.050, 1.110.010, ET 1.700.001, 2.110.010, Treasury Circular 230 §10.29

92

Litigation Support Client Wants Financial Statements

Issue

CPA has been maintaining an accounting system for consulting services under attorney/client privilege under a criminal tax investigation. Client is selling business to a corporate officer. The corporate officer needs a bank loan and desires a current financial statement from the owner. CPA is NOT currently subject to peer review and has never previously performed an AR-C 70 preparation engagement.

What would you do?

93

93

Litigation Support Client Wants Financial Statements

Continued

Response

- While there is an exception in AR-C 70 re: SSARS for litigation support, the client's need for a financial statement to provide to the potential buyer (chef) does not fit within that exception.
- Be certain:
  - CPA has the professional competence
  - AR-C 70 preparation engagement letter specifies the financial reporting framework that management wishes to use, and that management has elected to omit substantially all disclosures
  - Add a legend to each page including disclosures reading "No CPA provides any assurance on these financial statements"
  - Add disclosures regarding the criminal tax investigation and the items of interest to the taxing authorities

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Litigation Support Client Wants Financial Statements
Continued

Response

AR-C 70 Preparation of Financial Statements

.01 This section applies when an accountant in public practice is engaged to prepare financial statements or prospective financial information.

This section does not apply when an accountant prepares financial statements or prospective financial information

1. and is engaged to perform an audit, review, or compilation of those financial statements,
2. solely for submission to taxing authorities,
3. for inclusion in written personal financial plans prepared by the accountant,
4. in conjunction with litigation services that involve pending or potential legal or regulatory proceedings, or
5. in conjunction with business valuation services.

.02 The determination about whether the accountant has been engaged to prepare financial statements or merely assist in preparing financial statements (which is a bookkeeping service that is not subject to this section) is determined based on services the client requests the accountant to perform and requires the accountant to apply professional judgment.

AR-C 70, .01 and .02

95

95

Client Asks CPA to Issue Summarized Financial Results from Reviewed Financial Statements

Issue

CPA has performed a review engagement on client's annual financial statements. The client asks the CPA to put summarized financial results on firm letterhead to provide third parties.

What would you do?

Is this addressed by the standards?

If not, is this prohibited/permitted?

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Client Asks CPA to Issue Summarized Financial Results from Reviewed Financial Statements

Continued

Response

- AR-C 90 has no guidance but does not prohibit summary reviewed FS.
- If engaged to provide summary reviewed FS, CPA should have audited or reviewed the complete financial statements and reference the report on the complete (not summary) financial statements in the review report on the summary financial statements.
- Look to AU-C 810 for the audit guidance related to summary audited financial statements.
- Consider whether grounds for requesting summary FS justifies accommodating request (consciously misleading?)
- Consider restricting distribution.

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97

AUP vs. Consulting — Impaired Independence

Issue

- Client passes along costs to a customer
- You are asked to perform specific procedures re: contracts, changes in prices, and indicate what has been done
- Client seeks letter from you; you are NOT to provide assurance, but the letter is to be used by third parties
- You are NOT independent with respect to the client

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AUP vs. Consulting — Impaired Independence
Continued

Response

- You may not perform this engagement as an AUP engagement, as you are not independent, and AUP engagements are attest engagements
- Advise:
  - Consider performing the work as a consulting engagement;
  - Volunteer that you are not independent; and
  - Specify the procedures you will be performing and reporting upon

Compliance with Standards — ET 1.310.001; SSAE 19

99

Business Valuation for Stock Redemption

Issue

Compilation client wants CPA to perform business valuation as predicate to redeeming a shareholder's stock.

Would the valuation services impair independence?

- Valuation would impair independence when:
  - Results would be material to the client's financial statements.
  - Valuation involves significant subjectivity.
    - Two limited exceptions:
      - Nonfinancial statement purposes if safeguards are met.
      - An actuarial valuation of an attest client's pension or post-retirement liabilities.

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Business Valuation for Stock Redemption
Continued

Response

CPA could indicate lack of independence, but client will soon desire reviewed financial statements and CPA would like to perform the review.

When will CPA be able to perform a review (or any other attest services) for this client?

Time frames to consider: (1) periods of the professional engagement and (2) the period covered by the financial statements.

Period of the professional engagement begins the earlier of (1) when CPA signs the initial engagement letter to perform services or (2) begins performing the services. The period ends the later of (1) when the relationship is terminated or (2) the final deliverable is issued.

Plain English Guide to Independence; ET 1.295.010 ¶.03; ET 1.295.040

101

Business Valuation for Stock Redemption
Continued

Response Continued

Compilation engagement letter and report should indicate lack of independence for any period that includes the period during which the CPA performed the valuation.

102

AR-C §80.22; AR-C §80.A37

102

Client Wishes to Share Compiled Financial Statements with Prospective Buyers

Issue

CPA's client already gave the two previous years' financial statements the CPA compiled to its bank and intends to share the statements with an investment banker trying to identify prospective buyers. CPA is contemplating the client acceptance/continuance decision regarding the current year's engagement.

What would you do?

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Client Wishes to Share Compiled Financial Statements with Prospective Buyers

Continued

Response

- Restrict dissemination to specified users.
- Do NOT consent to sharing financial statements with your name on them to parties contemplating making an investment decision based in part on reliance on those financial statements.
- Propose performing a preparation, review or audit of the current year's financial statements.
- Do not perform a compilation (anonymous if a preparation engagement; while a review or an audit would provide assurance).

104

AR-C 80

104

CPA Mobility: Will Providing Certain Services in Other States Require State-Specific Licensure?

Issue

IT consulting client asked CPA firm to perform a variety of attest, tax and consulting services for client's Pennsylvania operations. CPA firm has numerous clients with out-of-state subsidiaries and is convinced the tax and consulting services would pose a problem but isn't certain whether audit or compilation services would require the CPA firm to be licensed in Pennsylvania.

What would you do?

105

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CPA Mobility: Will Providing Certain Services in Other States Require State-Specific Licensure?

Continued

Response

- Member departures from government/regulatory requirements are acts discreditable.
- Access cpamobility.org website.
- Select the state which is your principal place of business, the SPECIFIC TARGET STATE of the client for which you will be performing your services, and the TYPES OF SERVICES.
- Retain a SCREEN CAPTURE of the response as defensive documentation of your due diligence.

ET 1.400.050 – Governmental Bodies, Commissions, or Other Regulatory Agencies

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Member Removing Client Files or Proprietary Information from an Accounting Firm

Question — If the relationship of a member who is not an owner of a firm is terminated, **may he or she take or retain originals or copies from the firm's client files or proprietary information without the firm's permission?**

Answer — *No*, except where permitted by contractual arrangement.

ET 1.400.210 – Removing Client Files or Proprietary Information From a Firm

107

Marital Dissolution Assistance/Audit

Issue

- CPA firm is engaged to provide marital dissolution and related valuation services for wife
- CPA firm and wife's attorney disengage due to difficulties and nonpayment
- Other members of CPA firm are engaged to audit business that was to be valued
- One month into audit, attorney of wife threatens CPA firm — alleges firm must disengage from audit because their independence and objectivity are impaired

What would you do?

108

108

Marital Dissolution Assistance/Audit
Continued

Response

- Disengage
- Lesson learned

ET 0.300.010 Preamble; ET 0.300.050 Objectivity & Independence Principle, 1.110.010 Conflicts of Interest

109

Media Inquiries

Issue

Reporter seeks interview regarding audit client with recently publicized financial distress.

What would you do?

110

110

Media Inquiries
Continued

Response

- Make clear to personnel the nature of this issue, that reporters and possibly other parties may be interested in learning more about the events, but that only designated firm personnel may respond and only after obtaining client's written consent.
- May benefit from Claims Department input.
- Inform reporter that professional standards prohibit CPAs from discussing confidential client information without their client's consent.
- Request reporter provide questions in writing.

111 *Confidential Client Information Rule – ET 1.700.001*

111

Divorcing Clients

What's wrong with this message?

I just got a call from my client's wife. She says she's divorcing my client. She is on her way over to pick up documents her attorney wants. I called my client, and he is very upset. He told me not to give her anything.

112

112

Divorcing Clients

What's wrong with this message?

I just got a call from my client's wife. She says she's divorcing my client. She is on her way over to pick up documents her attorney wants. I called my client, and he is very upset. He told me not to give her anything.

113 *Treasury Circular 230 §10.29; ET 1.700.030, ¶ .01-.02*

113

Collaboration with Payroll Provider

Issue

Firm is looking to partner with payroll provider, who would provide payroll services for their clients. Do we need to specify that we are using payroll provider for payroll processing in our contracts?

Response

Yes, you should disclose to your clients that you will or may use payroll provider. The below link is to a citation from the AICPA Code of Conduct that addresses this issue. Even if the Code did NOT specifically address this issue, transparency is your best policy.

http://pub.aicpa.org/codeofconduct/resourceseamlesslogin.aspx?prod=ethics&tdoc=et-cod&tptr=et-cod1.150

ET 1.700.040 - Disclosing Information to a Third-Party Service Provider

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CPA as Clients' Arbiter

Issue

Two clients are finalizing an asset purchase agreement in which one audit client is selling to another. The two have reached an impasse on language to address resolving disputes. The proposed language would call for the parties to litigate such issues. The clients wish to substitute language indicating that if the two owners are unable to personally resolve disputes, the matters would be arbitrated by their auditor. AICPA advised CPA that firm must have both audit clients sign a conflict of interest acknowledgment waiver for it to be OK for CPA to perform this function. Does CAMICO agree?

Response

- NO
- Threats from actual conflicts are difficult to overcome
- If CPA serves in this capacity, CPA can expect to lose or be sued by one or both clients

ET 0.300.050 Objectivity & Independence Principle, 1.110.010 Conflicts of Interest

115

Client Flexible Regarding Financial Reporting Framework

Issue

Client may wish to report using a variety of financial reporting bases.

Response

- CPA will need to assess whether this is to mislead.
- If OK, may modify the engagement objective as follows:
  - "The objective of this service will be to prepare <Client Name>'s financial statements in accordance with accounting principles generally accepted in the United States of America, using the financial reporting framework you selected, based on information provided by you. *Please advise me in writing of the type of financial statements desired and if you wish the financial statements to be prepared using a different financial reporting framework.*"

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AR-C 70, ¶.10f

116

Interpretation of Loan Covenant

Issue

CPA performs financial reporting engagements for three S-Corporations and one non-single-member LLC owned by the same individual. Bank covenant states a GAAP financial statement report is required. The owner believes covenant permits normalizing adjustments regarding the owner's taxes. What should CPA do?

Response

- Owner's interpretation of the covenant appears flawed.
- Advised CPA to encourage client to address issue with lender.

117

ET 1.100.001 Integrity and Objectivity Rule

117

Alternative Financial Statement Versions

Issue

Government contractor has a project for which they have substantial cost. They are accounting for unbilled revenue of $4M — earned but not billed. (Discussions suggest collection is doubtful.) Resolving may require going to court. Auditor has explained the GAAP contingency disclosure requirements. CPA is being asked to provide two versions of report — one with unmodified opinion with a $4M loss, and the other with a modified report showing the $4M as receivable.

Response

No, CPA may not have two concurrent versions of their audit report with one a clean opinion and the other a "modified opinion."

118

ET 1.100.001 Integrity and Objectivity Rule

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No Harm/No Foul?

Issue

CPA does bookkeeping for a four-partner partnership. There has been an unusual transaction in which the managing partner withdrew money. Managing partner admits one partner knows of the activity, the others do not, and he doesn't want them to know. Can CPA merely properly code the transactions, or must she notify the other partners regardless of whether the money is returned by month end? The managing partner formerly employed the CPA.

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No Harm/No Foul?
Continued

Response

- Advise managing partner that he should inform the partners, and that if he does not that she will disengage and may inform the partners why.
- CPA believes managing partner might wish to use the AR-C 70 prepared financials as the way of "informing" partners of these activities without "coming clean," and hoping they don't notice.
  - CPA must consider these integrity factors when determining whether she should disengage with a "noisy disengagement."

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ET 1.100.001 Integrity and Objectivity Rule

120

Wife Wants to "Stick It to" Husband

Issue

Couple is divorcing. They are filing MFJ. Both have signed 8879. The agitated wife has called and requests MFS tax filing to "stick it to" her husband. She does NOT pay tax regardless. The husband called 15 minutes later and stated CPA should submit MFJ version. CPA does NOT have a signed COIAW.

Response

- Consider whether firm can objectively represent both
- Obtain COIAW
- Comply with wife's request

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Treasury Circular 230 §10.29; ET 1.110.010

121

Divorcing Spouse Won't Sign E-File Authorization

Issue

- Divorcing couple's MFJ 1040 due today.
- Wife has withheld the e-file authorization as leverage in the divorce proceeding.
- Couple has sign COI wavier.
- Can CPA can file return without receiving both spouses' e-file authorization?

Response

- Need both spouses' authorizations to file their return.
- CPA could accept POA's signature were CPA unware that the spouse was intentionally withholding her authorization.

Treasury Circular 230 §10.29, § 10.34 and §10.37; ET 1.110.010 and 2.110.010

122

Books Client Provides External Auditor Differ from Books Created by CPA

Issue

CPA prepares client's books for use by external CPA that issues financial statements. CPA notes the records being provided to external CPA differ from those CPA created.

Response

- AICPA Code of Conduct preamble — member responsibilities to the public, to clients, and to colleagues
- Confidential Client Information Rule
- Noisy disengagement?

ET 0.300.010 Preamble; ET 1.700.001 Client Confidentiality Rule

123

Pending Going Concern Opinion/Fraud Uncovered

Issue

Auditor was about to issue an audit. The audit opinion would express doubt about the client's ability to continue as a going concern. An AU-C 265 (management letter) mentioning material weaknesses and significant deficiencies identified during the audit is to be issued. It just came to the firm's attention that an employee was stealing money from the company. A forensic investigation has not been conducted. The amount of the theft has not been quantified.

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Pending Going Concern Opinion/Fraud Uncovered

Continued

Response

- Do NOT issue a report at this time. While you might assist management with revisions and disclosures, it is important for management to understand the magnitude of the theft and to adjust and/or disclose the event. The event requires management to update their subsequent events disclosures and for you to update your management representation letter after the facts are better known.
- Even though you might issue a going concern disclaimer, it is still your responsibility to disclose in your report any GAAP departures of which you are aware that are material and uncorrected (including disclosure departures) and which could impact a user's understanding of the financial statements.
- For those reasons, I suggest that you allow management to get a better understanding of the facts, allow management to determine additional adjustments and disclosures that need to be made to their financial statements, and then apply the requisite AU-C 560 procedures to audit the subsequent events after the balance sheet date but before the issuance of your report.

ET 1.310.001 .01 Compliance with Standards Rule; AU-C 560; AU-C 700

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What Issues Do You Perceive?

Issue

Your firm audit the financial statements and prepare the tax returns for your long-time client, Alpha Industrial. Alpha Industrial's founder, Andy Apple, informs you that he wishes to retire and wants your assistance with valuing and ultimately selling the business. Alex and Allie Apple, Andy's children, minority owners of the business, are also your clients.

Beta Industries and Delta Services, two other clients of your firm, express interest in acquiring Alpha Industrial.

- Are there any independence issues?
- Are there any conflict of interest issues?
- Are there any client confidentiality issues?
- What would you do?

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Closing Comments and Takeaways

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Takeaways

- Professional skepticism
- Recognize and communicate conflicts
- Disengaging is a top risk management tool
- Ethical firm = ethical clients = fewer malpractice claims
- Embrace “active” ethics
- Reward ethical achievements
- Implement expired ET 400
- Emphasize “tone at the top”
- Don’t dabble

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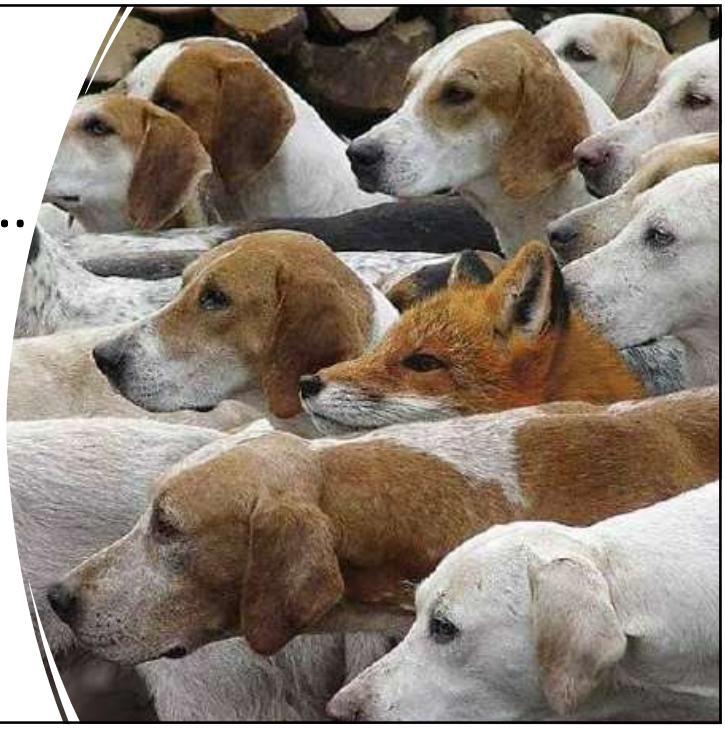
Remember → You can sell your services daily, but your reputation only once.

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Cute Picture, But…

When You're in Deep Trouble, <u>DON'T</u> Look Straight Ahead, Keep Your Mouth Shut and Say Nothing



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Contact Information

We encourage policyholders to contact CAMICO with risk management questions and for advice:

- Toll-free: (800) 652-1772
- Via email:
  - Loss Prevention: lp@camico.com
  - Claims: claims@camico.com
  - Duncan: dwill@camico.com
- Website: www.camico.com

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Thank You

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