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December 20, 2024

Accounting and Review Services Committee<sup>(AR-C)</sup>  
American Institute of Certified Public Accountants  
1345 Avenue of the Americas, 27<sup>th</sup>  
New York, NY 10019

Via Email to [CommentLetters@aicpa-cima.com](mailto:CommentLetters@aicpa-cima.com)

**Re: 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 Committee members and staff:

Grant Thornton LLP appreciates the opportunity to comment on 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*. Overall, we believe the proposed amendments will effectively clarify that client advisory services (CAS) engagements that include financial statement preparation are not required to adhere to AR-C section 70. However, we suggest certain updates to the proposal to streamline language and provide helpful context to users. We respectfully submit our responses to the requests for comment listed in the exposure draft for the Committee's consideration.

**Responses to questions**

**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.**

We support the proposed amendments to explicitly exclude financial statement preparation services as part of a consulting services engagement performed in accordance with CS section 100 from those engagements that require AR-C section 70 to be applied. CS section 100 emphasizes professional competence, due care, planning, supervision, and client communication. As such, we agree with the

Committee that CS section 100 provides adequate safeguards to prevent misleading stakeholders for CAS practitioners preparing financial statements as part of a consulting services engagement. Further, we do not believe excluding CAS engagements from the requirements of AR-C section 70 would adversely affect quality.

**Question 2: Do respondents believe that the proposed effective date of the SSARS is appropriate? If not, why not?**

We believe the proposed effective date of periods ending on or after December 15, 2026 is reasonable to provide sufficient time for firms to properly implement the amended scope of the standard.

**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.**

We generally believe that the proposed revisions are reasonably clear and appropriate. However, we recommend that the Committee consider the following changes / amendments:

- We are concerned that the amendments to paragraph .01 add redundancy. We recommend removing the phrase “although not required” as illustrated below, since this sentiment is already noted elsewhere in this paragraph:

.01 This section applies when an accountant in public practice is engaged to prepare financial statements or prospective financial information. ***Although not required,*** ~~†~~ This section may also be applied, adapted as appropriate in the circumstances, to the preparation of other historical financial information. This section is not required to be applied, but application is not precluded, when an accountant prepares financial statements or prospective financial information.

- Generally, we agree with the proposed addition of paragraph .A4 to discuss why CAS engagements differ from attest engagements. However, we do not believe the application material in paragraph .A4 provides practitioners with the appropriate context for understanding why CAS engagements are not subject to AR-C section 70. To address this, we recommend discussing the additional requirements that CAS practitioners would need to comply with if they voluntarily utilize AR-C section 70 for their engagements.

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We would be pleased to discuss our comments with you. If you have any questions, please contact Jeff Hughes, National Managing Partner of Assurance Quality and Risk, at (404) 475-0130 or [Jeff.Hughes@us.gt.com](mailto:Jeff.Hughes@us.gt.com).

Sincerely,

/s/ Grant Thornton LLP