2022

Wiley PRACTITIONER'S GUIDE TO GAAS

Covering All SASs, SSAEs, SSARSs, and Interpretations

With complete, in-depth coverage of all the professional standards and valuable checklists and graphic aids

Joanne M. Flood

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PREFACE—ORGANIZATION AND KEY CHANGES

This book reduces the official language of Statements on Auditing Standards (SASs), Statements on Standards for Attestation Engagements (SSAEs), Statements on Standards for Accounting and Review Services (SSARSs), and the interpretations of those standards into easy-to-read and understandable advice. It is designed to help CPAs in the application of, and compliance with, authoritative standards.

RESOURCES

Wiley Practitioner's Guide to GAAS 2022 contains robust tools to help practitioners implement the standards. This book follows the sequence of sections of the AICPA Codification of Statements on Auditing Standards, the Codification of Statements on Standards for Attestation Engagements, and the Codification of Statements on Standards for Accounting and Review Services. Sections are divided into the following easy-to-understand parts:

> **Scope.** A handy brief identification of the original standard for the section.
>
> **Definitions of Terms.** A list of official definitions that refers readers to one of the appendices to find explanations of terms that are ordinarily scattered throughout the standards.
>
> **Objectives.** An explanation of the reasons for the section.

Requirements. Concise listing and descriptions of those things specifically mandated by the section, and helpful techniques for complying with the fundamental requirements of the section.

Interpretations. A brief summary of each interpretation.

Illustrations. Sample reports and checklists.

NEW AUDITING STANDARDS

Audit Evidence—SAS 142

In July 2020, the ASB issued SAS 142, *Audit Evidence*. The SAS is intended to provide auditors with enhanced guidance on audit evidence by:

- Providing risk assessment requirements for estimates and
- Further procedures that:

  are more specific to estimates,

  address today's complex business environment and the complexity of financial reporting frameworks,

  highlight the causes of uncertainty, and

  focus on the risk of management bias.

The SAS supersedes AU-C 500 and amends other Sections. SAS 142 is effective for periods ending on or after December 15, 2022.

Auditing Accounting Estimates and Related Disclosures—SAS 143

SAS 143 enables auditors to appropriately address complex scenarios from accounting standards that include estimates and related disclosures and to enhance the auditor's focus