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ACCOUNTING SERVICES ADVISORY

New Standard for Compilation and Review of Financial Statements

May 17, 2010

Dear clients and friends:

Businesses should be aware that beginning with financial statements for periods ending on or after December 15, 2010, accounting firms and their clients will be required to make significant changes in the compilation and review procedures for these statements.

The changes are contained in **Statement on Standards for Accounting and Review Services No. 19 (SSARS 19)** on Compilation and Review Engagements. **The American Institute of Certified Public Accountants' (AICPA)** Accounting and Review Service Committee (ARSC) issued this statement in December 2009.

Accountants will be permitted, but not required, to disclose the reasons for an independence impairment in a compilation report.

For more than 30 years accountants have been required to disclose in the compilation report if they were not independent, but had been prohibited from disclosing the reasons. Impairment can occur when an accountant assists a client in preparing payroll reports, maintaining the general ledger and providing other services in preparing financial statements or has an ownership interest or has certain relationships with the entity.

In its summary of SSARS 19, the ARSC said it believes this disclosure will provide additional transparency that is being sought by many users of compiled financial statements.

The statement includes a requirement that the accountant document the understanding with management through a written communication, an engagement letter, regarding the services to be provided.

There also are numerous revisions to the accountant's report that accompanies compiled and reviewed financial statements, to make the reports clearer as to management's responsibilities and the accountant's responsibility.

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The impact of the standard on review engagements is expanded guidance with respect to analytical procedures and the requirement to document management's responses to inquiries. This may require additional time in how accountants plan the review engagements of clients by tailoring the procedures to the specific client and industry.

If you would like additional information on the pending new requirements for the compilation and review of financial statements, do not hesitate to contact us at (305) 373-5500.

Sincerely,



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ACCOUNTING SERVICES ADVISORY

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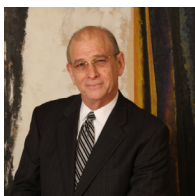
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