



## **Standing Technical Committee**

### **US GAAS Practice Committee (USGAASPC)**

Founded on March 31, 2001 by the GCPAS Nominating Committee in Stuttgart, Germany

#### **Terms of Reference**

Gemäß § 2 Abs. 3 (e) Satz 1 der Satzung der GCPAS in der Fassung vom 31. März 2001 legt das CPA-Panel im Einvernehmen mit dem US GAAS Practice Committee die folgenden Terms of Reference fest.

Den Terms of Reference wurde – dem Erfordernis des § 2 Abs. 3 (e) Satz 2 der Satzung der GCPAS entsprechend – am 14. Juli 2001 vom Council zugestimmt. Sie sind mit dieser Zustimmung in Kraft getreten.

|  |
|--|
| <p><b>Terms of Reference – United States Generally Accepted Auditing Standards (US GAAS) Practice Committee (USGAASPC)</b></p> |
|--|

The objective of the US GAAS Practice Committee (USGAASPC), on behalf of the GCPAS Council, is:

- To support the application of the United States Generally Accepted Auditing Standards (US GAAS) worldwide in assurance engagements and, especially, in Germany, where US GAAS are required to be applied as auditing standards according to the terms of the engagement.
- To support the quality and uniformity of practice (application of US GAAS) throughout the world and, especially, in Germany.
- To support the development and enhancement of harmonized Auditing Standards, especially by identifying remaining differences between US Generally Accepted Auditing Standards (US GAAS) and International Standards on Auditing (ISA) and providing comments to the American Institute of Certified Public Accountants (AICPA) and to the International Auditing Practice Committee (IAPC) on how to eliminate the remaining differences in order to support the establishment of the best practice in harmonized auditing standards worldwide.

The aforementioned objective of the US GAAS Practice Committee should be translated into action by:

- Providing comments on exposure drafts of Statements on Auditing Standards (SASs) issued by the Auditing Standards Board (ASB) of the American Institute of Certified Public Accountants (AICPA) and interpretations issued by the Audit Issues Task Force of the ASB and other statements and guidance of the AICPA with regard to Auditing Standards.

- Performing research with regard to US Generally Accepted Auditing Standards (US GAAS) and their application worldwide and, especially, in Germany and publishing the results in "The GCPAS Newsletter" and other technical accounting and auditing journals and transmitting the results to the Auditing Standards Board (ASB) of the AICPA in order to share the achieved knowledge with the aforementioned professional organization.
- By making use of the practice experience of the members of the USGAASPC in audit engagements: issuing (noncommittal) guidance and practice aids regarding the application of US GAAS.
- Promoting the adoption of the AICPA`s pronouncements as the authority for the setting of United States Generally Accepted Auditing Standards and related Guidance and for use internationally for cross border offerings, in case the terms of the engagement require the application of US GAAS instead of ISA.
- Giving (noncommittal) professional technical advice in how to apply correctly US GAAS with a high level of quality in assurance engagements, where the terms of the engagement require the application of US GAAS.
- Promoting debate with practitioners, users, regulators and other professional accounting organizations throughout the world and, especially, in Germany, to identify user needs for new standards and guidance.

As long term aim, the USGAASPC intends to provide the accounting and auditing community with a commentary-textbook on the United States Generally Accepted Auditing Standards (US GAAS).

**With regard to USGAASPC due process in preparing comments and research to be published the following rules are valid:**

Each member of the USGAASPC shall have one vote. The affirmative vote of at least three-quarters of the members, represented at a meeting, shall be required to approve a proposed comment or technical article to be published and/or to be transmitted to the related professional organizations. For any comment or technical article to be officially transmitted or published under the name of the GCPAS, the approval of the CPA-Panel is required.

**Explanation:**

"Statements on Auditing Standards (SASs) are issued by the Auditing Standards Board (ASB), the senior technical body of the American Institute of Certified Public Accountants (AICPA) designated to issue pronouncements on auditing matters. Rule 202 of the Institute`s Code of Professional Conduct requires adherence to the applicable generally accepted auditing standards promulgated by the Institute. It recognizes Statements on Auditing Standards (SASs) as interpretations of generally accepted auditing standards and requires that members be prepared to justify departures from such Statements.

Interpretations are issued by the Audit Issues Task Force of the Auditing Standards Board (ASB) to provide timely guidance on the application of pronouncements of that Board. Interpretations are reviewed by the Auditing Standards Board. An interpretation is not as authoritative as a pronouncement of that Board, but members should be aware that they may have to justify a departure from an interpretation if the quality of their work is questioned."

*Codification of Statements on Auditing Standards (Including Statements on Standards for Attestation Engagements) as of January 1, 2000, AICPA, New York 2000.*

---

Approval of the *USGAASPC Terms of Reference* by

- GCPAS CPA-Panel
- GCPAS Standing Technical Committee USGAASPC (Chairman)
- GCPAS Council

The approval includes the permission and the commitment to publish the *USGAASPC Terms of Reference* on the Internet-Homepage of the GCPAS.

|                   |
|-------------------|
| <b>CPA-Panel:</b> |
|-------------------|

---

Steve Staresinic CPA  
Director General des CPA-Panel  
Mitglied des Executive Committee

---

Datum

---

Dipl.-Oec. Peter Leibfried MBA CPA  
President des Executive Committee

---

Datum

---

Dipl.-Kfm. Jörg Müller WP StB CPA  
Deputy President des Executive Committee

---

Datum

---

Dipl.-Kfm. Ralph Brinkmann  
Mitglied des Executive Committee

---

Datum

---

Dipl.-Oec. Klaus Wendlandt CPA

---

Datum

|  |
|--|
| <b>US GAAS Practice Committee (USGAASPC)</b> |
|--|

---

Dipl.-Kfm. Ralph Brinkmann, USGAASPC-Chairman

---

Datum

|                |
|----------------|
| <b>Council</b> |
|----------------|

Der Council stimmt den Terms of Reference des Standing Technical Committee der GCPAS in der vorliegenden Form uneingeschränkt zu.

---

Dipl.-Oec. Klaus Wendlandt CPA

---

Datum

---

Steve Staresinic CPA

---

Datum

---

Dipl.-Kfm.. Ulrich Sommer CPA

---

Datum

---

Dipl.-Kfm. Jörg Müller WP StB CPA

---

Datum

---

Dipl.-Oec. Peter Leibfried MBA CPA

---

Datum

---

Dipl.-Betriebswirt (FH) Rainer Köhler

---

Datum

---

Dipl.-Kfm. Ralph Brinkmann

---

Datum