

LETTER TO THE EDITOR

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D. Larry Crumbley
Journal of Forensic Accounting
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Baton Rouge, LA 70803

Dear Dr. Crumbley:

In their article "SSARS 10: Check Your Malpractice Insurance" (*Journal of Forensic Accounting*, June, 2005), authors Harry Cendrowski, Lawrence R. Donaldson, and James Martin provide some valuable insight into how accountants can protect themselves from litigation risk in the performance of review engagements. However, the authors seem to misplace the reasons for the increased litigation risk on Statement on Standards for Accounting and Review Services No. 10, Performance of Review Engagements as opposed to the dangerous business environment in which we all currently reside. The following areas are where we believe the authors' logic is misplaced.

The authors make the comment that

the guidance for inquiries regarding fraud in a review engagement [as provided in SSARS 10] opens a Pandora's Box of issues, pitfalls, and risks for the accountant. Under the new standard, accountants performing review engagements will need to identify fraud indicators in different business processes, understand the potential impacts of that fraud on the financial statements, and be able to identify additional inquiries or analytical procedures based on the potential for fraud within the organization. In short, the accountant will need to develop a fraud awareness and deterrence mindset in order to manage the risk associated with the performance of a review engagement.