



# Washington State Board of Accountancy

**Policy Number:** 2003-1

**Title:** Safe Harbor Report Language for Use by Non-CPAs\*

**Revised:** October 17, 2008\*

**Effective:** January 31, 2003

**Approved:**

A handwritten signature in cursive script, appearing to read "Edwin G. Jolicoeur".

**Edwin G. Jolicoeur, CPA, Chair**

\*This policy rescinds and supersedes any previous Board policy.

## Purpose:

RCW 18.04.350 (10) states that persons or firms composed of persons not holding a license under RCW 18.04.215 (i.e., non-CPAs) may offer or render certain services to the public, including the preparation of financial statements and written statements describing how such financial statements were prepared, provided they do not:

- Designate any written statement as an "audit report," "review report," or "compilation report,"
- Issue any written statement which purports to express or disclaim an opinion on financial statements which have been audited, and
- Issue any written statement which expresses assurance on financial statements which have been reviewed.

In April of 1989, the Board approved two alternatives as "safe harbor" report language for use by non-CPAs. Non-CPAs may use the language in the following paragraphs without challenge by the Board as a violation of RCW 18.04.345. The words "audited," "reviewed," "compiled," or "compilation" may not be inserted or substituted for the language found in the letters.

CPA-Inactive certificate holders may not use the 'CPA-Inactive' title when performing or offering accounting, tax, tax consulting, management advisory, or similar services to the public. As such, CPA-Inactive certificate holders are prohibited from using the safe harbor report language concurrent with the CPA-Inactive title.

**Safe harbor report language Sample #1:**

The accompanying balance sheet of ABC Company, as of December 31, 1988 and related statement of income for the year then ended have been prepared by me (us).

These statements have been prepared from information furnished by management (owner), and accordingly, I do not express any assurance on them.

Substantially all of the disclosures and the statement of cash flows have been omitted from these statements.

(Presented in conformity with GAAP)  
(Without statement of cash flows and disclosures)

**Safe harbor report language Sample #2:**

The accompanying balance sheet of ABC Company, as of December 31, 1988 and related statement of income for the year then ended have been prepared by me (us).

My engagement was limited to presenting in the form of financial statements information that is the representation of management (owner), and accordingly, I do not express any assurance on them.

Substantially all of the disclosures and the statement of cash flows have been omitted from these statements.

(Presented in conformity with GAAP)  
(Without statement of cash flows and disclosures)