

HISTORICAL SUMMARY OF REFERENCES TO “CERTIFICATES” IN U.S. AUDITING STANDARDS

■ **1940:** The AICPA’s Statement on Auditing Procedure (SAP) No. 3 contained the earliest standard report promulgated by a professional standards setter, a “restatement [from earlier versions that pre-date the standards setting process beginning in 1933 coincidentally with the Federal Securities Act] of the standard short form of independent certified public accountant’s report,” but it contained no reference to a “certificate” and no use of the word, “certify” (which word has never been seen in a U.S. auditing standard before or after 1940).

■ **1941-42:** SAP Nos. 5, 6 and 12, referred to the SEC’s revised Rule 2-02 of Regulation S-X regarding the form of “accountant’s certificates.” Without articulating any objection to the SEC term, these auditing standards clearly implied a preference for some variation of “independent certified public accountant’s report or opinion” and in all but the earliest instance, placed the term, “certificate,” in quotation marks.

■ **1948:** Following the AICPA membership resolution that defined “generally accepted auditing standards,” SAP No. 24 referred to the audit report (even in its title) as the “short form accountant’s report or certificate.”

■ **1951:** The Codification of Statements on Auditing Procedure (Nos. 1-24), issued in 1951, used the following, all-inclusive expression (once again, subtly implying, without stating a preference, for the term. “report”): “short form of accountant’s report (sometimes described as a ‘certificate,’ an ‘opinion,’ a ‘report,’ or a ‘report and opinion’),” but it also cited the reference to a “certificate” contained in Rule 2-02 of the SEC’s Reg. S-X.

■ **1962-63:** According to SAP Nos. 32 and 33, SEC Reg. S-X references to a certificate contained in Rules 2-02 and 2-05 (the latter of which, incidentally, also uses the term, “certification of the financial statements”) were still there, (This is no longer the case,) Except for these 1962-63 references to Reg. S-X, the last use of the term, “certificate,” in a U.S. auditing standard appeared in the 1951 codification. SAP No. 33 (the 1963 recodification of the substance of all preceding auditing standards deemed to be “of continuing interest to the independent auditor”), referred only to auditor’s “reports” (except for continuing references to the aforementioned SEC terminology) and made it clear that the term, “opinion,” should be used only in reference to a portion of, but not the whole, report. Readers will agree that 1963 was a long time ago.

SAP No. 33 (chapter 12, paragraph 6) also contained the following clear disclaimer of certification:

“The concept of management’s basic responsibility for financial statements and of the auditor’s responsibility being confined to his opinion on such statements has become firmly established since the general adoption of the conventional short-form report. Under this concept, the independent auditor is expressing his professional opinion and is not “certifying” to facts true to his own knowledge.”