

4701-9-04

**Generally accepted accounting principles.**

- (A) An Ohio permit holder shall not express an opinion or state affirmatively that financial statements or associated financial data of any entity are presented in conformity with generally accepted accounting principles, or express any negative assurance that such statements or data are in conformity with generally accepted accounting principles in all material respects, unless the financial statements and data are presented in conformity with generally accepted accounting principles applicable to both the entity under examination and to the particular engagement. Generally accepted accounting principles, including the pronouncements defined in paragraph (D), (E), or (F) of this rule, and the hierarchy of their application, are defined in the "Statements of Financial Accounting Standards" issued by the "Financial Accounting Standards Board" and published on that ~~organization's~~ [agency's website \(www.fasb.org\)](http://www.fasb.org).
- (B) If the financial statements or associated data in paragraph (A) of this rule contain any departure ~~from the pronouncements defined in paragraph (D), (E), or (F) of this rule, as applicable,~~ that has a material effect on the financial statements and data, taken as a whole, [from the pronouncements defined in paragraph \(D\), \(E\), or \(F\) of this rule](#), then the Ohio permit holder cannot express an opinion on the financial statements and data unless the Ohio permit holder follows the procedure defined in paragraph (C) of this rule.
- (C) If the Ohio permit holder can demonstrate that adherence to the pronouncements defined in paragraph (D), (E), or (F) of this rule, as applicable, would result in misleading financial statements or data due to unusual circumstances, the Ohio permit holder's report must describe the departure from the pronouncements, the approximate effects thereof if practicable, and the reasons why compliance with the pronouncements would result in misleading financial statements or data.
- (D) The primary authoritative source of generally accepted accounting principles for non-governmental entities are defined as "FASB Accounting Standards Codification" published by the "Financial Accounting Standards Board" as of October 31, 2010: [and listed on the agency's website \(www.fasb.org\)](#)
- (E) The primary authoritative source of generally accepted accounting principles for state and local government entities are defined as "Original Pronouncements: Governmental Accounting and Financial Reporting Standards" and "Codification of Governmental Accounting and Financial Reporting Standards" published by the "Governmental Accounting Standards Board" as of June 30, 2010: [and listed on the agency's website \(www.gasb.org\)](#)
- (F) The primary authoritative source of generally accepted accounting principles for federal government entities are defined as "Original Pronouncements: Statements of Federal Financial Accounting Concepts and Standards" and "Current Text:

Statements of Federal Financial Accounting Standards" issued by the "Federal Accounting Standards Advisory Board" and published on ~~that~~[the](http://www.fasab.gov) agency's website (www.fasab.gov).

(G) An Ohio permit holder may comply with one or more of the "International Financial Reporting Standards" issued by the "International Accounting Standards Board" and published on the "IFRS Foundation" website (www.ifrs.org).