AICPA Peer Review Program Manual Conforming Changes

Unless otherwise noted, peer reviewers should adhere to the revised guidance, forms, and checklist for peer reviews commencing on or after March 1, 2013.

The following is a summary of conforming changes related to the scope of system reviews and must select engagements that are included in AICPA Peer Review Program Manual (update 00-7 [March 2013]). Additional discussion of recently approved changes to guidance that affect the scope of system reviews and must select engagements may be found in Peer Review Alert (PRA) 12-04 (October 2012), which may be found online at www.aicpa.org/InterestAreas/PeerReview/NewsAndPublications/DownloadableDocuments/PRUpdate1012.pdf.

AICPA Standards for Performing and Reporting on Peer Reviews

The following standards for performing and reporting on peer reviews have been conformed to recently approved guidance:

- Paragraphs .07, .35, .58, and .103–.04 of PRP section 1000, AICPA Standards for Performing and Reporting on Peer Reviews.

- Appendix A, “Summary of the Nature, Objectives, Scope, Limitations of, and Procedures Performed in System and Engagement Reviews and Quality Control Materials Reviews (as Referred to in a Peer Review Report)” has been revised to reflect revised guidance designating engagements to examine Service Organization Controls (SOC) as must select engagements.

- Appendix B, “Considerations and Illustrations of Firm Representations,” of PRP section 1000 has been revised to clarify when engagements are included in the scope of peer review based on period end date or report date. Specifically, the fourth sentence of the illustrative representation letters has been clarified such that only financial forecasts and agreed upon procedures are included in the list of engagements during the peer review based on report dates rather than period end dates.

Appendixes C—E, G, I, and K have been revised to reflect recently approved changes to the peer review report wording for system reviews. Specifically, the second paragraph, which is tailored according to must-select engagements selected for review by the peer reviewer, was revised to include examinations of service organization controls (that is, SOC 1 and 2 engagements).

Peer Review Standards Interpretations

The following interpretations have been added in connection with new and revised guidance regarding the scope of system reviews and must select engagements:

- Interpretation No. 7-2 under “Engagements Under Peer Review”
- Interpretation No. 14-2 under “Timing of Peer Reviews”
• Interpretations No. 35-1 and 35-2 under the new category, “Qualifying for Service as a Specialist”
• Interpretation No 63-3 under “Office and Engagement Selection in System Reviews”

The following interpretations have been revised to conform to recently approved guidance:

• Interpretation No. 8-1 under “Reviewed Firm’s Office”
• Interpretations No. 14-1 and 18-1 under “Timing of Peer Reviews”
• Interpretations No. 59-1, 59-2, and 63-1 under “Office and Engagement Selection in System Reviews”
• Interpretations No. 103-1 under “Election to Have a System Review”
• Interpretation No. 132-1 under “Qualifying for Service as a Peer Review Committee Member, Report Acceptance Body Member, or Technical Reviewer”

Report Acceptance Body Handbook

The following chapters and exhibits in the Report Acceptance Body (RAB) handbook have been revised to conform to recently approved guidance:

• Chapter 1, guidance on qualifications of committee or RAB members.
• Exhibit 2-1 and all attachments to exhibits 2-2 and 2-3 in chapter 2.
• Chapter 5, guidance on the process a review captain follows in selecting, evaluating, and concluding on the engagements reviewed in an engagement review, and reviewer performance deficiencies.

New and Revised Checklists

Review attestation engagements have been scoped out of PRP sections 21,000, Examination Attestation Engagement Checklist (For Financial Statements With Periods Ending on or after December 15, 2012), and 21,000A Examination Attestation Engagement Checklist (For Financial Statements With Periods Ending before December 15, 2012). Review attestation engagements are now covered by PRP section 21,050 Review Attestation Engagement Checklist (for Financial Statements With Periods Ending on or After December 15, 2012). Please note that a peer reviewer may complete either PRP section 21,000A or PRP section 21,050 when performing a peer review on review attestation engagements for financial statements with periods ending before December 15, 2012.

PRP section 21, 150, Reporting on Controls at a Service Organization Checklist (SOC 2 Reports) has been created for use when peer reviewing SOC 2 engagements. PRP section 21,100, Reporting on Controls at a Service Organization Checklist (SOC 1 Reports), will continue to be used for SOC 1 engagements. For SOC 3 engagements, peer reviewers will use the applicable attestation engagement checklists based on the nature of the engagement (that is, examination, review, or agreed upon procedure).
Examinations under Statements on Standards for Attestation Engagements are no longer covered under PRP section 23,500, *Engagement Reviews—Other Attestation Engagement Checklist*, since they are no longer applicable in engagement reviews. PRP section 23,500 has been updated accordingly.

**Conforming Changes Made to Other Sections of the AICPA Peer Review Program Manual**

The following sections of the AICPA *Peer Review Program Manual* also have been revised to conform to recently approved guidance:

- PRP section 3100, *Supplemental Guidance*
- PRP section 4100, *Instructions to Firms Having a System Review*
- PRP section 4200, *Instructions to Reviewers Performing System Reviews*
- PRP section 4800, *Summary Review Memorandum*
- PRP section 4900, *Team Captain Checklist*
- PRP section 6100, *Instructions to Firms Having an Engagement Review*
- PRP section 6200, *Instructions to Reviewers Performing Engagement Reviews*
- PRP section 6300, *Review Captain’s Checklist*
- PRP section 6400, *Engagement Statistics Data Sheet*
- PRP section 10,000, *Monitoring Guidance*

**General Information Regarding Checklist Updates**

- The checklists were conformed to the clarified auditing standards in update 00-6 (January 2013). Checklists for use on engagements covering financial statements for periods ending on or before December 15, 2012 are designated with a capital letter “A” after the checklist number.
- See the instructions of each checklist for information on the standards used to update the checklist.