AICPA Peer Review Program Manual Update 00-9 (April 2014) Release Notes

Unless otherwise noted, peer reviewers should adhere to the revised guidance, forms, and checklists for peer reviews commencing on or after April 1, 2014.

AICPA Standards for Performing and Reporting on Peer Reviews and Related Interpretations (PRP sections 1000 and 2000)

The following Standards for Performing and Reporting on Peer Reviews (Standards), and related interpretations, have been conformed to recently approved guidance as described in the February Alert No. 14-1 (related to the coordination of peer review and PCAOB inspections, and noncooperation revisions regarding the completeness of peer review scope):

- Standards paragraphs .06-.07, .103, .164, .208 (Appendix B) and .209-.226 (Appendices C-T)
- Interpretations No. 1-2 and 1-4 under “Use of the Standards”
- Interpretation No. 5h-1 under “Cooperating in a Peer Review”
- Interpretations No. 6-7 and 6-8 under “Engagements Performed and/or Reported Under International Standards”
- Interpretations No. 7-1 and 7-2 under “Engagements Under Peer Review”
- Interpretation No. 11-1 under “Peer Reviews To Be Administered by the National Peer Review Committee”
- Interpretation 14-1 under “Timing of Peer Reviews”
- Interpretation 25-1 under “Peer Review Documentation and Retention Policy”
- Interpretation 40-2 under “Other Planning Considerations”
- Interpretation 103-1 under “Election to Have a System Review”
- Interpretation No. 6-9 under “Engagements Subject to PCAOB Inspection” has been added.

Standards paragraph .14 was modified, and Interpretation 33-2 under “Qualifying for Service as a Peer Reviewer” was deleted, to conform to previously approved guidance.

Report Acceptance Body Handbook (PRP Section 3300)

The following chapters and exhibits in the Report Acceptance Body (RAB) Handbook have been revised to conform to recently approved guidance as described in Agenda Item 1.4 of the Peer Review Board’s January 2014 open session materials (related to changes in the SRM, Team Captain Checklist, Review Captain Checklist and Engagement Statistics Data Sheet):

- Chapter 2
  - Section IV-A-6
  - Section V-A-4
  - Exhibits 2-2 and 2-3 Technical Reviewer’s Checklists) including deletion of Attachment 2 (Engagement Statistics Data Sheet) for each
Engagement Checklists (PRP Sections 20,000 and 23,000)

All engagement checklists have been revised, with the exception of:

- 22,160 Supplemental Checklist for Review of Broker-Dealer Audit Engagements (to be updated later in 2014 to coincide with audit guide updates)
- Checklists with the suffix “A” signifying that they are for financial statements with periods ending before December 15, 2012

Three new checklists are now available:

- 22,400 FRF for SMEs™ Financial Reporting and Disclosure Checklist for System Reviews
- 22,500 IFRS Financial Reporting and Disclosure Checklist
- 23,700 FRF for SMEs™ Financial Reporting and Disclosure Checklist for Engagement Reviews

Besides being updated to the most current professional standards, the engagement checklists have a more logical flow and will make the review process go more smoothly. Some of the highlights include:

- A streamlined engagement profile focusing more on the high-risk engagement areas
- Rearranged questions to provide a logical engagement review flow
- Functional area questions were incorporated into the relevant sections of the checklist
- Redesign of the significant audit areas matrix to be more of a planning document than a summary document

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 the previously referred to changes:

- PRP section 3100, Supplemental Guidance
- PRP section 3200, Peer Review Alerts
- PRP section 3600, Guidance for Writing Letters on Corrective Actions and Implementation Plans by Outside Parties
- PRP section 4100, Instructions to Firms Having a System Review
- 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 Summary* (formerly the Review Captain Checklist)
- PRP section 23,100 *Instructions for Use of Reviewer’s Engagement Checklists – Engagement Reviews*

In addition, PRP section 6400, *Engagement Statistics Data Sheet* was deleted.