



Investment Companies Expert Panel

Applicable Audit, Attestation and Independence Standards

July 2022

The Investment Companies Expert Panel serves the needs of AICPA members on financial and business reporting and audit and attest matters. The expert panel protects the public interest by bringing together knowledgeable parties in the investment companies industry to deliberate and come to agreement on key issues.

The following table summarizes the **audit, attestation and independence standards** applicable to AICPA members performing audit and attestation engagements for certain SEC-registered entities as well as those not registered with the SEC. This table is based upon current applicable rules and/or law, as well as the [AICPA Code of Professional Conduct](#).

The table that follows is not inclusive of all scenarios. The SEC offers additional scenarios and relevant information about qualifications of accountants in the [SEC Division of Corporation Financial Reporting Manual](#).

	Applicable Audit/ Attest Standards	Applicable Independence Standards ¹	Is the <u>audit/attest engagement</u> subject to PCAOB inspection?
1. Investment companies registered with the SEC or regulated under the Investment Company Act of 1940	PCAOB	PCAOB and SEC	Yes
2. Investment companies (not registered with the SEC or regulated under the Investment Company Act of 1940 and whose financial statements are not being used to satisfy the “audit provision” under the SEC custody rule) ²	AICPA	AICPA	No
3. Pooled Investment Vehicle (PIV) when PIV’s SEC RIA relies on “audit provision” under the SEC custody rule ²	AICPA	AICPA and SEC ³	No
4. Internal control report for SEC custody rule compliance purposes	AICPA	AICPA and SEC ³	No
5. Annual surprise examination of an RIA for custody rule compliance purposes under the SEC custody rule	AICPA	AICPA and SEC ³	No
6. Transfer agent report filed under Exchange Act rule 17Ad-13	AICPA	AICPA and SEC	No
7. Regulation S-X rule 3-09 filing	AICPA ⁴	AICPA ⁴ and SEC	No
8. RIA filing balance sheet with SEC in accordance with requirements of Item 18.A of Form ADV Part 2	AICPA	AICPA and SEC	No
9. SEC-registered investment advisers (RIAs) also registered with the SEC as broker-dealers	PCAOB	PCAOB and SEC	Yes
10. Examinations of securities pursuant to SEC rules 17f-1 and 17f-2	AICPA ⁵	AICPA and SEC	No
11. GIPS examinations for RIAs	AICPA	AICPA	No

¹ Constituents should also consider the impact of affiliate relationships, including investment company complex, as applicable.

² SEC’s [custody rule](#) (§275.206(4)-2) applicable to SEC RIAs, contains an “audit provision” (§275.206(4)-2(b)(4)(i)) entitling advisers to PIVs to an exception from a surprise examination requirement if the PIV has its financial statements audited by an independent public accountant registered with, and subject to regular inspection by, the PCAOB.

³ The following SEC independence rules do not apply to engagements conducted pursuant to the Custody Rule, since they only apply to issuer audits:

- Employment cooling-off for former members of the audit engagement team (Rule 2-01(c)(2)(iii)(B)-(C))
- Partner rotation (Rule 2-01(c)(6))
- Audit committee administration of the engagement (i.e., audit committee pre-approval) (Rule 2-01(c)(7))
- Audit partner compensation (Rule 2-01(c)(8))

For more information, visit [SEC FAQs Application of the Commission's Rules on Auditor Independence](#).

⁴ PCAOB standards and independence rules are also applicable (in addition to the AICPA) when the auditor of the registrant references the auditor of the investee in the registrant’s filing.

⁵ Refer to September 2017 AICPA Investment Companies Expert Panel meeting highlights.