



June 2021 Update of the AICPA Professional Literature

ALERTS AND AICPA GUIDES

The 2021 edition of the following AICPA Guide is being released:

State and Local Governments (aag-slg)

State and local government audit and accounting is changing rapidly. Stay updated with the most current guidance.

Featuring insights and best practices for some of the more complex areas such as leases, fiduciary activities, pensions, and postemployment benefits other than pensions (OPEB), this authoritative guide provides complete coverage of audit and accounting considerations critical for both preparers and auditors.

Topics covered also include

- Financial reporting and the financial reporting entity
- Revenue and expense recognition
- Capital asset accounting
- The elements of net position
- Accounting for fair value
- Municipal securities offerings
- Tax abatements

Due to the timing of the effective dates of Statement on Auditing Standards (SAS) Nos. 134–140, this edition of the guide has been updated to reflect changes as a result of SAS Nos. 134–141. For auditors that are not early implementing SAS Nos. 134–140, it will be necessary for auditors to look back to the 2020 AICPA Audit and Accounting Guide *State and Local Governments* (as of April 1, 2020) for the auditing guidance and illustrative auditor reporting in effect prior to SAS Nos. 134–140. The 2020 edition of the guide remains available in all formats in the AICPA store through <https://future.aicpa.org/cpe-learning>. This edition of the guide is relevant to auditors that have implemented SAS Nos. 134–140 early and generally for all audits of financial statements for periods ending on or after December 15, 2021 (or as specified by the individual standard).

BEST PRACTICES IN PRESENTATION AND DISCLOSURE

No updates for June 2021.

CHECKLISTS AND ILLUSTRATIVE FINANCIAL STATEMENTS

No updates for June 2021.

PCAOB STANDARDS AND RELATED RULES

No updates for June 2021.

PEER REVIEW PROGRAM MANUAL

This update reflects the following:

(Note: This update will be effective for reviews commencing on or after July 1, 2021.)

- Decisions from the May 2021 Peer Review Board meeting related to SEC-registered broker-dealer engagements, performing system review procedures remotely, and training requirements for technical reviewers, which has resulted in various PRP section updates, including section 1000, 2000, and 3300 (see webpages and OPL for other impacted sections).
 - This includes changes to the peer review report and firm representation letter, and the elimination of the 21300 SEC-Registered Broker-Dealer Audit and Attest Engagements Checklist after a transition period.
- Enhancements to various practice aids, including the following:
 - 3400, *Technical Reviewer's Checklists*
 - 4800, *Summary Review Memorandum (SRM)*
 - 4900, *Team Captain Checklist*
 - 6300, *Review Captain Checklist*
- Conforming changes made to practice management toolkits

PRACTICE AIDS AND TOOLS

The 2021 edition of the following practice aid is being released:

Accounting for and Auditing of Digital Assets

The objective of this practice aid is to develop nonauthoritative guidance on how to account for and audit digital assets under U.S. generally accepted accounting principles (GAAP) and generally accepted auditing standards (GAAS), respectively. This guidance is intended for financial statement preparers and auditors with a fundamental knowledge of blockchain technology.

PRINCIPLES AND CRITERIA FOR XBRL-FORMATTED INFORMATION

No updates for June 2021.

AICPA PROFESSIONAL STANDARDS

U.S. Auditing Standards – AICPA (CLARIFIED) [AU-C]

This update issues SAS No. 144, *Amendments to AU-C Sections 501, 540, and 630 Related to the Use of Specialists and the Use of Pricing Information Obtained From External Information Sources*.

SAS No. 144 amends AU-C section 501, *Audit Evidence – Specific Considerations for Selected Items*; AU-C section 540, *Auditing Accounting Estimates and Related Disclosures*; and AU-C section 620, *Using the Work of an Auditor's Specialist*.

This update also adds AU-C sections 501A, 620A, and 9620A, *Using the Work of an Auditor's Specialist*:

Auditing Interpretations of Section 620A, to retain currently effective guidance until SAS No. 144 becomes effective. SAS No. 144 is effective for audits of financial statements for periods ending on or after December 15, 2023.

Due to the effective dates of the respective standards, the updated AU-C section 501 also reflects amendments from SAS Nos. 142, *Audit Evidence*, and 143, *Auditing Accounting Estimates and Related Disclosures*.

PEER REVIEW [PR]

This update also revises PR sections 100, *Standards for Performing and Reporting on Peer Reviews*, and 9100, *Standards for Performing and Reporting on Peer Reviews: Interpretations of Section 100*, for various conforming and editorial changes.

TECHNICAL QUESTIONS AND ANSWERS

No updates for June 2021.

AICPA TRUST SERVICES CRITERIA

No updates for June 2021.

SUPPORTING DOCUMENT COLLECTION

This update includes the following documents:

- ARSC Meeting Highlights (January 28, 2021)
- ASB Meeting Highlights (January 11–14, 2021)
- ASB Meeting Highlights (March 10, 2021)