

# Interim Reviews

---

Dominika Taraszekwicz  
Office of the Chief Auditor  
PCAEOB SEIAG Meeting  
June 29, 2023

# AGENDA

- The Scope and Objective of an Interim Review
- Interim Review Procedures
- Evaluating and Communicating the Results of an Interim Review

# THE SCOPE AND OBJECTIVE OF AN INTERIM REVIEW

## Questions for Discussion:

- What are the expectations of investors, preparers and other stakeholders with regard to reviews of interim financial information? Do you believe there is an expectations gap among different stakeholders with respect to the level of assurance provided in an interim review?
- The objective of AS 4105 is to provide the auditor with a basis for communicating whether the auditor is aware of any material modifications that should be made to the interim financial information for it to conform to financial reporting requirements. In your experience, is there a clear understanding among stakeholders of what constitutes a material modification in an interim review? If not, what additional information is needed?

# INTERIM REVIEW PROCEDURES (CONT'D)

## Questions for Discussion:

- In your view, what are the advantages or disadvantages of a more risk-based approach to interim reviews? Would there be practical challenges to an approach that, similar to an audit, requires additional attention to areas that are more likely subject to material misstatement?
- Should procedures other than inquiry and analytical procedures be required to be performed in an interim review? If so, what type of procedures should be required and under what circumstances?

# INTERIM REVIEW PROCEDURES (CONT'D)

## Questions for Discussion:

- In your experience, what type of analytical procedures are most effective in meeting the objectives of an interim review? For example, should analytical procedures related to revenue be required in all interim reviews? Should analytical procedures on disaggregated information for accounts other than revenue be required? If so, which ones?
- In your experience, how has technology and the use of technology-assisted tools influenced how interim reviews are performed?

# INTERIM REVIEW PROCEDURES (CONT'D)

## Questions for Discussion:

- In your experience, what type of year-end audit procedures are commonly performed concurrently with an interim review? Should there be specific requirements for coordinating the auditing and interim review procedures? If so, what should be required?
- What additional procedures could be performed if the auditor becomes aware of information that indicates the interim financial information is not in conformity with the applicable financial reporting framework?

# EVALUATING AND COMMUNICATING THE RESULTS OF AN INTERIM REVIEW

## Questions for Discussion:

- Would there be benefit in requiring the auditor to issue a review report to the audit committee?
- In your experience, are there specific circumstances not addressed in AS 4105 that may occur during an interim review that warrant additional procedures or communication to the audit committee?