

Peer Review

Introduction

The concept of peer review	Firstly come into existence in March 2002.
Peer Review ensure that in professional assignments	The member of ICAI comply with technical standard and have proper system to maintain quality of work
The reviewer should be member of ICAI having	At least 10 years cumulative audit experience & currently in practice.

Stage I

Peer Review Board intimates Practice Unit (individual/firm) in writing	About its selection for peer review and a panel of 3 reviewers with a copy of questionnaire is also sent to Practice Unit (PU).
Within 15 days from receipt of intimation PU intimates	Its choice of reviewer from above mentioned panel of 3 reviewers.
Within one month from receipt of intimation	PU send completed questionnaire to reviewer along with complete list of client.
The reviewer would select	A representative sample of attestation service engagement on random basis for review.
In consultation with PU the reviewer fix the date for on-site review	To complete the peer review process within 4 months of the receipt of intimation.

Stage II

Reviewer and PU initially meet	To confirm the accuracy of responses to questionnaire and to understand the system prevailing in the PU.
Reviewer carry out compliance review to understand working and control procedure of PU	There are 5 key controls viz. (a) independence (b) consultation (c) staff selection (d) supervision and office administration (e) maintenance of professional skills and standards.
The reviewer can modify	The initial sample selected for review in consultation with PU at the execution stage.

Based on Compliance Review the reviewer will decide	The Nature Timing and Extent of substantive procedures to be applied.
For small PUs the reviewer may adopt	Only substantive approach for conduct review and the compliance approach is not necessary.
The reviewer establish	The appropriateness of factors by reviewing the documentation available within the PU.
Stage III	
At the end of review firstly preliminary report is sent to PU	If reviewer noticed any deficiencies or non-compliances in system and procedures or any such other matter.
PU should reply in writing	Within 21 days from receipts of the preliminary report.
If the reviewer is not satisfied with reply	Then he sends interim report to Peer Review Board (PRB).
The Board may recommends to PU and instruct the Reviewer to carry out	Review again after 6 months to verify systems and procedures have been modify appropriately.
If the reviewer satisfied with the reply of the PU	The Final Report submits to the Board incorporating the findings as discussed with PU.