

## **APRIL 1, 2006 UPDATE TO THE SIMULATIONS: IMPORTANCE OF THE NEW TUTORIAL AND PRACTICE TEST**

Effective April 1, 2006, a new version of the simulations were released for the Uniform CPA Examination. The new simulations provide a more seamless and intuitive way for candidates to navigate through simulations. After the April - May and July - August testing windows it has become clear that candidates who do not review the new tutorial and practice test (available at [www.CPA-Exam.org](http://www.CPA-Exam.org)) do experience difficulty making the transition to new simulations. **It is imperative that before taking your next examination (AUD, FAR or REG) that you review the new tutorial and practice test, especially if you have not taken the AUD, FAR or REG examination since April 1, 2006.** While you should review all aspects of the examination, you should pay particular attention to the following;

**Transfer to answer button:** The way that you provide answers in the research section has changed considerably. While it is greatly simplified over the original simulations, you will have difficulty if you do not understand how to use the "Transfer to Answer" functionality. This includes using the split-screen functionality which requires that the literature be displayed in one window, and the response area of the question be displayed in the other. Practice repeatedly with the practice examination and you should have no difficulty with this new functionality.

### **TESTING OF NEW PRONOUNCEMENTS: A POLICY UPDATE** **New Auditing Standards**

*Statements on Auditing Standards No. 104-111 (SAS 104-111)*, collectively known as "risk assessment standards," were approved by the Auditing Standards Board of the AICPA in March 2006. These standards are effective for audits of financial statements for periods beginning on or after December 15, 2006. Early application is permitted.

**The AICPA Board of Examiners (BOE) has decided that the new risk assessment standards will NOT be eligible to be tested on the Uniform CPA Examination until the July/August 2007 testing window.** SAS 104-111 reflect a significant change in the professional standards and the requirements for conducting an audit. As an exception to current policy, the new risk assessment standards will NOT be tested concurrently with existing standards. This policy exception applies only to the Auditing and Attestation (AUD) examination section as it relates to SAS 104-111.

### **All Other New Pronouncements**

The current policy remains in effect for all other new pronouncements. This policy states that new pronouncements are eligible to be tested on the Uniform CPA Examination in the testing window beginning *six months after a pronouncement's effective date*, unless early application is permitted.

When early application is permitted, the pronouncement is eligible to be tested in the window beginning *six months after the issuance date*. In this case, both the old and new pronouncements may be tested until the old pronouncement is superseded.

For the federal taxation area, the Internal Revenue Code and federal tax regulations *in effect six months before the beginning of the current window* may be tested.

For all other subjects covered in the Regulation (REG) and Business Environment and Concepts (BEC) sections, materials eligible to be tested include *federal laws in the window beginning six months after their effective date*, and *uniform acts in the window beginning one year after their adoption by a simple majority of the jurisdictions*.