

2012 CIRA COMPILATION AND REVIEW OVERVIEW FOR KNOWLEDGE COACH USERS

PURPOSE

This document is published for the purpose of communicating, to users of the toolset, updates and enhancements included in the current version. This document is not, and should not be used as, a program to update the engagement documentation of an engagement started in a previous version of this product.

WORKPAPER UPDATES AND ROLL FORWARD NOTES

General Roll Forward Note:

You must be the current editor of all Knowledge Coach workpapers to update to the latest content, and you must be the current editor upon opening the updated workpaper for the first time to ensure you see the updated workpaper.

The 2012 Knowledge-Based™ Audits, Compilations, and Reviews of Common Interest Realty Associations is current through Statement on Standards for Accounting and Review Services No. 20 (SSARS-20), Revised Applicability of Statements on Standards for Accounting and Review Services; AR Section 9080, Compilation of Financial Statements—Accounting and Review Services Interpretations of Section 80; and AR Section 9090, Review of Financial Statements—Accounting and Review Services Interpretations of Section 90.

Compilation Programs (CMPs):

- To enhance usability and increase efficiency, CMP-101, CMP-801, and CMP-802 were combined to create a single comprehensive CMP-101 Overall Compilation Program and the previous CMP-801 and CMP-802 were deleted from the toolset.
- Compilation programs have been updated throughout to indicate that “notations have been made where specific requirements apply to engagements involving compilation of a specified element, account, or item of a financial statement, compilation of pro forma financial information, or compilation of personal financial statements.”

Specific Compilation Program Enhancements:

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
CMP-101 Overall Compilation Program					
New	Contact the client to determine when information and client personnel will be available so that staff can begin compilation procedures."	Procedure steps	N	N/A	
New	Review prior year's financial statements, workpapers, budget, and budget/actual comparisons to evaluate the time necessary to complete the engagement and: a. Identify any specific known matters, affecting the current or prior period, that may require additional or less time compared to the previous	Procedure steps	N	N/A	

	<p>period.</p> <p>b. Consider changes occurring at the client, such as changes in volume, processes, product mix, or personnel, which may require additional or less time compared to the previous period.</p> <p>c. Consider whether staff with specific expertise is needed for, or will enhance the effectiveness or efficiency of, the engagement.</p>				
New	Schedule meeting with engagement staff to prepare for the engagement.	Procedure steps	N	N/A	
New	<p>Previous step 1 modified with new substeps as follows:</p> <p>Instruct staff adequately about the engagement and:</p> <p>a. Remind or inform staff of the nature of the client's business and the content of the client's financial statements.</p> <p>b. Discuss items on the financial statements that may require particular attention as a result of:</p> <p>i. Their significance to users.</p> <p>ii. Their proneness to error or misstatement.</p> <p>iii. Their potential to be affected by client bias.</p> <p>c. Inform staff of developments, such as changes at the client, which may affect the engagement.</p> <p>d. Discuss engagement budget and:</p> <p>i. Emphasize importance of early communication when matters may affect the budget.</p> <p>ii. Emphasize importance of "getting it right" by making certain not to ignore items that may seem incorrect, inappropriate, or otherwise attention worthy.</p>	Procedure steps	N	N/A	
New	Added tailoring for the steps that need to be performed only when not using one of the provided illustrative example engagement letters.	Procedure steps	N	N/A	Publish this workpaper before update so that you can reference data that you have selected to keep. Review and answer the new applicable questions in CMP-100 to determine what is applicable for this workpaper.
New	Added "Management's acknowledgement that the financial statements are not to be used by a third party and are for management use only (Note: This item is applicable only if the engagement is for the compilation of financial statements that are restricted for management use only)." to the list of matters to be included in the understanding with the client.	Procedure steps	N	N/A	Publish this workpaper before update so that you can reference data that you have selected to keep. Review and answer the new applicable questions in CMP-100 to determine what is applicable for this workpaper.

Modify	"Acquire" changed to "acquire or update."	Procedure steps	N	N/A	
New	Obtain or update the understanding of specialized accounting principles and practices of the CIRA industry by: a. Reviewing relevant AICPA Accounting/Audit Guides. b. Reviewing financial statements of other CIRAs. c. Consulting with other individuals familiar with accounting practices in the specialized industry. d. Reading periodicals, textbooks, and other publications. e. Performing other procedures (describe below).	Procedure steps	N	N/A	
New	Obtain or update the understanding of the CIRA and its industry, including: a. Industry, regulatory, and other external factors; b. Nature of the CIRA; c. Objectives and strategies; and d. Measurement and review of the CIRA's financial performance.	Procedure steps	No	N/A	
Modify	Describe the nature of the client's business transactions or financial activities.	Procedure steps	N	N/A	
Modify	Step Modified as follows: Describe the client's accounting records, including: a. The use of a general journal. b. The use of specialized journals c. The use of control accounts and subsidiary ledgers. d. The use of a general ledger. e. The use of manual, mechanical, or computerized accounting systems. f. Other forms and methods used to record, process, and summarize transactions (describe below).	Procedure steps	N	N/A	
Modify	The following was added to step to document the stated qualifications of new accounting personnel (include employee name, position with firm, and description of qualifications "and changes to the qualifications of returning accounting personnel, including: a. Educational background. b. Training programs. c. Work experience.	Procedure steps	N	N/A	

	d. Other qualifications.				
Modify	Items added to the consideration of whether professional services are needed to complete the engagement: a. Preparing a working trial balance. b. Preparing adjusting entries. c. Consulting on matters fundamental to the preparation of acceptable financial statements. d. Preparing tax returns. e. Providing bookkeeping or data processing services that do not include generating financial statements. f. Processing financial data for clients of another accounting firm. g. Other services considered necessary before a compilation can be performed (describe below).	Procedure steps	N	N/A	
Delete	Design and document procedures relevant to the compilation.	Procedure steps	N	N/A	
New	Consider whether the firm is independent. If it is not independent, modify the engagement letter to indicate that fact and its impact on the compilation report.	Procedure steps	N	N/A	
New	Consider and address the CIRA's significant risks and uncertainties.	Procedure steps	N	N/A	
Modify	Reference to financial statements changed to "financial statements or financial information."	Procedure steps	N	N/A	
Modify	Read the financial statements step changed to "read the financial statements or financial information, including any required supplementary information."	Procedure steps	N	N/A	
New	"Are free from mathematical or clerical errors" added to step to read the financial statements or financial information, including any required supplementary information.	Procedure steps	N	N/A	
New	If this engagement is for the compilation of financial statements that are restricted for management use only, include a legend on each page of the financial statements and supplementary data indicating the restricted nature of the presentation.	Procedure steps	N	N/A	Review and answer the new applicable questions in CMP-100 to determine what is applicable for this workpaper.
New	If any information or evidence obtained is incorrect, incomplete, or otherwise unsatisfactory,	Procedure steps	N	N/A	

	<p>or information regarding fraud or an illegal act that may have occurred is discovered:</p> <p>a. Request that management consider the effect of the matter on the financial statements and related notes, including any required supplementary information;</p> <p>b. Consider the effect of the matter on the compilation report; and</p> <p>c. In the case of information, including any required supplementary information, that is incorrect, incomplete, or otherwise unsatisfactory, consider obtaining additional or corrected information.</p>				
Modify	"Obtain a management representation letter" changed to "Consider obtaining a management representation letter."	Procedure steps	N	N/A	
New	<p>The following added to step to consider whether additional or revised information should be obtained based on information gathered including:</p> <p>a. Information collected using other compilation procedures; and</p> <p>b. Information that otherwise has come to our attention.</p>	Procedure steps	N	N/A	
New	Describe other procedures used to resolve questions raised during the compilation engagement (describe below).	Procedure steps	N	N/A	
New	Determine that all required forms and checklists have been completed.	Procedure steps	N	N/A	
Modify	"and that review notes and "to do" lists have been removed."	Procedure steps	N	N/A	
CMP-201 Pre-Compilation Program: Procedures Performed Prior to a Compilation Engagement					
New	The accountant should evaluate the required procedures to determine if they may impair independence.	Instructions	N	N/A	
New	Practice point added re: making sure the client has reviewed proposed adjusting entries.	Practice Points	N	N/A	
CMP-202 Compilation Program: Additional Procedures for Initial Year of Engagement					
Modify	Replaced "not related to accepting the compilation engagement" with "in addition to that related to accepting the compilation engagement."	Procedure steps	N	N/A	

CMP-801 Compilation Program: Compilation Performance Procedures					
Delete	Deleted previous CMP-801 and integrated it with CMP-101.		N	N/A	This version of the workpaper is "obsolete". You must manually transfer data from the obsolete workpaper to the steps in CMP-101, where applicable. This workpaper is no longer functional. No data flows in or out.
CMP-802 Compilation Program: Management-Use-Only Engagement					
Delete	Deleted previous CMP-802 and integrated it with CMP-101.		N	N/A	This version of the workpaper is "obsolete". You must manually transfer data from the obsolete workpaper to the steps in CMP-101, where applicable. This workpaper is no longer functional. No data flows in or out.
CMP-801 Compilation Program: Significant Risks and Uncertainties					
Modify	CMP-803 renumbered to CMP-801.		N	N/A	
CMP-901 Compilation Program: Report Preparation					Publish this workpaper before update so that you can reference data that you have selected to keep. Review and answer the new applicable questions in CMP-100 to determine what is applicable for this workpaper.
New	Added the following note: (Note: These procedures may be followed if the practitioner is not using one of the reports provided in the KBCR toolset.)	Instructions	N	N/A	
New	Added the following note: (Note: The accountant may—but is not required to—disclose the reasons for the lack of independence, in which case all factors impairing independence must be disclosed.	Instructions	N	N/A	
New	New section added for reporting when required supplementary information accompanies compiled financial statements.	Procedure steps	Y	AR 9080	Review and answer the new applicable questions in CMP-100 to determine what is applicable for this workpaper.
New	Does the report include a separate paragraph, presented after the paragraph describing the accountant's responsibility, that refers to the required supplementary information and explains the circumstances regarding its presentation, and: a. If the required supplementary information is included and was not compiled by the accountant,	Procedure steps	Y	AR 9080	

	<p>does the separate paragraph indicate that the information was not audited, reviewed, or compiled and that the accountant does not express an opinion or provide any assurance on it?</p> <p>b. If the required supplementary information is included and was compiled by the accountant and no material departures from the prescribed guidelines were identified, does the separate paragraph indicate that the information has been compiled without audit or review and that the accountant does not express an opinion or provide any assurance on it?</p> <p>c. If all the required supplementary information was omitted, does the separate paragraph so indicate?</p>				
New	<p>If some of the required supplementary information is omitted and some is presented in accordance with the prescribed guidelines:</p> <p>a. Does the report include a separate paragraph, presented after the paragraph describing the accountant's responsibility, referring to the required supplementary information that has been included and indicating that the information was not audited, reviewed, or compiled, and that the accountant does not express an opinion or provide any assurance on it?</p> <p>b. Does the report include an additional paragraph, immediately following the one in item a. above, that indicates that management has omitted certain required supplementary information that is considered an essential part of financial reporting by the designated accounting standard setter?</p>	Procedure steps	Y	AR 9080	
New	<p>If material departures from prescribed guidelines were identified while compiling the required supplementary information, does the report include a separate paragraph, presented after the paragraph describing the accountant's responsibility, that indicates that the information has been compiled without audit or review, and:</p> <p>a. Stating that the accountant does not express an opinion or provide any assurance on it?</p> <p>b. Describing the material departures from the prescribed guidelines that the accountant did identify?</p>	Procedure steps	Y	AR 9080	

Review Programs (REVs)

- To enhance usability and increase efficiency, REV-101 and REV-801 were combined to create a single comprehensive REV-101 Overall Review Program and the previous REV-801 was deleted from the toolset

Specific Review Program Enhancements

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
REV-101 Overall Review Program					
New	Contact the client to determine when information and client personnel will be available so that staff can begin review procedures.	Procedure steps	N	N/A	
New	Review prior year's financial statements, workpapers, budget, and budget/actual comparisons to evaluate the time necessary to complete engagement, and: a. Identify any specific known matters, affecting the current or the prior period, that may require additional or less time compared to the previous period. b. Consider changes occurring at the client, such as changes in volume, processes, product mix, or personnel, which may require additional or less time compared to the previous period. c. Consider whether staff with specific expertise is needed for, or will enhance the effectiveness or efficiency of, the engagement.	Procedure steps	N	N/A	
New	Schedule meeting with engagement staff to prepare for engagement.				
New	Instruct staff adequately about the engagement, and: a. Remind or inform staff of the nature of the client's business and the content of the client's financial statements. b. Discuss items on the previous year's financial statements that may require particular attention as a result of: i. Their significance to users. ii. Their proneness to error or misstatement. iii. Their potential to be affected by client bias.				

	<p>c. Inform staff of developments, such as changes at the client, which may affect the engagement.</p> <p>d. Discuss engagement budget, and:</p> <p>i. Emphasize importance of early communication when matters may affect the budget.</p> <p>ii. Emphasize importance of “getting it right” by making certain not to ignore items that may seem incorrect, inappropriate, or otherwise attention worthy.</p>				
Modify	<p>Step Modified to read as follows:</p> <p>Perform pre-review procedures "if the client's financial statements have not been compiled."</p>				Review and answer the new applicable questions in REV-100 to determine what is applicable for this workpaper.
New	Added note indicating that certain steps need to be performed only when not using one of the provided illustrative example engagement letters.				Publish this workpaper before update so that you can reference data that you have selected to keep. Review and answer the new applicable questions in REV-100 to determine what is applicable for this workpaper.
New	<p>Develop or update an understanding of the client’s organization, including:</p> <p>a. The form of business organization.</p> <p>b. The history of the client.</p> <p>c. The principals involved in the organizational chart or similar analysis.</p> <p>d. Other relevant matters (describe below).</p>				
Modify	Acquire" changed to "acquire or update."				
New	<p>Acquire or update the understanding of specialized accounting principles and practices of the CIRA industry by:</p> <p>a. Reviewing relevant AICPA Accounting/Audit Guides.</p> <p>b. Reviewing financial statements of other CIRAs.</p> <p>c. Consulting with other individuals familiar with accounting practices in the specialized industry.</p> <p>d. Reading periodicals, textbooks, and other publications.</p> <p>e. Performing other procedures (describe below).</p>				
New	<p>Obtain or update the understanding of the CIRA and the CIRA industry, including:</p> <p>a. Industry, regulatory, and other external factors;</p> <p>b. Nature of the CIRA;</p> <p>c. Objectives and strategies; and</p> <p>d. Measurement and review of the CIRA’s</p>				

	financial performance.				
New	<p>Develop or update an understanding of the client's operating characteristics, including:</p> <ul style="list-style-type: none"> a. The area the CIRA controls. b. The size of the CIRA (such as number of units, shares, or weeks). c. Location and types of common properties. d. Policies and methods for funding current operations. e. Policies and methods for funding major repairs and replacements. d. Other operating characteristics (describe below). 				
New	<p>Describe the client's accounting records (describe below), including:</p> <ul style="list-style-type: none"> a. The use of a general journal. b. The use of specialized journals. c. The use of control accounts and subsidiary ledgers. d. The use of a general ledger. e. The use of manual, mechanical, or computerized accounting systems. f. Other forms and methods used to record, process, and summarize transactions (describe below). 				
Modify	<p>Step modified as follows: Document the stated qualifications of any new accounting personnel (include employee name, position with firm, and description of qualifications), or changes to the qualifications of returning accounting personnel, including:</p> <ul style="list-style-type: none"> a. Educational background. b. Training programs. c. Work experience. d. Other qualifications. 				
New	<p>Added to step to perform analytical procedures to identify unusual or unexpected relationships:</p> <ul style="list-style-type: none"> a. Comparing current financial statements with comparable prior period(s). b. Comparing current financial statement information with anticipated results. c. Studying financial statement elements and expected relationships. 				

	d. Performing other analytical procedures (describe below).				
New	If there were changes in the application of accounting principles, determine whether: a. The change in accounting principle included the adoption of another acceptable accounting principle. b. The change was properly justified. c. The effects of the change presented in the financial statements, including adequate disclosure, were presented in a manner consistent with FASB Accounting Standards Codification™ (ASC) 250, Accounting Changes and Error Corrections.				
Modify	Added considerations to step to consider whether other professional services are needed including: a. Preparing a working trial balance. b. Preparing adjusting journal entries. c. Consulting on matters fundamental to the preparation of acceptable financial statements. d. Preparing tax returns. e. Providing bookkeeping or data processing services that do not include generating financial statements. f. Other services considered necessary before a review can be performed (describe below).				
New	If applicable, perform procedures related to recording and disclosure of significant risks and uncertainties.				
New	Document other procedures used to resolve questions raised during the review engagement (describe below).				
New	Determine that all required forms and checklists have been completed.				
New	Determine that all questions, exceptions, or notes, if any, posted during the engagement have been followed up and resolved, and review notes and “to do” lists have been removed from the workpapers.				
New	Determine whether, as a result of performing the procedures listed above, the accountant’s client acceptance decision should be reevaluated.				
New	If applicable, obtain reports from other accountant(s).				

New	Consider whether other review procedures should be performed on the basis of the results of performing the minimum review procedures.				
Modify	<p>Modified step to read as follows:</p> <p>Read the financial statements, including any required supplementary information, to determine whether they appear to conform to the applicable financial reporting framework—that is:</p> <ul style="list-style-type: none"> a. Whether it appears that the client has applied accounting principles used by the industry in preparing its financial statements. b. Whether it appears that the client’s business transactions are consistent with industry transactions. c. Whether unique industry accounting principles are adequately described in the summary of significant accounting policies. d. Whether it appears that the client has applied other accounting principles properly in preparing the financial statements. e. If accounting principles were not applied on a consistent basis, whether the financial statements appear to reflect the appropriate disclosures and adjustments. f. Whether the client’s accounts on the financial statements appear consistent with the client’s operating characteristics. g. Whether the accounting procedures for recording, classifying, and summarizing transactions appear to provide a basis for the actual accounts and disclosures contained in the financial statements. h. Whether changes in the client’s business activities had an effect on the accounting system, and whether it appears that the resulting change in transactions and accounts have been properly reflected in the financial statements. i. Whether the financial statements appear to properly reflect actions taken by the board of directors, other committees, and unit owners. j. Whether the financial statements appear to properly reflect events and transactions that occurred after the end of the accounting period but before the completion of the review engagement. 				

New	Determine that financial statements are appropriate in form—that is: a. Whether headings on the financial statements are appropriate to the financial reporting framework used to prepare the financial statements. b. Whether major sections of the financial statements are properly captioned. c. Whether accounts are grouped under appropriate captions. d. On the basis of titles of transactions, whether such transactions are properly classified.	Procedure steps	N	N/A	
New	Determine that financial statements are free from material errors—that is: a. Whether there are mathematical errors in the financial statements (such as the total for assets foots). b. Whether there are clerical mistakes in the financial statements (such as typographical errors). c. Whether there are mistakes in the application of accounting principles (such as the reporting of property and equipment at cost with no allowance for depreciation to date). d. Whether the financial statement disclosures are omitted (such as the CIRA's policy for funding for future major repairs and replacements).	Procedure steps	N	N/A	
New	If any information or evidence obtained is incorrect, incomplete, or otherwise unsatisfactory, or information regarding fraud or an illegal act that may have occurred is discovered: a. Request that management consider the effect of the matter on the financial statements and related notes, including any required supplementary information; and b. Consider the effect of the matter on the review report.	Procedure steps	N	N/A	
REV-201 Pre-Review Program: Procedures Performed Prior to a Review Engagement					
New	The accountant should evaluate the procedures required to determine if they may impair independence.	Instructions	N	N/A	
New	In order to make certain that independence is not impaired, the accountant should ascertain that the client has reviewed all proposed adjusting entries	Practice Point	N	N/A	

	and understands the nature of each entry and its impacts on the financial statements.				
REV-202 Review Program: Additional Procedures for Initial Year of Engagement					
Modify	Replaced "not related to accepting the review engagement" with "in addition to that related to accepting the review engagement."	Procedure steps	N	N/A	
REV-801 Review Program: Review Performance Procedures					
Delete	Deleted previous REV-801 and integrated it with REV-101.		N	N/A	This version of the workpaper is "obsolete". You must manually transfer data from the obsolete workpaper to the steps in REV-101, where applicable. This workpaper is no longer functional. No data flows in or out.
REV-801 Review Program: Client Inquiries					
Modify	REV-802 renumbered to REV-801.		N	N/A	
Modify	Instructions for responding with "yes" or "N/A" modified.	Instructions	N	N/A	
Modify	Table changed to require source only when different from the primary source.	Table - other than procedures	N	N/A	
Delete	"and has there been any significant impairment in the value of them? If so has any impairment loss been properly reflected in the financial statements?"	Procedure steps	N	N/A	
New	Has there been any significant impairment in the value of goodwill or other intangibles with an indefinite useful life?	Procedure steps	N	N/A	
New	Has any impairment loss been properly reflected in the financial statements?	Procedure steps	N	N/A	
REV-802 Review Program: Significant Risks and Uncertainties					
Modify	REV-803 renumbered to REV-802.		N	N/A	
REV-901 Review Program: Report Preparation					Publish this workpaper before update so that you can reference data that you have selected to keep. Review and answer the new applicable questions in REV-100 to determine what is applicable for this workpaper.
New	Note added "These procedures may be followed if the practitioner is not using one of the reports provided in the KBCR toolset."	Instructions	N	N/A	

New	New section on Reporting on Supplementary Information Concerning Future Major Repairs and Replacements Required by FASB Accounting Standards Codification TM (ASC 972), Common Interest Realty Associations.	Table - other than procedures	N	N/A	Review and answer the new applicable questions in REV-100 to determine what is applicable for this workpaper.
Modify	Language on required supplementary information modified to read: Does the report include a separate paragraph, presented after the paragraph reporting the results of the engagement, that refers to the required supplementary information and explains the circumstances regarding its presentation, and: a. If all the required supplementary information was included, does the separate paragraph indicate that the information was not audited, reviewed, or compiled and that the accountant does not express an opinion or provide any assurance on it? b. If all the required supplementary information was omitted, does the separate paragraph so indicate and state that the results of the review of the basic financial statements are not affected by the omission?	Procedure steps	Y	AR 9090	
Modify	Language on required supplementary information modified to read: If some of the required supplementary information is omitted and some is presented in accordance with the prescribed guidelines: a. Does the report include a separate paragraph, presented after the paragraph reporting the results of the engagement, that refers to the required supplementary information that has been included and indicate that the information was not audited, reviewed, or compiled and that the accountant does not express an opinion or provide any assurance on it? b. Does the report include an additional paragraph, immediately following the one in item a. above, that indicates that (1) management has omitted certain required supplementary information that is considered an essential part of financial reporting by the designated accounting standard setter, and (2) the results of the review of the basic financial statements are not affected by the omission?	Procedure steps	Y	AR 9090	

Knowledge-Based Compilation Documents (KBCs)

Specific KBC Enhancements:

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
KBC-201 Compilation: Client/Engagement Acceptance and Continuance Form					
New	Added to Section III Instructions: "These procedures are appropriate for assessing a continuance decision, even when there have been no changes in the client's personnel, management, or governance since the preceding year. Changes in circumstances or new knowledge may affect perceptions of integrity, risk, or the potential for conflict of interest. When, upon evaluation, the conclusion is that there has been no change since the previous period, such should be noted in the Workpaper Reference/Comments column."	Instructions	N	N/A	
Modify	Added "Such issues may include, for example, a change in the users of the financial statements."	Procedure steps	N	N/A	
New	The engagement partner assigned to this engagement has the appropriate competence, capabilities, and authority, and the related responsibilities have been clearly defined and communicated to the engagement partner.	Procedure steps	Y	SQCS-8	
Modify	Section V conclusions: added "or continuance."	Table - other than Procedure steps	N	N/A	

Knowledge-Based Review Documents (KBRs)

Specific KBR Enhancements:

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
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KBR-101 Information for Analytical Procedures					
New	Created new tables with column of items to be considered in accumulating information useful in performing analytical procedures and column for workpaper reference.	Table - other than Procedure steps	N	N/A	
New	New table: Financial statement element (identify item subject to development of expectations; e.g., because of its relationship to another item on the financial statements or other factors including economic factors such as industry averages, interest rates, or number of employees):	Table - other than Procedure steps	N	N/A	
New	New table: Independent variables (describe other items on the financial statements with which the designated item has a predictable relationship or other factors that affect the designated item, such as the applicable industry average, applicable interest rate, or number of employees):	Table - other than Procedure steps	N	N/A	
New	New Table: Relationship (describe the relationship between the designated element and the other items on the financial statements or other factors, such as the estimated average salary expense per employee):	Table - other than Procedure steps	N	N/A	
New	New Table: Change (describe change or changes in the independent variable, such as the increase or decrease in the number of employees):	Table - other than Procedure steps	N	N/A	
New	New table: Comments:	Table - other than Procedure steps	N	N/A	
KBR-201 Review: Client/Engagement Acceptance and Continuance Form					
New	Added to Section III Instructions: "These procedures are appropriate for assessing a continuance decision, even when there have been no changes in the client's personnel, management, or governance since the preceding year. Changes in circumstances or new knowledge may affect perceptions of integrity, risk, or the potential for conflict of interest. When, upon evaluation, the conclusion is that there has been no change since the previous period, such should be noted in the Workpaper Reference/Comments column."	Instructions	N	N/A	
Modify	Added "Such issues may include, for example, a change in the users of the financial statements."	Procedure steps	N	N/A	

New	The engagement partner assigned to this engagement has the appropriate competence, capabilities, and authority, and the related responsibilities have been clearly defined and communicated to the engagement partner.	Procedure steps	Y	SQCS-8	
New	Consideration of "or continuance" added to Section V conclusions.	Procedure steps	N	N/A	
KBR-202 Review: Additional Considerations for Reviews of Interim Financial Information (For Periods Beginning on or before December 15, 2011)					
New	New KBR designed as a guide for determining whether a review of interim financial information should be conducted in accordance with SSARSs or with AU-C 930 for periods beginning on or before December 15, 2011.		Y	SSARS-20 AU-C 930	
KBR-202A Review: Additional Considerations for Reviews of Interim Financial Information (For Periods Beginning after December 15, 2011)					
Modify	New KBR designed as a guide for determining whether a review of interim financial information should be conducted in accordance with SSARSs or with AU-C 930 for periods beginning on or before December 15, 2011.		Y	SSARS-20 AU-C 930	
KBR-901A Review: Acceptance of Engagement to Review Interim Financial Information (For Periods Beginning after December 15, 2011)					
Modify	New KBR designed as a guide for determining whether a review of interim financial information should be conducted in accordance with SSARSs or with AU-C 930 for periods beginning after December 15, 2011.		Y	SSARS-20 AU-C 930	

Knowledge-Based Compilation and Review Documents (KBCRs)

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
KBCR-201 Compilation and Review Program: Change in the Level of Service					
Modify	Step modified to read as follows: Describe the basis for requesting a change in the level of service:	Procedure steps	N	N/A	

	a. A change in the needs of users (describe). b. A change due to cost considerations (describe). c. A change due to the unavailability of information or another scope limitation (describe). d. A change for some other reason (describe).				
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Reports (RPTs):

- The compilation and review reports in the **2012 Knowledge-Based™ Audits, Audits, Compilations, and Reviews of Common Interest Realty Associations** have been renumbered and also updated to conform to examples and illustrations in AR Section 9080, Compilation of Financial Statements: Accounting and Review Services Interpretations of Section 80; AR Section 9090, Compilation of Financial Statements: Accounting and Review Services Interpretations of Section 90; and the March, 1, 2012 edition of the AICPA Audit Guide, Compilation and Review Engagements.
- “Independent” has been added to the title of 18 compilation reports as discussed in AR Section 80 (it should be noted that this is optional).
- **NEW RPT 1022A Compilation Report: Engagement Includes Required Supplementary Information That Is Not Compiled** through **RPT-1022D Compilation Report: Engagement Includes Required Supplementary Information That Is Compiled—Material Departures Identified** provide sample compilation reports when the engagement includes required supplementary information accompanying compiled financial statements.
- **NEW RPT-1023 Compilation Report: Engagement Includes Supplementary Information Compiled by the Accountant** provides a sample compilation report when the engagement includes supplementary information that is compiled by the accountant.
- **NEW RPT-1027 Compilation Report: Specified Elements, Accounts, or Items of a Financial Statement** provides a sample compilation report when the engagement is to compile specified elements, accounts, or items of a financial statement.
- **NEW RPT-1036 Compilation Report: Cash-Basis Financial Statements** provides a sample compilation report on the compilation of financial statements prepared on the cash-basis.
- **NEW RPT 1037 Compilation Report: Income-Tax-Basis Financial Statements** provides a sample compilation report on the compilation of financial statements prepared on the income-tax basis.
- **NEW RPT-1050 Review Report: Disclosures Omitted and Dollar Values Related to Omitted Disclosures Have Been Determined** provides a sample review report on review of financial statements when disclosures have been omitted and the dollar values related to the omitted disclosures have been determined.
- **NEW RPTs 1056A Review Report: Required Supplementary Information Was Not Reviewed by the Accountant** to **RPT-1056C Review Report: Some Required Supplementary Information Was Omitted** provide sample review reports when the engagement includes required supplementary information accompanying reviewed financial statements.
- **NEW RPT-1066 Review Report: Cash-Basis Financial Statements** provides a sample review report on the review of financial statements prepared on the cash-basis.
- **NEW RPT-1067 Review Report: Income-Tax-Basis Financial Statements** provides a sample review report on the review of financial statements prepared on the income-tax basis.

Correspondence Documents (CORs)

- The compilation and review correspondence documents in the **2012 Knowledge-Based™ Audits, Compilations, and Reviews of Common Interest Realty Associations** have been renumbered.
- New paragraph added to the sample engagement letters, **COR-218 Engagement Letter: Compilation (formerly COR-212)** and **COR-221 Engagement Letter: Review (formerly COR 215)**: “We will not determine whether the reserve balances are adequate to meet future repair and replacement costs because such a determination is outside the scope of the engagement.”
- **New COR-228 Communication with Predecessor Accountant Prior to Client/Engagement Acceptance** provides a sample letter to predecessor accountant to assist in making a decision prior to accepting a compilation or review engagement.
- **New COR-229 Request from Client to Predecessor Accountant to Release Information to Successor Accountant** provides a sample letter from client to predecessor giving predecessor permission to communicate with successor.

- New representation added to **COR-909 Management Representation Letter: Review Engagement**: “The board of directors has reviewed the association’s insurance coverage for the current year and believes it is adequate.”

Practice Aids (AIDs)

- New **AID-903 Changes to Engagement Documentation after the Assembly of the Engagement File** designed to document changes to compilation and review engagement documentation after the assembly of the engagement file.
- **AID-201 Nonattest Services Independence Checklist** updated for new tailoring at the section headers. Mark them as not applicable and all steps below will be hidden.

Resource Documents (RESs)

- **RES-019 Knowledge-Based Compilation and Review Methodology Overview (formerly RES-005)**, updated for new guidance and to better communicate the KBCR methodology.
- **RES-021 Index of Engagement Programs, Forms, and Other Practice Aids—Compilation and Review Engagements (formerly RES-007)** updated for the new reports that were added to the toolset, the tools that were deleted from the toolset, as well as title changes.
- **RES-QCCR Meeting Quality Control Standards Using KBA Compilation and Review Tools** updated to include the requirements of Statement on Quality Control Standards No. 8 (SQCS-8).
- **RES-KCO 2012 Compilations and Reviews of Common-Interest Realty Association Overview for Knowledge Coach Users** formally RES-010 has been added as a reference document for the workpaper update information, along with list of related workpapers for the title.

RELATED AND FOUNDATIONS WORKPAPERS FOR THIS TITLE

Related workpapers are Knowledge Coach Word workpapers where information flows in or out of tables within the workpaper. Some of these related workpapers are Foundation workpapers or associated workpapers.

Foundation Workpapers include most of the Communication Hub workpapers, which are central to the Knowledge-Based Audit Methodology used by the Knowledge Coach titles.

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>
KBCs	KNOWLEDGE-BASED COMPILATION DOCUMENTS	
KBC-101	Compilation: Significant Matters	X
KBC-201	Compilation: Client/Engagement Acceptance and Continuance Form	
KBRs	KNOWLEDGE-BASED REVIEW DOCUMENTS	
KBR-101	Information for Analytical Procedures	
KBR-102	Review: Significant Matters	X
KBR-201	Review: Client/Engagement Acceptance and Continuance Form	
CMPs	COMPILATION PROGRAMS	
CMP-100	Tailoring Question Workpaper	X
CMP-101	Overall Compilation Program	X
CMP-201	Pre-Compilation Program: Procedures Performed Prior to a Compilation Engagement	
CMP-202	Compilation Program: Additional Procedures for Initial Year of Engagement	

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>
CMP-801	Compilation Program: Significant Risks and Uncertainties	
CMP-901	Compilation Program: Report Preparation	
CMP-903	Compilation Program: Going Concern	
CMP-904	Compilation Program: Reissued Report—Predecessor Accountant	
REVs	REVIEW PROGRAMS	
REV-100	Tailoring Question Workpaper	X
REV-101	Overall Review Program	X
REV-201	Pre-Review Program: Procedures Performed Prior to a Review Engagement	
REV-202	Review Program: Additional Procedures for Initial Year of Engagement	
REV-801	Review Program: Client Inquiries	
REV-802	Review Program: Significant Risks and Uncertainties	
REV-901	Review Program: Report Preparation	
REV-903	Review Program: Going Concern	
REV-904	Review Program: Reissued Report—Predecessor Accountant	