

Knowledge Coach SSARS 22 and SSARS 23 Supplemental Update – December 2016

Release Notes for Auditors

This Knowledge Coach Update is a special update for the Knowledge-Based Preparations, Compilations, and Review titles to help you ensure compliance with the recently released standards, SSARS 22 and 23. Though SSARS 22 is not effective until reports dated on or after May 1, 2017, much of SSARS 23 is effective immediately upon issuance, including report changes. Therefore, installing this update will ensure that you have this important material for current and upcoming work. Please forward this update information to the Knowledge Coach Committee team members and apply the update.

What Knowledge Coach titles are being updated?

Install this update if you have installed any of the following titles:

- 2016 Knowledge Based Compilations
- 2016 Knowledge Based Preparations
- 2016 Knowledge Based Reviews

See the Recommended Actions below for specific steps that **must** be taken to receive the updated content for any binders that already contain the affected title(s).

Recommended Actions for the Knowledge Coach SSARS 22 and SSARS 23 Supplemental Update for binders that already contain affected workpapers

Engagement Letter and Selected Reports

If you have any of the following workpapers in your binder, they will need to be repaired using the Repair Workpaper feature from the Tools menu in the binder frame or they will need to be deleted and inserted again:

Compilations Title

- **COR-208** Engagement Letter – Compilation-Pro Forma Financial Information
- **All reports (with the exception of RPT-0900** Accountant's Report Finder and **RPT-0982** Alternative Account's Report on Personal Financial Statements Included in Written Personal Financial Plans)

Review Title

- **RPT-1015** Review Report: Other Matter-Supplementary Information has Been Reviewed **through RPT-1021** Review Report: Other Matter-Some Required Supplementary Information is Omitted (**with the exception of RPT-1020** Review Report: Other Matter-Required Supplementary Information is Omitted)

Preparations Title

- **RPT-0999** Disclaimer to Accompany Prepared Financial Statements

Report Preparation Checklists:

In the Compilations and Preparations title respectively:

AID-903 Compilation Report Preparation Checklist **and AID-904** Review Report Preparation Checklist

- There have been updates to the practice point in the instructions of this workpaper. To improve performance, tip information is cached when a Knowledge Coach binder is created. This means that the wording will not automatically update in a previously created binder. Updated wording reads as follows:

Practice Alert: The AICPA issued SSARS 22, *Compilation of Pro Forma Financial Information*, in September 2016, moving the standards for compiling projections and forecasts from the attestation standards into Statements on Standards for Accounting and Review Services (SSARS) related to preparation, compilation, and review engagements and is effective for compilation reports on pro form financial information dated on or after May 1, 2017. SSARS 23, *Omnibus Statement on Standards for Accounting and Review Services – 2016*, was issued in October 2016 to modify the SSARS to apply to prospective and historical financial information as well as historical financial statements. It also includes some changes to the preparation, compilation, and review reports. Most provisions of the standard, including the changes to the reports, were effective upon issuance with some of the scope

changes effective for reports on prospective financial information dated on or after May 1, 2017. This checklist has been updated with the relevant requirements.

How do I know if I have the corrected version of the title installed?

You can determine your title version by opening a File Room and then go to Tools>Knowledge Coach Titles and then reviewing the "CCH release date" and "Name" columns in this dialog. The correct versions are as follows:

- 2016 Knowledge Based Compilations v2
- 2016 Knowledge Based Preparations v2
- 2016 Knowledge Based Reviews v2

If the correct version number is not appended to the title name, please deploy this update.

Note: The version number will appear in the Workpaper Properties of each workpaper; however, the footer information within an open workpaper will not necessarily show the correct version. Therefore, please use the Workpaper Properties information as a guide.

What if I have not yet installed the title noted above?

An updated version of these titles will be available by December 29, 2016, at:

<http://support.cch.com/updates/KnowledgeCoach/>

Do I need to update each user machine or binder separately?

The update must be installed on each workstation and server, but you do not need to update each machine separately. CCH provides a silent install version of the update that can be scripted to be deployed to multiple machines at once. Talk to your IT staff about which method is best for your firm.