

# 2014 Knowledge-Based™ Compilations and Reviews (8/13/14) for Knowledge Coach

ProSystem *fx*  
Knowledge Coach  
August 2014

Welcome to the latest version of *2014 Knowledge-Based Compilations and Reviews (8/13/14)*, the latest title available in the ProSystem *fx* Knowledge Coach series!

Please review this bulletin prior to installation and use. If you have any questions, call Technical Support at 1-800-PFX-9998, option 4.

*2014 Knowledge-Based Compilations and Reviews* is designed to help the accountant efficiently and effectively perform financial statement compilations and reviews of nonpublic commercial entities in accordance with Statements on Standards for Accounting and Review Services (SSARS) issued by the Accounting and Review Services Committee (ARSC) of the American Institute of Certified Public Accountants (AICPA).

*The Knowledge-Based Compilation and Review (KBCR) Methodology* emphasizes using knowledge of the entity to perform compilation and review engagements by facilitating the flow of information so that the understanding obtained in each process affects the decisions made in the next. Although the accountant will likely perform most steps in this methodology sequentially, conducting an engagement is not necessarily a linear process. Knowledge gained from preliminary engagement activities helps the accountant design and customize engagement procedures; evidence gained from procedures performed is evaluated and the appropriate accountant's report is issued. This edition includes specific up-to-date guidance for conducting compilation and review engagements in accordance with the SSARS. 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.

This is the fourth update to this Knowledge Coach title. If you are updating from a previous version of this title, refer to the Knowledge Coach User Guide Chapter 12. The guide is found on the Engagement File Room Help menu.

**For more information on the Knowledge-Based Methodology and how it works within ProSystem *fx* Knowledge Coach, refer to the [Additional Information](#) section in this bulletin.**

## WORKPAPER NOTES

### **Important Note for Customers updating binders from 2010, 2011, 2012, or 2013 Knowledge Based Compilations and Review**

You must install 7.0 with and Knowledge Coach v 2.0 March 2014 Update (including 2013 Tax Grouping Update) or higher before installing the 2014 Knowledge Based Compilations and 2014 Knowledge Based Reviews titles. For more information on Engagement 7.0 and Knowledge Coach 2.0, review the Release Notes and associated Knowledge Base article at the following link: <http://support.cch.com/updates/KnowledgeCoach/>.

### **General Roll Forward Note**

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

The **2014 Knowledge-Based Compilations and Reviews Tools** have been updated to take into account the latest literature, standards, and guidance applicable to compilation and review engagements. The 2014 tools include links to detailed analysis related to the steps and processes discussed in the workpapers. Also included is a revised financial statement disclosures checklist that provides a centralized resource of the required and recommended U.S. GAAP disclosures and key presentation items currently in effect, using the style referencing under the FASB Accounting Standards Codification.<sup>TM</sup>

The **2014 Edition of Knowledge-Based Compilations and Reviews** 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*. Users of this content should consider guidance issued subsequent to these items to determine their effect on engagements covered by this product.

### **Specific Program Enhancements**

The 2014 Knowledge-Based Compilations and Reviews include the following features:

- RPT-0900 Reporting Tool to assist the accountant in selecting the correct report.
- Eliminated duplication of steps where possible

For more information on specific program enhancements, review the 2014 Compilations and Reviews Overview for Knowledge Coach users available at the following link or in the binder through the KCO-001 workpaper.

[https://support.cch.com/updates/KnowledgeCoach/pdf/guides\\_tab/2014%20Comp%20Rev%20Title%20Overview%20for%20Knowledge%20Coach%20Users.pdf](https://support.cch.com/updates/KnowledgeCoach/pdf/guides_tab/2014%20Comp%20Rev%20Title%20Overview%20for%20Knowledge%20Coach%20Users.pdf)

**In addition, forms and practice aids throughout have been updated, where applicable, to take into account:**

- 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*;
- AR Section 9090, *Review of Financial Statements-Accounting and Review Services Interpretations of Section 90*; and
- AICPA Statement on Quality Control Standards No. 8 (SQCS-8), *A Firm's System of Quality Control (Redrafted)*.

Users of this content should consider guidance issued subsequent to these items to determine their effect on engagements covered by this product

## Additional Information on Knowledge Coach and the KBA Methodology

The key components of the KBCR methodology include:

- An **Overview** that guides accountants through the KBCR methodology;
- **Compilation Programs** and **Review Programs** that take accountants through related steps and procedures designed for use in compilation and review engagements;
- **Practice Aids** to help accountants complete steps or processes outlined in other related documents and provide example financial statement formats for different types of entities;
- **Reports** that provide a variety of sample accountant's reports on compiled or reviewed financial statements;
- **Correspondence** documents that provide sample engagement letters and management representation letters to be used in many common situations; and
- **Knowledge-Based Compilation and Review** documents, integral to the overall engagement process, that contain steps and procedures required by SSARSs.

The AICPA's Accounting and Review Services Committee (ARSC) SSARS - The practice aids and tools in the *2014 Edition of Knowledge-Based Compilations and Reviews* are designed around the AICPA's SSARS standards to assist accountants by:

- Facilitating compliance with the SSARS;
- Encouraging more effective engagements through tailored engagement programs and comprehensive practice aids; and
- Enhancing engagement documentation.

## ProSystem fx® Knowledge Coach

**ProSystem fx® Knowledge Coach** functionality allows accountants to use the Knowledge-Based methodology more efficiently by eliminating the need for duplicate entry of the same information, tailoring documentation to each particular engagement, and documenting procedures performed. **CMP-100 Tailoring Question Workpaper** or **REV-100 Tailoring Question Workpaper** are documents in Knowledge Coach that presents engagement-level questions designed to aid in tailoring the engagement documentation to fit each client. Completing the questions helps the accountant avoid duplication and unnecessary workpapers.

Before you begin your engagement, please review the guidance in **CMP-101 Overall Compilation Program** or **REV-101 Overall Review Program**. These workpapers are intended to be your road map through the Knowledge-Based methodology. You should start your engagement with **CMP-100 Tailoring Question Workpaper** or **REV-100 Tailoring Question Workpaper** and **CMP-101 Overall Compilation Program** or **REV-101 Overall Review**.

The Risk Assessment features have been disabled since the 2012 Knowledge-Based Compilations and Review Title for Knowledge Coach. Refer to **KBC-101 Compilation: Significant Matters** and **KBR-102 Review: Significant Matters** to accumulate and review significant issues and findings. **CMP-801 Compilation Program: Significant Risks and Uncertainties** and **REV-802 Review Program: Significant Risks and Uncertainties** provides a guide for implementing the guidance related to the disclosure of certain significant risks and uncertainties.

**Information Flow** helps cut down on the time spent duplicating information across forms. In addition, the flow of consistent information ensures that information and updates to information are not missed between workpapers. Drill-down functionality helps the user navigate quickly to the source of the information, aiding in the review of the engagement file.

**Diagnostics** help keep track of unresolved issues like unanswered questions, incomplete risks, program steps not linked to risks or relevant assertions, missing workpaper, and more.

**Links to Accounting Research Manager (ARM)**-If you subscribe to an ARM library that includes compilation and review content, you can link directly to source material from Resources within Knowledge Coach documents. These links have been updated to reference to the accounting standards under the FASB Accounting Standards Codifications. Also, if you subscribe to the *Knowledge-Based Compilation and Review Guide* on ARM, you can take advantage of links to the guide material from within the Knowledge Coach documents.

**Interpretive Guidance** is integrated into each Knowledge Coach through the Tips view of each new task pane. Informational features include Practice Points, Examples, Optional Workpapers, and Resources to help accountants work more effectively and efficiently. We have also added the ability to navigate from Resources within a document or the tip pane directly to CCH's Accounting Research Manager and industry audit guides by simply clicking on the Reference.

## Important Notes

- Make sure to save changes to workpapers before closing the workpaper or the binder to ensure data is correctly updated.
- If your Current Editor Knowledge Coach MS Word workpapers become read-only or crash, please do the following:
  - Keep the binder with the affected workpapers open.
  - Highlight the workpaper in the binder window and go to Tools>Save Knowledge Coach Answers.
- Knowledge Coach cannot be used within the Shared File Room (SFR) feature of Engagement. However, Knowledge Coach workpapers can be shared across team members through check in, check out, workpaper assignment, syncing to the central file room and through peer-to-peer sync in the same way other Engagement workpapers are shared.

## System Requirements

- This title **MUST** be used with ProSystem fx Engagement version 7.0 and Knowledge Coach v 2.0 March 2014 Update (including 2013 Tax Grouping Update) or higher. If you are upgrading from ProSystem fx Engagement 6.0, 6.1, 6.1.2, 6.5, 6.8, or 6.11 please contact Technical Support at 1-800-PFX-9998, option 4 for detailed instructions
- A minimum of 4GB of RAM is required for optimal performance when opening and navigating through ProSystem fx Knowledge Coach workpapers.

## Download Instructions

Download the *2014 Knowledge-Based Compilations and/or 2014 Knowledge-Based Reviews* from the **ProSystem fx Knowledge Coach Updates** section of the ProSystem fx Engagement Support Web site at the following URL: <http://support.cch.com/updates/KnowledgeCoach>, then select the **Knowledge Coach Series** and **Download file** link next to the **2014 Knowledge-Based Compilations and/or the 2014 Knowledge-Based Reviews** titles. On some occasions the content package file (.KCP) has downloaded with the extension changed to .ZIP. If this occurs, please change the extension of the downloaded file to KCP using all capital letters.

You must install the Financial Statement Base title (3-7-2014) before installing the 2014 Knowledge-Based Compilations and 2014 Knowledge-Based Reviews. The Financial Statement Base title is also available at the following link:

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

If you have already installed this title for 2013 Knowledge-Based Audits of Commercial Entities, you do not have to reinstall.

**Important:** ProSystem fx Engagement version 7.0 or higher must be installed on the computer in order to install this Knowledge Coach title. Additional requirements include Microsoft Office 2007, Microsoft Office 2007 Primary Interop Assemblies (PIA), Visual Studio 2005 Tools for Office Second Edition Runtime, Visual Studio Tools for Office System Runtime version 3.0, Visual Studio Tools for Office System 3.0 Runtime Service Pack 1, Visual Studio Tools for Office Runtime 4.0 (VSTOR) (32-bit version for 32-bit OS and 64-bit version for 64-bit OS).

The following 2014 Knowledge-Based Compilations and Reviews (8/13/14).KCP download is a proprietary file that must be installed from within Engagement. Save this KCP file to a location on your local drive and follow the Installation Instructions included in the Release Bulletin.

## Installation Instructions

Once you have downloaded your Knowledge Coach title, you will need to add it to the list of titles within ProSystem fx Engagement. The only additional system requirement is approximately 75MB of disk space to store your Knowledge Coach program content files. Please refer to the ProSystem fx Engagement with Knowledge Coach Release Notes for any other system requirements.

After downloading the *2014 Knowledge-Based Compilations and Reviews* titles, do the following:

1. Launch the ProSystem *fx* Engagement Workpaper Management application so that the Local File Room is displayed. Select **Tools > Knowledge Coach Titles**.  
The Knowledge Coach Titles window will be displayed.
2. Choose **Add Title**.
3. Browse to the title package file (\*.KCP) that you previously downloaded from the ProSystem *fx* Knowledge Coach Support Web site.
4. Choose **Open**.  
The system will display a progress indicator while the title package is added. You will receive a message that the title has been successfully installed once the process is complete.

Once the title is added, you must release it, so that other staff members in your firm can use it. You may also wish to “unrelease” previous versions of the title.

To unrelease a title:

1. Select a version of the KBA Compilation and Review title.
2. Choose **Unrelease Title**. The date will be removed from the *Date released* column and staff that do not have the staff group property right to insert unreleased titles will not be able to insert the unreleased titles into a binder.

**Note:** You can determine this access in the **ProSystem *fx* Engagement Admin** module by selecting a staff group and choosing **File > Properties > Content** “Insert Knowledge Coach workpapers from unreleased titles” option.

To release a title:

1. Select one of the Knowledge Coach titles in the list that has been added but is not yet released.
2. Choose **Release Title**. The current date and time will be displayed in the *Date released* column, and the status will change to “Released.”

**Note:** You must add and assign a Knowledge Coach module as well as the Knowledge Coach title license in the ProSystem *fx* Engagement Administrator before using the workpapers.

**Important:** Once the *2014 Knowledge-Based Compilation and Reviews* titles have been added and released, they will be automatically deployed to other staff members when they login to the “Office” location, or when they synchronize a binder that contains Knowledge Coach workpapers from this title.

## Online Permission Key

Permission key files may be downloaded from our Web site at <https://prosystemfxsupport.tax.cchgroup.com/permkey/download.aspx> or when adding or updating the new licenses within ProSystem *fx* Engagement with Knowledge Coach version 7.0 and higher. After updating the license file in the ProSystem *fx* Engagement Admin module, licenses need to be assigned to the staff who will use 2014 *Knowledge-Based Compilations and Reviews*.

If you have not already established a Single Sign-on (SSO) account with Customer Service, we urge you to do so at this time.

Permission keys are no longer generally distributed via floppy diskette. You can choose to continue receiving the diskette by going to <https://prosystemfxsupport.tax.cchgroup.com/service/accountadmin/>, clicking the Firm Administration link, and making the appropriate selection (SSO access is required), or by contacting Customer Service at 1-800-PFX-9998, option 1.

## Accounting Research Manager

CCH's Accounting Research Manager is the most comprehensive, up-to-date and objective online database of financial reporting literature. It includes all authoritative and proposed accounting, auditing, and SEC literature, plus independent, expert-written interpretive guidance.

Our Weekly Summary email newsletter highlights the key developments of the week, giving you assurance that you have the most current information. It provides links to new FASB, AICPA, SEC, EITF, and IASB authoritative and proposal-stage literature, plus guidance from financial reporting experts.

Our team of content experts updates the system on a daily basis, so you can stay as current as possible. What's more, our experts attend critical, standard-setting meetings and summarize the results for you, which means you'll learn of newly released literature and deliberations of current financial reporting projects as soon as they occur! Plus, you'll benefit from their easy-to-understand technical translations. Our expert's interpretations clearly lay out what the rules mean from your perspective.

Also available is the Knowledge-Based Compilations and Reviews, a guide that helps you comply with the most recent professional standards and guidance for the conduct of compilations and reviews and to integrate the use of practice aids, tools, and other resources with its guidance. This publication supplements and complements the Knowledge-Based documents that are available in Knowledge Coach.

With Accounting Research Manager, you maximize the efficiency of your research time, while enhancing your results. Learn more about our content, our experts, and how you can request your free trial by visiting <http://www.accountingresearchmanager.com>. You can also access the Accounting Research Manager Web site by selecting the item in ProSystem *f*x Engagement from the Guidance tab on the Shortcuts bar in the Binder window.

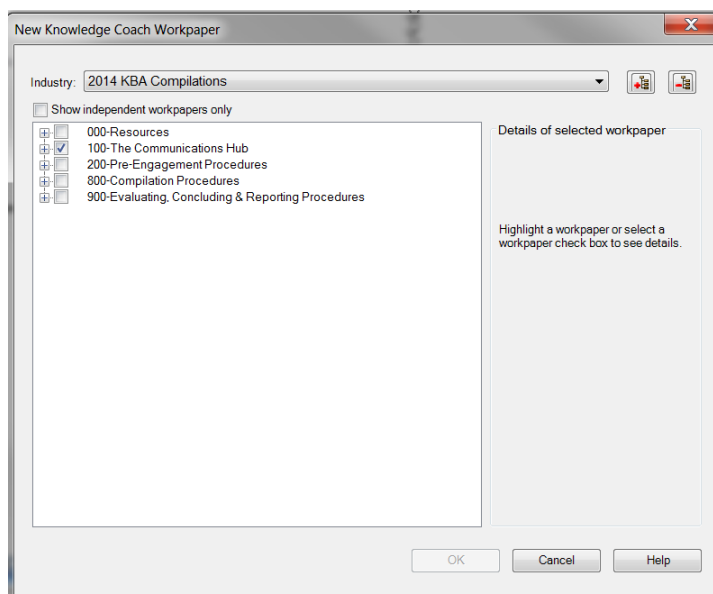
## Links to Accounting Research Manager (ARM)

As indicated above, subscribers to an Accounting Research Manager library that includes source content can link directly to source material from references within Knowledge Coach workpapers. These links have been updated to reference the new Codification released by the FASB and available on ARM. The Codification on ARM is fully integrated with U.S. and international accounting standards, other non-authoritative materials and industry leading interpretive guidance.

## Using Your Knowledge Coach Content

To use your Knowledge Coach Workpaper Templates, open a binder in ProSystem *f*x Engagement, select the workpaper tab into which you would like to insert the workpaper, and select **New Knowledge Coach Workpaper** from the toolbar or File menu. The New Knowledge Coach Workpaper dialog appears (*Figure 1*).

Select the New Knowledge Coach Title with the content you would like to use. You can only select titles you have installed. The information displayed changes to reflect the workpaper organization available for the selected title. Select the Knowledge Coach Workpaper Templates to



insert into your binder and click **OK**. The **Selected Workpaper Properties** dialog appears. Each workpaper name is automatically loaded into the Name field. Add a workpaper index in the Index field and make any Name modifications you desire. You can also modify the tab location or the roll forward settings for each workpaper. Then click **OK**. The integrated Knowledge Coach workpaper is now inserted into your engagement binder. For more information on how to use Knowledge Coach workpapers in your binder, see the Knowledge Coach User Guide.

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Download Description:	2014 Knowledge-Based Compilations and Reviews (8/13/14)
Version:	ProSystem fx Engagement version 7.0 with and Knowledge Coach v 2.0 March 2014 Update (including 2013 Tax Grouping Update) or higher
Release Date:	August 2014
File size:	18MB
Approx. Download Time:	42 minutes at 56 kbps
License:	Full Version
Platforms:	Windows XP/Vista 7, 8 and 8.1
Office:	Microsoft Office 2007 required

### Contact Information

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For a demo or to purchase additional titles as they become available    1-800-PFX-9998, option 1  
 Technical Support    1-800-PFX-9998, option 4, then option 1

The ProSystem *fx* Engagement version of the Knowledge Coach Integrated Knowledge-Based Guides is sold and supported by CCH, a Wolters Kluwer business. The contact information above can be used for customer service and support issues for this product. For information about other CCH products, please call 1-800-248-3248 or visit the online Store at <http://tax.cchgroup.com>.