

2018 NONTRADITIONAL ENGAGEMENTS 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 an audit program to update the audit 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 2018 *Knowledge-Based™ Nontraditional Engagements* reflects current accounting authoritative literature including AICPA Auditing Standards Board (ASB) Statements on Standards for Attestation Engagements (SSAEs), *Attestation Standards: Clarification and Recodification* (SSAE No. 18); the 2011 Revision of *Government Auditing Standards* (GAGAS, or the Yellow Book); QC Section 10, *A Firm’s System of Quality Control*; and the revised AICPA Code of Professional Conduct (Code), including the provisions of ET Section 1.295, *Nonattest Services*. The 2018 tools include many tips and examples, as well as links to specific guidance that provides instant access to detailed analysis related to the steps and processes discussed in the workpapers.

Knowledge-Based Attestation Documents (KBAs):

- **NEW KBA-504 Basis for Inherent Risk Assessment: Cyber Security**

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward and Update Content Considerations |
|--|---|----------|-----------------------|--------------------|--|
| KBA-200 Entity Information and Background | | | | | |
| Modify | <p>Added practice alert regarding SSAE Exposure Draft:</p> <p>Practice Alert: On September 17, 2017, the AICPA Accounting and Review Services Committee issue the exposure draft Proposed Statement on Standards for Attestation Engagements: Selected Procedures. If adopted as written, the proposed standard would expand a practitioner’s ability to perform procedures and report in a procedures and findings format beyond that currently provided by AT-C section 215, Agreed-Upon Procedures Engagement. The proposed standard would:</p> <ul style="list-style-type: none"> • Provide flexibility by not requiring the specified parties to establish the procedures or agree to the sufficiency of the procedures for their purposes. In the new selected procedures engagement, the practitioner would be able to determine the procedures to perform without any party being required to take responsibility for the sufficiency of the procedures. This will allow the practitioner to perform the engagement in situations where the specified parties may not have the ability or willingness to fully develop or determine | Text | N | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward and Update Content Considerations |
|--|--|------------------|--------------------------|---|--|
| | <p>the procedures without having to perform a separate consulting services agreement.</p> <ul style="list-style-type: none"> Not require the practitioner to request an assertion or disclose in the accountant's report when the practitioner does not obtain a written assertion. This is because the appropriate party may not have the ability or may otherwise be willing to perform its own measurement or evaluation of the subject matter. Not require the practitioner to restrict use of the report. This flexibility allows the report to be used by a wider audience including parties who are unwilling or unable to agree to the sufficiency of the procedures for their purposes. <p>Comments were requested by December 1, 2017. If issued as final, the SSAE will be effective no earlier than for reports dated on or after May 1, 2019. Early implementation will be permitted.</p> <p>The ASB has also undertaken a separate but related project to consider amending the attestation standards for examination, review, and agreed-upon procedures engagements to address situations in which a responsible party does not provide a written assertion to the practitioner. Depending on the outcome of that broader project, the extant attestation literature, including ATC section 215, could be revised to eliminate the requirement of requesting a written assertion from the responsible party. The outcome of this project could impact the effective date of the proposed standard.</p> | | | | |
| Modify | <p>Added Practice Point under item 15 as follows:</p> <p>Practice Point: The auditor should identify the appropriate person(s) within the plan's governance structure with whom to communicate.</p> | Instructions | Y | Peer review checklist | |
| KBA-201 Attestation Client/Engagement Acceptance Form | | | | | |
| Modify | <p>Added practice point to step #13 as follows:</p> <p>Practice Point: The practitioner should also consider whether the subject matter and the practitioner's report could be misleading (for example, an engagement to report on only the aspects of a sustainability program that have positive outcomes) or if the scope of the engagement is so narrow that it purposefully avoids reporting certain information, especially if the aspect to be examined or reviewed is not likely to meet the information needs of the intended users.</p> <p>RES-018 Example Factors to be Considered when Understanding the Subject Matter</p> | Procedures steps | Interpretive Publication | AICPA Audit Guide: <i>Attestation Engagements on Sustainability Information (Including Greenhouse Gas Emissions Information) (As of June 1, 2017)</i> | . |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward and Update Content Considerations |
|---|--|----------------------|-----------------------|--------------------|---|
| New | Step 22 under “Management Integrity” Is management experiencing excessive pressure that may affect its actions during the course of the engagement? | Procedures steps | Y | AICPA | |
| KBA-501 Risk Assessment and Attest Program: Examination-Level Engagement | | | | | |
| Modify | Modifications to instructions and tables to improve workflow for risk documentation in an examination engagement. | Instructions, Table | N | | This document will RESET on roll forward no matter the setting selected due to content changes. |
| New | New flow from ATT-301 on the “The following information was obtained during our understanding of the subject matter at <i>ATT-301 Understanding the Subject Matter</i> and may have an impact on the practitioner’s assessment of risk or may serve as a basis for designing and performing procedures to respond to assessed risks: This flows from the table under Section VI: Significant Matters or Issues Identified in this Form. | Instructions, Table | N | | |
| New | New flow from KBA-200 on the “The following describes the criteria being used for measurement and evaluation of the subject matter: This flows from step 8 “Description of the criteria that the subject matter will be evaluated against:” in KBA-200. | Instructions, Table | N | | |
| New | All identified risks noted in other workpapers findings tables will flow to the Risk Assessment Table, column “Risk of Material Misstatement or Deviation”. | Instructions, Table | N | | |
| KBA-502 Attest Program: Review-Level Engagement | | | | | |
| Modify | Modifications to instructions and tables to improve workflow for documentation of areas of focus in the review engagement. | Instructions, Table | N | | |
| KBA-503 Basis for Inherent Risk Assessment | | | | | |
| Modify | Instructions modified and clarified with additional factors; Tables added to document complexity, the entity’s experience, and practitioner’s experience. | Instructions, Tables | Y | | |
| KBA-504 Basis for Inherent Risk Assessment: Cyber Security | | | | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward and Update Content Considerations |
|----------------|--|----------|--------------------------|---|--|
| NEW | New document to assist the practitioner in assessing inherent risk in an examination of an entity's cybersecurity risk management program. | Document | Interpretive Publication | AICPA Guide: <i>Reporting on an Entity's Cybersecurity Risk Management Program and Controls</i> | |

Attestation Programs (ATTs): Updated throughout to reflect changes in attestation standards, including SSAE No. 18, and GAGAS, where applicable; and update or add new practice points addressing relevant issues. Significant changes to the ATTs include:

- **NEW ATT-114 Overall Attestation Program: Examination-Level Engagement on Sustainability Information**
- **NEW ATT-115 Overall Attestation Program: Review-Level Engagement on Sustainability Information**
- **NEW ATT-116 Overall Attestation Program: Examination Level Engagement on Cyber Security Risk Management Program**
- **NEW ATT-412 Evaluation of Management's Description of the Entity's Cybersecurity Risk Management Program**

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|--|--|------------------|-----------------------|--------------------|--|
| ATT-101 Overall Attestation Program | | | | | |
| Modify | Re-arranged several steps to improve flow of work within the document. | Procedures steps | N | | |
| Modify | Added sub points to step #4 to specifically list preconditions that should be met. The step now reads as follows: Determine that the engagement meets all the preconditions for an attestation engagement: a. The practitioner is able to comply with relevant professional standards. b. The responsible party is a party other than the practitioner and takes responsibility for the subject matter. c. The engagement exhibits all of the following characteristics: i. The subject matter is appropriate. ii. The criteria to be applied in the preparation and evaluation of the subject | Procedures steps | Y | | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|------------------|-----------------------|--------------------|--|
| | <p>matter are suitable and will be available to the intended users.</p> <p>iii. The practitioner expects to be able to obtain the evidence needed to arrive at the practitioner’s opinion, conclusion, or findings, including:</p> <ul style="list-style-type: none"> a. Access to all information of which the responsible party is aware that is relevant to the measurement, evaluation, or disclosure of the subject matter; b. Access to additional information that the practitioner may request from the responsible party for the purpose of the engagement; and c. Unrestricted access to persons within the appropriate party(ies) from whom the practitioner determines it necessary to obtain evidence. <p>iv. The practitioner’s opinion, conclusion, or findings, in the form appropriate to the engagement, is to be contained in a written practitioner’s report.</p> | | | | |
| Modify | <p>Modified step #12 to emphasize professional judgment. The step now reads as follows: Using professional judgment, establish and document the overall engagement strategy that sets the scope, timing, and direction of the engagement, and that guides the development of the engagement plan.</p> | Procedures steps | Y | | Step will retain on roll forward with default settings |
| Modify | <p>Added step #16 which reads as follows: If internal auditors are to provide direct assistance, we have obtained from the responsible party its written acknowledgement that the internal auditors will be allowed to follow our instructions and that the responsible party will not intervene in the work performed.</p> | Procedures steps | Y | | |
| Delete | Deleted former step #26 which is covered by other steps: | Procedures steps | | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|---|------------------|-----------------------|--------------------|--|
| | <p>If necessary, consider the impact on the engagement strategy and plan from planned reliance on the work of:</p> <ol style="list-style-type: none"> Internal auditors. Specialists. Other responsible party personnel. Another office of the firm or an affiliate firm. | | | | |
| Delete | <p>Deleted former step #32 which is covered by other steps: If sampling is used, the purpose of the procedure and the characteristics of the population from which the sample was drawn was considered when designing the sample. AID-801 Sampling Worksheet for Substantive Tests of Details</p> | Procedures steps | | | |
| Modify | <p>Added step #35 which reads as follows: If a change in the terms of the engagement is requested during the engagement, determine that the requirements for acceptance and continuance continue to be met and that reasonable justification exists for the change prior to agreeing to it. Practice Point: if a change in the terms of the engagement is made, the practitioner should not disregard evidence that was obtained prior to the change.</p> | Procedures steps | Y | | |
| Modify | <p>Modified step #36 to emphasize contradictory evidence. The step now reads as follows: Review the results of all of the attest engagement procedures performed and evaluate whether the subject matter or assertion is presented in accordance with the criteria in all material respects. The practitioner should consider all relevant evidence, regardless of whether it appears to corroborate or contradict the measurement or evaluation of the subject matter against the criteria. When evidence obtained from one source is inconsistent with that obtained from another, the practitioner should determine what additional procedures are necessary to resolve the inconsistency. <i>KBA-101</i> <i>KBA-501</i></p> | Procedures steps | Y | | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|---|---|------------------|-----------------------|--------------------|--|
| Modify | <p>Added step #37 which reads as follows: Evaluate the sufficiency and appropriateness of the evidence obtained in the context of the engagement, and if necessary, attempted to obtain further evidence.</p> <p>Practice Point: If the practitioner is unable to obtain sufficient appropriate evidence, he or she should consider the implications for the practitioner's opinion.</p> | Procedures steps | Y | | |
| Modify | <p>Modified step #40 by adding "accumulate." The step now reads as follows: Accumulate and evaluate any misstatements, deviations, or omissions to the subject matter or assertion, and the effect on the practitioner's opinion.</p> <p><i>KBA-101</i> <i>KBA-501</i></p> | Procedures steps | Y | | Step will retain on roll forward with default settings |
| Modify | <p>Modified step #49 to discuss opinion type. The step now reads as follows: Determine the type of opinion (e.g., unmodified, qualified, adverse, or disclaimer of opinion) and draft an appropriate attestation engagement report.</p> <p><i>RPT-0901 Examination Engagement: Unmodified Opinion on Subject Matter (General Use)</i> through <i>RPT-0915 Examination Engagement: Disclaimer of Opinion on Subject Matter Due to a Scope Limitation (General Use)</i></p> | Procedures steps | Y | | Step will reset on roll forward due to content changes |
| ATT-102 Overall Attestation Program: Review-Level Engagement | | | | | |
| Modify | Re-arranged several steps to improve flow of work within the document. | Procedures steps | N | | |
| Modify | <p>Added sub points to step #4 to specifically list preconditions that should be met. The step now reads as follows: Determine that the engagement meets all the preconditions for an attestation engagement:</p> <p>a. The practitioner is able to comply with relevant professional standards.</p> | Procedures steps | Y | | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|---|------------------|-----------------------|--------------------|-----------------------------|
| | <ul style="list-style-type: none"> b. The responsible party is a party other than the practitioner and takes responsibility for the subject matter. c. The engagement exhibits all of the following characteristics: <ul style="list-style-type: none"> i. The subject matter is appropriate. ii. The criteria to be applied in the preparation and evaluation of the subject matter are suitable and will be available to the intended users. iii. The practitioner expects to be able to obtain the evidence needed to arrive at the practitioner’s opinion, conclusion, or findings, including: <ul style="list-style-type: none"> a. Access to all information of which the responsible party is aware that is relevant to the measurement, evaluation, or disclosure of the subject matter; b. Access to additional information that the practitioner may request from the responsible party for the purpose of the engagement; and c. Unrestricted access to persons within the appropriate party(ies) from whom the practitioner determines it necessary to obtain evidence. iv. The practitioner’s opinion, conclusion, or findings, in the form appropriate to the engagement, is to be contained in a written practitioner’s report. | | | | |
| Modify | <p>Added step #13 which reads as follows: If internal auditors are to provide direct assistance, we have obtained from the responsible party its written acknowledgement that the internal auditors will be allowed to follow our instructions and that the responsible party will not intervene in the work performed.</p> | Procedures steps | Y | | |
| Delete | Deleted former step #17 which is covered by other steps: | Procedures steps | | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|---|------------------|-----------------------|--------------------|---|
| | If necessary, consider the impact on the engagement strategy and plan from planned reliance on the work of: <ul style="list-style-type: none"> a. Internal auditors. b. Specialists. c. Other responsible party personnel. d. Another office of the firm or an affiliate firm. | | | | |
| Modify | Added the following Practice Point to step #19: Practice Point: The specific nature, timing and extent of review procedures is based on the professional judgment of the practitioner, but should consider the understanding the practitioner has obtained of the subject matter and the engagement circumstances. The practitioner should place increased focus on the areas where he or she feels that there is increased risk that the subject matter may be materially misstated. | Procedures steps | Y | | |
| Modify | Modified step #22 which now reads as follows: Perform analytical procedures, make inquiries, and perform other procedures, as appropriate, to accumulate sufficient evidence to provide limited assurance about whether any material modifications should be made to the subject matter in order for it to be in accordance with (or based on) the criteria, or the assertion, in order for it to be fairly stated. Practice Point: Analytical procedures may not be possible when the subject matter is qualitative rather than quantitative. In those circumstances the practitioner should perform other procedures, in addition to inquiries, that provide equivalent levels of review evidence. <i>KBA-502</i> | Procedures steps | Y | | Step will reset on roll forward due to content changes |
| Modify | Added step #26 which reads as follows: If a change in the terms of the engagement is requested during the engagement, determine that the requirements for acceptance and continuance continue to be met and that reasonable justification exists for the change prior to agreeing to it. Practice Point: if a change in the terms of the engagement is made, the practitioner should not disregard evidence that was obtained prior to the change. | Procedures steps | Y | | |
| Modify | Combined previous step #26 and #27 into current step #28 which reads as follows: | Procedures steps | Y | | Step will retain on roll forward using default settings |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|---|---|------------------|-----------------------|--------------------|--|
| | Accumulate and evaluate any misstatements, deviations, or omissions to the subject matter or assertion, and the effect on the practitioner's opinion. <i>KBA-101</i> <i>KBA-502</i> | | | | |
| ATT-103 Overall Attestation Program: Agreed-Upon Procedures Engagement | | | | | |
| Modify | Re-arranged several steps to improve flow of work within the document. | Procedures steps | N | | |
| Modify | Added sub points to step #4 to specifically list preconditions that should be met. The step now reads as follows: Determine that the engagement meets all the preconditions for an attestation engagement: <ul style="list-style-type: none"> a. The practitioner is able to comply with relevant professional standards. b. The responsible party is a party other than the practitioner and takes responsibility for the subject matter. c. The engagement exhibits all of the following characteristics: <ul style="list-style-type: none"> i. The subject matter is appropriate. <ul style="list-style-type: none"> ii. The criteria to be applied in the preparation and evaluation of the subject matter are suitable and will be available to the intended users. iii. The practitioner expects to be able to obtain the evidence needed to arrive at the practitioner's opinion, conclusion, or findings, including: <ul style="list-style-type: none"> a. Access to all information of which the responsible party is aware that is relevant to the measurement, evaluation, or disclosure of the subject matter; b. Access to additional information that the practitioner may request from the | Procedures steps | Y | | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|--|---|------------------|-----------------------|--------------------|--|
| | <p>responsible party for the purpose of the engagement; and</p> <p>c. Unrestricted access to persons within the appropriate party(ies) from whom the practitioner determines it necessary to obtain evidence.</p> <p>iv. The practitioner’s opinion, conclusion, or findings, in the form appropriate to the engagement, is to be contained in a written practitioner’s report.</p> | | | | |
| Modify | <p>Added step #20 which reads as follows: If a change in the terms of the engagement is requested during the engagement, determine that the requirements for acceptance and continuance continue to be met and that reasonable justification exists for the change prior to agreeing to it.</p> <p>Practice Point: if a change in the terms of the engagement is made, the practitioner should not disregard evidence that was obtained prior to the change.</p> | Procedures steps | Y | | |
| ATT-104 Overall Attestation Program: Examination-Level Engagement on Prospective Financial Statements | | | | | |
| Modify | Re-arranged several steps to improve flow of work within the document. | Procedures steps | N | | |
| Modify | <p>Added sub points to step #4 to specifically list preconditions that should be met. The step now reads as follows: Determine that the engagement meets all the preconditions for an attestation engagement:</p> <p>a. The practitioner is able to comply with relevant professional standards.</p> <p>b. The responsible party is a party other than the practitioner and takes responsibility for the subject matter.</p> <p>c. The engagement exhibits all of the following characteristics:</p> <p>i. The subject matter is appropriate.</p> | Procedures steps | Y | | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|------------------|-----------------------|--------------------|---|
| | <ul style="list-style-type: none"> ii. The criteria to be applied in the preparation and evaluation of the subject matter are suitable and will be available to the intended users. iii. The practitioner expects to be able to obtain the evidence needed to arrive at the practitioner’s opinion, conclusion, or findings, including: <ul style="list-style-type: none"> a. Access to all information of which the responsible party is aware that is relevant to the measurement, evaluation, or disclosure of the subject matter; b. Access to additional information that the practitioner may request from the responsible party for the purpose of the engagement; and c. Unrestricted access to persons within the appropriate party(ies) from whom the practitioner determines it necessary to obtain evidence. iv. The practitioner’s opinion, conclusion, or findings, in the form appropriate to the engagement, is to be contained in a written practitioner’s report. | | | | |
| Modify | <p>Modified step #12 to emphasize professional judgment. The step now reads as follows: Using professional judgment, establish and document the overall engagement strategy that sets the scope, timing, and direction of the engagement, and that guides the development of the engagement plan.</p> | Procedures steps | Y | | Step will retain on roll forward with default settings |
| Modify | <p>Added step #16 which reads as follows: If internal auditors are to provide direct assistance, we have obtained from the responsible party its written acknowledgement that the internal auditors will be allowed to follow our instructions and that the responsible party will not intervene in the work performed.</p> | Procedures steps | Y | | |
| Modify | Modified steps #24a and #24b which now read as follows: | Procedures steps | N | | Steps will retain on roll forward with default settings |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|------------------|--------------------------|--|-----------------------------|
| | <p>a. The availability and cost of resources needed to operate, such as raw materials, labor, capital, and plant and equipment;</p> <p>b. The nature and condition of markets in which the entity sells its goods or services, including final consumer markets if the entity sells to intermediate markets, the entity's market share, and advertising and marketing plans;</p> | | | | |
| Modify | <p>Added Practice Point to step #27 which reads:</p> <p>Practice Point: As part of determining the process used to prepare the prospective financial information in order to obtain an understanding of the process for identifying key factors, developing assumptions, and translating assumptions into prospective financial information, the practitioner may seek answers to questions such as the following:</p> <ul style="list-style-type: none"> • Is the preparation of the prospective financial information adequately documented to permit management and the practitioner to trace through the process? • Has the process been used in the past to generate prospective financial information, and, if so, was it effective? • What procedures provide reasonable assurance that all significant factors are included in the assumptions? • What procedures provide reasonable assurance that the prospective financial information is based on assumptions approved by the responsible party? • What are the methods for collecting, calculating, and aggregating prospective data? • What methods identify and quantify the effect of variations in assumptions? • What are the procedures to effect changes in accounting principles and to reflect them in the prospective financial information? • If the process used to develop prospective financial information being examined has been used in the past, are there procedures to compare prior prospective amounts with the historical results and to analyze the differences where applicable? (For example, differences in prospective amounts and actual results would be analyzed to determine whether identified causes are considered.) Are the results of such procedures used to adjust the process, if applicable? | Procedures steps | Interpretive Publication | AICPA's <i>Guide for Prospective Financial Information (Updated as of April 1, 2017)</i> | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|---|------------------|--------------------------|--|-----------------------------|
| | <ul style="list-style-type: none"> • What are the responsible party's review and approval procedures? • How are errors prevented or detected and corrected? | | | | |
| Modify | <p>Added steps #28g-1 which read:</p> <p>g. Models and techniques that are used;</p> <p>h. Strengths and weaknesses of the process used by the responsibility to develop its prospective financial information by comparing it with the following guidelines:</p> <ol style="list-style-type: none"> (1) Prospective financial information is prepared in good faith; (2) Prospective financial information is prepared with appropriate care by qualified personnel; (3) Prospective financial information is prepared using appropriate accounting principles; (4) The process used to develop prospective financial information provides for seeking out the best information that is reasonably available at the time; (5) The information used in preparing prospective financial information is consistent with the plans of the entity; (6) Key factors are identified as a basis for assumptions; (7) Assumptions used in preparing prospective financial information are appropriate; (8) The process used to develop prospective financial information provides the means to determine the relative effect of variations on the major underlying assumptions; (9) The process used to develop prospective financial information provides adequate documentation of both the prospective information and the process used to develop it; (10) The process used to develop prospective financial information includes, where appropriate, the | Procedures steps | Interpretive Publication | AICPA's <i>Guide for Prospective Financial Information (Updated as of April 1, 2017)</i> | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|---|------------------|-----------------------|--------------------------------------|---|
| | <p>regular comparison of the prospective information with the attained results; and</p> <p>(11) The process used to prepare prospective financial information includes adequate review and approval by the responsible party at the appropriate levels of authority;</p> <p>i. The extent to which to prospective financial information was reviewed and approved by the responsible party;</p> <p>j. The relative effect of variations in underlying assumptions;</p> <p>k. The use of appropriate accounting principles and practices; and</p> <p>l. If applicable, the results of comparing actual results with amounts in previous prospective financial information.</p> <p>Practice Point: Considerations may include:</p> <ul style="list-style-type: none"> • Whether the comparison was performed using correct, comparable data and whether identified differences were documented and appropriately supported, • Whether the process was adjusted when appropriate, • Whether the procedures to develop prospective financial information in the past have properly reflected the entity's plans, and • Whether any consistent biases have been observed. | | | | |
| Delete | Deleted former step #28 which was a duplicate of former step #27 (current step #29). | Procedures steps | | | |
| Delete | <p>Deleted former step #30 which is covered by other steps:</p> <p>If necessary, consider the impact on the engagement strategy and plan from planned reliance on the work of:</p> <ol style="list-style-type: none"> a. Internal auditors. b. Specialists. c. Other responsible party personnel. d. Another office of the firm or an affiliate firm. | Procedures steps | | | |
| Modify | <p>Modified step #39b and #39c which now read as follows:</p> <ol style="list-style-type: none"> b. The responsible party has explicitly identified all factors expected to materially affect the operations of | Procedures steps | Interpretive | AICPA's <i>Guide for Prospective</i> | Step will retain on roll forward using default settings |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|----------|-----------------------|--|-----------------------------|
| | <p>the entity during the prospective period and has developed appropriate assumptions with respect to such factors. Note that the practice point identifies procedures that may be used to assist the practitioner in planning their examination.</p> <p>Practice Point: There is no single list of engagement procedures that must be executed by the practitioner in an examination of prospective financial statements. Procedures that the practitioner may wish to perform to identify the key factors upon which the financial results of the entity may depend include:</p> <ul style="list-style-type: none"> • Evaluate both the assumptions listed in the prospective financial information and the more detailed data included in the underlying documentation to determine the completeness of the list, considering factors such as risks inherent in the business, the sensitivity to variations, and the pervasiveness of the effect of particular factors on the various assumptions. • Obtain prospective financial information of similar entities, if available, and consider whether the key factors addressed in the assumptions used by those entities are addressed in the client's presentation. • Analyze prior-period financial results to help identify the principal factors that influenced the results. If any interim historical results are available, consider any significant deviations from historical patterns and investigate the causes. • Review any public statements, formal plans, and minutes of board of directors' meetings for significant decisions regarding plans, contracts, or legal agreements. • Inquire of the responsible party regarding possible additional factors or changes in assumptions about factors. <p>Investigate any particularly risky or sensitive aspects of the business, based on knowledge of the entity and its industry—for example, market trends; competitive conditions; pending laws and regulations; social, economic, political and technological influences; and dependence on major customers and suppliers.</p> <p>c. The assumptions are suitably supported. Note that the practice point identifies procedures that may be used to assist the practitioner in planning their examination.</p> <p>Practice Point: There is no single list of engagement procedures that must be executed by the practitioner in an examination of prospective financial statements. Procedures that the practitioner</p> | | Publicati on | <i>Financial Information (Updated as of April 1, 2017)</i> | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|----------|-----------------------|--------------------|-----------------------------|
| | <p>may wish to perform to evaluate the significant assumptions include:</p> <ul style="list-style-type: none"> • Give special attention to specific assumptions that are material to the prospective amounts, especially sensitive to variations, deviations from historical pattern, and more uncertain. • Obtain a list of the sources of information (both internal and external) that the entity used in formulating their assumptions. On a test basis, evaluate whether the information was properly considered in formulating the assumptions. • Trace assumptions about selected key factors to the support for the assumptions to determine whether the indicated sources of information were actually used and to evaluate the suitability of the support. If the information is taken from internal analyses, evaluate whether the information is sufficiently reliable for the practitioner's purposes. • Review any available documentation of the responsible party's plans such as budgets, spending estimates, policy statements, or contractual agreements and inquire about those plans, goals, and objectives and consider their relationship to the assumptions. • Investigate alternative sources of support for the assumptions and evaluate whether the preponderance of available information supports each significant assumption. • Inquire about and analyze the historical data used in developing prospective amounts to assess whether the historical data is comparable and consistent with the prospective period and whether it is sufficiently reliable for the purpose. • If historical financial statements have been prepared for a part of the prospective period that has already passed, read the historical data and consider them in relation to the prospective results for the same period. • Evaluate assumptions related to the prospective financial information that is significant to the presentation and is based on historical financial results. The practitioner may determine that it is necessary to apply audit or review procedures to the historical financial data. • Evaluate the assumptions using approaches that differ from those used to develop the assumptions. For example, if the sales assumption was developed by aggregating individual salespersons' estimates, consider comparing the assumptions to historical patterns. Also consider trying other models and techniques. • Evaluate whether the presentation extends to time periods for which suitable support for assumptions is not | | | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|------------------|--------------------------|--|---|
| | <p>available, considering the nature of the entity's industry, and patterns of past performance for the entity or comparable entities.</p> <ul style="list-style-type: none"> • Confirm with external sources information supporting the assumptions, if appropriate. (For example, if the backlog of sales orders is significant to a forecast and is not adequately supported, consider sending written confirmation requests to customers.) • Perform additional procedures regarding the work of management specialists who have provided the support for key assumptions, such as lawyers, engineers, economists, investment bankers, and architects (see <i>AID-605 Using the Work of a Management's Specialist</i>) <p>Obtain a letter from the client's legal counsel, as of the report date, covering litigation, claims, and assessments as well as the legality of any major changes planned (such as marketing considerations, environmental impact, or patents) and other matters (such as the impact of new laws affecting the industry).</p> | | | | |
| Modify | <p>Modified step #40b and #40c which now read as follows:</p> <p>d. The responsible party has explicitly identified all factors that would materially affect the operations of the entity during the prospective period if the hypothetical assumptions were to materialize and has developed appropriate assumptions with respect to such factors. Note that the practice point identifies procedures that may be used to assist the practitioner in planning their examination.</p> <p>Practice Point: There is no single list of engagement procedures that must be executed by the practitioner in an examination of prospective financial statements. Procedures that the practitioner may wish to perform to identify the key factors upon which the financial results of the entity may depend include:</p> <ul style="list-style-type: none"> • Evaluate both the assumptions listed in the prospective financial information and the more detailed data included in the underlying documentation to determine the completeness of the list, considering factors such as risks inherent in the business, the sensitivity to variations, and the pervasiveness of the effect of particular factors on the various assumptions. • Obtain prospective financial information of similar entities, if available, and consider whether the key factors addressed in the assumptions used by | Procedures Steps | Interpretive Publication | AICPA's <i>Guide for Prospective Financial Information (Updated as of April 1, 2017)</i> | Step will retain on roll forward using default settings |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|----------|-----------------------|--------------------|-----------------------------|
| | <p>those entities are addressed in the client's presentation.</p> <ul style="list-style-type: none"> • Analyze prior-period financial results to help identify the principal factors that influenced the results. If any interim historical results are available, consider any significant deviations from historical patterns and investigate the causes. • Review any public statements, formal plans, and minutes of board of directors' meetings for significant decisions regarding plans, contracts, or legal agreements. • Inquire of the responsible party regarding possible additional factors or changes in assumptions about factors. • Investigate any particularly risky or sensitive aspects of the business, based on knowledge of the entity and its industry—for example, market trends; competitive conditions; pending laws and regulations; social, economic, political and technological influences; and dependence on major customers and suppliers. <p>e. The other assumptions are suitably supported given the hypothetical assumptions. Note that the practice point identifies procedures that may be used to assist the practitioner in planning their examination.</p> <p>Practice Point: As the number and significance of the hypothetical assumptions increase, the practitioner may not be able to satisfy himself or herself about the presentation as a whole by obtaining support for the remaining assumptions.</p> <p>Practice Point: There is no single list of engagement procedures that must be executed by the practitioner in an examination of prospective financial statements. Procedures that the practitioner may wish to perform to evaluate the significant assumptions (other than the hypothetical assumptions) include:</p> <ul style="list-style-type: none"> • Give special attention to specific assumptions that are material to the prospective amounts, especially sensitive to variations, deviations from historical pattern, and more uncertain. • Obtain a list of the sources of information (both internal and external) that the entity used in formulating their assumptions. On a test basis, evaluate whether the information was properly considered in formulating the assumptions. • Trace assumptions about selected key factors to the support for the assumptions to determine whether the indicated sources of information were actually used and to evaluate the suitability of the support. If the information is taken from | | | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|----------|-----------------------|--------------------|-----------------------------|
| | <p>internal analyses, evaluate whether the information is sufficiently reliable for the practitioner's purposes.</p> <ul style="list-style-type: none"> • Review any available documentation of the responsible party's plans such as budgets, spending estimates, policy statements, or contractual agreements and inquire about those plans, goals, and objectives and consider their relationship to the assumptions. • Investigate alternative sources of support for the assumptions and evaluate whether the preponderance of available information supports each significant assumption. • Inquire about and analyze the historical data used in developing prospective amounts to assess whether the historical data is comparable and consistent with the prospective period and whether it is sufficiently reliable for the purpose. • If historical financial statements have been prepared for a part of the prospective period that has already passed, read the historical data and consider them in relation to the prospective results for the same period. • Evaluate assumptions related to the prospective financial information that is significant to the presentation and is based on historical financial results. The practitioner may determine that it is necessary to apply audit or review procedures to the historical financial data. • Evaluate the assumptions using approaches that differ from those used to develop the assumptions. For example, if the sales assumption was developed by aggregating individual salespersons' estimates, consider comparing the assumptions to historical patterns. Also consider trying other models and techniques. • Evaluate whether the presentation extends to time periods for which suitable support for assumptions is not available, considering the nature of the entity's industry, and patterns of past performance for the entity or comparable entities. • Confirm with external sources information supporting the assumptions, if appropriate. (For example, if the backlog of sales orders is significant to a forecast and is not adequately supported, consider sending written confirmation requests to customers.) • Perform additional procedures regarding the work of management specialists who have provided the support for key assumptions, such as lawyers, engineers, economists, investment bankers, and architects (see <i>AID-605 Using the Work of a Management's Specialist</i>) • Obtain a letter from the client's legal counsel, as of the report date, covering litigation, claims, and assessments as well as the legality of any major changes planned (such as marketing considerations, environmental impact, or patents) and other matters (such as the impact of new laws affecting the industry). | | | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|------------------|--------------------------|--|--|
| | In addition, the practitioner should determine whether the hypothetical assumptions are consistent with the purpose of the presentation. | | | | |
| Modify | <p>Deleted previous step #47 and replaced with new steps #45 and #46 which read as follows:</p> <p>45. Verify that the following minimum elements are present in the prospective financial statements:</p> <ul style="list-style-type: none"> f. Sales or gross revenues. g. Gross profit or cost of sales. h. Unusual or infrequently occurring items. i. Provision for income taxes, if applicable. j. Income from continuing operations. k. Discontinued operations. l. Net income. m. Basic and diluted earnings per share, if applicable. n. Significant changes in financial position. (This item does not require a balance sheet, a statement of changes in financial position, or a statement of cash flows, but it often does include cash flows from operations.) o. A description of what the responsible party intends the prospective financial statements to present. p. A statement that the assumptions are based on the responsible party's judgment and information about circumstances and conditions existing at the time the prospective information was prepared. q. A caveat that the prospective results may not be achieved. r. Summary of significant assumptions. s. Summary of significant accounting policies <p>Practice Point: Minimum disclosure items need be presented only if applicable, but should be adapted as necessary to portray operations. Similar types of financial information generally should be presented for entities for which these</p> | Procedures Steps | Interpretive Publication | AICPA's <i>Guide for Prospective Financial Information (Updated as of April 1, 2017)</i> | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|----------|-----------------------|--------------------|-----------------------------|
| | <p>terms do not describe operations, or if a different financial reporting framework is used to present the forecast. For example, if the forecast is presented on the cash basis, item b. above would be cash receipts. The basis of accounting on which the forecast is presented generally should be appropriate for the use of the forecast. In order to assist users in determining how current the presentation is, the date of the completion of the preparation of the prospective financial statements should be disclosed.</p> <p>Practice Point: A presentation that omits one or more of items a – i (unless the item was not required to be presented in the historical financial statements) is a partial presentation, which would not ordinarily be appropriate for general use</p> <p>If the omitted item is applicable and is derivable from the information presented, the presentation would not be deemed to be a partial presentation.</p> <p>A partial presentation is subject to all of the provisions of AT-C 305 applicable to complete presentations. The omission of items j – n would cause the presentation to be deficient.</p> <p>46. Verify that the financial forecast or projection also includes the following:</p> <ol style="list-style-type: none"> a. An appropriate title; <p>Practice Point: The AICPA Guide, <i>Prospective Financial Information</i>, states that a forecast should have a title that describes the nature of the presentation and should include the word “forecast” or “forecasted”. Statement titles in financial projections are descriptive of the presentation and do not imply that the presentation is a forecast. Projection titles should describe or refer to any significant hypothetical assumptions.</p> b. The date that the preparation of the prospective financial statements was completed. c. A statement, on each page of the prospective financial statements, that directs the reader to the summaries of significant assumptions and accounting policies. <p>If the accounting principles used to prepare the prospective financial information than was used to prepare the historical financial statements due to the special purpose of the presentation, disclosure of the use of different accounting principles and the differences in financial</p> | | | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|------------------|--------------------------|--|-----------------------------|
| | position and the results of operations arising from using those different accounting principles. | | | | |
| Modify | <p>Added practice points to step #47 which read as follows:</p> <p>In evaluating the preparation and presentation of the prospective financial statements, perform procedures that will provide reasonable assurance that the:</p> <p>a. Presentation reflects the identified assumptions.</p> <p>Practice Point: There is no single list of engagement procedures that must be executed by the practitioner in an examination of prospective financial statements. Procedures that the practitioner may wish to perform to evaluate the preparation and presentation of the prospective financial information include:</p> <ul style="list-style-type: none"> • Trace aggregate amounts to the prospective financial information. • Determine whether the listed assumptions are those used in preparing the prospective financial information. • Determine whether the effects of each assumption on all of the related prospective amounts have been reflected in the presentation. • Determine whether any assumption contradicts, or is inconsistent with, another. <p>b. Computations made to translate the assumptions into prospective amounts are mathematically accurate.</p> <p>Practice Point: There is no single list of engagement procedures that must be executed by the practitioner in an examination of prospective financial statements. Procedures that the practitioner may wish to perform to evaluate the preparation and presentation of the prospective financial information include:</p> <ul style="list-style-type: none"> • Test the mathematical accuracy of the computations made in translating the assumptions into prospective amounts. • Evaluate the appropriateness of mathematical equations, statistical techniques, or modeling procedures. • Recompute, on a test basis, the translation of assumptions into prospective amounts. <p>c. Assumptions are internally consistent.</p> <p>Practice Point: There is no single list of engagement procedures that must be executed by the practitioner in an examination of prospective financial statements. Procedures that the practitioner may wish to perform to evaluate the</p> | Procedures Steps | Interpretive Publication | AICPA's <i>Guide for Prospective Financial Information (Updated as of April 1, 2017)</i> | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|----------|-----------------------|--------------------|-----------------------------|
| | <p>preparation and presentation of the prospective financial information include:</p> <ul style="list-style-type: none"> • Review the relationship between financial data and other relevant non-financial data by using appropriate mathematical or non-quantitative methods. • Review adjustments made in the data, considering whether they are justified and reasonable in relation to other information, and whether their effect has been properly reflected in the prospective financial information. <p>d. Accounting principles used in the forecast or projection are appropriate.</p> <p>Practice Point: There is no single list of engagement procedures that must be executed by the practitioner in an examination of prospective financial statements. Procedures that the practitioner may wish to perform to evaluate the preparation and presentation of the prospective financial information include:</p> <ul style="list-style-type: none"> • Determine whether the accounting principles used are consistent with those used in the historical financial statements, if any. • Determine whether the accounting principles used are consistent with those expected to be used in future financial statements (including expected changes in accounting principles). • Determine whether the accounting principles used are generally accepted accounting principles or based on a special purpose financial reporting framework. • For a financial projection, determine whether the accounting principles used are consistent with the purpose of the presentation. <p>Practice Point: Under the AICPA presentation guidelines, the accounting principles used in a financial projection need not be those expected to be used in the historical financial statements for the perspective period if use of a different principle is consistent with the purpose of the presentation.</p> <p>e. Presentation of the prospective financial statements follows the AICPA guidelines applicable for such statements.</p> <p>f. Assumptions have been adequately disclosed based on AICPA presentation guidelines for prospective financial statements.</p> <p>Practice Point: There is no single list of engagement procedures that must be executed by the practitioner in an examination of prospective financial statements. Procedures that the practitioner may wish to perform to evaluate the</p> | | | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|------------------|-----------------------|--------------------|--|
| | <p>preparation and presentation of the prospective financial information include:</p> <ul style="list-style-type: none"> • Determine whether the assumptions are adequately disclosed. • Determine whether particularly sensitive assumptions are identified • If the effect of a variation in an assumption is disclosed, determine whether it is appropriately stated. <p>For a financial projection, determine whether there is an excessive number of hypothetical assumptions, and whether the hypothetical assumptions are identified as such.</p> | | | | |
| Modify | <p>Added step #52 which reads as follows: If a change in the terms of the engagement is requested during the engagement, determine that the requirements for acceptance and continuance continue to be met and that reasonable justification exists for the change prior to agreeing to it.</p> <p>Practice Point: if a change in the terms of the engagement is made, the practitioner should not disregard evidence that was obtained prior to the change.</p> | Procedures steps | Y | | |
| Modify | <p>Modified step #53 to emphasize contradictory evidence. The step now reads as follows: Review the results of all of the attest engagement procedures performed and evaluate whether the subject matter or assertion is presented in accordance with the criteria in all material respects. The practitioner should consider all relevant evidence, regardless of whether it appears to corroborate or contradict the measurement or evaluation of the subject matter against the criteria. When evidence obtained from one source is inconsistent with that obtained from another, the practitioner should determine what additional procedures are necessary to resolve the inconsistency.</p> <p><i>KBA-101</i> <i>KBA-501</i></p> | Procedures steps | Y | | Step will reset on roll forward due to content changes |
| Modify | <p>Added step #54 which reads as follows: Evaluate the sufficiency and appropriateness of the evidence obtained in the context of the engagement, and if necessary, attempted to obtain further evidence.</p> | Procedures steps | Y | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|---|--|------------------|-----------------------|--------------------|---|
| | Practice Point: If the practitioner is unable to obtain sufficient appropriate evidence, he or she should consider the implications for the practitioner's opinion. | | | | |
| Modify | Modified step #57 by adding "accumulate." The step now reads as follows: Accumulate and evaluate any misstatements, deviations, or omissions to the subject matter or assertion, and the effect on the practitioner's opinion. <i>KBA-101</i> <i>KBA-501</i> | Procedures steps | Y | | Step will retain on roll forward using default settings |
| Modify | Modified step #66 to discuss opinion type. The step now reads as follows: Determine the type of opinion (e.g., unmodified, qualified, adverse, or disclaimer of opinion) and draft an appropriate attestation engagement report. <i>RPT-0901 Examination Engagement: Unmodified Opinion on Subject Matter (General Use) through RPT-0915 Examination Engagement: Disclaimer of Opinion on Subject Matter Due to a Scope Limitation (General Use)</i> | Procedures steps | Y | | Step will reset on roll forward due to content changes |
| ATT-106 Overall Attestation Program: Agreed-Upon Procedures Engagement on Prospective Financial Statements | | | | | |
| Modify | Re-arranged several steps to improve flow of work within the document. | Procedures steps | N | | |
| Modify | Added sub points to step #4 to specifically list preconditions that should be met. The step now reads as follows: Determine that the engagement meets all the preconditions for an attestation engagement: a. The practitioner is able to comply with relevant professional standards. b. The responsible party is a party other than the practitioner and takes responsibility for the subject matter. c. The engagement exhibits all of the following characteristics: | Procedures steps | Y | | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|---|---|------------------|-----------------------|--------------------|-----------------------------|
| | <ul style="list-style-type: none"> i. The subject matter is appropriate. ii. The criteria to be applied in the preparation and evaluation of the subject matter are suitable and will be available to the intended users. iii. The practitioner expects to be able to obtain the evidence needed to arrive at the practitioner’s opinion, conclusion, or findings, including: <ul style="list-style-type: none"> a. Access to all information of which the responsible party is aware that is relevant to the measurement, evaluation, or disclosure of the subject matter; b. Access to additional information that the practitioner may request from the responsible party for the purpose of the engagement; and c. Unrestricted access to persons within the appropriate party(ies) from whom the practitioner determines it necessary to obtain evidence. <p>The practitioner’s opinion, conclusion, or findings, in the form appropriate to the engagement, is to be contained in a written practitioner’s report.</p> | | | | |
| Modify | <p>Added step #24 which reads as follows: If a change in the terms of the engagement is requested during the engagement, determine that the requirements for acceptance and continuance continue to be met and that reasonable justification exists for the change prior to agreeing to it.</p> <p>Practice Point: if a change in the terms of the engagement is made, the practitioner should not disregard evidence that was obtained prior to the change.</p> | Procedures steps | Y | | |
| ATT-107 Overall Attestation Program: Examination-Level Engagement on Pro Forma Financial Information | | | | | |
| Modify | Re-arranged several steps to improve flow of work within the document. | Procedures steps | N | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|------------------|-----------------------|--------------------|--|
| Modify | <p>Added sub points to step #4 to specifically list preconditions that should be met. The step now reads as follows:</p> <p>Determine that the engagement meets all the preconditions for an attestation engagement:</p> <ul style="list-style-type: none"> a. The practitioner is able to comply with relevant professional standards. b. The responsible party is a party other than the practitioner and takes responsibility for the subject matter. c. The engagement exhibits all of the following characteristics: <ul style="list-style-type: none"> i. The subject matter is appropriate. ii. The criteria to be applied in the preparation and evaluation of the subject matter are suitable and will be available to the intended users. iii. The practitioner expects to be able to obtain the evidence needed to arrive at the practitioner’s opinion, conclusion, or findings, including: <ul style="list-style-type: none"> a. Access to all information of which the responsible party is aware that is relevant to the measurement, evaluation, or disclosure of the subject matter; b. Access to additional information that the practitioner may request from the responsible party for the purpose of the engagement; and c. Unrestricted access to persons within the appropriate party(ies) from whom the practitioner determines it necessary to obtain evidence. iv. The practitioner’s opinion, conclusion, or findings, in the form appropriate to the | Procedures steps | Y | | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|---|------------------|-----------------------|--------------------|---|
| | engagement, is to be contained in a written practitioner's report. | | | | |
| Modify | Modified step #14 to emphasize professional judgment. The step now reads as follows: Using professional judgment, establish and document the overall engagement strategy that sets the scope, timing, and direction of the engagement, and that guides the development of the engagement plan. | Procedures steps | Y | | Step will retain on roll forward using default settings |
| Modify | Added step #18 which reads as follows: If internal auditors are to provide direct assistance, we have obtained from the responsible party its written acknowledgement that the internal auditors will be allowed to follow our instructions and that the responsible party will not intervene in the work performed. | Procedures steps | Y | | |
| Delete | Deleted former step #29 which is covered by other steps: If necessary, consider the impact on the engagement strategy and plan from planned reliance on the work of: <ul style="list-style-type: none"> a. Internal auditors. b. Specialists. c. Other responsible party personnel. d. Another office of the firm or an affiliate firm. | Procedures steps | | | |
| Delete | Deleted former step #45 which is covered by other steps: If sampling is used, the purpose of the procedure and the characteristics of the population from which the sample was drawn was considered when designing the sample. AID-801 Sampling Worksheet for Substantive Tests of Details | Procedures steps | | | |
| Modify | Added step #47 which reads as follows: If a change in the terms of the engagement is requested during the engagement, determine that the requirements for acceptance and continuance continue to be met and that reasonable justification exists for the change prior to agreeing to it. Practice Point: if a change in the terms of the engagement is made, the practitioner should not disregard evidence that was obtained prior to the change. | Procedures steps | Y | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|---|------------------|-----------------------|--------------------|---|
| Modify | <p>Modified step #48 to emphasize contradictory evidence. The step now reads as follows:</p> <p>Review the results of all of the attest engagement procedures performed and evaluate whether the subject matter or assertion is presented in accordance with the criteria in all material respects. The practitioner should consider all relevant evidence, regardless of whether it appears to corroborate or contradict the measurement or evaluation of the subject matter against the criteria. When evidence obtained from one source is inconsistent with that obtained from another, the practitioner should determine what additional procedures are necessary to resolve the inconsistency.</p> <p><i>KBA-101</i> <i>KBA-501</i></p> | Procedures steps | Y | | Step will reset on roll forward due to content changes |
| Modify | <p>Added step #49 which reads as follows:</p> <p>Evaluate the sufficiency and appropriateness of the evidence obtained in the context of the engagement, and if necessary, attempted to obtain further evidence.</p> <p>Practice Point: If the practitioner is unable to obtain sufficient appropriate evidence, he or she should consider the implications for the practitioner's opinion.</p> | Procedures steps | Y | | |
| Modify | <p>Modified step #52 by adding “accumulate.” The step now reads as follows:</p> <p>Accumulate and evaluate any misstatements, deviations, or omissions to the subject matter or assertion, and the effect on the practitioner’s opinion.</p> <p><i>KBA-101</i> <i>KBA-501</i></p> | Procedures steps | Y | | Step will retain on roll forward using default settings |
| Modify | <p>Modified step #61 to discuss opinion type. The step now reads as follows:</p> <p>Determine the type of opinion (e.g., unmodified, qualified, adverse, or disclaimer of opinion) and draft an appropriate attestation engagement report.</p> <p><i>RPT-0901 Examination Engagement: Unmodified Opinion on Subject Matter (General Use) through RPT-0915</i></p> | Procedures steps | Y | | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|--|--|------------------|-----------------------|--------------------|--|
| | <i>Examination Engagement: Disclaimer of Opinion on Subject Matter Due to a Scope Limitation (General Use)</i> | | | | |
| ATT-108 Overall Attestation Program: Review-Level Engagement on Pro Forma Financial Information | | | | | |
| Modify | Re-arranged several steps to improve flow of work within the document. | Procedures steps | N | | |
| Modify | <p>Added sub points to step #4 to specifically list preconditions that should be met. The step now reads as follows:</p> <p>Determine that the engagement meets all the preconditions for an attestation engagement:</p> <ol style="list-style-type: none"> a. The practitioner is able to comply with relevant professional standards. b. The responsible party is a party other than the practitioner and takes responsibility for the subject matter. c. The engagement exhibits all of the following characteristics: <ol style="list-style-type: none"> i. The subject matter is appropriate. ii. The criteria to be applied in the preparation and evaluation of the subject matter are suitable and will be available to the intended users. iii. The practitioner expects to be able to obtain the evidence needed to arrive at the practitioner’s opinion, conclusion, or findings, including: <ol style="list-style-type: none"> d. Access to all information of which the responsible party is aware that is relevant to the measurement, evaluation, or disclosure of the subject matter; e. Access to additional information that the practitioner may request from the responsible party for the purpose of the engagement; and f. Unrestricted access to persons within the appropriate party(ies) from whom the | Procedures steps | Y | | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|---|------------------|-----------------------|--------------------|-----------------------------|
| | <p>practitioner determines it necessary to obtain evidence.</p> <p>iv. The practitioner’s opinion, conclusion, or findings, in the form appropriate to the engagement, is to be contained in a written practitioner’s report.</p> | | | | |
| Modify | <p>Added step #15 which reads as follows: If internal auditors are to provide direct assistance, we have obtained from the responsible party its written acknowledgement that the internal auditors will be allowed to follow our instructions and that the responsible party will not intervene in the work performed.</p> | Procedures steps | Y | | |
| Delete | <p>Deleted former step #19 which is covered by other steps: If necessary, consider the impact on the engagement strategy and plan from planned reliance on the work of:</p> <ol style="list-style-type: none"> Internal auditors. Specialists. Other responsible party personnel. Another office of the firm or an affiliate firm. | Procedures steps | | | |
| Modify | <p>Added the following Practice Point to step #21: Practice Point: The specific nature, timing and extent of review procedures is based on the professional judgment of the practitioner, but should consider the understanding the practitioner has obtained of the subject matter and the engagement circumstances. The practitioner should place increased focus on the areas where he or she feels that there is increased risk that the subject matter may be materially misstated.</p> | Procedures steps | Y | | |
| Modify | <p>Modified step #24 which now reads as follows: Perform analytical procedures, make inquiries, and perform other procedures, as appropriate, to accumulate sufficient evidence to provide limited assurance about whether any material modifications should be made to the subject matter in order for it to be in accordance with (or based on) the criteria, or the assertion, in order for it to be fairly stated. Practice Point: Analytical procedures may not be possible when the subject matter is qualitative rather than quantitative. In those circumstances the practitioner should perform other procedures,</p> | Procedures steps | Y | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|--|---|------------------|-----------------------|--------------------|---|
| | in addition to inquiries, that provide equivalent levels of review evidence. <i>KBA-502</i> | | | | |
| Modify | Added step #37 which reads as follows: If a change in the terms of the engagement is requested during the engagement, determine that the requirements for acceptance and continuance continue to be met and that reasonable justification exists for the change prior to agreeing to it. Practice Point: if a change in the terms of the engagement is made, the practitioner should not disregard evidence that was obtained prior to the change. | Procedures steps | Y | | |
| Modify | Combined previous step #38 and #39 into current step #39 which reads as follows: Accumulate and evaluate any misstatements, deviations, or omissions to the subject matter or assertion, and the effect on the practitioner's opinion. <i>KBA-101</i> <i>KBA-502</i> | Procedures steps | Y | | Step will retain on roll forward using default settings |
| ATT-110 Overall Attestation Program: Examination-Level Engagement on an Entity's Compliance with Specified Requirements | | | | | |
| Modify | Re-arranged several steps to improve flow of work within the document. | Procedures steps | N | | |
| Modify | Added sub points to step #4 to specifically list preconditions that should be met. The step now reads as follows: Determine that the engagement meets all the preconditions for an attestation engagement: a. The practitioner is able to comply with relevant professional standards. b. The responsible party is a party other than the practitioner and takes responsibility for the subject matter. c. The engagement exhibits all of the following characteristics: i. The subject matter is appropriate. | Procedures steps | Y | | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|------------------|-----------------------|--------------------|---|
| | <ul style="list-style-type: none"> ii. The criteria to be applied in the preparation and evaluation of the subject matter are suitable and will be available to the intended users. iii. The practitioner expects to be able to obtain the evidence needed to arrive at the practitioner’s opinion, conclusion, or findings, including: <ul style="list-style-type: none"> a. Access to all information of which the responsible party is aware that is relevant to the measurement, evaluation, or disclosure of the subject matter; b. Access to additional information that the practitioner may request from the responsible party for the purpose of the engagement; and c. Unrestricted access to persons within the appropriate party(ies) from whom the practitioner determines it necessary to obtain evidence. iv. The practitioner’s opinion, conclusion, or findings, in the form appropriate to the engagement, is to be contained in a written practitioner’s report. | | | | |
| Modify | <p>Modified step #13 to emphasize professional judgment. The step now reads as follows: Using professional judgment, establish and document the overall engagement strategy that sets the scope, timing, and direction of the engagement, and that guides the development of the engagement plan.</p> | Procedures steps | Y | | Step will retain on roll forward using default settings |
| Modify | <p>Added step #17 which reads as follows: If internal auditors are to provide direct assistance, we have obtained from the responsible party its written acknowledgement that the internal auditors will be allowed to follow our instructions and that the responsible party will not intervene in the work performed.</p> | Procedures steps | Y | | |
| Delete | Deleted former step #31 which is covered by other steps: | Procedures steps | | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|------------------|-----------------------|--------------------|---|
| | <p>If necessary, consider the impact on the engagement strategy and plan from planned reliance on the work of:</p> <ul style="list-style-type: none"> a. Internal auditors. b. Specialists. c. Other responsible party personnel. d. Another office of the firm or an affiliate firm. | | | | |
| Delete | <p>Deleted former step #39 which is covered by other steps:</p> <p>If sampling is used, the purpose of the procedure and the characteristics of the population from which the sample was drawn was considered when designing the sample.</p> <p>AID-801 Sampling Worksheet for Substantive Tests of Details</p> | Procedures steps | | | |
| Modify | <p>Added step #42 which reads as follows:</p> <p>If a change in the terms of the engagement is requested during the engagement, determine that the requirements for acceptance and continuance continue to be met and that reasonable justification exists for the change prior to agreeing to it.</p> <p>Practice Point: if a change in the terms of the engagement is made, the practitioner should not disregard evidence that was obtained prior to the change.</p> | Procedures steps | Y | | |
| Modify | <p>Modified step #43 to emphasize contradictory evidence. The step now reads as follows:</p> <p>Review the results of all of the attest engagement procedures performed and evaluate whether the subject matter or assertion is presented in accordance with the criteria in all material respects. The practitioner should consider all relevant evidence, regardless of whether it appears to corroborate or contradict the measurement or evaluation of the subject matter against the criteria. When evidence obtained from one source is inconsistent with that obtained from another, the practitioner should determine what additional procedures are necessary to resolve the inconsistency.</p> <p><i>KBA-101</i></p> <p><i>KBA-501</i></p> | Procedures steps | Y | | Step will retain on roll forward using default settings |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|---|---|------------------|-----------------------|--------------------|---|
| Modify | <p>Added step #44 which reads as follows: Evaluate the sufficiency and appropriateness of the evidence obtained in the context of the engagement, and if necessary, attempted to obtain further evidence.</p> <p>Practice Point: If the practitioner is unable to obtain sufficient appropriate evidence, he or she should consider the implications for the practitioner's opinion.</p> | Procedures steps | Y | | |
| Modify | <p>Modified step #47 by adding "accumulate." The step now reads as follows: Accumulate and evaluate any misstatements, deviations, or omissions to the subject matter or assertion, and the effect on the practitioner's opinion.</p> <p><i>KBA-101</i> <i>KBA-501</i></p> | Procedures steps | Y | | Step will retain on roll forward using default settings |
| Modify | <p>Modified step #56 to discuss opinion type. The step now reads as follows: Determine the type of opinion (e.g., unmodified, qualified, adverse, or disclaimer of opinion) and draft an appropriate attestation engagement report.</p> <p><i>RPT-0901 Examination Engagement: Unmodified Opinion on Subject Matter (General Use)</i> through <i>RPT-0915 Examination Engagement: Disclaimer of Opinion on Subject Matter Due to a Scope Limitation (General Use)</i></p> | Procedures steps | Y | | Step will reset on roll forward due to content changes |
| ATT-111 Overall Attestation Program: Agreed-Upon Procedures Engagement on an Entity's Compliance with Specified Requirements | | | | | |
| Modify | Re-arranged several steps to improve flow of work within the document. | Procedures steps | N | | |
| Modify | <p>Added sub points to step #4 to specifically list preconditions that should be met. The step now reads as follows: Determine that the engagement meets all the preconditions for an attestation engagement:</p> <p>a. The practitioner is able to comply with relevant professional standards.</p> | Procedures steps | Y | | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|---|------------------|-----------------------|--------------------|-----------------------------|
| | <ul style="list-style-type: none"> b. The responsible party is a party other than the practitioner and takes responsibility for the subject matter. c. The engagement exhibits all of the following characteristics: <ul style="list-style-type: none"> i. The subject matter is appropriate. ii. The criteria to be applied in the preparation and evaluation of the subject matter are suitable and will be available to the intended users. iii. The practitioner expects to be able to obtain the evidence needed to arrive at the practitioner’s opinion, conclusion, or findings, including: <ul style="list-style-type: none"> a. Access to all information of which the responsible party is aware that is relevant to the measurement, evaluation, or disclosure of the subject matter; b. Access to additional information that the practitioner may request from the responsible party for the purpose of the engagement; and c. Unrestricted access to persons within the appropriate party(ies) from whom the practitioner determines it necessary to obtain evidence. iv. The practitioner’s opinion, conclusion, or findings, in the form appropriate to the engagement, is to be contained in a written practitioner’s report. | | | | |
| Modify | <p>Added step #22 which reads as follows: If a change in the terms of the engagement is requested during the engagement, determine that the requirements for acceptance and continuance continue to be met and that reasonable justification exists for the change prior to agreeing to it.</p> | Procedures steps | Y | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|--|---|------------------|-----------------------|--------------------|--|
| | Practice Point: if a change in the terms of the engagement is made, the practitioner should not disregard evidence that was obtained prior to the change. | | | | |
| ATT-112 Overall Attestation Program: Examination-Level Engagement on Management’s Discussion and Analysis | | | | | |
| Modify | Re-arranged several steps to improve flow of work within the document. | Procedures steps | N | | |
| Modify | <p>Added sub points to step #7 to specifically list preconditions that should be met. The step now reads as follows:</p> <p>Determine that the engagement meets all the preconditions for an attestation engagement:</p> <ul style="list-style-type: none"> a. The practitioner is able to comply with relevant professional standards. b. The responsible party is a party other than the practitioner and takes responsibility for the subject matter. c. The engagement exhibits all of the following characteristics: <ul style="list-style-type: none"> i. The subject matter is appropriate. <ul style="list-style-type: none"> ii. The criteria to be applied in the preparation and evaluation of the subject matter are suitable and will be available to the intended users. iii. The practitioner expects to be able to obtain the evidence needed to arrive at the practitioner’s opinion, conclusion, or findings, including: <ul style="list-style-type: none"> a. Access to all information of which the responsible party is aware that is relevant to the measurement, evaluation, or disclosure of the subject matter; b. Access to additional information that the practitioner may request from the responsible party for the purpose of the engagement; and | Procedures steps | Y | | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|---|------------------|-----------------------|--------------------|---|
| | <ul style="list-style-type: none"> c. Unrestricted access to persons within the appropriate party(ies) from whom the practitioner determines it necessary to obtain evidence. iv. The practitioner’s opinion, conclusion, or findings, in the form appropriate to the engagement, is to be contained in a written practitioner’s report. | | | | |
| Modify | <p>Modified step #12 to emphasize professional judgment. The step now reads as follows:</p> <p>Using professional judgment, establish and document the overall engagement strategy that sets the scope, timing, and direction of the engagement, and that guides the development of the engagement plan.</p> | Procedures steps | Y | | Step will retain on roll forward using default settings |
| Modify | <p>Added step #16 which reads as follows:</p> <p>If internal auditors are to provide direct assistance, we have obtained from the responsible party its written acknowledgement that the internal auditors will be allowed to follow our instructions and that the responsible party will not intervene in the work performed.</p> | Procedures steps | Y | | |
| Delete | <p>Deleted former step #31 which is covered by other steps:</p> <p>If necessary, consider the impact on the engagement strategy and plan from planned reliance on the work of:</p> <ul style="list-style-type: none"> a. Internal auditors. b. Specialists. c. Other responsible party personnel. d. Another office of the firm or an affiliate firm. | Procedures steps | | | |
| Delete | <p>Deleted former step #35 which is covered by other steps:</p> <p>If sampling is used, the purpose of the procedure and the characteristics of the population from which the sample was drawn was considered when designing the sample.</p> <p>AID-801 Sampling Worksheet for Substantive Tests of Details</p> | Procedures steps | | | |
| Modify | <p>Added step #55 which reads as follows:</p> | Procedures steps | Y | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|---|------------------|-----------------------|--------------------|---|
| | <p>If a change in the terms of the engagement is requested during the engagement, determine that the requirements for acceptance and continuance continue to be met and that reasonable justification exists for the change prior to agreeing to it.</p> <p>Practice Point: if a change in the terms of the engagement is made, the practitioner should not disregard evidence that was obtained prior to the change.</p> | | | | |
| Modify | <p>Modified step #56 to emphasize contradictory evidence. The step now reads as follows:</p> <p>Review the results of all of the attest engagement procedures performed and evaluate whether the subject matter or assertion is presented in accordance with the criteria in all material respects. The practitioner should consider all relevant evidence, regardless of whether it appears to corroborate or contradict the measurement or evaluation of the subject matter against the criteria. When evidence obtained from one source is inconsistent with that obtained from another, the practitioner should determine what additional procedures are necessary to resolve the inconsistency.</p> <p><i>KBA-101</i> <i>KBA-501</i></p> | Procedures steps | Y | | Step will reset on roll forward due to content changes |
| Modify | <p>Added step #57 which reads as follows:</p> <p>Evaluate the sufficiency and appropriateness of the evidence obtained in the context of the engagement, and if necessary, attempted to obtain further evidence.</p> <p>Practice Point: If the practitioner is unable to obtain sufficient appropriate evidence, he or she should consider the implications for the practitioner's opinion.</p> | Procedures steps | Y | | |
| Modify | <p>Modified step #60 by adding "accumulate." The step now reads as follows:</p> <p>Accumulate and evaluate any misstatements, deviations, or omissions to the subject matter or assertion, and the effect on the practitioner's opinion.</p> <p><i>KBA-101</i> <i>KBA-501</i></p> | Procedures steps | Y | | Step will retain on roll forward using default settings |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|---|---|------------------|-----------------------|--------------------|--|
| Modify | <p>Modified step #68 to discuss opinion type. The step now reads as follows:</p> <p>Determine the type of opinion (e.g., unmodified, qualified, adverse, or disclaimer of opinion) and draft an appropriate attestation engagement report.</p> <p><i>RPT-0901 Examination Engagement: Unmodified Opinion on Subject Matter (General Use) through RPT-0915 Examination Engagement: Disclaimer of Opinion on Subject Matter Due to a Scope Limitation (General Use)</i></p> | Procedures steps | Y | | Step will reset on roll forward due to content changes |
| ATT-113 Overall Attestation Program: Review-Level Engagement on Management’s Discussion and Analysis | | | | | |
| Modify | Re-arranged several steps to improve flow of work within the document. | Procedures steps | N | | |
| Modify | <p>Added sub points to step #14 to specifically list preconditions that should be met. The step now reads as follows:</p> <p>Determine that the engagement meets all the preconditions for an attestation engagement:</p> <ol style="list-style-type: none"> a. The practitioner is able to comply with relevant professional standards. b. The responsible party is a party other than the practitioner and takes responsibility for the subject matter. c. The engagement exhibits all of the following characteristics: <ol style="list-style-type: none"> i. The subject matter is appropriate. ii. The criteria to be applied in the preparation and evaluation of the subject matter are suitable and will be available to the intended users. iii. The practitioner expects to be able to obtain the evidence needed to arrive at the practitioner’s opinion, conclusion, or findings, including: <ol style="list-style-type: none"> a. Access to all information of which the responsible party is aware that is | Procedures steps | Y | | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|---|------------------|-----------------------|--------------------|--|
| | <p>relevant to the measurement, evaluation, or disclosure of the subject matter;</p> <p>b. Access to additional information that the practitioner may request from the responsible party for the purpose of the engagement; and</p> <p>c. Unrestricted access to persons within the appropriate party(ies) from whom the practitioner determines it necessary to obtain evidence.</p> <p>iv. The practitioner’s opinion, conclusion, or findings, in the form appropriate to the engagement, is to be contained in a written practitioner’s report.</p> | | | | |
| Modify | <p>Added step #22 which reads as follows: If internal auditors are to provide direct assistance, we have obtained from the responsible party its written acknowledgement that the internal auditors will be allowed to follow our instructions and that the responsible party will not intervene in the work performed.</p> | Procedures steps | Y | | |
| Delete | <p>Deleted former step #31 which is covered by other steps: If necessary, consider the impact on the engagement strategy and plan from planned reliance on the work of:</p> <p>a. Internal auditors. b. Specialists. c. Other responsible party personnel. d. Another office of the firm or an affiliate firm.</p> | Procedures steps | | | |
| Modify | <p>Added the following Practice Point to step #32: Practice Point: The specific nature, timing and extent of review procedures is based on the professional judgment of the practitioner, but should consider the understanding the practitioner has obtained of the subject matter and the engagement circumstances. The practitioner should place increased focus on the areas where he or she feels that there is increased risk that the subject matter may be materially misstated.</p> | Procedures steps | Y | | |
| Modify | Modified step #35 which now reads as follows: | Procedures steps | Y | | Step will reset on roll forward due to content changes |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|---|---|------------------|-----------------------|--------------------|---|
| | <p>Perform analytical procedures, make inquiries, and perform other procedures, as appropriate, to accumulate sufficient evidence to provide limited assurance about whether any material modifications should be made to the subject matter in order for it to be in accordance with (or based on) the criteria, or the assertion, in order for it to be fairly stated.</p> <p>Practice Point: Analytical procedures may not be possible when the subject matter is qualitative rather than quantitative. In those circumstances the practitioner should perform other procedures, in addition to inquiries, that provide equivalent levels of review evidence.</p> <p><i>KBA-502</i></p> | | | | |
| Modify | <p>Added step #53 which reads as follows:</p> <p>If a change in the terms of the engagement is requested during the engagement, determine that the requirements for acceptance and continuance continue to be met and that reasonable justification exists for the change prior to agreeing to it.</p> <p>Practice Point: if a change in the terms of the engagement is made, the practitioner should not disregard evidence that was obtained prior to the change.</p> | Procedures steps | Y | | |
| Modify | <p>Combined previous step #54 and #55 into current step #55 which reads as follows:</p> <p>Accumulate and evaluate any misstatements, deviations, or omissions to the subject matter or assertion, and the effect on the practitioner's opinion.</p> <p><i>KBA-101</i> <i>KBA-502</i></p> | Procedures steps | Y | | Step will retain on roll forward using default settings |
| ATT-301 Understanding the Subject Matter | | | | | |
| Modify | <p>Added practice point to step #3:</p> <p>Practice Point: The auditor should identify the appropriate person(s) within the entity's governance structure with whom to communicate.</p> | Procedure | Y | | |
| Modify | <p>Modified Section III text to highlight understanding the criteria the subject matter is being evaluated against. Text now reads as follows:</p> | Text | N | | Step will retain on roll forward using default settings |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|--|---|----------------------------|-----------------------|--------------------|---|
| | <p>The nature of the subject matter includes the characteristics about the subject matter that impact risk assessment, including the criteria that the subject matter is being evaluated against. For examples of the types of factors that may be considered, see RES-018. The specific factors that should be considered may vary greatly depending on the subject matter.</p> <p>Describe below your understanding of the nature and characteristics of the subject matter:</p> | | | | |
| Modify | <p>Added table to Section VI to facilitate capture of information that should be considered in the risk assessment to improve workflow. Text above table reads as follows:</p> <p>The procedures performed to obtain an understanding of the subject matter may lead the practitioner to identify matters that have a bearing on other segments of the attest engagement.</p> <p>Risks of material misstatement from error or fraud might be identified and should be communicated to other team members and documented at KBA-501 Risk Assessment and Attest Program: Examination-Level Engagement.</p> <p>We identified the following information that should be considered in the assessment of risk or that may serve as a basis for designing and performing procedures to respond to assessed risks:</p> <p>Information entered into this table will flow to KBA-501</p> | Table | N | | |
| ATT-401 Understanding Entity-Level Controls: Complex Entities | | | | | |
| Modify | <p>Added in the Instructions section, under Components of Internal Control, Relevant Principles, and Points of Focus:</p> <p>An essential requirement for effective internal control inherent in the Framework is that each of the five components of internal control and relevant principles is present and functioning.</p> | Instructions; text; tables | Y | Framework | These columns will retain on roll forward using the default settings. |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|--|---|--------------|-----------------------|--------------------|---|
| | <p>Instructions modified and reorganized; Sections I through V tables modified.</p> <p>Column 2 now reads: <i>Are the Relevant Principles or Points of Focus Present</i></p> <p>Column 6 now reads: <i>Are the Identified Controls Effectively Designed and Implemented</i></p> <p>Column 7 now reads: <i>If Column 6 Is “No”, Describe Compensating Controls, If Any</i></p> <p>Column 8 now reads: <i>If Column 6 Is “Yes”, Are Compensating Controls Selected for Operating Effectiveness Testing?</i></p> <p>Column 9 now reads: <i>Do Compensating Controls Adequately Reduce the Risks of Material Misstatement?</i></p> <p>Column 11 now reads: <i>Are the Relevant Principles Functioning for this Component of Internal Control?</i></p> <p>Column 12 now reads: <i>If Column 2, 6, 9, or 11 Is “No”, Describe the Deficiency</i></p> <p>If you select “No” in the following columns your control deficiency documented in the last column will flow to the conclusion section: <i>Are the Relevant Principles or Points of Focus Present, Are the Identified Controls Effectively Designed and Implemented, Do Compensating Controls Adequately Reduce the Risks of Material Misstatement, or Are the Relevant Principles Functioning for this Component of Internal Control.</i></p> | | | | |
| Modify | <p>Adding an “N/A” option to the “Are the Relevant Principles of Points of Focus Present?” column to the “Points of Focus” rows ONLY. The user could document the points of focus as not applicable and the user will not respond to any other columns for that particular row as the diagnostics will clear. The user should focus on the functioning of the relevant principles as not all of the points of focus are required or applicable.</p> | | | | <p>All will retain on roll forward using the default settings. If you change column 2, point of focus row, to “N/A” then the rest of that row will clear.</p> |
| ATT-402 Understanding General Controls For Information Technology | | | | | |
| Modify | Clarified the instructions. | Instructions | N | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|--|---|----------------------------|-----------------------|--------------------|---|
| Modify | Section III Instructions modified and updated; Sections I through III tables modified and updated. | Instructions; tables | N | | |
| Modify | Removing user options in the “System Change Controls” column of the “Less Complex IT Structure” table as this should be user entry. | Table | N | | This column will retain on roll forward since the user could have added a custom documentation here. Please review your answer here in case you had selected one of the floatie options that are no longer available. |
| Modify | <p>Instructions modified and reorganized in the “More Complex IT Structure” Table;</p> <p>Column 7 now reads: <i>If Column 6 Is “No”, Describe Compensating Controls, If Any</i></p> <p>Column 8 now reads: <i>Do Compensating Controls Adequately Reduce the Risks of Material Misstatement Created by the Deficiency</i></p> <p>Column 9 now reads: <i>If Column 8 Is “No”, Describe the Risks of Material Misstatement</i></p> <p>Column 10 now reads: <i>Controls Selected for Operating Effectiveness Testing?</i></p> <p>Column 11 now reads: <i>Are Controls Functioning</i></p> <p>Column 12 now reads: <i>If Column 2, 6, 8, or 11 Is “No”, Describe the Deficiency</i></p> <p>If you select “No” in the following columns your control deficiency documented in the last column will flow to the conclusion section: Are Controls Activities Present, Effectively Designed and Implemented, Do Compensating Controls, If Any, Adequately Reduce the Risks of Material Misstatement or Are Control Activities Functioning.</p> | Instructions; text; tables | Y | Framework | These columns will retain on roll forward using the default settings. |
| ATT-403 Understanding Activity-Level Controls: Revenue, Accounts Receivable, and Cash Receipts through ATT-411 Understanding Activity-Level Controls: Financial Reporting and Closing Process | | | | | |
| Modify | Ability to insert custom rows anywhere in the subprocess table | Table | N | | |
| Modify | <p>Modified Instructions for Step 1 Table and moved “Describe the Deficiency” to the end; steps 8 through 13 now read as follows:</p> <p><i>If Column 7 Is “No”, Describe Compensating Controls, If Any.</i> Describe the nature of any compensating controls identified.</p> | Instructions | N | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|----------------|--|---------------------|-----------------------|--------------------|-----------------------------|
| | <p><i>If Column 7 Is “No”, Do Compensating Controls Adequately Reduce the Risk of Material Misstatement?</i> Determine whether the compensating controls identified mitigate the risk of material misstatement when controls are not effectively designed and implemented.</p> <p><i>If Column 9 Is “No”, Describe the Risks of Material Misstatement.</i> Describe the risks of material misstatement when controls are not effectively designed and implemented.</p> <p><i>Controls Selected for Operating Effectiveness Testing?</i> Choose “Yes” or “No” to document whether the control identified will be further tested for operating effectiveness.</p> <p><i>Are Control Activities Functioning?</i> Document whether the control activity is functioning effectively.</p> <p><i>If Column 4, 7, 9 or 12 Is “No”, Describe the Deficiency.</i></p> | | | | |
| Modify | <p>Step 6 Instructions modified and columns modified and reorganized.</p> <p>Column 9 now reads: <i>Compensating Controls, If Any</i></p> <p>Column 10 now reads: <i>Do Compensating Controls Adequately Reduce the Risks of Material Misstatement Created by the Deficiency?</i></p> <p>Column 11 now reads: <i>If Column 10 Is “No”, Describe the Risks of Material Misstatement</i></p> <p>Column 12 now reads: <i>If Column 10 is “Yes”, Are the Controls Selected for Operating Effectiveness Testing?</i></p> <p>Column 13 now reads: <i>Are Controls Functioning?</i></p> <p>Column 14 now reads: <i>If Controls Are Not Implemented, Not Designed Effectively, Only Partially Effective or Not Functioning, Describe the Control Deficiency</i></p> <p>Column 15 now reads: <i>Workpaper Reference, if applicable</i></p> <p>If you select “No” in the following columns your control deficiency documented will flow to the conclusion section: Are Controls Designed Effectively, Are Key Controls Implemented, Do Compensating Controls Adequately Reduce the Risks of Material Misstatement Created by the Deficiency or Are Control Activities Functioning. Also if you select “Partially” in column, Are Controls Designed</p> | Instructions; table | N | | |

| Type of Change | Description of Change | Location | Based on Standard Y/N | Standard Reference | Roll Forward Considerations |
|---|---|----------------------------------|-----------------------|--------------------|---|
| | Effectively, the control deficiency documented will flow to the conclusion section. | | | | |
| Modify | Added activity-level control objective: Appropriate segregation of duties exists | Table | Y | | |
| ATT-902 Attestation Program: Subsequent Events | | | | | |
| Modify | Modified purpose and instructions and inquiries to better align with subject matter that is not historical financial statements and removed analysis that was not required under the standards. | Instructions; Procedure steps | Y | | |
| Modify | Modified step 1(a): There have been any significant changes to the subject matter, criteria, or management's assertion. | | | | Step will reset on roll forward due to content changes |
| Modify | Modified step 1(b): Any events have occurred or are likely to occur that will bring into question the appropriateness of the subject matter, criteria, or management's assertion. | | | | Step will reset on roll forward due to content changes |
| Modify | Modified step 2: We read minutes of meetings of shareholders, directors, and appropriate committees held subsequent to the period being audited through the date of the practitioner's report. If meetings were held for which minutes were not prepared, we inquired about significant matters discussed and resolutions made at such meetings. | | | | Step will retain on roll forward using default settings |
| Modify | Modified step 5: If we identified, through inquiry or otherwise, of such an event, or any other event that is of such a nature and significance that its disclosure is necessary to prevent users of the report from being misled, and information about that event is not adequately disclosed by management (or other responsible party) in the subject matter or in its assertion, we modified our practitioner's report. | | | | Step will reset on roll forward due to content changes |

Practice Aids (AIDs): have been modified and updated, where applicable, with additional narrative, tips, references, and examples.

- **AID-201 Nonattest Services Independence Checklist** modified and updated with additional examples and tips; columns added to Section I table on Nature of Nonattest Services Provided; Section II table column heading modified for document-specific considerations; clarifications added based on peer review checklist; changes also made based on industry author recommendations.
- **AID-301 Analytical Procedures: Fluctuation and Ratio Analysis** Updated Instructions; fluctuation tab, table column heading modified: Basis for Auditor Expectation (i.e., industry events, description of procedure performed) or Changes to Planned Risk Assessment.
- **AID-602 Testing and Evaluating the Work of Internal Auditors or Other Responsible Party Personnel** Additional steps added and steps updated regarding reperformance of and performance of additional procedures on the work performed by internal audit function.
- **AID-604 Using the Work of a Practitioner’s Specialist** Added a step for the documenting the practitioner’s understanding of the field of expertise of the practitioner’s specialist, as well as other wording modifications.
- **AID-701 Sampling Worksheet for Tests of Controls** Added additional narrative instruction throughout.
- **AID-702 Designing Tests of Controls** Added Maximum to “Planned Control Reliance” header.
- **AID-801 Sampling Worksheet for Substantive Tests of Details** Modified and clarified; updated formulas to prevent sample size from exceeding population size; added alerts if using a factor of less than 3 to determine ISI.
- **NEW: AID-914 Report Preparation Checklist: Examination-Level Attestation Engagement on a Cyber Security Risk Management Program**

Correspondence Documents (CORs): have been modified and updated in accordance with current guidance and additional narrative, where applicable.

- **COR-201, COR-202** Added footnote with additional management responsibilities if the subject matter is sustainability information; Added footnote about subject matter that is on-line.
- **CORs 204, 205, 206, 207** Modified language to mirror the illustrative engagement letters in AICPA’s *Guide for Prospective Financial Information (Updated as of April 1, 2017)*
- **CORs 901, 908, 909, 910** Modified language to make more readable.
- **CORs 904, 905, 906, 907** Modified language to mirror the illustrative representation letters in AICPA’s *Guide for Prospective Financial Information (Updated as of April 1, 2017)*
- **COR-913 Representation Letter: Engaging Party** was re-indexed to **COR-916 Representation Letter: Engaging Party**
- **NEW: COR-208 Engagement Letter: Examination Engagement on Cybersecurity Risk Management Program**
- **NEW: COR-913 Representation Letter: Examination-Level or Review-Level Engagement of Sustainability Information When Reporting on Subject Matter**
- **NEW: COR-914 Representation Letter: Examination-Level or Review-Level Engagement of Sustainability Information When Reporting on Assertion**
- **NEW: COR-915 Representation Letter: Examination-Level Engagement on a Cybersecurity Risk Management Program**

Practitioner’s Reports (RPTs) have been modified and updated, where applicable, in accordance with current guidance.

- **RPT-943** Added footnote regarding restricting use of the report under GAGAS.
- **RPT-949, RPT-950** Modified language to mirror the illustrative reports in AICPA’s *Guide for Prospective Financial Information (Updated as of April 1, 2017)*
- **NEW: RPT-941 Examination Engagement: Unmodified Opinion on Forecast Financial Statements that Contain a Projection**
- **NEW: RPT-942 Examination Engagement: Unmodified Opinion on Partial Presentation of Forecasted Information**
- **NEW: RPT-944 Examination Engagement: Unmodified Opinion – Report Expanded for a Financial Feasibility Study**
- **NEW: RPT-945 Examination Engagement: Unmodified Opinion on Partial Presentation of Projected Information**
- **NEW: RPT-1010 Examination Engagement: Unmodified Opinion on Subject Matter - Entire Sustainability Report**

- **NEW: RPT-1011 Examination Engagement: Unmodified Opinion on Subject Matter -Specified Indicators**
- **NEW: RPT-1012 Examination Engagement: Unmodified Opinion on Subject Matter - GHG Emissions Information**
- **NEW: RPT-1013 Examination Engagement: Unmodified Opinion on Management's Assertion about Specified Indicators**
- **NEW: RPT-1014 Examination Engagement: Unmodified Opinion on Management's Assertion about GHG Emissions Information**
- **NEW: RPT-1015 Examination Engagement: Unmodified Opinion on Subject Matter - GHG Emissions Information; Practitioner Makes Reference to the Examination Report of an Other Practitioner on a Component Entity**
- **NEW: RPT-1016 Examination Engagement: Unmodified Opinion on Subject Matter - GHG Emissions Reduction Information Related to a Specific Project**
- **NEW: RPT-1017 Examination Engagement: Unmodified Opinion on Management's Assertion about GHG Emissions Reduction Information**
- **NEW: RPT-1018 Examination Engagement: Qualified Opinion on Subject Matter - GHG Emissions Information**
- **NEW: RPT-1019 Review Engagement: Unmodified Conclusion on Subject Matter - Entire Sustainability Report**
- **NEW: RPT-1020 Review Engagement: Unmodified Conclusion on Subject Matter -Specified Indicators**
- **NEW: RPT-1021 Review Engagement: Unmodified Conclusion on Subject Matter - GHG Emissions Information**
- **NEW: RPT-1022 Review Engagement: Unmodified Conclusion on Management's Assertion about Specified Indicators**
- **NEW: RPT-1023 Review Engagement: Unmodified Conclusion on Management's Assertion about GHG Emissions Information**
- **NEW: RPT-1024 Review Engagement: Unmodified Conclusion on Subject Matter - GHG Emissions Information; Practitioner Makes Reference to the Review Report of an Other Practitioner on a Component Entity**
- **NEW: RPT-1025 Review Engagement: Unmodified Conclusion on Subject Matter - GHG Emissions Reduction Information Related to a Specific Project**
- **NEW: RPT-1026 Review Engagement: Unmodified Conclusion on Management's Assertion about GHG Emissions Reduction Information**
- **NEW: RPT-1027 Review Engagement: Qualified Conclusion on Subject Matter - GHG Emissions Information**
- **NEW: RPT-1030 Examination Engagement: Unmodified Opinion on an Entity's Cybersecurity Risk Management Program**
- **NEW: RPT-1031 Examination Engagement: Unmodified Opinion on an Entity's Cybersecurity Risk Management Program that Addresses only the Suitability of the Design of Controls Implemented within the Entity's Cybersecurity Risk Management Program (Design-Only Report) as of a Point in Time**
- **NEW: RPT-1032 Examination Engagement: Modified Opinion on an Entity's Cybersecurity Risk Management Program (Description)**
- **NEW: RPT-1033 Examination Engagement: Modified Opinion on an Entity's Cybersecurity Risk Management Program (Deficiencies in Controls)**
- **NEW: RPT-1034 Examination Engagement: Qualified Opinion on an Entity's Cybersecurity Risk Management Program (Scope Limitation)**

Resource Documents (RESs) significant changes to the Resource documents include:

- **RES-002 Index of Attestation Programs, Forms, and Other Practice Aids Modified** as appropriate to incorporate new and removed workpapers.
- **RES-018 Example Factors to Be Considered When Understanding the Subject Matter** Added factors related to criteria and sustainability information.
- **NEW: RES-020 Examination-Level Engagement on Cybersecurity Risk Management Program: Illustrative Program Description**
- **NEW: RES-020 Examination-Level Engagement on Cybersecurity Risk Management Program: Illustrative Management Assertion**
- **NEW: RES-021 Trust Services Criteria**

In addition, forms and practice aids throughout have been updated to include new examples and tips and, where applicable, to take into account:

New literature, standards, and developments, reflected in the following current audit and accounting guidance:

- AICPA Audit and Accounting Guide, *Guide for Prospective Financial Information (Updated as of April 1, 2017)*;
- AICPA Audit Guide: *Attestation Engagements on Sustainability Information (Including Greenhouse Gas Emissions Information) (As of June 1, 2017)*;
- AICPA Guide: *Reporting on an Entity's Cybersecurity Risk Management Program and Controls*;
- the requirements of Government Auditing Standards (GAGAS), 2011 Revision;
- AICPA Statement on Quality Control Standards (SQCSs) No. 8, *A Firm's System of Quality Control (Redrafted)*(QC Section 10);
- and the AICPA Code of Professional Conduct.

RELATED, FOUNDATIONS AND ASSOCIATION 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. Associated workpapers require you to associate them with custom values, such as audit areas, specialists, service organizations, and other items. Workpapers require an association when you need to have more than one instance of a particular Knowledge Coach workpaper in your binder for each type of item to which the workpaper is related. Making this association allows Knowledge Coach information to flow properly between workpapers.

| <i>Form No.</i> | <i>Form Name</i> | <i>Foundation Workpaper</i> |
|-----------------|---|-------------------------------|
| KBA s | KNOWLEDGE-BASED ATTESTATION DOCUMENTS | |
| KBA-101 | Findings Summary and Report Conclusions Worksheet: Examination-Level and Review-Level Engagements | X |
| KBA-102 | Findings Summary: Agreed-Upon Procedures Engagement | X |
| KBA-200 | Entity Information and Background | X in Exam and Review Packages |
| KBA-201 | Attestation Client/Engagement Acceptance Form | |
| KBA-501 | Risk Assessment and Attest Program: Examination-Level Engagement | X |
| KBA-502 | Attest Program: Review-Level Engagement | X |
| KBA-503 | Basis for Inherent Risk Assessment | |
| KBA-504 | Basis for Inherent Risk Assessment: Cyber Security | |
| KBA-901 | Engagement Review and Approval Checklist | |
| KBA-902 | Attestation Engagement Documentation Checklist | |

| <i>Form No.</i> | <i>Form Name</i> | <i>Foundation Workpaper</i> |
|-----------------|--|---------------------------------|
| ATTs | ATTESTATION PROGRAMS | |
| ATT-100 | Engagement-Level Tailoring Questions | X |
| ATT-101 | Overall Attestation Program: Examination-Level Engagement | |
| ATT-102 | Overall Attestation Program: Review-Level Engagement | |
| ATT-103 | Overall Attestation Program: Agreed-Upon Procedures Engagement | |
| ATT-104 | Overall Attestation Program: Examination-Level Engagement on Prospective Financial Statements | |
| ATT-105 | Overall Attestation Program: Compilation Engagement on Prospective Financial Statements | |
| ATT-106 | Overall Attestation Program: Agreed-Upon Procedures Engagement on Prospective Financial Statements | |
| ATT-107 | Overall Attestation Program: Examination-Level Engagement on Pro Forma Financial Information | |
| ATT-108 | Overall Attestation Program: Review-Level Engagement on Pro Forma Financial Information | |
| ATT-109 | Overall Attestation Program: Engagement to Report on the Effectiveness of an Entity's Internal Control over Financial Reporting or Management's Written Assertion (Integrated with an Audit of Financial Statements) | |
| ATT-110 | Overall Attestation Program: Examination-Level Engagement on an Entity's Compliance with Specified Requirements | |
| ATT-111 | Overall Attestation Program: Agreed-Upon Procedures Engagement on an Entity's Compliance with Specified Requirements | |
| ATT-112 | Overall Attestation Program: Examination-Level Engagement on Management's Discussion and Analysis | |
| ATT-113 | Overall Attestation Program: Review-Level Engagement on Management's Discussion and Analysis | |

| <i>Form No.</i> | <i>Form Name</i> | <i>Foundation Workpaper</i> |
|-----------------|---|---------------------------------|
| ATT-114 | Overall Attestation Program: Examination-Level Engagement on Sustainability Information | |
| ATT-115 | Overall Attestation Program: Review-Level Engagement on Sustainability Information | |
| ATT-116 | Overall Attestation Program: Examination Level Engagement on Cyber Security Risk Management Program | |
| ATT-301 | Understanding the Subject Matter | |
| ATT-401 | Understanding Entity-Level Controls: Complex Entities | |
| ATT-401N | Understanding Entity-Level Controls: Noncomplex Entities | |
| ATT-402 | Understanding General Controls for Information Technology | |
| ATT-403 | Understanding Activity-Level Controls: Revenue, Accounts Receivable, and Cash Receipts | |
| ATT-404 | Understanding Activity-Level Controls: Inventory | |
| ATT-405 | Understanding Activity-Level Controls: Property, Plant, and Equipment | |
| ATT-406 | Understanding Activity-Level Controls: Other Assets | |
| ATT-407 | Understanding Activity-Level Controls: Accounts Payable and Disbursements | |
| ATT-408 | Understanding Activity-Level Controls: Payroll | |
| ATT-409 | Understanding Activity-Level Controls: Treasury | |
| ATT-410 | Understanding Activity-Level Controls: Income Taxes | |

| <i>Form No.</i> | <i>Form Name</i> | <i>Foundation Workpaper</i> |
|-----------------|--|-------------------------------------|
| ATT-411 | Understanding Activity-Level Controls: Financial Reporting and Closing Process | |
| ATT-412 | Evaluation of Management's Description of the Entity's Cybersecurity Risk Management Program | |
| AIDs | PRACTICE AIDs | |
| AID-101 | Overall Examination or Review Engagement Strategy | X in Exam and Review Packages |
| AID-201 | Nonattest Services Independence Checklist | |
| AID-302 | Inquiries of Management and Others within the Entity about the Risks of Fraud | |
| AID-601 | Considering the Use of the Work of Internal Auditors or Other Responsible Party Personnel | |
| AID-604 | Using the Work of a Practitioner's Specialist | |
| AID-605 | Using the Work of a Management's Specialist | |
| AID-606 | Involvement of an Other Practitioner | |
| AID-702 | Designing Tests of Controls | |
| AID-901 | Differences of Professional Opinion | |