

2021 Knowledge Based Preparations, Compilations and Reviews of Commercial Entities
September 2021

CCH Axxess™ Knowledge Coach and CCH® ProSystem fx® Knowledge Coach

Welcome to 2021 Knowledge-Based Preparations, Compilations and Reviews of Commercial Entities for Knowledge Coach

This bulletin provides important information about the 2021 release of Knowledge Based Preparations, Compilations and Reviews of Commercial Entities. Please review this bulletin carefully. If you have any questions, additional information is available on CCH [Support Online](#).

Information about the Title

This title is designed to help the accountant efficiently and effectively perform financial statement preparation engagements, compilations, and reviews of nonpublic commercial entities in accordance with Statements on Standards for Accounting and Review Services (SSARS) issued by the Accounting and Review Services Committee (ARSC) of the American Institute of Certified Public Accountants (AICPA).

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

This document is published for the purpose of communicating the updates and enhancements included in the current version to users of the toolset. 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.

The 2021 title includes CCH® Accounting Research® material links to specific guidance, providing instant access to detailed analysis related to the steps and processes discussed in the workpapers.

Caution! This title should only be used by accountants who are implementing the requirements of SSARS No. 25, which is effective for periods ending on or after December 15, 2021. For engagements where those standards will not yet be implemented, the accountant should continue to use the 2019 titles, released on August 1, 2019.

New in this Release

KBCR-901 Financial Statement Disclosure Checklist in CCH ProSystem fx Knowledge Coach

If you are not an early adopter, you still must install this title to obtain the updated KBCR-901 Financial Statement Disclosure Checklist. The disclosure checklist is an independent workpaper and can be added to a binder without updating the other content for the new standards.

After installing, if you choose not to release the title, there are three options for inserting the updated disclosure checklist into a binder:

Note: Each of these options requires a staff member or group to have the "Insert Workpapers from Unreleased Titles" right, which can be assigned in the ADMIN module. The staff with this right are noted as "select staff members" in the options below.

- Select staff members can insert the updated checklist and delete the existing checklist from the binder. The new checklist will not include any of the prior responses. However, the user can refer to the checklist in the prior year binder and copy/paste any relevant information.
- Select staff members can use the Update Knowledge Coach Content feature to update to the 2021 checklist. To do this, first check in all workpapers except KBCR-901 Financial Statement Disclosures Checklists to avoid accidentally updating other workpapers. Then, right-click on KBCR-901 in the binder and select **Update Knowledge Coach Content > Update Selected Knowledge Coach Workpapers** to update only the disclosure checklist to the 2021 version. This option retains responses from the prior year other than the tailoring questions (table of contents).

Note: If other forms are accidentally updated, the changes cannot be undone.

- Select staff members can create a binder template with just the updated disclosure checklist. Then, other staff members can copy and paste the disclosure checklist from the template into the client engagement binders. The new checklist will not include any of the prior responses. However, the user can refer to the checklist in the prior year binder and copy/paste any relevant information.

2021 Edition of Knowledge-Based Preparations, Compilations and Reviews of Commercial Entities

This edition features numerous enhancements, including:

- Enhancing instructions and procedures throughout the toolset to improve workflow.
- Adding new CORs as follows:
 - COR-201F Engagement Letter: Compilation of Financial Statements Prepared in Accordance with the Cash-Bases of Accounting
 - COR-905 Communicating Significant Review Matters/Findings

CCH® ProSystem fx® Engagement 2020 Compatibility

This title can be installed on Engagement v2020 by first installing the Engagement v2020.2.4 Update. The latest update can be downloaded via CCH Software Delivery Manager. This update allows you to use the 2021 content without installing Engagement v2020 until your firm plans to update.

CCH Access Knowledge Coach Instructions and Information

No installation is necessary. Once released, the title will be available for use after login. See the help topic [Updating Industry Content to the Latest Version](#) for instructions about applying the updated title.

CCH ProSystem fx Knowledge Coach Instructions and Information

Updating Your Title

If you are updating from a previous version of this title, review **Help > Knowledge Coach Help Topics**, then select "Updating to the Latest Version of a Workpaper" from the table of contents.

Best Practices

- Save changes to workpapers before closing the workpaper or the binder to ensure data is correctly updated.

- If Microsoft® Word crashes when using Knowledge Coach, before closing the binder, use the **Save Knowledge Coach Answers** option in the binder view under the Tools menu. This saves all data within tables.
- You can view other Knowledge Coach best practices on our [Web site](#).

License Requirements

This title requires the Knowledge-Based Compilations and Reviews license. Users who do not have a license for this title cannot use Knowledge Coach functionality in workpapers.

- For information on updating your licensing, see [How do I add or update CCH ProSystem fx Engagement Licenses?](#) on our Support Web site.
- For more information on assigning licenses, see [How do I assign Engagement licenses?](#) on our Support Web site.

Download and Installation Instructions

See [How do I add a new CCH ProSystem fx Knowledge Coach title to CCH ProSystem fx Engagement?](#) for instructions on installing a new Knowledge Coach title.

Notes:

- You must install the 2021 Financial Statement Base title before installing this title.
- This title can be installed on Engagement v2020 by installing the v2020.2.4 or later update available on Software Delivery Manager.
- On some occasions the content package file (KCP) will download with the extension changed to ZIP. If this occurs, change the extension of the downloaded file to KCP, using all capital letters.

We also have a utility to help you install and release your titles. See [How do I use the CCH ProSystem fx Knowledge Coach Title Install Utility?](#) for more information.