Registered Professional Accountant



PROFESSIONAL PRACTICE COMMITTEE

RPA Practice Review

Implementation Guideline

Including the Practice Inspection Checklist for Compilation Engagements

PROGRAM IMPLEMENTATION | 2027

Protecting the public interest. Building confidence and trust in RPA Certified Accounting Practitioners.

Message from the President & CEO

The RPA Practice Review is the foundation of how we protect the public interest. Every time a client, lender, regulator or business owner relies on financial information compiled by an RPA Certified Accounting Practitioner, they place their trust in the quality of that work. The Practice Review is how we demonstrate, consistently, fairly and transparently, that this trust is well placed.

> *A credible, well-run Practice Review is the foundation of public protection and of the confidence and trust placed in every RPA Certified Accounting Practitioner*.

This Guideline exists because of the dedication of our Professional Practice Committee (PPC). On behalf of the Board and the entire RPA Canada community, I extend my sincere thanks to Joseph Morgado, Chair of the PPC, and to each member of his committee for drafting the RPA Practice Review Guideline. Their careful work has produced a practical, fair and principled framework that holds our profession to a high standard while supporting practitioners in meeting it.

I also thank Umar Choudhry, CPA, LPA, RPA, Director of Education Outreach, and Michael Saniga, MBA, CPA, RPA, Director of Engagement & Learning Innovation, for their valuable input and for editing this Guideline. Their contributions have strengthened its clarity and its focus on education and continuous improvement.

To our members: the Practice Review is not designed to penalize. It is designed to support you, to affirm the quality of your work, to identify opportunities to learn and improve, and to give your clients and the public visible assurance of the standards you uphold. Reviews that are independent, constructive and consistent build the reputation of every RPA and the credibility of the designation.

I encourage every member to read this Guideline carefully, to prepare for your review, and to embrace it as an opportunity. Together, we protect the public interest and strengthen the confidence and trust that define the RPA designation.

Zubair Choudhry, RPA, APA, President & CEO

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Part A: Implementation Guideline

Introduction

The RPA Practice Review Guideline is designed to enhance the quality of professional services provided by Certified Accounting Practitioners holding the Registered Professional Accountant (RPA) designation, and to ensure compliance with applicable professional standards. The program aims to promote continuous improvement, uphold public trust, and provide constructive feedback to practitioners.

This guideline is the implementation plan for the program. It sets out the process, selection mechanism, review procedures and follow-up actions.

Program Overview

- **Review cycle:** Practice reviews will be conducted at a rate sufficient to review each practitioner member firm once every three years.
- **Fees:** Respecting reviewers' time, fees start at $200 per hour. Each practice review targets five hours in total, including file review. The fee is split between the reviewer and the RPA office.
- **Inclusivity:** The process repeats annually until all members have been inspected. The cycle then restarts with random selection.
- **Training:** Once the year's reviews are complete, the results will be assessed and training prepared for the RPA membership wherever the findings identify opportunities for teaching and improvement.

Selection Mechanism

- **Random alphabetical order:** Members will be reviewed once every three years, in a randomly selected order according to last name.

The Practice Inspection

The files selected for inspection will be chosen from a client listing provided by the office. The listing should include the engagement partner responsible for each engagement, the engagement type (compilation), and other relevant information.

The inspection will also include a review of the office's quality management system. All inspections assess compliance with professional standards as set out in the RPA Canada Practitioners Manual and the RPA Canada Practice Inspection Guidelines.

All practice inspectors are members in good standing with RPA Canada, are trained to perform inspections, and are required to be independent of the offices they inspect.

The inspection will take place on the date(s) set out in RPA Canada's communication to the practitioner, the firm representative and the Designated Administrator. At the conclusion of the inspection, the inspector will meet with a representative of the office to discuss the draft inspection report.

Offices are expected to provide:

- access to files;
- access to the office's quality manual; and
- an opportunity to meet with the practitioner or firm representative to discuss the draft inspection report.

The following occurs after the inspection:

- The office has 21 days to respond in writing to any reportable deficiencies raised in the draft report.
- An Action Plan template is available to help offices structure their responses to the deficiencies raised.
- If the office disagrees with any reportable deficiency in the draft report, it may submit supporting documentation along with the Action Plan. The inspection file and the office's response are then subject to a detailed review at RPA Canada.
- The Practice Inspection Committee will determine the outcome of the inspection.
- A communication outlining the outcome, together with the final report, will be sent to the practitioner or firm representative and the RPA Canada Designated Administrator.
- The invoice for the inspection will be sent separately.

Review Preparation

- **Confidentiality assurance:** All client information must be handled securely and confidentially, in compliance with privacy regulations.
- **Scheduling reviews:** Selected members will be contacted to schedule review sessions, with adequate notice and instructions for the process.

Review Team Composition

- **Inspectors:** RPA Canada members or outside consultants will be selected annually by the Board of Directors to serve as inspectors. Inspectors are paid at a rate of $100 per hour and will be provided with appropriate training by authorized RPA Canada staff.
- **Qualifications:** Inspectors should have relevant experience and a thorough understanding of compilation engagements and practice-related standards. To qualify, they must complete RPA-approved practice inspection training at their own expense.

Review Process

- **Virtual reviews:** Inspections are conducted via Zoom to support accessibility and efficiency.

- **Desktop sharing:** Practitioners share client files securely through screen sharing for real-time review.
- **Interactive sessions:** Inspectors discuss practice details with practitioners, gather information, and provide immediate feedback where appropriate.
- **Documentation:** Inspectors use a standardized checklist to ensure consistency and completeness (see Part B).

Assessment and Reporting

- **Identifying deficiencies:**
  - **Substantial deficiencies:** Significant non-compliance or gaps in understanding that may affect the quality of services.
  - **Mild to moderate deficiencies:** Minor issues that can be rectified through adjustments to practice procedures.
- **Communication of findings:**
  - **Report preparation:** Inspectors compile a report summarizing findings, including strengths, areas for improvement and recommendations.
  - **Feedback delivery:** The report is communicated to the practitioner in a follow-up Zoom meeting and in writing.
  - **Outcome:** Each practice review concludes with a Practice PASS, Practice PASS Conditionally, or Practice FAILED certificate, which is added to the RPA Canada online Verification system.

Follow-Up Actions

- **Substantial deficiencies:**
  - **Mandatory training:** Practitioners may be required to undertake additional training at their own cost and must submit an action plan within a prescribed period to correct the deficiencies identified.
  - **Approval process:** The RPA Review Committee, overseen by the Board of Directors, reviews substantial deficiencies to determine whether training is necessary.
  - **Training completion:** Practitioners must provide evidence of completed training within 90 days of receiving the deficiency report.
- **Mild to moderate deficiencies:**
  - **Recommendations:** Practitioners receive guidance on necessary changes to their processes.
  - **Voluntary compliance:** Practitioners are encouraged to implement the recommendations to enhance practice quality.
- **Satisfactory (PASS) status:**
  - **No further action:** No further process is required, but practitioners must continue to follow the practice guideline and practice standards in accordance with the RPA Canada bylaws.

Program Monitoring and Continuous Improvement

- **Record-keeping:** Records of all inspections, findings and follow-up actions will be maintained to track compliance and progress over time. A secure online portal may be introduced to support this.
- **Feedback mechanism:** Feedback will be collected from practitioners and inspectors to identify areas for program improvement.
- **Annual review:** The Board of Directors will review the program annually and adjust it based on findings and feedback.

Confidentiality and Professionalism

- **Data protection:** All client and practitioner information must be kept confidential and secure throughout the review process.
- **Ethical standards:** Inspectors and participants are expected to adhere to the highest professional and ethical standards during the review.

Benefits of the Program

- **Quality enhancement:** Supports practitioners in delivering high-quality services to clients.
- **Professional development:** Identifies training needs and promotes continuous learning among members.
- **Public trust:** Reinforces the credibility and reliability of RPA professionals in the marketplace.

Implementation Timeline for 2027

Quarter 1	• Finalize program details and selection mechanisms. • Appoint inspectors and provide training. • Notify members about the upcoming practice review program.
Quarter 2	• Conduct the first round of random selections. • Schedule and perform the first set of practice inspections.
Quarter 3	• Review findings from the initial inspections. • Implement follow-up actions for identified deficiencies. • Collect feedback from participants.
Quarter 4	• Conduct the next set of random selections and inspections. • Evaluate the program's effectiveness and make necessary adjustments.

Conclusion

The RPA Practice Review Program is a strategic initiative to uphold the standards of the accounting profession, support practitioners in their professional growth, and enhance public confidence. By systematically reviewing practices, providing constructive feedback, and fostering a culture of continuous improvement, the program aligns with the organization’s commitment to excellence and ethical practice.

Part B: Practice Inspection Checklist

Performing Compilation Engagements

This checklist is used to evaluate compliance with standards, ethical requirements and quality control practices during the inspection of a non-assurance accounting firm performing compilation engagements.

Firm name	**Inspector name**
Date(s) of inspection	**Engagement files reviewed**

I. Engagement Acceptance and Continuance

A. Client Evaluation

Inspection item	Yes	No	N/A
Integrity assessment: Has the firm assessed the integrity and reputation of the client?	☐	☐	☐
Comments:			
Conflict of interest: Are any conflicts of interest identified and addressed?	☐	☐	☐
Comments:			

B. Engagement Letter

Inspection item	Yes	No	N/A
Signed engagement letter: Is there a current, signed engagement letter for each compilation engagement?	☐	☐	☐
Comments:			

Inspection item	Yes	No	N/A
Compliance with CSRS 4200: Does the engagement letter include all elements required by CSRS 4200? • Objective and scope of the engagement • Responsibilities of management • Responsibilities of the practitioner • Limitations of the engagement	☐	☐	☐
Comments:			

II. Understanding of the Client

Inspection item	Yes	No	N/A
Business knowledge: Has the practitioner obtained sufficient understanding of the client's business and industry?	☐	☐	☐
Comments:			
Basis of accounting: Is the basis of accounting identified and appropriate for the client's needs?	☐	☐	☐
Comments:			

III. Execution of Compilation Engagements

A. Information Gathering

Inspection item	Yes	No	N/A
Complete financial information: Are all necessary financial records and explanations obtained from the client?	☐	☐	☐
Comments:			

Inspection item	Yes	No	N/A
Inquiry and analysis: Has the practitioner made appropriate inquiries and performed basic analysis?	☐	☐	☐
Comments:			

B. Procedures Performed

Inspection item	Yes	No	N/A
Professional judgment: Has the practitioner applied professional judgment throughout the engagement?	☐	☐	☐
Comments:			
Consistency: Are the accounting policies applied consistently with prior periods?	☐	☐	☐
Comments:			

C. Documentation

Inspection item	Yes	No	N/A
Working papers: Are working papers complete, organized, and do they support the work performed?	☐	☐	☐
Comments:			
Significant matters: Are significant matters and professional judgments documented adequately?	☐	☐	☐
Comments:			

IV. Financial Statements and Reports

A. Financial Statement Presentation

Inspection item	Yes	No	N/A
Accuracy: Are the compiled financial statements free from obvious material misstatements?	☐	☐	☐
Comments:			
Disclosure: Do the financial statements include appropriate notes where applicable?	☐	☐	☐
Comments:			

B. Compilation Report

Inspection item	Yes	No	N/A
Report inclusion: Is the compilation engagement report correct and attached to the financial statements?	☐	☐	☐
Comments:			
Report compliance with CSRS 4200: Does the report include: • Proper title (e.g., “Compilation Engagement Report”) • Appropriate addressee • Statement of management’s responsibilities • Description of the scope of the compilation engagement • Practitioner’s responsibilities • Signature of the practitioner • Date of the report • Practitioner’s address	☐	☐	☐
Comments:			

V. Ethical Requirements

Inspection item	Yes	No	N/A
Adherence to code of conduct: Is the practitioner complying with the professional code of ethics?	☐	☐	☐
Comments:			
Confidentiality: Are client information and data securely maintained and confidentiality preserved?	☐	☐	☐
Comments:			
Professional competence: Is the practitioner maintaining and updating professional knowledge and skills?	☐	☐	☐
Comments:			
Independence (if applicable): Has the practitioner evaluated any threats to independence and addressed them appropriately?	☐	☐	☐
Comments:			

VI. Quality Control System

A. Policies and Procedures

Inspection item	Yes	No	N/A
Quality control manual: Does the firm have a documented quality control manual tailored to its practice?	☐	☐	☐
Comments:			

Inspection item	Yes	No	N/A
Leadership responsibilities: Are leadership roles and responsibilities for quality clearly assigned?	☐	☐	☐
Comments:			

B. Monitoring and Review

Inspection item	Yes	No	N/A
Engagement quality control reviews: Are there procedures for reviewing engagements before report release?	☐	☐	☐
Comments:			
Ongoing monitoring: Is there evidence of ongoing monitoring of compliance with professional standards and firm policies?	☐	☐	☐
Comments:			

C. Staff Training and Competence

Inspection item	Yes	No	N/A
Professional development: Are practitioners and staff participating in continuous professional development?	☐	☐	☐
Comments:			
Evaluation of competence: Does the firm evaluate the competence and capabilities of personnel?	☐	☐	☐
Comments:			

VII. Documentation and Record-Keeping

Inspection item	Yes	No	N/A
Engagement files retention: Are engagement files retained for the period required by regulations or firm policy?	☐	☐	☐
Comments:			
Accessibility: Do the files allow an experienced practitioner to understand the work performed and conclusions reached?	☐	☐	☐
Comments:			
Data security: Are physical and electronic files protected against unauthorized access and data breaches?	☐	☐	☐
Comments:			

VIII. Communication with Clients

Inspection item	Yes	No	N/A
Management letters: Are significant findings or recommendations communicated to management in writing?	☐	☐	☐
Comments:			
Client feedback mechanism: Does the firm have a system to receive and address client feedback or complaints?	☐	☐	☐
Comments:			

IX. Legal and Regulatory Compliance

Inspection item	Yes	No	N/A
Regulatory filings: Are all statutory and regulatory filings completed accurately and submitted on time?	☐	☐	☐
Comments:			
Anti-money laundering (AML) compliance: Does the firm have policies and procedures in place for AML, including: • Client identification and verification • Record-keeping of identification documents • Reporting suspicious transactions to relevant authorities	☐	☐	☐
Comments:			

X. Practice Management

A. Billing and Fees

Inspection item	Yes	No	N/A
Transparency: Are fees communicated clearly and agreed upon with clients before commencing work?	☐	☐	☐
Comments:			
Reasonableness: Are fees charged appropriate for the services provided?	☐	☐	☐
Comments:			

B. Marketing and Representation

Inspection item	Yes	No	N/A
Professionalism: Is all marketing material professional and in compliance with ethical standards?	☐	☐	☐
Comments:			
Accuracy: Does the firm's representation accurately reflect the services and qualifications offered?	☐	☐	☐
Comments:			

XI. Review of Previous Inspection Findings

Inspection item	Yes	No	N/A
Prior recommendations: Has the firm addressed issues or recommendations from previous inspections?	☐	☐	☐
Comments:			
Implementation evidence: Is there evidence that corrective actions have been implemented effectively?	☐	☐	☐
Comments:			

XII. Overall Assessment

Inspection item	Yes	No	N/A
Compliance with standards: Does the firm comply with all relevant professional standards for compilation engagements?	☐	☐	☐
Comments:			

Inspection item	Yes	No	N/A
Areas for improvement: Identify any areas where the firm can improve its practices.			
Comments:			
Strengths: Note any areas where the firm demonstrates exemplary practices.			
Comments:			

Inspector's Notes

Observations:
Recommendations:
Action items:

Acknowledgment

Inspector's signature *Sign and date the inspection report.*	**Date:**
Firm representative's signature *A representative of the firm acknowledges the findings.*	**Date:**

Follow-Up

Inspection item	Yes	No	N/A
Action plan submission: Has the firm submitted an action plan to address identified issues?	☐	☐	☐
Comments:			
Implementation verification: Schedule a follow-up review to verify the implementation of corrective actions, if necessary.	☐	☐	☐
Comments:			

> **Note:** *This checklist is a tool to assist in conducting thorough and consistent practice inspections. It should be used in conjunction with professional judgment and knowledge of the relevant standards and regulations.*