



2020-2021
Highlights and Analysis

Professional Inspection Review



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About the Professional Inspection Committee

The primary mission of the Professional Inspection Committee is to protect the public while ensuring Quebec CPAs meet the highest standards of quality. Every visit is an opportunity to guide members in their pursuit of excellence by helping them better comply with the standards of the profession and perfect their work methods.

The Professional Inspection Committee (the Committee) has therefore prepared an annual report on the inspection results, including:

- » Highlights of the 2020-2021 inspection results
- » Analysis of areas for improvement
- » Practical suggestions
- » Useful resources



Rate of compliance with professional inspection program requirements

Firms and members inspected¹

	2020-2021	2019-2020	2018-2019
Firms	785	664	730
Members	2,529	3,013	2,398

¹ The data presents the practice units inspected during the year.

Overall rate of

95%

(92% in 2019-2020)

99%

(99% in 2019-2020)

for firms offering exclusively compilation services or other services

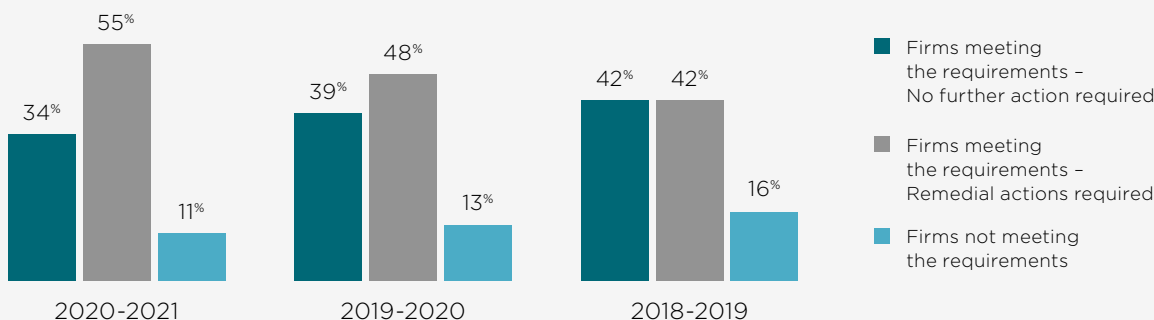
- ⚠ New CSRS 4200, Compilation Engagements standard coming into effect.**
The future compliance rate will depend on the proper and timely application of CSRS 4200, Compilation Engagements, which comes into effect for periods ending on or after **December 14, 2021**.
- 🔍 The page [Preparing for the new standard on compilation engagements](#) on the CPA Canada website includes numerous resources to better understand the new standard.**

89%

(87% in 2019-2020)

for firms offering assurance services

- ⚠ Review engagements remain a challenge.**
Of the 11% of firms not complying with the requirements, over 50% had not met the review engagement requirements. Insufficient or inadequate analytical procedures on income statement items are one of the most common and recurring deficiencies in review engagements.



Selection of inspected files

The files selected are those that represent a greater risk in terms of public protection and quality of work. This allows for a more in-depth inspection of complex transactions, subjects that present difficulties in practice and areas requiring particular expertise or knowledge.

All files completed during a given inspection cycle are subject to inspection. That means that any file completed within the last three or four years since the last inspection cycle can be selected for inspection.

Professional inspection

2020-2021 highlights

Priority areas for improvement

For activities where significant deficiencies were noted, the following priority areas for improvement were identified.

Accounting and financial reporting

- » Recording and presentation of redeemable shares
- » Presentation of liabilities payable on demand or within one year
- » Recording of transactions outside of the normal course of business (business combinations, intangible assets)

Review engagements

- » Understanding of the entity
- » Analytical procedures on inventory and income statement items
- » Going concern

Audit engagements

- » Understanding of the entity and risk assessment
- » Nature and scope of the procedures over
 - › Revenues
 - › Inventory
 - › Accounting estimates
- » Design and documentation of audit sampling



Accounting and financial reporting



The Committee is especially sensitive to accounting and financial reporting matters because a significant deficiency may lead to false or misleading financial statements. The Committee urges practitioners to be vigilant, notably with respect to the following matters.

> Accounting and reporting for redeemable shares

Observations

- » Presented incorrectly as equity.
- » Disclosures not compliant with the applicable financial reporting framework.

Suggestions

- » Document how the shares were issued and conclude on the accounting treatment, including how these should be classified in accordance with the applicable standards.
- » In a first-time audit or review, perform procedures to ensure the appropriate classification of the shares in the opening balances.



USEFUL RESOURCES

Amendments to Section 3856, *Financial Instruments*

The amendments to Section 3856, *Financial Instruments* are effective for annual periods beginning on or after January 1, 2021.

- » Several free resources on this topic are available on the [Expert Advice and Resources](#) page of the website of the Ordre des CPA du Québec (the Order).

> Presentation of financial liabilities

Observations

- » Financial liabilities incorrectly presented as long-term and no written waiver of the creditor's right to demand short-term repayment was obtained in cases where:
 - › Restrictive covenants were violated
 - › Loans were payable on demand, including loans between related parties
 - › Refinancing was expected in the short term.

Suggestions

- » Include in the file the creditor's waiver justifying long-term classification, such as:
 - › A written acknowledgement indicating that the creditor has waived its right to demand repayment for a period of more than one year from the balance sheet date (minimum one year and one day)
 - › A refinancing arrangement or a non-cancellable agreement to refinance the short-term obligation on a long-term basis.

> Accounting for transactions outside the ordinary course of business

Observations

- » Errors in accounting for complex or non-recurring transactions (e.g. business combinations or transfer of a business between companies under common control):
 - › Issues related to the transaction either not identified or incorrectly defined
 - › Assessment of accounting treatment missing or unsupported
- » Errors in accounting for intangible assets:
 - › Customer lists not identified in the context of a business acquisition
 - › Useful life of intangible assets inadequately assessed
 - › Trademarks or internally generated customer lists recognized as intangible assets
 - › Development expenditures classified as intangible assets though these did not meet the recognition criteria
- » Reliance on the purchase agreement as evidence of the fair value of assets and liabilities acquired.

Suggestions

- » Assess the substance and purpose of the transaction (e.g. acquisition of a business, change of control, integration of a new shareholder).
- » Document the analysis of the accounting treatment considering all the facts and circumstances, the terms and conditions of the arrangement, along with the relationship between the parties involved.
- » In the case of a business combination, the file should document the accounting treatment and the evidence with regards to:
 - › The purchaser
 - › The acquisition date
 - › The identification and valuation of identifiable assets acquired, liabilities assumed and any non-controlling interest in the acquired business (examples: customer lists, patents, trademarks, licenses, quotas, franchises, distribution rights).
 - › The valuation of goodwill or negative goodwill resulting from a bargain purchase
- » For any significant intangible asset recognized, analyze and document the capitalization criteria within the applicable financial reporting framework.
- » Consider involving an engagement quality control reviewer and/or using the services of a valuation expert to ensure issues are properly identified and addressed.





Review engagements

Applying the Canadian standard for review engagements (NCME 2400) continues to be a significant challenge for some firms. The Committee therefore wishes to reiterate the importance of properly documenting the following elements.

> Understanding the entity

Observations

- » Insufficient documentation of the practitioner's understanding of:
 - › The entity's activities (nature of its operations, industry, specificities of contractual arrangements, etc.)
 - › The entity's legal and regulatory environment (Cooperatives Act, notary trust account regulations, etc.)
 - › The entity's accounting systems and records
 - › The entity's selection and application of accounting policies in relation to the terms and conditions of contracts with customers or other parties.

Suggestions

- » In documenting the understanding of the entity, make connections between:
 - › The nature of the operations, legal and regulatory considerations and contract terms and how they impact the accounting for transactions and the disclosures in the financial statements
 - › The accounting policies and how the entity applies them in practice
 - › The appropriateness of these methods and the impact on areas where material misstatements are likely to arise
- » When a material misstatement that is likely to arise is identified, perform additional procedures to address the area.



> Analytical procedures

Observations

- » Insufficient or inadequate analytical procedures performed over inventory and income statement balances:
 - › Calculation of variations or ratios without any analysis
 - › Inadequate correlation between financial and non-financial information
 - › Superficial explanations in the case of start-ups or in unpredictable industries (e.g. documentation of sales growth limited to a brief comment on the growth of the company).

Suggestions

- » Document explanations supporting the reasonableness of the amount or balance in the financial statements consistent with the understanding of the entity.
- » Ensure the explanations received and documented in the file are sufficiently detailed to address the reasonableness of the variation. Consider quantifying the explanations received.
- » Relate the variances between the current and previous year results with the changes observed in the nature of the entity's operations and with the trends in the industry.
- » Consider analysing correlated amounts together (e.g. sales and receivables) to find variations that are inconsistent with each other or with other information obtained.
- » Consider making inquiries of others (sales, purchasing, or human resources managers) so as to critically assess the information obtained from management.
- » When inquiry and analytical procedures do not provide sufficient evidence (for example, in the absence of historical information or in the presence of volatile data), apply other procedures such as tests of detail or requests for outside confirmation.



> Going concern

Observations

- » Insufficient procedures to determine whether there is a significant doubt over the entity's ability to continue as a going concern or situations that may cast significant doubt were not considered in the assessment.
- » Where financial statements were prepared on a going concern basis despite the existence of events or conditions that may cast significant doubt on the entity's ability to continue as a going concern:
 - › No disclosure of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern in the notes to the financial statements and in the practitioner's report
 - › No documentation of the evidence obtained that led the practitioner to conclude that such disclosure is not required.

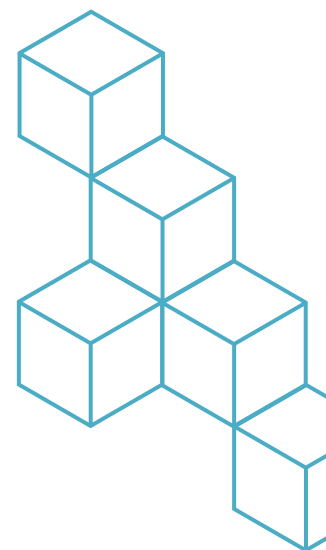
Suggestions

- » Discuss openly with management its assessment of the entity's ability to continue as a going concern, its planned future actions, its projected cash flows and whether these are realizable in the circumstances.
- » Document events that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern, such as factors arising in the context of the COVID pandemic.
- » Determine and document whether:
 - › Events or conditions noted cast significant doubt on the entity's ability to continue as a going concern (significant uncertainties)
 - › The financial statements are materially misstated due to inadequate disclosure about a material uncertainty related to the entity's ability to continue as a going concern.



USEFUL RESOURCES

- Using practical examples, the Order's [Missions d'examen – Enjeux d'application et conseils pratiques](#) course [in French only] helps practitioners optimize certain aspects of the planning and the execution of their review engagements. Notably, it covers all the issues presented above.
- CPA Canada's [Guide to Review Engagements \(CSRE 2400\)](#) helps practitioners conduct review engagements in compliance with CSRE 2400, Engagements to Review Historical Financial Statements.



Audit engagements



The Committee notes a consistency in the nature of the deficiencies raised. The most notable can be grouped under three themes: understanding the entity and assessing risks, the nature and extent of procedures performed, and the design and documentation of audit procedures.

> Understanding the entity and assessing risks

Observations

- » Lack of depth in documenting the following:
 - › The entity's activities (nature of operations, industry, regulatory framework, contract specificities, etc.)
 - › Control activities relevant to the audit
 - › The entity's selection and application of appropriate accounting policies
 - › Information systems relevant to financial reporting and related business processes
 - › How the entity responds to IT-related risks
- » Inaccurate assessment of the risks of material misstatement (i.e. "low," "moderate" or "high") without considering the documentation on the understanding of the entity.

Suggestions

- » Ensure the file documentation adequately evidences the entity's activities and processes in sufficient detail to guide the audit strategy and the nature and extent of procedures.
- » Consider what could go wrong for each assertion, and how a fraud could be perpetrated.
- » Link the risks identified to the assertions or to the financial statements.
- » Ensure the file evidences:
 - › The controls that address significant risks
 - › The assessment of the design of these controls (considering whether the control, alone or in combination with others, can prevent or detect and correct material misstatements)
 - › Whether these controls were implemented (assess whether the control exists and is being used).



USEFUL RESOURCES

Revised CAS 315, *Identifying and Assessing the Risks of Material Misstatement*

- The Order's Missions d'audit – Survol des changements à la NCA 315 révisée training session [in French only] outlines the new concepts and definitions, the various improvements and clarifications to the standard and guidance on its application.
- The redesigned Missions d'audit – Le contrôle interne dans le cadre des missions d'audit des PME et des OSBL training activity [in French only], which covers the revised CAS 315, outlines the CAS requirements and best practices with regards to understanding the entity, its environment and its system of internal control.
- The Implementation Tool for Auditors: Revised CAS 315 focuses on only selected new requirements and certain other requirements in CAS 315. Among other things, it emphasizes the adaptability of the standard, particularly for auditing less complex entities.

> Nature and scope of procedures

Revenue recognition

Observations

- » Insufficient analysis of revenue recognition policies, increasing the risk of errors primarily in cut-off and in the accuracy or completeness of revenue:
 - › Long-term contracts accounted for using the percentage of completion method (for example, in the construction industry)
 - › Multi-element arrangements (e.g. in the telecommunications or information technology sectors)
- » Inadequate audit procedures:
 - › Significant assertions or categories of products not covered by the procedures
 - › Underestimation of risk (resulting from fraud or other)
 - › Unaudited accounting estimates (e.g. percentage of completion estimate, provision for returns, valuation and allocation of the consideration in a multiple-element arrangement, etc.).

Suggestions

- » Gain an understanding of the terms and conditions of contracts that may affect revenue recognition, including:
 - › the nature of client deliverables
 - › the consideration exchanged (including rebates and discounts)
 - › the transfer of ownership (including rights of return)
 - › the delivery terms
- » Based on the understanding obtained, conclude as to the appropriateness of the entity's accounting policies, considering that revenue recognition does not always align with delivery or payment.
- » Consider consulting an expert when these elements are more complex.
- » Avoid basing the rebuttal of the presumed fraud risk over revenue on internal controls or the absence of errors in previous audits.



TO WATCH

Amendments to Section 3400, *Revenue*

The amendments to Section 3400, *Revenue* are effective for annual periods beginning on or after January 1, 2022 (early application permitted) and provide additional guidance on:

- › Bill and hold arrangements
- › Multi-component agreements
- › The percentage of completion method
- › The presentation of revenue on a gross or net basis
- › Non-refundable upfront payments or fees



USEFUL RESOURCES

- The Order's new [ASPE – Revenue Recognition](#) training activity addresses the various amendments to Section 3400 that will come into effect for fiscal years beginning on or after January 1, 2022. It offers a comprehensive review of the principles of revenue recognition under ASPE with illustrations and examples on common revenue arrangements, including sale of goods vs. service in a variety of industries.
- The [Missions d'audit et d'examen – Section des travaux en cours](#) training activity [in French only] outlines certain considerations for the Work in Progress section when planning and performing an audit or review engagement on historical financial statements.



> Nature and scope of procedures

Inventory

Observations

- » Inadequate work for physical inventory counts and provisions for inventory obsolescence.
- » Inventory test counts and inventory costing tests using sampling techniques did not address all significant categories of inventory.

Suggestions

- » When planning physical inventory count attendance, determine the locations where the auditor's presence is appropriate, considering the materiality of the inventory, internal controls and the risks of material misstatement for each location. Document the strategy.
- » Assess whether management's assumptions are reasonable (for example, test historical data to support the application of a standard provision rate by inventory age, or investigate the existence of a scrap value for items that are 100% depreciated).
- » Assess the outcome of previous accounting estimates (for example, obtain the actual realizable value of previously provisioned items).
- » When the estimate of the provision for obsolescence is identified as a significant risk, evaluate how management has considered alternative assumptions or outcomes, and why it has rejected them (for example, through sensitivity analysis).

Accounting estimates

Observations

- » No documentation of the methods used by management for making the accounting estimates and testing of the data on which they are based.
- » No procedures to assess the reasonableness of significant assumptions made by management.
- » No procedures to review management's judgements and decisions as to accounting estimates for possible bias.

Suggestions

- » Begin work on estimates early in the audit in order to rapidly highlight issues and give management time to address them.
- » Identify all potentially significant accounting estimates, including those for which management's valuation is a zero amount (for example, the provision for returns could be significant even though management has not recorded any).
- » Assign the audit of the estimates to an experienced member of the engagement team.
- » Always exercise professional scepticism and consider both corroborating and contradictory evidence obtained in performing procedures.
- » Careful not to draw conclusions based solely on management representations.
- » Consider obtaining information from others in the entity (sales, purchasing, or human resources managers).
- » Consider using the services of a valuator or other experts when auditing complex and significant estimates.



USEFUL RESOURCES

Revised CAS 540, Auditing Accounting Estimates and Related Disclosures

- The Order's [Auditing Accounting Estimates \(CAS 540\) – Revised Standard](#) | New training activity outlines the significant changes made to CAS 540 to guide the auditor in understanding his or her responsibilities with respect to accounting estimates and related disclosures.
- The use of CPA Canada's [Practitioner's Implementation Tool](#), which provides a 10-step approach, is recommended to facilitate the application of the revised standard.

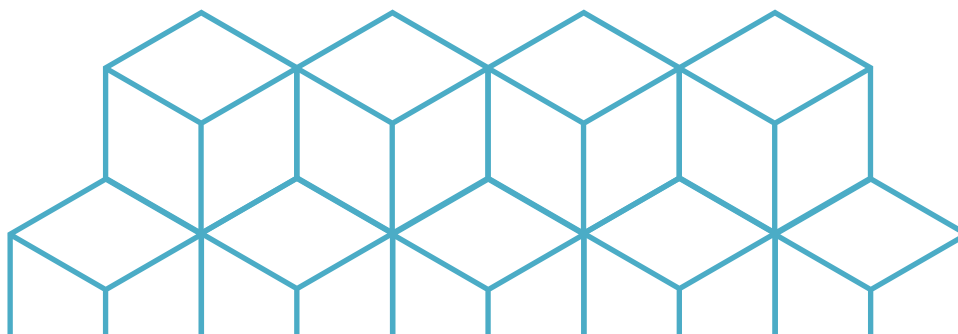
> Sampling design and documentation

Observations

- » Inadequate design and documentation of sampling approach and sample sizes:
 - › The purpose of the audit procedure, the characteristics of the population from which the samples were drawn and the assertions targeted were not clearly defined
 - › Testing did not address the entire population (i.e. in testing, some elements did not have a chance of being selected) or did not address certain characteristics of the population
 - › The method of selecting the sample was not documented or was insufficiently documented (number, source and method of selection of samples tested).

Suggestions

- » When designing a test of details using sampling, consider the objective of the audit procedure and the assertions being tested (e.g. to test the existence of revenue, the sample could be selected from a sales journal, whereas to test the completeness of revenue, the sample could be selected from the shipping log).
- » When the population is not homogeneous (for example, differing risks of misstatement), it may be appropriate to group subpopulations by common characteristics.
- » Even when using judgement to determine sample sizes, it is necessary to document how sampling risk is addressed, notably how the number of tests is deemed sufficient based on population characteristics, risk assessment and materiality.
- » Perform audit procedures to validate the integrity and completeness of the information from which the sample is drawn (for example, where the payroll register is used for selecting samples for testing salary expense, its accuracy and completeness could be tested through reconciliation with the general ledger).



Compilation engagements



The deficiencies noted in these engagements are comparable to those in previous years.

> Engagement documentation

Observations

- » Significant deficiencies often relate to a lack of documentation supporting the source of the figures in the financial statements or to mathematical errors and tie-in errors.
- » The most common deficiencies continue to be:
 - › The file contains no evidence of an agreement between the practitioner and the client as to the nature of the services to be provided
 - › The wording of the Notice to Reader does not comply with the requirements of Section 9200.

Suggestions

- » Prepare for the adoption of CSRS 4200, *Compilation Engagements*, which will have a significant impact on the planning and performance of compilation engagements as well as on the wording of the report.



USEFUL RESOURCES

- Courses offered by the Order:
 - › [Compilation Engagements – Application of CSRS 4200](#)
 - › [Dossier modèle en mission de compilation selon la nouvelle norme NCSC 4200](#)
 - › [Missions de compilation – Enjeux d'application de la nouvelle norme NCSC 4200 et conseils pratiques \[French only\]](#)
- CPA Canada's [Preparing for the new standard on compilation engagements](#) page is a collection of resources to help you understand the new standard.



TO WATCH

New CSRS 4200 standard, *Compilation Engagements*

The new standard will be applicable for periods ending on or after December 14, 2021.

Practitioners will need to adapt their work methods, notably by:

- › Ensuring the mandate is within the scope of the standard and assessing whether voluntary adoption is judicious
- › Reviewing the conditions for accepting or continuing the engagement
- › Drafting a new engagement letter
- › Obtaining an understanding of the entity and the accounting policies applied
- › Reviewing the financial information compiled in light of that knowledge
- › Reviewing the wording of the compilation engagement report

Practitioners who are considering early adoption should consider whether they will have sufficient time to complete their training and adequately prepare prior to the start of the engagements affected.

Tax and advisory services



Tax and advisory services engagements are subject to professional inspection in the same way as assurance engagements. The main deficiencies noted are summarized in the table below.

> Engagement documentation

Observations

- » No written agreement between the practitioner and the client as to the nature of the services to be provided.
- » Documentation insufficient to allow an experienced practitioner who is not involved in the engagement to fully understand the nature and scope of the work performed.

Suggestions

- » Obtaining an engagement letter is usually a best practice that allows the practitioner to agree with the client on the terms and conditions of the engagement and prevent any misunderstanding.
- » Tailor documentation, such as memos and checklists, to the needs of the engagement.
- » Quality documentation may include:
 - › A summary of the discussions with the client and the research conducted
 - › Significant agreements and arrangements
 - › A summary of the key assumptions used
 - › The calculations and analyses performed (explanations and supporting documents).



USEFUL RESOURCES

- Free checklists are available on the Order's [Expert advice and resources - Taxation, taxes and financial planning page](#).
- Also included are many other useful resources and tools for tax mandates, grouped by sector (personal income tax, corporate income tax, trusts and estates and commodity taxes).

Canadian Standard on Quality Control (CSQC1)

Since deficiencies in the firms' quality control systems are generally the root cause of deficiencies noted in assurance engagements inspected, the Committee wishes to reiterate the importance of the following elements.

Acceptance and continuance of client relationships

Issue



Accepting an engagement without the required resources or knowledge puts the firm at undue risk of not meeting professional standards.

Solutions

Consider the following factors before accepting the engagement:

- ✓ Knowledge of the client and the industry
- ✓ Availability of sufficiently experienced staff
- ✓ Possible use of other resources
- ✓ Professional risk and engagement risk



Supervision, consultation and quality control review

Issue



Supervision of teams has been a particular challenge during the pandemic as firms have not only taken on greater workloads but have also had to adapt to working remotely.

Solutions

To ensure effective supervision:

- ✓ Proactively monitor the completion of key engagement milestones so that issues can be spotted and resolved quickly.
- ✓ Increase the time spent coaching less experienced employees.
- ✓ When working remotely, organize regular virtual meetings or real-time working sessions with engagement teams.

Issue



Often, deficiencies noted during inspections could have been avoided if the engagement team had identified the issues requiring consultation and quality control earlier.

Solutions

In the case of non-recurring or complex transactions, a combination of the following measures is encouraged:

- ✓ Consult with colleagues, the resources offered by the Ordre des CPA du Québec or other experts.
- ✓ Document the consultations that were conducted and the conclusions drawn.
- ✓ Involve the engagement quality control reviewer in assessing the engagement team's work and conclusions, or have the relevant sections reviewed by a subject matter expert before the report is issued.

Issue



Firms too infrequently assign a quality control reviewer to their engagements, or the quality control review is superficial.

Solutions

- ✓ The quality review should be performed by a person with the required technical qualifications, including the necessary experience and authority. The firm may therefore need to call upon a professional other than its usual quality control reviewer if this person does not have sufficient knowledge of a particular industry or a specific standard.
- ✓ A quality control review should add value by raising relevant questions about the work performed and the conclusions drawn. It should not be limited to signing off a checklist.
- ✓ The quality control reviewer should be involved from the planning stage.

Cyclical inspection of completed engagements

Issue



Cyclical inspections are more than a simple administrative process—they are a useful risk management tool for firms.

Solutions

To fully benefit from this important process:

- ✓ Entrust it to experienced professionals who can make value-added recommendations.
- ✓ Draw up an action plan to remedy identified deficiencies and communicate remedies to engagement teams.



TO WATCH

New Canadian Standards on Quality Management (CSQM 1 and 2)

CSQM 1, “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements,” will replace the current CSQC 1, “Quality Control for Firms that Perform Audits or Reviews of Financial Statements, and Other Assurance Engagements.”

Firms must design and implement a quality management system that complies with CSQM 1 by December 15, 2022 for audits and reviews of financial statements and other assurance engagements (and by December 15, 2023 for related services engagements, including compilation engagements).

It is recommended that firms begin implementing the required changes now to ensure deadlines are met.



USEFUL RESOURCES

- New courses offered by the Order:
 - › [Quality Management – Application of CSQM 1 and 2 for Providers of Assurance Services New Standards](#)
 - › [Quality Management – Impacts of CSQM 1 and 2 for Providers of Compilation and Other Non-Assurance Services New Standards](#)
 - › [Quality Management – Overview of CSQM 1 and 2 for Providers of Assurance Services New Standards](#)
- CPA Canada’s [Quality Management Guidance Resources](#) directory

Impact of the items noted on the result of the professional inspection

The results of the professional inspection and the choice of corrective measures imposed, if any, are based on the individual and collective assessment of the seriousness of the deficiencies noted.

01

A firm is considered to have fully satisfied the requirements of the professional inspection when the deficiencies noted do not or could not have a material impact on the financial statements. In such cases, no action plan or other follow-up action is required. The firm will continue its regular inspection cycle unless there are significant changes in its organization or client portfolio.

02

In other cases, the Committee may conclude that the firm needs to take specific measures to meet the requirements of the professional inspection program for the current cycle. Generally, the firm will then be required to submit an action plan as well as the projected timetable for the application of measures to remedy the deficiencies noted in the professional inspection report. Partners of the firm may also be imposed professional training courses.

The Committee may decide to follow up more rigorously certain components of the action plans responding to specific issues raised during the inspection (such as a material error in the financial statements). The measures taken by the firm (retracting the opinion or redrafting the financial statements) may be subject to post-inspection follow-up which entails additional fees for the firm.

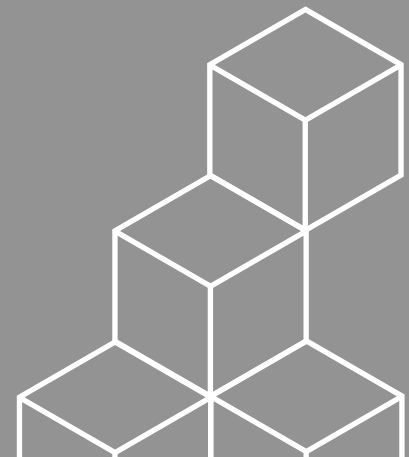
03

A firm is considered not to have met the requirements of the professional inspection program for the current cycle when significant deficiencies are noted in the accounting of certain transactions or when key procedures have not been performed appropriately or completely in one or more engagements. Such situations will require more significant follow-up, generally in the form of a re-inspection of engagements with similar issues or a complete re-inspection of the firm. Members may also be subject to:

- › **A supervised internship** consisting of a quality control review by a supervisor appointed by the Order before or after the reports are issued
- › **Specific refresher training courses**

04

The Inspection Committee will also assess the impact of the deficiencies on the firm's accreditation as an institution offering a **pre-approved internship program in public accounting**.



Tools to help you excel

The Ordre des CPA du Québec and CPA Canada offer a variety of resources, including training activities, tools, guides and templates.

General resources

- » **The Order's technical reference service**
It's easy and free! Do you have questions about the accounting and assurance standards in the CPA Canada Handbook? We can help you!
- » **Request for information on professional ethics**
It's easy and free! Do you have questions about the Code of Ethics? Do you need guidance on a specific situation? Consult our team.
- » Are you looking for an effective way to keep up to date with the latest news and trends? The **Expert Advice and Resources** page of the Order's website gives you quick access to articles, sample reports, government updates and best practices. Explore all the resources available to you!
 - › **Digital Age**: Are you ready to go digital? Learn from best practices and keep up with trends.
 - › **Taxation, Taxes and Financial Planning**: Keep up with the latest tax changes and take advantage of several free resources, including checklists to help you ensure nothing is missed.
 - › **Financial Accounting and Assurance**: Learn more about the latest developments in accounting standards and how to apply them, and get all the tools you need for your audit and review engagements (sample reports and information on specific sectors).

Review engagements

- » CPA Canada's **Guide to Review Engagements (CSRE 2400)** helps practitioners conduct review engagements in compliance with CSRE 2400, *Engagements to Review Historical Financial Statements*.
- » CPA Canada's **Reporting Implications of CSRE 2400** guide is intended to promote consistency in practitioners' reports by providing guidance with respect to commonly occurring circumstances.
- » Using examples from practice, the **Missions d'examen - Enjeux d'application et conseils pratiques** course [in French only] provides practical advice on how to optimize aspects of planning and conducting review engagements for various industries.



Audit engagements

- » New courses offered by the Order:
 - › [Auditing Accounting Estimates \(CAS 540\) – Revised Standard | New](#)
 - › [Missions d’audit – Survol des changements à la NCA 315 révisée](#) [in French only]:
 - › [Missions d’audit – Le contrôle interne dans le cadre des missions d’audit des PME et des OSBL \(refonte tenant compte de la NCA 315 révisée\)](#) [in French only]:
- » The amendments to CAS 540, Auditing Accounting Estimates and Related Disclosures, apply to audits of financial statements for periods beginning on or after December 15, 2019, and affect all auditors, regardless of the type or size of the entities whose financial statements they audit. These CPA Canada resources will help you learn about and implement these changes:
 - › [Audit and assurance alert: Revised CAS, auditing estimates](#)
 - › [Implementation tool](#)
 - › [FAQs on revised CAS 540, auditing estimates](#)
- » The amendments to CAS 315, *Identifying and Assessing the Risks of Material Misstatement*, apply to audits of financial statements for periods beginning on or after December 15, 2021. CPA Canada’s [Implementation Tool for Auditors: Revised CAS 315](#) addresses the new requirements and some other requirements set out in that standard. Among other things, it emphasizes the adaptability of the standard, particularly for auditing less complex entities.
- » The Order’s [Atelier pratique – Échantillonnage workshop](#) [in French only] provides best practices for performing audit sampling procedures and understanding the impact of sampling on the components of audit risk.
 - › Available in 2021-2022 in a new 12-hour format!
- » As governments have brought in various forms of support to help businesses cope with the pandemic, government assistance received or to be received by clients may have an impact on your engagements. The CPA Canada article [Auditing government assistance: Are you prepared?](#) has some important reminders and an overview of what to consider.
- » CPA Canada’s [Reporting Implications of Canadian Auditing Standards](#) guide is intended to promote consistency in the form and content of reports by practitioners by providing guidance on commonly occurring circumstances.

Compilation engagements

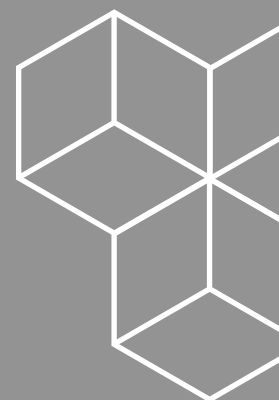
- » **New course offered by the Order** [in French only]
 - › [Missions de compilation – Enjeux d’application de la nouvelle norme NCSC 4200 et conseils pratiques](#)
- » Using extracts from a model file prepared in accordance with the requirements of the new standard on compilation engagements, the Order’s [Dossier modèle en mission de compilation selon la nouvelle norme NCSC 4200](#) course [in French only] outlines the requirements of the standard and its impact on planning, execution and reporting.

Accounting Standards for Private Enterprises (ASPE)

- » **New courses offered by the Order**
 - › ASPE - Revenue Recognition (3400) New
 - › NCECF et OSBL du secteur privé - Instruments financiers (refonte) [in French only]

International Financial Reporting Standards (IFRS)

- » **New courses offered by the Order**
 - › IFRS 2 Paiement fondé sur des actions - Revue des concepts fondamentaux [in French only]
 - › IFRS - Instruments financiers (refonte) [in French only]





Questions?

To find out more about the inspection process, the program evaluation criteria and remedial actions, and access the tools and reference material available to members, please consult the [Professional Inspection](#) section on the Order's website.

For all other inquiries, please contact the Professional Inspection team by phone at 514-288-3256, ext. 2565 or toll-free at 1-800-363-4688, or by email at inspection@cpaquebec.ca.



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