

CPA Practical Experience Requirements for Public Accounting

What do I need to know?

The CPA qualification program offers considerable flexibility to prepare you for your career in accounting. You can tailor the program to your interests and aspirations by choosing particular electives in the CPA Professional Education Program or a CPA accredited program, writing the Common Final Examination from a particular perspective, and gaining particular progressive qualifying practical experience.

If you are interested in **registration to practice public accounting** when you qualify as a CPA, how you gain your qualifying practical experience is very important. To develop the requisite competencies for public accounting, a more prescribed path is required during the CPA certification program. Remember: practical experience requirements for public accounting are, for the most part, not additional requirements. They are specific choices you can make within the general requirements for CPA certification.

Legacy practical experience requirements

Legacy requirements remain in effect until September 1, 2015. Under the principles of unification, all experience completed and recognized towards the completion of a legacy program's experience requirements will be recognized toward the CPA practical experience requirements on an hour-for-hour basis.

Three streams of registration for public accounting

Practical experience requirements have been developed for three streams of registration:

- 1. Audit:** The audits of financial statements and other historical financial information, as set out in the prevailing *CPA Canada Handbook – Assurance*.
- 2. Review:** A review of historical financial statements and other financial information as set out in the current *CPA Canada Handbook – Assurance*.
- 3. Compilation:** Compilations prepared while performing an external engagement service where there is reasonable expectation that all or any portion of the compilations or associated materials will be relied upon or used by a third party and the compilation engagement communication is required as set out in the compilation engagement section(s) of the current *CPA Canada Handbook – Assurance*.

National vs Provincial Practical Experience Requirements

While the CPA profession strives for national consistency, provincial regulations and bylaws take precedence over national requirements. Refer to your provincial regulations and bylaws for the specific requirements in your jurisdiction.

Note that not all jurisdictions have adopted these three streams of registration. For jurisdictions with a single public accounting stream, the Audit standard applies. Contact your provincial body to make sure you understand the registration requirements in your province.

Audit, Review and Compilation Streams

For jurisdictions with three streams of public accounting registration, key requirements of each stream are described below:

	Audit Stream	Review Stream	Compilation Stream
Qualifying services	Qualifies candidates for registration to provide audit, review and compilation services.	Qualifies candidates for registration to provide review and compilation services.	Qualifies candidates for registration to provide compilation services.
Practical experience route	Qualifying practical experience must be gained in a pre-approved program.	Qualifying practical experience must be gained in a pre-approved program.	Qualifying practical experience can be gained in a pre-approved program or through experience verification.
Chargeable hours included within the 30 month work term* †	At least 1,250 chargeable hours in assurance, of which a minimum of 625 hours should be obtained in the audit of historical financial information.	At least 1,250 chargeable hours in assurance, of which a minimum of 625 hours must be obtained in applying assurance procedures to historical financial information.	At least 625 chargeable hours in compilation. Hours spent on the audit or review of historical financial information are accepted as compilation hours.
Core requirements	Proficiency in at least three financial reporting sub-areas.	Proficiency in at least three financial reporting sub-areas.	Proficiency in at least three financial reporting sub-areas.
Depth requirements	Depth in the audit and assurance competency area, with the development of competencies in all three audit and assurance competency sub-areas, two at Level 2.	Area of depth is at the choice of the student/candidate.	Area of depth is at the choice of the student/candidate.
Breadth requirements	Any two competency sub-areas are at the choice of the student/candidate.	At least two competency sub-areas (both at Level 2) from the audit and assurance competency area. The remaining three competency sub-areas required to meet overall breadth are at the choice of the student/candidate.	Any five competency sub-areas are at the choice of the student/candidate.
Diversity of experience	Variety of audit clients and/or a variety of audit experiences.	Variety of assurance clients and/or a variety of assurance experiences.	Additional experience in tax and advisory services.
Mentorship	Your mentor must be working in public accounting.	Your mentor must be working in public accounting.	Your mentor must be working in public practice.

* 24 months in Quebec

† Refer to your provincial/regional body as hour requirements are different in some jurisdictions.

In addition, all three public accounting streams must meet these requirements:

- **Recency:** All practical experience competency and chargeable hour requirements must be gained in positions that ended in the last five years.
- **Self-employment:** Experience gained through self-employment will not qualify for recognition towards CPA experience requirements for public accounting.
- **Diversity:** must obtain diversity while meeting the experience requirements.

Contact your provincial/regional CPA body for more information