

## Compilation Licence FAQs

- 1.0 Do I need a public accounting licence to perform a compilation engagement?
- 1.1 Only Chartered Professional Accountants (CPAs) who hold a Compilation Licence, Audit Licence or Review Licence can sign off on compilation engagements through a firm registered with CPA Nova Scotia. The Compilation Licence qualifies applicants to sign off on compilation engagements and agreed upon procedure engagements. Holders of the Compilation Licence cannot sign off on review and audit engagements, though holders of Review or Audit Licences can sign off on compilation engagements. The [Licenced Public Accountant Directory](#) contains a complete list of all compilation licence holders.
- 1.2 Non-CPAs are not permitted to sign off on compilation engagements.
- 2.0 What do I need to apply for a compilation licence?
- 2.1 Compilation Licence applicants must be in good standing with CPA Nova Scotia, work for a firm registered with CPA Nova Scotia (or an Auditor General), and be in compliance with CPD requirements for the previous three-year rolling calendar period that is relevant and sufficient for the Compilation Licence. All new Compilation Licence holders will be practice inspected within the first year following the completion of a compilation engagement, at the discretion of the Director of Professional Standards.
- 2.2 Education: To be eligible for the Compilation Licence, you must complete the Taxation Elective in the CPA Program or have the Legacy Equivalent. If you do not meet this requirement, CPA Nova Scotia can assess your recent tax proficiency and tax CPD including any in-depth formal tax training you may have taken. An appropriate CPD Plan may need to be developed for you, which may include completing the Taxation Elective in the CPA Program.
- 2.3 Examination: Your required exam depends on whether you hold a legacy Canadian accounting designation, as follows:
- a. CPA Only: CFE with Depth in Financial Reporting
  - b. Legacy CA: Uniform Final Exam
  - c. Legacy CGA: CGA Tax 2 and CPA PA1 (qualified in 1999 or later)
  - d. Legacy CMA: CMA Tax I, Tax II and Tax III.
- 2.4 Experience: You must have a minimum of 425 chargeable hours in compilation engagements in the preceding five-year period. Chargeable hours spent on the audit and review of historical financial information is accepted as compilation hours. You must have 30 months of practical experience in a registered firm that performs compilation engagements.

2.5 The Public Accounting Licensing Committee (the “Committee”) has the discretion to issue a Compilation Licence on a case-by-case basis when the applicant does not meet the compilation licensure requirements if the Committee is satisfied the applicant has demonstrated the required capabilities, competencies, and current skills to sign off on compilation engagements. In using its discretion, the Committee may recommend any combination of prescribed PD, Engagement Quality Review performed by a pre-approved Licensed Public Accountant, external supervision on your compilation engagements and/or supervision of your compilation engagements by a pre-approved supervisor from within your firm.

### 3.0 What do I need to do to renew a compilation licence?

3.1 The Compilation Licence must be renewed each year during the Annual Member Renewal in accordance with the *Public Accounting Licensing Renewal Requirements*. To renew your Compilation Licence, you must obtain a minimum of 15 chargeable hours in compilation engagements in the role of an engagement partner on an annual basis and a minimum of 75 chargeable hours in compilation engagements in the role of an engagement partner in the previous five-year period. Hours spent in CPD programs do not count toward the annual or five-year cumulative hours requirement.

3.2 The Committee has the discretion to renew a Compilation Licence on a case-by-case basis when the applicant does not meet the compilation licensure renewal requirements if the Committee is satisfied the applicant has demonstrated the required capabilities, competencies, and current skills to sign off on compilation engagements. In using its discretion, the Committee may recommend any combination of prescribed PD, Engagement Quality Review performed by a pre-approved Licensed Public Accountant, external supervision on your compilation engagements and/or supervision of your compilation engagements by a pre-approved supervisor from within your firm.

3.3 If you do not renew your Compilation Licence, you will no longer be able to sign off on compilation engagements. The Compilation License must be renewed annually and is only valid during that fiscal year.

### 4.0 Will my Compilation Licence be recognized in another jurisdiction in Canada?

4.1 You may use or transfer your Compilation Licence to another province or territory in Canada that recognizes the Compilation Licence tier. Not all provinces and territories have tiered licensure. Please contact the jurisdiction to which you plan to use or transfer your licence for more information on their licensure requirements and licence application procedures.

### 5.0 If I hold a Compilation Licence in another jurisdiction, can I obtain a Compilation Licence in Nova Scotia?

5.1 CPA Nova Scotia will recognize your Compilation Licence from another Canadian province or territory upon receipt of the *Confirmation of Licensure with Another CPA Provincial Body*. This confirmation will be accepted as evidence that you have met the education, examination and experience requirements for the Compilation Licence.