

Action Plan Guidance

PART 1 – Action Plan

Please note the following in regard to the action plan:

- An action plan template is available online at www.bccpa.ca (Members / Public Practice / Practice Review / Practice Review Action Plan). Please submit the completed action plan via email to practicereview@bccpa.ca.
- The action plan is a tool that allows the firm to demonstrate that they understand the changes that need to take place. This is the firm's opportunity to show that they have learned from the practice review and can take that learning into future engagements.
- The template covers how the firm plans to address each deficiency, identification of root causes, and actions the firm will take to address the more systemic issues identified.
- When drafting an action plan, the firm is strongly advised to review the *CPA Canada Handbook* sections referred to in each deficiency to ensure that their response is appropriate.
- The action plan should include determining if additional work is required for the engagement(s) inspected.
- If you need assistance in preparing the action plan, you may wish to retain an appropriate CPA to assist you. If you are required to engage a CPABC-approved Supervisor to work with you on future engagements, you must ask the Supervisor to assist you.
- Staff will evaluate the action plan to determine whether it is satisfactory and adequately addresses the deficiencies raised in the practice review.
- Note that the role of CPABC practice inspection is not to do the work for you; nor are we able to confirm that you have taken all the required steps.
- What CPABC needs from you is an action plan which provides comfort that you have understood the deficiencies identified and that you will take the steps to correct any material misstatement.

PART 2- Analysis for Restatement

If the Practice Review Officer identified material errors, the firm is also required to review certain financial statements to determine whether adjustments are required to restate the financial statements.

Please note the following in regard to the analysis for restatement:

- A copy of the analysis should be submitted via email to practicereview@bccpa.ca
- This analysis must be prepared in accordance with the relevant section(s) of the CPA Canada Handbook, with reference to appropriate supporting documents.
- If you need assistance in doing the analysis and in any subsequent restatement and reissuance procedures, you may wish to retain an appropriate CPA to assist you. If you are required to engage an approved Supervisor to work with you on future engagements, you must ask the Supervisor to assist you.
- Similar to the action plan, the analysis for restatement will be evaluated by staff to determine whether it is satisfactory.

We hope you will find this information helpful in meeting the requirements.