

OTTAWA – December 3, 2021 – Canadian Public Accountability Board and the Office of the Superintendent of Financial Institutions

The Canadian Public Accountability Board (CPAB) and the Office of the Superintendent of Financial Institutions (OSFI) co-hosted a virtual Roundtable meeting on October 22nd with the Canadian Securities Administrators (CSA) representatives. Together, they discussed ways to contribute to continued public confidence in external audit quality in Canada. This work supports a sound Canadian financial system.

In particular, the participants shared perspectives on systemic and emerging risks in capital markets, sustainability and climate change. They also discussed audit firm governance and culture and key matters relating to auditing and independence standard setting. The meeting featured an update on the progress to implement audit quality recommendations from the working groups formed after the 2019 Roundtable. These groups are focused on fraud, going concern, professional skepticism, emerging industries and novel issues.

The participants continue to agree that improvement in the quality of external audits are important to Canada’s sound financial system. All agreed to future coordinated efforts to advance public confidence in the integrity of financial reporting in Canada. To this end, the participants agreed that:

- Strong ethical behaviours and standards and compliance with such behaviours and standards by auditors are essential components of a sound Canadian financial system.
- The external audit firms in Canada would benefit from undertaking firm culture surveys to determine the impact of culture on audit quality, including professional skepticism.
- To remain vigilant in Canada to support leading auditor independence standards.
- To collaborate on the proposed direction of international auditing standards projects related to going concern and fraud.
- For continued work to implement a system wide proactive approach to bringing stakeholders together to identify potential emerging issues, and to act with agility on these issues.

Quote:

“Financial system resilience relies on objective, accurate, and useful financial information. Canada’s external auditing firms are critical to ensuring high quality financial statements via high quality audits. We encourage their efforts to ensure their firm cultures drive high quality external audits via professional skepticism, independence, and vigilance.”

- Carol Paradine, CEO, CPAB and Peter Routledge, Superintendent, OSFI

About OSFI

[The Office of the Superintendent of Financial Institutions \(OSFI\)](#) is an independent agency of the Government of Canada, established in 1987, to protect depositors, policyholders, financial institution creditors and pension plan members, while allowing financial institutions to compete and take reasonable risks.

Media Contact

OSFI – Public Affairs

Media-Medias@osfi-bsif.gc.ca

About CPAB

The Canadian Public Accountability Board (CPAB) is Canada’s independent, public company audit regulator. Charged with overseeing audits performed by registered public accounting firms, CPAB contributes to public confidence in the integrity of financial reporting and is committed to protecting Canada’s investing public. CPAB promotes audit quality through proactive regulation, dialogue with domestic and international stakeholders, and practicable insights to inform capital market participants. CPAB has offices in Montreal, Toronto and Vancouver.

For more information, contact:

Adrienne Jackson, Senior Director, Communications

Canadian Public Accountability Board

adrienne.jackson@cpab-ccrc.ca