

CPAB releases 2023 interim inspections results

TORONTO, October 12, 2023 – The Canadian Public Accountability Board (CPAB), Canada’s public company audit regulator, released its [interim public report](#) on its 2023 audit quality assessments. This report provides a snapshot of our 2023 audit quality assessment work to date.

Common themes identified in inspection findings so far this year include:

- The auditor’s identification and assessment of the risks of material misstatement in the financial statements, specifically concerns with how the revised standard is implemented.
- Significant inspection findings in audits of companies that use third-party service organizations to perform significant aspects of business activities.
- The adequacy of audit procedures when cycle counts are performed on perpetual inventory systems.
- The quality of audit documentation and the effectiveness of the engagement team’s supervision and review.

The report also provides insights on fraud, artificial intelligence applications and climate-related risks to the audit, as well as an update on our public disclosures.

Overall considerations for audit committees are also included as year-end audit preparations begin. CPAB encourages public accounting firms to provide this report to their reporting issuers’ audit committees. Audit committees can discuss this report, any file-specific findings and any remediation action taken, if applicable, with their external auditor.

CPAB’s Audit Quality Insights: 2023 Interim Inspections Results is available at www.cpab-ccrc.ca. CPAB will publish its final assessment of its planned file inspections in March 2024.

About CPAB

The Canadian Public Accountability Board (CPAB) is Canada’s independent audit regulator that oversees accounting firms that audit Canadian reporting issuers. CPAB promotes audit quality through proactive regulation, robust audit assessments, dialogue with domestic and international stakeholders, and practicable insights to inform capital market participants and contributes to public confidence in the integrity of financial reporting. CPAB has offices in Montreal, Toronto and Vancouver.

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