



# Raymond Chabot Grant Thornton

Le 18 juin 2009

Monsieur Greg Shields, CA  
Directeur, Normes de vérification et de certification  
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Monsieur,

Nous vous transmettons, à l'intention du Conseil des normes de vérification et de certification (CNVC) de l'Institut Canadien des Comptables Agréés, nos commentaires sur le contenu de l'exposé-sondage de mai 2009 intitulé *Consentement de l'auditeur à l'utilisation de son rapport d'audit dans le contexte de documents désignés*. Nous appuyons l'adoption par le CNVC de l'exposé-sondage et nous vous soumettons les commentaires suivants relativement au chapitre 7500 proposé (ci-après le « chapitre 7500 »).

## Commentaires sur les modalités d'application

### 1. Indications relatives au rapport de gestion

Nous sommes d'avis que le paragraphe 3 vient simplement expliquer le cas particulier du rapport de gestion dans le contexte du chapitre 7500, sans modifier le champ d'application. Nous proposons donc que ce paragraphe figure plutôt comme modalité d'application du sous-alinéa 1 a) ii).

### 2. Maintien du format actuel du consentement

Nous sommes d'avis que la décision de ne pas reprendre l'alinéa 16 e) de la NOV-44 dans le chapitre 7500 représente un affaiblissement important du format du consentement par rapport à la pratique actuelle. Cet alinéa se lisait ainsi : « indique que le vérificateur n'a mis en œuvre que des procédés restreints, notamment des prises de renseignements auprès de la direction de l'entité quant à l'existence d'événements postérieurs survenus entre la date du rapport et la date du consentement susceptible de nécessiter un ajustement ou un complément d'information dans les états financiers (...) ». Nous sommes d'avis que cette mention dans le consentement aide le destinataire à mieux comprendre la nature du travail effectué par l'auditeur pour donner son consentement et que son absence pourrait amener l'utilisateur à penser que celui-ci a mis

en œuvre des procédés beaucoup plus poussés que ceux prévus par le chapitre 7500. Nous proposons que le CNVC reprenne l'alinéa 16 e) de la NOV-44 dans le chapitre 7500 au paragraphe 22 et dans l'exemple de consentement à l'annexe 1.

### 3. Actions requises en cas de retard du dépôt des états financiers

Nous sommes d'avis que le chapitre 7500 devrait contenir une exigence sur les actions requises de la part de l'auditeur lorsque le dépôt des états financiers est retardé. Une telle exigence est pertinente puisqu'elle permet à l'auditeur de rencontrer l'objectif énoncé au paragraphe 6 c). Nous notons que le passage suivant du paragraphe A23 contient certaines indications à ce propos : « Si la direction retarde le dépôt des états financiers audités auprès des autorités de réglementation des valeurs mobilières, l'auditeur s'inquiétera de la possibilité que des événements postérieurs importants se soient produits entre la date du consentement et la date du dépôt des états financiers. Dans de telles circonstances, l'auditeur demande à la direction si elle est au courant que de tels événements se soient produits et envisage de lui demander de mettre à jour ses procédures relatives aux événements postérieurs de manière qu'elles couvrent la période s'étendant jusqu'à la date de dépôt ». À notre avis, ces indications sont plus que des modalités d'application et indiquent des actions requises dans cette circonstance. En conséquence, nous proposons que ce passage soit promu au rang d'exigence après le paragraphe 17 sous la rubrique « retard dans le dépôt des états financiers ».

### Commentaires sur les modalités d'application

Paragraphe	Commentaire
1 a) ii), 3, A9, A12, A23	Nous notons que le terme « rapport de gestion » est utilisé dans le chapitre 7500 proposé, alors que le terme « rapport d'activité » est le terme utilisé et défini dans le NCA 720 pour désigner ce document. Nous proposons que le même terme soit utilisé dans les deux normes par souci de cohérence.
A1	Nous notons que le paragraphe A1 porte exclusivement sur les documents visés par le sous-alinéa 1 a) iii). Nous proposons que le renvoi au paragraphe A1 figure après ce sous-alinéa pour faciliter la compréhension.
A16	Nous notons que les indications du paragraphe A16 vont au-delà de la mise en œuvre des exigences du paragraphe 15 quant à la reproduction exacte des états financiers et du rapport d'audit sur ces états. Nous notons que le paragraphe 19 indique déjà à l'auditeur les actions requises lorsqu'il relève une erreur dans la reproduction des états financiers et du rapport d'audit sur ces états. Nous proposons que le renvoi au paragraphe A16 figure après ce sous-alinéa 19 a) pour faciliter la compréhension.

<b>Paragraphe</b>	<b>Commentaire</b>
A26	Nous notons que le paragraphe A26 définit le terme « information fausse ou trompeuse ». Nous proposons que cette définition soit plutôt donnée au paragraphe 8 (section définitions) pour regrouper les informations de même nature.

Salutations,

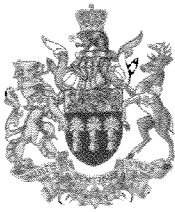
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Michel Morrier, CA

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SASKATCHEWAN

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June 30, 2009

Mr. Greg Shields, CA  
Director, Auditing and Assurance Standards  
The Canadian Institute of Chartered Accountants  
277 Wellington Street West  
TORONTO, Ontario M5V 3H2

Dear Mr. Shields:

**Re: Exposure Draft – Auditor’s Consent to the Use of the Auditor’s Report in  
Connection with Designated Documents**

Overall, we support the proposed changes to CICA Handbook Section 7500 referred to in the exposure draft.

Yours truly,

Fred Wendel, CMA, CA  
Provincial Auditor

JS/dd

June 30, 2009



via email: [ed.assurancestds@cica.ca](mailto:ed.assurancestds@cica.ca)

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Dear Mr. Shields:

**Auditor's Consent to the Use of the Auditor's Report in Connection with Designated Documents**

We are in agreement with the guidance proposed for Section 7500.

Thank you for the opportunity to provide our comments on this important initiative.

Yours truly,

Mary-Jane Dawson, CA  
Principal

/ka

c: File Ref: ADMIN PP 09 2367

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07/06/2009 06:01 PM

To <ed.assurancestds@cica.ca>

cc

bcc

Subject Exposure Draft - Auditor's Consent to the Use of the Auditor's Report in Connection with Designated Documents

6 July 2009

Mr. Greg Shields, CA  
Director, Auditing and Assurance Standards  
The Canadian Institute of Chartered Accountants  
277 Wellington Street West  
Toronto, Ontario, M5V 3H2

Dear Mr. Shields:

Thank you for the opportunity to comment on the Exposure Draft (ED) "Auditor's Consent to the Use of the Auditor's Report in Connection with Designated Documents". I am responding on behalf of the Office of the Auditor General of Canada

The proposed Section 7500 applies to situations where an auditor agrees to consent to the use of the auditor's report in connection with an entity's designated documents. When an entity does not file designated documents, the auditor has to follow the requirements of CAS 720.

For entities that do not file designated documents, we have the following concerns:

- an auditor is no longer required to ensure that the financial statements and the auditor's report thereon are accurately reproduced in annual reports. In our view, an auditor should meet this standard for entities that issue annual reports containing audited financial statements whether they file designated documents or not. This is particularly relevant to many public sector entities, particularly Crown corporations, which are required to issue annual reports containing audited financial statements but do not file designated documents; and
- an auditor would no longer be required to ensure the accurate reproduction of financial statements on the entity's web-sites or in press-releases. For the same reason as mentioned in the previous paragraph, we hold the view that an auditor should be required to ensure the accurate reproduction of financial statements on their web-sites or in press-releases.

These concerns could be addressed in a number of ways - revise section CAS 720, expand the scope of Section 7500 or add an additional Section in the CICA Handbook for public sector entities. The suggested wording would depend on the alternative chosen.

Finally we noted that paragraph 40 of Section 7110 refers to the existing Section 7500 "Auditors Association with Annual Reports, Interim Reports and Other Public Documents". However, the proposed Section 7500 no longer has this title, the AASB should therefore amend Section 7110 accordingly.

I hope these comments are of assistance to you as you complete this project. If you have any questions relating to this response, please contact me at (613) 995-3708.

Stuart Barr

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July 8, 2009

Greg Shields, CA Director, Auditing and  
Assurance Standards The Canadian Institute of  
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Toronto, Ontario M5V 3H2

Dear Mr. Shields:

PricewaterhouseCoopers LLP appreciates the opportunity to comment on the Auditing and Assurance Standards Board's Proposed Canadian Auditing Standard 7500 "Auditor's Consent to the Use of the Auditor's Report in Connection with Designated Documents".

We appreciate that the objective of the Exposure Draft is limited to making changes to conform the existing Handbook guidance to CAS/ISA 720. We are concerned, however, that a more detailed review is required into the matter of consents, including the role of, and interplay between, professional and regulatory requirements. In our view, there are a number of issues that need to be considered. Our comments below largely reflect those issues as they relate to the materials included in the Exposure Draft. While we recognize that they may not all be relevant to the Board's current objective of conforming with CSA/IAS 720, the Board may find them useful in future re-consideration of consents, which we believe should be on the Board's short-term agenda.

*General Comments:*

As you know, there is no legal requirement for written consents to be issued for most continuous disclosure documents, and therefore there is an argument by some that whether or not a consent should be issued and the form of that consent should be the responsibility of public policy setters, not the CICA. Therefore, we feel the standard should include in the introductory section a justification of why it is necessary or at least useful for a consent to be issued in these situations. In addition, the Standard should explain what the implications are of not issuing a consent. In our view, lack of auditor's consent doesn't change the validity of the auditor's report, and the lack of a consent is not apparent to ultimate users of the continuous disclosure documents.

In addition, we are concerned with the duplication between this standard and CICA 7110, 7115 and AuG30, as those standards and guidance also relate to offering documents and auditor's consents.

*Annual Information Form (paragraph 2 and 23):*

We are not in agreement with inclusion of the paragraphs dealing with the Annual Information Form (AIF). The "Highlights" section of the Exposure Draft suggests that "there is a clear expectation in the marketplace that an auditor is associated with the AIF". However, we are not convinced, and disagree with the statement in Paragraph 2 that "the auditor is deemed to be associated with the entity's AIF". The auditor's relationship with the AIF doesn't meet the criteria for association per CICA 5020 / CAS 720 or any legal concepts of association that we are aware of. The auditor issues no report related to the AIF, the AIF does not contain the financial statements or auditor report, and in most cases is issued some time after the issuance of the financial statements.

Rather, we feel that any auditor's responsibilities related to the AIF are adequately covered by the guidance in paragraph A20. Therefore, paragraphs 2 and 23 should be removed.

*Not providing consent (paragraph 10)*

We are concerned with the last phrase of this paragraph "and disclaim any responsibility with respect to the document". This language suggests there was auditor's responsibility in relation to consent for the designated document to start out with. However, we disagree, as there is generally no legal or other requirement to issue a consent for a designated document other than for offering documents.

In addition, the auditor would generally still have some responsibility under CAS 720 for certain documents containing audited financial statements, and "disclaiming any responsibility" could be misinterpreted as disclaiming those responsibilities.

We suggest removing the phrase entirely.

*Appropriate date of consent(paragraph 14, 17, A12, A23)*

The date of consent is stated in the Exposure Draft as being the date that management has completed its subsequent event procedures. However, the link between this date and the date of issuance/filing of the designated documents is not clear to us. For example, management could only do subsequent event procedures up to a certain date, obtain auditor consent, but then wait for 2 months before filing. Based on the requirements in paragraphs 14 and 17, this

would appear to be acceptable. However, paragraph A23 appears to add a requirement to perform additional subsequent events procedures between the date of the consent and the date of filing. This requirement is not clear in paragraph 14 or 17, and therefore should not be contained solely in the guidance section. If it is not really a requirement, then this should be removed from paragraph A23.

The guidance in paragraph A12 does suggest one possible date for the date of management's subsequent event procedures, but we feel that more guidance could be given (i.e. for filing of financial statements, filing of offering documents).

*Accurate Reproduction of the Financial Statements and Auditor's Report (paragraph 15, A16)*

Paragraph A16 contains the phrase "If the auditor concludes that reasonable efforts have not been made to prevent users from being misled by the error, ....". This phrase is ambiguous as it would require the auditor to consider exactly how the financial statements are used and whether users are misled or not. We prefer that the same terminology as in paragraph 20 be used instead: "If the auditor concludes the matter is not being resolved satisfactorily...."

*Consideration of consistency of Other Information (paragraph 16, 19d)*

Paragraph 16 as worded suggests that the only objective in reading the other information is to assess whether the information is consistent with the financial statements and knowledge obtained by the auditor. However, in paragraph 19, it is clear that the auditor is also required to report any failures to meet the requirements of securities legislation. Therefore, these paragraphs are inconsistent with each other.

Further, the requirement to report any apparent failures of the designated document to meet the requirements of securities legislation or regulation, implies that the auditor is required to have detailed knowledge of securities legislation and regulations. Normally this would be the role of the company's legal advisors. We are concerned that adding this requirement may add a burden to the audit profession and also provide a higher "duty of care". It also adds this reporting requirement when reading the designated documents when engaged to provide a consent, but not when reading this other information under CAS 720. We don't think there is a difference in the "reading" requirement between these two standards. We suggest removing this reporting requirement.

*Identification of Matters (paragraph 19c)*

Item (c) of paragraph 19 refers to the requirement to report what appears to be a "misrepresentation". However, the guidance in paragraph A26 states that although the word

“misrepresentation” refers to both an untrue statement of fact and an omission to state a material fact, the “auditor’s concern would be limited to matters that appear to represent an untrue statement of fact”. If this is truly the intention, we feel the most appropriate and consistent language would be that from CAS 720: “material misstatement of fact” rather than “misrepresentation”.

*Identification of matters (paragraph 19e, A28)*

Paragraph A28 in the guidance section refers to the situation where an identified subsequent event would require disclosure, but is already disclosed elsewhere (i.e. material change report or interim financial statements). The guidance states that regardless of this disclosure, the audited financial statements need to be amended and the opinion re-dated. It is not clear that this requirement relates solely to continuous disclosure documents, and not prospectuses. CICA 7110.58 allows consents related to short-form prospectuses to be issued even if no additional disclosure for subsequent events is made, when that information is publicly available and disclosed elsewhere. A specific statement should be added to clarify that the requirement related to subsequent events is different for consents related to short-form and base shelf prospectuses.

*Form and Content of Consent (paragraph 22)*

Item (g) of paragraph 22 refers to Canada only, however, there are numerous references to EDGAR filings also. Therefore, we think item (g) should be amended to add “Canada or elsewhere”. We are not sure why the auditor’s consent is limited solely to jurisdictions in Canada.

*Consideration of the Information in the AIF (paragraph 23)*

Although we have stated earlier in this document that we would like the AIF portions removed from the standard, we also have some comments should the AASB decide to keep this in the standard. Specifically, the reporting required on the AIF appears solely to relate to whether any information is materially inconsistent with the related financial statements. However, we also believe the auditor should report any material misstatements of fact, consistent with CAS 720.

*Example Auditor’s Consent (Appendix 1)*

The example auditor’s consent includes the phrase “to be filed with securities regulatory authorities on SEDAR on [date of filing]”. This language may raise an expectation that it



would be appropriate to anticipate a future filing date and to issue a consent letter in advance of that date, which is a process that we feel would not be appropriate.

*Conclusion*

We appreciate the opportunity to comment on the Exposure Draft. Any questions can be directed to Agnes Dykstra at 416-941-8203 or Michael Tambosso at 416-941-8388.

Yours very truly,

(signed) PricewaterhouseCoopers LLP