

Projet de plan stratégique 2010-2013 APPEL À COMMENTAIRES

Pour être pris en considération, les commentaires devront parvenir d'ici le 31 juillet 2010

CNAC invite les intéressés à formuler des commentaires
sur tous les aspects des principes proposés dans l'appel à commentaires.

Ce formulaire ne vise pas à restreindre votre réponse. Chaque boîte de texte acceptera l'intégralité de vos commentaires. Vous pouvez sauvegarder le formulaire et l'envoyer, pour examen, à d'autres personnes de votre organisation avant de le soumettre.

Nom :

Annie Gervais

Organisation :

Blain, joyal, Charbonneau s.e.n.c.r.l.

Courriel :

agervais@bjc.qc.ca

Téléphone :

(450) 922-3650 poste 2266

Le CNAC sollicite des commentaires sur les questions suivantes :

1. Êtes-vous en faveur des deux buts à long terme décrits dans le projet de plan stratégique? Veuillez expliquer votre réponse.

Je suis d'accord avec les deux buts à long terme. Ils représentent bien le rôle du CNAC et l'importance de conserver des compétences canadiennes en certification même si la tendance actuelle est à la mondialisation des normes. Le CNAC doit continuer à contribuer à l'élaboration des normes et demeurer actif dans ce contexte. Cela permettra aussi de s'assurer que les normes répondent aux besoins des utilisateurs canadiens.

Je suis aussi d'accord avec l'approche préconisée de poursuivre l'adoption des normes ISA et avec l'approche concernant les normes de mission autres que les missions d'audit d'états financiers. Ces normes ne devraient pas faire l'objet d'une adoption automatique mais faire l'objet d'une revue afin d'évaluer leur utilité dans le contexte des utilisateurs canadiens des états financiers.

2. Sur quels éléments estimez-vous que le CNAC devrait concentrer ses efforts au cours des trois prochaines années pour atteindre ces buts?

Les efforts du CNAC devraient être concentrés sur la structure du Manuel de même que sur les aides à la mise en oeuvre des NCA ou d'autres normes, au besoin. La stabilité devrait aussi être un but visé. Les dernières années ont été marquées par une évolution continue et une période de stabilité est nécessaire tant pour les praticiens que pour les utilisateurs des états financiers.

Je suis tout à fait d'accord avec l'approche préconisée concernant la structure du Manuel. La présentation et la structure devrait être la même pour l'ensemble des normes et la présentation des NCA, basée sur des objectifs et principes accompagnée d'informations sur l'application en annexe, a le mérite d'être claire. De plus, je suis aussi d'accord avec l'approche proposée que chaque ensemble de normes soit distinct et ne fasse pas référence à un autre ensemble de normes. Pour les missions d'examen par exemple, cela pourrait permettre d'éviter toute ambiguïté quant à la portée (application) des normes qui font référence aux normes d'audit.

3. Avez-vous des commentaires ou des suggestions à formuler quant à la structure future du *Manuel de l'ICCA - Certification*?

La structure proposée est définie par sujet et ensuite par type de mission au besoin et remplit donc l'objectif de normes distinctes. Cette structure est claire.

4. Quel rôle le CNAC devrait-il jouer en ce qui a trait aux aides à la mise en œuvre de ses normes?

Le CNAC devrait s'assurer que des aides à la mise en œuvre sont élaborés afin de faciliter la transition vers les nouvelles normes. Les ordres provinciaux sont peut-être mieux placés afin d'être en mesure de répondre aux besoins particuliers des praticiens à ce sujet par contre, cela pourrait entraîner le développement de guides d'applications en parallèle, ce qui ne serait ni efficace, ni souhaitable.

Le CNAC, sans avoir un mandat de formation, revoit et évalue chacune des normes proposées et en a donc une connaissance détaillée. Le CNAC devrait donc être impliqué dans ce processus afin d'apporter son expertise. Il serait donc souhaitable que ces aides soient développés par un groupe centralisé, qu'il s'agisse du CNAC ou d'un groupe pan-canadien chapeauté par le CNAC afin qu'ils puissent être rendus disponibles aux ordres provinciaux au même moment que la publication de la norme.

Cela permettrait d'assurer une certaine uniformité et permettrait aussi aux praticiens de pouvoir évaluer rapidement les impacts sur les procédés et le travail.

5. Y a-t-il des sujets pour lesquels des aides à la mise en œuvre pourraient être nécessaires au cours des trois prochaines années?

Si des modifications sont apportées aux autres normes (ex: mission d'examen), le plan devrait prévoir l'élaboration d'aides à la mise en œuvre. Ces aides devraient être développés en même temps que les modifications aux normes sont apportées afin d'être disponibles dès la publication des normes. Cela permet aux praticiens de mieux mesurer l'impact sur le travail.

6. Croyez-vous que la documentation préparée par les permanents sont utiles pour les praticiens et d'autres personnes? Le CNAC devrait-il continuer de demander à ses permanents d'élaborer de tels documents à l'avenir?

Cette documentation est utile et permet de voir l'évolution des projets de même que les impacts des modifications à venir. Le CNAC devrait continuer d'élaborer de la documentation à cet égard.

7. Quels autres commentaires ou suggestions voulez-vous transmettre au CNAC alors qu'il en est à finaliser son plan stratégique?

Aucun

[Cliquez ici pour soumettre](#)

Strategic Plan 2010-2013 INVITATION TO COMMENT

To be considered, comments must be received by July 31, 2010.

AASB welcomes comments on all aspects of the Invitation to Comment.

This form is not intended to constrain your response. Each text box will accommodate your full comments. You are able to save and forward this form to others in your organization for review prior to submission.

Name :

Organization :

E-mail :

Phone :

The AASB seeks comments regarding the following :

1. Do you agree with the two long-term goals set out in the draft strategic plan? Please explain.

I do agree with the two long term goals set out in the draft strategic plan. In regards to the first goal, I think it is important that we ensure our standards are high so our assurance services are considered to be of value to stakeholders. As a profession, we want to ensure that our work is considered sufficient to support to our reports. We also want to ensure we set a strong, professional example for the students we are training. Guidance is very important so that all practitioners can understand and apply the standards in a consistent manner. I still believe we need to be principles based, however, we do need a measure of what is required. I think there is good information published by the CICA on the transitional issues, however, this can sometimes be overwhelming to the sole practitioner so perhaps more workshops and roundtables could be offered at a lower fee than courses to allow members to attend. I also sometimes find at courses, the instructor's bias (based on their firm size and internal standards resources) can impact the information presented and so it may not be applicable to all participants.

Our risk as a profession is that members are not current so we need to make it as reasonable as possible to gain an appropriate understanding. I do realize that professionals have a responsibility to keep current, however, if we can approach it in a positive, cooperative manner to enhance the professional's understanding versus passing practice inspection, I think the development of skills would be enhanced.

As to the second goal, I think this is also very important that we ensure that our standards are developed to meet the needs of Canadian stakeholders. Although the transition to CAS made sense and has been well received, the adoption of international standards for review and compilation and other services may not be appropriate. It is my understanding that these reports are not used as frequently or for the same reasons as they are in other jurisdictions so international standards for not be appropriate in Canada. We need to ensure that the public has access to non-audit services that meet their needs. I also think the standards need to be developed in relation to the needs of Canadian stakeholders so that we ensure we have reporting levels that are still assurance but not necessarily audit. If we blindly adopt international standards for other assurance engagements such as reviews, we risk that practitioners will move away from reviews and provide non-assurance reports. I would like to see the profession keep focused on providing assurance level services. I think the AASB is wise to consider the IAASB development as a possibility for Canadian standards, not a given.

2. Where do you believe the AASB should focus its efforts over the next three years in working towards these goals?

I believe the AASB should continue to develop the high quality standards for the non-audit engagements in conjunction with discussions with practitioners. I believe there should be more opportunity for feedback through surveys and roundtables. I think we need to ensure that sole practitioners and local firms are included in the roundtable discussions versus just including

people from firms who already have internal personnel dedicated to monitoring standards.

I also believe we need to emphasize the value of assurance engagements and try to move away from using the compilation where possible. We need to ensure stakeholders understand the value of assurance and the limitations of a compilation engagement. I know there was a proposed publication on reports that indicated a reader could take more comfort from a compilation if it came from a CA and that comment concerned me. Although there is a place for compilations, I believe they are used too frequently.

I think there are currently some areas that are not well understood in the CAS's such as the ability of the CA to prepare financial statements. Some practitioners interpret CAS 210 to state that a CA cannot prepare financial statements for a client, whereas some practitioners indicate this would only be for public companies and not for smaller companies or not-for-profit. I have asked several practitioners from various sizes of firms what their view is and I have received answers to support both sides.

3. Have you any comments or suggestions with respect to the proposed future of the CICA Handbook - Assurance?

I support the idea of each section being on a stand alone basis without reference to other sections such as noted in your document that the review section would cover all aspects of a review and not refer back to the audit section.

4. What role do you believe the AASB should play with respect to implementation guidance on the application of its standards?

I know that it is expensive to develop and hold PD courses, however, I think we need to develop more intermediate information delivery and feedback. The two goals focus on high quality standards so we need to ensure that not only are such standards set but they are conveyed to all CA's in practice in a reasonable manner. In the past, the challenge with changing standards has been the understanding by the smaller firm or sole practitioner who are an important part of our CA community. These CA's provide an service to private business in Canada. The more opportunities we can provide to these practitioners to fully understand the process and standards, the better. Incurring costs at the outset of new standards is better then the cost to the profession if work is not performed to standards and the stakeholders are put at risk.

I think we also want to ensure proper guidance and education so practitioners are inclined to provide assurance services over non-assurance services. This is what sets a designated accountant apart from other accountants. The more information we can provide in a proactive, cooperative manner the better it will be received. The CICA has offered good webinars as well free on-line courses (Coolio and IFRS) on many topics and we should encourage more of this. I know that such information has a cost and if it is provided for free, practitioners may not sign up for courses. However, I believe those members who attend courses will continue to do so as well as take advantage of other information offered. Those members who do not sign up such courses, or leave part way through and miss the discussion, may be willing to set time aside for the webinars and other on-line information seminars. In times of standard transition, we need to make it more accessible so members are well informed.

And finally, the more we make guidance accessible, not only will the CA be better informed but so will the staff performing the work. If the member sets an example of accessing what guidance is available, it sets the tone for the staff that keeping informed is important.

5. Are there topics where implementation guidance may be required in the next three years?

There will continue to be a need for implementation guidance for CAS's based on my discussions with other practitioners. Also, if we revise standards for non-audit services, again, it will important to provide as much up front guidance as possible. We can attempt to be as proactive as possible so that adoption on new standards is not done through results of practice inspection. As I mentioned before, I would like to see practitioners believe that adopting new assurance standards as a positive, rather than changing to non-assurance engagements because new standards seem too onerous.

6. Do you believe that staff-developed material is helpful to practitioners and others? Should AASB continue to direct staff to develop such materials in future?

Yes I do find the material quite helpful. I have contacted the CICA staff at times to find out where I can get more information and I am given appropriate guidance. I would think there would also be an opportunity for volunteering by members to assist the staff person in the development of such materials.

7. What other comments or suggestions do you have for the AASB as it finalizes this Strategic Plan?

I have addressed my key concerns and views above. I think the AASB plays an important role and should try to be as proactive as possible. This approach adds credibility to change. The more informed members are, the better opportunity we have to transition to new standards with a minimum of problems.

[Click here to submit](#)

July 21, 2010

By email: assurancestds@cica.ca

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: Draft Strategic Plan 2010 - 2013

Please find below responses to the AASB's request for comments on the draft Strategic Plan 2010-2013.

- 1) Do you agree with the two long-term goals set out in the draft Strategic Plan? Please explain.
Yes. We believe the long-term goals set out in the draft Strategic Plan are appropriate and will help achieve the Board's overall mission.
- 2) Where do you believe the AASB should focus its efforts over the next three years in working towards these goals?
We believe the AASB should focus its efforts on the objectives and performance measures, stated in order of priority in Section two of the draft Strategic Plan.
- 3) Have you any comments or suggestions with respect to the proposed future of the CICA Handbook – Assurance?
We believe the proposed future structure of the CICA Handbook – Assurance is organized in a logical manner which will allow users to easily access the information they are looking for.
- 4) What role do you believe the AASB should play with respect to implementation guidance on the application of its standards?
It would seem appropriate for the AASB to continue to not be directly involved in developing such guidance. Please see the response to question 6) below.
- 5) Are there topics where implementation guidance may be required in the next three years?
We believe implementation guidance on all of the CASs and the new standards would be helpful, however, there is likely a greater need for guidance on some of the CASs that have changed significantly in comparison to the previous auditing standards. For example, CAS 600 and the CASs in the 700-800 range. It would also be helpful to have guidance on the significant

differences between the standards for audits of financial statements and other historical financial information compared to the standards for other engagement types.

- 6) Do you believe that staff-developed material is helpful to practitioners and others? Should AASB continue to direct staff to develop such materials in future?
We believe that staff-developed material is helpful and the AASB should continue to direct staff to develop such materials in the future.
- 7) What other comments or suggestions do you have for the AASB as it finalizes this Strategic Plan?
No further comments at this time.

We wish to thank the AASB for their invitation to comment.

Yours truly,

A handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

J. Andrew Cook, FCA
National Professional Practice Director
Deloitte & Touche LLP

7 July 2010

Greg Shields, CA
Director, Auditing and Assurance Standards
The Canadian Institute of Chartered Accountants
277 Wellington Street West
Toronto, Ontario
M5V 3H2
Via email to assurancestds@cica.ca

Dear Mr. Shields:

Re: Invitation to Comment – Draft Strategic Plan 2010 – 2013

The Exposure Draft Forum of the Institute of Chartered Accountants of British Columbia has reviewed the above invitation to comment and is pleased to provide the following comments to the Auditing and Assurance Standards Board (AASB) for its consideration.

The Forum is comprised of volunteer members from public practice, industry, and other sectors who meet periodically to discuss and comment on draft guidance. The views expressed in this letter are solely those of members of the Forum and do not represent the views of the Institute, its Council, or its staff.

1. Do you agree with the two long-term goals set out in the draft Strategic Plan?

Members of the Forum unequivocally support the Board's two long-term goals. Furthermore, they urge the Board to declare within the Strategic Plan, or incorporate into the goals, the objective of the Board to continue as the auditing and assurance standards setter for Canada – they feel it is important that the Board explicitly assert its intention to maintain this role and purpose.

2. Where do you believe the AASB should focus its efforts over the next three years in working towards these goals?

In order to achieve its goals, Forum members believe the Board should focus on the following four areas:

a) With the implementation of the new Canadian Auditing Standards (CASs), the Board is adopting a set of standards never tested in another jurisdiction. Accordingly, it is

essential the Board maintain a mechanism to monitor progress and assess feedback from Canadian practitioners applying the standards in the field. The Board would then determine whether Canadian intervention might be needed and inform the International Auditing and Assurance Standards Board (IAASB) so that they can consider the concerns and provide additional guidance as quickly as possible.

- b) Since both Canadian auditing and accounting standards are going through such significant changes over the next few years, it would be sensible for the AASB to visibly co-ordinate with the Accounting Standards Board to ensure that both sets of standards do not conflict inadvertently or otherwise become incompatible. This would allow for more timely amendments when needed, and would enhance the protection of the public interest.
 - c) Now that Canada is adopting international auditing standards, it is absolutely vital that the Board maintains its influence on the IAASB by continuing to support and participate in international projects. Moreover, it is crucial that the Board work with the CA profession to cultivate a pool of qualified candidates to ensure continued Canadian representation at the international level.
 - d) It is now time for the Board to focus its attention to revising the standards for review and compilation engagements. Changes are long overdue and most practitioners are waiting anxiously to hear that the Board is fully committed to implementing a set of improved standards for both types of engagements.
3. Have you any comments or suggestions with respect to the proposed future of the CICA Handbook – Assurance?

With the expansion of the CICA Handbook – Assurance to multiple volumes, Forum members believe it would be extremely helpful to practitioners if the Board launch a communication plan that explains how the new Handbook is organised, where there is new material, and where there are new names for old material.

4. What role do you believe the AASB should play with respect to implementation guidance on the application of its standards?

When it comes to implementation guidance from the Board, members of the Forum are not looking for checklists but rather an understanding of the Board's intention and interpretation of how standards should be applied in practice in Canada. Accordingly, they applaud the "clarity format" of the CASs and encourage the Board to continue to play a part in assisting practitioners apply the standards by providing discussion on practical considerations and illustrative examples where appropriate.

5. Are there topics where implementation guidance may be required in the next three years?

Members of the Forum recommend the Board consider providing implementation guidance on at least the following topics:

- The new reporting model, including how CAS 210 *Agreeing the Terms of Audit Engagements* and CAS 700 *Forming an Opinion and Reporting on Financial Statements* work together to produce “compliance” reports and “fair presentation” reports. There is a great need on this topic for both practitioners and users.
- The different additional paragraphs in the new auditor’s report.
- Date of the auditor’s report and subsequent events.
- The difference between materiality and performance materiality.
- Assessment of going concern.
- Group audits and reliance on work of subsidiary auditors.
- Use of experts.
- A refresher on the fundamentals of risk-based auditing.
- Review of CSQC 1, including differences from GFS-QC.
- Evaluating misstatements and adjusting errors.
- Potential conflicts between independence rules and the CASs.
- Dealing with different measurement rules for related party transactions in International Financial Reporting Standards and Accounting Standards for Private Enterprises.

6. Do you believe that staff-developed material is helpful to practitioners and others? Should AASB continue to direct staff to develop such material in future?

Forum members have always found staff-developed material in *CA Magazine*, the *Practice Advice* and *Risk Alert* newsletters to be very helpful to practitioners and strongly encourage the Board to continue to direct staff to develop such material. In fact, such material should be published more frequently over the next few years to assist in the implementation and understanding of the new standards. Furthermore, Forum members suggest the Board consider making available some of the analysis and supporting background material used by members of the Board to make decisions on amending existing standards or adopting new standards.

7. What other comments or suggestions do you have for the AASB as it finalises this Strategic Plan?

Members of the Forum commend the Board on the quality of the new auditing standards and the tremendous effort it took to review and adopt all thirty-six International Standards on Auditing and the quality control standard in such an expeditious manner.



We appreciate the opportunity to provide input to the Auditing and Assurance Standards Board and hope you find our comments useful.

Yours truly,
Exposure Draft Forum

[Via email]

Stella Leung, CA
Professional Standards Advisor
Staff Liaison to Exposure Draft Forum
Advisory Services Department
sleung@ica.bc.ca



Strategic Plan 2010-2013 INVITATION TO COMMENT

To be considered, comments must be received by July 31, 2010.

AASB welcomes comments on all aspects of the Invitation to Comment.

This form is not intended to constrain your response. Each text box will accommodate your full comments. You are able to save and forward this form to others in your organization for review prior to submission.

Name :

Wayne C. Morgan

Organization :

Office of the Auditor General of Alberta

E-mail :

Phone :

The AASB seeks comments regarding the following :

1. Do you agree with the two long-term goals set out in the draft strategic plan? Please explain.

The first goal is "Set high-quality standards and guidance that meet the needs of Canadian stakeholders." We agree. In the phrase "legislators, regulators and investors" used in discussing goal A (page 6), the term "other stakeholders" instead of "investors" would be more consistent with the language used in the goal, avoid narrowness, and recognize that the AASB also sets standards that also encompass audits in the public sector, where, for example, citizens are important stakeholders.

The second goal is "to maintain a strong Canadian standard-setting capability to respond to the needs of Canadian stakeholders for standards." We agree.

2. Where do you believe the AASB should focus its efforts over the next three years in working towards these goals?

Monitor and provide input to IAASB as it revises its strategic plan. The AASB should maintain its support of the IAASB.

The AASB should investigate possible approaches for stabilizing standards and addressing standards overload, as mentioned in the strategic plan. The adoption of CAS is a significant change, and was well organized, in part because the transition was not piecemeal. The AASB could, for example, consider deploying standards with much more predictability e.g. only issue standards once a year on a fixed date, with advance notice of what is included in each annual release and a sufficiently delayed effective date to allow auditors to incorporate the new standards into their methodologies and processes. This would be different from the performance measure mentioned in the plan of issuing standards within three months of IAASB.

3. Have you any comments or suggestions with respect to the proposed future of the CICA Handbook - Assurance?

The AASB should consider developing more robust Value-For-Money assurance standards.

4. What role do you believe the AASB should play with respect to implementation guidance on the application of its standards?

The AASB can provide a role in identifying, analyzing, generalizing and communicating implementation guidance on specific areas. These areas could be identified from common questions received by AASB staff, auditing research either done by the AASB or others, or concerns noted by provincial institutes or CPAB. Webinars and frequently asked questions are very helpful in

this area.

5. Are there topics where implementation guidance may be required in the next three years?

CAS706 (use of emphasis of matter paragraphs in particular).

6. Do you believe that staff-developed material is helpful to practitioners and others? Should AASB continue to direct staff to develop such materials in future?

Yes.

7. What other comments or suggestions do you have for the AASB as it finalizes this Strategic Plan?

None.

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From: Barr, Stuart
Sent: Friday, July 30, 2010 3:48 PM
To: 'assurancestds@cica.ca'
Subject: OAG Response to The Invitation to Comment on the Draft Strategic Plan 2010-2013 of the AASB

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 Draft Strategic Plan 2010 - 2013 prepared by the Auditing and Assurance Standards Board (AASB). I am responding on behalf of the Office of the Auditor General of Canada (OAG).

The OAG supports the long term goals, objectives and performance measures as well as the focus for the AASB's for the next three years. We also support the processes described by the AASB to meet its goals.

More specifically with respect to the Draft Strategic Plan:

- The OAG encourages the AASB to continue to support and participate in the future development of standards by the IAASB.
- The OAG encourages the AASB to continue to adopt ISAs according to the AASB's existing adoption process.
- The OAG encourages the AASB to continue its risk-assessment with respect to the adoption of the IAASB standards when setting standards for engagements other than audits of financial statements. The AASB should consider the needs of all Canadian stakeholders, including legislative auditors, and what is in their best interest.
- The OAG encourages the AASB to continue its work to revise the structure for the Handbook. Overall, the proposed structure presented in Appendix 3 appears to be consistent with the vision the OAG developed and communicated in December 2009. We would request however, that the meaning of such areas as 'Topic Specific', 'Multiple Topic Standards' be defined. We would also request additional clarification on the AASB's strategy to maintain or revise or eliminate the current Public Sector standards.

As well we wish to reiterate for the AASB's consideration the following point from our December 2009 proposal. We proposed a separation of 'audit assurance engagement' standards from 'review assurance engagement' standards. In our view, separate 'audit assurance engagement' standards would help focus and clarify the assurance standards that apply to performance audits conducted by legislative offices.

- The OAG supports the AASB's consideration of what role it could play in developing implementation guidance.

Yours sincerely,

Stuart Barr

Assistant Auditor General | Vérificateur général adjoint

Office of the Auditor General of Canada | Bureau du vérificateur général du Canada

C.D. Howe Building, 240 Sparks Street, West Tower | Édifice C.D. Howe, 240, rue Sparks,
tour ouest

Ottawa, Canada K1A 0G6

stuart.barr@oag-bvg.gc.ca

Telephone | Téléphone 613-952-0213 (5450)

Facsimile | Télécopieur 613-948-3076

Teletypewriter | Téléimprimeur 613-954-8042