



Canadian Public
Accountability Board
Conseil canadien sur
la reddition de comptes

Davidson & Company LLP Annual Regulatory Update

Presented by Carol Paradine CEO

January 12, 2022

Agenda



About CPAB



Capital markets perspectives



2021 Regulatory assessments update



Considerations for audit committees and directors



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About CPAB



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Capital market reflections



Regulatory assessments update



Considerations for audit committees and directors

Issue	Potential questions for the auditor
Probing auditing accounting estimates with higher estimation uncertainty	<ul style="list-style-type: none">• The auditor identified deficiencies or gaps in managements analysis of significant estimates, or• How the auditor evaluated for management bias in auditing complex estimates, and if there were such indicators, how these were resolved.
Use of technology in the audit	<ul style="list-style-type: none">• Whether the auditor is leveraging automated tools and techniques to enhance the quality of audit evidence obtained?• How is technological innovation at your business changing the audit scope and approach?• Are there barriers – for example – outdated information systems, or lack of information technology resources to retrieve the data required) that are preventing the auditors from using technology in their audit?

Considerations for audit committees and directors

Issue	Potential questions for the auditor
Understanding the changes to the auditor's fraud risk assessment and the related audit plan.	<ul style="list-style-type: none">• Has the auditor's risk assessment changed – overall or for accounts and disclosures?• What changes were made to the audit plan to respond to the increasing risk of fraud in the current environment?• How does the audit plan approach the review and testing of new or amended internal controls?

Looking ahead: new audit standards



CAS 315, Revised Identifying and Assessing the Risks of Material Misstatement

Periods beginning on or after December 15, 2021.



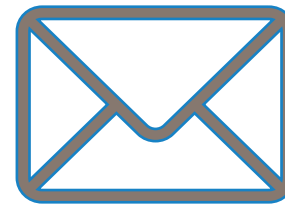
ISQM 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements

Periods ending on or after December 15, 2022.

Want to learn more?



<https://www.cpab-ccrc.ca/resource-centre>



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Thank you