



CPAB proposed housekeeping Rule amendments Comparison

Note: Underlined text is new wording and text struck through will be removed.

Rule	Current Rule	Proposed Rule Change
101 e.	"Board" means the Canadian Public Accountability Board/Conseil canadien sur la reddition de comptes, a corporation without share capital incorporated under the Canada Corporations Act by Letters Patent dated April 15, 2003, and any of its successors. Reference to any action or determination by the Board refers to action or determination by the staff of the Board unless otherwise specifically provided.	"Board" means the Canadian Public Accountability Board/Conseil canadien sur la reddition de comptes, a corporation without share capital incorporated under the Canada Corporations Act by Letters Patent dated April 15, 2003, <u>and continued under the Canada Not for-profit Corporations Act on June 6, 2014,</u> any of its successors. Reference to any action or determination by the Board refers to action or determination by the staff of the Board unless otherwise specifically provided.
201	Any public accounting firm that is authorized to issue audit reports on financial statements is eligible to apply to become a participant in the oversight program, pursuant to the procedures contemplated in this Section 200. Public accounting firms with reporting issuer audit clients must have submitted a participation agreement and become a participant in the Board's oversight program prior to issuing an audit report on the financial statements of such clients on or after March 30, 2004 in the case of Canadian public accounting firms and on or after July 19, 2004 in the case of foreign public accounting firms.	Any public accounting firm that is authorized to issue audit reports on financial statements is eligible to apply to become a participant in the oversight program, pursuant to the procedures contemplated in this Section 200. Public accounting firms with reporting issuer audit clients must have submitted a participation agreement and become a participant in the Board's oversight program prior to issuing an audit report on the financial statements of such clients, <u>on or after March 30, 2004 in the case of Canadian public accounting firms and on or after July 19, 2004 in the case of foreign public accounting firms.</u>
301	If the audit report on the financial statements of a reporting issuer refers	If the audit report on the financial statements of a reporting issuer refers to

	<p>to auditing standards generally accepted in Canada, the participating audit firm and the designated professionals of such firm shall, in connection with such audit, comply with auditing standards generally accepted in Canada, as set out in the Assurance Handbook of the Canadian Institute of Chartered Accountants.</p>	<p>auditing standards generally accepted in Canada, the participating audit firm and the designated professionals of such firm shall, in connection with such audit, comply with auditing standards generally accepted in Canada, as set out in the <u>CPA Canada Handbook – Assurance</u>. Assurance Handbook of the Canadian Institute of Chartered Accountants.</p>
<p>303 b.</p>	<p>With respect to auditor independence, the relevant standard for all Canadian participating audit firms of Chartered Accountants and the designated professionals and other partners and employees of such firms shall be the requirements of the Provincial Institute(s)/Ordre of Chartered Accountants in the relevant province(s). In provinces other than Quebec, the requirements are set out in rule 204 of the Rules of Professional Conduct, and in Quebec, the requirements are set out in Division 2.1 of the Code of Ethics.</p>	<p>With respect to auditor independence, the relevant standard for all Canadian participating audit firms of Chartered <u>Professional</u> Accountants and the designated professionals and other partners and employees of such firms shall be the requirements of the Provincial Institute(s)/Ordre organization of Chartered <u>Professional</u> Accountants in the relevant province(s). In provinces other than Quebec, the requirements are set out in rule 204 of the Rules of Professional Conduct, and in Quebec, the requirements are set out in Division 2.1 <u>section 36.4 of the Code of Ethics of Chartered Professional Accountants which refers to rule 204.</u></p>
<p>303 c.</p>	<p>With respect to auditor independence, the relevant standard for all Canadian participating audit firms of Certified General Accountants and the designated professionals and other partners and employees of such firms shall be the requirements of the CGA Independence Standard, Version 1.2.</p>	<p>With respect to auditor independence, the relevant standard for all Canadian participating audit firms of Certified General Accountants and the designated professionals and other partners and employees of such firms shall be the requirements of the CGA Independence Standard, Version 1.2. [deleted]</p>
<p>304</p>	<p>The Auditing and Assurance Standards Board (AASB) of the Canadian Institute of Chartered Accountants has issued General Standards of Quality Control for Firms Performing Assurance Engagements and Quality Control Procedures for Assurance Engagements. Participating audit firms are required to have a system of quality control that conforms with General Standards of Quality Control for Firms Performing Assurance Engagements no later than January 1, 2005, and to</p>	<p>The Auditing and Assurance Standards Board (AASB) of Canada the Canadian Institute of Chartered Accountants has issued General <u>Standards on Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements; and Quality Control for an Audit of Financial Statements</u>Standards of Quality Control for Firms Performing Assurance Engagements and Quality Control Procedures for Assurance Engagements. Participating audit firms are required to</p>

comply with Quality Control Procedures for Assurance Engagements with respect to their audits of reporting issuers' financial statements for periods beginning on or after January 1, 2005, notwithstanding the effective date of December 1, 2005 established by the AASB.

have a system of quality control that conforms with ~~General Standards of Quality Control for Firms Performing Assurance Engagements no later than January 1, 2005, and to comply with Quality Control Procedures for Assurance Engagements with respect to their audits of reporting issuers' financial statements for periods beginning on or after January 1, 2005, notwithstanding the effective date of December 1, 2005 established by the AASB.~~ the Quality Control Standards and Procedures issued by the Auditing and Assurance Standards Board (AASB), as amended from time to time.

Public accounting firms, including foreign public accounting firms, that are applying to become a participant in the oversight program shall pay to the Board, at the time of filing with the Board the Intent to Participate form and the Quality Control Report, an Intent to Participate fee in accordance with the following schedule:

- a. Each of Deloitte Canada, Ernst & Young Canada, KPMG Canada and PricewaterhouseCoopers Canada - \$500,000;
- b. Each of BDO Dunwoody Canada and Grant Thornton Canada - \$100,000;
- c. Other public accounting firms with more than 50 reporting issuer audit clients - \$25,000;
- d. Public accounting firms with between 11 and 50 reporting issuer audit clients - \$5,000;
- e. Public accounting firms with between 3 and 10 reporting issuer audit clients - \$2,000; and
- f. Public accounting firms with 2 or fewer reporting issuer audit clients - \$1,000.

Public accounting firms, including foreign public accounting firms, that are applying to become a participant in the oversight program shall pay to the Board, at the time of filing with the Board the Intent to Participate form and the Quality Control Report, an Intent to Participate fee in accordance with the following schedule:

- a. ~~Each of Deloitte Canada, Ernst & Young Canada, KPMG Canada and PricewaterhouseCoopers Canada - \$500,000;~~
- b. ~~Each of BDO Dunwoody Canada and Grant Thornton Canada - \$100,000;~~
- c. ~~Other p~~Public accounting firms with more than 50 reporting issuer audit clients - \$25,000;
- d. Public accounting firms with between 11 and 50 reporting issuer audit clients - \$5,000;
- e. Public accounting firms with between 3 and 10 reporting issuer audit clients - \$2,000; and
- f. Public accounting firms with 2 or fewer reporting issuer audit clients - \$1,000.