

Canadian Audit & Accountability Foundation

ANNUAL REPORT 2023–2024
**A YEAR OF CHALLENGES
AND CHANGE**



CANADIAN AUDIT
& ACCOUNTABILITY
FOUNDATION

Message from CAAF'S CHAIR OF THE BOARD and the PRESIDENT & CEO

We are pleased to present the Canadian Audit and Accountability Foundation's (CAAF's) 2023-2024 annual report. This past year was an exciting one for CAAF, albeit challenging. Our primary focus was on charting the best path forward—and ensuring we have the right structure to get us where we need to go.

... the world around us is changing, and so must CAAF.

Over the past 40+ years, CAAF has garnered a solid reputation with performance auditors in Canada and around the world. It is known as a go-to organization that provides unique training and tools that public sector auditors, oversight bodies and public administrators require to fulfill their roles effectively. But the world around us is changing, and so must CAAF.

Transforming our funding model

As a not-for-profit organization, CAAF isn't in the business of making a profit. Nevertheless, we must have the means to provide the services and products our members expect from us. Securing the funds to do this has become increasingly challenging in recent years.

The reality is that the way CAAF operated for more than four decades is no longer sustainable. Since the foundation was established in 1980, we have depended on a small number of organizations to fund our operations. Today, these organizations also face new challenges and are questioning how much funding they can devote to CAAF. Merely believing in our mission is no longer enough.

This means it is time to change how we do things. CAAF must diversify its funding to ensure we can be financially sustainable. We also need to diversify our membership and find ways to attract new members from the broader public sector audit community. Although this is challenging, it offers the opportunity to improve how we deliver value to our members—and better serve the public sector audit community at large.

Evolving to meet our members' needs

Over the past year, we've been listening closely to our membership—as well as trying to better understand the needs of those organizations who are not yet members. One of the things that we have heard, for example, is that they need more time to plan in order to take advantage of our products and services. To address this, we've



Michèle Galipeau
Chair, Board of Directors



Paul Forgues
President and CEO

introduced a 12-month rolling calendar to enroll in CAAF's open training courses.

This is just one example of how we are altering the way we work to better meet the needs of our members.

We are also working to stay ahead of the curve by identifying what areas and issues our members need training and support in—today and in the future. For instance, organizations and governments around the world are increasingly looking for ways to address corruption. That's why we're making this important issue a priority. In 2023-2024, we attended the OECD's Global Anti-Corruption and Integrity Forum and the World Bank Group's Anticorruption for Development Global Forum. We also formed an alliance with the Global Infrastructure Anti-Corruption Centre to promote and provide anti-corruption information and training. We plan to publish related documents in 2024-2025.

Ensuring we are ready for change

CAAF cannot continue to operate as it has in the past and we are taking concrete actions to facilitate the changes needed to ensure its long-term sustainability. We have created a working environment where employees at all levels feel comfortable sharing their thoughts and ideas on how to provide even more value to our members in the years ahead.

The reality is that the way CAAF operated for more than four decades is no longer sustainable.

CAAF's board has also undergone significant change in 2023-2024 and continued to become more diverse. Its 11 members bring a breadth of knowledge and experiences that will unquestionably help CAAF to transform how it works.

Continuing to lead internationally

Our international program continues to be one of CAAF's great successes. It is an example of the unique value that CAAF's products and services can provide auditors around the world. It supports our vision to be a leader in the public sector audit community—in Canada, and globally.

Since our international program started in 1980, a total of 281 auditors from around the world have graduated from our Fellowship Program (and one is also a current member of CAAF's board)—many of whom have gone on to become Auditor Generals and senior audit executives in their respective countries and elsewhere. This international development program provides auditors from our partner Supreme Audit Institutions (SAIs) with valuable hands-on experience that helps them to perform their roles more effectively. We are extremely grateful to the Canadian audit offices who contribute to this program. It also elevates CAAF's reputation, as a global leader in the public sector audit community.

Our current International Governance, Accountability and Performance (IGAP) program—is supporting four partner countries: Guyana, Rwanda, Senegal, and Vietnam. In 2023-2024, we continued delivering training in all these countries.

Our seven-year IGAP program is coming to an end in March 2025. We submitted a proposal to Global Affairs Canada for a new multi-year program and are hopeful our funding will be granted. The program's success has shown us that CAAF can have an even stronger presence in the global public sector audit community. As we look to the future, we are exploring ways to build on the program's strengths and expand the work we do internationally.

In addition to IGAP, in 2023-2024 the CAAF Professional Development Team has provided training services to the SAIs of Chile, Jamaica, Korea and Taiwan. We also provided training services to the Australasian Council of Auditors General (ACAG), the Organization of Latin American and Caribbean Supreme Audit Institutions (OLACEFS), UNESCO, the International Civil Aviation Organization (ICAO), and the Cour des comptes of the Canton de Vaud, a member state of the Swiss Confederation.

Our goal in 2023-2024 was to begin the process of identifying a path forward that would ensure the financial sustainability of the organization.

Supporting strong accountability systems in Canada and globally

The work we do through our Oversight Program to support Public Accounts and Audit Committees across Canada and globally is another one of CAAF's unique services. This program provides elected officials and individuals on committees with capacity development regarding best practices for reviewing audit reports. It plays a critical role in ensuring elected officials and committee members possess the knowledge and skills they need to prevent abuse or mismanagement of public funds.

In 2022, the Canadian Council of Public Accounts Committees unanimously passed a motion calling on the federal government to provide adequate and stable funding for CAAF's Oversight Program. Last December, the House of Commons Standing Committee on Public Accounts passed a similar motion. In February 2024, CAAF formally requested the federal government provide up to \$4.5 million over three years—or \$1.5 million annually—to fund the Oversight Program so that we can continue to build strong accountability systems across Canada. We expect an answer to this request in the coming months.

Our challenge going forward is to demonstrate just how unique and valuable CAAF is...

Building a stronger Foundation

There is no question CAAF sits at a crossroad. Our goal in 2023-2024 was to begin the process of identifying a path forward that would ensure the financial sustainability of the organization. We also focused on how CAAF can continue to deliver unique and meaningful benefits to our current members—in addition to looking for ways to grow our membership.

We recognize that CAAF remains somewhat unknown outside of the performance audit community. Moving forward, we plan to grow our role in Canada while maintaining our international reputation.

We understand the importance of providing public sector auditors and elected officials in Canada and around the world with the training and tools they need to fulfil their roles. Our challenge going forward is to demonstrate just how unique and valuable CAAF is so that we can attract the membership base needed to build a stronger, more sustainable organization.

It's a big task. But we are up to the challenge.



HOW WE SERVED OUR MEMBERS IN 2023–2024

Delivered **39 workshops, courses and special events** to **600+ participants**, including hosting auditors from the BAI Korea for an extensive leadership training program.



[View our courses](#) ➔

Held **5 webinars** on current issues of interest for public sector auditors.



[See the archives](#) ➔

Contributed to discussions on auditing and accountability through **7+ speaking engagements** and by organizing 1 session at the Canadian Council of Legislative Auditors (CCOLA) Performance Audit Symposium.



Shared new insights and research through **7 publications** including ***Automating Insights*** which describes how to use AI to analyze digitalized unstructured text to obtain audit findings.



Established **2 new collaborations** with the **Global Infrastructure Anti-Corruption Centre** and the **Chartered Institute of Public Finance and Accountancy**.



Continuously updated CAAF's ***Audit News database***



which now contains over **11,000** documents members can easily search and access.

Supported effective oversight by delivering **7 capacity development workshops** including:

- ▶ 4 provincial workshops
- ▶ 1 federal workshop
- ▶ 1 territorial workshop
- ▶ 1 municipal workshop



Supported our **request for oversight program funding** from the federal government by continuing to meet with elected officials and senior managers in government to promote our pre-budget submission. **4 op-eds were published** in support of our ask.



[Read more about it here](#) ➔

Continued to support municipal councilors in understanding their oversight responsibilities and the role of audit by making **2 online self-paced modules** available free and releasing a third module.



[Access the courses](#) ➔



Shared new knowledge through the release of **6 new resources for oversight committees**, including ***2 Voices from the Field videos*** featuring David Christopherson, former federal PAC Chair.



Welcomed new members:

- ▶ City of Kelowna
- ▶ City of Toronto Auditor General's Office
- ▶ Immigration, Refugees and Citizenship Canada
- ▶ Wales Audit Office



[See all our members](#) ➔



For more information on our activities throughout the year, see our **quarterly Strategic Plan Highlights reports** (p. 6–10)



HIGHLIGHTS FROM OUR INTERNATIONAL PROGRAM

Under our International Governance, Accountability and Performance Program (2018–2025), we work with the supreme audit institutions (SAIs) and oversight committees of our four partner countries: Guyana, Rwanda, Senegal, and Vietnam. The SAIs are strengthening their performance audit practices and oversight committees are learning how they can effectively review and act on the audit reports.

Delivered **35 courses** for our partner SAIs, reaching **600+ participants**



“The course has equipped me with very useful skills to run a successful audit.”

– participant in *Leading Successful Audits* in Vietnam

“The course was very informative, and I have acquired not only new skills but also more confidence in dealing with government entities in the oil and gas sector.”

– participant in *Auditing the Oil and Gas Sector* in Guyana

Supported more **effective legislative oversight** through:

- ▶ **3 workshops for parliamentarians** in Guyana, including a special session on fiscal considerations of the oil and gas sector
- ▶ a **new workshop for oversight committee staff**, delivered in Rwanda with co-facilitators from the Legislative Assemblies of Alberta and the Northwest Territories



Held sessions for government officials in Guyana on ***Understanding Performance Audit*** in collaboration with Guyana's SAI.



Completed the 2022–2023 Fellowships and celebrated the **graduation of 6 Fellows**.



See the graduates' online yearbook →

“I'm ready to lead or take part in successful, high value-added audits within my office, thanks to all the skills and knowledge I've acquired.” – graduating Fellow from Senegal



Began the **2023–24 Fellowships** with a virtual portion starting in November and in-Canada portion starting in February, and confirmed participants for the **2024 Fellowships**.

Held training on **INTOSAI'S SAI Performance Measurement Framework** for participants from our partner SAIs and Canadian audit offices, in preparation for conducting assessments of the SAIs later in 2024.



Developed new resources on **Accountability for Gender Equality** and shared them when we participated in the Women Deliver Conference in Rwanda.



Shared knowledge on **auditing the U.N. Sustainable Development Goals** by:

- ▶ delivering a session at the AFROSAI-E (African Organization of English-speaking SAIs) annual Technical Conference
- ▶ publishing an article in the **International Journal of Government Auditing**, written with the OAG of Canada

Thank you to the OAGs of Canada, Alberta, British Columbia, Manitoba, Quebec, and Toronto, who hosted Fellowships or co-facilitated CAAF courses!



The cover features a large blue triangle on the left and two smaller triangles on the right, one orange and one green, separated by a white diagonal line. Both the orange and green triangles contain a network of white dots connected by thin white lines. The text "QUARTERLY REPORTS" is centered in the blue area.

QUARTERLY REPORTS

Strategic Plan Highlights

Advancing Public Sector Accountability

Activities from April – June 2023

TAKE A LOOK AT THE COMPLETE

[2022-2025 Strategic Plan](#) ➔

GOAL AREA: MEMBER ENGAGEMENT



- ▶ Held 2 member-exclusive webinars:
 - **Fast & Furious: AI Accelerated Audits** – presented by John Craig, Co-founder and CEO of Vigilant AI
 - **Plain Language** – presented by Chantale Audet and Amélie Bourret of Autrement Dit, who deliver our French course on [Effective Report Writing](#) and who recently won a North American prize for best plain language communications



[See our Archived Webinars](#) ➔



- ▶ Welcomed the **City of Kelowna** as a new member

[Our members](#) ➔



- ▶ Made presentations on CAAF membership benefits to representatives of the **Government Internal Auditors Council of Canada (GIACC)**

GIACC
Government Internal
Auditors Council of Canada



CCAISP
Conseil canadien des auditeurs
internes du secteur public

GOAL AREA: KNOWLEDGE EXPLORATION



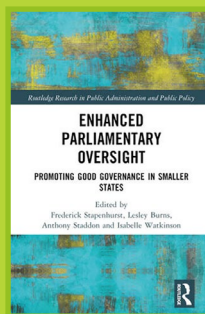
- ▶ Published **new resources** on auditing and oversight:
 - [Automating Insight](#) – a Voices from the Field article by authors from the Canada Revenue Agency and the Public Service Commission of Canada
 - [Audit Tips: 5 Ways to Ensure that Fraud and Waste Hotlines are Effective](#)
 - [Research Highlights: Challenges and Practices in Small Jurisdiction PACs Around the World](#)



- ▶ Participated in the delivery of the **Canadian Council of Legislative Auditors (CCOLA) Performance Audit Symposium**, including facilitating a session on Citizen Engagement and moderating a panel on Auditing Organizational Culture



- ▶ Co-edited a book titled [Enhanced Parliamentary Oversight: Promoting Good Governance in Smaller States](#) and contributed a chapter called “Public Accounts Committees in Canada’s Small Provinces and Territories”



- ▶ Presented at several events, including:
 - a session on Auditing the Sustainable Development Goals (SDGs) at the **Institute of Internal Auditors 2023 Public Sector Virtual Conference**
 - a session on Auditing Organizational Culture at the **Association of Local Government Auditors Annual Conference**
 - McGill University’s **Parliamentary Support Staff program**



- ▶ Began work on a research project for GIACC on **benchmarking Canadian public sector internal audit organizations**; a related survey will be launched in summer 2023



- ▶ Participated in meetings of the **INTOSAI (International Organization of Supreme Audit Institutions) Capacity Building Committee** and **INTOSAI-Donor Cooperation** and in the **Anticorruption for Development Global Forum**



Strategic Plan Highlights

Advancing Public Sector Accountability

OVERARCHING GOAL: OUR COMMITMENT TO EDI*



Created a timeline to conduct an EDI assessment within the organization



Completed the Anti-Racist Cooperation annual survey, as signatories to the Anti-Racism Framework for Canada’s international cooperation sector

*Equity, Diversity & Inclusion (EDI)

UNDERPINNING GOAL: OUR SUSTAINABILITY



Welcomed **Lisanne Belanger**, **Paul Forgues**, and **Loralee Williams** who joined our team this period, and wished farewell to **Julien Raynaud** and **H-A Sully**



Recognized the 2022-2023 recipient of the **Ronald C. Thompson Memorial Scholarship Award**, Carleton University student **Maria Legakis**



Continued reaching out to members of Parliament to discuss possible federal funding for the Foundation

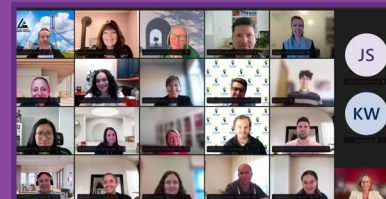
GOAL AREA: CAPACITY BUILDING



- ▶ Delivered **14 performance audit courses**, with highlights including:

- a series of 8 virtual courses for the **Australasian Council of Auditors-General**
- a workshop with OLACEFS (the Latin American and Caribbean Organization of Supreme Audit Institutions) for a **regional coordinated audit on gender-based violence**
- a course for the **United Nations International Civil Aviation Organization Office of Internal Oversight**

[About our courses](#) ➔



- ▶ Continued the **2022-2023 international Fellowships**: the 6 Fellows completed their placements at the Offices of the Auditors General of Alberta, Canada, and Quebec, ahead of their July graduation

[Fellows' Graduation](#) ➔



- ▶ Delivered training on **Auditing the SDGs** and **Auditing and Oversight of Extractive Industries** for the Guyana SAI and PAC, with co-facilitators from the INTOSAI Working Group on Extractive Industries and the OAG of Alberta



- ▶ Held an executive-level version of our **Auditing the SDGs** course for leaders of the **Senegal SAI**



- ▶ Delivered a workshop on **Effective Public Accounts Committees** for the PAC of Newfoundland and Labrador



CANADIAN AUDIT
& ACCOUNTABILITY
FOUNDATION

TAKE A LOOK AT THE COMPLETE
[2022-2023 Strategic Plan](#) ➔

Strategic Plan Highlights

Advancing Public Sector Accountability

Activities from July - September 2023

OVERARCHING GOAL: OUR COMMITMENT TO EDI*

- ▶ Began researching and developing an **EDI assessment tool** which will be used to conduct an organizational assessment

*Equity, Diversity & Inclusion (EDI)

UNDERPINNING GOAL: OUR SUSTAINABILITY

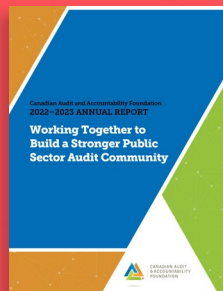


- ▶ Welcomed 2 new **Directors**, elected to the CAAF Board at the Annual General Meeting, as well as a new Chair and Vice-Chair

[See the update on our Board](#) ➔



- ▶ Published our **2022-2023 Annual Report**



- ▶ Welcomed **Abdalla Hamid** as CAAF's new Director, Professional Development, and wished farewell to **Sharon Clark**, Vice-President, Professional Development, who concluded her secondment from the OAG of Canada

GOAL AREA: MEMBER ENGAGEMENT



Welcomed **new members**:

- ▶ City of Toronto Auditor General's Office
- ▶ Immigration, Refugees and Citizenship Canada
- ▶ Wales Audit Office

[See our members](#) ➔

[Learn about member benefits](#) ➔



Continued to add documents to our **Audit News database**, a valuable, time-saving tool for members



GOAL AREA: KNOWLEDGE EXPLORATION



- ▶ Published **new resources** for auditors and oversight committees:



Audit Tips: 10 Tips for Auditing the Sustainable Development Goals (SDGs)



Oversight Tips: Questions PACs Should Ask About the UN SDGs



Voices from the Field videos featuring David Christopherson, past Chair of Canada's Public Accounts Committee (PAC)



- ▶ Established a connection with the **International Center for Performance Auditing**; our Vice-President, Research and Strategic Initiatives, will serve on their board



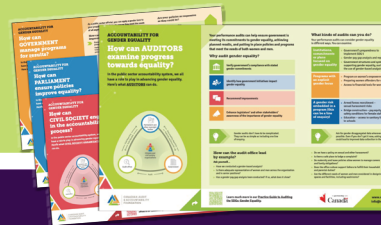
- ▶ Presented at the annual joint conference of the **Canadian Council of Legislative Auditors** and **Canadian Council of Public Accounts Committees** and collected input on what capacity development resources would be most beneficial



- ▶ Participated in an **INTOSAI Development Initiative** workshop on strategic partnerships for SAIs' development in Central and South America



- ▶ Spoke at a side event at the **Women Deliver Conference** in Rwanda, shared new **resources on accountability for gender equality**, and sponsored participants from Rwanda's supreme audit institution (SAI) to attend



GOAL AREA: CAPACITY BUILDING



- ▶ Delivered **12 courses** to the **Rwanda SAI** with partners from the Offices of the Auditors General of Alberta and British Columbia



- ▶ Welcomed 3 auditors from Korea's SAI to Canada to begin a 3-month program of performance audit training and mentoring



- ▶ Delivered an orientation workshop for the **PAC of Prince Edward Island**



- ▶ Held a capacity development workshop on municipal oversight for **Halifax Regional Municipality** councillors



- ▶ Delivered a **workshop on audit criteria** for the National Audit Office of Taiwan



- ▶ Held our **Effective Report Writing** course and provided mentoring on **Building the Audit Report** for the Guyana SAI as the SAI completed several audit reports



- ▶ Interviewed Fellowship candidates and confirmed the 7 participants for the **2023-2024 Fellowships**



International Governance, Accountability and Performance Program



Strategic Plan Highlights

Advancing Public Sector Accountability

Activities from October – December 2023

OVERARCHING GOAL: OUR COMMITMENT TO EDI*

- ▶ Continued to meet commitments as signatories to the **Anti-Racism Framework** for Canada's international cooperation sector by reporting our status and efforts on an annual basis
- ▶ Prepared to roll out the first part of an **organizational EDI assessment** later this year

*Equity, Diversity & Inclusion (EDI)

UNDERPINNING GOAL: OUR SUSTAINABILITY



- ▶ Began our recruitment process for a **Director of Operations**



- ▶ Engaged a government relations firm and met with several members of Parliament and other officials to discuss **funding for CAAF's oversight program**

- The federal **Standing Committee on Public Accounts** passed a motion recommending that the Government of Canada take steps to provide adequate and stable funding for CAAF's oversight program

GOAL AREA: MEMBER ENGAGEMENT



- ▶ Held a member-exclusive webinar on **How Will ESG Impact Your Audits?**

➔ Watch the recording in our webinar archive



- ▶ Surveyed several institutional members and other clients about their **training interests**

GOAL AREA: KNOWLEDGE EXPLORATION



- ▶ Published 2 editions of **Audit Tips:**



7 Learnings from Performance Measurement Systems in Audit Offices



7 Ways to Use the Audit News Database to Improve Your Audits



- ▶ Published a **Quick Reference Sheet** for Public Accounts Committee members: ***Meeting In Camera With Your Auditor General***



- ▶ Delivered a session on Auditing the Implementation of the Sustainable Development Goals at the **Technical Conference of AFROSAI-E** (African Organisation of English-speaking Supreme Audit Institutions)



- ▶ Spoke at the **Performance and Planning Exchange (PPX) Symposium** on a panel examining Future Strategies for Public Audit



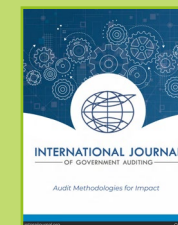
- ▶ Updated CAAF's **Performance Audit Guidance Inventory**



- ▶ Conducted a benchmarking **survey of Canadian public sector internal audit organizations** as part of a project with the Government Internal Auditors Council of Canada



- ▶ Wrote 2 articles published in the **International Journal of Government Auditing**:



- ***Incorporating a Sustainable Development Goal Lens in Performance Audits***, written with the Office of the Auditor General (OAG) of Canada
- ***PASAI Collaborates with CAAF to Develop Performance Measurement Systems in Two SAIs***, about a project completed for the Pacific Association of Supreme Audit Institutions



- ▶ Participated in the **West African Association of Public Accounts Committees' symposium**

GOAL AREA: CAPACITY BUILDING



- ▶ Delivered **8 performance audit courses** including:

3 courses open for public registration

Dedicated offerings for the OAGs of Alberta, New Brunswick, Nova Scotia and Prince Edward Island; the SAI of Jamaica; the Canada Revenue Agency; and UNESCO

➔ See our 2024 public courses

➔ About our courses



- ▶ Delivered training in each of the 4 countries participating in our **international program**.

Thank you to partners from the OAGs of Manitoba, Toronto and Quebec and the Legislative Assemblies of Alberta and the Northwest Territories for co-facilitating!



- ▶ Concluded a **3-month program** of performance audit training and mentoring for 3 auditors from the SAI of Korea



- ▶ Held training on INTOSAI's **SAI Performance Measurement Framework** for participants in our **SAI Leaders Program** as well as Canadian partners



- ▶ Delivered a workshop on **Reading the Public Accounts** for Canada's federal Standing Committee on Public Accounts



- ▶ Presented a workshop on **Managing Audit Projects** for the **Municipal Internal Auditors Association of Ontario**



- ▶ Began the virtual component of the **2023-2024 Fellowships**

➔ Meet the Fellows





CANADIAN AUDIT
& ACCOUNTABILITY
FOUNDATION

TAKE A LOOK AT THE COMPLETE
[2022-2025 Strategic Plan](#)

Strategic Plan Highlights

Advancing Public Sector Accountability

Activities from January – March 2024

OVERARCHING GOAL: OUR COMMITMENT TO EDI*

- Organized a [webinar on International Women's Day](#) to highlight how auditors can apply a gender lens in their work
- Continued preparing to conduct an [organizational EDI assessment](#)



*Equity, Diversity & Inclusion (EDI)

UNDERPINNING GOAL: OUR SUSTAINABILITY



- Hired [Vanessa Kammer](#) as CAAF's new Director of Operations



- Issued a call for [candidates to join our Board of Directors](#)



- Continued meeting with members of Parliament and other officials to discuss [funding for CAAF's oversight program](#)

GOAL AREA: MEMBER ENGAGEMENT



- Held 2 member-exclusive webinars:
 - [Auditing Values and Ethics: Insights and Lessons Learned](#) featuring Danielle Allaire, Audit Manager, Royal Canadian Mounted Police



- [Women Looking for Safe Spaces: Auditing BC Housing's COVID-19 Response](#) featuring Janice Dowson, Performance Audit Manager, Office of the Auditor General of British Columbia

[Watch the recordings in our webinar archives](#)

GOAL AREA: KNOWLEDGE EXPLORATION



- Published 3 new resources for public accounts committees:



[Voices from the Field – Role and Value of PAC](#) with Kate White, Yukon MLA and PAC Member



[Featured Oversight Practice – Getting at the Right Answers: New Brunswick's PAC Calls Witnesses Back to Get Needed Answers](#)



[Quick Reference Sheet – What to Expect When Serving on a PAC](#)



- Formed an alliance with the [Global Infrastructure Anti-Corruption Centre](#) to cooperate in promoting and providing anti-corruption information and training



- Participated in the [Chartered Institute of Public Finance and Accountancy's](#) Practitioners Steering Group for the development of a performance audit qualification



- Attended the OECD's [Global Anti-Corruption & Integrity Forum](#)



- Participated in [Canada's Partner Forum in Rwanda](#), organized by Canada's High Commission

GOAL AREA: CAPACITY BUILDING



- Welcomed the [2023-2024 Fellows](#) to Canada. The Fellows participated in orientation and professional development with CAAF then joined their Canadian host offices [Learn More](#)



- Delivered **10 audit courses**, on subjects including Interviewing Skills, Managing Audit Projects, Distilling Audit Findings, Internal Controls, and more [About our courses](#) [Register for an upcoming course](#)



- Held workshops for the PACs of Alberta and Manitoba and for the [Legislative Assembly of the Northwest Territories](#)



- Delivered [training in Guyana](#), with Tyson Shtykalo, Auditor General of Manitoba, including courses for the Audit Office of Guyana, members of the PAC and other elected officials, accounting officers, and internal auditors



- Held [train-the-trainer workshops](#) for the Cour des comptes of Senegal, co-facilitated by graduate Fellows



- Opened registration for our [Emerging Leaders Program](#), a unique opportunity for auditors to advance their career



International Governance, Accountability and Performance Program



FINANCIAL REPORTS

The Canadian Audit and Accountability Foundation's financial statements for the year ended March 31, 2024, together with the independent auditor's report thereon, are presented in this annual report. The external auditor, Welch LLP, has provided an unqualified audit opinion on the Foundation's financial statements.

The financial statements contained in this report have been prepared by management according to Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO) and audited by Welch LLP in accordance with generally accepted auditing standards. This report provides our members, stakeholders, and other interested parties with information on the Foundation's financial position and performance and explains significant items, fluctuations, or changes in the policies affecting the presentation of financial results.



FINANCIAL SNAPSHOT

Revenue



2023-2024 REVENUE: \$4,230,006
7% decrease from last year

OF NOTE:

Membership fees and contributions revenue decreased by 23%

WHY? Because of reductions in the membership fees received from Canadian Council of Legislative Auditors (CCOLA) offices. A new membership model will be launched in April 2025.

International program (IGAP) revenue is steady

WHY? The income for these two years is quite similar with a slight decrease of 5%. The income for any given year from the IGAP program reflects the costs of funding the activities delivered for that year per the annual workplan which is based on evolving operational requirements.

Revenue from professional development offerings are stable

WHY? Revenues only increased by a modest 4% because we delivered a similar number of courses as last year.

Expenses



2023-2024 EXPENSES: \$4,317,196
2% decrease from last year

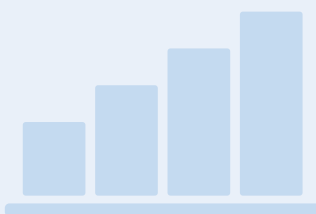
OF NOTE:

Personnel expenses remain consistent year-over-year despite the decline in membership revenue.

Contract and professional services increased by 44%

WHY? Despite a 23% decrease in membership fees and contributions, personnel expenses have remained relatively stable year-over-year. This is attributed to planned HR adjustments aimed at enhancing operational efficiency. These adjustments include restructuring of the human resources to better align with current market conditions and organizational needs. Notable changes were the replacement of a staff member who was previously seconded and paid for by a member organization, thus not reflected in past personnel costs. Additionally, salaries were adjusted to match market rates to retain key staff, and there were increases in benefits and Canada Pension Plan contributions. The organization also outsourced several finance and HR functions to streamline operations and reduce overhead costs associated with these areas. These strategic decisions helped maintain a consistent personnel expenditure despite fluctuations in revenue streams.

OUR SUSTAINABILITY



Net surplus: \$14,438 for fiscal 2024. The modest surplus resulted from a refund from a GST dispute with the Canada Revenue Agency and IGAP revenue recognized in fiscal 2024 for some expenses incurred in the previous fiscal year.

Net assets: \$1,091,871, an increase of 1.3%.

As we seek to ensure the financial stability and sustainability of the Foundation, we:

- Invested in short-term securities generating market rate of return.
- Submitted a formal project proposal to the Government of Canada for funding for our oversight program. [Learn more about our request.](#)

FINANCIAL STATEMENTS
For
**CANADIAN AUDIT AND ACCOUNTABILITY FOUNDATION/
FONDATION CANADIENNE POUR L'AUDIT ET LA RESPONSABILISATION**
For year ended
MARCH 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the members of

**CANADIAN AUDIT AND ACCOUNTABILITY FOUNDATION/
FONDATION CANADIENNE POUR L'AUDIT ET LA RESPONSABILISATION**

Opinion

We have audited the financial statements of Canadian Audit and Accountability Foundation/Fondation canadienne pour l'audit et la responsabilisation (the Foundation), which comprise the statement of financial position as at March 31, 2024, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2024 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

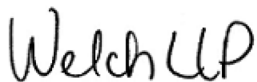
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
June 25, 2024.

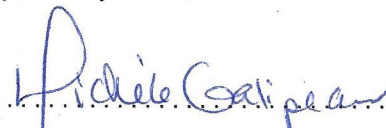
**CANADIAN AUDIT AND ACCOUNTABILITY FOUNDATION/
FONDATION CANADIENNE POUR L'AUDIT ET LA RESPONSABILISATION**

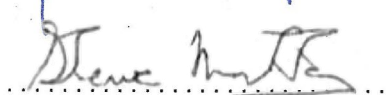
STATEMENT OF FINANCIAL POSITION

MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 301,215	\$ 1,125,855
Short-term investments (note 4)	1,650,000	500,000
Accounts receivable	93,276	291,609
HST receivable	54,729	38,522
Prepaid expenses	<u>68,589</u>	<u>132,429</u>
	<u>\$ 2,167,809</u>	<u>\$ 2,088,415</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 384,543	\$ 472,687
Deferred international program funds (note 5)	637,030	451,326
Deferred membership, training and other revenue (note 6)	34,945	62,254
Lease inducements	<u>19,420</u>	<u>24,715</u>
	1,075,938	1,010,982
NET ASSETS		
Unrestricted	<u>1,091,871</u>	<u>1,077,433</u>
	<u>\$ 2,167,809</u>	<u>\$ 2,088,415</u>

Approved by the Board:

 Director

 Director

**CANADIAN AUDIT AND ACCOUNTABILITY FOUNDATION/
FONDATION CANADIENNE POUR L'AUDIT ET LA RESPONSABILISATION**

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
Revenue		
International program funds (note 5)	\$ 2,614,689	\$ 2,763,405
Membership fees and contributions (note 6)	697,879	904,890
Audit and professional development (note 6)	697,849	673,360
Interest and other	155,759	159,239
Other programs (note 6)	<u>63,830</u>	<u>56,473</u>
	<u>4,230,006</u>	<u>4,557,367</u>
Expenses		
Personnel	2,490,577	2,472,092
Travel	665,213	734,936
Rent, utilities & venues	436,658	454,165
Contract and professional services	231,461	160,706
Program expenses	179,857	204,430
IT supplies, equipment and support	46,091	55,026
Translation	44,582	99,755
Office and operations	42,442	74,612
Board expenses	28,908	18,301
Bank and credit card fees	22,738	18,054
Memberships and professional development	11,242	5,634
Conferences	9,774	17,782
Insurance	5,835	8,451
Miscellaneous	3,657	8,371
Amortization	-	10,936
Foreign exchange gain/loss	<u>(3,467)</u>	<u>(26,055)</u>
	<u>4,215,568</u>	<u>4,317,196</u>
Excess of revenue over expenses	14,438	240,171
Unrestricted net assets, beginning of year	<u>1,077,433</u>	<u>837,262</u>
Unrestricted net assets, end of year	<u>\$ 1,091,871</u>	<u>\$ 1,077,433</u>

(See accompanying notes)

**CANADIAN AUDIT AND ACCOUNTABILITY FOUNDATION/
FONDATION CANADIENNE POUR L'AUDIT ET LA RESPONSABILISATION**

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM (USED IN)		
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 14,438	\$ 240,171
Adjustments for:		
Amortization	-	10,936
	<u>14,438</u>	<u>251,107</u>
Changes in non-cash working capital components:		
Accounts receivable	198,333	(80,064)
HST receivable	(16,207)	(34,502)
Prepaid expenses	63,840	(79,674)
Accounts payable and accrued liabilities	(88,144)	203,893
Deferred international program funds	185,704	(971,753)
Deferred membership, training and other revenue	(27,309)	25,578
Lease inducements	<u>(5,295)</u>	<u>(5,297)</u>
	<u>325,360</u>	<u>(690,712)</u>
INVESTING ACTIVITIES		
Maturity (purchase) of short-term investments	<u>(1,150,000)</u>	<u>1,500,000</u>
INCREASE (DECREASE) IN CASH	(824,640)	809,288
CASH, BEGINNING OF YEAR	<u>1,125,855</u>	<u>316,567</u>
CASH, END OF YEAR	<u>\$ 301,215</u>	<u>\$ 1,125,855</u>

(See accompanying notes)

**CANADIAN AUDIT AND ACCOUNTABILITY FOUNDATION/
FONDATION CANADIENNE POUR L'AUDIT ET LA RESPONSABILISATION**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2024

1. NATURE OF OPERATIONS

Canadian Audit and Accountability Foundation/Fondation canadienne pour l'audit et la responsabilisation was established in 1980 by letters patent under the provisions of Part II of the Canada Corporations Act. The Foundation continued under the Canada Not-for-profit Corporations Act (the "Act") effective September 9, 2014.

In accordance with the Foundation's Articles of Continuance under the Act, the purpose of the Foundation is to promote and strengthen public sector auditing, oversight, and accountability in Canada and abroad. The Foundation provides education, research and capacity development for public sector auditors and oversight committees, helping them to work with other public officials for accountable government. The Foundation's products and services are widely respected, referenced and applied by auditors, legislators and other public officials in Canada and abroad.

Significant portions of the Foundation's revenue, including a contribution to general expenses, are derived from Global Affairs Canada ("GAC"). In addition, the Foundation derives approximately 33% of its membership fees and contributions from one member. The Foundation's current level of operations depends on the continuation of these revenue sources.

The Foundation was organized and is operated for the purposes outlined above and as such is not taxable under the Income Tax Act of Canada.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Revenue recognition

The Foundation uses the deferral method of accounting for contributions. Externally restricted funds are recognized as revenue in the year in which the related expenses are incurred. Unrestricted funds are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted interest revenue is recognized as revenue when it is earned. Externally restricted interest revenue, if any, is initially deferred and is recognized as revenue in the year in which the related expenses are incurred.

The Foundation sets its membership fees on an annual basis, and they are recognized as revenue in the year to which the memberships relate.

Professional development revenue is recognized in the year in which the goods and services are rendered or sold.

Development costs

The Foundation develops educational products and research publications for the purposes outlined in note 1. Fees charged for the use of these items are generally set such that direct costs are recovered. Related development costs are expensed in the year incurred.

**CANADIAN AUDIT AND ACCOUNTABILITY FOUNDATION/
FONDATION CANADIENNE POUR L'AUDIT ET LA RESPONSABILISATION**

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

Financial instruments

The Foundation initially measures its financial assets and liabilities at fair value adjusted by transaction costs. Financial instruments consist of cash, short-term investments, accounts receivable and accounts payable and accrued liabilities. Cash is subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost.

The Foundation recognizes its transaction costs in operations in the period incurred. However, the financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Contributions in kind

Members and other contributors provide a significant amount of time and absorb costs related to certain activities of the Foundation. These services are in the normal course of the Foundation's operations but their fair value and completeness are not reasonably determinable. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Lease inducements

Lease inducements, such as free rent, are deferred and amortized over the term of the lease. Annual amortization is recorded as a credit to rent expense.

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organization requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. These estimates are reviewed annually and as adjustments become necessary, they are recognized in the financial statements in the period in which they become known.

Significant estimates include assumptions used in the collectibility of accounts receivable and provisions for accrued liabilities.

**CANADIAN AUDIT AND ACCOUNTABILITY FOUNDATION/
FONDATION CANADIENNE POUR L'AUDIT ET LA RESPONSABILISATION**

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2024

3. FINANCIAL INSTRUMENTS

The Foundation is exposed to various risks through its financial instruments. The following analysis provides a measure of the Foundation's risk exposure and concentrations.

The Foundation does not use derivative financial instruments to manage its risks.

Credit risk

The Foundation is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The Foundation's maximum exposure to credit risk is the sum of the carrying value of its cash, short-term investments and accounts receivable. The Foundation's cash and short-term investments are deposited with a Canadian chartered bank and as a result, management believes the risk of loss to be remote. Accounts receivable balances are managed and analyzed on an ongoing basis and accordingly, management believes all amounts receivable will be collected and has determined that a provision for bad debts is not required.

Liquidity risk

Liquidity risk is the risk that the Foundation cannot meet a demand for cash or fund its obligations as they become due. The Foundation meets its liquidity requirements by establishing budgets and cash estimates to ensure it has funds necessary to fulfill its obligations.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

i) *Currency risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation's financial instruments are in Canadian currency. Consequently, the Foundation is not exposed to foreign exchange fluctuations on its financial instruments. However, the Foundation does incur expenses in foreign currencies related to its international activities, and is therefore exposed to foreign exchange fluctuations on its future expenses. Included in cash is \$91,570 (2023 - \$44,853) originally denominated in US dollars.

ii) *Interest rate risk*

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the financial instruments will fluctuate due to changes in market interest rates.

The Foundation believes it is not exposed to significant interest rate risk on its fixed interest rate risk financial instruments. However, the Foundation holds cash at the floating rate which is subject to interest rate risk.

iii) *Other price risk*

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the financial instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting similar instruments traded in the market. The Foundation does not have investments in publicly traded securities and therefore is not exposed to other price risk.

Changes in risk

There have been no significant changes in the Foundation's risk exposure from the prior year.

**CANADIAN AUDIT AND ACCOUNTABILITY FOUNDATION/
FONDATION CANADIENNE POUR L'AUDIT ET LA RESPONSABILISATION**

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2024

4. SHORT-TERM INVESTMENTS

Short-term investments consist of the following:

	<u>2024</u>	<u>2023</u>
Cashable GIC - 1.25%, due April 2023	\$ -	\$ 500,000
Cashable GIC - 5.20%, due January 2025	1,000,000	-
Cashable GIC - 4.95%, due January 2025	400,000	-
Cashable GIC - 4.95%, due January 2025	<u>250,000</u>	<u>-</u>
	<u>\$ 1,650,000</u>	<u>\$ 500,000</u>

5. DEFERRED INTERNATIONAL PROGRAM FUNDS

International program costs are funded by Global Affairs Canada ("GAC") with in-kind contributions from Canadian experts at the Office of the Auditor General of Canada, participating provincial audit offices, the Foundation, municipal audit offices, parliamentarians and individual Canadians. GAC pays direct costs associated with the program and makes a contribution to the Foundation's general expenses.

	<u>2024</u>	<u>2023</u>
Deferred program funds, beginning of year	\$ 451,326	\$ 1,423,079
Advances from GAC	<u>2,800,393</u>	<u>1,791,652</u>
	3,251,719	3,214,731
Revenue recognized representing direct expenses for the year including contributions to general expenses	<u>(2,614,689)</u>	<u>(2,763,405)</u>
Deferred program funds, end of year	<u>\$ 637,030</u>	<u>\$ 451,326</u>

An agreement with GAC was signed on March 29, 2018 and provides total funding of \$14,950,000 until March 31, 2025.

**CANADIAN AUDIT AND ACCOUNTABILITY FOUNDATION/
FONDATION CANADIENNE POUR L'AUDIT ET LA RESPONSABILISATION**

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2024

6. DEFERRED MEMBERSHIPS, TRAINING AND OTHER REVENUE

Deferred memberships, training and other revenue consists of the following:

	<u>Memberships</u>	<u>Training</u>	<u>Other</u>	<u>2024 Total</u>	<u>2023 Total</u>
Balance, beginning of year	\$ 26,418	\$ 35,836	\$ -	\$ 62,254	\$ 36,676
Advances received	678,944	689,475	63,830	1,432,249	1,660,301
Revenue recognized	<u>(697,879)</u>	<u>(697,849)</u>	<u>(63,830)</u>	<u>(1,459,558)</u>	<u>(1,634,723)</u>
Balance, end of year	<u>\$ 7,483</u>	<u>\$ 27,462</u>	<u>\$ -</u>	<u>\$ 34,945</u>	<u>\$ 62,254</u>

7. COMMITMENTS

The Foundation is committed to payments under an operating lease for office space which expires November 30, 2027. The minimum aggregate rent payable to the expiry date is as follows:

2025	\$ 72,406
2026	75,361
2027	75,361
2028	50,240