



# Backgrounder

## What Is the Canadian Public Accountability Board?

The Canadian Public Accountability Board (CPAB) is Canada's independent, public company audit regulator that oversees accounting firms that audit Canadian reporting issuers. CPAB contributes to public confidence in the integrity of financial reporting and is committed to protecting Canada's investing public.

Oversight of CPAB is undertaken by our independent Board of Directors and the Council of Governors, which includes representatives from four of the Canadian provincial securities commissions and the Office of the Superintendent of Financial Institutions of Canada.

## Our Mission

CPAB promotes audit quality through proactive regulatory oversight, facilitating dialogue with domestic and international stakeholders, and publishing practicable insights to inform capital market participants.

## Importance of CPAB's Responsibilities

Audits matter. CPAB plays a critical role in fostering confidence in financial reporting and safeguarding the Canadian investing public. CPAB does this by:

- Evaluating the system of quality management of audit firms and inspecting selected high-risk sections of audits of the annual financial statements of reporting issuers.
- Monitoring risks and changes that impact the state of audit quality and audit regulation.
- Improving transparency and enhancing public disclosures around CPAB's regulatory assessments.

## Some of the Activities Not Performed by CPAB:

- Overseeing audits that are not of the financial statements of public companies. For example, most pension plans, many investment funds in the public sector, and most debt offerings.
- Setting accounting or auditing standards.
- Licensing and the education of CPAs.
- Ensuring reporting issuers' compliance with the provincial securities acts and national instruments.



## Stakeholder Engagement

CPAB enhances audit quality and investor protection by engaging with regulators, audit committees, audit firms, reporting issuers and investors, to share good practices and emerging topics.

CPAB engages with stakeholders through regular audit quality roundtables, industry forums, and one-on-one meetings. Visit CPAB's [Events](#) webpage for a list of current events.

If you're interested in learning more, email [stakeholderengagement@cpab-ccrc.ca](mailto:stakeholderengagement@cpab-ccrc.ca).

## Looking Ahead

CPAB's [2025 - 2027 Strategic Plan](#) focuses on:

### Evolving audit oversight in a changing environment

by influencing audit firms on how they develop and integrate controls and processes into their [use of new and emerging technologies](#), integrating generative artificial intelligence (AI) and other technologies into our processes, and assessing the impact of emerging issues on [fraud risks](#) and sharing practices to address these risks.

### Putting investors first – raising the bar for audit ethics, culture and governance

by focusing on firms' systems of quality management, promoting [CPAB's whistleblower program](#) and encouraging strong, visible whistleblower programs at audit firms, and sharing practices that reinforce strong culture and reduce ethical breaches.



### Enhancing our regulatory toolkit – increasing transparency and strengthening consequences

by ensuring that every audit committee of reporting issuers, where we inspect their audits, receives their tailored inspection report, publishing summarized inspection reports for audit firms we inspect, and enhancing the breadth of regulatory mechanisms.

### Fostering an environment that supports improved audit quality at smaller firms

by identifying and monitoring audit quality trends and sharing good practices, collaborating with other regulators, and working with firms throughout the registration process.