



Canadian Public Accountability Board
Conseil canadien sur la reddition de comptes

2026 Public Inspection Report

Horizon Assurance LLP

(Headquartered in Canada)

September 2026

Overview

The Canadian Public Accountability Board (CPAB) is Canada's independent audit regulator that oversees public accounting firms that audit Canadian reporting issuers.

We promote audit quality through proactive regulation, robust audit assessments, dialogue with domestic and international stakeholders, and practicable insights that inform capital market participants. CPAB contributes to public confidence in the integrity of financial reporting and is committed to protecting Canada's investing public.

CPAB's audit quality assessment program is a two-pronged approach that includes file inspections and system of quality management assessments of firms that audit Canadian reporting issuers.

Members of CPAB's staff conducted an inspection of Horizon Assurance LLP (Horizon Assurance) in 2026, pursuant to Section 400 of the CPAB's Rules (the "Rules") and as authorized by relevant legislation. This inspection assessed the firm's compliance with professional standards and involved a review of a limited sample of reporting issuer audit files. CPAB's file selection methodology is risk-based and is not designed to select a representative sample of a firm's audit work. The inspection results disclosed in this report are not intended to be extrapolated across its entire audit portfolio. Additional information on CPAB's risk-based methodology for choosing files is provided on our [website](#) and in the Appendix to this report.

Through an inspection, CPAB may identify significant findings¹ which represent deficiencies in the application of auditing and other relevant professional standards, as defined in Section 300 of CPAB's Rules. These findings are summarized below. Where a significant finding is identified, the firm must perform additional audit work to support the audit opinion reached, and/or must make significant changes to its audit approach. It is important to note that when CPAB identifies an auditing deficiency, it does not mean that the reporting issuer's financial statements are materially misstated.

About Horizon Assurance

As of December 31, 2025, Horizon Assurance audited the following reporting issuers that fall within CPAB's scope:

- 44 reporting issuers (excluding funds, defined as mutual funds and traded funds), comprising:
 - 1 entity listed on the Toronto Stock Exchange (TSX)
 - 43 non-TSX listed entities

CPAB conducts an assessment of Horizon Assurance's compliance with professional standards periodically.

¹Significant findings – A significant inspection finding is defined as a deficiency in the application of auditing or other relevant professional standards, as defined in Section 300 of CPAB's Rules, where the audit firm must perform additional audit work to support the audit opinion and/or is required to make significant changes to its audit approach. CPAB requires firms to carry out additional audit procedures to determine the need, if any, to restate the financial statements due to material error, or to substantiate that the firm obtained sufficient and appropriate audit evidence with respect to a material balance sheet item or transaction stream to support their audit opinion.

Inspection findings: Horizon Assurance

	2026
Files inspected	2
Files with significant findings	1

Audit areas inspected: Horizon Assurance

The table² below reflects the audit areas reviewed for Horizon Assurance and the inspection results in those areas. These areas were selected because they are generally significant to the reporting issuer's financial statement or included complex issues or judgment.

2026		
Audit area	Number of times inspected	Number of significant findings
Expenses	1	0
Inventory	1	0
Long-lived assets	2	1
Other ³	2	1
Revenue and related accounts	1	0

For previously published regulatory information related to Horizon Assurance, visit CPAB's website.

² This table may not reconcile to the number of files inspected and number of files with significant findings listed above as multiple audit areas are reviewed on each audit inspected.

³ The audit area description has been anonymized in order to safeguard the identity of the reporting issuer.

Appendix

How CPAB chooses files and audit areas to review

CPAB's risk-based methodology for choosing audit files for inspection (and the specific focus areas for those files) is generally targeted towards higher-risk audit areas of more complex reporting issuers or areas where the audit firm or engagement team may have less expertise. It is not designed to select a representative sample of a firm's audit work. Our inspections do not look at every aspect of every file, therefore, the absence of significant findings in our review of a particular audit file does not mean that all aspects of the audit were fully compliant with professional standards. Results are not intended to be extrapolated across a firm's entire audit portfolio but instead viewed as an indication of how firms address their most challenging audit situations.

How firms respond to CPAB findings

In addressing significant findings, CPAB requires an audit firm to carry out additional audit procedures to determine the need, if any, to restate the financial statements due to material error, or to substantiate that they obtained sufficient and appropriate audit evidence to support their audit opinion and to include the additional audit evidence in the audit file.

Firm's system of quality management

CPAB's inspection report does not provide a detailed assessment of the firm's system of quality management. If CPAB makes recommendations to a firm for improvement of its system of quality management, the firm is required to submit evidence or otherwise demonstrate to CPAB it has implemented the recommendations no later than 180 days after issuance of the final inspection report.

If a firm does not address the weaknesses, deficiencies, or recommendations to the satisfaction of CPAB, or does not make a submission in accordance with CPAB Rule 414, CPAB may make public on its website the relevant portion or portions of the final inspection report that deal with the weaknesses, deficiencies or recommendations and the fact that they have not been addressed to CPAB's satisfaction.

In this situation, the firm will be notified of our intent to publish and has an opportunity to request a review of this decision before publication is made.

About this report

CPAB's inspection report summarizes CPAB findings on key matters relevant to audit quality at Horizon Assurance during 2026. CPAB does not accept any liability to any party for any loss, damage or costs, however arising, whether directly or indirectly, whether in contract, tort or otherwise from any action or decision taken (or not taken) as a result of any person relying on, or otherwise using this document, or arising from any omission from it. This report can only be used in its full form. In accordance with CPAB Rule 413 (b), a participating audit firm may not publish or extract portions of any of CPAB's inspection reports without CPAB's consent.

Firm response

September 8, 2026

Mr. David Bromley
Acting Vice President, Inspections
Canadian Public Accountability Board
150 York St, Suite 900
Toronto, ON M5H 3S5

Re: Horizon Assurance LLP Response to the 2026 Public Inspection Report

Dear Mr. Bromley,

Horizon Assurance LLP (the “Firm”) is pleased to submit our response to the 2026 Public Inspection Report issued by the Canadian Public Accountability Board (“CPAB”).

We recognize CPAB’s important role in promoting high standards of audit quality, protecting the investing public, and supporting confidence in Canada’s capital markets. We take the inspection findings seriously and value the observations, guidance, and constructive feedback provided through the inspection process.

Audit quality is a fundamental priority for the Firm. We have carefully evaluated the inspection findings and have implemented, or are in the process of implementing, actions designed to address the matters identified and further strengthen our audit practice and system of quality management.

We are committed to continuous improvement and to ensuring that our policies, processes, and resources continue to support the consistent execution of high-quality audits in accordance with applicable professional standards and regulatory expectations.

We appreciate CPAB’s engagement throughout the inspection process and look forward to maintaining an open and constructive dialogue as we continue to strengthen audit quality and serve the public interest.

Yours truly,



Julia Zhou
Managing Partner