

Canadian Audit and Accountability Foundation
2024–2025 ANNUAL REPORT

STRATEGIC CHOICES, LASTING IMPACT

Delivering Value in a Shifting Landscape



CANADIAN AUDIT
& ACCOUNTABILITY
FOUNDATION

Message from THE CHAIR OF THE BOARD

It is a privilege to write this message as Chair of the Board for the first time, having proudly served on the Canadian Audit and Accountability Foundation's (CAAF's) Board for the past five years. I am honoured to step into this role at a time of both challenge and opportunity for the organization.

Since its creation in 1980, CAAF has spent the last 44 years equipping public sector auditors and oversight bodies around the world with the knowledge and skills they need to help governments enhance performance, transparency, governance, and accountability in the use of public resources. This important mission has never been more relevant.

2024–25 was a particularly challenging year. CAAF had to navigate financial uncertainty while continuing to deliver high-quality products and services. Strategic decisions were made to ensure the Foundation's financial sustainability, decisions that were difficult but necessary.

Despite these challenges, there were notable achievements. One of the most significant was securing two-year funding for our oversight programs. This success, achieved through close collaboration with the Board, is a testament to the strength of our mission and the hard work of the CAAF team. However, the broader funding environment remains unpredictable, and the need for stable, recurring financial support continues to be one of the Foundation's greatest challenges.

Strategic decisions were made to ensure the Foundation's financial sustainability, decisions that were difficult but necessary.

We also continued delivering professional development for public sector auditors in Canada and internationally, including the successful conclusion of the International Governance, Accountability and Performance (IGAP) program in Guyana, Vietnam, Senegal, and Rwanda. In addition, we introduced a new online self-paced course as part of our efforts to modernize and expand access to learning tools.

These innovations enhance our ability to serve public sector auditors and oversight bodies across all levels of government, both in Canada and abroad.

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Another major milestone at the end of this fiscal year was the launch of a new three-year program in the Indo-Pacific region, funded by Global Affairs Canada. This initiative reflects CAAF's strong reputation and trusted relationships internationally, built over years of delivering high-impact, meaningful programs.

As CAAF reduced its reliance on funding from the Canadian Council of Legislative Auditors (CCOLA) member offices, it is taking important steps to build a more sustainable financial model.

I would like to thank my fellow Board members for their unwavering commitment and valuable contributions over the past year. Your support, expertise, and passion for the mission of CAAF are deeply appreciated. Together, we remain committed to supporting the Foundation as it adapts and evolves to meet the changing needs of public sector auditors and the oversight community in Canada and abroad.



Michèle Galipeau
Chair, Board of Directors

Message from THE PRESIDENT AND CEO

As I reflect on the past year, I do so with a deep appreciation for the commitment of our staff, associates, and the Board to strengthening public sector audit, oversight, and accountability, both in Canada and internationally. It has been a year of significant effort, and real challenges.

We have seen notable accomplishments across our programs, described in this annual report. However, like many not-for-profit organizations, CAAF faced funding pressures that required difficult decisions, strategic prioritization, and a continued focus on long-term sustainability. Throughout these challenges, our team remained dedicated to delivering high-quality programs and services, ensuring that our mission continues to guide everything we do.

Navigating Financial Headwinds

One of the most significant achievements of this fiscal year was securing two-year funding for our oversight programs, a milestone made possible through close collaboration with our Board. This renewed support not only strengthens the foundation of our core activities but also enables CAAF to extend our services to the federal internal audit community.

While this progress reflects continued confidence in our mission, it also comes against the backdrop of a funding landscape that remains uncertain and subject to change.

Maintaining Impact

We are pleased to continue our international presence through a new program, launched late this year: Governance, Accountability, and Transparency for Inclusive Public Services (GATIPS) in the Indo-Pacific region. Funded by Global Affairs Canada (GAC), this three-year initiative reinforces the importance of inclusive public services and effective governance on a global scale. GATIPS also speaks to the strength of CAAF's reputation and relationships internationally.

We continued delivering professional development for public sector auditors both in Canada and abroad, including the conclusion of the IGAP program in Guyana, Vietnam, Senegal, and Rwanda. We advanced our International Fellowships program, under this GAC funded program, providing future leaders with hands-on exposure to Canada's audit system. We also delivered in-person and live virtual training in Ecuador, West Africa, Australia, New Zealand, and Wales, as well as to Canadian Audit offices and internal audit groups. These professional development programs reflect our ongoing commitment to capacity building, as we adjust to a less constrained environment.

Adapting and Evolving

This year also saw the development of new learning tools, including the launch of an online self-paced course, *The Audit Committee in Focus*, tailored to municipal councillors. We continued to offer practical guidance for auditors and oversight committees. In addition, we developed new training for auditors on using data analytics and artificial intelligence techniques in their audits. This is a rapidly evolving area, and we are proud of the work that went into the development of this new course.

Internally, CAAF experienced important shifts. These changes reflect the evolution of our organization and the need to align our structure and resources with emerging priorities.

Looking Ahead with Clarity

We must seek clarity on what lies ahead. Further changes are essential to achieving financial sustainability. Time is of the essence. While we've taken important steps this fiscal year, more must be done to align our activities with available resources and strategic priorities.

Moving forward, we will need to revisit our operating model and focus on delivering the greatest impact with the resources we have. This will involve difficult decisions and a collective commitment to change.

Our people are central to this transition. Each team member will continue to play a critical role as they focus their energy and expertise on their core responsibilities and work collaboratively to support our mission.

These changes won't be easy, but they are necessary. With clarity, purpose, and shared determination, CAAF can adapt and move forward, stronger and more focused, while continuing to deliver value to our members, partners, and the broader public sector audit and oversight community.



Paul Forgues
President & CEO



HOW WE SERVED OUR MEMBERS AND CLIENTS IN 2024–25

Delivered **28 courses** to over **500 public sector auditors**, including dedicated courses for several offices, virtual courses open to all for registration, and our **Emerging Leaders Program**



[See our courses](#)



Presented **8 webinars** on issues ranging from AI to ethics to citizen engagement



[Watch the recordings](#)



Shared **8 new resources** for auditors – 4 editions of **Audit Tips** and 4 editions of **Voices from the Field**



Published **7 new resources for oversight committees**, including 4 editions of **Oversight Tips** and new **Voices from the Field videos**



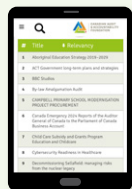
Established **collaborative arrangements** with PPX (Performance and Planning Exchange), CIPFA (Chartered Institute of Public Finance and Accountancy), and CAPAC (Commonwealth Association of Public Accounts Committees)



Delivered 2 workshops for Canadian **oversight committees**



[See our workshop offerings](#)



Added **770 audit reports** and guidance documents to CAAF's **Audit News database**, which now contains 11,500 documents



Participated in **conferences** of the Canadian Council of Legislative Auditors, the Canadian Council of Public Accounts Committees, the Government Internal Audit Council of Canada, and the Commonwealth Association of Public Accounts Committees



Provided **orientation packages** for new Public Accounts Committee members in 3 provinces and responded to PAC clerks' questions on practices in other jurisdictions



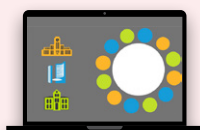
Collaborated with the **Treasury Board Secretariat** to support Canada's departmental audit committees and the federal government's controllership community



Launched a new module in our **self-paced course for municipal councillors**



and shared **4 short videos** from the course



Convened a **municipal audit forum** for auditors general and representatives from 12 Canadian municipal audit offices



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



HIGHLIGHTS FROM OUR INTERNATIONAL WORK



This was the final year of our seven-year International Governance, Accountability and Performance Program (2018–2025). Under this program, we worked with the supreme audit institutions (SAIs) and oversight committees of four partner countries—Guyana, Rwanda, Senegal, and Vietnam—to strengthen their performance audit and oversight practices.



See the results of the seven-year program in this article and video →

Delivered **20 courses** for SAIs, for more than **400 participants**, including 2 new courses:

- *Data Analytics for Performance Auditors*
- *Your Audit Report and the Media*



Collaborated with each of the 4 SAIs to complete a comprehensive assessment of its practices using INTOSAI's **SAI Performance Measurement Framework**



Completed our Leaders Program that supported each SAI's development of a **gender mainstreaming** strategy and plan. Activities included a workshop for all 4 countries in Ottawa, plus work with newly created gender committees at the SAIs of Guyana and Rwanda



Collaborated with the SAIs of Guyana and Rwanda to hold **outreach events with their stakeholders**—civil society organizations, the media, and government officials



Delivered workshops on effective **parliamentary oversight** for all members of Rwanda's Parliament and for Guyana's Public Accounts Committee



Graduated 2 cohorts of **Fellows**, who completed placements at Canadian audit offices, participated in CAAF courses, and planned audits they will conduct at their SAIs



See the **2023-24** and **2024 graduate Fellows** →

Thank you to our partners! Thank you to the Offices of the Auditors General of Alberta, British Columbia, Canada, Manitoba, Quebec, and the City of Toronto who hosted Fellowships and contributed to other program activities this year.



Began a project to build performance audit capacity at the SAI of **Ecuador**, implemented in partnership with Alinea International



Learn more in our webinar recording →



Delivered a custom 2-week training program for the Office of the Auditor General of the **Economic Community of West African States** Institutions



Organized a Fellowship placement for an auditor from the SAI of **South Korea**, hosted by the City of Toronto Auditor General's Office





QUARTERLY REPORTS



Strategic Plan Highlights

Advancing Public Sector Accountability

Activities from April – June 2024

OVERARCHING GOAL: OUR COMMITMENT TO EDI*

- ▶ Completed the **Anti-Racist Cooperation annual survey**, as signatories to the Anti-Racism Framework for Canada's international cooperation sector
- ▶ Presented our organization's **definition of EDI** to the Board's Capacity Building and Knowledge Exploration Committee and solicited the committee's feedback on next steps for our organizational EDI assessment
- ▶ Worked with participants from Guyana, Rwanda, Senegal, and Vietnam on **gender mainstreaming strategies** for their audit offices

*Equity, Diversity & Inclusion (EDI)

UNDERPINNING GOAL: OUR SUSTAINABILITY

- ▶ Continued seeking sustainable **funding for CAAF's oversight program**; several Auditors General and former Chairs of Canada's Public Accounts Committee expressed their support in opinion editorials:
 - *Investing to prevent abuse and mismanagement of public funds* (English translation of article published in French)
 - *Public money has no party*
 - *We need strong oversight of public spending. The ArriveCan spending scandal shows us why*
- ▶ Wished farewell to Administration Officer **Thera Pritchard**
- ▶ Began our recruitment process for a **Senior Officer, Professional Development**

[Learn more and apply](#) [➔](#)

GOAL AREA: MEMBER ENGAGEMENT



- ▶ Held **3 member-exclusive webinars**:
 - Ethics and Innovation: Challenges and Opportunities for the Auditing Profession in the Digital Age
 - Benefits and Risks of Citizen Engagement in the Audit Process
 - Diving Deeper into Root Cause Analysis, Systems Thinking and Culture

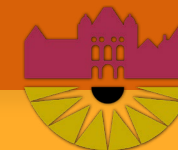
[Missed any? Catch up in our webinar archives](#) [➔](#)



- ▶ Welcomed the **Office of the Auditor General (OAG) of Ontario** as a new member

[See our members](#) [➔](#)

[Member benefits](#) [➔](#)



GOAL AREA: KNOWLEDGE EXPLORATION



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



Voices from the Field: Objective Centric Risk and Uncertainty Management in the Public Sector: Optimizing Risk Management and Accountability



Voices from the Field: Ethics & Innovation: Challenges and Opportunities for the Auditing Profession in the Digital Age



Audit Tips: 4 Reasons It Is Important to Audit Oil and Gas Revenues



- ▶ Participated in the Canadian Council of Legislative Auditors' **Performance Audit Symposium** and moderated a panel on international perspectives featuring CAAF's International Fellows



- ▶ Signed a memorandum of understanding with the **Chartered Institute of Public Finance and Accountancy** to collaborate on their performance audit certification program



- ▶ Shared updates on the **Public Sector Accounting Board's** new **Conceptual Framework for Financial Reporting in the Public Sector and Reporting Model**



- ▶ Organized a meeting of our **teaching Associates** to provide an update on CAAF courses and exchange ideas



- ▶ Supported the OAG of Rwanda when it welcomed a **delegation of Canadian Members of Parliament**, led by the Honourable Greg Fergus, Speaker of the House of Commons, to discuss the CAAF-OAG Rwanda partnership

GOAL AREA: CAPACITY BUILDING



- ▶ Held **3 open virtual courses**—*Audit Boot Camp*, *Root Cause Analysis*, and *Distilling Audit Findings*—with participants from across Canada

[See upcoming courses open for registration](#) [➔](#)



- ▶ Delivered our **Audit Boot Camp** course for the OAG of Alberta



- ▶ Held training for our partner supreme audit institutions (SAIs) in Guyana and Rwanda, including 2 first-time deliveries:
 - *Your Audit Report and the Media*, co-facilitated by the Auditor General of British Columbia
 - *Data Analytics*, with facilitators from the Government Audit Training Institute of Graduate School USA and the OAG of Alberta



- ▶ Continued the in-Canada portion of the **2023-24 international Fellowships** and began the virtual portion of the **2024 Fellowships**
 - ➔ Congratulations to the **2023-24 Fellows** who graduated in July!



- ▶ Led a workshop for our **Gender Mainstreaming Leaders Program** participants from Guyana, Rwanda, Senegal, and Vietnam, working on gender mainstreaming strategies for their SAIs



- ▶ Delivered a workshop for **Sherbrooke's audit committee**



- ▶ Completed field work with a team from the Guyana SAI and the OAG of British Columbia for an **assessment of the Guyana office**, using INTOSAI's SAI Performance Measurement Framework





Strategic Plan Highlights

Advancing Public Sector Accountability

Activities from July – September 2024

OVERARCHING GOAL: OUR COMMITMENT TO EDI*

- ▶ Developed a **human rights policy** for CAAF, expressing our commitment to upholding human rights and promoting equality and respect within our organization, in our work, and in our interactions with members, partners, and others
- ▶ Continued working with participants from Guyana, Rwanda, Senegal, and Vietnam on **gender mainstreaming strategies** for their audit offices

*Equity, Diversity & Inclusion (EDI)

UNDERPINNING GOAL: OUR SUSTAINABILITY

- ▶ Held our Annual General Meeting, where **4 new Directors** were elected to the Board
 - ➔ See our [Board of Directors](#)
- ▶ Launched our recruitment process for a **Senior Officer, Professional Development**
 - ➔ Advertise your job opening in our [Career Centre](#)
- ▶ Welcomed administration assistant **Carine Turay** to our team for the balance of our IGAP program and wished farewell to **Miko Demers**

GOAL AREA: MEMBER ENGAGEMENT



Held a **member-exclusive webinar** on *Moving Beyond the Failure of List-Based Risk Management: The Emergence of Objective-Centric Risk and Uncertainty Management*

➔ Watch the recording in our [webinar archives](#)



Continued adding to our ***Audit News database***, a members-only tool that provides easy access to over 11,000 performance audits and other documents

➔ Read [7 Ways to Use the Audit News Database to Improve Your Audits](#)



GOAL AREA: KNOWLEDGE EXPLORATION



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



Audit Tips: 4 Change Drivers That Are Disrupting Ineffective Risk Management Practices



Oversight Tips: 4 Tips for Constructively Engaging with Witnesses at PAC Hearings



Oversight Tips: 4 Ways Support Staff Can Help PAC Members Prepare for Hearings



- ▶ Participated in the annual joint conference of the **Canadian Council of Public Accounts Committees** and **Canadian Council of Legislative Auditors**



- ▶ Presented on how the internal audit profession can best prepare for the future at the **Government Internal Audit Council of Canada Annual Forum**, attended by chief audit executives for the provincial, territorial, and federal governments



- ▶ Collaborated with the African Organization of English-speaking Supreme Audit Institutions (AFROSAI-E) to deliver a webinar for their members on ***Using the Fishbone Diagram for SDG Implementation Analysis***



➔ Learn more about Root Cause Analysis techniques in our [course](#)



- ▶ Contributed to reviewing and updating the **INTOSAI Working Group on Extractive Industries'** learning framework, at a meeting of the task force hosted by AFROSAI-E



- ▶ Attended the **IIA Canada National Conference**



- ▶ Participated in a conference hosted by the State Audit Office Vietnam in celebration of its 30th anniversary

GOAL AREA: CAPACITY BUILDING



- ▶ Launched a new module in our [online self-paced course for municipal councillors: *The Audit Committee in Focus*](#)



➔ Watch a video from this new module: [Preparing and Asking Questions at Audit Committee Meetings](#)



- ▶ Welcomed the **2024 international Fellows** to Canada and provided orientation and professional development sessions before they began placements at the OAGs of Canada, Manitoba, Quebec, and the City of Toronto



➔ Meet the [2024 Fellows](#)



- ▶ Delivered our virtual ***Managing Audit Projects*** course for participants from the Australasian Council of Auditors General



➔ See our available [audit courses](#)



- ▶ Held **5 courses** for the **Vietnam SAI**, including 4 led by members of the SAI's Course Material Development Team who adapted CAAF courses for the SAI's internal training program



- ▶ Delivered **4 courses** for the **Rwanda SAI**, including one of our newest courses, *Your Performance Audit and the Media*



- ▶ Conducted field work with a team from the Rwanda SAI and the OAG of Alberta for an assessment of the Rwanda SAI using INTOSAI's SAI Performance Measurement Framework and continued working with other partner SAIs on their assessments





Strategic Plan Highlights

Advancing Public Sector Accountability

Activities from October – December 2024

OVERARCHING GOAL: OUR COMMITMENT TO EDI*

- ▶ Worked on site with the Guyana SAI's newly established **Gender Committee** on its gender mainstreaming strategy and supported its delivery of training for the office
- ▶ Continued working with partners at the Rwanda, Senegal, and Vietnam SAIs on their **gender mainstreaming strategies** for their audit offices

*Equity, Diversity & Inclusion (EDI)

UNDERPINNING GOAL: OUR SUSTAINABILITY



- ▶ Welcomed **Jessica Souto** as our new Operations Officer and announced that **Sharon Clark** would return to CAAF in January 2025 as Vice-President, Business and Professional Development – Audit. We also wished farewell to **Sherazade Shafiq**, Director, International Programs, and to **Yves Genest**, Vice-President, Research and Strategic Initiatives.

- We are currently hiring for a **Director, International Programs**

[View the job posting in our Career Centre](#)



- ▶ Signed an agreement with Alinea International to deliver support for the SAI of Ecuador through **Canada's Technical Assistance Partnership – Expert Deployment Mechanism**

GOAL AREA: MEMBER ENGAGEMENT



- ▶ Held **3 member-exclusive webinars**:



Ensuring That Your Audit Will Make a Difference: Evidence Collection and Analysis (in French)



Can ChatGPT Write Your Next Audit Report?



Ensuring the Quality of Your Audit to Make a Difference: Evidence Collection and Analysis

[Watch all recordings in our webinar archive](#)

GOAL AREA: KNOWLEDGE EXPLORATION



- ▶ Published **2 new resources for auditors**:



Audit Tips: Six Tips for Using Generative AI in Your Audits



Voices from the Field: Using Performance Audit to Assess an Organization's Efforts to Prevent Corruption



- ▶ Shared **new resources for municipal councillors**:

- ***Oversight Tips: Tips for Municipal Councils to Consider in Reviewing Audit Reports if They Have No Audit Committee***
- ***Why Audit Committees Matter***
- 2 videos taken from our course for municipal councillors: ***The Audit Committee Process – Ensuring Recommendations Are Being Implemented*** and ***How Municipal Audit Committees Support Effective Oversight***

[Learn about this online self-paced course: *Municipal Oversight for Councillors*](#)



- ▶ Convened a **Municipal Audit Forum** with Auditors General and representatives from many Canadian cities



- ▶ Confirmed with the Chartered Institute of Public Finance and Accountancy that we will develop content for its **performance audit certification program**



- ▶ Presented at the **Commonwealth Association of Public Accounts Committees** conference



- ▶ Participated in the **African Organization of English-speaking Supreme Audit Institutions (AFROSAI-E)** Technical Update conference with partners from the Rwanda SAI

GOAL AREA: CAPACITY BUILDING



- ▶ Celebrated the 2024 **international Fellows' graduation** [Read more](#)



- ▶ Delivered **8 dedicated courses for member offices**, including 5 courses for the Australasian Council of Auditors General, customized training for the Office of the Auditor General (OAG) of Ottawa, a one-week program for Atlantic OAGs, and our *Root Cause Analysis* course for the OAG of Alberta

[Request a dedicated course for your office](#)



- ▶ Delivered workshops on Effective Parliamentary Oversight for **Members of Parliament in Rwanda**



- ▶ Welcomed participants from across Canada to **2 open virtual courses**

[Register for an upcoming course](#)



- ▶ Held our week-long **Emerging Leaders Program** in Ottawa for 14 public sector auditors, from across Canada and from Guyana and Rwanda [See the graduates](#)



- ▶ Collaborated with the **Guyana SAI** to hold several courses and workshops for auditors, government officials, and parliamentarians



- ▶ Delivered a workshop for the **Public Accounts Committee of Ontario**



- ▶ Worked with a team at the Vietnam SAI on an assessment of the office using INTOSAI's **SAI Performance Measurement Framework**



Strategic Plan Highlights

Advancing Public Sector Accountability

Activities from January – March 2025

OVERARCHING GOAL: OUR COMMITMENT TO EDI*

- ▶ Worked on site with teams at the SAIs of Vietnam and Rwanda on their gender mainstreaming plans for their offices

* Equity, Diversity & Inclusion (EDI)

UNDERPINNING GOAL: OUR SUSTAINABILITY

- ▶ Began developing CAAF's **next strategic plan**, for 2026-2030
- ▶ Signed a **funding agreement for a new international program**—Governance, Accountability, and Transparency for Inclusive Public Services in the Indo-Pacific region—and hired a Director, International Programs, who will join CAAF beginning in June
- ▶ Recruited **producers** for our live virtual courses

GOAL AREA: MEMBER ENGAGEMENT

- ▶ Met with member organizations to discuss our **new membership model**, ahead of its April launch, and hear about their current needs and the value they see in engaging with CAAF
- ▶ Continued to provide **member-exclusive resources**, including the Audit News Database, free webinars and our webinar archives, and benefits including discounts on advertising in our **Career Centre** – a valuable opportunity to promote job postings to our audience of public sector auditors across Canada and around the world



GOAL AREA: KNOWLEDGE EXPLORATION

- ▶ Published **2 new resources for auditors**:
 - Voices from the Field: *Using a Maturity Model to Implement Risk Management: A Case Study at the Canadian Food Inspection Agency*
 - Audit Tips: *5 Methods to Prevent Corruption That Can Be Audited*
- ▶ Contributed content to the Chartered Institute of Public Finance and Accountancy's **performance audit certification program**
- ▶ Participated in the OECD's **Global Anti-Corruption & Integrity Forum**
- ▶ Shared insights from public accounts committee (PAC) members in **2 new Voices from Field videos**:
 - *Insights from a Former PAC Chair with Chuck Chiasson, former Chair of New Brunswick's PAC*
 - *Lessons from a Newly Created PAC with Kieron Testart, Northwest Territories MLA and PAC Member*
- ▶ Held a webinar titled **Double Duty: Auditors as Ethical Role Models and Guardians**
 - Register for our next webinar: *Certifying Performance Auditors: Achieving Recognition in a Changing World*
- ▶ Published new **Oversight Tips: *5 Foundational Powers and Authorities of an Effective PAC***
- ▶ Met with several organizations, including **INTOSAI** (the International Organization of Supreme Audit Institutions), **IDI** (the INTOSAI Development Initiative), **OLACEFS** (the Organization of Latin American and Caribbean SAIs), the **Commonwealth Association of Public Accounts Committees**, and the Auditor General of the **World Bank**, to discuss possible areas of collaboration



GOAL AREA: CAPACITY BUILDING

- ▶ Delivered a two-week performance audit training program for the Office of the Auditor General of **ECOWAS Institutions (the Economic Community of West African States)** and signed a memorandum of understanding for possible future cooperation
- ▶ Delivered **customized courses** on Internal Controls and Performance Audit, Evidence Collection and Analysis, Auditing the 3 E's, and Audit Scoping, for member organizations and other clients
 - [Request a dedicated course for your office](#)
- ▶ Held **4 open virtual courses**, attended by internal and external public sector auditors from across Canada
- ▶ Delivered performance audit training for SAIs participating in our IGAP program – including a **new Data Analytics course** in Guyana, developed and delivered with partners from the OAG of Alberta, and our Audit Boot Camp delivered in Senegal with partners from the OAG of Quebec
- ▶ Held **2 workshops for Public Accounts Committees** – an orientation workshop for new PAC members and parliamentary staff in Rwanda, and a follow-up workshop with the Guyana PAC as it continues to strengthen its effectiveness



- ▶ Met with **12 graduates of our Fellowships** at the Vietnam SAI to develop recommendations for further growing the SAI's performance audit practice
- ▶ Provided performance audit training and a train-the-trainer workshop for the **SAI of Ecuador**, through Canada's Technical Assistance Partnership—Expert Deployment Mechanism implemented by Alinea International and funded by Global Affairs Canada
- ▶ Provided **orientation packages for new PAC members** in British Columbia and Nova Scotia



International Governance, Accountability and Performance Program



FINANCIAL REPORTS

The Canadian Audit and Accountability Foundation's financial statements for the year ended March 31, 2025, 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 interest 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



2024–2025 REVENUE

\$4,423,639

5% increase from last year

OF NOTE

Membership fees and contributions revenues decreased 32%

WHY? This marked the final year of the Canadian Council of Legislative Auditors (CCOLA) Memorandum of Understanding. We thank CCOLA for providing us with a 4-year window, progressively decreasing the annual membership fees CAAF received from the CCOLA offices. Moving forward, membership fees will be negotiated with each individual CCOLA office, the same as other public sector audit offices or departments in Canada and internationally.

A bump of 16% in the international program (IGAP) revenue

WHY? The financial allocation required for the concluding year of the International Governance, Accountability and Performance (IGAP) program. This reflects the costs to deliver the activities associated with the annual workplan, a 7-year Global Affairs Canada (GAC) funded project.

A crucial increase in oversight funding, from \$21K in 2024 to \$138K in 2025

WHY? In the last quarter of the fiscal year, January to March 2025, CAAF earned a portion of a secured 2-year funding commitment for our oversight programs.

Expenses



2024–2025 EXPENSES

\$4,685,787

11% increase from last year

OF NOTE

Travel expenses increased by 22% (\$147K)

primarily with international travel associated with the final year of IGAP, the GAC funded project.

A \$136K office lease termination related expense

originally projected for the previous fiscal year.

A \$105K employee separation cost related expense

one-time expense in nature but significantly impacting the bottom line.

CAAF continues to outsource several finance, accounting, HR, and IT related functions to streamline its operations and reduce staff expenditure.

OUR SUSTAINABILITY

Net Loss: \$262,148. This significant loss for CAAF is the combined result of reduced membership fee revenues and significant one-time expenses for the reduction of office space and employee termination costs.

Net assets: \$829,723, a decrease of 24%.

In our ongoing efforts to ensure CAAF's financial stability and long-term sustainability, we will:

- Reassess our operating model to maximize impact, while delivering value to our members and clients at a lower cost.
- Utilize Government of Canada funding as a catalyst to attract additional support for our Oversight and Accountability programs.
- Optimize the way we develop and deliver our professional development (training) programs to public sector auditors in Canada and internationally.



FINANCIAL STATEMENTS
For
**CANADIAN AUDIT AND ACCOUNTABILITY FOUNDATION/
FONDATION CANADIENNE POUR L'AUDIT ET LA RESPONSABILISATION**
For year ended
MARCH 31, 2025

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, 2025, 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, 2025 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.

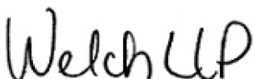
Auditor's Responsibilities for the Audit of the Financial Statements

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 17, 2025.

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

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2025

	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 579,088	\$ 301,215
Short-term investments (note 4)	1,654,710	1,650,000
Accounts receivable	87,454	93,276
HST receivable	-	54,729
Prepaid expenses	<u>11,661</u>	<u>68,589</u>
	<u>\$ 2,332,913</u>	<u>\$ 2,167,809</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 511,990	\$ 384,543
HST payable	52,967	-
Deferred international program funds (note 5)	466,280	637,030
Deferred membership, training and other revenue (note 6)	457,830	34,945
Lease inducements	<u>14,123</u>	<u>19,420</u>
	1,503,190	1,075,938
NET ASSETS		
Unrestricted	<u>829,723</u>	<u>1,091,871</u>
	<u>\$ 2,332,913</u>	<u>\$ 2,167,809</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, 2025

	<u>2025</u>	<u>2024</u>
Revenue		
International program funds (note 5)	\$ 3,039,206	\$ 2,614,689
Audit and professional development (note 6)	707,356	740,904
Membership fees and contributions (note 6)	477,028	697,879
Oversight (note 6)	138,243	20,775
Interest and other	61,806	155,759
	<u>4,423,639</u>	<u>4,230,006</u>
Expenses		
Personnel	2,501,263	2,490,577
Travel	812,615	665,213
Rent, utilities et venues	601,347	436,658
Contract and professional services	233,556	231,461
Program expenses	213,750	179,857
Termination expenses	105,010	-
IT supplies, equipment and support	66,211	46,091
Translation	26,696	44,582
Office and operations	34,082	42,442
Board expenses	24,862	28,908
Bank and credit card fees	23,855	22,738
Memberships and professional development	13,389	11,242
Conferences	14,042	9,774
Insurance	9,597	5,835
Miscellaneous	8,565	3,657
Foreign exchange loss	(3,053)	(3,467)
	<u>4,685,787</u>	<u>4,215,568</u>
Excess of revenue over expenses (expenses over revenue)	(262,148)	14,438
Unrestricted net assets, beginning of year	<u>1,091,871</u>	<u>1,077,433</u>
Unrestricted net assets, end of year	<u>\$ 829,723</u>	<u>\$ 1,091,871</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, 2025

	<u>2025</u>	<u>2024</u>
CASH PROVIDED (USED FOR)		
OPERATING ACTIVITIES		
Excess of revenue over expenses (expenses over revenue)	\$ (262,148)	\$ 14,438
Changes in non-cash working capital components:		
Accounts receivable	5,822	198,333
HST receivable	107,696	(16,207)
Prepaid expenses	56,928	63,840
Accounts payable and accrued liabilities	127,447	(88,144)
Deferred international program funds	(170,750)	185,704
Deferred membership, training and other revenue	422,885	(27,309)
Lease inducements	<u>(5,297)</u>	<u>(5,295)</u>
	<u>282,583</u>	<u>325,360</u>
INVESTING ACTIVITIES		
Purchase of short-term investments	<u>(4,710)</u>	<u>(1,150,000)</u>
INCREASE (DECREASE) IN CASH	277,873	(824,640)
CASH, BEGINNING OF YEAR	<u>301,215</u>	<u>1,125,855</u>
CASH, END OF YEAR	<u>\$ 579,088</u>	<u>\$ 301,215</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, 2025

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"). The Foundation's current level of operations depends on the continuation of this revenue source.

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.

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

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.

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.

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 \$114,989 (2024 - \$91,570) 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 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, 2025

4. SHORT-TERM INVESTMENTS

Short-term investments consist of the following:

	<u>2025</u>	<u>2024</u>
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	-	250,000
Cashable GIC - prime less 2.45%, due November 2025	54,710	-
Cashable GIC - prime less 2.00%, due December 2025	1,100,000	-
Cashable GIC - prime less 2.25%, due February 2026	<u>500,000</u>	<u>-</u>
	<u>\$ 1,654,710</u>	<u>\$ 1,650,000</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>2025</u>	<u>2024</u>
Deferred program funds, beginning of year	\$ 637,030	\$ 451,326
Advances from GAC	<u>2,868,456</u>	<u>2,800,393</u>
	3,505,486	3,251,719
Revenue recognized representing direct expenses for the year including contributions to general expenses	<u>(3,039,206)</u>	<u>(2,614,689)</u>
Deferred program funds, end of year	<u>\$ 466,280</u>	<u>\$ 637,030</u>

An agreement with GAC was signed on March 29, 2018 and provides total funding of \$14,950,000 until April 30, 2025. A new contribution agreement was signed with GAC subsequent to year-end.

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>2025 Total</u>	<u>2024 Total</u>
Balance, beginning of year	\$ 7,483	\$ 27,462	\$ -	\$ 34,945	\$ 62,254
Advances received	909,881	697,388	138,243	1,745,512	1,432,249
Revenue recognized	<u>(477,028)</u>	<u>(707,356)</u>	<u>(138,243)</u>	<u>(1,322,627)</u>	<u>(1,459,558)</u>
Balance, end of year	<u>\$ 440,336</u>	<u>\$ 17,494</u>	<u>\$ -</u>	<u>\$ 457,830</u>	<u>\$ 34,945</u>

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

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2025

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:

2026	\$ 27,438
2027	27,438
2028	18,292

8. COMPARATIVE FIGURES

Certain comparative figures have been reclassified, where applicable, to confirm to the presentation adopted for the current year.