

**1.1.5 CSA Staff Notice 52-307 - Auditor Oversight and Financial Statements Accompanied by an Audit Report Dated on or after March 30, 2004**

**CSA STAFF NOTICE 52-307**

**AUDITOR OVERSIGHT AND FINANCIAL STATEMENTS ACCOMPANIED BY AN AUDIT REPORT DATED ON OR AFTER MARCH 30, 2004**

**Introduction**

The Canadian Securities Administrators (CSA), other than British Columbia, published on June 27, 2003 proposed Multilateral Instrument 52-108 *Auditor Oversight* for a 90-day comment period. British Columbia published the proposed Instrument on September 3, 2003 for a 60-day comment period. Staff of the CSA are in the process of finalizing the proposed Instrument and do not expect to make material changes from the version published for comment.

We are issuing this notice to alert reporting issuers and their auditors to the need to act now to organize their affairs to ensure they are able to comply with the requirements of the final Instrument which we expect to affect auditors' reports dated on or after March 30, 2004.

**March 30, 2004 Effective Date Expected**

Subject to receiving all necessary Commission and Ministerial approvals, CSA staff expect that the final Instrument will be adopted by all jurisdictions in January 2004 and will take effect on March 30, 2004. Accordingly, reporting issuers and their Canadian auditors should be aware that audit reports dated on or after March 30, 2004 that are filed with a securities commission will have to be signed by an auditor that:

- (i) is registered with the Canadian Public Accountability Board (CPAB); and
- (ii) is in compliance with any restriction or sanction that may have been imposed by the CPAB.

**The CPAB Registration System**

For Canadian auditors, the CPAB registration system involves two phases. Under the first phase, audit firms must file with the CPAB by December 31, 2003 a notice of their intention to participate, together with a quality control report and the required fees. Under the second phase, audit firms will be invited to file with the CPAB by February 29, 2004 an initial registration form and a signed participation agreement. If a reporting issuer's auditor files the materials required by the CPAB within these time frames, it will be considered to be registered with the CPAB. Foreign audit firms will have until July 19, 2004 to complete the registration process. Detailed information about the CPAB registration system is available on the CPAB web-site at [cpab-crc.ca](http://cpab-crc.ca).

## Questions

Please refer your questions to any of the following people:

### **British Columbia Securities Commission**

Carla-Marie Hait, Chief Accountant, (604) 899-6726  
Susan Toews, Senior Legal Counsel, (604) 899-6764  
You may also call 1-800-373-6393 from B.C. and Alberta.

### **Alberta Securities Commission**

Fred Snell, Chief Accountant, (403) 297-6553  
Denise Hendrickson, General Counsel, (403) 297-2648

### **Ontario Securities Commission**

John Carchrae, Chief Accountant, (416) 593-8221  
Jean-Paul Bureaud, Senior Legal Counsel, (416) 593-8131

### **Commission des valeurs mobilières du Québec**

Diane Joly, Director, Financial Expertise, Research and  
Governance, (514) 940-2199 ext. 4551

**December 5, 2003.**