



**GARY A. PORTER, FCGA, CA**

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**Annual Review of Compliance by CGA Ontario with the Standards of  
The Public Accountants Council for the Province of Ontario, for  
the Year ended October 31, 2011**

*Review of the Certified General Accountant's Association of Ontario's (CGAO) Continuing Compliance with the Standards of The Public Accountants Council for the Province of Ontario (the Council) for the Year ended October 31, 2011*

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**1. Objective**

The objective of the annual review is to report to the Council on whether, after performing the review procedures described in section 3, any evidence could be found which indicated that the CGAO has, in any significant way, failed to meet the standards developed and adopted by the Council pursuant to Section 19 of the Public Accounting Act, 2004 (the Act) as the minimum standards that an Authorized Designated Body (ADB) must meet in order for the Council to authorize such body to license and govern the activities of its qualified members as public accountants in Ontario (the Council Standards).

The Council Standards recognize that an ADB may use different processes to meet the requirements set out in the Council Standards if the ADB can demonstrate to the satisfaction of the Council that its processes are no less rigorous than the requirements of the Council Standards.

**2. The Nature of the Annual Monitoring and Review Process**

The objective of the Annual Review Process is derived from Section 21 of the Act, which states:  
**Review of operation of designated bodies**

***21. (1)** In ensuring that the purpose and objects of the Council are being met and that a designated body is complying with the standards developed under Section 19, **the Council shall conduct periodic reviews, not less than once in every three years, of the operation of each authorized designated body and shall report on them to the Minister. 2004, c. 8, s. 21 (1).***

**3. The Review Process**

1. This review consisted primarily of: detailed review of the Activity Report submitted for the year ended October 31, 2011 by the CGAO, including its completeness;
2. A comparison of the Activity Report with that of the prior year;
3. Analytical review procedures applied to the facts presented in the two activity reports;
4. A review of the CGAO Annual Report;
5. A review of Key Controls & Related Risks regarding compliance with PAC standards, as documented by the CGAO;
6. Review of CGAO responses to a detailed questionnaire on ADB compliance processes covering all of the standards in Section 19 of the Act;
7. Enquiry and discussion with CGAO management regarding the results of our review and analysis;
8. Conclude and Report.

**4. The Evaluator**

**Gary A. Porter, FCGA, CA**

- Member of the Board of CPAB
- Past President of CGA Ontario
- Past Vice President of CGA Canada
- Member of the Board of the Ontario Teachers' Pension Fund 1998-2005
- Member of the Audit and Actuarial Committee and Chair of the Investment Committee
- Past member of the Discipline Committee of the ICAO
- Author of Attribute and Dollar Unit Sampling
- Co-author of 2009 Handbook of International Standards on Auditing and Quality Control for IFAC.

**5. Integrated Evaluation**

The review of the CGAO Public Accounting Standards and programs, processes and policies has been carried out keeping in mind that the functions of education, examination, experience and the maintenance by licensees of currency in both education and experience must be synthesized in such a way as to develop and sustain a licensed public accountant (LPA) capable of competent professional judgment as a practitioner. Therefore, the review, analyses, enquiries and discussions have been conducted with a view to understanding CGAO LPA operations as a whole.

**6. Evaluator's Report**

To: The Public Accountants Council for the Province of Ontario  
Re: The Certified General Accountants' Association of Ontario (CGAO)

I have performed the procedures set out in section 3 of this report. My task was to determine, by performing these procedures, whether evidence was discovered of any significant failure (s) by the CGAO to comply with its requirements under the Public Accounting Act, 2004 for the year ended October 31, 2011.

As a result of performing these procedures, I found no evidence indicating that the CGAO is not in compliance with the standards for ADBs as set out in the Public Accounting Act, 2004 in all material respects during the period under review.

Prescott, Ontario  
June 11, 2012

**Gary A  
Porter,  
FCGA,  
CA**

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