Reporting

Heritage Toronto

For the year ended December 31, 2024

Report to Board of Directors
Audit strategy and results

Purpose of report and scope

The purpose of this report dated March 10, 2025 is to engage in an open dialogue with you regarding our audit of the financial statements of Heritage Toronto (the "Organization") for the year ended December 31, 2024. This communication will assist you in understanding our overall audit strategy and results. The information in this document is intended solely for the information and use of Audit and Finance Committee, Board of Directors and management and should not be distributed to other parties.

The purpose of our audit, our responsibilities and your responsibilities were communicated to you in our signed engagement letter dated August 23, 2023.

Audit approach

Our audit approach involves identifying and assessing risks of material misstatement of the financial statements, whether due to fraud or error. Misstatements, including omissions, are material if they could reasonably be expected to influence the economic decisions made by users based on the financial statements. Ultimately, materiality is a measure of the significance of items to financial statement users, taking both quantitative and qualitative considerations into account. Without this concept, auditors would need to verify every transaction, which would not generally be practical, useful or cost effective. We apply a materiality threshold as a basis for focusing our audit work and, ultimately, to determine what matters will be brought to your attention and what adjustments need to be made to the financial statements.

The greater the risk of material misstatement associated with an area of the financial statements, the greater the audit emphasis placed on it in terms of verification. Where the nature of a risk is such that it requires special audit consideration, it is classified as a significant risk.

Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements may not be detected and this is particularly true in relation to fraud. The primary responsibility for the prevention and detection of fraud rests with you.

Status of our audits

We have substantially completed our audit of the financial statements of the Organization and the results of that audit are included in this report. We will finalize our report upon resolution of the following items that are outstanding as at March 10, 2025:

- Audit procedures around potential claims
- Receipt of signed management representation letter
- Approval of the financial statements by Board of Directors
- Final inquiries regarding subsequent events

Auditor's report modifications

Our auditor's report contained the following modifications:

- In common with many not-for-profit organizations, the Organization derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification.

Audit results

Area of focus	Matter, response and findings
Significant risk: fraud via management override of internal control	Per the Canadian auditing standards, this is a presumed significant risk. The risk relates to management's ability to override the controls surrounding financial reporting in order to report improved financial results, manipulate particular financial statement areas, or perpetrate other financial fraud. Our audit procedures included testing journal entries, testing and analyzing significant accounting estimates for evidence of management bias, and reviewing significant transactions outside the normal course of business. Our audit procedures did not uncover any significant issues.
Significant risk: fraud in revenue recognition	Per the Canadian auditing standards, there is a presumed significant risk of fraud in revenue recognition. The risk is presumed to apply because past history indicates that, in financial statement frauds, revenue is an area that is commonly manipulated. Our audit procedures included testing revenue-related journal entries, determining that revenue recognition policies were reasonable based on the accounting standards followed by the Organization, and were consistently applied. Our audit procedures did not uncover any significant issues.

Area of focus	Matter, response and findings
Accounting practices	As part of our audit, we considered the Organization's significant accounting practices, including accounting policies, accounting estimates and financial statement disclosures. We noticed that both agency trust funds liability and deferred revenue have old balances that have not changed for a number of years. Per discussion with management, there may no longer be an obligation from the Organization due to circumstances outside the control of the Organization. We recommend management to assess all old agency trust fund and deferred revenue balances to determine if the Organization still has an obligation. Ultimately, whether the balances remain appropriately presented as liabilities on the Statement of Financial Position or should be recognized as revenue. Additionally, we note that expenses in the statement of operations and changes in fund balance are disclosed by both nature and function. This is considered a disclosure deficiency; however management does not believe this is a signature departure and has determined adjustment is not necessary.

We are required to report to you all significant findings from our audit, including identified or suspected fraud, non-compliance with laws or regulations, unreasonable requests by management not to send confirmation requests, major adjustments to opening balances, related party matters, going concern issues and significant audit difficulties encountered. Our audit did not identify any significant findings other than those included in the table above.

Uncorrected misstatements

Increase (Decrease)	Balance sheet			Income effect
Description	Assets	Liabilities	Equity	Earnings
To recognize OCH documentary revenue as Heritage Toronto is the principal on such agency relationships and should be recognizing related revenue.	$ -	$ -	$ -	$ 15,844
To recognize OCH documentary expense as Heritage Toronto is the principal on such agency relationships and should be recognizing related expense.	-	-	-	(15,844)
Total uncorrected misstatements	$ -	$ -	$ -	$ -

Our audit identified the unadjusted non-trivial misstatements noted in the table above, which have not been adjusted because you consider them to be immaterial, both individually and in aggregate.

Other matters

Internal control

We obtain an understanding of internal control over financial reporting to the extent necessary to plan the audit and to determine the nature, timing and extent of our work. If we become aware of a deficiency in your internal control over financial reporting, the auditing standards require us to communicate to Board of Directors those deficiencies we consider significant. However, a financial statement audit is not designed to provide assurance on internal control.

Please refer to Appendix A for a detailed explanation of internal control observations noted during our audit.

Independence

We have a rigorous process where we continually monitor and maintain our independence. We have identified no information regarding our independence that in our judgment should be brought to your attention.

Technical updates

Refer to Appendix B for Accounting updates and Appendix C for Audit updates.

Contact information

If you would like to speak to Doane Grant Thornton about anything in this report or about the audit, please feel free to contact the Principal or the Manager on the file:

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Appendix A - Internal control deficiencies

A deficiency in internal control exists where the design, implementation, operation or absence of a control means that internal controls are unable to prevent, or detect and correct, misstatements in the financial statements on a timely basis. The Canadian Auditing Standards require that, where we identify internal control deficiencies during an audit, we assess their importance and severity and communicate them to management and those charged with governance, as appropriate. Deficiencies that are of sufficient importance to merit the attention of those charged with governance are described as "significant deficiencies".

The matters reported below are limited to those deficiencies we identified during the audit that we considered to be of sufficient importance to communicate. Had we performed more extensive procedures on internal control, including procedures subsequent to March 10, 2025, we might have identified more deficiencies or reached different conclusions about the deficiencies reported.

Significant deficiencies

Our audit identified the following significant deficiencies in internal control:

Significant deficiency	Description of deficiency and management's response
Lack of segregation duties	In common with Organizations with small accounting team, we noted several issues surrounding segregation of duties. The following functions result in the risk of misappropriation of assets and creates a risk over the completeness of revenues. It was noted that the Operations Coordinator and the Executive Director have admin access to various applications and are involved in financial reporting. We would recommend, if feasible, that the admin log be reviewed periodically by the Board of Directors to ensure staff are not inappropriately utilizing the admin access. We note that in F2024, due to the significant decrease in cash donation on tours, there was only one staff responsible for accepting and counting cash during any given tour. However, cash collected on tours was re-counted at the office by the Operation Coordinator and Tour Manager. We also note that the Operations Coordinator opens mail herself and will deposit cheques and cash with no supervision. She also enters revenue into ETAP. Management recognizes that controls can be enhanced and will implement a policy whereby the Executive Director will watch the mail opening and agree the bank deposit slip to the mail opening total. Cash transactions in the Organization in 2024 were insignificant and management plans to continue to limit any cash transactions as well as implement controls mentioned above to reduce the risk of misappropriation of assets. Management believes that controls are sufficient given the size and complexity of the entity.

Appendix B – PSAS Accounting developments

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Public Sector Accounting Standards	Effective date
Section PS 1202 *Financial Statement Presentation* New Section PS 1202 *Financial Statement Presentation* replaces Section PS 1201 *Financial Statement Presentation*. The main features of the new Section include: • Changes to the statement of financial position to present financial assets, non-financial assets, total assets, financial liabilities, non-financial liabilities total liabilities and net assets/net liabilities • Separate statement of changes in net assets or net liabilities (formerly known as accumulated surplus) by required categories • The addition of a statement of net financial assets or net financial liabilities that presents a revised net financial assets or net financial liabilities (formerly known as “net debt”) calculation • The option to present the change in net financial assets or net financial liabilities on the statement of net financial assets or net financial liabilities • Ability to present an amended budget when there is an election or the majority of the governing body of a government organization is newly elected or appointed • The requirement to provide a subtotal prior to financing activities in the statement of cash flow • Guidance on assessing the going concern assumption As a result of the issuance of the new Section, various Sections and Guidelines of the Handbook have been amended to include references to the Section. The impacted Sections and Guidelines include: • PS 1300 *Government Reporting Entity* • PS 2120 *Accounting Changes* • PS 2500 *Basic Principles of Consolidation* • PS 2510 *Additional Areas of Consolidation* • PS 2601 *Foreign Currency Translation* • PS 3041 *Portfolio Investments* • PS 3060 *Interest in Partnerships* • PS 3070 *Investments in Government Business Enterprises* • PS 3100 *Restricted Assets and Revenues* • PS 3160 *Public Private Partnerships* • PS 3260 *Liability for Contaminated Sites* • PS 3280 *Asset Retirement Obligations* • PS 3300 *Contingent Liabilities* • PS 3310 *Loan Guarantees* • PS 3400 *Revenue* • PS 3410 *Government Transfers* • PS 3430 *Restructuring Transactions* • PS 3450 *Financial Instruments* • PS 4200 *Financial Statement Presentation by Not-for-Profit Organizations* • PSG-2 *Leased Tangible Capital Assets*	Fiscal years beginning on or after April 1, 2026. Earlier adoption is permitted *only if* the Conceptual Framework is also adopted at the same time. Prior period amounts would need to be restated to conform to the presentation requirements for comparative financial information in Section PS 1202.

Public Sector Accounting Standards	Effective date
• PS 3230 *Long-Term Debt* • PS 3250 *Retirement Benefits* • PS 3255 *Post-Employment Benefits, Compensated Absences and Termination Benefits* • PSG-4 *Funds and Reserves* • PSG-5 *Sale-Leaseback Transactions*	
Conceptual Framework for Financial Reporting in the Public Sector PSAB's Conceptual Framework for Financial Reporting in the Public Sector replaces Sections PS 1000 *Financial Statement Concepts* and PS 1100 *Financial Statement Objectives*. The new Conceptual Framework includes: • Characteristics of public sector entities • Objectives of financial reporting • Primary users of financial reporting and their expectations • Role of financial statements • Foundations and objectives of financial statements • Qualitative characteristics of information in financial statements • Qualitative characteristics of information in financial statements and related considerations • Definitions of elements • Criteria of general recognition and derecognition; and, • Concepts of general measurement and presentation As a result of the issuance of the Conceptual Framework, various Sections and Guidelines of the Handbook have been amended to include references to the new Conceptual Framework, add/clarify key definitions that are consistent with the Conceptual Framework, and/or remove references to qualitative characteristics that are no longer qualitative characteristics in the new Conceptual Framework. These Sections include: • Introduction to the Public Sector Accounting Handbook (formerly the Introduction to the Public Sector Accounting Standards) • PS 1150 *Generally accepted Accounting Principles* • PS 1201 *Financial Statement Presentation* • PS 1300 *Government Reporting Entity* • PS 2100 *Disclosure of Accounting Policies* • PS 2120 *Accounting Changes* • PS 2130 *Measurement Uncertainty* • PS 2200 *Related Party Transactions* • PS 3150 *Tangible Capital Assets* • PS 3200 *Liabilities* • PS 3210 *Assets* • PS 3400 *Revenue* • PS 3430 *Restructuring Transactions* • PS 3450 *Financial Instruments; and* • PS 4230 *Capital Assets Held by Not-for-Profit Organizations* The Conceptual Framework will be applied prospectively.	Fiscal years beginning on or after April 1, 2026. Earlier adoption is permitted.

Public Sector Accounting Standards	Effective date
Section PS 3160 *Public Private Partnerships* New Section PS 3160 *Public Private Partnerships* establishes standards on how to account for public private partnerships between public and private sector entities where infrastructure is procured by a public sector entity using a private sector partner that is obligated to design, build, acquire or better infrastructure; finance the infrastructure past the point where the infrastructure is ready for use and operate and/or maintain the infrastructure. Infrastructure typically includes items such as tangible capital assets (i.e., complex network systems), but may also include items that are intangible in nature. The main features of the new Section are: • The infrastructure is recognized as an asset when the public sector entity acquires control of the infrastructure. A liability is also recognized when the public sector entity recognizes an asset • The infrastructure asset and corresponding liability are initially measured at the cost of the infrastructure asset • Subsequent measurement of the infrastructure asset is based on the asset cost amortized in a rational and systematic manner over the useful life of the asset • Subsequent measurement of the financial liability is at amortized cost using the effective interest method. When all or a portion of the liability represents a performance obligation, revenue is recognized, and the liability reduced in accordance with the substance of the public private partnership agreement (as performance is achieved) Retrospective or prospective application is permitted.	Fiscal years beginning on or after April 1, 2023. Earlier adoption is permitted.
Section PS 1000 *Financial statement concepts,* Section 1201 *Financial Statement Presentation,* and PSG-8 *Purchased intangibles* Section PS 1000 has been amended to remove the prohibition of recognition of purchased intangibles in public sector financial statements. Consequentially, Section PS 1201 has also been amended to remove disclosure requirements for unrecognized purchased intangibles since entities can now recognize purchased intangibles in their financial statements. Entities still reporting in accordance with Section PS 1200 *Financial Statement Presentation* can also adopt the amendments and recognize purchased intangible assets. New Public Sector Guideline, PSG-8 *Purchased intangibles*, has been issued to explain the scope of the intangibles that are allowed to be recognized in the financial statements given this amendment to Section PS 1000. However, it is important to note that no further recognition, measurement, disclosure and presentation guidance has been provided. The main features of PSG-8 include: • A definition of purchased intangibles (which does not include those received through a government transfer, contribution or inter-entity transaction) • Examples of items that are not purchased intangibles • References to other guidance in the Handbook on intangibles • Reference to the asset definition, general recognition criteria and the GAAP hierarchy for accounting for purchased intangibles Retrospective or prospective application is permitted.	Fiscal years beginning on or after April 1, 2023. Earlier adoption is permitted.

Public Sector Accounting Standards	Effective date
Section PS 3400 *Revenues* New Section PS 3400 *Revenue* establishes standards on how to account for and report on revenue. It does not apply to revenues for which specific standards already exist, such as government transfers, tax revenue or restricted revenues. The Section distinguishes between revenue that arises from transactions that include performance obligations (i.e., exchange transactions) and transactions that do not have performance obligations (i.e., non-exchange transactions). The main features of the new Section are: • Performance obligations are defined as enforceable promises to provide specific goods or services to a specific payer • Revenue from transactions with performance obligations will be recognized when (or as) the performance obligation is satisfied by providing the promised goods or services to the payer • Revenue from transactions with no performance obligations will be recognized when a public sector entity has the authority to claim or retain the revenue and identifies a past transaction or event that gives rise to an asset	Fiscal years beginning on or after April 1, 2023. Earlier adoption is permitted.

Strategic plan for not-for-profit organizations in the public sector

Since 2012, government not-for-profit organizations (GNPOs) have been required to adopt PSAS but were given the option of applying the specific GNPO accounting standards (PS 4200 series) in PSAS. Some GNPOs have utilized those standards, while others have not. The PSAB recognized that a "one-size-fits-all" approach may not be appropriate for all stakeholders. In March 2022, having deliberated feedback from two Consultation Papers, the PSAB decided to incorporate the PS 4200 series, with potential customizations, into PSAS as its strategy for GNPOs. This solution was defined as reviewing and amending, as appropriate, the PS 4200 series guidance and incorporating it within the PSA Handbook available for all public sector entities to apply, if appropriate. That is, the existing standards in the PS 4200 series will be reviewed to determine if they should be retained and added to PSAS. This may involve amending standards to update them and ensuring consistency with PSAB's conceptual framework. The PSAB believes this strategy will likely:

- improve the comparability and understandability of financial statements, as all public sector entities would be applying a common reporting model;
- provide the PSAB with a tool and some flexibility to address matters warranting a different presentation or accounting treatment for GNPOs when appropriate; and
- make some of the guidance currently found only in the PS 4200 series available to all public sector entities with similar transactions, improving comparability and consistent application of accounting standards.

The implementation plan for this strategy was approved at its June 2022 meeting, and an overview of the implementation plan was presented at its December 2022 meeting. The current ordering of standard level projects will start with tangible capital assets as well as contributions (including endowments), then controlled and related entities, finishing with the reporting model. The capital asset project will focus on proposing amendments to Section PS 3150 *Tangible Capital Assets*, as a result of reviewing Section PS 4230 *Capital Assets Held by Not-for-Profit Organizations* and Section PS 4240 *Collections Held by Not-for-Profit Organizations*.

In December 2023, the Public Sector Accounting Board ("PSAB") issued an Exposure Draft entitled *Tangible Capital Assets*. The Exposure Draft proposes amendments to PS 3150 *Tangible Capital Assets*, resulting from a review of PS 4230 and PS 4240 as part of its GNPO strategy implementation plan. The Exposure Draft proposes the following:

- Amending the definition of "tangible capital asset" in paragraph PS 3150.05(a) for only a minor clarification.
- Retaining the emphasis on recognizing the complete stock of tangible capital assets in Section PS 3150.
- Not recognizing works of art, historical treasures and collections as outlined in Section PS 3150.
- Adding guidance to Section PS 3150 to
    - identify a "collection."
    - clarify the accounting treatment when a tangible capital asset is purchased at substantially below fair value.
    - clarify the accounting treatment for contributed materials and labour in determining the cost of a constructed tangible capital asset.
- Adding more disclosures to Section PS 3150 to convey the importance of works of art, historical treasures and collections.
- Removal of Sections PS 4230 and PS 4240 as they will no longer apply once Section PS 3150 is adopted.

The proposed effective date of the changes is for fiscal years beginning on or after April 1, 2029, with early adoption permitted. The PSAB is currently deliberating the responses.

Appendix C – Auditing developments

Canadian Auditing Standards (CASs) and other Canadian Standards issued by the AASB	Effective date
Issuance of CSQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements,* CSQM 2 *Engagement Quality Reviews* and revised CAS 220 *Quality Management for an Audit of Financial Statements* Auditors must effectively manage audit quality, both at the firm level and the engagement level. The IAASB recognised a need to strengthen standards addressing quality control and the AASB implemented similar changes to those made at the international level. In January 2021, the AASB unanimously approved the suite of quality management standards. CSQM 1 introduces a new approach to “managing quality”. Quality management is intended to be proactive in nature and to be a continuous process. Implementing the new standard requires firms to analyse and enhance many of their internal processes to achieve effective quality management. This standard replaces the extant standard, CSQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements CSQM 2 deals specifically with the topic of engagement quality reviews (EQRs), which are performed by firms to obtain an objective evaluation of the significant judgments made by the engagement team and the conclusions reached. The standards setters recognized the importance of EQRs and noted that many stakeholders (including oversight bodies) were concerned that the requirements of CSQM 1 with respect to EQRs were not sufficiently robust. As a result, CSQM 2 was issued. CSQM 1 deals with the topic of when an EQR should be performed, while CSQM 2 covers the appointment and eligibility considerations related to the person performing the EQR and the performance and documentation requirements. CAS 220 was revised to clarify and strengthen the key elements of quality management at the engagement level by: • emphasizing that the engagement partner is responsible for managing and achieving quality at the engagement level • clarifying the engagement partner’s responsibilities, and acknowledging the engagement partner can assign certain tasks/procedures to members of the engagement team who are appropriately skilled or suitably experienced in managing and achieving quality • modernizing the standard for the evolving environment	CSQM 1 is effective for audits or reviews of financial statements or other assurance engagements as of December 15, 2022 and related services engagements as of December 15, 2023. CSQM 2 is effective for audits or reviews of financial statements with periods beginning on or after December 15, 2022, other assurance engagements beginning on or after December 15, 2022 and related services engagements beginning on or after December 15, 2023. CAS 220 is effective for audits of financial statements for periods beginning on or after December 15, 2022.
Revisions to CAS 600 *Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors)* Many audits today are of group financial statements, also known as group audits, and these types of engagements can be very challenging. In April 2020, the International Auditing and Assurance Standards Board (IAASB) issued an Exposure Draft proposing changes to ISA 600 and related ISAs with the goals of strengthening the auditor’s approach to planning and performing group audits and clarifying the interaction of ISA 600 with other ISAs and issued the final standard in 2022. The	Periods beginning on or after December 15, 2023.

Canadian Auditing Standards (CASs) and other Canadian Standards issued by the AASB	Effective date
AASB issued the equivalent Canadian standard, which included the same revisions as the ISA with no Canada-specific amendments. The changes made to the standard were designed to: • Clarify the scope and applicability of the standard • Emphasise the importance of exercising professional skepticism throughout the group audit • Clarify and reinforce that all CASs need to be applied in a group audit situation • Focus the group engagement team's attention on identifying and assessing the risks of material misstatement of the group financial statements and emphasise the importance of designing procedures to respond to those risks • Reinforce the need for robust communication between the group engagement team and component auditors Include new guidance and considerations relating to testing common controls, addressing access restrictions, establishing materiality and documenting group audits.	

Canadian Auditing Standards (CASs) and other Canadian Standards approved by the AASB but not issued	Effective date
None.	

Canadian Exposure Drafts issued by the AASB	Effective date
Potential revisions to CAS 500 *Audit Evidence* The current audit evidence standard was issued many years ago. Since then, developments in technology have affected how entities operate and process information and how audits are performed. In December 2020, the IAASB initiated a project to revise the current standard to respond to changes in the business environment. The Exposure Draft proposes several key changes: • To respond to changes in the information auditors use, including the nature and source of the information, a set of attributes has been developed to enhance the auditor's principle-based judgments related to audit evidence in a wide variety of circumstances. Enhancements and clarifications have also been made regarding the auditor's role when using information prepared by management's expert • To modernise the standard and support a principles-based approach that recognises the evolution in technology, new application material has been added, including explanations of how automated tools may affect auditor bias and examples that recognise the use of technology by the entity or the auditor • To foster professional skepticism when making judgments about information to be used as audit evidence and sufficient appropriate audit evidence, language has been added to emphasise the importance of maintaining professional skepticism at various stages, such as when attempting to ensure that audit procedures are being designed and performed in an unbiased manner	The comment period for the Exposure Draft ended on March 15, 2023. It is expected that the effective date for the revised standard will be for periods beginning in 2025, but the exact effective date will depend on when the standard is approved.
Potential revisions to CAS 570 *Going Concern* Auditors are required to obtain sufficient appropriate audit evidence on the appropriateness of management's use of the going concern basis of accounting and conclude on whether a material uncertainty exists in relation to going concern. Financial statement users have raised questions about how much auditors should be able to detect from their audit procedures in this area, and what is communicated to users about the entity's ability to continue as a going concern. This led the IAASB to initiate a project to revise the standard. In April 2023, the IAASB issued its Exposure Draft and the AASB has issued a corresponding Exposure Draft. The Exposure Draft proposes several key changes, which include: • Defining material uncertainty related to going concern • Enhancing the risk identification and assessment requirements so they are consistent with those set out in CAS 315 (Revised) *Identifying and Assessing the Risks of Material Misstatement* • Enhancing the auditor's evaluation of management's going concern assessment, including requirements to support the auditor's application of professional skepticism • Adding a requirement for the auditor to request management to extend its going concern assessment of the entity to cover at least 12 months from the date of approval of the financial statements if management has not already done so • Enhancing the auditor's consideration of information related to management's going concern assessment that becomes available to the auditor after the date of the auditor's report but before the date the financial statements are issued • Adding requirements to enhance communications about going concern in the auditor's report	The comment period for the Exposure Draft ended on July 31, 2023. It is expected that the effective date for the revised standard will be for periods beginning in 2026, but the exact effective date will depend on when the standard is approved.

Canadian Exposure Drafts issued by the AASB	Effective date
Potential revisions to CAS 240 *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements* High quality audits contribute to the efficiency of capital markets and financial stability. In recent years, corporate failures and scandals have brought the topic of fraud to the forefront and led to questions from stakeholders about the role and responsibilities of the auditor relating to fraud in an audit of financial statements. This led the IAASB to initiate a project to revise the standard. In February 2024, the IAASB issued its Exposure Draft and the AASB has issued a corresponding Exposure Draft. The Exposure Draft proposes several key changes, which include: • Clarifying the roles and responsibilities of the auditor with respect to fraud • Establishing more robust requirements if fraud or suspected fraud is identified • Reinforcing the importance of exercising professional skepticism in fraud-related audit procedures • Strengthening communications through the audit with management and those charged with governance about matters related to fraud • Adding transparency on fraud-related responsibilities and procedures in the auditor's report	The comment period for the Exposure Draft ended on May 6, 2024. It is expected that the effective date for the revised standard will be for periods beginning in 2026 but the exact effective date will depend on when the standard is approved.
Proposed Canadian Standard on Sustainability Assurance (CSSA) 5000, *General Requirements for Sustainability Assurance Engagements* In September 2022, the IAASB approved a project proposal to develop a new overarching standard for sustainability assurance engagements. In January 2023, the AASB approved a project proposal to concurrently adopt this international standard with any potential additional Canadian amendments, as a first of its kind Canadian Standard on Sustainability Assurance (CSSA). CSSA 5000 will not be a financial statement audit standard, but rather will serve as a comprehensive, standalone standard suitable for sustainability assurance engagements. It will apply to sustainability information reported across any appropriate sustainability topic, prepared according to any suitable framework, including the recently released IFRS Sustainability Disclosure Standards S1 and S2. The proposed standard is profession agnostic, supporting its use by both professional accountant and non-accountant assurance practitioners who meet the relevant ethical and quality management requirements, and will apply to both limited and reasonable assurance engagements.	The comment period for the Exposure Draft ended on November 6, 2023. It is expected that the effective date will be for periods beginning in 2026, but the exact effective date will depend on when the standard is approved.

Non-authoritative Guides, Practice Notes, Bulletins and Risk Alerts

Non-authoritative Guidance issued during the year	Issued
None.	