

ALBERTA SECURITIES COMMISSION

BLANKET ORDER 81-504

Citation: Re Mutual Fund Audit Reports, 2017 ABASC 106

Date: 20170607

Mutual Fund Audit Reports

Definitions

1. Terms defined in the *Securities Act* (Alberta) (the **Act**), National Instrument 14-101 *Definitions* or National Instrument 81-102 *Investment Funds* (**NI 81-102**) have the same meaning in this Order, unless otherwise defined.

Background

2. Part 12 of NI 81-102 requires certain mutual funds, each principal distributor of a mutual fund and each participating dealer that distributes securities of a mutual fund (each, a **Regulated Entity**) to file
 - (a) a report, in a prescribed form (a **Compliance Report**), describing the Regulated Entity's compliance with Parts 9, 10 and 11 of NI 81-102 (the **Provisions**), and
 - (b) a report by an auditor expressing an opinion, in a prescribed form (the **Audit Report**), that the Compliance Report complies, in all material respects, with the applicable requirements of the Provisions.
3. The Handbook sets out requirements for assurance reports (**Assurance Reports**). Amendments to the section of the Handbook titled "Other Canadian Standards – General Assurance and Auditing" will be effective for Assurance Reports dated on or after June 30, 2017. An Audit Report dated on or after June 30, 2017 and prepared in the form prescribed by NI 81-102 will not comply with the Handbook's amended requirements for an Assurance Report.

Order

4. The Commission, considering that to do so would not be prejudicial to the public interest, orders pursuant to section 213 of the Act that a Regulated Entity filing a Compliance Report dated on or after June 30, 2017 is exempt from the requirement in Part 12 of NI 81-102 to file an accompanying Audit Report, provided that the Regulated Entity files an accompanying Assurance Report expressing an unmodified opinion that the Assurance Report
 - (a) is based on work conducted in accordance with the Handbook, and

- (b) provides reasonable assurance, as that term is used in the Handbook, that the Compliance Report complies, in all material respects, with the applicable requirements of the Provisions.

For the Commission:

“original signed by”

Stan Magidson
Chair and CEO

“original signed by”

Tom Cotter
Vice-Chair