11.24 It would be extremely difficult for any one person to be an expert in all facets of the comprehensive audit. However, the key people in the Office, the management team associated with each audit, will be required to gain a sufficient knowledge of all aspects of the audit so they can identify issues and resource requirements, manage their assignments and assume ultimate responsibility for the reporting of conclusions. Not only will this result in more effective auditing, but it will also, we are certain, be appreciated by the entities we audit. These entities will be able to deal with one or a small number of the members of our senior management group in connection with the audit, not with a frequently changing group of staff assigned from our special study teams.

Cyclical Reporting

11.25 We believe that the reporting of comprehensive audit findings, with both positive and negative observations, for each of the entities we audit will enable Parliament to gain a better understanding than may now be possible of the general effectiveness of their operations and controls systems.

11.26 Careful consideration has been given to the reporting implications associated with our concept of comprehensive auditing. We have concluded that cyclical reporting would be the most effective and appropriate manner in which to report our findings to Parliament. Comprehensive audits conducted and reported annually for all of the entities we audit would not allow for effective reviews by Parliament, would not provide a reasonable interval for managers to demonstrate the effectiveness of actions taken to correct problems previously reported on and would require excessive Audit Office resources. Four years, the anticipated average life of a Parliament, would seem to be an appropriate interval between comprehensive reports designed to enable Parliament to evaluate the general quality of the financial and management control systems within each entity audited and would be a reasonable period over which to assess the trend of improvement, where such has been indicated in an entity.

11.27 The concept of cyclical reporting does not imply that an entity will be audited only once every four years. A minimum level of auditing will be required in all government entities each year to satisfy legal requirements, including the expression of opinions on annual financial statements. In instances where a comprehensive evaluation indicates that an entity falls well below acceptable standards, continuing audit coverage will be required to report on the situation and the nature of corrective actions taken by management. Significant matters arising from our audits will always be reported to Parliament on a timely basis. Furthermore, the reporting on each entity may be the product of auditing efforts extending over two, three or even four years.

Co-ordination with Other Auditors

11.28 **Internal auditors.** As pointed out in the next Chapter of this Report, there is a significant amount of various types of internal auditing in the