

My Office performed a review of the 2004 report and issued our comments on the results of applying specified auditing procedures to the information contained in the report.

7.6 Opportunities and Challenges

There are a number of opportunities and challenges which face the Office in the next few years. These include the following:

Succession Planning

As with many Departments and agencies of the Crown, the average age of our staff has been continuing to rise in recent years and now is 41. This means that in the coming years many of our staff will be in a position to retire at or around the same time. For example, the average age of the management team is 46, which means that within the next decade, many of this team will be eligible to retire. The Office is well positioned to cope with this situation given the education, ongoing experience and professional development of less senior staff.

While succession planning may be considered a challenge, it also provides a clear opportunity and incentive for upcoming younger employees.

Changes in the Auditing Profession

As a result of recent financial irregularities and the resulting collapse of certain major public corporations, there have been many changes in professional auditing standards. Therefore, the Office has to keep apprised of all developments and requirements and ensure that staff are properly trained and that proper standards are followed. To this end, the Office has a Professional Practice Group which monitors all developments in this area.

Changes in Government and Legislation

There is a professional responsibility to acquire knowledge of a business in order to effectively perform an audit. As the auditor of Government, therefore, my Office requires a sound knowledge of the business of Government. There are challenges given the many changes which continue to take place relating to how Government and its agencies operate. In addition, there are changes to legislation which impact on operations and which have to be monitored. For example, the requirements under the *Transparency and Accountability Act* (to be proclaimed) as they apply to Government and all of its entities have to be considered by my Office in performing audits.