

# 2021 NORTH AMERICAN PULSE OF INTERNAL AUDIT

Focus Area: **Canada**

## Many Sides of Crisis – Fact Sheet

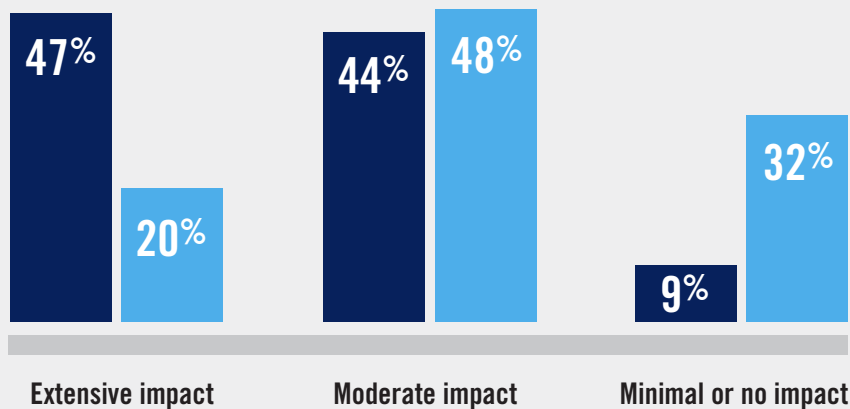


The Institute of Internal Auditors  
L'Institut des auditeurs internes  
Canada



How have internal auditors in Canada been impacted by COVID-19? This Fact Sheet provides key information about budget, staffing, risk levels, and audit planning, based on results from The IIA's annual Pulse of Internal Audit survey. Download the full report, *2021 North American Pulse of Internal Audit: Many Sides of Crisis*, at [www.theiia.org/Pulse](http://www.theiia.org/Pulse).

### COVID-19 Impact on the Organization and Internal Audit



#### ORGANIZATION

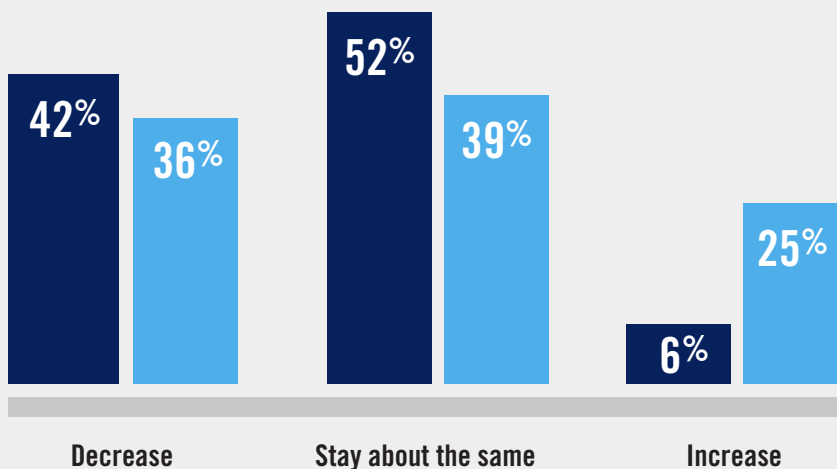
For their organizations as a whole, nearly 47% of CAEs said COVID-19 caused “extensive impact.”



#### INTERNAL AUDIT

In contrast, for internal audit specifically, only 20% said COVID-19 caused “extensive impact.”

### COVID-19 Impact on Internal Audit Budget – Expectation vs. Actual



JUNE  
2020

#### EXPECTATION

In June 2020, 42% of CAEs expected a budget decrease, and only 6% expected an increase.

NOV  
2020

#### ACTUAL

By November 2020, a slightly lower percentage than expected actually saw a decrease (36%), but a much higher than expected percentage had an increase (25%).

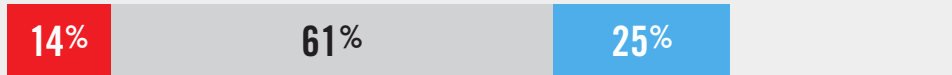
## INTERNAL AUDIT STAFF CHANGES

### Internal Audit Budget Compared to Staff Change – Past 12 Months

#### OVERALL BUDGET



#### STAFF



#### Top 3 Reasons for Staff Decreasing

Budget cut	40%
Staff voluntarily resigned	20%
Layoff (not due to performance)	10%

#### Top 3 Reasons for Staff Increasing

Taking on more assurance	41%
Adding to the skillset of my team	29%
Taking on more consulting responsibilities	12%

## RISK AND AUDIT PLANNING

#### Top 5 Highest Risks

1. Cybersecurity	71%
2. IT (not covered in other choices)	48%
3. Third-party relationships	44%
4. Operational	43%
5. ERM and related processes	30%

Percentage who rated the audit area as "high" or "very high" risk.

#### Top 5 Audit Plan Allocation Areas

1. Operational	17%
2. Financial reporting (including ICFR)	13%
3. Cybersecurity	11%
4. ERM and related processes	9%
5. Financial (excluding ICFR)	9%

Percentage of the audit plan allocated to the audit area. ICFR = Internal controls over financial reporting.

### DOWNLOAD

the full report of The IIA's 2021 Pulse of Internal Audit

[www.theiia.org/Pulse](http://www.theiia.org/Pulse)



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