



**Canadian Air Carrier Protective Program
Financial Audit for Fiscal Year 2003-04
Final Report
June 1, 2004
Audit and Evaluation**



Royal Canadian Mounted Police Gendarmerie royale du Canada



Audit: Canadian Air Carrier Protective Program

Project Number: GHA-232-110

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Background

“The Government of Canada, in response to the events of September 11, 2001, allocated funding resources within Budget 2001 over the next five years to meet rigorous new standards for security in airports and on aircraft operated by Canadian air carriers transporting passengers.

Upon the request of the Department of Transport (“Transport Canada”), the Royal Canadian Mounted Police (RCMP) agreed to establish the Canadian Air Carrier Protective Program (CACPP) to provide Aircraft Protective Officers (“APO’s”) on board flights designated by the Minister of Transport as requiring the presence of APO’s and on board other selected flights.” ¹

As a result, an agreement was signed on September 17, 2002 between the Canadian Air Transport Security Authority (“CATSA”) and the RCMP for the establishment, operation and funding of the CACPP. This agreement covers the period from April 1, 2002 to March 31, 2007.

1. Agreement Between CATSA and the RCMP for the Establishment, Operation and Funding for the CACPP



Objectives, Scope and Approach

Scope:

The audit focused on the financial accounting provided by the RCMP to CATSA by May 15, 2004 detailing the actual expenses for the CACPP for the fiscal year beginning April 1, 2003 and ending March 31, 2004.

Approach:

The audit work was carried out between August 2003 and May 2004 and was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*. These standards require that the audit be planned and performed in such a way as to obtain reasonable assurance whether the financial information is free of material misstatement.

The audit included such tests, as considered necessary, to provide reasonable assurance that the above audit objectives were achieved. These tests included, but were not limited to, examining, on a sample basis, supporting documentation, obtaining direct confirmations and performing interviews.

The audit criteria used to determine the audit tests were based on the details of the Agreement along with applicable policies and regulations.



Conclusions

A. Financial accuracy

Annual financial accounting for actual Allowable Costs incurred for the CACPP is fairly stated, in all material respects.

B. Allowable expenses

Allowable Costs included in the annual financial accounting are appropriate based on the Schedule “A” of the Agreement.

RCMP

ROYAL CANADIAN MOUNTED POLICE

Appendix A – CACPP Financial Reporting