

# STATUS REPORT ON PROJECT 2.9

## Sub-Task on Performance Audit

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**INTOSAI Knowledge Sharing Committee**  
**Working Group on Public Debt**

# Introduction

- ▶ Team Composition: Ms Debolina Thakur-sub-task lead (SAI India)  
Ms Ana Mazmishvili (SAI Georgia)  
Ms Cecilia Mondolo, Ms Edda Zanarello, Ms Sabrina Benedetto (SAI Argentina)  
Ms Josephine Warenga (SAI Kenya)
- ▶ Scope of Work: Develop a guidance note applying the fundamental auditing principles in ISSAI 100 in the conduct of performance audit of public debt.



# Status Report

Responsibilities	Persons Responsible	Expected Output	Timeline	Actual Date of completion	Remarks
1.1 Prepare the draft outline on the <b>planning</b> component of the performance audit section of the guide	SAI Georgia	Draft outline	09-Mar-18	09-Mar-18	No delay
1.2. Prepare the draft outline on the <b>conducting</b> component of the performance audit section of the guide	SAI Argentina	Draft outline	09-Mar-18	09-Mar-18	No delay
1.3. Prepare the draft outline on the <b>reporting and follow-up</b> component of the performance audit section of the guide	SAI Kenya	Draft outline	09-Mar-18	09-Mar-18	No delay



# Status Report

Responsibilities	Persons Responsible	Expected Output	Timeline	Actual Date of completion	Remarks
2.1 Comments on the draft submitted by SAI Georgia by sub-team leader	SAI India	Comments/suggestions	14-March-18	14-March-18	No delay
2.2 Comments on the draft submitted by SAI Argentina by sub-team leader	SAI India	Comments/suggestions	20- March-18	24-March-18	No delay
2.3 Comments on the draft submitted by SAI Kenya by sub-team leader	SAI India	Comments/suggestions	14- March-18	14-March-18	No delay



# Status Report

Responsibilities	Persons Responsible	Expected Output	Timeline	Actual Date of completion	Remarks
3.1 Detailed content development of <b>planning</b> component and submission of first draft	SAI Georgia	Draft write-up	16-Apr-18	25-Apr-18	
3.2 Detailed content development of <b>conducting</b> component and submission of first draft for comments	SAI Argentina	Draft write-up	16-Apr-18	30-Apr-18	
3.3 Detailed content development of <b>reporting and follow-up</b> component and submission of first draft	SAI Kenya	Draft write-up	16-Apr-18	26-Jun-18	Write-up not submitted by SAI Kenya



# Status Report

Responsibilities	Persons Responsible	Expected Output	Timeline	Actual Date of completion	Remarks
4.1. Submission of first draft on Planning section to PAS and task lead for comments	SAI India	Draft write-up	26-Apr-18	28-Apr-18	
4.2. Submission of first draft on conducting section to PAS and task lead for comments	SAI India	Draft write-up	05-May-18	10-May-18	
4.3. Submission of first draft on Reporting and Follow-up to PAS and task lead for comments	SAI India	Draft write-up	10-May-18	25-Jun-18	Write-up was prepared by task lead



# Status Report

<b>Responsibilities</b>	<b>Persons Responsible</b>	<b>Expected Output</b>	<b>Timeline</b>	<b>Actual Date of completion</b>	<b>Remarks</b>
4.1 Submssion of revised first draft after incorporating review comments on Planning component	SAI India	Revised draft	25-04-2018	26-06-2018	Completed
4.2 Submssion of revised first draft with comments and modifications on Conducting component	SAI India	Revised draft	05-05-2018	29-06-2018	Completed
4.3 Submssion of revised first draft with comments and modifications on Reporting and Follow-up	SAI India	Revised draft	27-06-2018	26—6-2018	Completed



# Contents of the Initial Draft GUID

- ▶ There are three sections:
  - ▶ Planning
  - ▶ Conducting/ Execution
  - ▶ Reporting and Follow-up.
- ▶ Each section has been aligned to ISSAI 100 for ensuring that relevant issues have been covered.
- ▶ Format of the **Specialised Manual on the audit of Disaster Risk Reduction and Management Manual** prepared by Commission of Audit, Philippines has been used for guidance.
- ▶ Relevant issues have been culled out from the existing ISSAIs on public debt for organising the information in three distinct sections.
- ▶ Examples have been used for illustrating the audit processes.





	Per Initial Draft	Remarks
<b>Planning</b>	Establishment of terms of the audit engagement	ISSAI 100, ISSAI 5422
	Selection of audit topic	ISSAI 300, ISSAI 3200
	Conducting risk assessment or problem analysis of potential audit topics	DRRM
	Identification of selection criteria and selection of audit topic through selection matrix	DRRM
	Assessing auditability of the selected topic	ISSAI 3200
	Obtaining an understanding of the nature of the entity/programme to be audited	ISSAI 3200, ISSAI 5422, ISSAI 5440
	Defining the audit scope, audit objectives and approach	ISSAI 3200
	Framing the audit design matrix	ISSAI 3200



# Conducting

This section has two sub-parts

- ▶ Part I: Basic audit processes-
  - ▶ preliminary activities
  - ▶ Data/evidence collection and analysis
  - ▶ Preparing Findings Matrix
  
- ▶ Part II: Addresses broader issues that would need to be considered while conducting performance audit of Public Debt Management



	Per Initial Draft	Remarks
<b>Execution</b>	Preliminary activities Data/evidence collection and analysis Preparing Findings Matrix	ISSAI 100, ISSAI 3200, DRRM Examples
	Assessing whether debt management is carried out in accordance with best practices	ISSAI 5411, 5422
	Assessing vulnerability and sustainability of Public Debt	ISSAI 5422, ISSAI 5420 Referenced to Appendix 1
	Assessment of Fiscal Exposures and Possible Roles for the SAI in assessing adequacy of disclosures reported in financial reports	ISSAI 5430 Referenced to Appendix 2
	Evaluating the institutions responsible for the management of public debt and efficacy of their internal controls	ISSAI 5410, 5422
	Assessing Accountability	ISSAI 5422



	Per Initial Draft	Remarks
Reporting and Follow-up	Conducting Exit Conference	PA Manual India
	Evaluate Management's comments and finalise the Report	PA Manual India ISSAI 300, ISSAI 3000
	Form and Content of Audit Report	PA Manual India ISSAI 3000, ISSAI 3200
	Attributes of a good Report	PA Manual India ISSAI 3000
	Follow up	PA Manual India ISSAI 300, ISSAI 3000, ISSAI 3200



# Issues and Challenges

Issues and Challenges	Effect on Project 2.9	Proposed Resolution/ Recommendation
Amiguity on Terms of Reference.	Required revisiting some sections and protracted discussions at a late stage	Discussions and exchange of views between task lead, sub-task lead and PAS prior to commencement of the Project
Delay in receiving feedback from quality reviewer	Required revisiting write-ups at late stages	Timely feedback would help ensuring incorporation of suggested changes on time
Delayed response/inadequate response from some team members	Slippage of timelines as per work plan	Intervention by task lead



*Thank you!*



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