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Royal Audit Authority



Auditor General's Standing Instructions

2022

FOREWORD

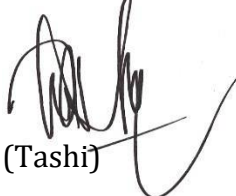
The Royal Audit Authority (RAA) as a Constitutional Body enshrined under the Constitution of the Kingdom of Bhutan has the mandate to audit and report on the economy, efficiency and effectiveness in the use of public resources. Accordingly, it has to carry out its responsibilities by conducting proper and timely audits of public resources and report thereon. Therefore, the RAA must ensure that any assessment of the financial, performance and compliance aspects of audited entity is carried out in a consistent, professional and ethically sound manner.

In our continued effort to build professionalism, ensure consistency and enforce ethical behavior in auditing, we take pride in introducing Auditor General's Standing Instructions (AGSI) developed in line with Section 60 of "Powers to frame Policy, Guidelines, Rules and Regulations" of the Audit Act of Bhutan 2018 and with due considerations to other national laws, rules and regulations.

The Instructions are intended to provide general and administrative guidelines for auditors beginning from pre-departure formalities till completion of audit and issuance of Final Audit Report. The instructions lay out systematic approach designed to keep an auditor focused on the job and to involve all the team members throughout the audit process.

I hope that this document would benefit our auditors both in personal conduct, professional behaviour and execution of day to-day works.

Tashi Delek



(Tashi)

Auditor General

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INTRODUCTION

Article 25.1 of the Constitution of the Kingdom of Bhutan provides;

"There shall be a Royal Audit Authority to audit and report on the economy, efficiency and effectiveness in the use of public resources".

Further, Section 60 (a) of the Audit Act of Bhutan 2018 stipulates; "The Authority shall have power to frame rules and regulations, policies, procedures and guidelines as may be required for effectively carrying out its functions, duties and responsibilities provided under this Act". Accordingly, the RAA has developed the Auditor General's Standing Instructions (AGSIs). It is a set of instructions laid down to guide every auditor in their personal conduct and behaviour in the discharge of their professional duties.

The specific requirements for conduct of financial, compliance and performance audits in line with ISSAIs is adequately captured in respective auditing manuals and guidelines. Therefore, the AGSIs will guide auditors in carrying out their official duties in the most ethical and responsible manner.

It is aimed at maintaining uniformity and consistency in the audit work, promote greater accountability and professionalism. The instructions are also developed to ensure ethical behaviour in the delivery of audit services and in "auditing without fear, favour or prejudice".

CHAPTER 1

PURPOSE OF THE INSTRUCTION

The AGSIs prescribe 'what auditors are supposed to do' and 'what they are not supposed to do' in the discharge of their professional duties. AGSIs shall compliment the professional and procedural instructions provided in Audit Rules and Regulations (ARR) 2020, and respective Manuals and Guidelines for Performance, Compliance and Financial audits.

The main purposes of developing these instructions are to:

- ✓ To regulate all relevant procedures which are necessary for the overall implementation of audit assignment;
- ✓ To promote accountability and professionalism among auditors;
- ✓ To uphold the principles of integrity, objectivity and independence of the auditors;
- ✓ To enable auditors in achieving the quality audits in the most economical, efficient and effective manner;
- ✓ To ensure compliance to Code of Ethics and Professional Conduct by all auditors and uphold the principles of integrity, objectivity and independence on a daily basis;
- ✓ To achieve quality audits in an economical, efficient and effective manner;
- ✓ To ensure uniformity and consistency in the audit work performed by all auditors;
- ✓ To enhance ethical behaviour of the auditors in their day-to-day activities;
- ✓ To provide guidance to the new recruits; and
- ✓ To provide a basis for measuring audit performance.

The AGSIs also include information on administrative, logistics and travel arrangements for teams to follow while auditing other agencies out of Thimphu and Regional Offices of Bumthang, Phuentsholing, Tsirang and Samdrupjongkhar.

Any instances of non-compliance to the AGSIs shall be dealt as indicated in **Appendix I**.

CHAPTER 2

PRE-DEPARTURE REQUIREMENTS

2.1 COMPOSITION OF AUDIT TEAM

- 2.1.1 The size of the audit entity, the nature and complexity of the particular task shall be considered while forming the audit team. However, a minimum of two members in a team shall be maintained for all audits;
- 2.1.2 The team shall be led by appropriately senior and experienced officers of P4 level and above. For the audit of small unit, the Assistant Auditors General (AAG) may designate team leader at lower level having requisite knowledge and experience;
- 2.1.3 The audit team shall collectively possess knowledge of the subject, experience, technical skills and the auditing proficiency necessary to fulfil the requirements of the audit; and
- 2.1.4 The audit team shall consider if there is requirement of technical expert for a particular audit and apprise the AAG who shall then arrange and depute.
- 2.1.5 No team leader and members shall audit the same agency for more than two and three consecutive years respectively. The teams shall maintain a gestation cooling period of at least one year before auditing the same agency.

2.2 PREPARATION OF ANNUAL AUDIT SCHEDULE

- 2.2.1 The Annual Audit Schedule shall be prepared in accordance with the overall RAA's Strategic Plan;
- 2.2.2 Preparation of the Annual Audit Schedule shall be completed by the end of May every year;
- 2.2.3 The audits should start from 1st week of July and all audit reports for the year should be issued by 30th June every year.
- 2.2.4 The audit of the Dzongkhags should be completed, as far as possible, by the end of December to ensure that the findings are captured in the Annual Audit Report;

- 2.2.5 While preparing AAS, the teams should prioritize or categorize the agencies based on size, nature of operation, request from agencies and reporting time requirement of donors;
- 2.2.6 The AAS with concurrence of the Deputy Auditor General should be submitted to the PPD by 3rd week of May every year for overall compilation;
- 2.2.7 The PPD shall compile the AAS and submit it to the Advisory Committee for review and endorsement;
- 2.2.8 The Auditor General shall endorse the compiled AAS in the Annual Audit Conference/Year-end Planning and Coordination Meet after which the PPD shall upload it in the RAA web page.
- 2.2.9 Audits shall be taken up strictly as per the annual audit schedule. Any changes in the AAS shall be reviewed and approved during the mid-year review meeting;
- 2.2.10 Ad-hoc audits on requests shall be avoided except as approved by the Auditor General;
- 2.2.11 For consolidated audits (eg. RBP), the lead division shall coordinate and synchronize with the OAAGs the start date, end date and the report issue date of audits as per the Guidelines for Consolidated Audits; and
- 2.2.12 The team preparing the AAS shall ensure that the correct agency particulars such as name, location, telephone numbers are obtained and used consistently.

2.3 AUDIT PLANNING

- 2.3.1 The audit teams shall plan each audit in accordance with the Audit Manuals/Guidelines of Financial, Performance and Compliance Audit to ensure that quality audit is carried out in an economic, efficient and effective manner;
- 2.3.2 The audit team shall allocate a minimum of 20%-30% of the total allotted man-days for preparation of audit plan at respective offices prior to moving to field;
- 2.3.3 For consolidated audits the audit team of the lead division shall prepare the detailed audit plan as per the Guideline for Consolidated Audits and share with relevant divisions/OAAGs;

- 2.3.4 The audit team shall prepare and submit the audit plan (including plan to follow-up unresolved audit findings from prior years) through Audit Information Management System (AIMS) to the Assistant Auditor General for review; and
- 2.3.5 The audit team shall present the audit plan to AAGs/DAGs and Auditor General, as deemed necessary.

2.4 AUDIT INTIMATION LETTER

- 2.4.1 The respective AAGs/DAGs shall issue a signed Audit Intimation Letter to the head of agency communicating the timing, period of audit and responsibilities of the auditee in the prescribed format;
- 2.4.2 The copies of the intimation letter shall be endorsed to appropriate authority, Follow Up and Clearance Division, respective Logistic Officers, Audit Team Leader and also maintain Office and Guard File copies for record keeping; and
- 2.4.3 The Follow Up and Clearance Division shall provide the latest status of the unresolved audit findings of the agency to be audited to the audit team upon receipt of audit intimation letter at least two days prior to the departure of the team.

2.5 AUDIT ENGAGEMENT LETTER

- 2.5.1 The Audit Engagement Letter shall be drafted as per template provided for respective audits and signed by the AAG/DAG and head of the audited entity.

2.6 PRE-DEPARTURE REQUIREMENTS-ADMINISTRATIVE, LOGISTICS AND TRANSPORT

- 2.6.1 The audit team shall complete all pre-departure requirements including administrative, logistics, transport arrangement etc. before proceeding to field audit;
- 2.6.2 It shall be the responsibility of the Team Leader to ensure that all pre-departure requirements have been completed;
- 2.6.3 The audit team shall ensure that the travel is duly approved in line with the requirements of the eDATS;
- 2.6.4 The team leader shall maintain a weekly attendance register of the team members and submit to their respective AAGs;
- 2.6.5 Biometric Attendance shall be used when field auditors are in office;

- 2.6.6 The team shall put up requisition for stationery items to the AFS duly endorsed by respective AAGs. The team shall not avail such facilities from the audited entity;
- 2.6.7 The team shall be adequately briefed by respective AAGs/DAGs and/or Auditor General prior to departure to field and such briefings shall be appropriately documented by the team;
- 2.6.8 The audit team shall obtain and return any documents requisitioned from the audited entity as per the document requisition and return form; and
- 2.6.9 The team leader shall report to respective AAGs upon the team's arrival at the destination.

2.7. TRANSPORT AND ACCOMMODATION

- 2.7.1 The audit team shall follow Conveyance procedures as laid down in the **Standard Operating Procedures for Logistic Arrangement for Field Auditors 2021**;
- 2.7.2 Arrangement of accommodation at the duty station shall be in accordance with the **Standard Operating Procedures for Logistic Arrangement for Field Auditors 2021**;
- 2.7.3 The team leader shall requisition for vehicle when necessary in the format provided under **Appendix-III**;
- 2.7.4 The logistics officer shall maintain record of Logistic Arrangements as prescribed under **Appendix-IV**; and
- 2.7.5 No member of the audit team shall stay with the employees of the auditee under any circumstances.

2.8 CONFLICT OF INTEREST AND CODE OF GOOD CONDUCT, ETHICS AND SECRECY OF AUDITORS

- 2.8.1 All auditors shall abide by Section 51 of the Audit Act of Bhutan 2018, the RAA's Oath of Good Conduct, Ethics and Secrecy of Auditors, Civil Service Values and Conduct prescribed under the BCSR, and Code of Ethics prescribed by other professional bodies by signing the requirement as given in the respective audit Manuals and Guidelines;

- 2.8.2 The RAA's Oath of Good Conduct, Ethics and Secrecy of Auditors shall form part of the terms of employment for all employees of the Authority who shall read, understand and sign the commitment to the Oath of Good Conduct, Ethics and Secrecy of Auditors during employment and shall uphold the requirements at all times;
- 2.8.3 The auditor(s) shall protect the independence of audit and avoid any possible conflict of interest by refusing gifts, gratuities or freebies, which could otherwise influence or be perceived as influencing the independence and objectivity of the auditor;
- 2.8.4 The auditor(s) shall not develop any relationships with managers and staff in the audited entity and other parties which may compromise or threaten his/her ability to act independently;
- 2.8.5 The auditor(s) shall not use his/her official position for private purposes and avoid relationships which involve the risk of corruption or which may raise doubts about the objectivity and independence;
- 2.8.6 The auditor(s) shall not use information received in the performance of his duties as a means of securing personal benefit for him or for others as defined in the Policy on Disclosure of RAA Information and the Audit Act of Bhutan 2018;
- 2.8.7 The auditor(s) shall neither divulge information obtained in the due course of audit, which would provide unfair or unreasonable advantage to other individuals or organizations, nor shall he use such information as a means for harming others;
- 2.8.8 The auditor(s) shall declare the Conflict of Interest as prescribed in the respective Audit Manuals/Guidelines prior to taking up the audit assignment;
- 2.8.9 The auditor(s) shall also declare any personal problems that they have with the employees of the agency under audit;
- 2.8.10 Should there be any conflict of interest, the AAG shall assign the auditor to another team where there is no conflict of interest; and
- 2.8.11 The auditor(s) shall assess and sign the ethical threats arising as a result of taking up the particular audit and design safeguards as prescribed in the Audit Manuals/Guidelines.

CHAPTER 3

EXECUTION

3.1 AUDIT ENTRY MEETING

- 3.1.1 The audit team shall conduct the Audit Entry Meeting with management of audited agency prior to the commencement of audit;
- 3.1.2 The Audit Entry Meeting shall be held in accordance with the instructions provided in respective manuals and guidelines for Performance, Financial and Compliance Audits;
- 3.1.3 The audit team shall request the management not to send the key persons on leave during the period of audit,
- 3.1.4 The audit team shall request the management to furnish all documents required for audit purposes, cooperate with the audit team and provide a suitable working space for the audit team;
- 3.1.5 The audit team shall explain the system of accountability fixing on audit findings to the management and inform them that accountability statement duly signed by the head of agency under his seal should be furnished to the audit team on the date of audit exit meeting;
- 3.1.6 The audit team shall inform the management to provide those noteworthy achievements which they would like to be highlight/report in the Audit Report, if any;
- 3.1.7 The audit team shall minute the deliberations of the Entry Meeting under the signature of the Team Leader/AAG and Head of Agency and document it properly;
- 3.1.8 Any request of the management for areas of operation not captured in the initial plan shall be recorded and signed by both the parties; and
- 3.1.9 Appropriately cover all talking points during the audit entry meeting from the list provided in **Appendix II**.

3.3 OBTAINING AUDIT EVIDENCE

- 3.2.1 Auditor(s) shall gather sufficient and appropriate audit evidences to support audit conclusions, opinions and recommendations in line with the audit evidence gathering techniques provided in respective manuals and guidelines;

- 3.2.2 Auditor(s) shall document all audit evidences that are used to support audit conclusions, opinions and recommendations with proper indexing and referencing; and
- 3.2.3 The AAG shall review the sufficiency and appropriateness of the audit evidences obtained by the team.

3.3 SUPERVISION AND MONITORING

- 3.3.1 The AAG shall ensure that each audit is carried out after proper planning and in accordance with the auditing standards and practices of the RAA through regular supervision and monitoring;
- 3.3.2 The AAG shall provide appropriate counsel, advice and on-the-job training, based on the experience of the team members;
- 3.3.3 The AAG shall ensure that audit procedures are adequate to carry out an effective and efficient audit;
- 3.3.4 The AAG shall ensure that all relevant RAA policies, rules and guidelines are followed;
- 3.3.5 The Assistant Auditor General shall conduct surprise visits and make calls to monitor the work and movements of auditors in the field; and
- 3.3.6 The team leader shall also submit weekly Progress Report to the AAG every Tuesday of the following week (**Appendix - V**).

3.4 AUDIT FINDINGS

- 3.4.1 The auditors shall objectively evaluate evidences against the criteria to develop findings, conclusions and recommendations. No audit finding shall be based on auditor's presumptions and assumptions.
- 3.4.2 The audit findings shall be developed in line with respective manuals besides including appropriate title revealing the actual problem and assign appropriate category code.
- 3.4.3 Team leaders should ensure that all audit findings are assigned appropriate category codes as and when the findings are being developed for uniform application and understanding.

- 3.4.4 The audit team shall discuss the assignment of **Audit Findings Category Code** with respective AAGs and RQAD if confusion arises.
- 3.4.5 The audit team shall issue audit findings as and when it arises. The audit team shall not wait till the completion of audit to issue audit findings except for those findings which needs the attention of the AAGs/DAGs;
- 3.4.6 The audit team shall discuss the audit issues noted during the audit with the audited agency and give them adequate time to provide explanations and supporting documents;
- 3.4.7 The team leader shall submit a copy of the audit findings to the AAG;
- 3.4.8 The audit team shall obtain an acknowledgement on the receipt of audit finding from the audited entity; and
- 3.4.9 The audit team shall not divulge information on any audit findings unless authorized to do so before the finalization and issue of audit report.

3.5 AUDIT FINDINGS INVOLVING FRAUD AND CORRUPTION

- 3.5.1 The team leader shall report audit findings involving fraud and corruption to the AAG as soon as it is detected; and
- 3.5.2 The AAG after assessing the seriousness and the extent of the case shall discuss the finding with the DAG and Auditor General who shall then either forward to the Anti-Corruption Commission (ACC) or direct it back to the team for further verification and confirmation.

3.6 FOLLOW UP OF PAST AUDIT REPORTS

- 3.6.1 The audit team shall obtain a copy of the latest follow up status report of the agency under audit from the Follow up & Clearance Division (FUCD) and conduct follow-ups appropriately as per the Follow-up Guidelines;
- 3.6.2 The audit team shall also follow-up on the Management Appraisal Report (MAR); and
- 3.6.3 The audit team shall prepare follow-up status report of past audit findings and include in the current report as per templates provided.

3.7 RESPONSIBILITY OF THE AUDIT TEAM AFTER COMING BACK FROM FIELD AUDIT

- 3.7.1 The audit team shall submit audit completion report to the AAG immediately after completion of field audit; and
- 3.7.2 The audit team shall pay the rental charges within one week of vacating the rooms in accordance with the **Standard Operating Procedures for Logistic Arrangement for Field Auditors 2021**.

3.8 AUDIT EXIT MEETING

- 3.8.1 The audit team shall conduct the Audit Exit Meeting immediately on the completion of the field audit;
- 3.8.2 The team shall request that the audited agency be represented by the head of agency or his/her representative, finance personnel, sector heads, engineers and all other relevant persons;
- 3.8.3 The AAG along with the concerned audit team shall attend the exit conference if necessary;
- 3.8.4 The DAG and Auditor General may attend the Audit Exit Meeting if necessary;
- 3.8.5 The team shall ensure that the management provides the accountability statement duly signed and sealed by the head of the agency at the end of the Audit Exit Meeting;
- 3.8.6 The audit team shall ensure that the discussions, deliberations and decisions of the Audit Exit Meeting are recorded by both parties and duly signed;
- 3.8.7 During the exit meeting, the audit team shall discuss and request the management to inform all individuals who are fixed accountability on the audit findings appropriately;
- 3.8.8 The audit team in consultation with the AAG may revise the accountability, if deemed required; and
- 3.8.9 The audit team shall also inform the accountable individuals (as reflected in the statement) on the accountability fixed on them.

CHAPTER 4

CONDUCT, BEHAVIOUR AND ETHICS

4.1 USE OF OFFICE EQUIPMENT AND VEHICLE OF THE AGENCY

- 4.1.1 The audit team shall not use office equipment, vehicles and other facilities of the audited agency for private purposes;
- 4.1.2 The audit team shall not use any vehicle of the audited agency for private purposes. However, for official purposes, the audit team shall inform the AAG of the requirement who shall then request the audited agency;
- 4.1.3 The audit team shall not use audited agency's vehicle for transport between the place of stay and office;
- 4.1.4 The audit team shall make its own arrangement for food and shall refrain from soliciting free meals from the audited agency or its employees; and
- 4.1.5 Auditor(s) shall not borrow money from the audited agency and its employees under any circumstances.

4.2 LEAVE DURING FIELD AUDIT

- 4.2.1 The auditors while in the field shall not stay away from duty or leave the duty station without prior permission;
- 4.2.2 All leave shall only be approved by respective AAGs;
- 4.2.3 Daily Allowance shall not be admissible if the official leaves the duty station on leave except on medical grounds;
- 4.2.4 The auditor shall inform the team leader as soon as he/she falls sick and is not in a position to attend duty; and
- 4.2.5 The team leader/auditor shall arrange to take the sick auditor to the nearest BHU/hospital immediately for consultation and advice of the doctor and inform the respective AAG accordingly.

4.3 CONDUCT AND BEHAVIOUR OF AUDITORS IN THE FIELD

- 4.3.1 All field auditors shall come to the place of work on time and shall not leave before office time;

- 4.3.2 All auditors shall be courteous at all times and strive to lead by example;
- 4.3.3 All auditors shall act and ensure his/her conduct is in accordance with the Oath of Good Conduct, Ethics and Secrecy of Auditors with mindfulness;
- 4.3.4 The auditor shall refrain from being involved in all matters in which he/she has vested interest;
- 4.3.5 The auditor shall not accept any financial or other favours or be obligated to individuals or organizations, which could compromise his/her ethics;
- 4.3.6 The auditor shall declare any personal interests, which may affect the interests of those he serves and where there can be conflict of interests;
- 4.3.7 The Team Leader shall monitor the conduct of the team members such as observing punctuality, dress code, manners and appropriate mode of communication with the audited agency's officials;
- 4.3.8 The auditor(s) shall not indulge in socially undesirable behaviour, substance abuse, alcohol addictions which affects performance of auditor(s);
- 4.3.9 The auditor(s) shall be objective and impartial in all work conducted, particularly in reports, ensuring that the information is accurate and objective;
- 4.3.10 The auditor(s) shall not disclose any official information acquired from the audited agency or use it for personal gains or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the organization;
- 4.3.11 The auditor shall be transparent and objective in his decisions and actions;
- 4.3.12 The auditor(s) shall be independent, objective and act without fear, favour or prejudice in discharge of his/her duties;
- 4.3.13 The auditor(s) shall maintain proper conduct and office decorum at all times;
- 4.3.14 The auditor(s) shall not criticize or direct the employees of the audited agency;
- 4.3.15 The auditor(s) shall not involve themselves in the management's decision making processes;
- 4.3.16 The auditor(s) shall perform their work with honesty, diligence, and responsibility;
- 4.3.17 The auditor(s) shall not accept anything that may impair or presumed to impair their professional judgment;
- 4.3.18 The auditor(s) shall remain apolitical at all times; and
- 4.3.19 The auditor(s) shall not engage in providing consultancy services for fees.

CHAPTER 5

AUDIT REPORTING

5.1 DRAFT AUDIT REPORT

- 5.1.1 The audit team shall prepare and submit the Draft Audit Report within specified timeframe for different types of audit from the conduct of Audit Entry Meeting to respective AAGs;
- 5.1.2 The draft audit report should be complete in all aspects as per the respective Audit Manual/Guidelines and should be in line with the Style Guide for Report Writing;
- 5.1.3 Financial Audit Reports shall include the MAR as part of the main audit report in prescribed FA report templates; and
- 5.1.4 The MAR for donor-funded projects shall be issued as per the specific requirements of the donors.

5.2 FINAL AUDIT REPORT

- 5.2.1 The audit team shall prepare the final report incorporating all changes as recommended by the AAGs, DAGs, and the Auditor General. The team leader shall ensure that the Final Audit Report is complete in all respect before it is printed and issued;
- 5.2.2 The audit team shall issue the audit report within 30 days from the completion of the audit.
- 5.2.3 The audit team shall not wait for the submission of signed accountability statement beyond the specified time and issue the audit report after fixing the accountability in accordance with Section 55(17) of the Audit Act of Bhutan 2018; and
- 5.2.4 The audit team shall input audit findings and upload the final audit report (i.e. issued version) along with signed copy of Accountability Statement and schedules supporting the financial statements in the AIMS and archive the hard copy of audit reports.

5.3 ADDRESSEE, SIGNATORY, DELEGATION AND ISSUE OF AUDIT REPORTS

- 5.3.1 The signatory, delegation and issue of Audit Reports shall be determined by the Addressee and the prescribed level of review as provided in table 1.

Table 1: Delegation of Level of Review and Signatory of Audit Reports

Sl. No.	Nature & Type of Audit Report	Level of Review	Signatory of Report	Remarks
A Special Audit/Review Reports				
1	Command or Special Audit/Review Reports carried out based on the Directives of Gokha or Parliament	Lead Division, AAC	AG	<i>Provide Addressee as appropriate</i>
B Performance & Theme Based Compliance Audit Reports				
1	Draft Performance & Theme based Compliance Audit Reports	AAG, DAG, AAC	DAG	<i>Provide Addressee as appropriate</i>
2	Final Performance & Theme based Compliance Audit Reports	AAG, DAG, AAC	AG	<i>Provide Addressee as appropriate</i>
C Financial Audit Reports				
1	Statutory Audit Reports (SoEs)	AAG, DAG	AG	Chairman, Board of Directors
2	Mega Projects (eg. Hydropower Projects)	AAG, DAG, AG	AG	Chairman, Project Authority
3	Royal Bhutan Army (<i>including Wings & Outposts</i>), Royal Body Guards	AAG, DAG, AG	AG	Minister, MoF
4	Royal Bhutan Police (<i>including Divisions & Outposts</i>)	Lead Division, DAG, AG	AG	Chief of Police
5	Secretariat (Ministries), Consolidated Dzongkhag (<i>including Gewogs & Dungkhag</i>) Audit Reports	AAG (Lead Division), DAG, AG	AG	Secretary and Dzongdag
6	Departments, CSOs, ROs, NGOs, Federations, Associations & Autonomous Agencies.	AAG, DAG	DAG	<i>Subject to Remarks under E1</i>
7	Centres, Divisions, Projects (<i>including MAR</i>), Regional Offices, Dzongkhag/Dungkhag Courts	AAG, DAG	AAG	<i>Subject to Remarks under E1</i>
D Entity based Compliance Audit Reports				
1	Entity based Compliance Audit Reports of Branch Offices of BPCL, BoBL, RICBL, BDBL, RSTA, BAFRA, Bhutan Post etc.	AAG, DAG	AAG	<i>If it is Nil, it does not have to be submitted to DAG for review</i>
E Others				
1	Any Audit Reports containing significant fraud and corruption cases and with pervasive irregularities	AAG, DAG, AAC	DAG/AG	<i>Addressee should be at the highest level and accordingly needs to change the signatory as appropriate.</i>

AAC = Audit Advisory Committee

CHAPTER 6

QUALITY MANAGEMENT SYSTEM

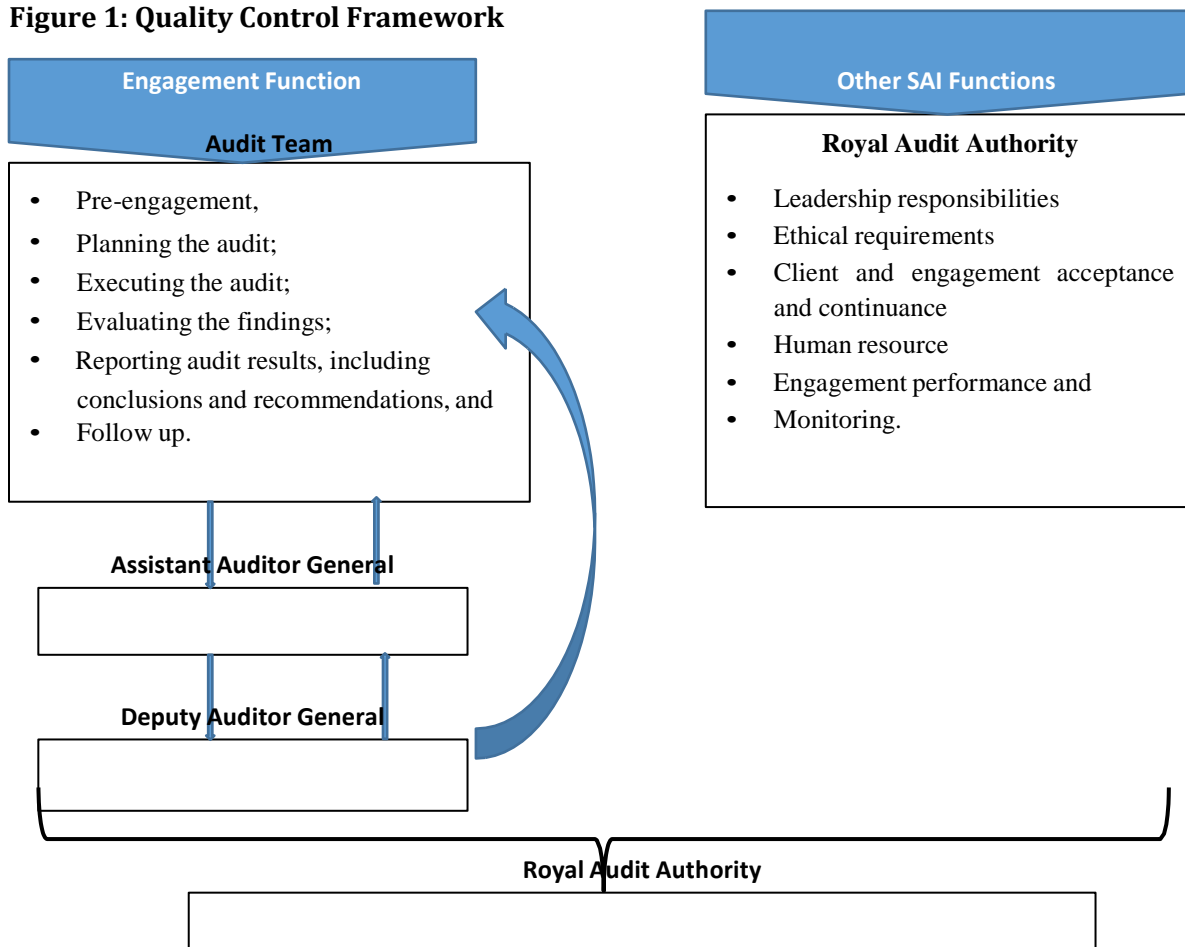
Quality Management System in the RAA is inclusive of the quality control functions and quality assurance functions.

6.1 QUALITY CONTROL

The RAA in order to bring quality and develop professionalism in its auditing has a quality chain into its audits throughout the audit processes by way of review, supervision, consultation and advice. Quality control consists of systems and practices designed to ensure that RAA issues audit reports that are appropriate in the circumstances, and in accordance with ISSAIs. Quality control framework extends to other non-engagement functions of the RAA for which appropriate procedures are designed to ensure that there is a system of quality control at all levels.

The RAA's framework of Quality Control is depicted in **Figure 1:**

Figure 1: Quality Control Framework

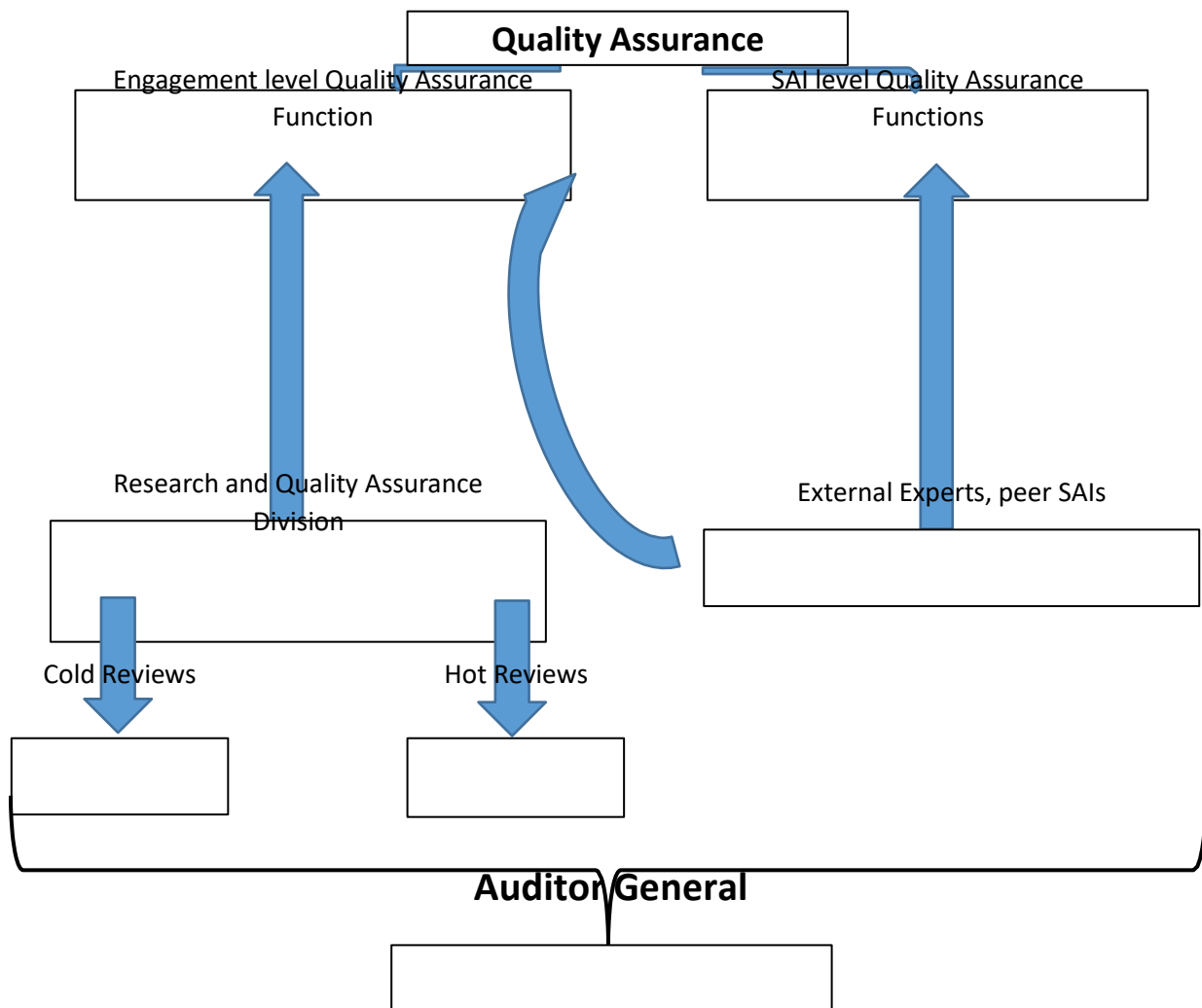


6.2 QUALITY ASSURANCE

Quality Assurance provides reasonable assurance that the quality control systems and practices are working effectively and that RAA issues appropriate audit reports to add values and benefit to the lives of citizens. Quality Assurance Framework also includes other functions towards achieving the ultimate objective of auditing and reporting.

The quality assurance reviews shall be carried out in accordance to the Quality Assurance Guidelines and templates adapted from INTOSAI Development Initiative. The Quality Assurance Framework is provided in **Figure 2**.

Figure 2: Quality Assurance Framework



CHAPTER 7

JOB RESPONSIBILITIES

7.1 THE DEPUTY AUDITOR GENERAL

The DAG shall monitor the progress of work of various Divisions under him/her. They shall ensure that all audits are executed as per the Annual Audit Schedule and issue instructions to respective AAG in matters relating to audit. They shall also ensure that all audits conducted and the audit reports issued are in line with the ISSAIs.

The DAG shall:

- 7.1.1 Monitor the work progress of the respective Divisions as per annual Operational Plan;
- 7.1.2 Ensure fulfilment of RAA strategic Plans;
- 7.1.3 Ensure that audits are carried out in accordance with ISSAIs;
- 7.1.4 Address significant matters arising during the audit;
- 7.1.5 Attend audit entry and exit conference as and when required;
- 7.1.6 Issue instructions to the respective AAG in matters relating to audit;
- 7.1.7 Approve the tour of the AAG;
- 7.1.8 Approve the leave of the AAG except the extra ordinary leave;
- 7.1.9 Review the Draft Audit Reports of the respective Divisions;
- 7.1.10 Attend to the instructions of the Auditor General;
- 7.1.11 Advise and provide professional opinion on matters relating to audits to the Auditor General as and when required;
- 7.1.12 Officiate the Auditor General when delegated;
- 7.1.13 Attend to Committee Meetings as and when required;
- 7.1.14 Represent RAA in the public forum as and when required; and
- 7.1.15 Timely evaluate the Performance Appraisal Report of AAGs under him/her.

7.2 THE ASSISTANT AUDITOR GENERAL

The AAG shall spearhead the overall functioning of the respective division. The AAG shall ensure that all planned audits as per the Annual Audit Schedule are executed and reports issued in time.

Accordingly, the AAG shall;

- 7.2.1 Spearhead the overall functioning of the Division;
- 7.2.2 Monitor and Review Annual Operational Plans and other commitments as envisaged in the Annual Performance Commitment at the Divisional Level.
- 7.2.3 Identify audit thrust areas for each audit and provide direction to audit teams accordingly;

- 7.2.4 Review and approve the audit plan before executing in the field;
- 7.2.5 Ensure that 20%-30% of the total allotted man-days is dedicated for audit planning at the respective offices prior to moving to field;
- 7.2.6 Approve the tour for field audits including site visits and attest the travel claims;
- 7.2.7 Recommend the logistic and administrative requisition of the audit team to AFD;
- 7.2.8 Monitor the movement of auditor(s) while in the office and ensure their punctuality;
- 7.2.9 Obtain and document Field Attendance Sheet of the audit teams after every audit assignment;
- 7.2.10 Approve the casual leave and recommend other types of leave for the staff of the Division;
- 7.2.11 Attend to social welfare of the Divisional staff in times of needs;
- 7.2.12 Recommend the Audit Staff Welfare Scheme loan application (ASWS) in respect of the Divisional staff;
- 7.2.13 Ensure timely submission of Quarterly/Monthly progress report as required of the Division;
- 7.2.14 Attend Quarterly Meetings and disseminate the important resolutions to the field auditors;
- 7.2.15 Attend HRGC meetings for better representation and transparency;
- 7.2.16 Coordinate with other Divisions in matters related to audit;
- 7.2.17 Attend Audit Entry and Exit Meetings for better representation and appropriate decisions;
- 7.2.18 Monitor the execution of Annual Audit Schedules and revise any shortfalls and incorporate additional/ad-hoc audits in the AAS as approved by the Auditor General;
- 7.2.19 Carry out supervision of field audits from time to time and review the works of auditors in the field including surprise visits and calls;
- 7.2.20 Review the Annual Audit Schedule and each audit plan of the Division including assessing the identified risks and developing appropriate audit procedures;
- 7.2.21 Consider the capabilities and competence of individual members while forming the audit team (capabilities, knowledge and experience) necessary to successfully perform the audit;
- 7.2.22 Ensure that the audit team submits a weekly Progress Report through email;
- 7.2.23 Review the draft audit reports of the Division and ensure its timely issuance;
- 7.2.24 Review as to the adequacy of audit evidences supporting the findings in the report;
- 7.2.25 Ensure that the audit reports have been prepared in line with ISSAIs and any other internal reporting templates and guidelines issued from time to time;
- 7.2.26 Ensure timely assembling of the final audit file for each engagement performed and proper archiving and safe custody once the audit report is issued;
- 7.2.27 Ensure timely uploading of complete Audit File in the AIMS for each audit conducted as per AAS;

- 7.2.28 Report any significant issues arising out of audit to the Deputy Auditors General and the Auditor General;
- 7.2.29 Attend to the instructions of the DAGs and the Auditor General;
- 7.2.30 Attend to day to day incoming correspondences and ensure timely actions on those requiring attention;
- 7.2.31 Facilitate the FUCD in matters relating to audit issues of the Division;
- 7.2.32 Sit with the staff of the Division and work out the appropriate time for availing the continuous Professional Development Courses (CPDP) by the individual staff, such that planned audits do not get affected;
- 7.2.33 Assign a senior staff of the Division to assist the AAG for day-to-day work;
- 7.2.34 Brief the members of the audit team in matters relating to independence, objectivity and RAA's Oath of Good Conduct, Ethics and Secrecy of Auditors;
- 7.2.35 Approve all key decisions in executing and reporting the audit including the disposition of advice received from internal and external specialists;
- 7.2.36 Review the audited financial statements and ensure that they comply with applicable standards;
- 7.2.37 Sign the Auditors' Report in case of Financial Audits;
- 7.2.38 Promote teamwork in the conduct of an efficient and effective audit;
- 7.2.39 Participate in team meetings and share information that is significant to the work of other team members including other Divisions;
- 7.2.40 Evaluate staff performance and provide developmental Feedback to HRIRD;
- 7.2.41 Carry out performance evaluation of each staff under its jurisdiction in the MAX System timely;
- 7.2.42 The AAG shall arrange to depute specialist, technical personnel, redefine or defer the audit until such personnel are available;
- 7.2.43 The AAG shall give due consideration to the size of the audited agency and the nature and complexity of the particular task while forming the composition of the audit team;
- 7.2.44 Apply for any kind of leave to the Head of the Department;
- 7.2.45 Identify audit thrust areas for each audit;
- 7.2.46 Represent RAA in the public forum as and when required and approved by the Auditor General; and
- 7.2.47 Maintain records and the details of Qualified Audit Reports issued during the year.

7.3 TEAM LEADER(S)

The Team Leader shall be the overall supervisor for the audit team. He shall review and supervise the works carried out by individual member of the audit team. He shall direct and guide the individual member of the team and be responsible for the conduct and performance of the other members while in the field. The Team leaders are subject to but not limited to the following shall:

- 7.3.1 Coordinate in the preparation of Annual Audit Schedule and ensure compliance with the instructions for preparation of Annual Audit Schedule;
- 7.3.2 Appoint a member from the team as a focal person for each audit to facilitate provision of any information required pertaining to that audit;
- 7.3.3 The team leader shall maintain Field Attendance Sheet for the audit team and submit it to respective AAG after every audit assignment;
- 7.3.4 Review and supervise the work of the team members;
- 7.3.5 Personally involve and take lead role in the preparation of the audit plans in accordance with Audit Manuals/Guidelines of FA, PA & CA;
- 7.3.6 Ensure that all instructions under 'Pre-departure Requirements' have been complied with and completed;
- 7.3.7 Ensure that audit intimation letter has been sent to auditee;
- 7.3.8 Ensure that the signature of the Head of the Agency in the Engagement letter has been obtained as an indication of acknowledgement and agreement with respective responsibilities;
- 7.3.9 Liaise between the audit team and the audited entity;
- 7.3.10 Ensure that all instructions under 'Audit Entry Conference' have been complied with;
- 7.3.11 Ensure that all instructions under 'Follow Up of Past Audit Report' have been complied with;
- 7.3.12 Ensure that all instructions under 'Food and Drinks' have been obeyed;
- 7.3.13 Ensure that all instructions under 'Transport and Logistic Arrangements' have been adhered to;
- 7.3.14 Ensure that all instructions under 'Leave during Field Audits' have been complied with;
- 7.3.15 Ensure that all instructions under 'Borrowing money from Audited agency' have been observed;
- 7.3.16 Ensure observance of all instructions under 'Conduct, Behaviour and Ethics';
- 7.3.17 Ensure that all instructions under 'Use of Equipment and Vehicle' have been followed;
- 7.3.18 Maintain the Monthly Progress Report as provided in **Appendix-VI**;
- 7.3.19 Ensure that all instructions under 'Documentation' have been complied with;

- 7.3.20 Follow the documentation guidance provided under **Appendix-VII**;
- 7.3.21 Draft internal and external communications including audit Reports;
- 7.3.22 Assign staff to audit tasks in a manner that matches their Capabilities with developmental opportunities and personal interests;
- 7.3.23 Ensure that team members understand their responsibilities including the audit procedures to be executed and the expected date of work completion;
- 7.3.24 Advise team members on an ongoing basis and resolve minor audit issues as they arise;
- 7.3.25 Keep the AAG apprised of any significant audit issues;
- 7.3.26 Submit a weekly Progress Report through email to the AAG as required;
- 7.3.27 Assist the AAG in analyzing significant audit issues and propose strategies to address them;
- 7.3.28 Lead by example in terms of coaching, listening, supporting, assisting and establishing collegial and inclusive working relationships;
- 7.3.29 Participate in team meetings and share information that is significant to the work of other team members;
- 7.3.30 Regularly monitor the status of the audit, hold progress meetings with the audited agency;
- 7.3.31 Provide input to the AAG in evaluating the performance of staff;
- 7.3.32 Ensure that staff replicate their work regularly in order to keep the entity Master file up-to-date and prevent the loss of the work performed to date;
- 7.3.33 Maintain control over the Audit Working Papers and its proper documentation;
- 7.3.34 Ensure uploading of proper and complete documentation of Audit Working File/Papers in the AIMS;
- 7.3.35 Ensure that the team submits Travel claims within one week of return from the field;
- 7.3.36 Report to HQ immediately persistent indulgence of auditor(s) in socially undesirable behaviour, substance abuse, alcohol addictions etc. which affects performance of auditor(s)' duties;
- 7.3.37 Intimate the HQ severe/serious cases of health disorder to any auditor(s) while in the field;
- 7.3.38 The audit team shall determine the requirement of specialized and technical personnel for the particular audit and accordingly appraise the AAG;
- 7.3.39 Represent RAA in the public forum as and when required and approved by the Auditor General;
- 7.3.40 Ensure assembly of the final audit file for each engagement performed and proper archiving and safe custody once the audit report is issued;

- 7.3.41 Ensure timely uploading of complete Audit File in the AIMS for each audit conducted as per AAS;
- 7.3.42 Provide Leadership Feedback to respective AAG and DAG as required; and
- 7.3.43 Timely carry out individual Performance Evaluation in the RCSC's MAX System.

7.4 TEAM MEMBER(S)

The team member(s) as individuals shall carry out the audit procedures as defined and allocated to them as per the Risk Assessment - AWP 4.5 (A) and document the work performed. The team members shall assist and cooperate with the team leader in the documentation of working papers and preparation of the draft audit report. The team members shall:

- 7.4.1 Assist the team leader in the preparation of Annual Audit Schedule;
- 7.4.2 Assist the team leader in the preparation of Audit Plan;
- 7.4.3 Collect information and data like Profile, Mandates, Financial Statements, targets and achievements etc. from the Agency under Audit;
- 7.4.4 Carry out proper documentation of the above information;
- 7.4.5 Carry out proper documentation of Annual Audit Schedule, Audit Plan, Audit engagement/intimation letter and relevant audit working papers in appropriate files;
- 7.4.6 Perform audit procedures in accordance with the Audit Plan;
- 7.4.7 Seek guidance and direction from the team leader(s) or the AAG wherever necessary;
- 7.4.8 Keep the team leader(s) informed on a regular basis of the work being undertaken, audit findings, overall progress, any constraints or difficulties being encountered;
- 7.4.9 Identify opportunities to improve the audit approaches or specific audit procedures;
- 7.4.10 Act as team leader and supervise other members including audit trainees upon instruction from the team leader;
- 7.4.11 Understand one's responsibilities including the audit procedures to be executed and the expected date of work completion;
- 7.4.12 Participate in team meetings and share information that is significant to the work of other team members;
- 7.4.13 Document findings with sufficient appropriate Audit evidence for discussion with audit team and the team leader;
- 7.4.14 Draft the audit findings arising out of their audit work;
- 7.4.15 Observe all instructions under 'Pre-departure Requirements';
- 7.4.16 Attend the Audit Entry Conference;

- 7.4.17 Ensure adherence to all instructions under 'Follow-up of Past Report' if entrusted with responsibility by the team leader;
- 7.4.18 Follow all instructions under 'Food and Drinks';
- 7.4.19 Follow all instructions under 'Transport and Logistic Arrangements';
- 7.4.20 Adhere to all instructions under 'Leave during Filed Audits';
- 7.4.21 Observe all instructions under 'Advances from Audited agency';
- 7.4.22 Observe all instructions under 'Conduct, Behaviour and Ethics';
- 7.4.23 Follow all instructions under 'Use of Equipment and Vehicle';
- 7.4.24 Comply with all instructions under 'Documentation';
- 7.4.25 Submit Travel claims timely;
- 7.4.26 Represent RAA in the public forum as and when required and approved by the Auditor General;
- 7.4.27 Assist and ensure assembly of the final audit file to the team leader for the purpose of proper archiving and safe custody of audit working papers; and
- 7.4.28 Timely carry out individual Performance Evaluation in the RCSC's MAX System.
- 7.4.29 Ensure right categorization of audit findings

Appendix – I: Sanctions

Wherever relevant, the instances of non-compliances to the Auditor General’s Standing Instructions shall be dealt as per the Rules for Administrative Disciplinary Actions, 2022 of the Royal Civil Service Commission.

- The team leaders and team members are required to keep track of any non-compliances and report to their respective AAGs.
- Hon’ble Auditor General, Joint Auditor General, DAGs and AAGs shall keep track of any non-compliances for their respective subordinates.
- Cases of non-compliances which may not be relevant to sanctions from the RCSC’s Rules for Administrative Disciplinary Actions shall be dealt by the respective Team Leaders, AAGs/DAGs and shall form basis for individual Performance Evaluation.

Appendix – II: Talking Points

The processes, requirements and aspects of different types of audits are different and auditors should ensure that all necessary information regarding the type of audit is disseminated clearly to the audited agency. The audit teams/AAGs/DAGs shall, besides discussing on the audit plan, program and type of audit for the respective agency, also discuss and create awareness on the following topics;

1. Despite auditing year on year, there is no end to audit findings and observations. Observations keep repeating and in fact seem to be increasing. The oversight bodies have taken several measures such as advocacy and awareness programmes including several preventive measures like improving the internal control measures etc. However, there is no end and this has been echoed from the highest authority.
2. Therefore, with the ultimate aim of rooting out corruption, henceforth the RAA will be stricter both in terms of writing audit observations and fixing accountability.
3. People will have to pay for even minor mistakes.
4. However, at times and under difficult and unavoidable circumstances, agencies may have to take bold steps. In such situations make sure that due diligence has been carried out with all relevant documents and evidences.
5. Audit Observations/Memos to be issued on spot, so as to provide opportunity for discussion and providing response while the auditors are in the field. Likewise, RAA expects replies to be furnished during the period of audit itself.
6. For easy tracking, identification of audit recoveries and generating comprehensive database, audit findings shall be assigned with the category code during issue of the findings for the first time. Any changes to the category codes through further verification, justification and repayment shall be communicated to the agency through the audit report.
7. Audit exit meeting will be held on the last day of audit (give tentative time).
8. Action Taken Report to be submitted one month after the issuance of the report.
9. Three types of Accountabilities

- a. **Direct Accountability**

Fixed on those directly responsible for the lapses like engineers, finance personnel, HR personnel, procurement officials, committees etc. It could be one, two or more depending on the observations. It could be fixed together on the subordinate and head of division/section/region depending on the nature of observation. **Example:** *The site engineer is required to verify all bills of contractors and the verified bills shall then be submitted to the supervising engineer with relevant documents like MB who shall examine the bills verified by the site engineer. The accounting unit is required to conduct arithmetical checks, cross referencing with previous running bills and proper treatment of statutory deductions and recoveries.*

- b. **Supervisory Accountability**

Normally fixed on the supervisor or DDO who has some control on the issue in the audit observation. It will also be fixed on those responsible for follow-up on the observation. Those under Direct Accountability could also be fixed Supervisory Accountability for the same observation. However, in such cases and in addition there should also be another person for Supervisory Accountability who will be responsible for following up on the observation especially in the case of Supervisory Accountability being fixed on those who have been transferred or retired.

c. Overall Accountability

For all audit reports, the overall accountability will be fixed on the head of agency who will take the lead in following-up on the audit reports.

10. **Settlement of observations** - until now the RAA haven't insisted so much on sanctions to settle audit observations, mere recovery had sufficed it. And remedial measures were more generic, like simply asking the management to improve the internal control system. Henceforth, to settle audit observations, three things need to happen.

- a. **The 'Treatment'** - The Treatment, it would mean either recovery, restitution, rectification, replacement, redoing, etc.
- b. **The 'Sanction'** - The Sanction would mean that an agency should initiate disciplinary actions, administrative actions, legal actions against those defaulters, responsible officials and other relevant individuals as per. RCSC's notification on Rules for Administrative Disciplinary Actions 2022.
- c. **The 'Corrective Actions'** - The Corrective Actions would mean, the agency instituting control measures in place. For instance, excess payment to contractors, how it happened should be studied and appropriate measures should be in place. If excess payments have happened because of computation errors, the agency should ensure that the bills are thoroughly verified for all such errors, if not, he or she will be liable for failing to do what is required of them. And the agency should have procedures to verify if the employees are following all the due processes prior to approving the payment.

10. **Support and cooperation** – all dealing officials should be made available for any joint verification of construction sites, to enable the teams to verify and confirm the execution of items of works as per the design and drawings. It would also facilitate to review and understand the factual conditions at site for any deviations or shortcomings.

11. The management is required to disclose any instances of fraud and corruption in their knowledge or instances of suspected fraud and corruption.
12. The management should ensure availability of site engineers for field visits and joint physical verification as the RAA will not be able to deploy team for re-verification of the same structure.

13. The management of the agency is responsible for Communicating Accountability to all relevant officials and individuals.
14. Accountability shall also be fixed on the committee members depending on the type of case and involvement of the committee members.
15. The application of 24% interest and RAA's Zero tolerance policy
16. The issue of unidentified deposits in the ARA and how agencies can reduce such cases of unidentified deposits.

Appendix – III: Vehicle Requisition Form

Date:

VEHICLE REQUISITION FORM

Name of Office/Agency :Royal Audit Authority.....				
Name of Department :				
Name of Division/Section:				
Date	From	To	Name of the official(s) travelling	Purpose
Requisitioned by:			Signature:	
			Name:	
			Designation:	
Recommendation of Assistant Auditor General/AAG/DAG			Signature:	
			Name:	
			Designation:	
Vehicle No.: ...BG-.....			Admn. Officer, AFD/MTO	
Driver's Name:				
Approved by:				
Date:				

Appendix – IV: Records of Logistic Arrangements

SN	Name and Designation of Auditor	Place where logistic is to be arranged	Duration of stay		Name, Designation and Contact No. of person contacted by logistic officer		Arrangement Made by Logistic Officer (Tick appropriate)				Remarks
			From	To	Name & Designation	Contact No. and Contact Date	RAA's Base Office	Free Guest House	Guest House with Nominal rent	Accommodated in hotel	
1.											
2.											
3.											
4.											
5.											

Note:

- 1) **Category I:** In places where government guest houses are freely available and there is no system of charging rent, the designated logistic officers too shall directly request and arrange the facility for the field auditors;
- 2) **Category II:** Where government guest houses are available but there are established system of payment of nominal rent by the users, the field auditors can avail on similar mode;
- 3) **Category III:** Pre-arranged rented accommodation in RAA's Base office. Field auditors carrying out audits in place of rented accommodation (Base Office and Transit Camp) shall compulsorily occupy the rooms. Each occupant shall pay nominal amount of Nu.200.00/150/100 per night towards rental charges. A handing/taking over of the room shall be carried out between the audit teams and respective Logistic officers preferably on the day of vacation or one day after the vacation;
- 4) **Category IV:** Accommodation in hotels with 50% DA (when above three categories are not MET) – Only Accommodation

Appendix – V: Weekly Plan and Reporting Form

WEEKLY PLAN & REPORT

Name of the Auditor:

Designation:

Duties assigned:

Name of the Supervisor/Team Leader:

Planned Activities & Accomplishments

Date	Planned Activity	Accomplishments	Outputs
Remarks:			

Signature of the Auditor:

Signature of the Team Leader/Supervisor:

Appendix – VI: Monthly Progress Report

MONTHLY PROGRESS REPORT

Dated:

Period:

Name of the Division:

Name of the Department:

I. Audits conducted during the month:

Sl. No.	Types of Audit	No. of Agencies
1	Financial Audit (LC)	
2	Financial Audit (PLC/Project)	
3	Compliance Audit	
4	Performance Audit	
5	Follow-up on the prior year Audit Reports	
	Total	

II. Reports issued during the month:

Sl. No.	Types of Audit	No. of Agencies
1	Financial Audit (LC)	
2	Financial Audit (PLC/Project)	
3	Compliance Audit	
4	Performance Audit	

5	Follow-up on the prior year Audit Reports	
	Total	

III. Significant issues including fraud & corruption pointed out during the month:

Sl. No.	Agency & AIN	Finding in brief	Amount (Nu.)	Para (Status/Impact)
	Total			

IV. Audits planned and conducted during the month (as per the Annual Audit Schedule):

Sl. No.	Name of Agency	Period of Audit	Audit Planned	Audit Conducted

V. Issue of reports planned and actually issued during the month:

Sl. No.	Name of Agency	Period of Audit	Date of issue of report as Planned	Actual Issue date

VI. Audit under Progress:

Sl. No.	Name of Agency	Period of Audit	Start date of Audit

VII. Audit Reports under Progress:

Sl. No.	Name of Agency	Period of Audit	Date of Audit	Date for issue as per AAS

Prepared by:

Signature of Assistant Auditor General/AAG (with official Seal)

Concurred:

Head of Department

Appendix – VII: Audit Evidence Documentation

Audit Evidence Documentation

A. For maintaining in Soft Copies:

1. Create Folder under Completion & Review Phase of Audit as Audit Evidence.
2. Create sub-folder with Finding/Finding reference.
3. Scan/Take photos of evidences as to what is sufficient appropriate audit evidence.
4. Put all evidences (Serial No. 3) into the sub-folder created in serial No. 2.
5. Create a word file to provide contents of the audit evidences:

Example:

Finding No. 1: Payment of full salary for training exceeding twelve months – Nu.

Audit Evidences:

1. Copy of HRC endorsement
2. Copy of Training Award Letter of RCSC
3. Relieving Order
4. Copy of Office Joining Report
5. Pay Slips Printouts

B. For Maintaining in Hard Copies:

1. Name of the Agency, Period Covered, Schedule of Audit, Names of the Engagement Team;
2. Provide Index;
3. Printout the copy of finding/Finding
4. Append the content of Audit Evidences enclosed; and
5. Append all evidences as to what is sufficient appropriate audit evidence. Provide cross-references to supporting working papers as appropriate