

AUDIT PERSPECTIVES

USING OUR ENHANCED AUDITING METHODOLOGY TO MAKE A DIFFERENCE



Alice Muller is the acting national leader for audit services. Her role includes assessing the effectiveness of the audit machinery and providing guidance to the AGSA's entire audit process in all spheres of government. Alice is a qualified chartered accountant who completed her articles at Deloitte in Welkom, after which she was an associate at Odendaal and Marais before joining the AGSA in August 2000.

The Auditor-General of South Africa (AGSA) is the supreme audit institution (SAI) of the country. As SAI South Africa, a constitutional mandate to support our country's democracy through auditing is enshrined in our existence. To achieve this goal and to respond to our environment, we set out in 2017 to improve our audit methodology. This was brought about by a change in audit standards as well as a need to change our methodology to an integrated approach, thereby elevating risks that form part of the audit process to allow us to produce a more relevant audit product.

What our enhanced methodology entails

Our AMPlified methodology has allowed us to go deeper into audits to establish root causes and come up with tailored recommendations for

these. This we do through gaining an understanding of the auditee and conducting a detailed risk assessment. This process then helps guide the audit team to determine the required resources for an audit. The makeup of our teams has evolved from including only regularity auditors, to including investigators, performance auditors, information systems auditors as well as a range of subject matter experts. They are deployed to the audit based on the assessment process and the auditee's field of practice.

This investment has resulted in an in-depth analysis of our auditees, which we include in our consolidated general reports. Apart from these reports, we make use of management reports (an audit communication document between an auditee and an auditor) to share valuable insights with our auditees and the accounting executive.

Database of experts

Through our performance audit and our corporate legal and provisioning services business units, we are the custodians of a comprehensive database of subject matter experts. We use the database to source the skills of qualified and experienced professionals to assist us during our audits.

Blending our methodology with the PAA amendments

We are currently implementing the first phase of the amendments to the Public Audit Act (PAA) and it honestly feels as though we saw this coming and had in turn prepared for it. Our audit methodology has been amplified, which has led us to start with some of the work that was necessary to carry out the PAA amendments. These amendments call for a

more transparent and fair audit process, which we are hopeful will drive an enhanced culture of accountability in the public sector.

For us, the end goal is to build public confidence in a government that is ethical, responsive and has in place systems to enable it to provide a better life for citizens. It is hard work but what we do matters, and the quality with which we do it is non-negotiable.

In our reputation promise, we commit to enable oversight, accountability and governance. I urge all audit staff to honour this promise by producing good quality audits that add value so that action on the matters we raised will lead to a better life for all South Africans. Support staff, your role in ensuring that the audit teams have the tools, capabilities, capacity and systems to fulfil this mandate is immensely important and should never be underestimated.

It is important to keep our focus on the end goal and not be discouraged by the noise and the pushbacks, as our work continues to make a difference to our society at large.



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Auditing to build public confidence

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