

PART A: PROGRAMME BASED BUDGET (PBB) STATEMENT

I. STRATEGIC NOTE

1. Major Achievements for 2008/09

- New Financial Audit Manual, in line with the updated International Standards of Auditing.
- New Audit Methodology formulated and used.
- The Risk-based Audit approach is now being applied.
- A new set of Audit Programmes for substantive tests prepared.
- A quality Assurance Unit has been set up at the National Audit Office (NAO).
- An IT Unit has been set up at the National Audit Office.

2. Major Outputs (Services to be provided) for 2009-2011

Programme 041: External Audit

- Report to National Assembly.
- Audit of Statutory Bodies (100 Statutory Bodies of which MRA, NTC, MSA, CWA, CEB, etc).
- Audit of Non Statutory Bodies (60 Non Statutory Bodies of which Beach Authority, Civil Service Family Protection Scheme Board, ICAC, NHRC, Financial Intelligence Unit, etc).
- Audit of Local Authorities (133 Local Authorities of which Municipalities, District Councils, etc)
- Performance Audit Training.

3. Main Constraints and Challenges and how they are being addressed

- Accounts of small Government units are being carried out on a five-year rotation basis. It would have been desirable to have a minimum three-year basis rotation.

Additional resources to be made available to have accounts of small Government units audited on a three-year rotation basis.

II. LIST OF PROGRAMMES, SUB-PROGRAMMES AND PRIORITY OBJECTIVES

Programme 041: External Audit

Sub-Programme 04101: Statutory and Regulatory Audit

- Provide our stakeholders with an objective report and reasonable assurance on the stewardship of public funds as appropriated by Parliament.

Sub-Programme 04102: Performance Audit

- To strengthen the capacity building of NAO on Performance Audit.

III. SUMMARY OF FINANCIAL RESOURCES

Code	Programmes and Sub-Programmes	Rs	Rs	Rs	Rs
		2008/09 Estimates	Jul-Dec 2009 Estimates	2010 Planned	2011 Planned
041	External Audit	63,000,000	45,600,000	84,800,000	87,300,000
04101	Statutory and Regulatory Audit	56,865,000	41,135,000	76,417,000	78,752,000
04102	Performance Audit	6,135,000	4,465,000	8,383,000	8,548,000
	Total	63,000,000	45,600,000	84,800,000	87,300,000

IV. SUMMARY OF FUNDED POSITIONS

Code	Programmes	Up to Rs 19,000		Between Rs 19,000 and Rs 60,000		Above Rs 60,000		Total	
		2008/09	2009 (Jul-Dec)	2008/09	2009 (Jul-Dec)	2008/09	2009 (Jul-Dec)	2008/09	2009 (Jul-Dec)
041	External Audit	54	59	121	127	3	3	178	189
04101	Statutory & Regulatory Audit	49	53	107	112	3	3	159	168
04102	Performance Audit	5	6	14	15	0	0	19	21
	Total Funded Positions	54	59	121	127	3	3	178	189

NON-FINANCIAL DATA

PROGRAMME 041 (189 Staff and 100% Budget of the Department): External Audit					
Outcome: Deliver an external audit service that meets the expectations of Parliament and other stakeholders.					
SUB-PROGRAMME 04101: Statutory and Regulatory Audit					
DELIVERY UNIT	OUTPUTS (Services to be delivered)	PERFORMANCE			
		Indicators (Service Standards)	2008-09 Baseline	2009 Targets	2010 Targets
National Audit Office (NAO)	O1: PBB Delivery of Government programmes	P1: PBB indicators met	-	90%	90%
	O2: Ministry is responsive to enquiries and requests for action	P1: 5 Working day rule met (response within 5 working days giving deadline for final response)	-	90%	90%
	O3: Government measures announced in budget	P1: Extent of achievement of Government measures announced in relevant budget	-	75%	75%
	O4: Report to National Assembly	P1: Timely submission of the annual Audit Report to the National Assembly	Nov-08	Nov-09	Apr-10
	O5: Audit of Statutory Bodies (100)	P1: Percentage of selected statutory bodies accounts audited and certified	88%	90%	90%
	O6: Audit of non Statutory Bodies (60)	P1: Percentage of selected non statutory bodies accounts audited and certified	67%	75%	75%
	O7: Audit of Local Authorities (133)	P1: Percentage of selected local authorities accounts audited and certified	100%	100%	100%
SUB-PROGRAMME 04102: Performance Audit					
National Audit Office (NAO)	O1: Performance Audit Training	P1: Performance Audit Training completed by	-	-	May-10
		P2: Number of external staff attending NAO Performance Audit Training	-	7	-

PART B: FINANCIAL RESOURCES**SUMMARY BY ECONOMIC CATEGORIES**

Code	Economic Categories	Rs	Rs	Rs	Rs
		2008/09 Estimates	Jul-Dec 2009 Estimates	2010 Planned	2011 Planned
21	Compensation of Employees	54,760,000	40,515,000	74,985,000	77,380,000
22	Goods and Services	7,975,000	5,015,000	9,525,000	9,630,000
24	Interest	-	-	-	-
25	Subsidies	-	-	-	-
26	Grants	265,000	70,000	290,000	290,000
27	Social Benefits	-	-	-	-
28	Other Expense	-	-	-	-
31	Acquisition of Non-Financial Assets	-	-	-	-
32	Acquisition of Financial Assets	-	-	-	-
	Total	63,000,000	45,600,000	84,800,000	87,300,000

SUMMARY FOR PERIOD JULY - DECEMBER 2009

Code	Programme	Rs	Rs	Rs	Rs
		Compensation of Employees [code 21]	Goods and Services [code 22]	Subsidies/ Grants [codes 25-28]	Acquisition of Assets [codes 31- 32]
041	External Audit	40,515,000	5,015,000	70,000	-
	Total	40,515,000	5,015,000	70,000	-

Programme 041: External Audit**Sub-Programme 04101 : Statutory and Regulatory Audit**

Item No.	Details	Rs	Rs	Rs	Rs
		2008/09 Estimates	Jul-Dec 2009 Estimates	2010 Planned	2011 Planned
21	Compensation of Employees	48,775,000	36,100,000	66,765,000	68,995,000
21110	Personal Emoluments	40,723,000	31,700,000	58,385,000	60,615,000
21111	Other Staff Costs	8,052,000	4,400,000	8,380,000	8,380,000
22	Goods and Services	7,825,000	4,965,000	9,362,000	9,467,000
22010	Cost of Utilities	1,065,000	870,000	1,660,000	1,660,000
22020	Fuel and Oil	25,000	15,000	30,000	30,000
22030	Rent	4,442,000	2,387,000	4,775,000	4,775,000
22040	Office Equipment and Furniture	500,000	100,000	360,000	460,000
22050	Office Expenses	115,000	73,000	142,000	142,000
22060	Maintenance	475,000	1,095,000	1,375,000	1,375,000
	<i>of which</i>				
22060005	<i>IT Equipment</i>	<i>175,000</i>	<i>845,000</i>	<i>900,000</i>	<i>900,000</i>
22100	Publications and Stationery	445,000	265,000	515,000	515,000
22110	Overseas Travel	75,000	-	-	-
22120	Fees	440,000	100,000	435,000	435,000
22900	Other Goods and Services	243,000	60,000	70,000	75,000

National Audit Office – continued

Item No.	Details	Rs	Rs	Rs	Rs
		2008/09 Estimates	Jul-Dec 2009 Estimates	2010 Planned	2011 Planned
26	Grants	265,000	70,000	290,000	290,000
26210	Current Grant to International Organisations	265,000	70,000	290,000	290,000
	<i>of which</i>				
26210013	Contribution to African Organisation of English Speaking Supreme Audit	170,000	-	200,000	200,000
	Total	56,865,000	41,135,000	76,417,000	78,752,000

Sub-Programme 04102: Performance Audit

Item No.	Details	Rs	Rs	Rs	Rs
		2008/09 Estimates	Jul-Dec 2009 Estimates	2010 Planned	2011 Planned
21	Compensation of Employees	5,985,000	4,415,000	8,220,000	8,385,000
21110	Personal Emoluments	5,107,000	3,780,000	6,985,000	7,150,000
21111	Other Staff Costs	878,000	635,000	1,235,000	1,235,000
22	Goods and Services	150,000	50,000	163,000	163,000
22010	Cost of Utilities	10,000	5,000	8,000	8,000
22030	Rent	65,000	20,000	45,000	45,000
22100	Publications and Stationery	30,000	25,000	40,000	40,000
22120	Fees	45,000	-	70,000	70,000
	Total	6,135,000	4,465,000	8,383,000	8,548,000

PART C: HUMAN RESOURCES**DETAILS OF STAFFING BY PROGRAMMES AND SUB-PROGRAMMES**

Salary Code	Position Titles	Funded Positions	
		2008/09	2009 (Jul-Dec)
Programme 041: External Audit		178	189
Sub-Programme 04101: Statutory & Regulatory Audit		159	168
01 00 96	Director of Audit	1	1
01 00 90	Deputy Director of Audit	2	2
01 69 81	Assistant Director of Audit	9	9
01 65 75	Principal Auditor	6	6
01 59 71	Senior Auditor	4	4
01 48 67	Auditor	37	37
01 71 81	Head Examiner Of Account Cadre	1	1
01 65 75	Deputy Director of Audit	1	1
01 60 71	Chief Examiner Of Account Cadre	9	9
01 54 64	Principal Examiner Of Account Cadre	12	12
01 48 59	Senior Examiner Of Account	19	19
01 29 55	Examiner Of account	39	48
08 29 49	Executive Officer	1	1
08 18 45	CO/HCO	7	7
08 34 55	Confidential Secretary	3	3
08 17 44	Word Processing Operator	2	2
24 27 37	Head Office Attendant	1	1
24 10 30	Office Attendant	3	3
24 13 36	Driver	2	2

DETAILS OF STAFFING BY PROGRAMMES AND SUB-PROGRAMMES

Salary Code	Position Titles	Funded Positions	
		2008/09	2009 (Jul-Dec)
Sub-Programme 04102 : Performance Audit		19	21
01 69 81	Assistant Director of Audit	1	1
01 59 71	Senior Auditor	3	3
01 48 67	Auditor	3	3
01 54 64	Principal Examiner Of Account Cadre	3	3
01 48 59	Senior Examiner Of Account	3	3
01 29 55	Examiner of Account	6	6
01 65 75	Principal Auditor	-	1
01 60 71	Chief Examiner Of Account Cadre	-	1
Total Funded Positions		178	189