

PART A: STRATEGIC NOTE OF DEPARTMENT

I. Major Achievements for 2013

- The Report of the Director of Audit tabled before the National Assembly nearly 2 months before the statutory date limit.
- All financial statements and Annual Reports of Statutory Bodies were audited and certified within 6 months of the dates they were submitted to the National Audit Office (NAO).
- The financial statements of all local authorities were audited and certified.
- 4 Performance Audits completed
- Activity and Performance Reports, including financial statements, prepared in accordance with IPSAS under the accrual accounting basis.
- Following the sponsorship and in-house training provided, 13 Officers of NAO have passed the CISA (Certified Information Systems Auditor) examinations.
- Organized and hosted the 10th Meeting of the AFROSAI-E Governing Board in May 2013

II. Major Constraints and Challenges and how they are being addressed

- Stakeholders' high expectations particularly in detection of fraud and corruption
 - Follow International Standards of Auditing and guidance from INTOSAI and AFROSAI-E.
- Exponential increase in transaction and data volumes
 - Constant review of audit approach with guidance from INTOSAI and AFROSAI-E.
 - Conducting Interim Audits
 - Recruitment of additional staff
- Complexities of organizations and businesses
 - Capacity building and training in IT Audits
 - Training in forensic audit
- Adoption of International Accounting and Audit Standards
 - Extending time duration of audit.
- Rising Business/Engagement Risk
 - Setting up of a Research and Development Unit to
 - (i) search for information on industry developments, new product and services, new accounting requirements etc. for each audited entity; and

- (ii) keep abreast with developments in auditing, accounting and other related issues

III. Strategic Direction 2014-2016

- Focusing on “delivery of high quality audit services”
 - Continuously improve the quality of audit services provided.
 - Contribute in enhancing good governance in public sector.
 - Follow-up of audit recommendations.

IV. Priority Objectives And Major Services to be provided for 2014-2016

Programme 041: External Audit and Assurance Services

Sub-Programme 04101: Regularity Audit

Priority Objectives: • Submit annual audit report to the National Assembly within the statutory date limit, preferably within 6 months of the close of the financial year

Major Services: • Audit of financial statements and financial systems and transactions
• Audit of the probity and propriety of administrative decisions taken within the audited entity
• Audit of internal control and internal audit functions
• Quality assurance
• Monitoring of audit operations on sites
• Information systems audit
• Interim audit

Sub-Programme 04102: Performance Audit

Priority Objectives: • Evaluate whether the audited entity is making use of its resources in an economical, efficient and effective manner.

Major Services: • Conduct of performance audits.

V. SUMMARY OF FINANCIAL RESOURCES BY PROGRAMMES AND SUB-PROGRAMMES

Code	Programmes and Sub-Programmes	Rs	Rs	Rs	Rs
		2013 Estimates	2014 Estimates	2015 Planned	2016 Planned
041	External Audit and Assurance Services	120,312,000	133,859,000	137,919,000	141,324,000
04101	Regularity Audit	108,928,000	121,374,000	125,004,000	128,009,000
04102	Performance Audit	11,384,000	12,485,000	12,915,000	13,315,000
	Total	120,312,000	133,859,000	137,919,000	141,324,000

VI. SUMMARY OF FUNDED POSITIONS BY PROGRAMMES AND SUB-PROGRAMMES

Code	Programmes and Sub-Programmes	Total		% Distribution	
		In Post by Dec 2013	Funded by Dec 2014	2013	2014
041	External Audit and Assurance Services	200	200	100%	100%
04101	Regularity Audit	179	179	89%	89%
04102	Performance Audit	21	21	11%	11%
	Total	200	200	100%	100%

PART B: SERVICES TO BE PROVIDED AND PERFORMANCE INFORMATION

PROGRAMME 041: External Audit and Assurance Services						
Outcome: A high quality professional external audit that meets expectations of the National Assembly and other stakeholders						
Outcome Indicators			2012 Actual	2014 Target	2016 Target	2023 Target
1) Percentage of recommendations in Audit reports implemented			-	50%	50%	75%
2) AFROSAI-E Institutional Capacity Building Framework			Level 2	Level 3	Level 4	Level 5
DELIVERY UNIT	SERVICES TO BE PROVIDED	PERFORMANCE				
		Service Standards (Indicators)	2012 Actual	2014 Targets	2015 Targets	2016 Targets
SUB-PROGRAMME 04101: Regularity Audit						
National Audit Office	S1: Policy and Management Services.	SS1: Reform strategy to deliver long term ESTP Outcomes formulated	-	June	June	June
		SS2: % of requests acknowledged within 5 working days	90%	90%	93%	95%
	S2: Interim Audit services to Ministries and Departments	SS1: % of Ministries audited	-	60	75	90
	S3: Audit and Assurance services to Ministries and Departments and Rodrigues Regional Assembly	SS1: Timely submission of the annual Audit Report to the National Assembly	July	June	June	June
	S4: Audit of Annual Report and Financial Statements of Statutory Bodies and local authorities	SS1: Percentage of submitted financial statements audited and certified within 6 months of submission	90%	95%	98%	100%
SUB-PROGRAMME 04102: Performance Audit						
National Audit Office	S1: Performance Audits (Audit of economy, efficiency & effectiveness of public spending)	SS1: Number of Performance Audit Reports issued	3	5	5	5

PART C: INPUTS - FINANCIAL RESOURCES**1. SUMMARY BY ECONOMIC CATEGORIES**

Code	Economic Categories	Rs	Rs	Rs	Rs
		2013 Estimates	2014 Estimates	2015 Planned	2016 Planned
21	Compensation of Employees	107,685,000	121,254,000	125,314,000	128,719,000
22	Goods and Services	12,292,000	12,230,000	12,230,000	12,230,000
24	Interest	-	-	-	-
25	Subsidies	-	-	-	-
26	Grants	335,000	375,000	375,000	375,000
27	Social Benefits	-	-	-	-
28	Other Expense	-	-	-	-
31	Acquisition of Non-Financial Assets	-	-	-	-
32	Acquisition of Financial Assets	-	-	-	-
	Total	120,312,000	133,859,000	137,919,000	141,324,000

2. SUMMARY FOR YEAR 2014

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 and Assurance Services	121,254,000	12,230,000	375,000	-
	Total	121,254,000	12,230,000	375,000	-

Programme 041: External Audit and Assurance Services**Sub-Programme 04101 : Regularity Audit**

Item No.	Details	Rs	Rs	Rs	Rs
		2013 Estimates	2014 Estimates	2015 Planned	2016 Planned
21	Compensation of Employees	96,620,000	109,144,000	112,774,000	115,779,000
21110	Personal Emoluments	84,985,000	91,234,000	94,864,000	97,869,000
21111	Other Staff Costs	10,985,000	17,185,000	17,185,000	17,185,000
21210	Social Contributions	650,000	725,000	725,000	725,000
22	Goods and Services	11,973,000	11,855,000	11,855,000	11,855,000
22010	Cost of Utilities	1,585,000	1,585,000	1,585,000	1,585,000
22020	Fuel and Oil	45,000	55,000	55,000	55,000
22030	Rent	4,790,000	4,820,000	4,820,000	4,820,000
22040	Office Equipment and Furniture	825,000	825,000	825,000	825,000
22050	Office Expenses	83,000	85,000	85,000	85,000
22060	Maintenance	800,000	900,000	900,000	900,000
22100	Publications and Stationery	435,000	485,000	485,000	485,000
22120	Fees	1,860,000	2,145,000	2,145,000	2,145,000
22180	Overseas Travel (Mission and Capacity Building)	1,000,000	900,000	900,000	900,000
22900	Other Goods and Services	550,000	55,000	55,000	55,000
26	Grants	335,000	375,000	375,000	375,000
26210	Current Grant to International Organisations	335,000	375,000	375,000	375,000
	Total	108,928,000	121,374,000	125,004,000	128,009,000

National Audit Office - continued

Item No.	Details	Rs	Rs	Rs	Rs
		2013 Estimates	2014 Estimates	2015 Planned	2016 Planned
Sub-Programme 04102: Performance Audit					
21	Compensation of Employees	11,065,000	12,110,000	12,540,000	12,940,000
21110	Personal Emoluments	9,925,000	10,245,000	10,675,000	11,075,000
21111	Other Staff Costs	1,140,000	1,865,000	1,865,000	1,865,000
22	Goods and Services	319,000	375,000	375,000	375,000
22010	Cost of Utilities	10,000	10,000	10,000	10,000
22030	Rent	30,000	30,000	30,000	30,000
22100	Publications and Stationery	34,000	40,000	40,000	40,000
22120	Fees	245,000	295,000	295,000	295,000
	Total	11,384,000	12,485,000	12,915,000	13,315,000

PART D: INPUTS - HUMAN RESOURCES**STAFFING (FUNDED POSITIONS) BY PROGRAMMES AND SUB-PROGRAMMES**

Salary Code	Position Titles	In Post by Dec 2013	Funded Positions by December		
			2014	2015	2016
Programme 041: External Audit and Assurance Services		200	200	200	200
Sub-Programme 04101: Regularity Audit		179	179	179	179
01 00 102	Director of Audit	1	1	1	1
01 00 96	Deputy Director of Audit	2	2	2	2
01 80 89	Assistant Director of Audit	9	9	9	9
01 70 83	Principal Auditor	9	9	9	9
01 64 79	Senior Auditor	15	15	15	15
01 53 75	Auditor	26	34	34	34
01 80 89	Head, Examiner of Accounts Cadre	1	1	1	1
01 70 83	Deputy Head, Examiner of Accounts Cadre	1	1	1	1
01 65 79	Chief Examiner of Accounts	15	15	15	15
01 59 74	Deputy Chief Examiner of Accounts	14	14	14	14
01 53 69	Principal Examiner of Accounts	19	19	19	19
01 33 65	Examiner of Accounts/ Senior Examiner of Accounts	51	43	43	43
01 45 65	Financial Officer/ Senior Financial Officer	1	1	1	1
01 33 55	Assistant Financial Operations Officer (<i>Personal</i>)	-	-	-	-
08 45 64	Office Management Assistant	2	2	2	2
08 30 56	Management Support Officer	7	7	7	7
08 38 63	Confidential Secretary	1	1	1	1
08 21 52	Word Processing Operator	1	1	1	1
22 16 48	Receptionist/ Telephone Operator	-	-	-	-
24 31 46	Head Office Care Attendant	1	1	1	1
24 14 42	Office Care Attendant/Senior Office Care Attendant	2	2	2	2
24 17 45	Driver	1	1	1	1
Sub-Programme 04102 : Performance Audit		21	21	21	21
01 80 89	Assistant Director of Audit	1	1	1	1
01 70 83	Principal Auditor	1	1	1	1
01 64 79	Senior Auditor	3	3	3	3
01 53 75	Auditor	3	3	3	3
01 65 79	Chief Examiner of Accounts	1	1	1	1
01 59 74	Deputy Chief Examiner of Accounts	3	3	3	3
01 53 69	Principal Examiner of Accounts	3	3	3	3
01 33 65	Examiner of Accounts/ Senior Examiner of Accounts	6	6	6	6
	Total	200	200	200	200