

INTOSAI



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Appendix I

Excerpts from INTOSAI documents

(The full texts can be found on www.intosai.org)

INTOSAI Auditing Standards, Chapter I, paragraph 1.0.39

Regularity audit embraces:

- attestation of financial accountability of accountable entities, involving examination and evaluation of financial records and expression of opinions on financial statements;
- attestation of financial accountability of the administration as a whole;
- audit of financial systems and transactions including an evaluation of compliance with applicable statutes and regulations;
- audit of internal control and internal audit functions;
- audit of the probity and propriety of administrative decisions taken within the audited entity and
- Reporting of any other matters arising from or relating to the audit that the SAI considers should be disclosed.

INTOSAI Auditing Standards, Chapter I, paragraph 1.0.40

Performance audit is concerned with the audit of economy, efficiency and effectiveness and embraces:

- audit of the economy of administrative activities in accordance with sound administrative principles and practices, and management policies;
- audit of the efficiency of utilisation of human, financial and other resources, including examination of information systems, performance measures and monitoring arrangements, and procedures followed by audited entities for remedying identified deficiencies; and
- audit of the effectiveness of performance in relation to the achievement of the objectives of the audited entity, and audit of the actual impact of activities compared with the intended impact.

The INTOSAI Implementation Guidelines for Performance Auditing

describe in its Part 1 the meaning of auditing economy, efficiency and effectiveness:

Economy – keeping the cost low

Efficiency – getting the most out of available resources

Effectiveness – achieving the objectives

And define performance auditing:

- Performance auditing is an independent examination of the efficiency and effectiveness of [international institutions'] undertakings and programs, with due regard to economy, and with the aim of leading to improvements.

Code of Ethics

The Code of Ethics is a statement of values and principles guiding the daily work of the auditors.

Appendix II

Glossary

Audit arrangements

The organisational set-up of the external audit of an international institution. Two arrangements dominate: A single auditor and a board of auditors. Audit arrangements will normally be part of the financial rules and regulations.

Auditing standards

The most relevant, generally accepted auditing standards for regularity (financial) audit are the INTOSAI standards and the IFAC standards, issued by the International Federation of Accountants. Adherence to these standards will ensure the quality of work.

Auditor

In this paper used as generic term meant to cover the external auditor, whether single or in the form of a board of auditors.

Board of auditors

A group of auditors from different SAIs jointly responsible for conducting the audit.

Code of Ethics

Code of Ethics is a statement of values and principles guiding the daily work of the auditors.

Financial rules and regulations

Rules and regulations covering financial management of the international institution. They normally cover the budgetary process, accounting, and responsibilities for management, financial committees etc. They also cover rules governing the external audit.

Good governance

Generic term covering standards for decision-making, propriety, probity, accountability and transparency.