



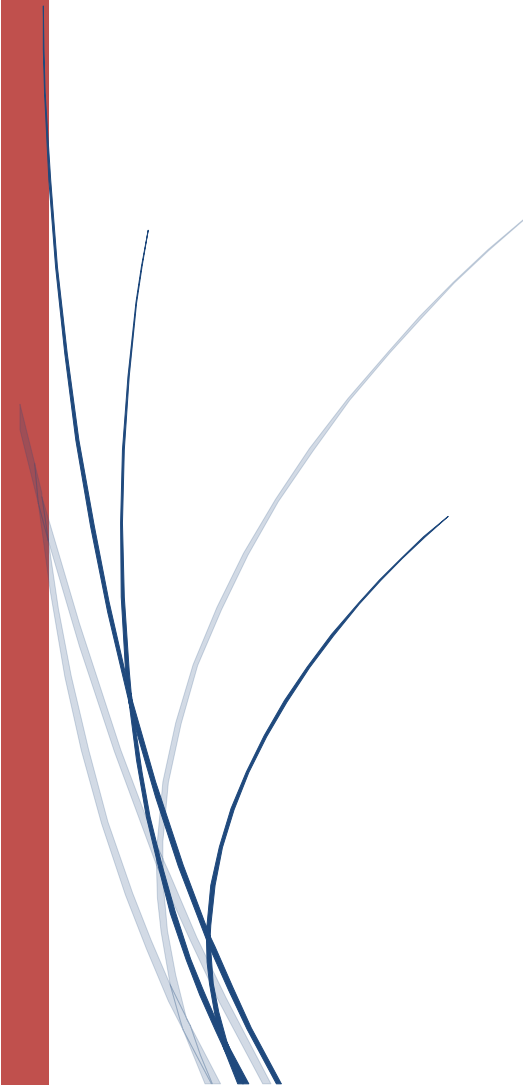
# Supreme Audit Institution Performance Measurement Framework Report

Repeat Assessment

AUDIT OFFICE OF GUYANA

Final Report

29 January 2025



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## Abbreviations

ACCA	Association of Chartered Certified Accountants
AG	Auditor General
AOG	Audit Office of Guyana
CAROSAI	Caribbean Organisation of Supreme Audit Institutions
CAAF	Canadian Audit and Accountability Foundation
EQR	Engagement Quality Review
FMAA	Fiscal Management and Accountability Act
GAAP	Generally Accepted Accounting Principles
GAC	Global Affairs Canada
GDP	gross domestic product
GYEITI	Guyana Extractive Industries Transparency Initiative
HR	human resources
ICQ	Internal Control Evaluation Questionnaire
IDB	Inter-American Development Bank
IDI	INTOSAI Development Initiative
IFMIS	Integrated Financial Management Information System
IGAP	International Governance, Accountability and Performance
INTOSAI	International Organization of Supreme Audit Institutions
ISA	International Standards of Auditing
ISSAI	International Standards of Supreme Audit Institutions
IT	information technology
MoF	Ministry of Finance
NA	National Assembly
NDC	Neighbourhood Democratic Council
OAG B.C.	Office of the Auditor General of British Columbia
PAC	Public Accounts Committee
PPP/C	People's Progressive Party Civic
PMF	Performance Measurement Framework
QA	quality assurance
RDC	Regional Democratic Council
RPPM	Rules, Policies and Procedures Manual
SAI	Supreme Audit Institution
SDG	Sustainable Development Goal
SDP	strategic development plan
VFM	value for money

## Acknowledgements

The assessment was funded by the Canadian Audit and Accountability Foundation (CAAF) under its International Governance, Accountability and Performance program, in turn funded by Global Affairs Canada.

The assessment took place from April to November 2024 and used a hybrid approach, with participation from internal team members from the Audit Office of Guyana (AOG) as well as external team members from CAAF and the Office of the Auditor General of British Columbia (OAG B.C.). The team was led by Ms. Mona Singh, Audit Manager at the AOG, and supported by Ms. Yonnett Allen, Audit Supervisor at the AOG. The external team was composed of independent international experts from CAAF, OAG B.C., and the Supreme Audit Institution's Performance Measurement Framework (SAI PMF). The following individuals formed said team: Ms. Sherazade Shafiq (CAAF), Mr. Horacio Vieira (CAAF associate and SAI PMF trainer), Mr. Neil Maxwell (CAAF associate), and Mr. Kevin Keates (OAG B.C.). Quality control of the assessment was provided by Ms. Geetanjali Singh, Audit Director at the AOG.

The assessment team would like to thank all AOG individuals for their efforts, openness, and cooperation. We would also like to acknowledge the support of Irina Sprenglewski from the International Organization of Supreme Audit Institutions' Development Initiative, who provided the team with access to the e-SAI PMF tool, and Caroline Jorgensen at the CAAF, who helped organize the assessment.

## Executive Summary

The Auditor General (AG) of Guyana requested an objective evaluation to assess how well the Audit Office of Guyana (AOG) is fulfilling its duties. The review was funded by the Government of Canada through the Canadian Audit and Accountability Foundation (CAAF). It took place between April and November 2024 and included AOG staff as well as external experts from CAAF and the Office of the Auditor General, British Columbia (OAG B.C.).

This evaluation was a follow-up to a 2019 Supreme Audit Institution Performance Measurement Framework (SAI PMF) review and will allow the AG to assess changes in performance over time and identify areas that still require improvement. The AOG intends to consider the findings of this review to update its strategic planning processes, ensure compliance with audit processes and audit manuals, and assess capacity development needs.

Key points from reviews:

- **2019 SAI PMF review findings:** The AOG scored mostly in the 1 to 3 range (out of 4) on various indicators. It did well in some areas, including its legal framework, audit coverage, and the timeliness of reports.
- **2024 SAI PMF review findings:** The AOG took the 2019 SAI PMF review findings seriously and has made significant improvements since then, despite the challenges that arose during the COVID-19 pandemic. This is particularly important at this point in Guyana’s history, when a growing oil and gas sector is bringing challenges that include a rapidly expanding public sector as well as increasing Parliament and citizen needs for audit assurance on financial, compliance, and performance matters.

Key 2024 review findings include:

**Legal framework (Domain A):** The framework remains strong despite some restrictions and limitations to the AG’s independence, such as the possibility of budget cuts, the lack of legal protection by the Supreme Court in the case of interference, and the need for approval by the National Assembly to update policies included in its Rules, Policies and Procedures Manual (RPPM).

**Internal governance (Domain B):** There have been significant improvements in this area due to a more rigorous strategic and audit planning process and closer attention to quality control. Ratings rose from “developing” to “established,” and even to even “managed” in some areas. Strategic planning now includes risk management and performance indicators.

**Audit quality (Domain C):** There have also been significant improvements in this area, mainly from rapid growth in performance audits, enhanced financial audit coverage, and more rigorous quality management policies. More specifically, the following changes have been made:

- **Audit coverage and quality:** The AOG has significantly expanded its performance audit practice since 2019, moving from a “developing” to a “managed” level. It now produces about four performance audits annually, with significant improvements in both the quantity and quality of the contained information. The AOG’s financial audits are thorough, well-documented and largely compliant with the International Standards of Supreme Audit Institutions (ISSAI) (established in 2000), although there is room for improvement in assessing and documenting internal controls and fraud risks. This means that both Parliament and citizens can rely on the audit information they receive.
- **Timeliness of audits:** The AOG has consistently met deadlines for financial audit submissions, although there is a backlog by some government organizations in providing the AOG with their financial statements.
- **Follow-up on audits:** The AOG tracks its previous audit recommendations. This work has led to a 66% reduction in financial and/or compliance issues over the past few years.

Some work remains to update manuals and documentation, particularly with respect to planning and reporting the compliance audit aspect of the combined financial and compliance audits and consolidating guidance on performance audits. There is also a recognized need to put a more holistic and risk-based quality management system in place to comply with the revised quality standards (ISSAI-140). A draft needs assessment report (based on the revised ISSAI-140) was prepared in March 2024 and has already identified specific required actions. Assessment and documentation of fraud risk and unadjusted differences also needs improvement.

**Financial management (Domain D):** Because key information technology (IT) vacancies have been filled, strategic infrastructure planning aligned to risks, and a functioning financial management and time recording system established, there has been improvement across all criteria within the single indicator (SAI-21) in this domain. Small areas for improvement remain, but these would not affect the ratings. An integrated and electronic time recording system and a move to a paperless environment would enhance efficiency in time monitoring and audit work.

**Human resources (Domain E):** Human resources (HR) practices and training have improved significantly. This is largely attributable to having a professional HR team that is consistently staffed.

**Communication (Domain F):** The AOG continues to maintain strong and effective relationships with Guyana’s Public Accounts Committee (PAC) and other key government organizations. Additionally, the AOG has effective working relationships with law enforcement for forensic

audits. The AOG website has been modernized, allowing for better public engagement and transparency. Nonetheless, a broader engagement strategy for other stakeholders, including the media, civil society, and public at large, is still required.

In summary, the AOG has made significant progress since the 2019 review, particularly in audit quality and coverage, strategic planning, and human resources, but there are still areas where further improvements are needed.

## Introduction

This report assesses the performance of the AOG against the ISSAIs using the methods prescribed by the SAI PMF issued by the International Organization of Supreme Audit Institutions' (INTOSAI) Working Group on the Values and Benefits of SAIs. This SAI PMF assessment follows the SAI PMF methodology endorsed in 2016. The Assessment Team used the SAI PMF document dated October 2022.

In December 2023, the AG voluntarily made the decision to have a **hybrid** assessment conducted. The AOG had conducted its first SAI PMF assessment in 2019, which highlighted a few shortcomings. Since then, the AG and the AG's management team have completed various corrective actions. As a **repeat** assessment from 2019, this assessment will allow the AOG to assess changes in performance over time and develop SAI capacity. This will inform strategic planning and strengthen existing policies and procedures.

The assessment took place from April to November 2024 and covers combined financial and compliance audits for the fiscal year ended December 31, 2022, as well as performance audits presented to the Speaker and laid in Parliament in 2022 and 2023.

For institutional matters, any practices in place up to the date of the fieldwork in May 2024 have been taken into consideration.

Other than five forensic audits and special investigations (two completed and three underway) and the eight assurance reports issued to the Guyana Extractive Industries Transparency Initiative under the 2022 Annual Report—which make up a very small portion of the AOG's scope of work—all AOG activities were included in the scope of assessment under Domain C. All 25 indicators were assessed except for indicators 8(iv), 18, 19, and 20, which relate to jurisdictional mandates.



## Independent Review Statement



### **SAI Performance Report of the Audit Office of Guyana dated 29 January 2025 Independent Review Statement**

The INTOSAI Development Initiative (IDI), as operational lead on SAI PMF, provides support to SAI PMF assessments where requested. Such support includes conducting independent reviews (IR) of draft assessment reports. A request for such an IR was received from the Assessment team on 9<sup>th</sup> December 2024.

This SAI Performance Report (SAI-PR) was prepared by the Assessment Team. The Team was led by Ms Mona Singh, Audit Manager, Audit Office of Guyana. It consisted of Ms Yonnett Allen (Audit Supervisor, Audit Office of Guyana). The CAAF team members were Ms Sherazade Shafiq (Canadian Audit and Accountability Foundation – CAAF), Mr Horacio Viera (CAAF), Mr Neil Maxwell (CAAF), and Mr Kevin Keates (Office of the Auditor General of British Columbia).

The team leader and team members together are considered to have the appropriate skills and experience to produce a high-quality assessment.

In compliance with the recommended SAI PMF methodology, the draft report was subject to review and official comment with the objective of ensuring that the report is factually correct. A quality control check of the draft report was carried out by Ms Geetanjali Singh (Audit Director, Audit Office of Guyana) who was not part of the assessment team.

The Independent review arranged by IDI was carried out by Frank Grogan, SAI PMF Consultant and IDI independent reviewer, who had no responsibility for preparing the SAI PR and is considered to have the appropriate knowledge and experience necessary for this task. The objective of this review was to ensure that the SAI PMF methodology had been adhered to, that the evidence in the SAI PR was sufficient to justify the indicator scores and that the analysis was consistent with the evidence throughout the report. The review concluded that all objectives have been satisfactorily met in the final report dated 29 January 2025. In arriving at this conclusion, the independent reviewer has relied on the quality control processes of the assessment team and the quality assurance processes of the SAI to ensure that the facts on which the conclusions are based are reliable and accurate.

Significant matters raised during the independent review process have all been satisfactorily addressed in this version of the SAI PR.

Prepared by: Frank Grogan

A handwritten signature in black ink, appearing to read 'F. Grogan', is placed to the right of the printed name.

Issued by IDI:

Date: 31 January 2025

## Key Findings and Observations on the SAI's Performance and Impact

### **Integrated Assessment of SAI Performance**

#### **1) Key findings from the previous assessment**

The 2019 assessment concluded that the AOG was predominantly performing between the “founding” and “established” levels, scoring in the 1 to 3 range across SAI PMF indicators. High scores were achieved in relation to constitutional and statutory frameworks, audit coverage, timeliness of audit report submissions, and other aspects of professional audit activities. The AOG also maintained close working relationships with the PAC and benefited extensively from external capacity development support.

On the other hand, from 2015 to 2019, the Ministry of Finance (MoF) cut each budget proposed by the PAC for the AOG, resulting in reduced financial autonomy for the Audit Office.

The scope for improvement was identified in its audit manuals, which needed updates to bring them more explicitly in line with the requirements of the ISSAIs and ensure more systematic risk assessment during audit planning.

The AOG's RPPM incorporates a number of policies and procedures that the 2019 assessment found in need of updating. Examples include the office's code of ethics and performance appraisal procedures. The manual is part of the statutory regulations that were issued in 2005 to implement the provisions of 2004 Audit Act. Consequently, any change to the contents of the RPPM requires the formal approval of the National Assembly. Minor changes have been made to forms—including HR forms and others—since 2019, with PAC approval. Given the likely complexity of this process, the AOG has not initiated a process to review and update the manual holistically. Consequently, key processes and documents that the AOG uses and relies on did not meet the relevant ISSAI and INTOSAI requirements. This was and still is a challenge.

HR and communication practices also needed improving to align more closely with ISSAI requirements and international best practices. In particular, a more strategic approach to professional training was required (i.e., developing and implementing processes to identify training needs at the organizational and individual level and then, in light of findings, selecting appropriate training programmes and the individuals who would benefit most from attending them).

The 2019 SAI PMF also highlighted the need for the AOG to enhance and refine its methods for preparing its strategic plan. This included, in particular, the need to identify and monitor risks to the successful achievement of its strategic objectives.

In 2019, the AOG did not have a communications strategy or processes to solicit feedback from key stakeholders. The only tangible measure of the office's impact was through reporting the increase or decrease in the number of audit recommendations.

The AOG also planned to substantially expand its work in performance auditing. However, the performance audit practice was relatively underdeveloped at the time.

## **2) How did the SAI address the findings from the previous assessment?**

The AOG accepted the 2019 SAI PMF assessment and undertook several activities to address the report's findings:

- The AOG updated its strategic plan to address the areas identified as least developed. In particular, the AG launched an ambitious program to expand the office's performance audit practice.
- The AOG strengthened its HR team.
- The AOG incorporated the areas identified for improvement in its annual operational and capacity development plans. In particular, the office planned to develop a targeted and considered approach to increasing the volume, scope, and quality of its performance audits.
- At the request of the AOG, CAAF incorporated the PMF results into its International Governance, Accountability and Performance Program (IGAP) seven-year capacity-building plan.
- The AOG incorporated additional impact measures into its annual and performance reports. In particular, it added a quantification of cost savings resulting from the audit.
- The AG and Executive Committee committed to more robust quality control and quality assurance measures for the office's audit process.

## **3) Key findings from the current assessment and performance change**

The current assessment concludes that the AOG has made significant progress in key areas over the five-year period since the 2019 review, despite the challenges posed by the COVID-19 pandemic. This is particularly important at this point in Guyana's history, when a growing oil and gas sector is bringing the challenges of a rapidly expanding public sector and increasing Parliament and citizen needs for audit assurance on financial, compliance, and performance matters.

The assessment found that the AOG worked to address the areas for improvement identified in 2019 in the six SAI PMF domains noted below.

**Domain A** (Constitutional and Legal Framework) continues to be an area of strength for the AOG, although the previously reported restrictions and limitations to the AG's independence remain. These include the possibility of budget cuts, lack of legal protection by the Supreme Court in case

of interference, and the need for approval from the National Assembly to make changes to the RPPM.

**Domain B** (Internal Governance and Ethics) has improved markedly. All of the domain's five indicators improved by one or two levels. Whereas this domain was mostly rated as "developing" (2) in 2019, indicators are now at "established" (3) or even "managed" (4) levels.

**Domain C** (Audit Quality and Reporting) has improved, driven by the expansion of the AOG's performance audit practice, enhanced financial audit coverage, and more rigorous quality management. Some work remains to update manuals and documentation, particularly with respect to planning and reporting the compliance audit aspect of the combined financial and compliance audits. There is also a recognized need to put in place a more holistic, risk-based quality management system to comply with the revised quality standards (ISSAI-140). A draft needs assessment report (based on the revised ISSAI-140) was prepared in March 2024 and identifies required actions.

**Domain D** (Financial Management, Assets and Support Services) has improved across all criteria within the single indicator SAI-21. This is attributed to the filling of key IT vacancies, strategic infrastructure planning aligned to risks, and a functioning financial management and time recording system. There is still room for improvement in this domain, but the remaining issues would not affect the ratings. To date, progress on moving to a paperless environment has been slow, and an integrated and electronic time recording system would enhance efficiency in time monitoring.

**Domain E** (Human Resources and Training) has improved, with HR management improving by one level to "established" (3) and training improving by two levels from "not established" (0) to "developing" (2).

**Domain F** (Communication and Stakeholder Management) remains at the "established" (3) level because of the AOG's strong relationship with the legislature. However, for other stakeholders, it remains at "developing" (2). There is still a need for a broader stakeholder engagement strategy.

Since the previous assessment, the following improvements have taken place:

- Since 2020, all budgets submitted by the AOG to the PAC and laid in the National Assembly have been approved without cuts.
- The 2019 assessment found that strategic planning needed to be enhanced, especially to incorporate risk management. The AOG's score in this area has improved significantly since 2019 due to the incorporation of qualitative performance indicators, the consideration of risks with related mitigating strategies, and the incorporation of the overall strategy into the Annual Work Plan and Programme that the AOG presents to the PAC.

- The *2006 Audit Procedures Manual* was updated in 2011 to provide guidance and templates for strengthened audit planning, including direction for sampling and risk assessments. Although this guidance existed at the time of the previous assessment, it was not evenly implemented. Since then, financial and compliance audits have been conducted in line with the requirements of the 2011 Risk Based Manual and a more rigorous planning process and assessment of internal controls takes place. The AOG has also expanded its use of quality control and quality assessment measures for its own and outsourced audits.
- The HR team has been strengthened, with an HR manager in place for more than 5 years and all key positions filled (16 of 18 authorized positions). Improved recruitment, professional development, and performance evaluation procedures are producing increasingly professional audit staff. Performance appraisals include considerations for professional development needs at both the individual and organizational levels. Training needs analyses have been conducted since 2022, and training activities are planned based on staff and office priorities and the availability of training resources. The AOG maintains training records for all staff and assigns mentors with relevant qualifications to staff who sit for the Association of Chartered Certified Accountants' (ACCA's) (or others') professional exams. Finally, all new joiners go through a structured orientation program.
- The 2019 assessment found that few performance audits had been conducted, and that the practice needed to be developed to meet the expectations of a modern SAI. Since the last assessment, the AOG has dramatically expanded its performance audit practice. In 2019, performance audits accounted for a very small proportion of the office's audit activities: the office had issued just four performance audit reports in the preceding decade. It now produces about that many annually. This has been instrumental in demonstrating the value of the AOG SAI to the PAC, Parliament, and citizens. Notably, the AOG has also incorporated topical subjects into its audits, including gender equality and achievement of the United Nations' Sustainable Development Goals (SDGs).
- The 2019 assessment found that the AOG needed to more fully measure its impacts. Now, performance indicators that assess the value of the office's audit work for external stakeholders are incorporated into reports. In particular, cost savings from financial audits and implementation statuses of recommendations are reported in the Highlights sections of the office's annual reports, and increases in the number of audits performed are reported in the annual performance report.
- The 2019 assessment identified the need for communication improvements to align more closely with ISSAI requirements and international best practices. The AOG's website has been significantly modernized and now allows for better communication with stakeholders. It includes all published audit reports, key policies, manuals, and the previous SAI PMF Report. The hotline for citizens to report corruption confidentially is now more prominently displayed on the website. The AOG uses a short performance audit executive summary to make information more reader-friendly and accessible to the general public and other stakeholders. Audit reports attract media attention, after which various irregularities

mentioned in the reports are captured in the news. Media coverage of the audit reports, which is also linked on the AOG's website, indicates public interest in audit findings and recommendations. The AOG has led workshops with government internal auditors, auditees, and parliamentarians on topical and emerging issues, such as SDGs and the extractive industries.

A number of challenges remain:

- The 2019 assessment found that the AOG's audit manuals needed updates to meet the needs of a modern SAI and align with relevant ISSAI and INTOSAI requirements. These updates remain outstanding. Two issues are clear: the need to explicitly separate compliance audit work from financial statement work, beginning with audit guidance and extending into the conduct of these combined audits; and the need to consolidate guidance on performance audits.
- Given that the AOG still requires legislative approval to make changes to its RPPM, limitations remain in this area. However, for smaller revisions, approval can be obtained from the PAC under its mandate to exercise "General Supervision" under section 45 of the 2004 Audit Act. In 2022, the AOG updated parts of its RPPM relating to the office's staffing level, with approval from the PAC. The AOG was able to increase the number of engineers, leading to changes to its organizational structure. Travel allowances and other HR forms were also updated with PAC approval.
- Once the AG has presented an audit report to the Speaker of the National Assembly, it is laid in front of Parliament. While the annual report is usually laid at the very next sitting, the date of that sitting can fall up to two months later. This delay is challenging for the AG because of the need to maintain the confidentiality of the report between the date of presentation and the next sitting of the National Assembly. Other SAIs have legal provisions to avoid this. Additionally, with respect to performance audit reports, the AG faces further challenges because the PAC may or may not decide to add the review of laid performance audit reports to their agendas. Delays in the consideration of PA reports reduce their effectiveness.
- While the AOG has a clear sense of its strategic challenges and priorities, these are not detailed in the strategic development plan or in the process of preparing the plan.
- The annual work plan does not include indicators that measure the outcomes, such as the number of recommendations implemented, results of surveys with stakeholders, etc.
- No formal feedback is solicited from key external stakeholders.
- The *Conflict-of-Interest Code* and the *Oath of Professional Conduct* have not been updated since 2004 and do not fully reflect the provisions of ISSAI 130.
- The AOG's Competency Framework, which is in part reflected in the job descriptions for various levels of staff created in 2004, needs to be updated to incorporate technical and soft skill requirements that suit the modern age and separated for key business units. The AOG could consider mapping an internal competency framework to align with that of INTOSAI or another relevant framework.

- Additional work is required to promote effective and holistic internal controls and risk management systems within the AOG. In particular, the following are needed: a system for identifying and managing operational risks, enhanced documentation of internal control procedures, and a comprehensive review of the internal control framework. Further, the AOG should consider publishing a statement of internal controls. Work on these elements has already begun. The draft needs assessment report was prepared in March 2024 to achieve compliance with ISSAI-140.

### **Audit coverage**

The AOG's overall score has improved from "developing" (2) to the top level of "managed" (4) due to the significant increase in the volume and scope of its performance audits. The assessment found that the AOG's reports compare favourably with those of other SAIs.

The 2019 assessment found that the AOG had conducted only four performance audits during the 8 years from 2009 to 2016.<sup>1</sup> But as of September 2023, 11 performance audits had been conducted during the 3 years from 2021 to 2023.<sup>2</sup> This represents a multi-fold increase in performance audit work. This work has been instrumental in demonstrating the value of the SAI to the PAC, Parliament, and citizens.

The AG made this a priority and capitalized on the assistance of CAAF and others in building performance audit capacity. Since 2020, all budgets submitted by the AOG to the PAC (and laid in the National Assembly) have been approved without cuts.

### **Quality of audit reports and recommendations**

The AOG financial audit process is robust and well-documented in the working paper and permanent files. The files reviewed during the assessment contained strong evidence of the following: planning; proper documentation of fieldwork; collection and analysis of sufficient, appropriate evidence; and adequate consideration of audit findings in forming the audit opinion. "Hot" reviews are conducted by the Quality Assurance Unit for all outsourced audits, as well as in situations where the AG considers it necessary before signing an audit opinion (risk-based). "Cold" reviews are conducted on a sample of audit files, per the Quality Assurance Unit's annual work plan. There are a few areas for improvement, primarily related to enhancing the rigour of the internal control assessments and assessing and documenting fraud risk and unadjusted differences, as required by the AOG manual.

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<sup>1</sup> The four audits in this period took place as follows: *Assessment of Living Conditions of the Palms Geriatric Institution Residents* in 2009, *Review of Old Age Pension Programme* in 2010, follow-up audit of the Palms Geriatric Institutions in 2015, and *Construction of New Airport Access Road* in 2016.

<sup>2</sup> Details of the 11 performance audit reports are provided in SAI-14 (i).

The assessment found that the compliance testing was thorough, which means that Parliament and citizens can rely on the reports where non-compliance is identified. However, the reporting of non-compliance could better support parliamentary and public oversight. The annual report lacks a compliance opinion or conclusion, which could be added to provide an overview of the extent of non-compliance across the entire government and to identify the most problematic ministries and/or regions. Further, the audit reports and working paper files do not conform entirely with the requirements of ISSAI 4000. The AOG will need to more explicitly provide clear guidance on the compliance audit aspects of its combined audits.

As Guyana's public sector grows, parliamentarians will need information to help them focus on the most significant issues requiring oversight. There is a significant backlog on its review and of financial and compliance matters, with several years of AOG annual reports still to be examined.

The assessment noted some examples of good practice, such as a summary of non-compliance on capital projects in the 2022 report. This could help the PAC expand its work to include more hearings (a recent PAC focus) on tabled performance audits.

The assessment also noted that there is no guidance in auditing the consolidated financial statements and that no representation letter was obtained at the consolidated level, contrary to the ISSAIs.

Although the AOG's performance audits are largely conducted in accordance with ISSAI 3000, the Performance Audit Manual needs to be updated. Engagement quality review procedures also need to be updated to align with the guidance in ISSAI-140.

### **Timeliness of audit submission and publication of audit/jurisdictional control results**

As was found in the 2019 assessment, the AOG completes and submits financial and compliance audits on time. The deadline for the submission of the annual report is clear in the Constitution (i.e., nine months after fiscal year end), and the AOG plans its activities around meeting this deadline. As of 2023, the AOG had submitted its reports by the statutory deadline of September 30 following the close of the fiscal year for 12 nearly consecutive years. The sole outlier was the 2019 report, which was presented in December 2020 due to the COVID-19 pandemic. There remains, though, a backlog with many government organizations yet to submit financial statements for previous fiscal years.

The rapid expansion of the AOG's performance audit practice has led to some significant time gaps between the completion of the field work and report finalization. The AOG and accounting officers will need to work together to reduce these delays to ensure Parliament is expeditiously informed of significant issues.



In the case of performance audit reports, there are significant time gaps between the completion of the performance audit field work, the production of the clearance letter to the auditee, and the date that this is presented to the Speaker of the National Assembly.

### **SAI follow-up on audit results**

The planning of financial and compliance audits includes a follow-up on previous years' recommendations to evaluate the impacts of the reports on audited entities.

As a measure of the success of these follow-ups, recommendations have been reduced from a total 645 (in the AG's 2019 report) to 218 (in the 2022 report). This represents a 66% improvement in irregularities over those years.

The office's Performance Audit Unit has put into place a practice of reviewing all reports issued three years prior to determine if a follow-up audit is necessary. This practice is incorporated into the unit's annual work plan. However, it should be noted that the recency of the AOG's completed performance audits means few have reached the three-year mark at this time.

### **Other material issues (especially related to communication and stakeholder management and to the legal framework and independence of the SAI)**

The office has developed a close working relationship with the PAC and, by extension, the National Assembly. The AG has developed an effective working relationship with the executive branch of the Government of Guyana and, in this way, has facilitated the AOG's contribution to improving Guyana's public financial management. As in other areas covered by this assessment, the AOG has good basic communication processes and procedures in place with the legislature and the executive. To develop these further, the office could consider incorporating an engagement strategy for each stakeholder category—with specific aims, objectives, priorities, procedures, activities, and performance indicators—as well as processes for obtaining feedback from key stakeholders.

Unusually for a Westminster model SAI, the AOG has developed a strong and effective working relationship with the police and prosecuting authorities in Guyana. This has grown out of the AOG's discharge of its forensic audit responsibilities under the 2004 Audit Act. The confidential nature of this work restricts the AOG's capacity to publicize it. Nevertheless, in successfully carrying out its programme of forensic audits, the AOG makes an important contribution to strengthening public financial management in Guyana.

The AOG has an overarching responsibility to manage stakeholder relations to achieve its mission and vision. There is currently no underlying stakeholder engagement or communication strategy to formally operationalize the overall mission of stakeholder engagement. To develop these further, the AOG could consider incorporating an engagement strategy for each stakeholder category—

with specific aims, objectives, priorities, procedures, activities, and performance indicators—as well as processes for obtaining feedback from key stakeholders (such as surveys of parliamentarians and auditees or options for providing comments on the website).

### **The Value and Benefits of SAIs: Making a Difference in the Lives of Citizens**

ISSAI 12 encompasses three mechanisms by which SAIs can have an impact on society and deliver value and benefits that improve the lives of citizens:

- strengthening the accountability, transparency and integrity of government and public sector entities,
- demonstrating ongoing relevance to citizens, parliaments, and other stakeholders, and
- being a model organization that leads by example.

#### **Strengthening the accountability, transparency and integrity of government and public sector entities**

Over the years, the AOG has had an impact on the public sector with its audits and the recommendations made in its annual reports. This has strengthened the accountability, transparency, and integrity of government and public sector entities. The audit reports, which are made public on the Audit Office website after being laid in Parliament, attract media attention. As a result, various irregularities reported in the audit are captured in the daily news, and citizens are made aware of the shortcomings of various government ministries and departments. Simultaneously, the PAC examines the audit reports and allows the accounting officers to explain why irregularities exist or occur in their ministry or department. This examination is done via live broadcast so the public can see and understand the seriousness of the irregularities. The PAC's questioning of accounting officers and department heads has influenced the recommendations made by the AOG and caused accounting officers to address irregularities with utmost urgency.

As noted earlier, the number of recommendations has decreased from a total of 645 in the AG's 2019 report to 218 in the 2022 report. This represents a 66% improvement in irregularities over those years.

The AOG is committed to meeting its statutory deadlines for submitting its annual reports. In September 2023, for the 12<sup>th</sup> consecutive occasion (if the 2019 delay due to the COVID-19 pandemic is ignored), the office submitted its report by the statutory deadline of September 30 following the close of the fiscal year. Although there is a backlog with respect to the fiscal years to which the individual audit opinions relate to, this shows a strong commitment to the mission and duty of timely reporting.

The AOG website has been significantly updated, and now includes all performance audit reports, the annual audited report on public accounts, the strategic development plan and its key rules, policy and procedure manuals, and the SAI PMF Report from 2019. In addition, the hotline for citizens to confidentially report corruption is now more prominently displayed on the website.

The AOG's financial and compliance audits are done on an annual basis (where audits are budgeted for) and included in the annual workplan of each division. The audits are planned following guidance from the 2011 update to the *Audit Procedure Manual*, which adopts the risk-based approach to auditing. During the planning process, follow-ups on previous years' recommendations are also done to evaluate the impact on each audited entity.

The AOG's process for performance audit follow-ups constitutes reviewing audits conducted during a rolling three-year cycle and considering the added value of carrying out a follow-up audit on audits conducted three years ago. This is incorporated into the annual work plan for the Performance Audit Unit.

The first audit of the implementation of SDGs was conducted in September 2023, and it reviewed progress toward SDG 3.D (which focuses on strengthening health regulations and the capacity to manage health risks). All performance audit staff have received training on incorporating an SDG lens during scoping, evidence-gathering, and reporting.

### **Demonstrating ongoing relevance to citizens, parliaments and other stakeholders**

The AOG endeavours to demonstrate ongoing relevance to stakeholders. A few examples of its efforts in this regard are:

- Donor-funded programs are mostly audited by the AOG, which contributes significantly to development partners' confidence in this use of their funds that relies on country systems.
- Performance audit topics are selected while keeping in mind issues that are of concern to both the public and parliamentarians. For example, two audits linked to the COVID-19 pandemic were conducted in 2021.
- As part of the performance audit report template, the AOG has institutionalized the use of a 1.5-page audit executive summary to make the document more reader-friendly and accessible to the general public and other stakeholders.
- Another important aspect of the AOG's work is the efforts of its Forensic Audit Unit. Because of the confidential nature of its work, its success and impact in working with the police and prosecution authorities are neither measured nor assessed. However, in the view of the assessment team, through the work of this unit, the AOG is making an important contribution to the strengthening of the integrity of the government and public sector in Guyana.

- In December 2023, the AOG participated in an anti-corruption and human rights exhibition educating the general public on the various forms of corruption, conducting awareness sessions on the legal and regulatory frameworks surrounding anti-corruption both locally and globally, ensured that participants understand their legal obligations as it relates to the law, and promoted a culture of integrity, encouraging participants to uphold the highest ethical standards in all business transactions by identifying red flags and highlighting the importance of reporting mechanism.
- Press coverage of the audit reports, which are also linked on the AOG’s website, indicates citizens’ interest in audit findings and recommendations.
- Workshops have been conducted with auditees and parliamentarians on topical and emerging issues, such as SDGs and the extractive industries.
- The AG is consulted on broader public financial management issues and, in particular, on the adoption of accrual-based accounting. A stronger SAI also strengthens the broader public financial management framework, leading to higher scores (and positive knock-on effects) when it comes to public expenditure and financial accountability.

### **Being a model organization that leads by example**

The AOG leads by example. This can be seen in the following ways:

- The AOG publishes its audited financial statements with clean opinion every year.
- The 2019 SAI PMF Report<sup>3</sup> is available on the AOG website for any interested stakeholder to view.
- A comprehensive gender assessment has been conducted within the AOG to evaluate gender-related issues, policies, and best practices. A gender equity strategy is currently in development, aimed at addressing this issue in a more systemic manner. The strategy will include a review of existing policies and procedures, such as those covering conduct, dress codes, working hours, administration of leave, and accessibility. The review will identify gaps in gender equity and recommend necessary changes, while ensuring that effective practices are documented and implemented throughout the organization. The strategy is in the development phase and will be finalized and approved once a gender committee has been established and trained on gender mainstreaming.”
- The AOG became a member of the INTOSAI Working Group of Extractive Industries in June 2023. It has set up an oil and gas unit and held trainings for staff covering audit procedures for the extractive industries.
- The AOG is very active in regional events and activities. Mr. Sharma, the AG of Guyana, held the chairmanship of the Caribbean Organisation of Supreme Audit Institutions (CAROSAI) from 2019 to 2022 before handing the role over to SAI Aruba in May 2022.

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<sup>3</sup> <https://audit.org.gy/site/index.php/component/sppagebuilder/page/93>

Further, the AOG is currently a member of the governing board of INTOSAI, representing CAROSAI.

### **Analysis of the SAI's Capacity Development Efforts and Prospects for Further Improvement**

The AOG recognizes that continuous learning and development is crucial to the continued achievement of its mandate, specifically with respect to the strategic development plan.

The CAAF has been a steady partner in developing and strengthening the office's capacity to conduct performance audits and examine its reports. From the beginning of the IGAP program until September 2024, CAAF has delivered 30 courses to AOG staff, with a total of 534 participants.

In addition, seven capacity-building activities were held for the PAC, which included some senior SAI representatives. These activities strengthened the PAC-SAI relationship and grew the SAI's capacity for working with the PAC.

Two outreach sessions were delivered for government officials and auditees on performance audit, as well as the implementation of SDGs.

Four of the recent 11 performance audit reports were fellowship projects, and mentoring was provided on several other performance audit reports.

By the time the IGAP program funded by Global Affairs Canada (GAC) ends in March 2025, 10 AOG officers will have benefited from the program since the 2019 signing of a Memorandum of Understanding between GAC and the AOG. At the request of the AOG, CAAF incorporated the PMF results into its International Governance, Accountability and Performance Program (IGAP) seven-year capacity- building plan.

In addition to receiving training aimed at producing stronger performance audits, AOG staff are trained in financial and compliance audits. Three senior officers are currently involved in professional education for SAI auditors via an INTOSAI Development Initiative (IDI). Also, two officers from the Works and Structures Division are currently participating in a diploma program in public procurement facilitated by the International Training Centre of the International Labour Organization. In addition, one staff member has completed a course on Auditing the Sustainability of Infrastructure from the University of Tartu in Estonia.

The office continues to benefit from international capacity-building under the Indian Technical and Economic Cooperation program. Since January 2022, five staff members have benefited from this program in the following areas: audits of e-governance, audits in an IT environment, performance audits, and receipts and compliance audits.

Apart from international development partners, nine support staff and five audit officers benefited from nine courses offered by the training division of the Public Service Ministry.

The AOG has also completed professional auditing training offered by other development partners, universities, private entities, and think tanks.

On June 27, 2023, the AOG became a member of the INTOSAI Working Group of Extractive Industries. Given that this group plans to expand the scope of its discussion around audits in the extractive industries, the AOG will continue to benefit from the associated access to conversations about best practices in this area.

The SAI PMF assessment team believes the AOG has capitalized on the benefits of these trainings and has improved several areas of its audits.

From 2021 to 2023, the AOG produced and laid in the National Assembly 11 performance audit reports. Moreover, the AG's annual reports for the years mentioned earlier were presented before the statutory deadline of September 30, and opinions were completed and issued for hundreds of backlogged audits of Neighbourhood Democratic Councils (NDCs) and statutory bodies.

For the entities audited since the 2019 review, the SAI PMF assessment team believes the AG's report and the recommendations made by the AOG were impactful. The reduction from 645 recommendations in 2019 to 218 recommendations in 2022 reflects a 66% implementation of recommendations by accounting officers over the four (4) year period.

The AOG is currently working with its IT division to deliver improvements to its financial and compliance audits. Staff of the regions are currently being trained to use Teammate software to compile working papers. In addition, as of 2022, the HR department had filled all the vacant managerial positions.

In 2022, the AOG also updated parts of its RPPM to address staffing shortages at the office. PAC approval was obtained to increase the number of engineers, leading to changes in the office's organizational structure.

## SAI Management and Use of Results

The result of this repeat assessment of the Audit Office, will continue to improve our performance and the service that we provide for the National Assembly and people of Guyana.

We are pleased that this re-assessment also acknowledges the steps we have taken to improve the management and organisation of the AOG and the investment we have made in strengthening and consolidating our working relationships with the National Assembly (and with the Public Accounts Committee in particular), with the Executive, and with the law enforcement and prosecuting agencies of Guyana. We are also gratified by the re-assessment's recognition of the steps we have taken to make our responsibilities and work more accessible to wider society in Guyana.

The repeat assessment has identified a few of other challenges that we need to address. These include giving our management of the Office a much more strategic focus. This will include, in particular, reviewing and improving our strategic planning processes so that in developing our strategy for the Office in the future we take full account of the challenges that Guyana faces, specifically the impact of exploiting the oil reserves discovered off the coast of our country, and the priorities that the government of Guyana may specify within its own national planning framework. In addition, we accept that, as an organisation, we should have improved significantly from a rapid growth in training, performance audits, enhanced financial audit coverage and a more rigorous quality management. Further, due to filling of key IT vacancies, strategic infrastructure planning aligned to risks and a functioning financial management and time recording system. Although these don't impact the ratings, small areas for improvement remain. We agree that there is scope for further improving and enhancing our audit work and that as part of this process we need to develop mechanisms that measure and capture the beneficial impact of our audits.

We want to use the findings and conclusions of this repeat assessment to formulate a more detailed comprehensive and practical development strategy and implementation plan for the AOG.

Finally, and more generally, we think it is important to acknowledge the significant improvement that flow from this repeat assessment process and, given this, once again we would encourage those SAIs in the Caribbean region that have not already done so to commission a SAI-PMF Assessment.

Deodat Sharma  
Auditor General  
26 November 2024

## Chapter 1: Assessment Methodology

This assessment followed the SAI PMF methodology as per the SAI PMF document dated October 2022. There was no change in scope compared to what was described in the Terms of Reference for the assessment dated April 17, 2024.

Assessors derived the main pieces of evidence primarily from an examination of the documents (draft and final audit reports, working paper files, policy and procedure manuals, communications with audited entities, risk assessments, quality control documentation, etc.) and interviews with relevant AOG staff to provide clarifications and context.

The assessment covered all six domains of the SAI PMF. All 25 indicators were assessed, except 8(iv), 18, 19, and 20, which relate to jurisdictional mandate. The assessment covered all conducted audits for which audit reports were tabled or signed between January 1, 2023 and May 31, 2024. This included financial and compliance, performance, donor-funded, and special audits.

On September 15, 2023, the AOG issued its 2022 Auditor General’s Report, which incorporated 276 financial and compliance audit opinions (issued between September 1, 2022 and August 31, 2023), three performance audit reports, and two forensic audit reports.

The 276 financial and compliance audit opinions related to audits of public enterprises, statutory bodies, trade unions, foreign-funded projects, municipalities, NDCs, and constitutional agencies. Of the 276 audit opinions issued, 47 were outsourced to chartered accountants in public practice under contracting-out arrangements (in accordance with Part IV of the 2004 Audit Act). Eight assurance reports were issued for the Guyana Extractive Industries Transparency Initiative (GYEITI). A summary of the audit opinions issued shown in the table below.

Category	In-house	Outsourced	Total
Public enterprises	8	28	36
Statutory bodies	50	19	69
Trade unions	7	-	7
Foreign-funded projects (financial audit only)	29	-	29
Municipalities	6	-	6
NDCs	102		102
Constitutional agencies	19		19
<b>Total audit opinions</b>	<b>221</b>	<b>47</b>	<b>268</b>
Assurance reports (GYEITI)	8		8
<b>Total</b>	<b>229</b>	<b>47</b>	<b>276</b>



## **Sampling methodology**

The 276 compliance and financial audit reports were stratified into five separate categories to consider the relative risks and characteristics of the audits:

- ministries and regions,
- constitutional agencies,
- outsourced public enterprises,
- statutory bodies, and
- foreign-funded projects.

The following ministries, regions, departments, and projects were randomly selected using IDEA software for examination under Domain C. The sample cut across a range of financial, regularity, and compliance reporting frameworks, including the laws and statutes of Guyana, the financial rules and regulations of the Government of Guyana, and requirements set out within agreements between the government and international donors.

## **Compliance and financial audits**

### *Ministries and regions*

- Ministry of Labour
- Ministry of Housing and Water
- Region 4: Demerara/Mahaica

### *Constitutional agency*

- The Women and Gender Equality Commission

### *Public enterprises (Outsourced)*

- Guyana Oil Company Limited
- Guyana Power and Light Incorporated

### *Statutory bodies*

- Natural Resource Fund
- Telecommunication Agency (financial audit only)

### *Foreign-funded projects (financial audits only)*

- Support of Safety Nets for Vulnerable Populations Affected by Corona Virus in Guyana (Loan No.5180/BL-GY–Component 2-Ministry of Education)
- Sustainable Agricultural Development Program (LO:3798/BL-GY)

### *Performance audits*

- INTOSAI Co-op Audit of Strong and Resilient National Health Care Systems (linked to SDG 3.D)
- Guyana’s Preparedness for Marine Oil Spill Response
- Receipt, Storage and Distribution of Textbooks to Schools

### **Scope exclusions**

Assurance reports issued to GYEITI and forensic audit reports were excluded from the sampling. Forensic audits are conducted when a compliance audit detects a risk. The result is a report rather than an opinion. During the assessment time frame, only one report was issued (for the year 2022). Further, the associated staff complement is 2%. Accordingly, these did not form part of the assessment.

### **Quality management arrangements**

The team leader was responsible for quality control of the evidence-gathering process and for finalizing the draft report that was sent to IDI on 9 December 2024.

Ms. Geetanjali Singh Audit Director acted as the second-level quality reviewer because she was not part of the assessment team, but knows the SAI well and could evaluate the factual correctness of the report. The team also discussed emerging findings with her to ensure that all relevant information was considered.

### **Assessment team competencies**

The entire assessment team was trained in conducting SAI PMF assessments during 2023 and early 2024. The team leader, Ms. Mona Singh, has more than 30 years’ experience conducting financial and compliance audits at the AOG. Ms. Yonnett Allen has 23 years’ experience in financial, compliance, and forensic audits. Mr. Horacio Vieira has been with the Court of Accounts Brazil for more than 30 years and has led various SAI PMF assessments and training events during his career. Ms. Sherazade Shafiq is a qualified chartered accountant and has 12 years’ experience conducting financial and internal audits. She also participated in SAI PMF training in 2013 and used SAI PMF reports in her capacity as a member of a donor team in previous roles. Mr. Kevin Keates is a chartered professional accountant and has completed a range of performance audits

over the last 12 years. Finally, Mr. Neil Maxwell is an experienced performance auditor who has spent 33 years working with the Office of the Auditor General Canada.

Requests for documents and information were made by Ms. Singh and Ms. Allen to relevant AOG staff, and a record of these requests was maintained centrally through the AG. Interviews were conducted with the team leader and one team member of each selected audit for clarifications and to discuss emerging findings. Interviews were also conducted with staff in the IT, HR, and Quality Assurance units. Given that this was a repeat assessment, additional interviews with external stakeholders were considered unnecessary.

The assessment team carried out the work in three phases, as set out below.

### **Phase 1: Training and planning (October 2023 to April 2024)**

All team members participated in a training session on SAI PMF assessment in October 2023. This was followed by consultation with other teams that were planning to conduct SAI PMF assessments. Detailed planning started in 2024 and included the following steps:

- finalization of Terms of Reference (TORs),
- generation of random sample of audits,
- distribution of indicators and audit files among team members (based on relative strengths),
- acquisition of the e-SAI PMF tool and completion of the training to use it,
- determination of interview schedule, and
- preparation of the required lists of documents and working papers.

### **Phase 2: In-country fieldwork (May to June 2024)**

The external team members arrived in Guyana and worked together at the AOG from May 27 to June 7, 2024. During this time, the hard-copy working papers for all selected audits were reviewed and interviews conducted with the AOG staff. Draft scores and findings were discussed with the AG on June 6 and 7.

### **Phase 3: Finalization and reporting (July to November 2024)**

The internal and external teams worked virtually to draft and finalize the SAI PMF Report. The report was discussed with the AG and his executive team. A copy of the report was sent to IDI on 9 December 2024.

The SAI PMF assessment team carried out all its work at the AOG's headquarters in Georgetown. The AOG has regional offices (in regions 2, 3, 4, 5 and 6) with 30 to 40 employees. However, all AOG audit files and working papers are held centrally at headquarters, and all audits are conducted in a uniform manner. Accordingly, visits to AOG's regional offices were not considered necessary.

Initially, responsibility for assessing each specific SAI PMF indicator was allocated to individual team members. The assessment team then worked together to settle on final scores and produce supplementary, qualitative comments.

A list of interviewees and of the files and documents examined during the assessment is in Annex 3: Sources of Information and Evidence to Support Indicator Scoring.

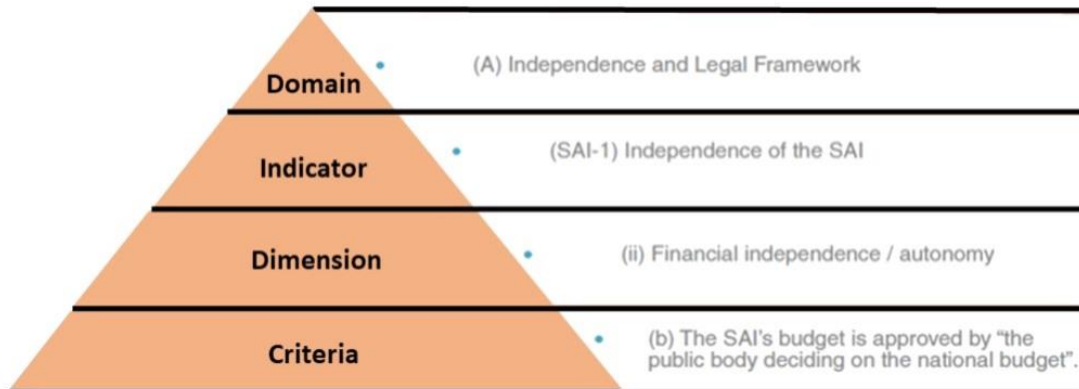
## Chapter 2: SAI PMF Scoring Methodology

The SAI PMF consists of six domains that assess the SAI performance in the following key areas:

- Independence and Legal Framework
- Internal Governance and Ethics
- Audit Quality and Reporting
- Financial Management, Assets and Support Services
- Human Resources and Training
- Communication and Stakeholder Management

There are 25 indicators for assessment spread over the six domains. Each consists of two to four dimensions, which themselves may contain several criteria. An illustration of the indicator system hierarchy is presented in Diagram 1.

Diagram 1. SAI PMF Terminology



“In many cases, the criteria are taken directly from the INTOSAI Framework of Professional Pronouncements or other international good practice documents. After each criterion is assessed against appropriate evidence and scored as either ‘met’ or ‘not met,’ the scores at the dimension and indicator levels are aggregated using the conversion tables in the SAI PMF document.”

Indicators and dimensions are scored using a numerical scale that ranges from 0 to 4. Scores correspond broadly to the level of development in the area measured by the indicator. The SAI PMF does not provide an aggregated score at the domain level or for the sum of the SAI’s activities like some other tools do. The level of development, and hence the scores, may vary widely across the SAI’s activities. The indicator score levels (0 to 4) reflect the level of development for the different activities as described below.

**Score 0: The feature is not established or barely functions.**

There is no activity or function, or the feature exists only in name.

**Score 1: The Founding Level**

The feature exists, but is very basic. For example, a SAI is conducting performance audits, but these are so irregular that a systematic approach is not established and the volume of accumulated experience and knowledge is limited (and these issues are reflected in the quality of the work).

**Score 2: The Development Level**

The feature exists, and the SAI has begun developing and implementing relevant strategies and policies, but these are not complete and are not regularly implemented. For example, the SAI may have a strategic development action plan, an HR strategy, and a communications strategy. However, if these are weak and/or only partially implemented, this will be reflected in the relevant scores.

**Score 3: The Established Level**

The feature is functioning essentially as expected under the ISSAIs (levels 1 to 3). Under Domain C, this would mean that compliance, financial, and performance audits are all undertaken and the work broadly follows the principles in level 3 of the ISSAI framework. A large proportion of the financial statements received are subjected to financial audit. Audit reports give a holistic view of the use of all public resources and of the performance of audited bodies. The majority of audit reports are published in a format that is appropriate for the intended audience.

**Score 4: The Managed Level**

The feature is functioning according to the principles in the ISSAIs (levels 1 to 3), and the SAI implements the activities in a way that enables it to evaluate and continually improve its performance. For Domain C, compliance, financial, and performance audits are all undertaken following the principles at level 3 in the ISSAI framework and are seen by audit clients as adding value. In addition, the SAI has undertaken an independent review of its audit practices. For example, the SAI might use the ISSAI Compliance Assessment Tool (iCAT) to confirm that its audit practices comply with level 4 ISSAIs.

It is also important to point out that, if a top score is achieved, there should be evidence that the SAI is making efforts to maintain this level of performance. This could be described in the narrative and drawn into the performance analysis.

## Chapter 3: Country and SAI Background Information

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### 3.1 Description of Country Governance Arrangements and Wider Environment in Which the SAI Operates

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#### Country context: General economic development

Guyana is a country located on the mainland of South America. It is bordered by the Atlantic Ocean to the north, Brazil to the south and southwest, Suriname to the east, and Venezuela to the west. Its capital city is Georgetown. Guyana has a land area of 215,000 square kilometres (83,000 square miles). The current population is 831,087 people, of whom 90% live in primarily rural areas along the coast.

Prior to gaining independence in 1966, Guyana was a British colony. The abolition of slavery in the 19<sup>th</sup> century had a significant influence on Guyanese society, and its effects continue to this day. It led to the creation of urban settlements of former slaves and the recruitment of indentured labourers from India to work on sugar plantations.

Consequently, Guyana is ethnically diverse. Its population is distributed as follows: 39.8% of Indian origin; 29.3% of African origin; 19.9% of mixed origin; 10.5% Amerindian, the original Indigenous population of the country; and 0.5% “other,” which includes people of Portuguese and Chinese origin. Guyana is also religiously diverse: its population is 34.8% Protestant, 24.8% Hindu, 20.8% other forms of Christian, 7.1% Catholic, 6.8% Muslim, and 6.39% other. The ethno-cultural range of Guyana has contributed to turbulent politics in the country.

Guyana’s official language is English. Guyanese Creole is also widely spoken.

Although geographically situated in South America, Guyana is culturally and historically connected to the Caribbean and is a founding member of the Caribbean community. The country is endowed with fertile agricultural lands, valuable mineral resources (including bauxite- and gold-rich tropical forests that cover 80% of the country), and—recently discovered—large offshore oil and gas reserves. Guyana’s estimated oil and gas resources stand at more than 11.2 billion oil-equivalent barrels, including an estimated 17 trillion cubic feet of associated natural gas reserves.

Guyana has been categorized as an upper-middle-income country. It has a rapidly increasing gross domestic product (GDP) per capita due to oil production, which began in 2019 and reached 278,000 barrels per day in 2022. The country is expected to remain one of the fastest-growing economies, with double-digit growth rates in 2023 and 2024 as additional oil fields started operating. While historically, Guyana’s GDP per capita was among the lowest in South America, extraordinary economic growth since 2020 (averaging 42.3% over the last three years) has brought the GDP per capita to more than US\$18,199 in 2022 (from US\$6,477 in 2019). Real GDP is estimated to have

increased by 63.4% in 2022, primarily driven by the expansion of oil production, but also supported by strong growth outside the oil economy.

The development of the oil and gas sector has allowed a notable scale-up of investment in infrastructure to support growth in other industries.

Economic diversification beyond natural resources and agriculture remains a priority. Oil exports alone accounted for about 88% of total exports in 2022. If oil is excluded, then sugar, gold, bauxite, shrimp, timber, and rice represent nearly 90% of the country's exports. To reduce reliance on the oil sector, and thereby lower vulnerability to price shocks, structural reforms are being undertaken to diversify the domestic economy and ensure sustainable and broad-based growth.

The COVID-19 pandemic had an adverse impact on the global supply chain and fuelled global inflationary pressure. Rising commodity prices, coupled with supply-demand mismatches, resulted in inflation rates increasing rapidly, both in advanced economies and in some emerging markets and developing countries. In 2021, Guyana also faced severe flooding, which resulted in a national disaster being declared. The floods affected all regions of the country. More than 130,000 acres of crop farmlands were destroyed, and 1.3 million animals lost their lives.

The Government of Guyana had to deploy pumps to remove water from the lands, along with heavy duty equipment to clear blocked channels and secure structures that came under threat. Medical kits were distributed to reduce waterborne diseases, and food hampers were distributed to households. In addition, \$7 billion in relief cash grants were distributed among households and the agriculture sector. Farmers were also given bags of seed paddy to plant to help them recover from the flood. The flood also caused a temporary disruption of food items in the markets, contributing to some price domestic escalation. However, this was resolved by 2022 due to government interventions to address some of the impacts of climate change.

The 2022 budget was the first to benefit from financing from the proceeds of Guyana's new and emerging oil sector. This budget provides for massive investment in infrastructure that is changing the outlook of the country. It is providing for the opening of new tracts of land for productive purposes, the establishment of entire new communities, and the creation of affordable Guyanese homes. Further, there are new and rewarding jobs for all, and these opportunities include the required training to ensure the workforce is fully equipped.

The central government expenditure for 2022, non-interest current expenditure amounted to 326.1 billion, representing an 18.6% increase from 2021. This was largely driven by growth in transfer payments and disbursements for other goods and services. In particular, there was a 21.3% growth in transfer payments, driven by transfers to local organizations, higher disbursements for education grants, and old age pensions. This reflects the government's initiatives.



The total current revenue of the central government, which is the net result of inflows from the Guyana REDD+ Investment fund and the NRF, was \$302.1 billion at the end of 2022 (13.3% above 2021 collection). Within this, tax revenue collection amounted to \$292.3 billion, an increase of 14.6% over 2021.

Total public and publicly guaranteed debt amounted to US\$3,654.9 million at the end of 2022, up 16.9% from 2021 because of increases in external and domestic debt. Nevertheless, the ratio of total public and publicly guaranteed debt to GDP declined substantially over the same period, from 38.9% at the end of 2021 to 24.6% at the end of 2022.

### **Governance arrangements<sup>4</sup>**

Guyana achieved independence in 1966 and became a republic in 1970. Under the country's constitution, legislative power rests in the unicameral National Assembly, which is composed of 65 members. Forty members are chosen on the basis of proportional representation (from national lists compiled by the political parties). A further 25 are elected from Guyana's 10 regional administrative districts. The legislature is not directly elected. Each political party presents slates of candidates for the National Assembly. After the election, each party leader selects individuals from their party's list who will represent the party in the National Assembly.

Executive authority is exercised by the President, who appoints and supervises the Prime Minister and other Ministers of the Cabinet. The President is not directly elected; each party presenting a slate of candidates for the assembly must predesignate a leader who will become President if that party receives the largest number of votes. The President has the authority to dissolve the Parliament, but—in contrast to a parliamentary regime—the Constitution of Guyana does not provide any mechanism for Parliament to replace the President during his or her term of office, except in cases of mental incapacity or gross constitutional violations.

The Prime Minister and ministers are required to be members of the assembly. Ministers who are not elected serve as nonelected members. This permits them to participate in National Assembly debates, but not to vote. The President is not a member of the National Assembly, but may address it at any time or have his address read by designated member at a time that is convenient for the Assembly. Under Guyana's constitution, the President is both the Head of State and the Head of Government of the Co-operative Republic of Guyana.

The most recent national elections were held on March 2, 2020 and were won by the People's Progressive Party/Civic (PPP/C), which ran on a platform of democratic reform, constitutional reform, and the holding of long-delayed local government elections. The PPP/C took over from the

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<sup>4</sup>The primary sources for this section of the SAI PMF assessment report are the 2019 SAI PMF Report; the Nexus Commonwealth Network Guyana—Government; and *Democracy, Human Rights and Governance Assessment of Guyana* (2016 publication from the United States Agency for International Development).

party known as A Partnership for National Unity, which had been in power since 2015. The current President is Dr. Irfaan Ali, who leader of PPP/C.

The judicial branch vests its authority in the courts. The courts determine and interpret the law. The legal system of Guyana is based on a common-law system, which is the English model, but there is also some Roman-Dutch civil law influence. The courts are meant to be independent and impartial, and are subject only to the Constitution and the law.

Guyana's local governance is divided into 10 regions for administrative purposes. These are then sub-divided into 10 municipal councils, 70 NDCs, and more than 75 village councils.

The municipalities and NDCs have revenue-raising powers and receive transfers from the government national budget. Responsibilities are distributed as follows: regional development councils manage health, education, and agriculture support services; NDCs handle waste collection and sanitation, roads, dams, and markets; and the municipalities oversee drainage, irrigation, waste collection, and infrastructure maintenance.

### **Media and civil Society**

The media are active in Guyana, with a number of TV channels, radio stations, and newspapers, both public and private. Popular newspapers include the *Kaieteur News*, *Stabroek News* and *Guyana Times*. News items related to the AOG's audit reports are periodically featured.

There are many civil society organizations in Guyana. They appear to be particularly active in the spheres of education and health.

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## **3.2 Description of Public Sector Budgetary Environment, Including Public Financial Management and Impact on SAI Performance<sup>5</sup>**

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### **Structure of the public sector**

There are three spheres of government in Guyana: central, regional, and local.

Central government in Guyana comprises the following.

- There are 21 ministries and departments. Each is headed by a permanent secretary who, under the general direction and control of a minister, supervises its operation and administration.

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<sup>5</sup> This section is largely based on the 2019 SAI PMF Report, although it was updated in May 2024.

- There are 10 administrative regions. Each is headed by a regional executive officer who, under the general direction and control of a minister, supervises its operation and administration.
- There are 63 statutory bodies. These were created by various acts of Parliament and operate across many areas, including economic and social development, environmental issues, infrastructure, and education. Examples include the Environmental Protection Agency, the Guyana Elections Commission, the Guyana Forestry Commission, and the Guyana Tourism Authority.
- There are 39 public enterprises. These are corporations wherein the government owns more than 50% of the entity.
- There are 16 constitutional agencies. This is the category that includes the AOG.

Guyana's local government is divided into 10 regions for administrative purposes. Each is overseen by a Regional Democratic Council (RDC). These are sub-divided into 10 municipal councils, 70 NDCs, and more than 75 Amerindian village councils. The 10 RDCs deliver services on behalf of the central government to citizens within their jurisdiction and also have an oversight role with regard to NDCs. The 10 municipal councils are headed by elected mayors and are responsible for allocating services to those in their jurisdiction. The NDCs provide services to citizens under the 1998 Local Government Act. The Amerindian village councils have powers that are similar to those of NDCs. RDC councillors are elected for five-year terms, whereas those in municipal councils and NDCs are elected for three years. The Ministry of Local Government and Regional Development is the government agency linking these various local government authorities to the central government.

The municipalities and NDCs have revenue-raising powers and receive transfers from the national government. The RDCs are responsible for health, education, and agriculture support services. The NDCs manage waste collection and sanitation, roads, dams, and markets. Finally, the municipalities oversee drainage, irrigation, waste collection, and infrastructure maintenance.

### **Public sector capacity constraints**

The most serious capacity constraint faced by the public sector is the competition for talent in a growing economy with a rapidly expanding oil and gas sector.

In terms of information systems, many government agencies use outdated technology and lack the IT infrastructure necessary for modern governance. There has been slow progress in digitalizing government services, such as e-governance and data management; this hinders the government's ability to streamline public services. This is reflected in Guyana's ranking in the United Nations e-Government Survey, which placed Guyana 128<sup>th</sup> out of 193 countries on the UN E-Government

Development Index. On the UN Local Online Service Index, Guyana received a score of 0.34 out of 1, which is below the average for countries in Latin America and the Caribbean.<sup>6</sup>

## Public sector budget

Table 1 summarizes details of the revenue and expenditure of the Government of Guyana for the 2020 to 2022 period (taken from the *2022 Annual Report of the Auditor General*). The budget and Guyana's real economy have been growing exponentially in recent years, largely due to revenues from the oil and gas sector.

**Table 1: AOG government revenues and expenditures (all figures in G\$M)**

<i>Description</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
<b>Current revenue</b>	230,383	267,033	429,875
<b>Capital revenue</b>	20,605	28,728	53,892
<b>Total revenue</b>	250,988	295,761	483,767
<b>Current expenditure</b>	260,919	300,466	357,116
<b>Capital expenditure</b>	76,115	104,386	258,087
<b>Total expenditure</b>	337,034	404,852	615,203

Source: 2022 Annual Report, AG of Guyana

## Public financial management system

### *Governance reforms*

Guyana has embarked on several programmes of governance and public financial management reform since the beginning of the 2000s. In 2003, the current framework for public financial management arrangements was put in place when the National Assembly of Guyana passed the Procurement Act and the Fiscal Management and Accountability Act (FMAA). These acts laid out reforms to improve budgeting and the financial management system. This was followed in 2004 by the passing of the Audit Act by the National Assembly, codifying the powers and responsibilities of the AG of Guyana. Overall, the reformed public financial management environment in Guyana has not resulted in constraints, unforeseen or otherwise, on the performance of the AOG. However, there remains a significant issue for the AOG to navigate: a lack of financial management capacity and expertise within the government and wider public sector of Guyana. This is most clearly evidenced by delays at the local and regional levels in preparing financial statements suitable for

<sup>6</sup> <https://desapublications.un.org/sites/default/files/publications/2024-09/%28Web%20version%29%20E-Government%20Survey%202024%201392024.pdf>

audit by the AOG. This has an impact on the performance of the AOG because it makes the flow of work into the office unpredictable; thus, it is difficult to plan for the efficient use of AOG resources.

The elaboration of the FMAA in 2003 marked the beginning of Guyana's transition toward a programme-based budgeting structure. Governance reforms continued as economic conditions improved.

Recent initiatives include the elaboration of the *Low Carbon Development Strategy 2030*, which is the overarching national strategic planning document in this area that guides similar documents at the sector level.

In both 2019 and 2023, the MoF's Office of the Budget conducted voluntary, national reviews of Guyana's achievement against SDG goals and targets. In 2022, this office mapped ministry programs to linked SDGs. It also works with budget and program owners to gather data on achieving SDGs.

### ***Procurement***

In line with the requirements of the 2003 Procurement Act, some 38 procuring entities, comprising the ministries, departments and agencies of the Government of Guyana, are responsible for conducting procurement. These entities use funds allocated from the government and development partners. Within each procuring entity, staff are assigned to conduct procurement, and each entity has a Tender Board with designated value thresholds for approving purchases. Purchases above these thresholds are approved by the National Procurement and Tender Board, and any purchases above G\$15 million are reviewed by the Cabinet. The Government of Guyana uses four methods of procurement: open, restricted, sole source, and low-value methods (that may involve requests for quotations and community participation).

### ***Internal audit***

Among the 38 budget agencies, seven have their own internal audit units. These include the Ministry of Health, the Guyana Revenue Authority, the Ministry of Education, the Ministry of Agriculture, the Ministry of Social Protection, the Ministry of Public Works, and the Ministry of Home Affairs. The internal audit department of the MoF is set up in keeping with a Treasury Circular (dated February 20, 2013) to audit all budget agencies, and it has a complement of 16 staff to perform internal audits of the Government of Guyana.

### ***Personnel and payroll***

The Government of Guyana's main personnel database is maintained by the Ministry of Public Service. However, it does not include teachers, health specialists, the judiciary, or the military, which have their own databases. It also does not include employees of semi-autonomous or

autonomous government agencies. Although the different personnel databases are not integrated, the entire payroll of the Government of Guyana is paid by the MoF using Smart Stream software, which is administered by the Management Information System Unit located in the MoF.

### ***Budget setting and funds release***

The 2003 FMAA sets out the budgeting process in Guyana. Once the draft budget is approved, the head of each budget agency informs the MoF of the allotments of its approved appropriation (i.e., on the division of expenditure of the appropriation according to the Chart of Accounts). Allotments are not effective until approved by the Minister of Finance. Approved appropriation allotments may not be varied or amended without prior written approval of the Minister of Finance.

The budget process goes through the following steps:

1. Issuance of the Budget Circular
2. Receipt by the MoF of budget submissions from all budget agencies
3. Completion of national budget review meetings between the MoF and each budget agency
4. Submission of the draft budget proposal to the Cabinet by the MoF
5. Issuance of the Cabinet decision on the budget proposal
6. Presentation of the budget proposal to the National Assembly

Supplementary Appropriations Acts allow for the variation of an appropriation and must be approved before any expenditure is incurred the FMAA Section 24. The MoF also has the authority to approve advances from the Contingencies Fund in the event of “urgent, unavoidable and unforeseen need for expenditure.” (FMAA Section 41)

The process for managing the budget within each year of operation is as follows:

- Allotment 1 arrives at the beginning of the year and is a budget agency’s approved budgetary allocation, as specified in the Appropriations Act. The amount may be adjusted later in the year due to approved allotment transfers (virements), Contingency Fund Advance Approvals, and Supplementary Provisions.
- Allotment 2 is Allotment 1 broken down by programme and economic classification for each month (cash flow forecasts), as revised each quarter and based on work plans and procurement plans. Monthly budget releases are based on the quarterly cash flow forecasts that underpin Allotment 2. Revisions to cash flows and justifications for Allotment 2 must be completed before/on the first working day of each month. All agencies are required to submit monthly reports to the MoF indicating successes achieved, problems encountered (and proposals for addressing these), and projections for the next quarter.

The MoF publishes a mid-year report at the end of August (as specified in the FMAA) showing budget execution for the first half of the year, which can then be compared with the approved budget. The Bank of Guyana publishes quarterly reports and statistical bulletins on its website, including a report on public finances that consists of a fiscal summary table, a revenue table, and an expenditure table. The MoF produces annual reports of government expenditures compared to budgets.

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### **3.3 Description of the SAI’s Legal and Institutional Framework, Organizational Structure, and Resources**

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#### **Legal framework**

The AOG is based on the Westminster model for SAIs, which separates the AG from the Executive. The main constitutional and legal provisions relating to the AG and his office are as follows.

#### ***Constitutional and legal provisions***

The constitutional, statutory, and legal framework for the AG of Guyana and the AOG comprises three key elements:

- the Constitution of the Co-operative Republic of Guyana (in particular: Article 223),
- the 2004 Audit Act, and
- the regulations made under Section 11 of the Audit Act, which are concerned with the administration of the act.

Article 223 of the Constitution stipulates that the AG shall be the external auditor of “the public accounts of Guyana and of all officers and authorities of the Government of Guyana (including the Commissions established by this Constitution) and the accounts of the Clerk of the National Assembly and of all courts in Guyana.” Section 24(1) of the 2004 Audit Act amplifies this provision. It stipulates that the AG is responsible for conducting financial and compliance audits and performance and value-for-money audits with respect to:

- the consolidated financial statements of Guyana,
- the accounts of all budget agencies of Guyana,
- the accounts of all local government bodies,
- the accounts of all bodies and entities in which the state has a controlling interest, and
- the accounts of all projects funded by way of loans or grants by any foreign state or organization.

The Constitution stipulates that the AG “shall act independently in the discharge of his functions.” It also provides for the appointment, salary, retirement, and removal of the AG.

In addition to reinforcing the provisions of the Constitution, the 2004 Audit Act also establishes a framework for the accountability and oversight of the AG and the AOG. In this regard, the PAC of the National Assembly plays the pivotal role. As well as dealing with the reports issued by the AG, the committee oversees the preparation of the AOG’s annual budget. It may comment on the proposed budget; then, it forwards the recommended budget to the MoF for inclusion in the overall budget document to be submitted to the National Assembly. In addition, the committee is responsible for overseeing the performance of the AOG. To facilitate the committee’s discharge of this responsibility, the AG provides the committee with an Annual Work Plan and Programme at the beginning of each year. In addition, during the year in question, the AG gives the committee a report setting out the progress made in implementing the annual workplan.

The AG, within the framework of the budget approved for the AOG, can assess staffing needs and appoint, pay, train, assign, promote, and discipline officers and employees. The expenditure of the AOG should, in accordance with article 222A(a) of the Constitution, be financed as a direct charge on the Consolidated Fund, determined as a lump sum by way of an annual subvention approved by the National Assembly (after review and approval of the AOG’s budget as a part of the process of determining the national budget). *Prima facie*, this constitutional and statutory framework provides strong safeguards for the AG in relation to the financial independence of the AOG. However, this is not always the case in practice. From 2015 to 2019, under section 3(b)(2) of the 2015 amendment to the FMAA (Act No. 4 of 2015), the Minister of Finance designated each budget proposed by the PAC for the AOG as “not acceptable”. This resulted in cuts each year to the AOG’s overall budget submission. However, since 2020, this is no longer the case.

### **Organizational structure**

The AOG’s headquarters are in Georgetown. The majority of AOG staff are located either in this building or in other buildings in Georgetown occupied by the departments and ministries that the AOG audits. A small number of staff are located in five of the 10 regional administrative areas of Guyana.

The AOG has a hierarchical structure. In addition to the AG, there are seven audit grades, with audit clerks holding the most junior positions and audit directors the most senior. The AOG is organized into three business units, each headed by a director. The division of work between these three units for 2022 was as follows:

- **Business Unit 1** was responsible for audits of a number of central government departments and regional administrations as well as for contracted audits and for the administration of the AOG, which comprises finance and accounts, HR, IT, and systems management.



- **Business Unit 2** was responsible for the audits of statutory bodies, some donor-funded projects, and some central government departments.
- **Business Unit 3** was responsible for value-for-money audits and the audits of some donor-funded projects.
- Quality Assurance, the Forensic Audit Unit, and the Works and Structures team report direct to the Auditor General.

Annex 5 sets out the full organizational structure of the AOG.

## **AOG resources**

### ***Budgetary***

Section 40(2) of the 2004 Audit Act sets out the process for preparing the AOG’s annual budget. It gives the AG the responsibility of formulating the AOG’s budget as part of a five-stage process:

1. The AG must prepare the AOG budget submission in accordance with any general guidance issued for this process.
2. The PAC reviews the budget submission and provides comments “for consideration by the Auditor General.”
3. The Auditor General revises the budget submission and resubmits it to the Public Accounts Committee (PAC) for endorsement.
4. The PAC forwards the revised budget submission to the Minister of Finance “for consideration and inclusion in the annual budget proposal.”
5. The Minister of Finance must “include in the annual budget proposal a subvention for the Audit Office within the allocations of the Parliament Office to be voted on by the National Assembly.”

Under article 222A(b) of the Constitution and section 41 of the 2004 Audit Act, the AG “shall manage the subvention of the Audit Office in such manner as he deems fit for the efficient discharge of his functions, subject only to conformity with the financial practices and procedures approved by the National Assembly to ensure accountability.” Expenses paid from the subvention are to include salaries and allowances, travel and subsistence costs, and training and professional development activity costs.

The AOG’s budget for 2022 was G\$1,051 million. This represents approximately 0.17% of Guyana’s national budget.

As Table 2 illustrates, the AOG manages its finances tightly. In the three years immediately following the 2019 SAI PMF assessment, the AOG’s overall actual expenditure matched the planned expenditure exactly.

**Table 2: The AOG’s budget and actual expenditure for 2020 to 2022 (in G\$M)**

Description	2020		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>Wages and salaries</b>	502	502	582	582	569	569
<b>Employment overheads</b>	228	228	232	232	251	251
<b>Other expenses</b>	145	145	186	186	200	200
<b>Statutory expenditure</b>	34	34	36	36	31	31
<b>Total</b>	<b>909</b>	<b>909</b>	<b>1,036</b>	<b>1,036</b>	<b>1,051</b>	<b>1,051</b>

Source: Data provided by the AOG.

### *Staffing*

In principle, the AG enjoys wide discretion in relation to HR and the staffing of the AOG. Section 14(1) of the 2004 Audit Act stipulates that “within the framework of the budget approved for the Audit Office, the Auditor General shall assess staffing needs, and appoint, pay, train, assign, promote and discipline officers and employees in accordance with the Constitution, this Act, the Rules, Policies and Procedures Manual and any other law.” However, section 14(3) of the 2004 Audit Act also stipulates that “the Auditor General’s appointment and discipline of all senior officers and employees shall be subject to approval by the Public Accounts Committee.” Although the PAC has never withheld its approval of the senior appointments recommended by the AG, this represents a restriction on the AG’s powers with regard to the management of the AOG’s HR function.

As of December 31, 2022, the AOG’s staff complement was 227 against which the office had 207 staff in post. Table 3 provides an analysis by grade of staff complements and strength for 2021 and 2022. The most significant shortfall in this regard is among the senior grades in the AOG, where the number of staff in post falls short of the complement for those grades. In the case of the most senior (director) grade, the AG has filled the vacant posts by appointing individuals on an acting basis. While this situation is clearly not ideal, it is understood that the practice of officials occupying senior positions on an acting basis for an extended period is common across the public sector in Guyana.

**Table 3: AOG staff complement and actual staff as of December 31, 2021 and December 31, 2022**

	<b>2021 Complement</b>	<b>2021 Actual</b>	<b>2022 Complement</b>	<b>2022 Actual</b>
Auditor General	1	1	1	1
Audit Director	3	1	3	1
Audit Manager	12	4	12	4
Audit Supervisor	30	30	30	28
Auditor	31	30	31	31
Assistant Auditor	31	31	31	31
Senior Audit Clerk	31	31	31	31
Audit Clerk	50	49	50	50
<b>Total audit staff</b>	<b>189</b>	<b>177</b>	<b>189</b>	<b>177</b>
Auditor General Secretariat	2	2	2	2
HR Division Manager	1	1	1	1
HR Division Other Staff	17	15	17	15
Finance & Accounts Manager	1	0	1	0
Finance & Accounts Accountant	1	1	1	1
Finance & Accounts Other Staff	5	5	5	5
Information Systems Manager	1	1	1	1
Information Systems Other Staff	6	4	6	3
Works & Structure Director	1	0	1	0
Works & Structure Manager	1	1	1	1
Works & Structure Engineers	2	2	2	1
<b>Total non-audit staff</b>	<b>38</b>	<b>32</b>	<b>38</b>	<b>30</b>
<b>Total audit and non-audit staff</b>	<b>227</b>	<b>209</b>	<b>227</b>	<b>207</b>

Sources: The AOG Annual Work Plan and Programme for the year 2021 and the AOG Annual Work Plan for the year 2022.

## Chapter 4: Assessment of the SAI's Performance

### 4.1 Domain A: Independence and Legal Framework

Domain A has two indicators and covers the legal mandate of the SAI and its independence. The purpose of the domain is to consider the institutional basis for the SAI's operations, to support the understanding how the SAI performs as an organization. The SAI's independence and legal framework are not directly under the control of the SAI, but the domain has nevertheless been included in the SAI PMF because the SAI's independence and legal framework significantly contributes to its effectiveness.

Domain A: Independence and legal framework		Dimensions				Overall Score	2019 Score
Indicator	Name	(i)	(ii)	(iii)	(iv)		
SAI-1	Independence of the SAI	3	2	3	4	3	3
SAI-2	Mandate of the SAI	4	4	4		4	4

#### 4.1.1 SAI-1: Independence of the SAI – Indicator Score 3

SAI-1 measures the degree of independence enjoyed by the SAI, by assessing the key aspects of independence as set out in the Lima Declaration (ISSAI 1) and the Mexico Declaration (ISSAI 10).

The indicator is separated in four dimensions as below:

<i>SAI -1 Dimensions</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Appropriate and Effective Constitutional and Legal Framework	3	3
(ii) Financial Independence/Autonomy	2	2
(iii) Organizational Independence/Autonomy	3	3
(iv) Independence of the Head of the SAI and its Officials	4	4
<b>Overall Score</b>	<b>3</b>	<b>3</b>

The assessment of SAI-1 is mainly based on the contents of the Constitution of the Co-operative Republic of Guyana, in particular Article 223, the 2004 Audit Act, and the Regulations made in 2005 under Section 11 of the Audit Act concerned with the administration of the Act.

#### *SAI – 1 Dimension (i): Appropriate and Effective Constitutional Framework – Score 3*

Taken overall, the Auditor General of Guyana and his Office enjoy a strong constitutional, statutory framework. Accordingly, all the criteria for Dimension (i) are met with one exception. This relates to criterion (e) on adequate legal protection by a Supreme Court against any interference with a

SAI's independence. Although this has never happened in practice, in theory, the constitutional and legislative framework does not provide for 'adequate legal protection by a supreme court against any interference' with the independence of the Auditor General.

There is no change in the constitutional framework, or the related indicator score since the 2019 Assessment.

The constitutional, statutory and legal framework for the Auditor General of Guyana and the Audit Office of Guyana comprises three key elements. These are:

- the Constitution of the Co-operative Republic of Guyana, in particular Article 223,
- the 2004 Audit Act, and
- the regulations made in 2005 under Section 11 of the Audit Act – these are concerned with the administration of the Act.

The Articles of the Constitution relevant to the Auditor General are as follows:

- Article 223(1) stipulates that "there shall be an Auditor General for Guyana whose office shall be a public office."
- Article 223(2) provides for the Auditor General's mandate and his rights of access to the information that he requires. This Article states that the public accounts of Guyana and of all officers and authorities of the Government of Guyana (including the commissions established by the Constitution) and the accounts of the Clerk of the National Assembly and of all courts in Guyana shall be audited and reported on by the Auditor General, and for that purpose the Auditor General or any person authorized by him or her in that behalf shall have access to all books, records, returns and other documents relating to those accounts.
- Article 223(3) provides for the Auditor General to submit his or her reports to the Speaker of the National Assembly 'who shall cause them to be laid before the National Assembly'.
- Article 223(4) provides for the independence of the Auditor General. It stipulates that, in the exercise of his or her functions under the Constitution, the Auditor General shall not be subject to the direction or control of any person or authority.
- Articles 223(5), 223(6) and 223(7) provides for the Public Accounts of Committee of the National Assembly of Guyana to exercise 'general supervision over the functioning of the office of the Auditor General'. This includes the requirement for the Auditor General to submit reports to the Committee on a quarterly basis on the performance and operation of the Audit Office of Guyana and to submit annually to the Committee an Annual Systems and Financial Audit Report.
- Article 204(1) of the Constitution provides for the appointment of the Auditor General by the President acting in accordance with the advice of the Public Services Commission.
- Article 204(3) provides for the Auditor General to 'vacate his or her office when he or she attains such age as may be prescribed by Parliament'. Section 8 of the 2004 Audit Act stipulates that 'the salary, superannuation, benefits and other conditions of service of the

Auditor General shall be the same as those of the Chief Justice'. Under the Constitution, the Chief Justice is required to vacate office when he or she reaches the age of 68 years (Articles 131 and 197) and, so, this also applies to the Auditor General.

- Article 225 of the Constitution sets out the process to be followed for the removal of an individual from the office of Auditor General whether because of misbehaviour or because of the inability to discharge the functions of the office of Auditor General as the result of 'infirmity of body or mind or any other cause'. Also, Article 227 of the Constitution provides, more generally, for the disqualification from office of any individual 'convicted by a court of an offence relating to excitement of hostility or ill-will against any person or class of persons on the grounds of his or her or their race'.

The 2004 Audit Act reinforces the constitutional position of the Auditor General.

- Section 3(2) of the Act makes explicit that there shall be an Audit Office 'comprising the Auditor General and the officers and employees appointed thereto'.
- Section 5 of the Act stipulates that, in accordance with article 223(4) of the Constitution, the Auditor General 'shall act independently in the discharge of his functions'.
- Section 9 of the Act stipulates that the Auditor General 'may be removed from office only in accordance with the provisions of article 225 of the Constitution'.
- Part V of the Act (sections 24 to 39) sets out in detail the Auditor General's remit, mandate and reporting responsibilities. The Auditor General enjoys significant discretion in deciding how to discharge his responsibilities under the Act. This includes the power 'to conduct special audits and at his discretion prepare special reports when such audits are completed'.
- Part VII (sections 40 to 45) of the Act sets out in detail how the PAC will discharge the responsibilities that the Constitution places on the Committee for its oversight of the office of the Auditor General and the mechanisms for the Auditor General's accountability to the Committee by reporting quarterly on the performance and operation of the AOG and submitting annually an Annual Systems and Financial Audit Report (sections 42 and 43 of the 2004 Act). This process provides the mechanism for the Auditor General to report to the legislature on any matters that may affect his ability to perform his work in accordance with his mandate and legislative framework. We note that the Auditor General has used this mechanism to draw the attention of the PAC to the detrimental impact that a reduction in the proposed budget of the AOG would have on the performance of the Office. The narrative for our assessment of SAI-1 Dimension (ii) below provides more information on this development. These mechanisms for the Auditor General's accountability to the PAC also enable the Auditor General, where he judges it necessary and appropriate, to promote, secure and maintain an appropriate and effective constitutional, statutory and legal framework. In practice, since the implementation of the 2004 Act the circumstances have not arisen where the Auditor General has needed to trigger this mechanism.

***Dimension (ii): Financial Independence/Autonomy – Score 2***

This dimension measures the SAI’s financial independence. Although **criteria e) and g) are improved and met in 2024 compared to 2019**, this has not impacted the dimension score.

<i>SAI 1 - Dimension (ii) Financial Independence/Autonomy</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) The legal framework explicitly or implicitly provides for the SAI’s financial independence from the executive	Met	No change since 2019. The constitutional and statutory framework provides specifically for the financial independence of the Auditor General and the AOG. Section 40(1) of the 2004 Audit Act stipulates that, in line with the provisions of Article 222A(a) of the Constitution, the AOG is ‘financed as a direct charge on the Consolidated Fund, determined as a lump sum by way of an annual subvention approved by the National Assembly after review and approval of the Audit Office’s budget as part of the process of the determination of the national budget’.
b) The SAI’s budget is approved by the public body deciding on the national budget	Met	No change since 2019. Section 40(2) of the 2004 Audit Act sets out the process for preparing the AOG’s budget. It gives the Auditor General the responsibility for formulating the AOG’s budget as part of a five-stage process. First, the Auditor General is required to prepare the AOG budget submission in accordance with any general guidance issued for this process. Second, the PAC reviews the budget submission and provides comments ‘for consideration by the Auditor General’. Third, ‘after considering comments from the Public Accounts Committee, the Auditor General shall revise the budget submission and re-submit it to the Public Accounts Committee for endorsement’. Fourth, the PAC forwards the revised budget submission to the Minister of Finance ‘for consideration and inclusion in the annual budget proposal’. For the fifth and final stage, the Minister of Finance is required to ‘include in the annual budget proposal a subvention for the Audit Office within the allocations of the Parliament Office to be voted on by the National Assembly’.
c) The SAI is free to propose its budget to the public body deciding on the national budget without interference from the executive	Not Met	No change since 2019. While this has not happened in the last three years, it is possible for the Ministry of Finance to reduce the budget submission by the AG. As per Section 3(b)(2) of the Fiscal Management and Accountability (Amendment) Act 2015 (Act No.4 of 2015), the

		Minister of Finance ‘shall submit to the National Assembly the Minister’s comments on the annual budget of a constitutional agency, including recommendations in sufficient time to enable consideration by the Assembly and those recommendations shall be limited to the overall request rather than line items’. The Minister of Finance can use this provision to comment on the budget put forward for the AOG (and for other constitutional agencies) and designate it as either ‘acceptable’ or ‘not acceptable’. This has happened in the past (2015 to 2020) and could happen again.
d) The SAI “shall be entitled to use the funds allotted to them under a separate budget heading as they see fit”. INTOSAI-P 1:7	Met	No change since 2019. Under Article 222A(b) of the Constitution and Section 41 of the 2004 Audit Act, the Auditor General ‘shall manage the subvention of the Audit Office in such manner as he deems fit for the efficient discharge of his functions, subject only to conformity with the financial practices and procedures approved by the National Assembly to ensure accountability’. Expenses paid from the subvention are to include salaries and allowances, travel and subsistence costs, and training and professional development activity costs.
e) After the SAI’s budget has been approved by the Legislature, the Executive (e.g. the Ministry of Finance) should not control the SAI’s access to these resources. INTOSAI-P 10:8	Met	<b>Score changed since last time</b> due to a different interpretation of the law. Section 40 (1) of the 2004 Audit Act, the AOG’s subvention should be determined as an annual lump sum direct from the Consolidated Fund. The subvention is then paid in instalments each month by the Ministry of Finance, based on requests by the AOG. This is in line with budgetary transfer regulations for ALL public sector offices and ensures more efficient use of resources. In practice, AG requests instalments based on monthly budgeted needs and is provided instalments as per his request, without any cuts. He could theoretically ask for all of the funds upfront, if he needed then. Consequently, while Ministry of Finance exercises some control over the AOG’s access to the resources approved for it by the National Assembly, this is a typical element of public financial management and does not constitute substantial control.
f) The SAI has “the right of direct appeal to the Legislature if the resources provided are insufficient to	Not Met	No change since 2019. In case of a reduction in budget as per c) above, the AOG has no right of appeal to the National Assembly about these



allow [it] to fulfil [its] mandate.” INTOSAI-P 10:8		<p>reductions in its proposed budget. Nor does it have the opportunity to ask the Minister of Finance to reconsider his comments where these have resulted in reductions in the proposed budget submission for the AOG. Note however that the AOG can ask for a supplementary budget, for instance, in the case of unfilled vacancies which are subsequently filled.</p> <p>Additionally, while this right has not been exercised in the past and is not clearly depicted in the statute, discussion with senior management indicate that they could go the PAC to appeal a budget reduction, under the PACs mandate for general supervision under para 40(2) of the Audit Act.</p>
g) During the past 3 years there have been no cases of undue interference from the Executive regarding the SAI’s budget proposal or access to financial resources. INTOSAI-P 10:8	Met	<b>Score changed since last time.</b> All SAI proposals were met over the past three (3) years.

***Dimension (iii): Organizational Independence/Autonomy – Score 3***

This dimension assesses whether the Auditor General enjoys autonomy in the organization and management of his office in order to fulfill his mandate effectively.

<i>Dimension (iii) Organizational Independence / Autonomy</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) The legal framework ensures that the SAI has “(...) the functional and organizational independence required to accomplish [its] tasks.” INTOSAI-P 1:5.	Met	No change since 2019. The constitutional and statutory framework governing the Auditor General and his Office provides, specifically, for considerable organizational independence and autonomy. Taken together, the Constitution of Guyana and the 2004 Audit Act ensure that the Auditor General is completely independent of the Executive and that he reports to the National Assembly and is accountable for his performance to the National Assembly through the PAC.

<p>b) In practice, the SAI is “free from direction or interference from the Legislature or the Executive in the (...) organization and management of [its] office.” INTOSAI-P 10:3</p>	<p>Met</p>	<p>No change since 2019. Article 223(4) of the Constitution stipulates that the Auditor General ‘shall not be subject to the direction or control of any person or authority’ in exercising his functions. This is reinforced by the 2004 Audit Act. Section 5 of the Act states that the Auditor General shall act independently in the discharge of his functions under the Constitution. Within the legislative structure established by the 2004 Audit Act, the Auditor General enjoys complete discretion in deciding how he discharges his functions and how he uses the resources made available to him by the National Assembly.</p>
<p>c) The SAI has the power to determine its own rules and procedures for managing business and for fulfilling its mandate, consistent with relevant rules affecting other public bodies. INTOSAI-P 10:8, INTOSAI-P 20:6</p>	<p>Not Met</p>	<p>No change since 2019. In the course of the SAI PMF assessment, we did not identify any instances or examples of direction of, or interference with, the work of the AOG by the National Assembly or the Executive.</p> <p>There is, in practice, one important practical limitation on the AOG’s ability to introduce changes or reform aspects of its organization and management. This relates to the AOG’s RPPM. This Manual encompasses all the policies, processes and procedures required to manage and run the Office. The Manual is enshrined within the 2004 Audit Act and is incorporated in the 2005 statutory regulations that implemented that Act. Consequently, to change any of the contents included in the original 2005 version of Manual, the AOG would have to seek the consent of the National Assembly. For small revisions, approval is obtained from the PAC under their mandate to exercise ‘general supervision’ under Section 45 of the Audit Act 2004. During 2022, the OAG updated parts of the RPPM relating to the manning level at the Audit Office with approval from PAC to increase the number of engineers, thus making changes to the AOG organization structure. Other minor changes have also been made in HR and other forms since 2019 with PAC approval. Given the likely complexity of this process, the AOG has not initiated a process to review and update the RPPM holistically. Discussion with the AG indicate that at the time the RPPM was enshrined within the Audit Act, the intention was to give it the fuller force of law. The increased bureaucracy required to make adjustments has been an unintended consequence.</p>

<p>d) The Head of SAI is free to independently decide on all human resource matters, including appointments of staff and establishment of their terms and conditions, constrained only by staffing and/or budgetary frameworks approved by the Legislature. INTOSAI-P 10:8</p>	<p>Not Met</p>	<p>No change since 2019. There is also a legal restriction on the powers of the Auditor General with regard to human resource matters. In principle, the Auditor General enjoys wide discretion in relation to human resources. Section 14(1) of the 2004 Audit Act stipulates that ‘within the framework of the budget approved for the Audit Office, the Auditor General shall assess staffing needs, and appoint, pay, train, assign, promote and discipline officers and employees in accordance with the Constitution, this Act, the Rules, Policies and Procedures Manual and any other law’. However, Section 14(3) of the 2004 Audit Act stipulates that ‘the Auditor General’s appointment and discipline of all senior officers and employees shall be subject to approval by the Public Accounts Committee’. Changes to headcount, promotions to Manager level and beyond, new directors, all require PAC approval. Discussions with AOG management indicate that in the Guyanese context, this is considered as part of the PACs general supervision which provides valuable additional oversight to the hiring process. Additionally, in practice, the Public Accounts Committee has never withheld its approval of the senior appointments recommended by the Auditor General. Accordingly, while this criterion is not objectively met ‘de Juri’ and has been scored as such, it is likely met in spirit, or ‘de Facto’.</p>
<p>e) The relationship between the SAI and the Legislature and also the Executive is clearly defined in the legal framework. INTOSAI-P 1:8,9</p>	<p>Met</p>	<p>No change since 2019. Between them, the Constitution of Guyana and the 2004 Audit Act provide for an elaborate system for the oversight of the work of the Auditor General and his accountability to the National Assembly through the PAC.</p> <ul style="list-style-type: none"> <li>• Article 223(5) of the Constitution stipulates that ‘the Public Accounts Committee may exercise general supervision over the functioning of the office of the Auditor General in accordance with the Rules, Policies and Procedures Manual for the functioning of the office of the Auditor General as prepared by the Auditor General and approved by the Public Accounts Committee’. Under Article 223(6) of the Constitution, the Auditor General must prepare and submit to the PAC reports, on a quarterly basis, on the performance and</li> </ul>

		<p>operation of the office of the Auditor General. Under Article 223(7) of the Constitution, the Auditor General must submit annually a copy of an Annual Systems and Financial Audit Report with respect to the office of the Auditor General to the PAC.</p> <p>These constitutional requirements are reinforced by the provisions set out in sections 42 to 45 of the 2004 Audit Act.</p> <ul style="list-style-type: none"> <li>• Section 42 of the 2004 Act requires the Auditor General to prepare and submit to the PAC each quarter a quarterly report on the performance and operation of the Audit Office in the form of a Programme Performance Statement. Section 43 requires the Auditor General to submit to the PAC an Annual Performance and Financial Audit Report that should include a Programme Performance Statement for the Audit Office for the year.</li> <li>• Section 44 requires the PAC to appoint an independent auditor to ‘audit and report on the financial statements, accounts, and other information relating to the performance of the Audit Office in that year’.</li> <li>• Finally, section 45 provides for the PAC to ‘exercise general supervision over the functioning of the Audit Office, including the functions of the Auditor General under Part III [of the 2004 Audit Act – Officers and Employees of the Audit Office] in accordance with the Rules, Policies and Procedures Manual and any other law’.</li> </ul>
<p>f) The legal framework “(...) provides for accountability and transparency [by covering] the oversight of the SAI’s activities (...)” INTOSAI-P 20:1.</p>	<p>Met</p>	<p>No change since 2019. Between them, the Constitution of Guyana and the 2004 Audit Act provide for an elaborate system for the oversight of the work of the Auditor General and his accountability to the National Assembly through the PAC. (see also (e) above)</p>
<p>g) The SAI is entitled to call on and pay for external expertise as necessary. INTOSAI-P 1:14</p>	<p>Met</p>	<p>No change since 2019. Part IV (Sections 18 to 23) of the 2004 Audit Act enables the Auditor General to call on and pay for external expertise as necessary. Section 18 stipulates that, in the discharge of his functions, the Auditor General</p>

		may ‘engage the services of technical experts and Chartered Accountants in public practice to serve on contract basis for limited audit engagements including those required as part of agreements with international agreements’.
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***Dimension (iv): Independence of the Head of the SAI and its members – Score 4***

This Dimension is concerned with establishing whether the conditions for the appointment of the Auditor General are specified in legislation and that arrangements for the Auditor General’s appointment and tenure ensure his independence.

<i>Dimension (iv) Independence of the Head of the SAI and its members</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “The applicable legislation specifies the conditions for appointments, reappointments, [and] removal (...) of the Head of the SAI, and [where relevant] members of collegial institutions (...) by a process that ensures their independence (...)” INTOSAI-P 10:2 (E.g. with the approval of the Legislature, and where relevant, the Head of State; removal only for just cause / impeachment, similar protections to those that apply to a High Court Judge).	Met	The process used for the current AG’s appointment in 2012 followed that specified by Article 204 of the Constitution. The Auditor General was appointed by the President on the recommendation of the Public Service Commission. He had been acting AG since 2005.
b)” (...) the head of SAI, and [where relevant] members of collegial institutions [are] given appointments [and re-appointments] with sufficiently long and fixed terms, to allow them to carry out their mandates without fear of retaliation.” INTOSAI-P 10:2	Met	As for the Auditor General’s tenure of office, there is not a fixed or renewable period during which the Auditor General may hold office. Instead, in line with the constitutional practice in Guyana, the length of time that the Auditor General may hold office is determined by the Auditor General’s age. Under Section 8 of the 2004 Audit Act the conditions governing the length of time the Auditor General may stay in office are the same as those governing the Chief Justice of Guyana. This means that the Auditor General must vacate his office when he or she reaches the age of 68, the age at which the Chief Justice of Guyana is required to vacate his or her office. Consequently, the length of time that an Auditor General is in office will depend on his or her age on appointment and, once appointed, the Auditor General’s tenure is safeguarded by statute until he or she reaches the age of 68.

<p>c) “The Head of SAI and [where relevant] members of collegial institutions are (...) immune to any prosecution for any act (...) that results from the normal discharge of their duties.” INTOSAI-P 10:2 (I.e. the SAI / Head of SAI cannot be sued for expressing audit opinions. This criterion is considered met if the legislation states that the Head of the SAI shall not be subject to the direction or control of any other authority when carrying out their functions as prescribed by law.)</p>	Met	<p>The Auditor General is not subject to the direction or control of any other authority when carrying out his functions. This is evidenced by Article 223(4) of the Constitution – ‘In the exercise of his or her functions under the Constitution, the Auditor General shall not be subject to the direction or control of any person or authority’; and by Section 5 of the 2004 Audit Act – ‘The Auditor General shall, in accordance with article 223(4) of the Constitution, act independently in the discharge of his functions’. Accordingly, in line with SAI PMF guidance, we conclude that criterion (c) of SAI-1 Dimension (iv) is met.</p>
<p>d) Within the past 3 years, there have been no periods longer than 3 months during which there has been no properly appointed Head with tenure. SAI PMF Task Team.</p>	Met	<p>The AG has been in place over the last three years, and there have been no periods where the AOG did not have a head in place.</p>
<p>e) The last appointment [or re-appointment] of the Head of the SAI was done through a transparent process that ensured his/her independence. INTOSAI-P 10:2, SAI PMF Task Team.</p>	Met	<p>The current Auditor General was appointed on acting basis in 2005 following the resignation of the previous Auditor General. He was confirmed in office as Auditor General in 2012. The process used for his appointment in 2012 followed that specified by Article 204 of the Constitution. The Auditor General was appointed by the President on the recommendation of the Public Service Commission. The Auditor General explained that the practice of officials occupying senior positions on an acting basis for an extended period was a common practice across all the public sector in Guyana. The AG’s term is due to come to an end in 2026, when he turns 68 years of age. Section 8 of the Audit Act, 2004, states that the AG has the same conditions of service as the Chief Justice. As stated in the Constitution, the Chief Justice serves till the age of 68.</p>
<p>f) During the last 3 years there have been no cases where the Head of the SAI (or where relevant) members of collegial institutions were removed through an unlawful act or in a way that compromised the SAI’s</p>	Met	<p>As noted above, the current Auditor General has been in office since 2005 and, so, there has been no period of three months or more in the past three years when there has been no properly appointed Auditor General with tenure. He was initially appointed on an acting basis and was confirmed in office in 2012. The appointment process in 2012 followed that specified by Article 204 of the Constitution. We did not identify any cases in the three years prior to the SAI PMF</p>

		assessment where the Auditor General had been removed from office through an unlawful act or in a way that compromised the AOG's independence.
g) The legal framework ensures that “in their professional careers, audit staff of Supreme Audit Institutions must not be influenced by the audited organizations and must not be dependent on such organizations.” INTOSAI-P 1:6	Met	Section 6(1) of the 2004 Audit Act stipulates that the Auditor General ‘shall not have a direct or indirect official role in any private or professional entity or activity that he could profit from or influence through his powers as Auditor General and he shall declare to the Public Accounts Committee any of his commitments, obligations or investments which may present a real or perceived conflict of interest’.

#### 4.1.2 SAI-2: Mandate of the SAI – Indicator Score 4

SAI-2 aims to assess the breadth of the SAI’s mandate in terms of the scope and nature of the duties and responsibilities of the head of SAI and SAI as well as the SAI’s ability to access all information it requires to fulfill its functions and its right and obligation to report.

The indicator is separated in three dimensions as below:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Sufficiently Broad Mandate	4	4
(ii) Access to Information	4	4
(iii) Rights and Obligations to Report	4	4
<b>Overall Score</b>	<b>4</b>	<b>4</b>

*The assessment of SAI-2 is mainly based on the Constitution of Guyana, and the Audit Act 2004.*

The AOG scores very well on this Dimension with a broad mandate, and legally enshrined rights of access to information as well as obligations for reporting. There has been no change in the constitutional framework in this regard, and ratings remain the same as in 2019.

##### ***Dimension (i): Sufficiently Broad Mandate – Score 4***

This dimension assesses the SAI’s legal rights to carry out audits. It reflects the expectation of the ISSAIs that the SAI should have a broad mandate covering all or most public financial operations. In light of the strong constitutional mandate, all criteria under this dimension are met. There is no change since the 2019 Assessment.

<i>Dimension (i): Sufficiently Broad Mandate</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “All public financial operations, regardless of whether and how they are reflected in the national budget, shall be subject to audit by Supreme Audit Institutions.” INTOSAI-P 1:18 (In scoring this criteria, assessors may need to define and record their interpretation of ‘national budget’ in relation to the structure of government in the country)	Met	<p>The key elements of the constitutional and statutory framework governing the Auditor General’s mandate are as follows.</p> <ul style="list-style-type: none"> <li>• Article 223(2) of the Constitution of the Co-operative Republic of Guyana stipulates that: “The public accounts of Guyana and of all officers and authorities of the Government of Guyana (including the Commissions established by this Constitution) and the accounts of the Clerk of the National Assembly and of all courts in Guyana shall be audited and reported on by the Auditor General, and for that purpose the Auditor General or any person authorised by him shall have access to all books, records, returns and other documents relating to those accounts’.</li> <li>• Section 24(1) of the 2004 Audit Act amplifies this provision. It stipulates that the Auditor General is responsible for conducting financial and compliance audits and performance and value-for- money audits with respect to: <ul style="list-style-type: none"> <li>• The consolidated financial statements of Guyana;</li> <li>• The accounts of all budget agencies of Guyana;</li> <li>• The accounts of all local government bodies;</li> <li>• The accounts of all bodies and entities in which the State has a controlling interest; and</li> <li>• The accounts of all projects funded by way of loans or grants by any foreign State or organization.</li> </ul> </li> </ul> <p>The Auditor General’s audit of the consolidated financial statements of Guyana encompasses:</p> <ul style="list-style-type: none"> <li>• Receipts and Payments of the Consolidated Fund;</li> <li>• Receipts and Payments of the Contingencies Fund;</li> <li>• Assets and Liabilities of the Government; and</li> <li>• The Statement of Public Debt.</li> </ul> <p>In addition, the Auditor General’s mandate includes the audit of Trades Unions in Guyana. This responsibility predates Guyana’s independence. Prior to independence, the</p>



		Director of Audit for British Guyana in the British Colonial Office was specifically responsible for the audit of Trades Unions. On independence, this requirement was maintained in the Laws of Guyana. Under Section 22(1) Cap. 98:03, trustees of the trade unions registered under this law are required to submit their accounts to the Auditor General for audit.
b) Where criterion (a) is not in place, the SAI has the right to address the Legislature or the relevant legislative committee regarding concerns it may have over audit arrangements for any public financial operations which are not within the mandate of the SAI. INTOSAI-P 1:18, SAI PMF Task Team.	Met	Criteria a) is in place.
c) The SAI's mandate specifically ensures it is responsible for the audit of all central government activities. INTOSAI-P 10:3 (E.g. audit of the Consolidated Fund, including flows in and out of the fund, and all revenue, expenditure, assets and liabilities).	Met	See comments in a) above
d) "(...) SAIs are free from direction and interference (...) in the selection of audit issues, planning, (...) conduct, reporting and follow-up of their audits." INTOSAI-P 10:3	Met	Article 223(4) of the Constitution stipulates that the Auditor General 'shall not be subject to the direction or control of any person or authority' in exercising his functions. This is reinforced by the 2004 Audit Act. Section 5 of the Act states that the Auditor General shall act independently in the discharge of his functions under the Constitution. Within the legislative structure established by the 2004 Audit Act, the Auditor General enjoys complete discretion in deciding how he discharges his functions and how he uses the resources made available to him by the National Assembly.
e) During the past 3 years the SAI has not been given and has not taken any tasks which influence the independence of its mandate.	Met	In the course of the SAI PMF assessment, the team carrying out the assessment did not find any instances or examples in the previous three years of the AOG taking on tasks that would have influenced the independence of its mandate.
f) There have been no cases of interference in the SAI's selection of audit clients or subjects within the last	Met	Similarly, the assessment team did not find any instances or examples in the previous three years of interference in the AOG's selection of audit

three years, in a way that may compromise the SAI's independence. INTOSAI-P 10:3, SAI PMF Task Team.		clients or subjects that would have compromised the AOG's independence. The assessment team did not find any evidence that the AOG had been subject to direction or interference in the planning, conduct, reporting and follow-up of its audit activities.
g) As a minimum Part 1, "SAIs should be empowered to audit the (...)": "legality and regularity of government or public entities' accounts". INTOSAI-P 10:3	Met	Section 24(2) of the 2004 Audit Act provides for the AOG to examine and audit the 'legality and regularity' of all financial statements and accounts subject to audit by the Auditor General.
h) As a minimum Part 2, "SAIs should be empowered to audit the (...)": "quality of financial management and reporting". INTOSAI-P 10:3	Met	Section 24(2) of the 2004 Audit Act contains a range of requirements that taken together enable the Auditor General to audit the quality of financial management and reporting of all the financial statements and accounts that are subject to his audit.
i) As a minimum Part 3, "SAIs should be empowered to audit the (...)": "economy, efficiency and effectiveness of government or public entities' operations". INTOSAI-P 10:3	Met	Section 24(3) of the 2004 Audit Act stipulates that, in carrying out performance audits and value-for-money audits, the Auditor General 'shall examine the extent to which a public entity is applying its resources and carrying out its activities economically, efficiently and effectively'.

#### ***Dimension (ii): Access to Information – Score 4***

This dimension assesses the degree to which the SAI has free, timely and unrestricted access to all documents and information it might need for the proper discharge of its responsibilities. The constitutional and statutory framework governing the Auditor General and the Audit Office of Guyana gives the Auditor General and his officials very strong rights of access to all the information, documents and material that they may require for audit purposes. Accordingly, all criteria under this Dimension are met. There is no change since the 2019 Assessment.

<i>Dimension (ii): Access to Information</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) The law provides the SAI with unrestricted right of access to records, documents and information. INTOSAI-P 1:10	Met	Article 223(2) of the Constitution guarantees the Auditor General access to all the information he requires to discharge his constitutional responsibilities. The 2004 Audit Act amplifies this point. Sections 30 and 31 of the Act stipulate that audited entities must provide all the information that the Auditor General requires to discharge his functions, and that the Auditor General may require 'a public entity or any
b) The SAI has the right to decide which information it needs for its audits. INTOSAI-P 1:10	Met	

		officer or employee of a public entity’ to provide the information or explanations that he requires to discharge his functions. Section 30 makes clear that this should include ‘providing reasonable, suitable and secure space for the Audit Office to conduct its work’. In addition, the Auditor General also has the power to examine or audit any bank account of any person where the Auditor General believes that moneys belonging to a public entity have been fraudulently or wrongfully paid into that person’s account (Section 33, 2004 Audit Act).
c) In case the access to information required for the audit is restricted or denied, there is an established and appropriate process for resolving such matters, e.g. the possibility to address the Legislature or one of its committees, to take the matter to court, or direct powers to sanction those preventing access to information. INTOSAI-P 10:4, SAI PMF Task Team.	Met	Under Part VI of the 2004 Audit Act (Sections 37 to 39), where an individual or entity without lawful justification obstructs, hinders or resists the Auditor General or fails to comply with any lawful requirement of the Auditor General, the Auditor General may refer the matter to the Director of Public Prosecutions and the Commissioner of Police to take appropriate action including initiating the prosecution of the individual or entity. Any individual or entity convicted under this part of the 2004 Act is liable to a fine or imprisonment.
d) For jurisdictional controls, in the event that access to information considered necessary is hindered, the SAI has specific powers to sanction those responsible for such hindrance. (E.g. fines for failing to produce information, fines for hindering access, etc.). SAI PMF Task Team	N/A	AOG does not operate with jurisdictional controls, but under the Westminster model
e) SAI staff have right of access to the premises of audited bodies in order to do the fieldwork the SAI deems necessary. INTOSAI-P 1:10	Met	Section 34 of the 2004 Audit Act gives the Auditor General or any officer authorized by him access to a public entity’s premises ‘for the purpose of obtaining documents, information or other evidence relevant to any matter arising in the discharge of his functions’.

***Dimension (iii) Right and Obligation to Report – Score 4***

This dimension assesses the SAI’s right and obligation to report its audit findings. The constitutional and statutory framework governing the work of the Auditor General give him strong powers in relation to reporting the results of his all his audit work and activities.

<i>Dimension (iii): Right and Obligation to Report</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “The Supreme Audit Institution shall be empowered and required by the Constitution to report its findings annually and independently to Parliament.” INTOSAI-P 1:16 (I.e. body of public representatives).	Met	Article 223(3) of the Constitution requires the Auditor General to submit his reports to the Speaker of the National Assembly ‘who shall cause them to be laid before the National Assembly’. Section 25 of the 2004 Audit Act requires the Auditor General to report ‘at least annually, and within nine months of the end of each fiscal year, on the results of his audit of the consolidated financial statements and the accounts of budget agencies in relation to that fiscal year’.
b) The SAI has the right to publish its annual audit reports. INTOSAI-P 1:16	Met	Section 29 of the 2004 Audit Act provides for the Auditor General’s reports to be made available publicly when they are laid before the National Assembly. Once they have been formally laid, the Auditor General’s reports are available in hard copy and on the AOG’s website.
c)” The SAI shall also be empowered to report on particularly important and significant findings during the year.” INTOSAI-P 1:16	Met	Under Section 25 of the 2004 Audit Act the Auditor General is required to report ‘at least annually’ and, so, by implication, may report more frequently. He also has the right to carry out and report the results of what the Act refers to as ‘special audits’.
d) “SAIs are free to decide the content of their audit reports.” INTOSAI-P 10:6	Met	Article 223(4) of the Constitution stipulates that the Auditor General ‘shall not be subject to the direction or control of any person or authority’ in exercising his functions. This is reinforced by the 2004 Audit Act. Section 5 of the Act states that the Auditor General shall act independently in the discharge of his functions under the Constitution. Within the legislative structure established by the 2004 Audit Act, the Auditor General enjoys complete discretion in deciding how he discharges his functions including the content of his reports.

e) "SAIs are free to decide on the timing of their reports except where specific requirements are prescribed in law." INTOSAI-P 10:6	Met	The Auditor General is obliged under Section 25 of the 2004 Audit Act to present his annual report to the National Assembly within nine months of the end of the fiscal year that he is reporting on. He can present other reports to the National Assembly once the audits they refer to are completed (Section 26, 2004 Audit Act). The Auditor General is required to keep his report confidential between Sep 30 when he presents his report to the Speaker, and the next sitting of the NA when the Speaker lays the report. This creates difficulties of having to keep the report contents confidential. It would be more consistent with best practice to have the report as 'deemed laid' when he presents it to the Speaker."
f) During the past 3 years there has been no interference in the SAI's decisions on the content of its audit reports. INTOSAI-P 10:6	Met	In the course of the SAI PMF assessment, the team carrying out the assessment did not find any instances or examples in the previous three years of interference in the AOG's decisions on the content of its audit reports. Similarly, the assessment team did not find any instances or examples in the previous three years of interference in the AOG's efforts to publish its audit reports.
g) During the past 3 years there has been no interference in the SAI's efforts to publish its audit reports. INTOSAI-P 10:6	Met	See f) above

## 4.2 Domain B: Internal Governance and Ethics

"Domain B seeks to assess whether the SAI is managing its own affairs effectively and through good governance setting an appropriate example to others. Domain B has five indicators.

Domain B: Internal Governance and Ethics		Dimensions				Overall Score	2019 Score
Indicator	Name	1	2	3	4		
SAI-3	Strategic Planning Cycle	3	3	4	3	3	2
SAI-4	Organizational Control Environment	2	1	3	3	2	2
SAI-5	Outsourced Audits	4	4	4		4	3
SAI-6	Leadership and Internal Communication	4	4			4	2
SAI-7	Overall Audit Planning	4	4			4	2

#### 4.2.1 SAI-3: Strategic Planning Cycle – Indicator Score 3

Strategic planning is a vital component of any SAI as a way of ensuring that the organization has a clear direction and vision and a properly thought-out plan to deliver it. SAI 3 stresses the importance to a SAI of having a strategic planning process to ensure that vision can be transformed into reality in a coherent and logical manner. Strategic Plans need to be supplemented with Annual Operational Plans that will transform Strategic visions and aspirations into operational and institutional reality.

This indicator has four dimensions as shown below:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Content of Strategic Plan	3	1
(ii) Content of the Annual Plan/Operational Plan	3	2
(iii) Organizational Planning Process	4	2
(iv) Monitoring and Performance Reporting	3	2
<b>Overall Score</b>	<b>3</b>	<b>2</b>

*The assessment of SAI-3 is mainly based on the published Strategic Development Plan for 2021-2023 as well as the draft Strategic Development Plan for 2024-2028.*

There has been substantial improvement in the strategic planning cycle. The current strategic plan is based on a needs assessment and regular monitoring of the implementation of the strategic plan has been put in place. The strategic plan articulates strategic outcomes and outputs which are clearly linked to the vision and mission of the SAI. The SAI has become also more transparent and is publishing all SDPs

##### ***Dimension (i): Content of the Strategic Plan – Score 3***

<i>Dimension (i) Content of the Strategic Plan</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) The current strategic plan is based on a needs assessment covering the main aspects of the organization and an identification of gaps or areas requiring performance improvements. IDI Strategic Planning Handbook	Not Met	AOG 3 years Strategic Plan. While the AOG has a clear sense of its strategic challenges and priorities, these are not detailed in the Strategic Development Plan or in the process of preparing the Plan
b) The strategic plan incorporates a results framework, logical framework or similar which has a logical hierarchy of purposes (e.g. mission-vision-goals-objectives; or input-activities-output-outcome-impact). IDI Strategic Planning Handbook	Met	No change since 2019. Each Goal / sub-goal in the Strategic Development Plan is linked to a set of strategies for achieving each of these objectives together with a set of benchmarks for the Goal / Sub Goal; a table of results and expected benefits for each Goal / Sub Goal.

<p>c) The strategic plan contains a manageable number of indicators measuring the achievement of the SAI's strategic objectives (E.g. related to its external deliverables (e.g. reports), internal capabilities, communication with stakeholders and legal framework). IDI Strategic Planning Handbook</p>	Met	<p><b>Rating improved since 2019.</b> Timeliness of finalization of the Audit Report on the Public Accounts by the deadline of 30 Sep, as well as meeting deadlines for donor-funded projects and statutory deadlines for other agencies and public enterprises is considered the most important indicator for AOG and is incorporated into the 2021-2023 Strategic Plan. Although qualitative, the mission statement also provides indicators (the execution of high-quality audits of the public accounts, entities and projects assigned by the Audit Act, timely reporting of the results to the legislature and ultimately the public etc.) More specifically, Section 4 (page 6 onwards of the SDP) also give tangible outputs that can be measured.</p>
<p>d) The strategic plan is complemented by an implementation matrix or similar document which identifies and prioritizes the projects that need to be undertaken to achieve the goals and objectives of the strategic plan, and which identifies risks to achievement of the strategic plan. IDI Strategic Planning Handbook</p>	Met	<p><b>Rating improved since 2019.</b> The Strategic Development Plan includes a set of strategies for each Goal / Sub Goal. In turn, these strategies are incorporated in the Annual Work Plan and Programme that the AOG presents to the PAC. While the previous plan did not specify the risks to achieving its stated goals. (2019 SAI PMF Report), the 2024-2028 draft plan includes a section on risk and mitigations.</p>
<p>e) "Stakeholders' expectations and emerging risks are factored into strategic (...) plans, as appropriate". INTOSAI-P 12:5</p>	Met	<p><b>Rating improved since 2019.</b> The assessment risk and achieving the objectives of the plan are seen in the quarterly reports submitted to PAC. These reports provide the PAC with a review of how the AOG is performing against stated plan. See attached in the e-SAI PMF portal Minutes of PAC meetings of Quarterly report.</p>
<p>f) The current strategic plan is based on an assessment of the institutional framework (e.g. the formal and informal practices that govern the SAI's operations, as well as country governance, political economy and public financial management systems) in which the SAI operates, and the current capacity of the SAI's key stakeholders to make use of the SAI's reports. IDI Strategic Planning Handbook</p>	Not Met	<p>No change since 2019. The process of preparing the Strategic Development Plan does not include reflections on the wider economic and public financial management challenges facing Guyana or the capacity of the PAC to deal as effectively as possible with the AOG's outputs. Although this is implicit; for example, since the plan proposes more engineers for an oil and gas unit, the economic context and public financial management challenges could be more explicitly stated in the SDP.</p>
<p>g) Where necessary and appropriate, the strategic plan includes measures designed to strengthen the SAI's institutional environment.</p>	Met	<p>The need to take steps to strengthen the AOG's institutional environment has been reflected in previous Strategic Development Plans (for example, the Plan for 2021 – 2023). (2019 SAI PMF Report)</p>

The score has improved significantly since 2019 under this dimension due to the incorporation of qualitative performance indicators, consideration of risks with related mitigating strategies as well as the incorporation of the overall strategy into the Annual Work Plan and Programme that the AOG presents to the PAC.

***Dimension (ii): Content of Annual/Operational Plan – Score 3***

The annual operational plan was already meeting five out of the seven criteria in 2019. There has been an improvement in one criterion, with the incorporation of risks and mitigating measures into the annual operating plan.

<i>Dimension (ii) Content of the Annual Plan/Operational Plan</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
An effective annual plan should contain:		
a) Clearly defined activities, timetables, and responsibilities.	Met	The AOG Annual Operational Plan (Annual Work Plan and Programme) includes clearly defined activities, timetables and responsibilities. This work plan operationalizes the related Strategic Development Plans.
b) Coverage of all the SAI's main support services, like financial management, HR and training, IT and infrastructure, etc.	Met	The SDP and the related Annual Work Plan covers all AOG administrative and support services.
c) Clear links to the strategic plan.	Met	The Annual Work Plans for 2021, 2022 and 2023 respectively are clearly linked to the AOG 2021-2023 Strategic Development Plan.
d) The annual plan contains or is linked to a budget, and there is evidence that considerations have been made about the resources needed to complete the activities in the plan.	Met	The Annual Operational Plan costs the activities it contains and links them to the AOG's total budget for the year. This applies to the 2021-2023 Annual Plans as well
e) An assessment of risks connected to achieving the objectives of the plan.	Met	<b>Rating improved since 2019.</b> The 2023 Work Plans and Programmes and the draft annual operating plan for 2024 identifies objectives, risks and measures to mitigate these risks. See attached in the e-SAI PMF portal the risk illustrated in the 2024 SDP.
f) Measurable indicators at the outcome and output level.	Not Met	The Annual Work Plan does not include indicators that measure the outcomes, in the sense of the impact, of the AOG's audits and other activities. There are no outcome level indicators, which could include things like number of recommendations implemented, results of surveys with stakeholders, etc. However, output



		level achievements against the work plan are reviewed in the quarterly performance reports.
g) Baselines of current performance and milestones for major indicators.	Met	The AOG's performance against the various indicators included in the Annual Work Plan and Programme is set out in the quarterly performance reports submitted to PAC. These cover in particular indicators for the completion and timely submission of audits of financial statements. Taken together they incorporate baselines for the assessment of current performance and the achievement of milestones

***Dimension (iii): Organizational Planning Process (Development of Strategic Plan and Annual/Operational Plan) – Score 4***

The rating has improved since 2019, since the Strategic Development Plan 2021-2023 is now available on the AOG Website and there is no longer any gap between when the previous and most recent strategic plan.

<i>Dimension (iii) Organizational Planning Process (Development of Strategic Plan and Annual/Operational Plan)</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) High-level ownership of the process: the head of the SAI and the SAI management are involved in and own the process.	Met	The whole planning process is 'owned' by the Auditor General and the AOG's Executive Committee. AG also mentioned that the new SDP process has been aligned to INTOSAI based on learning from CAROSAI
b) Participation: the opportunity for everybody within the organization to provide input into organizational planning in some form.	Met	All staff have the opportunity to see and comment on an early draft of the Strategic Development Plan.
c) A variety of appropriate external stakeholders are consulted as part of the process.	Met	External consultation about the AOG's the development and preparation of the AOG's strategic plan and its annual operational plan is limited to the PAC with a particular focus on the Chair of Committee. This reflects the central role that the PAC plays in approving the AOG's budget submission and in monitoring the performance of the Office. Accordingly, on this basis, we judge criterion (c) is met.
d) Communication: there is effective communication of the organizational plans to everybody within the organization.	Met	AOG has a range of mechanisms in place that facilitate communication with all staff about the Office's annual plan. These include discussion at the annual retreat that the AOG holds for all staff as well as regular briefing meetings for its Management Committee which comprises all managers (audit managers and administration managers) and audit supervisors.

e) The strategic plan is made publicly available. INTOSAI-P 20:2	Met	<b>Rating improved since 2019.</b> The Strategic Development Plan 2021-2023 is now available on the AOG Website.
f) There is a process for annual and/or in-year monitoring of progress against the strategic plan and annual/operational plan.	Met	Annual and in-year monitoring is facilitated by the requirements of the 2004 Audit Act for the AOG to provide the PAC with quarterly and annual Programme Performance Statements.
g) Planning the plan: there are clearly defined responsibilities, actions and a timetable for developing the organizational plans.	Met	To meet the statutory requirements in relation to providing PAC with planning and performance monitoring reports the AOG works within a well-established timetable for preparing all the relevant documents to ensure the PAC deadlines are met.
h) Continuity: the last strategic plan was in place by the time the previous strategic planning period had ended.	Met	<b>Rating improved since 2019.</b> According to the previous SAI PMF Report, there was a gap of one year between the current Strategic Development Plan which covers the period 2018 to 2020 and its predecessor which covered the period 2014 to 2016. There is no longer any gap between the current and the previous strategic plans.
i) The organizational planning process has been evaluated to provide input to the next planning process.	Met	<b>Rating improved since 2019.</b> AOG Organizational planning process is evaluated by an annual progress report that is prepared by AOG and submitted to PAC which provides input into the next year. We noted that the draft 2024-2028 SDP and Annual Plan for 2024 follow a different format, and hence have taken into account feedback (perhaps informal) for improvements. In addition, the process for the development of the SDP 2024-2028 was more inclusive. All the staff were involved in the process and consulted by each manager, and their feedback rolled up, with several meetings held by the management team and HR.

***Dimension (iv): Monitoring and Performance Reporting – Score 3***

The rating has improved from a 2 to a 3 since performance indicators which assess the value of the audit work for external stakeholders is also incorporated into the Annual Report. In particular, cost savings from Financial Audit and Increase in number of audits are reported in the Annual Report.

<i>Dimension (iv) Monitoring and Performance Reporting</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) "SAIs assess and report on their operations and performance in all areas (...)." INTOSAI-P 20:6 (I.e. including a summary review of the SAI's performance against its strategy and annual objectives).	Met	In line with the requirements of the 2004 Audit Act, the Auditor General submits a quarterly Programme Performance Statement to the PAC on performance in the course of the year and, at the end of the year in question, an Annual Performance and Financial Audit Report which includes a Programme Performance Statement for that year.
b) SAIs use performance indicators to measure achievement of internal performance objectives. IDI Strategic Planning Handbook, chapter 9	Met	The key indicators the AOG uses are linked to the completion of its audits in accordance with the statutory deadlines for those audits.
c) "SAIs may use performance indicators to assess the value of audit work for Parliament, citizens and other stakeholders." INTOSAI-P 20:6 (E.g. defining indicators relevant to specific stakeholders, or measuring satisfaction of stakeholders).	Met	<b>Rating improved since 2019.</b> Cost savings from financial audit are reported in the Annual Report. Audit conducted for the year 2022 resulted in the government recovering large amounts overpaid to contractors for works done. (Page iv (2) of the Auditor General's 2022 Annual Report). There has also been an increase in number of audits conducted. Performance audit recommendations are also being implemented, although there is no formal KPI for this. Based on performance audit conducted on the Review of Training Programmes established and developed by the Council of Technical and Vocational Education and Training done in 2022, the Ministry is now undertaking studies aligned with TVET Labour Market demand. <sup>7</sup>
d) "SAIs follow up their public visibility, outcomes and impact through external feedback." INTOSAI-P 20:6	Not Met	No formal external feedback is solicited. Discussions were held with Auditor General to incorporate a "Tell us what you think" Section to their website which would solicit explicit feedback.
e) Where appropriate, "the SAI... publish[es] statistics measuring the impact of the SAI's audits, such as savings and efficiency gains of government programs." INTOSAI Guideline on Communicating and Promoting the Value and Benefits of SAIs, pg.8	Met	<b>Rating improved since 2019.</b> Impact on Government Programs - Annual Auditor General's Report (2022) pages 5 to 37 Savings (Recovery of Overpayments to Contractors) Page iv (2) of the Annual Auditor General's Report (2022)

<sup>7</sup> <https://www.guyanastandard.com/2024/04/26/education-ministry-undertaking-study-to-align-tvet-with-labour-market-demands/#:~:text=Education%20Ministry%20undertaking%20study%20to%20align%20TVET%20with%20labour%20market%20demands,->

By&text=The%20Ministry%20of%20Education%20announced,and%20post%2Dsecondary%20education%20levels

f) "SAIs publicly report the results of peer reviews and independent external assessments." INTOSAI-P 20:9	Met	Rating improved since 2019. A SAI PMF Assessment was conducted and finalized on 3 May 2019.
g) SAIs make public the audit standards and core audit methodologies it applies. INTOSAI-P 12:8	Met	The Auditor General's Annual Report specifies the audit standards and core audit methodologies that the AOG uses. The report is published and available to the public in Guyana.

#### 4.2.2 SAI-4: Organizational Control Environment – Indicator Score 2

SAI 4 provides the principles and expectations for a SAI in terms of: ethical behaviour and standards; internal control within the SAI; quality control throughout the audit cycle, and quality assurance on selected completed audits to assess compliance with the auditing standards and audit manuals.

Well-developed arrangements for establishing, maintaining and developing these competencies are essential for a SAI to operate within an environment that results in audit outputs that can be relied upon by end-users.

This indicator has four dimensions as shown below:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Internal Control Environment: Ethic, Integrity and Organizational Structure	2	1
(ii) System of Internal Control	1	1
(iii) Quality Control System	3	2
(iv) Quality Assurance System	3	3
<b>Overall Score</b>	<b>2</b>	<b>2</b>

*The assessment of SAI-4 is mainly based on the Audit Act, the RPPM, the Oath of Professional Conduct, Quality Assurance Manuals and the 2019 SAI PMF Report.*

A number of key controls over AOGs own activities remains weak, although incremental improvements have been made in the quality control and quality assurance over issuance of audit reports.

#### ***SAI - 4 - Dimension (i): Internal Control Environment – Ethics, Integrity and Organizational Structure – Score of 2***

A score of two is based on achieving criteria a), d) and g) as well as at least three other criteria. The same criteria were also achieved last time but the scoring methodology may have been updated by IDI since then.

<i>Dimension (i) – Internal Control Environment – Ethic, Integrity and Organizational Structure</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) Have a code of ethics. INTOSAI-P 10:3, ISSAI 130.	Met	Section 9 of the Audit Act Regulations (2005) states that all officers and employees of AOG shall comply with the Oath of Professional Conduct and with the Conflict-of-Interest Code.
b) The code of ethics sets out “ethical rules or codes, policies and practices that are aligned with ISSAI 130.” INTOSAI-P 20:4. As a minimum it should contain criteria which address the auditors’ “integrity, independence and objectivity, competence, professional behaviour, confidentiality and transparency.” ISSAI 130:9	Not Met	The RPPM contains the relevant forms for the Conflict-of-Interest Code and the Oath of Professional Conduct that auditors are required to sign. However, these forms have not been updated since 2004 and, so, do not fully reflect the provisions of ISSAI 130. We understand that the Code of Conduct is intended to be updated to incorporate requirements of the updated ISSAI 130, in particular to consider risks, since the Code was last updated many years ago.
c) Review the code of ethics at least every ten years to ensure it is in line with ISSAI 130.	Not Met	The Oath of Professional Conduct has not been updated since 2004. There is a plan to update the Code, to reflect requirements of ISSAI 130. However, AG mentioned that this was considered quite cumbersome for small SAIs and that INTOSAI has been requested to revisit this for smaller SAIs.
d) “require all staff to always engage in conduct consistent with the values and principles expressed in the code of ethics, and [...] provide guidance and support to facilitate their understanding.” ISSAI 130:12	Met	The RPPM contains the relevant forms for the Conflict of Interest Code and the Oath of Professional Conduct that auditors are required to sign.
e) “require that any party it contracts to carry out work on its behalf commit to the SAI’s ethical requirements.” ISSAI 130:12	Not Met	All contracted firms are affiliated to the ACCA, which sets ethical requirements. ACCA also conducts periodic visits to audit firms to review quality controls. Additionally, firms hired by AOG are required to have valid practising certificates issued by ACCA, based on which they are included on the AOGs approved list of firms. Accordingly, even though AOG’s ethical requirements are not incorporated in contracts for outsourced audits, these are met through the above criteria. The ACCA has a strict Code of Conduct that firms are required to comply with. However, independence confirmations at the individual audit level are not obtained from the outsourced audit team., due to which this criterion is being rated as ‘not met’
f) Make the code of ethics publicly available. ISSAI 130:12	Met	Audit staff are required to sign the Oath of Professional Conduct and a Declaration of Conflict of Interest in January of each year. This is available on the AOG website and signing is

		witnessed by the line manager. Staff are encouraged to seek clarification on their understanding of ethics in these meetings and they are also able to discuss related issues with the Auditor General if they wish.
g) “implement an ethics control system to identify and analyse ethical risks, to mitigate them, to support ethical behaviour, and to address any breach of ethical values, including protection of those who report suspected wrongdoing.” ISSAI 130:12	Met	The RPPM is available as a download on the AOG website. The home page of the AOG website states that the AOG has a commitment to 'ensuring that the independence, integrity and objectivity of the Audit Office is recognized'.
h) Have an approved and applied organizational structure and “ensure that responsibility is clearly assigned for all work carried out by the SAI.” ISSAI 140: pg. 17	Met	The AOG is divided into three business units, each headed by a director and with clearly assigned functions and responsibilities.
i) Have clear job descriptions covering the main responsibilities throughout the organization. SAI PMF Task Team	Met	Broad job descriptions are contained in the RPPM for each level of staff (clerk, auditor, supervisor, manager etc.). Although these date back to 2004, they remain largely relevant for the various levels. The AOG has a system of staff rotation in place supported by on-the-job learning. As such JDs are written broadly to allow for rotation. While this can be strengthened by incorporating competency requirements for different lines of business, this criteria has been rated as ‘met’.
j) Ensure staff are clear on their tasks and reporting lines. INTOSAI GOV 9100: pg. 19-20	Met	There is a performance appraisal system whereby all staff meet their line manager to discuss performance and objectives on an annual basis. The Organizational structure diagram is available for all staff.
k) Have assessed its vulnerability and resilience to integrity violations, through the use of tools such as IntoSAINT or similar, in the past five years. SAI PMF Task Team	Not Met	There has been no review of vulnerability and resilience to integrity violation.
l) “Apply high standards of integrity (...) for staff of all levels” by adopting an integrity policy based on an assessment using IntoSAINT or a similar tool. INTOSAI-P 20:4	Not Met	There has been no review of vulnerability and resilience to integrity violation.

***Dimension (ii): System of Internal Control – Score 1***

There is no change in score since 2019. The AOG needs to strengthen its own system of internal controls, such as through integrated quality management systems, formalized risk assessments and reporting on internal controls systems.

<i>Dimension ii – System of Internal Control</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) Operate a clearly defined system for identifying, mitigating and monitoring major operational risks. INTOSAI GOV 9100	Not Met	Although there are a significant number of QM policies and procedures, there is no integrated system of quality management which also includes managing operational risks. A holistic assessment is underway of the AOGs quality management systems, which will address this.
b) Ensure its internal control policies and procedures are clearly documented and applied. INTOSAI GOV 9100: Ch. 2.3-2.5	Not Met	The RPPM contains a section on the management (and control) of audits and sections on major non-audit functions, but there is no significant reference to broader aspects of internal control for the organization.
c) Maintain an annual process for the heads of all SAI departments/units to provide assurance they have carried out their risk management responsibilities. SAI PMF Task Team	Not Met	Annual plans of divisions / units do not refer to risk management. There is no evidence that heads of divisions / units review risk management in a formalized way.
d) Ensure the Head of the SAI signs a statement of internal control which is published as part of the SAIs annual report. SAI PMF Task Team	Not Met	The AOG Annual Performance Report does not include a statement of internal control.
e) Have undertaken a review of its internal control system and reported upon it within the past five years. INTOSAI GOV 9100: Ch. 2.5	Not Met	AOG is audited yearly and report is on the website, however, this report only covers internal control systems to the extent of providing assurance on the AG's financial statements. Although a management letter is also provided to the AOG by their auditor, a review of the 2022 management letter indicates that the only control weakness pointed out is the unfilled staff vacancies.
f) Clearly assign responsibility for internal auditing and ensure the staff tasked with this have the appropriate mandate, skill set, experience and resources to do the job. ISSAI 140: pg. 17, INTOSAI GOV: pg. 18, 41	NA	There is no internal audit section at AOG, nor is there a requirement under the Act. Given the size of the SAI and the existence of a QA Unit, this may not be efficient. Additionally, external auditors are qualified professionals with years of experience who audit the financial statements but also provide a management letter with any control deficiencies.
g) Ensure its internal auditors are independent from management and report directly to the highest level of authority in the organization (e.g. an Audit Committee, a committee with a similar function, or to the head of SAI.) INTOSAI GOV: pg. 45 (For SAIs with jurisdictional functions: Because of the independence of the magistrate, the limited aspect of the hierarchy and the integration of the control system and	Met	Although there is no dedicated internal audit function within the AOG, there is an external auditor appointed each year who, in addition to providing an opinion on the financial statements of AOG, reviews the existence and application of internal controls in the AOG.



quality assurance all have to be considered when scoring this criterion).		
h) Have a system for monitoring the implementation of recommendations from internal audit and its Audit Committee (or committee with similar function, or the Head of SAI). INTOSAI GOV 9100: Ch. 2.5	Met	The external auditors' comments and recommendations on internal control are limited. However, there is a system in place to act on these. This is a formal, stated and key responsibility of the AOG Executive Management Committee.
i) Have a notification procedure in place for employees to report suspected violations ("whistle blowing").	Not Met	AOG website has a section for individuals to report any suspected corruption. While theoretically staff of AOG can also use this, the apparent purpose is for external parties and citizens to use this, and not internal to AOG staff. This should be incorporated in the detailed HR guidelines. AG also clarified that while the National Whistleblower Act applies to AOG also, HR has yet to operationalize this.
j) Have developed and implemented a job rotation policy to manage possible conflicts of interest. INTOSAI GOV 9100: pg. 2	Met	There is a general applied policy of rotating auditors every two years.

### ***Dimension (iii): Quality Control System – Score 3***

The score has improved from a 2 to a 3, since one additional criterion has been met whereby Quality control policies and procedures are clearly established and the Head of the SAI retains overall responsibility for the system of quality control.

<i>Dimension iii – Quality Control System</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) "A SAI should establish policies and procedures designed to promote (...) quality as essential in performing all of its work." ISSAI 140: pg. 11	Met	While there is no integrated system of quality management set out in the RPPM, there are a significant number of quality management policies and procedures in place. Audit manuals include key aspects of quality management. The AOG also employs aspects of quality management related to governance, planning, communications and other non-audit areas that are set out in the relevant AOG documents.
b) Quality control policies and procedures are clearly established and "(...) the Head of the SAI (...) retains overall responsibility for the system of quality control." ISSAI 140: pg. 11.	Met	<b>Rating improved since 2019.</b> The Manager of the QA Unit reports directly to the AG who has overall responsibility for the system of quality control. She only reports to her Director for details on the quality control aspects of Outsourced Audits, for everything else she reports directly to the AG.



c) “The Head of the SAI may delegate authority for managing the SAI’s system of quality control to a person or persons [considered individually or collectively]	Met	The Auditor General retains overall responsibility for quality control. This is corroborated by our review of file results in indicator 10 and 16, where the AG signed off on QA reviews.
d) The SAI has “(..) establish[ed] systems to consider the risks to quality which arise from carrying out the work.” ISSAI 140: pg. 16	Not Met	There is no integrated system of quality management set out in the RPPM or a documented system that looks at risks to the quality of work. There are however many aspects of quality management in the AOG, as well as improvements since 2019. For example, hot reviews (EQR) have been put in place for performance audits since March 31, 2024. Hot Reviews were already being done for financial/compliance audit as requested by the AG, and for all contracted audits. No hot reviews are done for ministries since they are on a tight deadline (30 Sep) and all issues are resolved in a large meeting with all stakeholders.
e) “SAIs should consider their work programme and whether they have resources to deliver the range of work to the desired level of quality. To achieve this, SAIs should have a system to prioritize their work in a way that takes into account the need to maintain quality. “ISSAI 140: pg. 16	Met	The audit planning process is rigorous with days / resources allocated to individual audits in line with priorities. Non-audit divisions have less formalized systems for prioritizing work, but informally prioritize based on staffing and resourcing.

**Dimension (iv): Quality Assurance System – Score 3**

Although two additional criteria e) and f) are met this time, this has not impacted the overall score.

<i>Dimension iv – Quality Assurance System</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “Include an ongoing consideration and evaluation of the SAI’s system of quality control, including a review of a sample of completed work across the range of work carried out by the SAI.” ISSAI 140: pg. 21. (I.e. review of a sample of all types of audit/control carried out by the SAI)	Met	The QA section review a sample of financial / compliance audits across all categories. They have also started doing cold reviews of PA files since March 2024. The QA Unit provides the AG with a summary of the results of all the cold reviews, although practice improvements are not identified. Additionally, there is no institutional level assessment done by QA under ISSAI-140. However, Nichette, the QA Manager, attended a workshop in CAROSAI on implementing the ISQM1 and new ISSAI 140 in March 2024. Based on this, a comprehensive draft needs assessment to comply with ISSAI 140 has been prepared and shared with the SAI PMF team. This provides an overview of the AOGs system of quality control.
b) Have written procedures and/or plans for QA which specify the frequency with which QA reviews should be carried out, and QA is carried out according to the frequency specified in this plan. SAI PMF Task Team	Met	The QA Manager meets with the Auditor General to agree the entities for the cold review and this might to some extent be based on risk. Also, each manager in the QA Unit prepares an annual work plan indicating which hot and cold reviews they will do.
c) “(...) Responsibility for the [QA] monitoring process [is] assigned to an individual or individuals [or a college] with sufficient and appropriate experience and authority in the SAI to assume that responsibility.” ISSAI 140: pg. 21	Met	There is a Division for Quality Assurance and Contracted Audits, headed by an Audit Manager. The head of the division reports to the Auditor General in relation to Quality Assurance of audits conducted by AOG and to the Director of Business Unit 3 in relation to contracted out audit matters. Note, however, that this only recently started for performance audit, i.e. in March 2024. Additionally, QA Unit has not done any institutional level reviews in the past number of years. A needs assessment is being undertaken currently under the move to comply with ISQM1.
d) The QA reviews result in clear conclusions and, where relevant, recommendations for appropriate remedial actions for deficiencies noted. SAI PMF Task Team	Not Met	The template for the cold review includes a section on practice improvements, although these are systematically left blank. There is no clear process for consolidating lessons learned over a period of time to put in place remedial actions. Although we are informed that QM findings are discussed at management meetings. This is corroborated by our file review results under SAI 10 and 16.

e) There is evidence that the Head of SAI has examined the recommendations resulting from the quality assurance review of the audits/controls and drawn the necessary conclusions. SAI PMF Task Team	Met	<b>Rating improved since 2019.</b> The QA checklists are signed off by AG. This is corroborated by our file review results under SAI 10 and 16. Both negative and positive findings are highlighted in the QA checklist.
f) “(...) those carrying out the review are independent (I.e. they have not taken part in the work or any quality control review of the work).” ISSAI 140: pg. 21 (Independence also extends to the selection of audits to be subject to review. For jurisdictional SAIs: the specificities of jurisdictional model SAIs, and in particular the Public Prosecutor’s Office, shall be considered)	Met	<b>Rating improved since 2019.</b> The QA Unit performs the EQR for selected financial/performance audits, as well as a sample of cold reviews. QA Unit staff are not part of the audit teams. For the newly instituted peer review process, the EQR is done by an audit manager from a separate business unit. Additionally, based on the examination of the files, separate persons within the QA Unit perform cold vs hot reviews of the same files. Accordingly, reviewers maintain their independence.
g) “(...) the results of the monitoring of the system of quality control are reported to the Head of SAI in a timely manner.” ISSAI 140: pg. 22 (I.e. within one month of completion of review)	Met	Quality Assurance 'cold review' reports are made available to the Auditor General on a regular basis and allow him to review the strengths and weaknesses of the quality control system and take appropriate action. This is corroborated by our file review results under SAI 10 and 16, where the AG signed off on QA cold reviews.
h) “(...) SAIs could consider engaging another SAI, or other suitable body, to carry out an independent review of the overall system of quality control (such as a peer review).” ISSAI 140: pg. 22 (Including non-audit activities)	Met	AOG had a SAI PMF reviewed in 2019. Additionally, the QA Unit is working on a holistic needs assessment for the SAI to achieve compliance with ISQM1.

#### 4.2.3 SAI-5: Outsourced Audits – Indicator Score 4

SAI 5 provides the principles and expectations for a SAI in respect of outsourced audits: the basic requirements for the selection of those contracted to do audits on behalf of the AG; the quality control needed; and the quality assurance standards to be applied.

This indicator has three dimensions as shown below:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Process for Selection of Contracted Auditor	4	2
(ii) Quality Control of Outsourced Audits	4	3
(iii) Quality Assurance of Outsourced Audits	4	3
<b>Overall Score</b>	<b>4</b>	<b>3</b>

*The assessment of SAI-5 is mainly based on Guidelines for contracting outsourced auditors given in Audit Act Para 19, appraisal documents for the 2022 audits as well as sample correspondence with the outsourced firms.*

***Dimension (i): Process for Selection of Contracted Auditor – Score 4***

The rating has improved for this dimension to a 4, since all criteria are now met.

<i>Dimension (i): Process for Selection of Contracted Auditor</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) the SAI is provided with reasonable assurance that any parties contracted to carry out work for the SAI have the necessary competence and capabilities to “(...) carry out its work in accordance with relevant standards and applicable legal and regulatory requirements; and enable the SAI to issue reports that are appropriate under the circumstances.” ISSAI 140: pg. 17	Met	Audits outsourced by AOG are conducted by about 8 local accounting firms that are all affiliated to the ACCA. ACCA conducts periodic visits to audit firms to review quality controls and to ensure that the firms have necessary competence and capacities to perform their roles in line with standards and reporting requirements.
b) the SAI is provided “(...) with reasonable assurance that (...) any parties contracted to carry out work for the SAI comply with relevant ethical requirements.” ISSAI 140: pg. 13. (I.e. integrity, independence, professional secrecy, competency and transparency)	Met	ACCA sets ethical requirements which cover major elements of integrity, independence, professional secrecy, competency and transparency. AOG has a standard contract for outsourced audits that includes coverage of audit scope, objectives and audit methods. We noted however that independence declarations are not obtained from them at the individual audit engagement level.
c) “(...) any parties contracted to carry out work for the SAI have an appropriate understanding of the public sector environment in which the SAI operates, and a good understanding of the work they are required to carry out.” ISSAI 140: pg. 18	Met	The AOG conducts annual appraisals of the capacity, experience and past performance of audit firms in Guyana. This is an in-depth documented analysis which is used to allocate higher risk / more complex audits to the firms with highest capacity. Guidelines for contracting outsourced auditors are given in Audit Act Para 19, and outsourced firms require approval by the PAC.
d) “(...) any parties contracted to carry out work for the SAI are subject to appropriate confidentiality agreements.” ISSAI 140: pg. 14 (I.e. by including this requirement in written contracts)	Met	AOG’s standard contract for contracted out audits includes provisions for confidentiality.

e) "SAIs should ensure policies and procedures are in place that reinforce the importance of rotating key audit personnel, where relevant, to reduce the risk of familiarity with the organization being audited. SAIs may also consider other measures to reduce the familiarity risk." ISSAI 140: pg. 14 (E.g. by establishing a maximum limit of years that an external auditor can audit the same entity, and by including independence requirements in written contracts)	Met	Section 21 of the 2004 Audit Act states that the AOG shall not contract an auditor with respect to the same entity for more than six years. This requirement enables the AOG to rotate audit appointments between contracted firms.
f) the SAI's audit standards, as well as "(...) quality control policies and procedures are clearly communicated to (...) any parties contracted to carry out work for the SAI." ISSAI 140: pg 12; ISSAI 140: pg 19	Met	<b>Changed rating from last time</b> The AOG communicates its Quality Control Section Policies and Procedures to the contracted auditor at the time of the award of a contract. All contracted audits are subject to a hot review by the QA Unit as well.
g) "(...) SAIs should seek confirmation that the contracted firms have effective systems of quality control in place." ISSAI 140: pg. 22. (I.e. evaluates the contracted auditor's system for quality control. Derived from ISQC1: 32 and 33.)	Met	<b>Changed rating from last time.</b> The Quality Review Section of the AOG review 100% of working paper files from contracted firm that indicate that a systems of quality control in place. This is evidenced by review and sign-off by supervisors, managers, engagement partners.

#### ***Dimension (ii): Quality Control of Outsourced Audits – Score 4***

The rating has improved for this dimension to a 4, since all criteria are now met.

<i>Dimension (ii): Quality Control of Outsourced Audits</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) The SAI's system for quality control for outsourced audits covers all outsourced audit work, and ensures that the contracted firm implements quality control procedures during the audit aimed at ensuring quality and compliance with applicable standards. Derived from ISSAI 140: pg. 19, SAI PMF Task Team	Met	All the firms that the AOG contracts with are affiliated to ACCA and the AOG relies on their compliance with ACCA requirements to ensure that appropriate quality control arrangements are in place. ACCA also conducts periodic visits to audit firms to review quality controls. AOG hot reviews are conducted for all outsourced audits and this includes a check that AOG quality control policies and procedures are being followed

b) The quality control system for outsourced audits is based on an assessment of risk to quality of outsourcing audit work, and adequately responds to these risks. ISSAI 140: pg. 16	Met	<b>Rating improved since 2019.</b> Audits are assigned to firms that bid based on their size and respective ability to audit small/large/medium sized entities, so a risk assessment is built into this. Additionally, regardless of risk assessed, every outsourced firms working papers are subject to hot review.
c) “SAIs should ensure that all documentation (such as audit work papers) is the property of the SAI, regardless of whether the work has been carried out by SAI personnel or contracted out.” ISSAI 140: pg. 20 (I.e. by including this requirement in written contracts)	Met	The AOG standard contract for outsourced audits contains a clause that working papers relating to the audit remain the property of the AG.
d) The “(...) Procedures are in place for authorizing reports to be issued.” ISSAI 140: pg. 19, 20 (I.e. carry out quality control reviews of draft reports)	Met	All contracted audits are subject to a 'hot review'. This includes a review of audit files as well as the draft audit report and audit opinion before they are issued.

***Dimension (iii): Quality Assurance of Outsourced Audits – Score 4***

The rating has improved for this dimension to a 4, since all criteria are now met.

<i>Dimension (iii): Quality Assurance of Outsourced Audits</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) There are written procedures and/or plans for QA of outsourced audits. SAI PMF Task Team	Met	AOG uses a range of procedures for QA of contracted audits, such as the annual appraisal of audit firm capacity and the use of checklists to assess the quality of audit plans. In addition, well documented ‘cold review’ procedures are applied to all audits conducted by contracted auditors. We noted however that the contracted firms are not required to confirm that they have QA in place in their TORs.
b) The QA process “include[s] an ongoing consideration and evaluation of the SAI’s system of quality control, including a review of a sample of completed work across the range of work carried out by the SAI.” ISSAI 140: pg. 21 (I.e. the SAI’s QA process includes review of a sample of outsourced audits.)	Met	One hundred per cent of outsourced audits are subject to the AOG quality assurance process.
c) “(...) responsibility for the [QA] monitoring process [is] assigned to an individual or individuals with sufficient	Met	Both the Audit Director and the Audit Manager (QA) have been at AOG for over 25 years. The

and appropriate experience and authority in the SAI to assume that responsibility.” ISSAI 140: pg. 21		Director has overall responsibility for QA of contracted audits.
d) The QA reviewers are independent, i.e. have not been involved in quality control review of the work contracted out. ISSAI 140: pg. 21	Met	Day-to-day quality control of contracted auditors is conducted by the contracted auditors themselves. Cold review quality assurance is conducted by independent staff from the AOG.
e) The QA reviews result in clear conclusions and, where relevant, recommendations for improvements. SAI PMF Task Team	Met	<b>Rating improved since 2019.</b> AOG Quality Review Section reviews files and make recommendations which are agreed on by the outsourced firm. Evidence of query notes from QA to the contracted auditor were found in sampled files.
f) “(...) the results of the monitoring of the system of quality control are reported to the Head of SAI in a timely manner (...)” ISSAI 140: pg. 22	Met	QA 'cold review' reports of contracted out audits are made available to the Auditor General on a regular basis and allow him to review the strengths and weaknesses of the quality assurance system and to take any appropriate action.
g) There is evidence that senior management at the contracted auditor has considered and concluded on the recommendations provided from the QA. SAI PMF Task Team	Met	<b>Rating improved since 2019.</b> There is evidence that the recommendations made by QA are concluded on by the senior management of the contracted auditor. See attached in the e-SAI PMF portal the sign off on recommendations by QA for contracted audits

#### 4.2.4 SAI-6: Leadership and Internal Communication – Indicator Score 4

SAI 6 seeks information on the leadership style of the SAI and how it communicates its decisions and requirements internally. Leadership style is important in all organizations to ensure that senior management establish the ‘tone at the top’ through setting personal standards of behaviour in, for example, ethical, personal, integrity and objectivity attributes.

All SAI personnel must be kept up to date on all developments affecting the SAI and these can be technical and non-technical information and guidance. In the absence of an effective communication strategy and SAI will run the risk of important messages being missed by intended receivers with the result that expected actions or decisions are not delivered.

This indicator has two-dimensions as shown below:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Leadership	4	2
(ii) Internal Communication	4	3
<b>Overall Score</b>	<b>4</b>	<b>2</b>



The assessment of SAI-6 is mainly based on the Strategic Development Plan, minutes of senior management meetings, business unit work plan for 2022, the use of the AOG Intranet, quarterly reports to the PAC, the draft Needs Assessment Report for ISSAI-140 implementation, performance appraisal system and reference to the documents published on the AOG website.

**Dimension (i): Leadership – Score 4**

Rating has improved to a 4, since all criteria are now met.

<i>Dimension (i): Leadership</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) The SAI leadership holds periodic decision-making meetings. Derived from CAF: pg. 19, SAI PMF Task Team	Met	The Management Committee made up of the Auditor General, four directors and managers meet 2 to 4 times per year and they are minutes of the meetings. An Executive Committee made up of the AG and Directors meets more often, on a weekly basis (but there are no minutes of those meetings.) There is also a Finance, Budget and HR committee that meeting periodically (minutes?)
b) Key decisions made by the SAI's leadership are documented and communicated to staff. SAI PMF Task Team	Met	<b>Rating improved since 2019.</b> Key decisions of the Auditor General are communicated to the staff through memos, web share, intranet and various WhatsApp groups (office wide, management team etc.). For e.g. memo on staff medical scheme/Pension Scheme.
c) The SAI leadership has identified and disseminated the SAI's values and promotes these in its public activities, core documents and regular communications. CAF: pg. 18, SAI PMF Task Team	Met	There is no separate statement of AOG values as such, but elements of values are contained within the mission statement, the Strategic Development Plan and the Annual Report which is widely communicated.
d) The SAI leadership has successfully implemented a system where authority is delegated and where managers are held accountable for their actions. Derived from INTOSAI-P 20:pg 4, ISSAI 140: pg. 12 (E.g. in case of inadequate quality control of audits)	Met	<b>Rating improved since 2019.</b> The Auditor General is ultimately responsible for the audit decisions made in all audit reports. Directors manage a portfolio of audits and are responsible for the day-to-day deliver of audits by teams of manager, supervisor and audit clerks. Every year each business unit/ leader is provided a work plan with assigned audits. Job descriptions define levels of authority. The AOG have a hierarchical structure with one level of operation/management reporting to and accountable to the next operational/management level as illustrated by annex 4.



e) The SAI leadership has considered strategies (within its available powers) to incentivize better performance and has implemented these. Derived from INTOSAI GOV 9100: pg.30	Met	The performance appraisal system is used to assess performance. There is a transparent process for selecting people for promotions and an annual rewards process. (2019 SAI PMF Report)
f) The SAI leadership has demonstrated initiatives to set a tone enabling accountability and strengthening the culture of internal control. INTOSAI GOV 9100, ISSAI 130: pg. 10-11	Met	<b>Rating improved since 2019.</b> AOG has demonstrated initiatives to set a tone of enabling accountability and strengthening the culture of internal controls. This includes publication of 2019 SAI PMF showing transparency/accountability, improved performance appraisal process which now has strong personal planning component promoting accountability and quarterly reporting to PAC.
g) The SAI leadership has demonstrated initiatives for building an ethical culture in the organization by identifying ethics as an explicit priority; leading by example; maintaining high standards of professionalism, accountability and transparency in decision-making; encouraging an open and mutual learning environment where difficult and sensitive questions can be raised and discussed; and recognizing good ethical behaviour, while addressing misconduct. ISSAI 130: pg. 10-14	Met	The Auditor General has voluntarily requested this 2024 SAI PMF review and this provides a strong indication of his commitment to high standards, learning and improvement. All staff members have been very open during this review. During interviews, staff indicate that the AG has an open-door policy and have been told “when you hear something, say something”. The Auditor General gave us examples where AOG staff can in confidence report potential wrongdoing to their superiors. Issues raised by employees are taken seriously. An example was provided where an audit staff brought forward an issue that resulted in a special investigation at an auditee. The Auditor Generals representatives periodically also participate in court cases dealing with alleged misdemeanours by audit client staff.
h) The SAI leadership has demonstrated initiatives to establish “an internal culture recognising that quality is essential in performing all of its work.” ISSAI 140: pg. 11	Met	<b>Rating improved since 2019.</b> There has been improvement in the institutionalized system of internal control. SAI leadership has demonstrated quality in the performance of all its work. In particular, there is an improved HR function and a recently initiated system for peer level EQR. AOG participated in the INTOSAI ISQM1 pilot initiative and has prepared a comprehensive needs assessment report to comply with the new ISSAI 140. Note however that the quality needs assessment found that there is still work to do to meet the new ISSAI-140 standard. e.g. need a policy establishing quality objectives and identifying quality risks.

**Dimension (ii): Internal Communications – Score 4**

Rating has improved to a 4, since all criteria are now met.

<i>Dimension (ii): Internal Communications</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) The SAI has established principles for internal communication, and monitors the implementation of these.	Met	Section N of the RPPM sets out the communication process in AOG. There is a system for keeping staff informed of developments affecting them. The AOG operates with the principle of transparency in internal communication – the Auditor General himself plays a leading role to ensure that this takes place in practice.
b) The SAI leadership communicates the SAI's mandate, vision, core values and strategy to staff. AFROSAI-E Handbook on Communication for SAIs, CAF: pg. 18	Met	The AOG mission statement is displayed publicly in the Office's headquarters building. The AOG strategic development plan is available to staff and is also available on the Office's website.
c) The SAI leadership informs and consults employees regularly on key issues related to the organization. Derived from CAF: pg. 9	Met	<b>Rating improved since 2019.</b> The Management Committee meets periodically, minutes of which meetings are taken. Staff are informed of major decisions through memos posted on the intranet, and the AOG WhatsApp Group. Teams are clearly informed of their upcoming audit responsibilities and deadlines with opportunities to discuss them.
d) The SAI uses appropriate tools to promote effective internal communication, e.g. newsletter/magazine, email addresses for all staff, an intranet etc. AFROSAI-E Handbook on Communication for SAIs	Met	Official AOG Email addresses are set up for all staff. All staff have access to the Internet and to the AOG intranet.
e) There are regular and open interactions between management and staff, e.g. organizational and unit-wide briefings, regular team meetings. AFROSAI-E Handbook on Communication for SAIs	Met	Staff have team building retreats every year as part of the preparation of the AOG annual plan and, every three years, as part of the preparation of the AOG Strategic Development Plan. Business Unit leaders meet frequently with their audit managers and teams. Additionally, the staff association is also very active.
f) The SAI has an electronic communication system which allows all staff to communicate and share information. AFROSAI-E Handbook on Communication for SAIs	Met	All audit teams working in ministries have Internet access. All AOG regional offices have Internet access that is enabled by AOG.

#### 4.2.5 SAI-7: Overall Audit Planning - Indicator Score 4

SAI 7 seeks information on the processes leading to the production of an overall audit plan for AGDSL and, what should be in the plan.

This indicator has two-dimensions as shown below:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Overall Audit Planning Process	4	2
(ii) Overall Audit Plan Content	4	3
<b>Overall Score</b>	<b>4</b>	<b>2</b>

*The assessment of SAI-7 is mainly based on the annual audit plan and audit programs.*

*SAI – 7 Dimension (i) overall audit planning process. – Score 4*

The rating has improved to 4, since all criteria are now met. In particular, risk assessment is undertaken in determining areas of focus for each annual audit plan, and stakeholders' expectations are taken into consideration as part of audit planning.

<i>Dimension (i) overall audit planning process</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) The SAI documents the process followed for developing and approving the overall audit plan/control programme for the SAI. SAI PMF Task Team and derived from ISSAI 100:42	Met	The AOG has a well-established process for developing and approving the overall audit plan and programs, starting with a costed submission by audit managers on the engagements proposed for the year to be covered by the annual plan. This is done within a timeframe that allows for all submissions to be aggregated into the Annual Work Plan and Programme and submitted as a supporting document for the proposed annual budget. This includes financial/compliance audit plan as well as the performance audit plan. Business units, divisions and staff are all identified. Appendices include entities list, estimated time costs, list of staff and their qualifications, request for additional staff. This is presented to the PAC for approval. However, there is some scope for improving the documentation of the process.
b) The process for developing the SAI's overall audit plan/control programme identifies the SAI's audit/control	Met	The AOG Annual Audit Plan and Programmes for 2022 and 2023 clearly included the SAI's mandate as its starting point. The documents also include detail on the responsibilities of each of

responsibilities from its mandate. SAI PMF Task Team		the five AOG 'Operational Divisions/Areas' and align these with the objectives of each division and strategies for achieving these objectives.
c) The audit/control planning process follows a risk-based methodology. (E.g. a systematic risk assessment as part of the basis for selecting audit entities and approach) SAI PMF Task Team and derived from ISSAI 140: Element 3	Met	<p><b>Rating improved since 2019.</b></p> <p>Risk assessment is undertaken in determining areas of focus for each annual audit plan, along with a consideration of available resources. See risk assessment table under section 6.6 of the Annual Work Plan and Program.</p> <p>The PA process demonstrates a risk-based topic selection process based on stakeholder input and media review, as well as topic proposal template which includes an assessment of risk/significance. A 'live' PA Topic Register is maintained and continuously updated based on inputs from various stakeholders. Based on this, performance audit topics for the year are finalized.</p> <p>Financial audits are mandated and are either performed in-house or assigned to contracted firms based on resource availability.</p>
d) There are clearly defined responsibilities for planning, implementing and monitoring the audit plan/control programme for the SAI. SAI PMF Task Team and derived from ISSAI 140: Element 4	Met	The AOG Annual Audit Plan and Programmes for 2022 and 2023 clearly included defined responsibilities for planning and implementing the audit plan. As part of its process for reporting quarterly progress to the PAC, the AOG has a well-established system for monitoring progress with the implementation of its annual work programme. Progress reports are prepared by all audit managers for all engagements within their portfolios, showing the state of progress on each audit as well as the resources expended to date. These monthly reports form the basis for the quarterly performance reports that the AOG submits to the PAC.
e) There is evidence that the SAI monitors the implementation of its audit plan/control programme. SAI PMF Task Team	Met	See d) above.
f) The audit/control planning process for the SAI takes into account the SAI's expected budget and resources for the period to which the plan relates. SAI PMF Task Team and derived from ISSAI 140: Element 3	Met	The AOG Annual Audit Plan and Programme for 2022 contains a section on the Finance and Accounts Division which considers the funding available to the SAI for the year, and the likely impact of resource gaps on the level of audit coverage. The detailed appendices also provide estimated time costs and details of additional resources required.

g) The SAI “should ensure that stakeholders’ expectations and emerging risks are factored into (...) audit plans [control programme], as appropriate.” INTOSAI-P 12:5	Met	<b>Rating improved since 2019.</b> Stakeholder expectations are factored into the annual audit planning cycle; however, this is not well documented. The PA process demonstrates a risk-based topic selection process based on stakeholder input and media review, as well as topic proposal template which includes an assessment of risk/significance. A ‘live’ PA Topic Register is maintained and continuously updated based on inputs from various stakeholders. Based on this, performance audit topics for the year are finalized. Financial Audit coverage is mandated and the decision to outsource or audit public enterprises internally are based on risk considerations.
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*SAI -7 - Dimension (ii): Overall Audit/Control Plan Content – Score 4*

The rating for this dimension has improved to a 4, since all criteria are now met. In particular, the AOG Annual Work Plan and Programme specifies assessment of risks and mitigation of such risk

<i>Dimension (ii): Overall Audit/Control Plan Content</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) Defines the objective of the audit/control at a high level, as well as who has the responsibility for each audit/control to be carried out. SAI PMF Task Team and derived from ISSAI 140: Element 4	Met	The AOG Annual Audit Plan and Programme for 2022 and 2023 set out the objectives of the audits as one all-encompassing high-level statement under the section on the Audit Operations Division. The responsibilities for carrying out the audits are also clearly allocated between the Audit Directors.
b) Includes a schedule for the implementation of all audits/controls. Derived from ISSAI 100:48	Met	The AOG Annual Audit Plan and Programme for 2022 and 2023 contains a number of appendices that set out detailed information on the human and financial resources to be deployed for the 2022 and 2023 audit year. This includes all financial/compliance, performance and other audits. See sections 2.9 and 2.11 of the Annual Work Plan and Program for schedule of implementation.
c) Demonstrates that the SAI is discharging its audit/control mandate over a relevant timeframe as scheduled in its plan/program, or, if this is not the case, includes a summary and	Met	See b above

explanation of any differences between the SAI's mandate and the audit plan/control program for the SAI. SAI PMF Task Team		
d) Specifies the necessary human and financial resources to conduct the planned audits/controls. SAI PMF Task Team and derived from ISSAI 100: 48	Met	See b above
e) Contains an assessment of risks and constraints to the delivery of the plan/programme. SAI PMF Task Team	Met	<b>Rating improved since 2019.</b> The AOG Annual Work Plan and Programme specifies assessment of risks and mitigation of such risk. See risk assessment table in section 6 which describes possible risks and mitigations.

### 4.3 Domain C: Audit Quality and Reporting

“Domain C aims to assess the quality as well as the outputs of the audit/control work that represents the core function of any SAI. Domain C comprises 13 indicators but indicators 18-20 have not been applied, as they are only applicable for court style SAIs. The following table provides an overview of the dimension and indicator scores. Section 4.3.1 to 4.3.11 provide further details.

Domain C: Audit Quality and Reporting		Dimensions				Overall score	2019 Score
Indicator	Name	1	2	3	4		
SAI-8	Audit Coverage	4	3	4	N/A	4	2
SAI-9	Financial Audit Standards and Quality Management	4	4	4		4	4
SAI-10	Financial Audit Process	3	3	3		3	2
SAI-11	Financial Audit Results	4	4	4		4	4
SAI-12	Performance Audit Standards and Quality Management	4	4	3		4	3
SAI-13	Performance Audit Process	3	3	3		3	3
SAI-14	Performance Audit Results	1	4	4		3	2
SAI-15	Compliance Audit Standards and Quality Management	2	3	3		3	3
SAI-16	Compliance Audit Process	1	3	2		2	2
SAI-17	Compliance Audit Results	4	4	4		4	4
SAI-18	Jurisdictional Control Audit Standards and Quality Management						
SAI-19	Jurisdictional Control Audit Process						
SAI-20	Results of Jurisdictional Controls						

#### 4.3.1 SAI-8: Audit coverage – Indicator Score 4

This indicator measures the audit coverage achieved by the SAI across the three main audit disciplines – financial, performance and compliance. This indicator has four dimensions, of which dimension (iv) is not applicable to the AOG:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Financial Audit Coverage.	4	3
(ii) Coverage, Selection and Objective of Performance Audit	3	1
(iii) Coverage, Selection and Objective of Compliance Audit	4	3
(iv) Coverage of Jurisdictional Control	N/A	N/A
<b>Overall Score</b>	<b>4</b>	<b>2</b>

*The assessment of SAI-8 is mainly based on the Annual Reports from 2020 to 2022, the Annual Work Plan, the Annual Performance Report to the PAC for 2022 and the list of audited entities and audit opinions issued.*

The overall score has improved due to significant increase in the volume and scope of performance audits, as well as the conduct of 100% financial/compliance audit of all correct financial statements that were submitted by the deadline of April 30.

<b>Dimension</b>	<b>Findings</b>	<b>Score</b>
<b>(i) Financial Audit Coverage</b>	<ul style="list-style-type: none"> <li>Overall, to meet its constitutional and statutory obligations and responsibilities, the AOG plans to audit all financial statements submitted during the audit year by the statutory deadline [April 30 annually for consolidated accounts, 4 months after the end of the financial year]. Consequently, it does not prioritize audits with a view to deliberately limiting the extent of its planned annual coverage. The AOG Annual Work Plan contains the AOG's consideration of issues such as risk, materiality mandate, competence and resources but not with the overt intention of limiting the audit coverage to a selected number of audits. The AOG plans to audit all financial statements submitted within the statutory deadline for submission. The main issue limiting the AOG's ability to achieve full coverage is the failure of reporting entities to submit financial statements in a timely manner.</li> <li>During the period under review, all financial statements submitted on a timely basis (by April 30) were subject to audit, which forms the basis for the score of 4. Note that in the case of some financial statements, where material errors are found during the audit, these financial statements are sent back to the auditee for correction. In some of these cases, corrected financial statements are not provided during the audit cycle. In these cases, those audited financial statements are rolled forward to the next Annual Report.</li> </ul>	<p><b>4</b></p> <p><b>100% of financial statements received (and required to be audited under the mandate of the SAI) were audited.</b></p>



	<ul style="list-style-type: none"> <li>• For 2022 the AOG completed the audit for the year ended December 31, 2022 of all the 33 ministries, departments and regions that form the Consolidated Financial Statements. The Consolidated Financial Statements itself covers well over 75% of auditable balances within the remit of the AOG.</li> <li>• Financial statements that are required to be audited under the Public Corporations Act 1988 and various other statutory laws were submitted by 20 out of the 39 Public Enterprises, 42 out of the 61 statutory bodies, two out of the 23 trade unions, 21 out of the 70 NDCs, 12 out of the 16 constitutional agencies, and one out of the ten municipalities.</li> <li>• A total of 276 audit opinions were issued, which included 41 opinions for the FY 2022 and 235 opinions relating to prior years. The 41 audit opinions issued for the fiscal year ended 2022 included 4 out of 39 procuring entities, 7 out of 61 Statutory Bodies, all 29 foreign-funded projects, and 1 constitutional agency. Details are shown at Annex 5.</li> <li>• During 2022, AOG issued 265 audit Opinions, this was an increase of 169% in comparison to 2021 where 97 Opinions were issued. This increase attributed to the issuing of 96 Opinions for NDCs in comparison to 2021 where none were issued in relation to NDCs.</li> <li>• The Auditor General also includes within his Annual Report full disclosure on an entity-by-entity basis of the financial statements that were not submitted to audit.</li> </ul>	
<p><b>(ii) Coverage, Selection and Objective of Performance Audit</b></p>	<p><b>Criteria (a) to (g) are met.</b></p> <ul style="list-style-type: none"> <li>a) Although the AOG devotes fewer resources to performance audit, its mandate and strategic planning make it clear that the AOG treats performance audit as of equal importance to its financial and compliance audit responsibilities. In discussion, the AG confirmed that he regards the development of the AOG’s performance audit capacity as a key strategic objective.</li> <li>b) In line with the requirements of Section 24(3) of the 2004 Audit Act, in conducting its performance audits, the AOG examines ‘the extent to which a public entity is applying its resources and carrying out its activities economically, efficiently and effectively with due regard to ensuring effective internal management control’</li> <li>c) <b>Rating improved since 2019.</b> AOG’s current performance audit activities are planned and carried out in a structured and systematic way. A live register is maintained for performance audit topics, which is continually updated based on media reports, feedback from stakeholders. This process could be better documented.</li> <li>d) <b>Rating improved since 2019.</b> AOG’s performance planning process takes into account stakeholders’ expectation and emerging risks although this could be better documented.</li> </ul>	<p style="text-align: center;"><b>3</b> <b>Seven out of eight criteria are met</b></p>

	<p>e) <b>Rating improved since 2019.</b> In discussion, it was evident that consideration for the AG on topics for performance audits are those that are significant for Guyana. The relevance and significance of proposed topics is researched and documented by the planning team and is approved based on demonstrated significance</p> <p>f) <b>Rating improved since 2019.</b> It was evident that all topics selected for performance audits are confirmed as suitable in terms of their auditability and within the AOG's mandate. This is documented as part of the performance audit planning and scoping.</p> <p>g) <b>Rating improved since 2019.</b> A key consideration for the AG in selecting topics for performance audit is ensuring that each audit will have a clear impact. This is part of the scoping of each performance audit that must be approved by the AG prior to finalization of the audit topic</p> <p><b>Criterion (h) is not met.</b> Over the past 5 years, performance audit reports have covered:</p> <ol style="list-style-type: none"> <li>1. Health <ul style="list-style-type: none"> <li>• (i) September 2023 - Occupational Health and Safety</li> <li>• (ii) September 2023 - Strong and Resilient National Public Health Care Systems - SDG 3d</li> <li>• (iii) Sep 2022 - Management of Drugs and Medical Supplies at the Ministry of Public Health and Regional Health Facilities</li> </ul> </li> <li>2. Education <ul style="list-style-type: none"> <li>• (i) September 2023 - School Feeding Program</li> <li>• (ii) Sep 2022 - Receipt, Storage and Distribution of Textbooks to Schools</li> </ul> </li> <li>3. Environment <ul style="list-style-type: none"> <li>• (i) Sep 2022 - Management of Health Care Waste at Hospitals</li> <li>• (ii) Sep 2022 - Preparedness for Marine Oil Spill</li> </ul> </li> <li>4. National Economic Development <ul style="list-style-type: none"> <li>• (i) Sep 2022 - Review of Training Programmes Established and Developed by the Council of Technical and Vocational Education and Training</li> </ul> </li> <li>5. Social Security and Labour Market <ul style="list-style-type: none"> <li>• (i) Sep 2021 - A Review of the Old Age Pension Programme in Guyana Follow-up Audit</li> </ul> </li> </ol> <p>Only 5 of the specified sectors have been audited, whereas the criteria require that 6 of the specified 10 sectors (health, education, environment, national economic development, social security and labour market, defence, revenue collection, public sector reform programs, public finance and infrastructure) are covered. There has not been an audit of defence, revenue collection, public sector reform programs, public finance or infrastructure in the last 5 years. Although infrastructure was audited in 2017 under the audit</p>	
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	<p>‘Construction of the New Access Road to the Cheddi Jagan International Airport’.</p>									
<p><b>(iii) Coverage, Selection and Objective of Compliance Audit</b></p>	<p><b>All criteria have been met</b></p> <table border="1"> <tr> <td data-bbox="451 296 878 947"> <p>a) The audit plan for the year under review identifies entities within the SAI’s mandate that will be subject to compliance audit in the given year.</p> </td> <td data-bbox="878 296 1235 947"> <p>Other than foreign-funded projects which are special-purpose financial statements, and audited under ISSAI 1800, all financial audits carried out, also include compliance audits. As such, all entities mentioned under Dimension (i) Financial Audit Coverage’ were subject to a compliance audit. The Annual Work Plan for 2022, identified all entities subject to Compliance audit, which were completed within the year.</p> </td> </tr> <tr> <td data-bbox="451 947 878 1346"> <p>b) The selection of entities to be audited was based on a systematic and documented assessment of risk and materiality and took into account the SAI’s available resources. Derived from ISSAI 140: pg. 16, ISSAI 100:41</p> </td> <td data-bbox="878 947 1235 1346"> <p>During the year under review, all entities identified in the plan for that year and all central government entities were subject to compliance audit’’. When the AOG conducts an audit of a set of financial statements, that audit includes the full range of compliance audit procedures.</p> </td> </tr> <tr> <td data-bbox="451 1346 878 1556"> <p>c) The process of selecting entities ensures that all entities within the SAI’s mandate are audited during the course of a reasonable period of time. Derived from INTOSAI-P 1:18</p> </td> <td data-bbox="878 1346 1235 1556"> <p>The SAI is responsible to audit and report on all entities in keeping with its mandate.</p> </td> </tr> <tr> <td data-bbox="451 1556 878 1890"> <p>d) During the past three years topics addressed through audits have included at least one of the following: Derived from INTOSAI-P 12:5                      I. Government procurement                      II. Payroll                      III. Revenue collection</p> </td> <td data-bbox="878 1556 1235 1890"> <p>Rating improved since 2019. Criteria (d)(i) and (d)(ii) were not met in 2019. During the past three years audits have included Government Procurement, Payroll and Revenue Collection AOG. Refer AOG's 2020, 2021 and 2022</p> </td> </tr> </table>	<p>a) The audit plan for the year under review identifies entities within the SAI’s mandate that will be subject to compliance audit in the given year.</p>	<p>Other than foreign-funded projects which are special-purpose financial statements, and audited under ISSAI 1800, all financial audits carried out, also include compliance audits. As such, all entities mentioned under Dimension (i) Financial Audit Coverage’ were subject to a compliance audit. The Annual Work Plan for 2022, identified all entities subject to Compliance audit, which were completed within the year.</p>	<p>b) The selection of entities to be audited was based on a systematic and documented assessment of risk and materiality and took into account the SAI’s available resources. Derived from ISSAI 140: pg. 16, ISSAI 100:41</p>	<p>During the year under review, all entities identified in the plan for that year and all central government entities were subject to compliance audit’’. When the AOG conducts an audit of a set of financial statements, that audit includes the full range of compliance audit procedures.</p>	<p>c) The process of selecting entities ensures that all entities within the SAI’s mandate are audited during the course of a reasonable period of time. Derived from INTOSAI-P 1:18</p>	<p>The SAI is responsible to audit and report on all entities in keeping with its mandate.</p>	<p>d) During the past three years topics addressed through audits have included at least one of the following: Derived from INTOSAI-P 12:5                      I. Government procurement                      II. Payroll                      III. Revenue collection</p>	<p>Rating improved since 2019. Criteria (d)(i) and (d)(ii) were not met in 2019. During the past three years audits have included Government Procurement, Payroll and Revenue Collection AOG. Refer AOG's 2020, 2021 and 2022</p>	<p><b>4</b> <b>All criteria have been met</b></p>
<p>a) The audit plan for the year under review identifies entities within the SAI’s mandate that will be subject to compliance audit in the given year.</p>	<p>Other than foreign-funded projects which are special-purpose financial statements, and audited under ISSAI 1800, all financial audits carried out, also include compliance audits. As such, all entities mentioned under Dimension (i) Financial Audit Coverage’ were subject to a compliance audit. The Annual Work Plan for 2022, identified all entities subject to Compliance audit, which were completed within the year.</p>									
<p>b) The selection of entities to be audited was based on a systematic and documented assessment of risk and materiality and took into account the SAI’s available resources. Derived from ISSAI 140: pg. 16, ISSAI 100:41</p>	<p>During the year under review, all entities identified in the plan for that year and all central government entities were subject to compliance audit’’. When the AOG conducts an audit of a set of financial statements, that audit includes the full range of compliance audit procedures.</p>									
<p>c) The process of selecting entities ensures that all entities within the SAI’s mandate are audited during the course of a reasonable period of time. Derived from INTOSAI-P 1:18</p>	<p>The SAI is responsible to audit and report on all entities in keeping with its mandate.</p>									
<p>d) During the past three years topics addressed through audits have included at least one of the following: Derived from INTOSAI-P 12:5                      I. Government procurement                      II. Payroll                      III. Revenue collection</p>	<p>Rating improved since 2019. Criteria (d)(i) and (d)(ii) were not met in 2019. During the past three years audits have included Government Procurement, Payroll and Revenue Collection AOG. Refer AOG's 2020, 2021 and 2022</p>									

		<p>Annual Reports on AOG website.</p> <p>i. The public procurement commission is audited, there were special investigations conducted around procurement</p> <p>ii. Payroll is part of the compliance audit program for all audits of consolidated ministries and agencies.</p> <p>iii. Ministry of Finance and the National Revenue Fund is audited, as well their compliance with revenue collection requirements</p>	
<b>(iv) Coverage, of Jurisdictional Control</b>	N/A		N/A

#### 4.3.2 SAI-9: Financial Audit Standards and Quality Management – Indicator Score 4

This indicator assesses the SAI’s approach to financial auditing in terms of its overall standards and guidance, team management and skills and quality control. The indicator has 3 dimensions:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Financial Audit Standards and Policies	4	4
(ii) Financial Audit Team Management and Skills	4	4
(iii) Quality Control in Financial Audit	4	3
<b>Overall Score</b>	<b>4</b>	<b>4</b>

*The assessment of SAI-9 is mainly based on the 2006 Audit Manual, updated by the 2011 Risk Based Manual, the Quality Assurance Manual and the Quality Assurance for Financial Audits - A Handbook for SAIs in CAROSAI*

##### ***Dimension (i): Financial Audit Standards and Policies – Score 4***

The AOG performs well under this Dimension, although there is scope for improvement. The AOG has in place an Audit Procedures Manual – APM (2006) which was found to be broadly consistent

with ISSAI 200 and includes a specific requirement for financial audits to conform with ISAs. The 2011 Risk Based Manual which superseded Section 5 (Planning) of the 2006 APM is also in use.

Note however that the Audit Procedures Manual (2006) and Risk Manual 2011 need to be **consolidated into one manual** and **additional guidance is needed on the audit of group financial statements**. The 2011 Risk Manual is also not yet on the AOG website. There is also no **representation letter obtained at the consolidated level**, which is not in conformity with the ISSAIs

All criteria are met apart from criterion (r). Accordingly, AOG has a *score of 4*, with Criteria (b), (c), (p), (q) and at least 16 other criteria have been met.

<i>Dimension (i): Financial Audit Standards and Policies</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) "The auditor should assess whether the preconditions for an audit of financial statements have been met." ISSAI 200:18 (I.e. acceptable financial reporting framework and management acknowledges its responsibilities). <i>ISSAI 200:19</i>	Met	The standard engagement letters signed by each Accounting Officer includes a section clarifying specific responsibilities of the Accounting Officer and provides clarity on the various roles and responsibilities, including the provision of accounting records to audit. Furthermore, the Consolidated Financial Statements prepared by the Government of Guyana includes as part of the Accounting Policies a note on the responsibility for the preparation of the Financial Statements, confirmation of the financial reporting framework (Guyanese GAAP), and that the statements are in prepared in accordance with extant financial regulations. These points are also reflected in the Auditor General's Report.
b) "The auditor should reduce audit risk to an acceptably low level in the circumstances of the engagement to obtain reasonable assurance as the basis for a positive form of expression of the auditor's opinion." <i>ISSAI 200:49</i>	Met	This is adequately covered in Section 5.27 to 5.42 of the Audit Procedures Manual
c) "The auditor should apply the concept of materiality appropriately when planning and performing the audit." <i>ISSAI 200:58</i>	Met	This is adequately covered in Section 5.29 and 6.23 to 6.27 of the Audit Procedures Manual
d) "The auditor should prepare audit documentation that is sufficient to enable an experienced auditor, with no previous connection with the audit, to understand the nature, timing and extent of the audit procedures performed (...), the results (...) and the audit evidence obtained." <i>ISSAI 200:70</i>	Met	Covered in Sections 5.4 to 5.47, appendices to Section 5 and 6.1 of the Audit Procedures Manual

e) “The auditor should, after determining the appropriate person(s) within the audited entities governance structure (...) communicate with those persons regarding the planned scope and timing of the audit and significant findings from the audit.” <i>ISSAI 200:64</i>	Met	Sections 5.10-5.16 require engagement letter, planning meetings and other preparatory discussions with management. There is less guidance on communications all through the rest of the audit. However, there is guidance on documenting queries throughout the audit, including auditee responses. The Manual could be further updated to reflect the principle of continuance and timely communication with the auditee. This is also covered in Section 5.49 to 5.51 of the Audit Procedures Manual.
f) “The auditor should agree (...) the terms of the audit engagement with management or those charged with governance, as appropriate.” <i>ISSAI 200:74</i>	Met	This is adequately covered in Section 5.49 to 5.51 of the Audit Procedures Manual. Also, Audit Plan is to be communicated to the auditee. See 2011 Manual Sections 5.67 -5.68
g) “The auditor should develop an overall audit strategy that includes the scope, timing and direction of the audit, and an audit plan which directs the audit.” <i>ISSAI 200:80</i>	Met	This is adequately covered in Section 5 of the Audit Procedures Manual, as well in particular Sections 5.65-6.66 of the 2011 Manual
h) “The auditor should properly plan the audit to ensure that it is conducted in an effective and efficient manner.” <i>ISSAI 200:82</i>	Met	This is adequately covered in Section 5 of the Audit Procedures Manual and the 2011 Risk Based Manual
i) “The auditor should have an understanding of the audited entity and its environment, including internal control procedures that are relevant to the audit.” <i>ISSAI 200:85</i>	Met	This is covered in Section 5.27 to 5.29 of the Audit Procedures Manual as well Sections 5.17-5.18 of 2011 Manual
j) “The auditor should assess the risks of material misstatement at the financial statement level and at the assertion level for classes of transactions, account balances, and disclosures to provide a basis for performing further audit procedures.” <i>ISSAI 200:92</i>	Met	This is adequately covered in Section 5.37 to 5.38 and 6.23 to 6.27 of the Audit Procedures Manual as well as Section 5 of the 2011 Manual
k) “The auditor should respond appropriately to address the assessed risks of material misstatement in the financial statements.” <i>ISSAI 200:97 (I.e. design audit tests such as tests of controls and substantive procedures including tests of detail and substantive analytical procedures, considering the assessed inherent and control risks related to material misstatement at the assertion level) ISSAI 200:98</i>	Met	This is adequately covered in Section 6.1 to 6.22 of the Audit Procedures Manual, as well as Section 5 of the 2011 Manual

l) "The auditor should design and perform substantive procedures for each material class of transactions, account balance, and disclosure, irrespective of the assessed risks of material misstatement." <i>ISSAI 200:102</i>	Met	This is adequately covered in Section 5 of the Audit Procedures Manual and the 2011 Manual
m) "The auditor should identify and assess the risks (...) due to fraud and obtain sufficient appropriate audit evidence regarding the assessed risks (...) due to fraud, and respond appropriately to fraud or suspected fraud identified during the audit." <i>ISSAI 200:104</i>	Met	This is adequately covered in Section 6.28 to 6.35 of the Audit Procedures Manual as well as Section 5.32 to 5.37 of the 2011 Manual
n) "The auditor should identify the risks (...) due to direct and material non-compliance with laws and regulations [and] obtain sufficient appropriate audit evidence regarding compliance with those laws and regulations." <i>ISSAI 200:118</i>	Met	This is adequately covered in Section 5.19, 5.45, 7.2, and within the fraud risk section (6.28) of the Audit Procedures Manual. This is also part of Section 8.2 and 5.32-5.37 of 2011 Manual (Fraud risk Section).
o) "The auditor should perform audit procedures in such a way as to enable the auditor to obtain sufficient appropriate audit evidence to be able to draw conclusions on which to base the auditor's opinion." <i>ISSAI 200:126</i>	Met	This is adequately covered in Sections 6 and 7, in particular 7.25 to 7.29 of the Audit Procedures Manual (2011)
p) "The auditor should accumulate misstatements identified during the audit, and communicate with management and those charged with governance as appropriate on a timely basis all misstatements accumulated during the course of the audit." <i>ISSAI 200:139 (I.e. The auditor needs to determine whether the uncorrected misstatements are material, individually or in aggregate). ISSAI 200:142</i>	Met	This is adequately covered in Section 7.19 to 7.22 and 8.24 of the 2011 Audit Procedures Manual. Appendix B also includes a Summary of Unadjusted Differences.
q) "The auditor should form an opinion based on an evaluation of the conclusions drawn from the audit evidence obtained, whether the financial statements as a whole are prepared in accordance with the applicable financial reporting framework. The opinion should be expressed clearly through a written report that also describes the basis for that opinion." <i>ISSAI 200:143</i>	Met	This is adequately covered in Section 8, Section 4.22-4.25 and Section 9.1-9.25 of the 2011 Audit Procedures Manual

r) <i>Where relevant:</i> “Auditors engaged to audit group financial statements should obtain sufficient appropriate audit evidence regarding the financial information of the components and the consolidation process to express an opinion on whether the whole of government financial statements are prepared, in all material respects, in accordance with the applicable financial reporting framework.” <i>ISSAI 200:182</i>	Not Met	This is not adequately covered in the Audit Procedures Manual. There is no guidance in auditing the consolidated financial statements. There is also no representation letter obtained at the consolidated level, which is not in conformity with the ISSAIs
<i>The SAI has also adopted policies and procedures about how it has chosen to implement its audit standards, which should cover the following:</i>		
s) How to “(...) determine materiality for the financial statements as a whole (...), the materiality level or levels to be applied to (...) particular classes of transactions, account balances or disclosures.” <i>ISSAI 200:59</i> “ <i>The auditor should also determine performance materiality.</i> ” <i>ISSAI 200:60 (Including assessment of materiality by value, nature and context) ISSAI 100:41</i>	Met	Same as c) above
t) “Requirements on the auditor in relation to documentation in the following areas: the timely preparation of audit documentation; the form, content and extent of audit documentation; (...) the assembly of the final audit file.” <i>ISSAI 200:72</i>	Met	Same as d) above
u) “The nature, timing and extent of audit procedures (...) based on and (...) responsive to the assessed risks of material misstatement at the assertion level.” <i>ISSAI 200:99 (If necessary, including an approach to calculating minimum planned sample sizes in response to materiality and risk assessments, based on an underlying audit model).</i>	Met	Same as k) above
v) “When adopting or developing audit standards, SAIs also considers the necessity for requirements to obtain sufficient and appropriate audit evidence in relation to:	Met	<b>Score has improved since last time</b> due to the use of Section 5 of the Risk Based Manual 2011.
I. The use of external confirmations as audit evidence	Met	Pages 42,44,73 and 76 of the 2011 Manual



II. Audit evidence when using analytical procedures and different audit sampling techniques	Met	Section 5.18, 5.55, 5.56, Review Checklist pages 51-53, and Section 7.3 to 7.14 of the 2011 Manual
III. Audit evidence when using the work of internal audit functions (...)	Met	This is adequately covered in Section 12 of the Audit Procedures Manual and Section 5.63 of the 2011 Manual
IV. Audit evidence when using external experts.” ISSAI 200:132	Met	Section 5.63 of the 2011 Manual

***Dimension (ii): Financial Audit Team Management and Skills – Score 4***

All criteria have been met under this dimension and there is no change in score since 2019 Assessment. There is adequate provision for staff to ensure sufficient training and experience before being assigned to audit engagements.

<i>Dimension (ii): Financial Audit Team Management and Skills</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “Understanding and practical experience of audit engagements of a similar nature and complexity through appropriate training and experience.” ISSAI 200:47	Met	This is adequately covered in Section 4.6 to 4.12 of the Audit Procedures Manual. Subject covered in internal and external training
b) “Understanding of professional standards and the applicable legal and regulatory requirements.” ISSAI 200:47	Met	This is adequately covered in Sections 4.6 to 4.12 and 4.13 to 4.14 of the Audit Procedures Manual. Subject covered in internal and external training
c) “Technical expertise, including expertise with relevant information technology and specialized areas of accounting or auditing.” ISSAI 200:47	Met	This is adequately covered in Section 5.60 to 5.64 and section 10 of the Audit Procedures Manual. Subject covered in internal and external training
d) “Knowledge of relevant industries [sectors] in which the audited organization operates.” ISSAI 200:47	Met	This is adequately covered in Section 5.17 to 5.18 of the Audit Procedures Manual.
e) “Understanding of the SAI’s quality control policies and procedures.” ISSAI 200:47	Met	The SAI’s quality control procedures and the steps and procedures to be applied by the auditor to achieve high-quality audits are covered in (a) AOG 2006 Audit Procedures Manual Volume 1, (b) AOG Quality Assurance Manual Oct 2008, and (c) Quality Assurance for Financial Audits - A Handbook for SAIs in CAROSAI, From our review of the audit files, there was adequate evidence of these steps being followed, including

		the application of the appropriate working paper templates and Quality Control checklists.
f) "(...) An understanding of the applicable reporting arrangements." <i>ISSAI 200:47</i>	Met	The SAI's reporting arrangements and the steps and procedures to be applied by the auditor to achieve high-quality reports are covered in (a) AOG 2006 Audit Procedures Manual Volume 1, (b) AOG 2011 Audit Procedures Manual Sections 4.22-25 (c) AOG Quality Assurance Manual Oct 2008, and (d) Quality Assurance for Financial Audits - A Handbook for SAIs in CAROSAI. From our review of the sampled audit files, there was adequate evidence of these steps being followed.
g) The system ensures that the knowledge, skills and expertise required for conducting the financial audit are identified.	Met	This is adequately covered in Section 4 of the Audit Procedures Manual
h) The system ensures that there are <u>clear reporting lines</u> and allocation of responsibilities within the team. <i>SAI PMF Task Team</i>	Met	This is adequately covered in Section 5.6-7 of the Audit Procedures Manual
i) Developing the overall audit strategy <i>ISSAI 200:81</i> and the audit plan, including "The nature, timing and extent of planned risk assessment procedures; [and] the nature, timing and extent of planned further audit procedures at the assertion level." <i>ISSAI 200:83</i>	Met	This is adequately covered in Section 5 of the Audit Procedures Manual
j) How to evaluate the overall internal control environment, including for example "consideration of the audited organization's communication and enforcement of integrity and ethical values, commitment to competence, participation by those charged with governance, management's philosophy and operating style, organizational structure, existence and level of internal audit activity, assignment of authority and responsibility and human resource policies and practices." <i>ISSAI 200:87</i>	Met	This is adequately covered in Section 5 and 6 of the Audit Procedures Manual as well as the appended Internal Control Questionnaires.
k) How to gain an "understanding of internal control relevant to financial reporting (...)." <i>ISSAI 200:90</i>	Met	This is adequately covered in Sections 5 and 6 of the Audit Procedures Manual as well as the appended Internal Control Questionnaires, in particular, the Internal Control Evaluation

		Questionnaire (ICQ) on General Financial Management.
l) “(...) Assess[ing] the risks of material misstatements (...) at both the financial statement level and at the assertion level” ISSAI 200:92“, including” due to fraud” ISSAI 200:104 and “due to (...) non-compliance with laws and regulations.” ISSAI 200:118	Met	See fraud in sections 5.32-5.37. On the other hand, non-compliance is not explicitly discussed

### ***Dimension (iii): Quality Control in Financial Audit – Score 4***

There are a number of policies in place to ensure quality control of financial audit work, and all criteria under this dimension are met. There is however **no documentation to indicate that there were either no unresolved differences of opinion, or that they were suitably resolved. Documentation to support that appropriate resources such as technical experts were used to deal with difficult or contentious matters can also be improved.**

<i>Dimension (iii) Quality Control in Financial Audit</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “All work carried out should be subject to review as a means of contributing to quality and promoting learning and personnel development.” ISSAI 140: pg 19 (I.e. including review of the audit plan, working papers and the work of the team, and regular monitoring of progress of the audit by appropriate levels of management. The review should help ensure that the audit complies with professional standards and the applicable legal and regulatory requirements, and that the auditor’s report is appropriate in the circumstances.) ISSAI 200:38, SAI PMF Task Team	Met	The Audit Procedures Manual includes a requirement for multi-stage review of all audit work. Section 7 and 8 of the Manual (sections 7.20-.21 and 8.25-.26) covers the Review process and sets out the roles of the Supervisor, the Audit Manager and the Audit Director. Furthermore, both Quality Assurance Manuals contain detailed guidance on the Quality Assurance process to be applied to Financial Audits across the AOG. The CAROSAI QA Handbook in particular also contains template checklists to be applied to each audit. These were seen completed and signed by the reviewers on the audits that were examined as part of our sample.
b) “Where difficult or contentious matters arise, SAIs should ensure that appropriate resources (such as technical experts) are used to deal with such matters.” ISSAI 140: pg 19	Met	The QA Manual requires all audit judgments to be evidence based and covers the need to engage Technical Specialists where required. In discussion with the Auditor General and senior AOG officials, it was confirmed that there is a rigorous process of challenge and technical review around audit opinions and reports before they are finalized, especially for high-risk audits. However, the documentation of this technical consideration of the audit opinions needs to be improved, especially where there are difficult or

		<p>contentious matters. In practice, the Auditor General's Annual report contains extensive detail on the various forms of opinion that are issued in each year across the various audited entities (see 2022 Report), including a significant number of qualifications and disclaimed opinions. While there is a rigorous review system in place, <b>the level of documentation could be better.</b></p>
<p>c) “(...) any differences of opinion within the SAI are clearly documented and resolved before a report is issued (...).” ISSAI 140: pg 20</p>	<p>Met</p>	<p><b>Change since 2019 score.</b> Page 33 of the CAROSAI QA Handbook in use at the AOG includes a requirement for the SAI to have policies and procedures for dealing with differences of opinion within the engagement team, and for the SAI to document in detail the resolution and implementation of conclusions reached. However, it was not possible to see routine documentary evidence of how differences of opinion are resolved. In practice, these do arise, such as between the Quality Assurance Unit and the engagement team when it conducts a quality control review prior to report signing. Discussions are held within AOG to resolve the differences, and we were told that the report is issued only if the QA Unit has signed off. This was also confirmed in our sample of files. This criterion is being scored as 'Met' since there is nothing to show that unresolved disagreements remained which would require documentation. It is a common practice to remove review notes once they have been cleared. However, documentation could be improved by including a confirmation that there are no pending unresolved issues or differences of opinion and that all significant matters were discussed.</p>
<p>d) “SAIs should recognize the importance of engagement quality control reviews for their work and [where carried out] matters raised should be satisfactorily resolved before a report is issued.” ISSAI 140: pg 20 (I.e. the SAI should have a policy on whether and when to perform reviews of the whole audit by experts not involved in the audit, prior to report issuance – note this is part of quality control and not quality assurance)</p>	<p>Met</p>	<p>There is a three-stage review process at engagement team level for all audits, followed by Quality Assurance review by an independent person for high-risk audits. For high-risk audits, the Quality Assurance Unit conducts a ‘hot review’ of the audit working paper files and the AG will only sign the audit report, once he sees clearance from the QA Unit. Note that there is a separate and rigorous challenge process involving the auditees for the audits of Ministries and Regions, and accordingly, QA does not perform a hot review for those audits. Other than the Ministry files, there was adequate evidence of Engagement quality review (EQR) on the audit files selected for examination. Additionally, since 2024, AOG has recognized the need to</p>

		further use EQR, and has assigned an independent EQR for each audit, chosen from among other AOG audit manager peers.
e) “(...) Procedures are in place for authorizing reports to be issued.” ISSAI 140: pg. 20	Met	There is a three-stage review process at engagement team level for all audits, followed by Quality Assurance review by an independent person for high-risk audits. Sign-off procedures are set out in the APM section 8, including consideration of subsequent events and final review (8.25-.30) These steps are completed and signed off for Auditor General approval before audit reports are issued.

### 4.3.3 SAI-10: Financial Audit Process – Indicator Score 3

SAI-10 examines how financial audits are carried out in practice. It consists of three dimensions:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Planning Financial audits	3	2
(ii) Implementing Financial audits.	3	3
(iii) Evaluating Audit Evidence, Concluding and Reporting in Financial Audits	3	2
<b>Overall Score</b>	<b>3</b>	<b>2</b>

The AOG financial audit process is robust and well documented in the working paper and permanent files. The files we reviewed in the course of the assessment contained strong evidence of: planning; the proper documentation of fieldwork; and adequate consideration of audit findings in forming the audit opinion. 'Hot' reviews are conducted by the Quality Assurance Unit for all outsourced audits as well as if AG considers this necessary when signing an audit opinion (risk-based). 'Cold' reviews are conducted on a sample of audit files as per the QA Unit's annual work plan. There are a few areas for improvement, primarily to enhance the rigour of the internal control assessments, assess and document fraud risk (as required by the manual), as well as to document the summary of unadjusted differences, even if there are none, as required under Annex B of the manual.

The assessment of this indicator is based on our review of a sample of ten AOG audits for the year 2022. We structured this sample to reflect as closely as possible the AOG's 'audit universe' and to cover audits with different kinds of risks, i.e. (i) 3 ministries/regions, (ii) 1 constitutional agency, (iii) 2 outsourced public enterprises, (iv) 2 statutory bodies and (v) 2 Foreign-Funded Projects.

The ten audits we reviewed were as follows:

- Audit 1 - Ministry of Labour - 2022
- Audit 2 - Ministry of Housing and Water - 2022
- Audit 3 - Region 4 - Demerara/Mahaica
- Audit 4 - Women and Gender Equality Commission
- Audit 5 - Guyana Oil Company Limited (GUYOIL)
- Audit 6 - Guyana Power and Light Incorporated (GPL)
- Audit 7 - Natural Resource Fund
- Audit 8 - Telecommunication Agency
- Audit 9 - Support of Safety Nets for Vulnerable populations affected by Corona Virus in Guyana Loan 5180/BL-GY-Component 2 - Ministry of Education
- Audit 10 - Sustainable Agricultural Development Program Loan 3797/BL-GY

The review covered a study of the complete audit working files and interviews with the respective audit teams who had done the audit and with their division heads.

***Dimension (i): Planning Financial Audits – Score 3 with 8 criteria met***

<i>Dimension (i): Planning Financial Audits</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) Where relevant: For environments that do not have authorized or recognized standard setting organizations or financial reporting frameworks prescribed by law or regulation, the auditor determines whether the financial reporting framework is acceptable 200:16 (I.e. through application of ISSAI 2210, appendix 2)	N/A treated as met for scoring purposes	The AOG conducts audits of a range of entities with different reporting requirements. For financial statements produced by main ministries and departments, the authorized financial reporting framework is set out in Part X, Section 73 of the Financial Management and Accountability Act 2003, and in the Regulations made thereunder (see Part VIII, Section 35). In essence the financial statements are to be prepared in accordance with Guyana GAAP and on a cash basis. For the audits being done by agreement, the required financial reporting framework is prescribed within the loan agreements between the Government of Guyana and the donors (i.e. Cash based IPSAS). For audits done of Public Enterprises, the framework is IFRS and specified in the financial statements. Given this context, there is an applicable financial reporting framework for every financial audit conducted, and in line with SAI PMF guidance, we have assessed criterion (a) as not applicable (N/A).

<p>b) “The auditor should determine an overall level of materiality for the financial statements as a whole.” ISSAI 200:34 (...), the materiality level or levels to be applied to (...) particular classes of transactions, account balances or disclosures.” Performance materiality should be used (...)” (including assessment of materiality by value, nature and context) ISSAI 200:35, ISSAI 100:41</p>	Met	<p><b>Rating improved since 2019.</b> The Audit Plans set out the auditor's consideration of materiality for the financial statements as a whole and provide the figures for the materiality levels that were set for account balances and classes of transactions where relevant. The engagements also documented their consideration of materiality where nature, and context make transactions material regardless of their monetary value The materiality templates have also been updated in the 2011 Risk Based Manual and are being used widely. The text in the SAI PMF report has be amended to support the assessment that criterion b is met.</p>
<p>c) “It is essential that the audited entity be kept informed of all matters relating to the audit (...) Communication should include obtaining information relevant to the audit and providing management and those charged with governance with timely observations and findings throughout the engagement (...)” ISSAI 100:43 and “(...) should reach a common understanding with management or those charged with governance about the respective roles and responsibilities for each audit engagement” ISSAI 200:30</p>	Met	<p>While this criterion is met, this is room for some improvement. In general, engagement letters are signed, and draft management letters are sent to the auditee for comments. While planning and exit meetings are held, these can be better documented in the audit files, as well as other key discussions with the auditee. Additionally, we noted that representation letters are not obtained for the audit of the Ministries and Regions appropriation account, neither at the appropriation account level nor at the level of consolidated accounts as required by ISSAI 1580. Discussion with AOG indicated that it would be difficult for accounting officers to represent on matters not under their control, for example contracting which is done by tender board, or recruitment which is done by PSM etc. However, this is required for ISSAI compliance and AG indicated he would consider how this can be addressed.</p>
<p>d) “The auditor should plan the audit to ensure that it is conducted in an effective and efficient manner.” ISSAI 200:31. “Strategically, planning should define the audit scope, objectives and approach (...), Operationally, planning entails setting a timetable for the audit and defining the nature, timing and extent of the audit procedures (...) and identify resources.” ISSAI 100:48, including “design and implement overall responses to address the risks of material misstatement at the financial statement level, and further audit procedures whose nature, timing and extent take account of the risks of</p>	Met	<p>The audits files contained the Audit Plans, which set out the overall audit strategy. The audit plan contains the results of entity level and component level risk assessments. The plan also sets out the nature, timing and extent of resources necessary to carry out the engagement, the extent of further audit procedures at assertion level, and the extent of detailed substantive tests that will be conducted for each component or account area. However, there is room for improvement to link the testing strategy to risk assessments more clearly, since for 3 out of the 10 audit files, all relating to ministries, we found that actual testing done was more extensive than planned, and likely not efficient. In two cases, sample items tested were greater than the sample sizes calculated, and in other cases non-material</p>



material misstatement at the assertion level.” ISSAI 200:42		financial statement components also received full audit coverage. No clear risk assessment done to determine or justify the extent of testing in some file areas. In general, we also found that also there is stated reliance on control testing, this does not translate into reduced substantive testing. There is room to guide staff on reducing audit risk without over-auditing or alternatively documenting the reasons for the more extensive testing more clearly (such as expectations of stakeholders etc.)
e) “The auditor should obtain (...) a sufficient understanding of the audited entity and the environment in which it operates (...)” ISSAI 200:36	Met	The Audit Plans include a section on Understanding the Business, which demonstrates the auditor's understanding of the entity and its environment.
f) The auditor should evaluate the overall internal control environment. ISSAI 200:36	Met	Planning files includes an assessment of overall control environment
g) The auditor should gain an (...) understanding of internal control relevant to financial reporting (...).	Not Met	Audit Plans should include ICQs and/or System notes, which set out the auditor’s assessment of the internal control environment for key individual processes relevant to financial reporting (revenues, Expenses, Payroll, Investments etc.) In our sample of 10 audits, we noted numerous instances where ICQs were either not prepared, incomplete, or prepared but unreferenced/ unsubstantiated.
h) “The auditor should identify and assess the risk of material misstatement in the financial statements as a whole (...)” ISSAI 200:39	Met	Materiality assessment as per the templates in the files. These have been updated in the 2011 Manual and are in use.
i) “As part of the identification and assessment of the risks of material misstatement, the auditor should consider whether material misstatements could arise due to fraud” ISSAI 200:44	Not Met	Required by 2011 manual but any work done on this is not documented in the working papers.
j) “The auditor should identify the risks of material misstatement due to non-compliance with laws and regulations.” ISSAI 200:49	Met	Regularity Assertion are considered in the planned audit programs and tested against



k) The SAI has established a system to ensure that, at the audit engagement level, its auditors [and any contractors] comply with the following ethical requirements: integrity, independence and objectivity, competence, professional behaviour, confidentiality and transparency. ISSAI 130 (E.g. by avoiding long-term engagements with the same audited entity, and requiring appropriate declarations from staff in relation to ethics and independence)	Not Met	In general, AOG has a strong system to ensure compliance with ethical requirements including an engagement level independence declaration, as well as annual declarations in relation to conflict of interest as well as signing the Oath of Professional Conduct, which includes confirmations relating to integrity, objectivity and independence in the performance of assigned tasks, to honour the public trust, to maintain professional standards, respect confidentiality, adhere to high standards of behaviour and honesty and to declare all matters which may present conflicts of interest. However, this is rated as Not Met since complete engagement level declarations were not found in two of the Ministry audits.
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***Dimension (ii): Implementing Financial Audits – Score of 3 with (a), (f) and 4 other criteria are met. No change in rating since 2019.***

<i>Dimension (ii): Implementing Financial Audits</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “The auditor should design and implement overall responses to address the risks of material misstatement at the financial statement level, and further audit procedures whose nature, timing and extent take account of the risks of material misstatement at the assertion level. Such audit procedures usually include tests of control and substantive procedures” ISSAI 200:42. “Risk of material misstatement takes into account both inherent risk and control risk. ISSAI 200:37. Where the SAI has adopted policies and procedures regarding an approach to calculating minimum planned sample sizes in response to materiality and risk assessments, these are followed in practice. For Public Enterprises, additional checklists are also prepared for IFRS Disclosure, Going Concern, Subsequent Events, Contingencies, and Related Party Transactions.	Met	<p>There are cross-referenced individual working papers with audit programs and linked to risk assessments. Both tests of control and substantive testing are required based on risks. Sampling strategies are based on risk as per the 2011 Manual. External confirmations for all key areas, physical verification of assets and inventory, recalculation of tax expenditure. Minimum sample sizes are required for small populations, and these are followed in practice.</p> <p>We also found instances where the sample sizes determined for substantive testing were either standard or maximum for these areas - contrary to the expected reduced (possibly minimum) sample testing wherever reliance is being placed on controls. This was discussed with the AOG it was explained that the sample sizes were driven by any of the assertions relevant to each account area. In essence, for each account area, as long as no reliance was being placed on controls for at least one assertion, the sample size would be either standard or maximum regardless of whether reliance was being placed on controls for the other assertions.</p> <p>We further confirmed that this approach was in line with the AOG Audit Procedures Manual.</p>

		The logic flow from the determination to place reliance on controls through to the level of substantive testing was therefore clearer, although the absence of documentation setting out a more detailed consideration of controls was deemed to be the gap in the work done.
b) The auditor should undertake appropriate responses to those risks of material misstatements that arise due to fraud. ISSAI 200:44	Not Met	Other than for outsourced public enterprises, no fraud risk assessments are done.
c) “The auditor should obtain sufficient appropriate audit evidence regarding compliance with the provisions of those laws and regulations having a direct effect on the determination of material amounts and disclosures in the financial statements. ISSAI 200:50	Met	Plans and audit testing cover risks of regularity related to assertions, and these are incorporated into audit programs-- work was completed, and significant issues went forward to report
d) Where relevant: During their audits, SAIs “obtain sufficient and appropriate audit evidence in relation to: <ul style="list-style-type: none"> <li>• The use of external confirmations as audit evidence;</li> <li>• Audit evidence from analytical procedures and different audit sampling techniques (...);</li> <li>• Audit evidence from using the work of internal audit functions (...);</li> <li>• Audit evidence from external experts (...).”</li> </ul>	Met	External confirmations are obtained from banks, debtors, creditors and lawyers as relevant. Detailed variance analysis is conducted. However, for procuring entities, there is room for improvement in that key Ratio Analysis was not on file, as required also by the 2011 Risk-based Manual (current ratio, liquidity etc.) While Internal Audit is mentioned in the Audit Plan, it should be stated more clearly if any reliance is intended to be placed on their work, if relevant. Actuarial valuations commissioned by the auditee from actuaries are relied upon for the valuation of employee post-retirement benefits. These valuations were relied upon. The need to place reliance on an expert was not documented in planning the audit. However, these would not materially affect the substance of the audit evidence or the conclusions reached.
e) Where relevant: Auditors engaged to audit [whole of government financial statements] should obtain sufficient appropriate audit evidence regarding the financial information of all components and the consolidation process to express an opinion (...). ISSAI 200:78	Met	The Whole of Government Accounts were not among the sample selected. However, the AOG does audit Whole of Government Accounts of which three of our sampled audited entities form a part. From our review of the working papers files for the selected audits, our review of the Auditor General's Annual Report for 2022 which includes the WGA, and discussions with the AOG on the process for the audit of the consolidation and for aggregating audit findings to determine the audit opinion on the WGA, no significant gaps were identified in the work done and the level of audit evidence obtained. The report on file is consistent with the published

		annual report. We understand from interviews that the AG is very hands on in the consolidation process. Even though there are no Summary of Unadjusted Differences in Ministry/Region files, the cash basis of accounting does not normally lend itself to any material mis-postings.
f) “The auditor should design and perform audit procedures in order to obtain sufficient appropriate audit evidence (in terms of quantity and quality) on which to base the audit conclusions and opinion.” ISSAI 200:54	Met	Same as a)
g) All planned audit procedures were performed, or where planned audit procedures were not performed, an explanation as to why not is retained on the audit file and this has been approved by those responsible for the audit. SAI PMF Task Team	Met	All planned procedures as indicated in the approved audit programs were carried out. Only one instance was noted, where the audit staff was unable to obtain the evidence required for the planned procedures and had to modify their testing. Any modifications to testing/ audit programs should be appropriately documented and approved by the supervisors

***Dimension (iii): Evaluating Audit Evidence, Concluding and Reporting in Financial Audits – Score of 3 with all criteria met.***

Score has improved from 2 last time to a 3, due to a different interpretation of criterion e).

A score of 4 is not given since no independent assessment (e.g. quality assurance review, peer or independent review, iCAT subject to independent quality assurance) was conducted within the past three years of the SAI’s financial audit practice which confirmed that the SAI complies with all the level 4 ISSAI requirements relevant to this dimension.

<i>Dimension (iii): Evaluating Audit Evidence, Concluding and Reporting in Financial Audits</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “Auditors should prepare audit documentation that is sufficiently detailed to provide a clear understanding of the work performed, evidence obtained and conclusions reached.” ISSAI 100:42	Met	In general, the audit documentation is sufficiently detailed and draft financial statements are cross-referenced to lead sheets as well as audit programs. The audit working paper files were straightforward to follow, and clear on the nature, timing and extent of the audit procedures performed, and the audit evidence obtained. However, in some cases we noted that queries, once resolved, are not marked off as such. In one instance, which we are treating as

		an exception, some key matters were missing-- e.g. reduced sample sizes / alternate procedures used when original audit approach no longer feasible (verification of Purchase Vouchers not possible because not received from Ministry of Finance) was not documented.
b) The SAI's documentation procedures have been followed regarding: the timely preparation of audit documentation; the form, content and extent of documentation; (...) the assembly of the final audit file.	Met	The documents reviewed were prepared in accordance with the set methodology and showed evidence of time preparation and review. While AOGs procedures are largely followed, we noticed poor referencing in some of the audit files. Electronic working papers would help alleviate some of the challenges in this regard.
c) "It is essential that the audited entity be kept informed of all matters relating to the audit (...) and providing management and those charged with governance with timely observations and findings throughout the engagement (...)." ISSAI 100:43 and "all misstatements recorded during the course of the audit." ISSAI 200:56	Met	Management letters were seen on the audits containing the significant findings, along with responses from those charged with governance.
d) "The SAI's audit findings are subject to procedures of comment and the recommendations [or observations] to discussions and responses from the audited entity." INTOSAI-P 20:3	Met	Draft management letters are sent to the auditee and responses are received on these.
e) "The auditor should assess whether uncorrected misstatements are material, individually or in aggregate (...)." ISSAI 200:57	Met	Based on our discussions with the audit teams, misstatements are not left uncorrected and are adjusted by the auditee. Although the AG issues modified audit opinions, these relate primarily to compliance issues, and would not likely result in misstatements in the financial statements. However, this could be better documented. The 2011 Risk Based Manual includes an appendix to document any unadjusted differences. Even where there are no differences, as indicated to us during our interviews with the audit teams, a copy of this form should be included in the file confirming non-unadjusted differences.
f) "Based on the audit evidence, the auditor should form an opinion as to whether the financial statements have been prepared in accordance with the applicable financial reporting framework." ISSAI 200:58 The form of audit opinion provided is	Met	Audit Opinion on the financial statements was in line with ISSAI 200 in all sampled audits. The written form of the auditors' reports was found to be in accordance with ISSAI 200:149 and was clear and easy to follow.

<p>appropriate considering guidance in ISSAI 200, as follows:  I. “(...) An unmodified opinion if it is concluded that the financial statements are prepared, in all material respects, in accordance with the applicable financial framework.” ISSAI 200:60 (Including the use of Emphasis of Matter Paragraphs).  Otherwise a modified opinion which can be in three forms:  II. “(...) A qualified opinion – when the auditor concludes that, or is unable to obtain sufficient and appropriate audit evidence about, misstatements, whether individually or in aggregate are, or could be, material but not pervasive.” ISSAI 200:64  III. “(...) An adverse opinion – when the auditor, having obtained sufficient and appropriate audit evidence, concludes that misstatements, whether individually or in aggregate, are both material and pervasive”. ISSAI 200:64  IV.“(...) A disclaimer of opinion – when the auditor is unable to obtain sufficient and appropriate audit evidence due to an uncertainty or scope limitation which is both material and pervasive.” ISSAI 200:64</p>		
<p>g) “The auditor’s report should be in a written form and contain the following elements:”  I. A title...  II. An addressee as required by the circumstances of the engagement.  III. An introductory paragraph that (1) identifies whose financial statements have been audited (...);  IV. A section with the heading ‘Management’s responsibility for the financial statements’ (...);  V. A section with the heading ‘Auditor’s Responsibility’, stating that the responsibility of the auditor is to express an opinion based on the audit of the financial statements (...);  VI. A section with the heading ‘Opinion’ (...);  VII. The auditor’s signature.</p>	<p>Met</p>	<p>The audit opinion contains all the below elements in the case of the consolidated audit opinion as well as in the opinions related to our sampled audit files.  For opinions on donor-funded projects, the addressee of the audit report is not mentioned on the opinion at the donors request.</p>

<p>VIII. The date on which the auditor obtained sufficient appropriate evidence on which to base the auditor's opinion on the financial statements (...);</p> <p>IX. The location in the jurisdiction where the auditor practices.</p>		
<p>h) "Reports should be easy to understand, free from vagueness and ambiguity and complete. They should be objective and fair, only including information which is supported by sufficient and appropriate audit evidence and ensuring that findings are put into perspective and context". ISSAI 100:51 (I.e. in the case of long-form reports such as management letters).</p>	Met	<p>Long-form reports are in general easy to understand, free from vagueness and ambiguity, complete, objective and fair. See Annual Report 2022</p>
<p>i) Any audit observations and recommendations are written clearly and concisely, and are directed to those responsible for ensuring they are implemented.</p>	Met	<p>Findings and recommendations within the management letters were clear and were addressed to those charged with governance. No instance was seen within the Reports and Management letters that were reviewed where findings were not put into perspective or were out of context</p>
<p>j) Where relevant: If the (...) conditions [for the acceptance of the financial reporting framework] are not met, the auditor should (...) "determine the impact on the audit opinion or consider an emphasis of matter explaining the impact of the financial reporting framework on the results, assets and liabilities or other aspects. The auditor may also consider other actions such as informing the legislature or withdrawing from the audit engagement if the SAI is able to do so". ISSAI 200:18</p>	N/A	<p>This is not applicable since the financial reporting framework is considered acceptable in all cases.</p>
<p>k) Where relevant: The auditor's report on special-purpose financial statements [i.e. budget execution reports], the report should: describe the purpose for which the financial statements are prepared ISSAI 200:11 and the auditor should include an Emphasis of Matter paragraph alerting users to the fact that the financial statements have been prepared in</p>	Met	<p>This is only applicable to the Project Financial Statements of Foreign Funded Projects. Although the requirement for an Emphasis of Matter para is prescribed by the standards, the audit is conducted and opinion is issued in line with the Terms of Reference, audit opinion template and regular guidance provided by the donor agencies. AOG may consider discussing with donors to ensure compliance with ISSAI 1800 on reporting requirements for financial statements. prepared in accordance with a</p>

accordance with a special-purpose framework (...).		special-purpose framework (i.e. donor requirements)
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#### 4.3.4 SAI-11: Financial Audit Results – Indicator Score 4

SAI-11 assesses the timely submission and publication of the results of the SAIs financial audit work and how such results are followed up. The indicator has 3 dimensions”

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Timely submission of Financial Audit results	4	4
(ii) Timely publication of Financial Audit results.	4	4
(iii) Follow-up on the Implementation of Financial Audit Observations and Recommendations	4	4
<b>Overall Score</b>	<b>4</b>	<b>4</b>

*The assessment of SAI-11 is mainly based on the submission date and publication date of the Annual Report 2022. There is no change in the score since last year.*

<b>Dimension</b>	<b>Findings</b>	<b>Score</b>
<b>(i) Timely Submission of Financial Audit Results</b>	<ul style="list-style-type: none"> <li>The AOG submits the Auditor General’s Annual Report on the Consolidated Financial Statements of the Government of Guyana to Parliament within the timeframe set by the Constitution and the 2004 Audit Act. Timelines set for other audits including donor-funded programmes were also met.</li> <li>The statutory deadline for the submission of the Auditor General’s audit opinion on the Consolidated Financial Statements is nine months after the end of the fiscal year, that is 30 September 2023 for the 2022 fiscal year (Section 25 of the Audit Act 2004). The Consolidated Financial Statements covers the financial reports of all Government of Guyana entities, including Ministries, Departments, and Regions. The Auditor General’s Annual Report also covers all Public Enterprises, Statutory Bodies, Trade Unions, Foreign Funded Projects and Constitutional Agencies. The Auditor General’s Opinion and Report on the 2022 fiscal year was dated on the 15th of September 2017 and was transmitted to the Speaker of the National Assembly on the same date.</li> <li>Separately, the timeline for the audit report and opinion on foreign funded projects is fixed by agreement and is earlier than that of the Consolidated Financial Statements. From our examination of the two selected IDB funded projects, the</li> </ul>	<b>4</b>

	<p>deadline agreed with the IDB was April 30, after the end of the reporting year. For the two audits selected for review from the 2022 reporting period, the audit opinions and reports were dated on or before April 30, 2023.</p>	
<p><b>(ii) Timely Publication of Financial Audit Results</b></p>	<ul style="list-style-type: none"> <li>• The AOG publishes the Auditor General’s Annual Report immediately after the Report is laid before the National Assembly by the Clerk of the Assembly – well within the 15 days specified for the assessment of Dimension (ii).</li> <li>• The Auditor General’s Annual Report is the key output of AOG relevant to this dimension. We were provided with documentary evidence to show that the Annual Report for 2022 was submitted by AOG to the National Assembly on September 15, 2023 and was laid before the Assembly on December 11, 2023 at which point it became a public document. It was then also published on the AOG Website immediately thereafter.</li> <li>• The standard practice is to lay the report within 15 days of it being submitted by the Auditor General. From a discussion with the Auditor General, we understand that the timeframe for laying is not within the control of the Auditor General. Secondly, we also understand that the two-month time taken by the Clerk of Assembly to lay the 2022 Report was due to the Budget needing to be approved first. The appropriate marker for when the AOG is permitted to publish is when the Report has been laid before the National Assembly, and on that basis the AOG scores well against the criteria specified for Dimension (ii) of SAI-11.</li> </ul>	<p style="text-align: center;"><b>4</b></p>
<p><b>(iii) SAI Follow-up on Implementation of Financial Audit Observations and Recommendations</b></p>	<p><b>Criteria (a) to (f) are met.</b></p> <ul style="list-style-type: none"> <li>• a) “SAIs have their own internal follow-up system to ensure that the audited entities properly address their observations and recommendations as well as those made by the Legislature, one of its commissions, or the auditee’s governing board, as appropriate.” And b) “Follow-up focuses on whether the audited entity has adequately addressed the matters raised [in previous audits].” - The AOG has a follow-up system to ensure matters raised and recommendations made are adequately addressed, starting from the coverage of previous year's recommendations during the planning of each entity's next audit, and through to the consolidation of all results of follow-up activity for inclusion in the Auditor General’s Annual Report.</li> <li>• c) The SAI has established a practice for evaluating materiality in order to determine when a follow-up requires new additional investigations/audits and d) “SAIs’ follow-up procedures allow for the audited entity to provide information on corrective measures taken or why corrective actions were not taken.” -</li> </ul>	<p style="text-align: center;"><b>4</b></p> <p style="text-align: center;"><b>All of the criteria are met.</b></p>



	<p>Further work to be done to follow-up on Prior Year findings and recommendations is set out on the basis of the materiality of each prior year finding. The materiality of unresolved or brought forward matters for the current year's audit is also assessed.</p> <ul style="list-style-type: none"> <li>• e) “SAIs submits their follow-up reports to the Legislature, one of its commissions, or the auditee’s governing board, as appropriate, for consideration and action, even when SAIs have their own statutory power for follow-up and sanctions.” - Audited entities are to provide information on all findings and recommendations that remain relevant at the end of each audit, including matters identified in previous years that remain unresolved or outstanding. The information to be provided includes corrective actions that were taken and/or the audited entity's reasons for not taking the recommended corrective actions.</li> <li>• f) “SAIs report publicly on the results of their audits [including] on the follow-up measures taken with respect to their recommendations” - The Annual Report of the Auditor General submitted to the National Assembly by September 30 of each year holds an update on the 'Status of Implementation of Prior Year Audit Recommendations'. The report is subsequently published.</li> </ul>	
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#### 4.3.5 SAI-12: Performance Audit Standards and Quality Management – Indicator Score 4

This indicator assesses the SAI’s approach to performance auditing in terms of its overall standards and guidance for performance auditing, as well as how matters of audit team management and skills and quality control are implemented at the audit engagement level. (The quality of these functions at the organizational level is assessed elsewhere in the framework: quality control in SAI-4; professional development and training in SAI-23.)

For the assessment of SAI-12, three dimensions are considered:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Performance Audit Standards and Policies	4	4
(ii) Performance Audit Team Management and Skills	4	3
(iii) Quality Control in Performance Audit	3	3
<b>Overall Score</b>	<b>4</b>	<b>3</b>

*The assessment of SAI-11 is mainly based on the September 2009 Performance Audit and VFM Manual, details of training records for performance audit staff, quality of the published*

*performance audit reports, interviews with Performance Audit Unit and Quality Assurance Unit staff and review of a sample of two performance audit files.*

The AOG performs well under this indicator although there is scope for improvement. The Performance Audit Manual (2009) needs to be updated to reflect the full range of ISSAIs at level 300 and 3000. Given the AOG's ambition to increase significantly the number of performance audit reports that it issues each year, the expectation that staff will comply with the relevant standards and guidance issued by INTOSAI without incorporating that material fully in a revised Performance Audit Manual is not a sustainable practice in the medium to long term. Subsequent to the period under review, i.e. for audits in progress during 2024, additional templates have been provided to the Performance Audit Unit for performing risk assessments and a system of EQR by peers has also been incorporated. Performance audit staff have been trained and benefited significantly from being part of the CAAF's International Program which started in 2018 and continues till March 31, 2025.

***SAI 12 - Dimension (i): Performance Audit Standards and Policies – Score 4***

There is no change in rating since 2019. The key document setting out the AOG's Performance Audit standards and policies is the Office's 2009 Performance Audit Manual. The Manual was prepared by the CAAF, erstwhile the CCAF-FCVI Inc. of Canada and was adapted from the Performance Audit Manual of the Auditor General of Canada.

The introduction confirms that the AOG's Performance Audit policies are 'in accordance with the standards for assurance engagements recommended by INTOSAI and IFAC (IAASB)' (Performance Audit Manual, page 5). The Manual is organized under the following headings: General Policies; Audit Conduct Policies; Audit Examination Policies; Audit Reporting Policies; and Audit Follow-up Policies.

The Audit Manual itself consists of the following sections:

- (1) General Policies, Definition, Mandate, Accountability, Access to Information;
- (2) Key Factors in Discharging the Performance and Value for Money Audit Mandate;
- (3) Audit Conduct Policies;
- (4) The Performance and VFM Audit Planning Process and Audit Examination Policies;
- (5) Performance and VFM Audit Reporting Policies;
- (6) Audit Follow-up Policies;
- (7) Performance Expectations; and
- (8) The Performance and VFM Audit Quality Management Framework:  
Appendix 1: Performance and VFM Audit Policies; and  
Appendix 2: Definition and Interpretation of Key Terms used in the Audit Act of 2004.

The Performance Audit Manual has not been updated since its introduction in September 2009 to reflect the development and implementation of the ISSAIs for performance audit.

Consequently, there are no references to the ISSAIs in the manual linking the AOG performance audit policies and the requirements of the manual to the relevant ISSAIs.

The staff of the Performance Audit Unit, however, confirmed that in carrying out the most recent performance audits, they followed the INTOSAI Performance Audit Guidelines (ISSAI 3000 – 3999). Although, as noted above, the Performance Audit Manual has not been updated to take account of the ISSAIs at level 300 and 3000, it was relatively straightforward to link material in the Manual with the relevant parts of the ISSAIs dealing with performance audit. As the table below shows, with one exception, the manual met all the criteria defined for SAI-12.

Additionally, since September 2022 a number of new templates/ checklists have been developed for use by the PA Unit, which also help ensure compliance with ISSAI 3000

Given the AOG’s significantly increasing the number of performance audit reports that it issues each year, the use by staff of INTOSAI guidelines without incorporating them fully in a revised manual is not a sustainable practice in the medium to long term.

SAI-12 Dimension	Findings			Score			
<b>(i) Performance Audit Standards and Policies</b>	<b>All criteria except criterion (e) are met.</b> The table below illustrates the alignment between the AOG’s Performance Audit Manual, and the various Principles of Performance Audit and the Principles of the Performance Audit Process specified by ISSAI 300 and INTOSAI’s Performance Audit Guidelines (ISSAI 3000 – 3999).			<b>4</b>  <b>Criteria (b), (d), (m) and (s) and 16 other criteria met.</b>			
	<table border="1"> <thead> <tr> <th data-bbox="448 1461 834 1602">Criteria</th> <th data-bbox="834 1461 906 1602">Met or Not Met</th> <th data-bbox="906 1461 1265 1602">Reference to AOG Performance Audit Manual</th> </tr> </thead> </table>	Criteria	Met or Not Met		Reference to AOG Performance Audit Manual		
	Criteria	Met or Not Met	Reference to AOG Performance Audit Manual				
a. The need to identify the elements of each performance audit (auditor, responsible party, intended users, subject matter and criteria).	Met	Performance Audit Manual, Section 4: <i>The Performance and VFM Planning Process and Audit Examination Policies.</i>					
b. The need to “set a clearly-defined audit objective that relates to the principles of	Met	Performance Audit Manual, section on Audit					

	economy, efficiency and effectiveness.		Objectives, page 31 to page 32.
	c. The need to choose an audit approach, to facilitate the soundness of the audit design.	Met	Performance Audit Manual, section on Audit Approach, pages 35 to 37.
	d. The need to “establish suitable [audit] criteria which correspond to the audit questions and are related to the principles of economy, efficiency and effectiveness.	Met	Performance Audit Manual, section on Audit Criteria pages 33 to 35.
	e. The need to “actively manage audit risk, which is the risk of obtaining incorrect or incomplete conclusions, providing unbalanced information or failing to add value for users.	Not Met	Performance Audit Manual, sections on: audit evidence, pages 37 to 43; relying on the work of others pages 43 to 44; developing audit observations, recommendations and conclusions pages 44 to 47. The AOG’s Performance Audit Manual does not guide how office should actively manage audit risk. Recent practice includes Audit Risk template and related processes (see Implementation of the International Health Regulations (2005), SAI 13(ii)(h)). Office has identified this as an area to update in the manual.
	f. The need to “maintain effective and proper communication with the audited entities and relevant stakeholders throughout the audit process and define the content, process and recipients of communication for each audit.	Met	Performance Audit Manual, the relevant sections are: Entity management’s input to the audit (paragraphs 3.13 to 3.16, pages 20 to 21); and communication with the audited entity to clear and agree the AG report (page 46; page 52).
	g. The need for the audit team to “have the necessary professional competence to perform the audit.	Met	Performance Audit Manual, section on the competence of the audit team (paragraphs 3.5 to 3.11, pages 19 to 20).

	h. The need to apply professional judgment and skepticism.	Met	Performance Audit Manual, section on due care and on objectivity and independence (paragraphs 3.1 to 3.4, page 19).	
	i. The need for auditors to “apply procedures to safeguard quality, ensuring that the applicable requirements are met	Met	Performance Audit Manual, Section 8: <i>The Performance and VFM Audit Quality Management Framework</i> (pages 69 to 70).	
	j. The need to “consider materiality at all stages of the audit process	Met	Rating improved since 2019 due to a different understanding of materiality. Performance Audit Manual considers materiality in the context of identifying matters of significance when the AOG develops its overall planning for its performance audit programme but there is no explicit reference to consideration of materiality at other stages of the AOG performance audit process. Concept of significance is explicitly referenced through the Performance Audit Manual, such as: P. 32, 4.31, audit scope P. 39, 4.85, sufficient evidence P. 43, 4.105, relying on work of others p. 44, 4.110, developing audit observations	
	k. The need to “document the audit (...)” so that “information [is] sufficiently complete and detailed to enable an experienced auditor having no previous connection with the audit to subsequently determine what work was done in order to arrive at the audit findings, conclusions and recommendations	Met	Performance Audit Manual, sections on documentation: paragraphs 3.28 to 3.36 (pages 22 to 24); paragraphs 4.90 to 4.94 (pages 40 to 41); and confirmed in practice through review of audit files for the four performance audits completed by AOG.	

	l. The need to “plan the audit in a manner that contributes to a high-quality audit that will be carried out in an economical, efficient, effective and timely manner and in accordance with the principles of good project management.	Met	Performance Audit Manual, section on the Examination Plan Paragraphs 4.25 to 4.29, pages 30 to 31; Section on project management paragraphs 7.44 to 7.71, pages 63 to 66.
	m. The need for auditors to “obtain sufficient appropriate audit evidence to establish findings, reach conclusions in response to the audit objectives and questions and issue recommendations.” ISSAI 300:38	Met	Performance Audit Manual, section on Appropriate Evidence (paragraphs 4.83 to 4.84, page 38); section on Sufficient Evidence (paragraphs 4.85 to 4.89, page 39).
	n. The need for auditors to “strive to provide audit reports which are comprehensive, convincing, timely, reader-friendly and balanced.” ISSAI 300:39	Met	Performance Audit Manual, PAM Section 5 <i>Performance and VFM Reporting</i> pages 48 to 52; specifically covered by statement on OAG policies paragraphs 5.1 and 5.2.
	o. That the SAI shall “seek to make their reports widely accessible, in accordance with the mandate of the SAI.	Met	Performance Audit Manual, paragraphs 3.37 to 3.39 (page 24).
	p. That the SAI shall “seek to provide constructive recommendations” if relevant and allowed by the SAI’s mandate.	Met	Performance Audit Manual, section on Developing Recommendations paragraphs 4.114 to 4.118, pages 45 to 46.
	q. The need to “follow up previous audit findings and recommendations wherever appropriate.”	Met	Performance Audit Manual, Section 6: <i>Audit Follow-up Policies</i> pages 53 to 56.
	r. Audit planning, including selection of audit topics. The policies and procedures should be designed to ensure that auditors analyze and research potential audit topics, and consider the significance, auditability and impact of planned audits. They should allow	Met	Performance Audit Manual, Section on the Examination Plan Paragraphs 4.25 to 4.29, pages 30 to 31; Section on project management paragraphs 7.44 to 7.71, pages 63 to 66.

	for flexibility in the planning.		
	s. The analytical processes that enable the auditors to obtain sufficient appropriate audit evidence to establish findings and reach conclusions in response to the audit objectives and questions.	Met	Performance Audit Manual, Section on Audit Evidence paragraphs 4.80 to 4.103 (pages 37 to 43).
	t. Format of the audit report, which should contain information about the audit objective, criteria, methodology, sources of data and audit findings, conclusions and recommendations.	Met	Performance Audit Manual, Section 5 Performance and VFM Audit Reporting pages 48 to 52; specifically paragraphs 5.1 and 5.2 (page 48).
	u. Audit documentation: The policies and procedures should be designed to ensure that “information [is] sufficiently complete and detailed to enable an experienced auditor having no previous connection with the audit to subsequently determine what work was done in order to arrive at the audit findings, conclusions and recommendations.	Met	Performance Audit Manual, sections on documentation: paragraphs 3.28 to 3.36 (pages 22 to 24); paragraphs 4.90 to 4.94 (pages 40 to 41); and confirmed in practice through review of audit files for the four performance audits completed by AOG.

***Dimension (ii): Performance Audit Team Management and Skills – Score 4***

This dimension examines whether the SAI has established a system for ensuring that members of a performance audit team collectively possess the professional competence, skills and experience necessary to carry out the audit in question. It also looks at what support the SAI provides for its performance auditors.

The AOG aims to carry out 3-4 performance audits annually. The number of performance audits has been increasing year on year, and although there were no PA’s done during 2017 – 2020 since the team was still very small and not yet fully dedicated to performance audits. There have been 11 performance audits conducted during 2021-2023. As of March 2023, the AOG performance audit team consisted of 12 AOG officers – consisting of one Audit Director and two audit managers who oversee the work of 9 staff at various grades – Senior Audit Clerk, Assistant Auditor, Auditor

and Audit Supervisor (Business Unit III). A small, dedicated team is responsible for each performance audit.

**The rating has improved since 2019. AOG scores a 4 with all criteria being met.**

<i>Dimension (ii): Performance Audit Team Management and Skills</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
The SAI has established a system to ensure that” the audit team [collectively, and including external experts where required] has the necessary professional competence to perform the audit”, including: ISSAI 300:30. See also ISSAI 140: pg. 1017.		
a) “sound knowledge of [performance] auditing”, including an understanding of the applicable auditing standards. ISSAI 300:30	Met	Performance audit staff have received extensive training over the years via for example the CAAF support and fellowship program, INTOSAI-IDI, and a 1-month course provided in India (iCISA). In addition, it was evident from discussion with members of the AOG Performance Audit Unit that they were familiar with the relevant ISSAI standards for performance audit. Ten of the AOG’s current staff, including the AG himself, have participated in the CAAF’s Fellowship program over the years which focuses on enhancing performance audit and leadership skills.
b) “sound knowledge of (...) research design, social science methods and investigation or evaluation techniques”. ISSAI 300:30	Met	<b>Rating improved since 2019.</b> The sample of audit files reviewed found appropriate research design and methods to conclude on objectives and criteria.
c) “sound knowledge of government organizations, programmes and functions.” ISSAI 300:30	Met	It was evident from our review of the AOG’s performance audit working papers that their audit approach to each audit was built around a sound understanding of the government organizations and functions involved. The office maintains a topic register, which is built upon research and engagement within the public sector, and it is revisited continuously. Further, specific audits include a survey plan which details knowledge of the entities under audit.
d) “personal strengths such as analytical, writing and communication skills.” ISSAI 300:30	Met	It was also evident from the quality of writing in the public reports that the AOG staff had the requisite analytical, writing and communication skills. Performance audit staff have received training on report writing.



<p>e) The ability and experience to exercise professional judgment. ISSAI 300:31</p>	<p>Met</p>	<p>Over the years, and since the last SAI PMF Assessment, the AOG has transitioned away from needing the services of an international consultant to support its performance audit team and to supplement the team’s skills and experience. However, the office has supplemented its internal staff skills with outside subject matter experts (such as in the case of the Oil Spill and SDG-Health audits), when required and receive ongoing support from CAAF in the conduct of their audits. These controls have helped teams to exercise professional judgment where required. As of June 2024, four (occupational health, school feeding, oil spill and vocational training) of the last 11 performance audits tabled were part of the CAAF Fellowship Projects, and have benefited from review, consultation and mentoring by senior performance audit staff at the OAG B.C. It was also evident from our discussions with AOG performance audit staff that they have access to a range of advice both from within the AOG (from the Auditor General and the members of the Executive Management Committee) and CAAF.</p>
<p>f) The system ensures that the knowledge, skills and expertise required for conducting a performance audit are identified. SAI PMF Task Team</p>	<p>Met</p>	<p><b>Rating improved since 2019.</b> All PA staff have been through extensive training so are considered able to take on upcoming audits. Teams are assigned staff according to role (e.g. Manager, Team Lead, etc.) to ensure a balance of experience. Once an audit begins, the survey report includes a step to consider the need for outside expertise.</p>
<p>g) The system ensures that there are clear reporting lines and allocation of responsibilities within the team. SAI PMF Task Team</p>	<p>Met</p>	<p>The AOG Performance Audit Manual specifies the different responsibilities of the members of the performance audit team. This is reinforced in the planning and conduct of the audit with clear responsibilities assigned for the planning, conduct and review of the performance audit at all levels within the AOG. This was also evident in the review of a sample of files.</p>
<p>The SAI also provides support to its auditors as required to implement the adopted audit standards and develop their professional skills: INTOSAI-P 1:13, ISSAI 140: pg. 18-19, ISSAI 300:30 (E.g. in the form of audit manuals and other guidance material, continuous on-the-job training and promotion of professional development, access to experts and/or information from external sources.).</p>		

h) How to develop audit objectives and audit questions that relate to the principles of economy, efficiency, and/or effectiveness. ISSAI 300:25	Met	Performance audit staff have received extensive training over the years via for example the CAAF support and fellowship program, INTOSAI-IDI, and a 1-month course provided in India (iCISA). Program offerings include for example the foundations of performance audit including development of the audit plan and its components, through to report writing. Further, the office has received support and mentorship from external experts at the CAAF.
i) How to establish suitable audit criteria which correspond to the audit questions and are related to the principles of economy, efficiency and effectiveness. ISSAI 300:27	Met	See (h) above
j) How to design the audit procedures to be used for gathering sufficient and appropriate audit evidence. ISSAI 300:37	Met	See (h) above
k) How to apply different data gathering methods. ISSAI 300:38 (E.g. statistical analysis, surveys, interviews, etc.)	Met	See (h) above
l) How to evaluate the audit evidence in light of the audit objectives. ISSAI 300:38	Met	See (h) above
m) How to write audit reports which are comprehensive, convincing, reader-friendly and balanced. ISSAI 300:39	Met	See (h) above
n) How to write recommendations that are well-founded and add value. ISSAI 300:40	Met	See (h) above

***Dimension (iii): Quality Control in Performance Audit – Score 3***

Similar to 2019, all criteria except (e) have been met, giving a score of 3.

This Dimension examines how quality control measures for performance audit have been implemented in practice, as evidenced through the review of the audit files for the three performance audit reports selected as part of our sample.

<i>Dimension (iii): Quality Control in Performance Audit</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “All work carried out should be subject to review as a means of contributing to quality and promoting learning and personnel development”, and the review process should be documented. ISSAI 140: pg 19-20 (I.e. including review of the audit plan, working papers and the work of the team; and regular monitoring of progress by appropriate levels of management. The review should ensure that the applicable requirements are met and place emphasis on appropriate, balanced and fair reports that add value and address the audit questions. General quality control measures should be complemented by audit-specific measures. ISSAI 300:32; 37, SAI PMF Task Team).	Met	Evidence of extensive review and supervision is indicated throughout the sample of performance audit files reviewed, and completion checklists are reviewed and approved for each audit phase. Any shortcomings that the review process identifies are appropriately addressed and, where there are wider implications for the quality of the AOG’s performance audit activities, they are shared with AOG performance audit staff. Further, a new post-audit quality inspection, aligned ISSAI 3000 requirements, was implemented in 2024 (SDG-Health).
b) “Auditors should apply procedures to safeguard quality, ensuring that the applicable requirements are met (...).” ISSAI 300:32	Met	AOG performance audit work is comprehensively documented, and the review procedures clearly evidenced. Review of a sample of audits found that reports provided balance (e.g. relevant, positive findings were included alongside noted shortcomings) and addressed the audit questions.
c) “Where difficult or contentious matters arise, SAIs should ensure that appropriate resources (such as technical experts) are used to deal with such matters” ISSAI 140: pg 19	Met	A review of files found that issues are discussed within the team and to include peers from outside the team (SDG - A22/3). In the case of the SDG-Health and Oil Spill audits, external experts were used in the audit. Further, the Oil Spill audit was planned in, and supported by, a Canadian provincial audit office and included a planning committee review process. No contentious issues of the type envisaged by criterion (c) emerged from the performance audits reviewed.
d) “(...) any differences of opinions within the SAI are clearly documented and resolved before a report is issued” ISSAI 140: pg. 20	Met	Advisory committee meeting minutes (SDG - A22/3) reflected discussion of issues and decisions taken. No internal differences of opinion emerged from the review of files.
e) “SAIs should recognize the importance of engagement quality control reviews for their work and [where carried out] matters raised should be satisfactorily resolved	Not Met	All performance audit reports are challenged in a panel review by peers in the Performance Audit Unit at the reporting stage. This does not fully meet the requirement under ISSAI 140 since this no EQR was being performed at the

before a report is issued”. ISSAI 140: pg. 20 (I.e. the SAI should have a policy on whether and when to perform reviews of the whole audit by experienced auditor(s) not involved in the audit, prior to issuing a report – note that this is part of quality control and not quality assurance. SAI PMF Task Team)		planning or evidence collection stage, whereas EQR is required at all stages of any complex engagement. However as of 2024, the office has instituted a process of independent peer review in line with ISSAI 140.
f) “Procedures are in place for authorizing reports to be issued” ISSAI 140: pg. 20 (I.e. Carry out quality control review of draft reports; normally including review by different levels of management and possibly discussions with staff in the unit and/or external experts. SAI PMF Task Team).	Met	The AOG has a clearly defined process for finalizing its draft performance audit reports, confirming their approval and issuing the report. Examination and reporting checklists include AG sign-off, and an item indicating whether AG has approved the report. 2/3 sampled audits included AG sign-off of Examination and Reporting checklist.

#### 4.3.6 SAI-13: Performance Audit Process – Indicator Score 3

This indicator looks at how performance audits are carried out in practice. It assesses three dimensions:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Planning Performance Audits.	3	2
(ii) Implementing Performance Audits	3	3
(iii) Reporting of Performance Audits.	3	3
<b>Overall Score</b>	<b>3</b>	<b>3</b>

Since the last assessment, the AOG has dramatically expanded its performance audit practice. At the time of the 2019 performance audit accounted for a very small proportion of the AOG’s audit activities. It had issued just four performance audit reports in the preceding decade. It now produces about that many annually. We found that the reports compare favourably with those of other SAIs.

#### Background

The AOG performance audit process consists of three distinct phases:

- First, the planning and approval stage where the team develops its audit approach; defines the objective, criteria and methodology for the audit for formal approval of the audit by the AG; and the formal communication with the audited organization.

- Second, the fieldwork stage – in this phase the audit work is structured around the criteria developed to answer the overall audit objective and the individual audit processes and procedures to gather and analyze the information and data that the team requires to assess the performance of the audited entity against the criteria identified.
- Third, the report preparation and clearance phase – the performance audit team develops the draft report that they share with the audited entity for comment. The final letter from the Accounting Officer with any observations or comments together with his or her confirmation that the report is agreed is the final stage of the clearance process before the report is formally approved by the AG and submitted to the Speaker of the National Assembly.

All performance audit tests, procedures and processes are subject to review at the appropriate level. Review is documented to show who and when the review was carried out.

Accordingly, for the purposes of the SAI PMF assessment, we based our assessment of the AOG's Performance Audit Process on a review of the working papers of a sample of three performance audits:

- Audit 1: Performance Audit on Guyana's Preparedness for Marine Oil Spill Response - laid in Parliament in November 2022.
- Audit 2: Implementation of the International Health Regulations (2005), INTOSAI co-operative audit on strong and resilient national public health systems (linked to SDG 3d) – laid in Parliament in December 2023.
- Audit 3: Receipt, Storage, Allocation and Distribution of Text Books to Schools – laid in November 2022.

We supplemented this with detailed discussions and interviews with the staff of the AOG Performance Audit Unit.

Our review was facilitated by the consistent, structured way in which the AOG documented the three performance audits. All working papers were organized in a standard way, using standard forms where applicable, and all were clearly indexed and cross-referenced.

***Dimension (i): Planning Performance Audits – Score 3***

All criteria for this section were met, with the exception of criteria (j) in that audit teams don't explicitly assess the risk of fraud in planning.

The sample of audit files reflected progressive improvement in the documentation of audit practices over the period covered by these audits, in particular with regards to: topic identification (b), consideration of materiality at all audit stages (c), and understanding the need for expertise (l). For each performance audit we reviewed in the course of the SAI PMF, the AOG performance audit team prepared and completed an appropriate plan. This set out the issues to be addressed by the proposed performance audit together with relevant background information, the scope of the audit, the audit approach and methodology, the timing of the audit and the budget for the audit. The AOG performance audit team also develops appropriate methods and procedures for collecting and analyzing audit evidence linked to the audit objectives and criteria defined for the performance audit.

<i>Dimension (i): Planning Performance Audits</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “ (...) Audit-specific, substantive [on the subject matter] and methodological knowledge [is] acquired before the audit is launched (“pre-study”).” <i>ISSAI 300:37. See also ISSAI 3000:98.</i>	Met	Knowledge built on the subject matter is documented in the Audit Plan survey report. A planning phase checklist is also in use.
b) “Auditors should (...) analyse potential [audit] topics and conduct research to identify risks and problems.” <i>ISSAI 300:36.</i>	Met	The AOG conducts government-wide research and identifies potential topics in a 5-year topic register, which is revisited annually.
c) “Auditors should consider materiality at all stages of the audit process. Thought should be given not only to financial but also to social and political aspects of the subject matter, with the aim of delivering as much added value as possible.” <i>ISSAI 300:33. See also ISSAI 3000:83</i>	Met	<b>Rating improved since 2019.</b> Materiality, also referred to as 'significance', is a consideration throughout the audit stages. For example, planning includes an assessment of subject matter risks. Findings are expressed in the context of impact or consequences. And the reasons for undertaking the audit are articulated in the audit plan and final report.
d) “Auditors should set a clearly-defined audit objective that relates to the principles of economy, efficiency and effectiveness.” <i>ISSAI 300:25. See also ISSAI 3000:35.</i>	Met	The AOG defines the audit objectives of its performance audits in terms of economy, efficiency and effectiveness.
e) “[The] audit objectives can be framed as an overall audit question which can be broken down into more precise sub-questions.” <i>ISSAI 300:25. See also ISSAI 3000:36-37.</i>	Met	Audit objectives are framed as an overall audit question and are broken down into sub-criteria.
f) “Auditors should choose a result-, problem- or system- oriented approach, or a combination thereof, to facilitate the soundness of audit design.” <i>ISSAI 300:26. See also ISSAI 3000:40. (The audit approach determines the nature of the examination. Performance</i>	Met	AOG addresses the issues in its performance audits using mostly a system-oriented approach.

<i>auditing generally follows one of three approaches: a system-oriented approach; a result-oriented approach; or a problem-oriented approach. ISSAI 300:26.)</i>		
g) “Auditors should establish suitable criteria which correspond to the audit questions and are related to the principles of economy, efficiency and effectiveness.” ISSAI 300:27. See also ISSAI 3000:45.	Met	The AOG develops audit criteria for each of the performance audit’s objectives and these are linked to the issues of economy and efficiency identified for the overall objective for the performance audit.
h) “The criteria should be discussed with the audited entities, but it is ultimately the auditor’s responsibility to select suitable criteria.” ISSAI 300:27. See also ISSAI 3000:49.	Met	The AOG discusses its audit criteria with the audited entities in planning.
i) “When planning the audit, the auditor should design the audit procedures to be used for gathering sufficient appropriate audit evidence.” ISSAI 300:37. See also ISSAI 3000:101.	Met	The AOG develops audit procedures for collecting and analyzing audit evidence linked to the audit objectives and criteria defined for the performance audit. An Audit Logic Matrix is used to ensure that evidence collection strategies align with the audit objectives and audit questions
j) “When planning an audit, auditors should assess the risk of fraud.” ISSAI 300:37. See also ISSAI 3000:73.	Not Met	The AOG does not explicitly assess the risk of fraud while planning its performance audits.
k) “Auditors should plan the audit in a manner that contributes to a high-quality audit that will be carried out in an economical, efficient, effective and timely manner and in accordance with the principles of good project management.” ISSAI 300:37. See also ISSAI 3000:96 (I.e. considering the estimated cost of the audit and the key project timeframes and milestones. ISSAI 300:37.)	Met	The AOG prepares a detailed, costed work plan for each performance audit.
l) “Auditors should evaluate whether and in what areas external expertise is required, and make the necessary arrangements.” ISSAI 300:30. See also ISSAI 3000:65.	Met	The AOG assesses the need for expertise as part of its topic identification process, and again as part of audit planning. The AOG has retained outside expertise in select audits as needed.
m) The SAI has established a system to ensure that, at the audit engagement level, its auditors [and any contractors] comply with the following ethical requirements: integrity, independence and objectivity, competence, professional behaviour, confidentiality and transparency. ISSAI 30 (E.g. by avoiding long-term relations with the	Met	<b>Rating improved since 2019.</b> Team members complete a Declaration of Independence on each performance audit. In addition, each year they sign the Conflict-of-Interest Code and the Oath of Professional Conduct.

<i>same audited entity and requiring appropriate declarations from staff in relation to ethics and independence)</i>		
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### ***Dimension (ii): Implementing Performance Audits - Score 3***

A review of a sample of three performance audit files found that the expectations for this section were all met.

A score of 4 is not possible, since an independent assessment (e.g. quality assurance review, peer or independent review, iCAT subject to independent quality assurance) has not been conducted within the past three years of the SAI's performance audit practice, which confirms that the SAI complies with all the level 4 ISSAI requirements relevant to this dimension.

The sample of audit files reflected progressive improvement in the documentation of audit practices over the period covered by these audits, in particular with regards to: drawing audit conclusions (e), actively managing audit risk (h), and considering materiality at all stages (i).

Our review of the sample of performance audit files confirmed the consistent, structured way in which the AOG documented its performance audit work. This facilitated our assessment, as we were able to follow how the AOG had carried out each performance audit including how the AOG had reached its audit, findings, conclusions and recommendations.

The reviewed sample showed that the AOG performance audit team followed a methodical process of collecting and analyzing the required evidence to reach conclusions on the audit objective.

<b><i>Dimension (ii): Implementing Performance Audits</i></b>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) "Auditors should obtain sufficient appropriate audit evidence to establish findings, reach conclusions in response to the audit objectives and questions and [when appropriate] issue recommendations." ISSAI 300:23, 38. See also ISSAI 3000:106.	Met	The AOG obtains sufficient appropriate audit evidence to assess the subjective matter of the performance audit using the criteria specified for the audit.
b) "The auditor should evaluate the evidence with a view to obtaining audit findings." ISSAI 300:38.	Met	The AOG performance audit process involves the evaluation of the evidence collected in the course of the audit to develop its findings and conclusions.
c) Auditors should "combine and compare data from different sources (...)." ISSAI 300:38.	Met	The AOG compares and combines the data and evidence collected in the course of the audit.



d) “Based on the findings, the auditor should exercise professional judgement to reach a conclusion [which] provide[s] answers to the audit questions.” ISSAI 300:38.	Met	The AOG performance audit exercises appropriate professional judgment in formulating audit findings and conclusions.
e) The audit evidence “(...) should be placed in context, and all relevant arguments, pros and cons and different perspectives should be considered before conclusions can be drawn, reformulating the audit objective(s) and questions as needed.” ISSAI 300:38-39. See also ISSAI 3000:112.	Met	The AOG performance audit team evaluates the strength of the evidence collected and applies a systematic, analytical process of discussion and review to develop audit findings and conclusions. More recently, it uses a template to summarize its findings and analyze the causes and consequences of these findings.
f) “Performance auditing involves a series of analytical processes that evolve gradually through mutual interaction (...).” ISSAI 300:38.	Met	Performance audit data and results were collected through a series of analytical processes including internal and external review and discussion. This encompasses all key aspects of the performance audit process from the issues or questions to be examined, the related audit criteria through to the emerging findings and conclusions.
g) “A high standard of professional behaviour should be maintained throughout the audit process (...).” ISSAI 300:31. See also ISSAI 3000:75 (E.g. auditors should work systematically, with due care and objectivity. ISSAI 300:31.)	Met	Our review confirmed that the AOG documents its performance audits in a consistent, thorough and uniform manner that facilitates review.
h) “Auditors should actively manage audit risk, which is the risk of obtaining incorrect or incomplete conclusions, providing unbalanced information or failing to add value for users.” ISSAI 300:28. See also ISSAI 3000:52. (I.e. identify such risks, as well as mitigating measures, in the planning documents and actively follow up on them during the implementation of the audit. ISSAI 300:28.	Met	<b>Rating improved since 2019.</b> The AOG assesses and documents audit risk in planning. Mitigations are identified and carried out throughout the audit in the form of embedded quality control steps, external subject matter experts with the recognized skills to mitigate competency gaps, or other specific actions as needed. These practices have shown improvement and formalization over the period covered by the sample of audits reviewed.
i) “Auditors should consider materiality at all stages of the audit process. Thought should be given not only to financial but also to social and political aspects of the	Met	<b>Rating improved since 2019.</b> Same as for (i)(c)

subject matter, with the aim of delivering as much added value as possible.” ISSAI 300:33. See also ISSAI 3000:83		
j)” Auditors should maintain effective and proper communication with the audited entities and relevant stakeholders throughout the audit process (...).” ISSAI 300:29. See also 3000:55 (Including notifying the audited entity of the key aspects of the audit, including the audit objective, audit questions and subject matter. ISSAI 300:29.)	Met	Throughout the AOG performance audit process, there is continuing communication with the audited entity. This encompasses all key aspects of the performance audit process from the issues or questions to be examined, the related audit criteria through to the emerging findings and conclusions.
k) “Auditors should document the audit (...). Information should be sufficiently complete and detailed to enable an experienced auditor having no previous connection with the audit to subsequently determine what work was done in order to arrive at the audit findings, conclusions and recommendations.” ISSAI 300:34. See also ISSAI 3000:86.	Met	The audit files are well organized, thorough, and referenced.

***Dimension (iii): Reporting on Performance Audits – Score of 3***

All criteria for this section were met, with the exception of documenting changes to draft audit report.

Our review of the sample of AOG performance audits found that they are clearly and logically presented. They set out in a convincing way the findings, conclusions and recommendations flowing from the performance audit. They are well presented in a reader-friendly way using tables, illustrations and photographs to help convey their central messages. We noted that AOG has used a short upfront summary to highlight the main issues of interest to parliamentarians and citizens.

The process of completing reports is robust, involving internal quality control and discussions with the relevant Accounting Officer.

<i>Dimension (iii): Reporting on Performance Audits</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “In a performance audit, the auditors report their findings on the economy and efficiency [of the use of resources] and the effectiveness with which objectives are met.” ISSAI 300:39. <i>(It should be noted that reports may vary in scope and nature. They may for example assess whether resources have been applied in a sound manner, and/or comment on the impact of policies and programmes. ISSAI 300:39)</i>	Met	The AOG’s performance audit reports focus on the issues of economy, efficiency and effectiveness that have been addressed in the course of the performance audit.
b) “Auditors should strive to provide audit reports which are comprehensive (...)” ISSAI 300:39. <i>See also ISSAI 3000:116-117. (I.e. include all the information needed to address the audit objective and audit questions, while being sufficiently detailed to provide an understanding of the subject matter and the findings and conclusions. ISSAI 300:39)</i>	Met	The reports are comprehensive and encompass the findings, conclusions and recommendations of the performance audit. In this regard, the reports are organized so that they parallel the structure of the audit itself with each section of the final, published report dealing with each of the objectives and sub-objectives identified for the performance audit.
c) “Auditors should strive to provide audit reports which are (...), convincing (...)” ISSAI 300:39. <i>See also ISSAI 3000:116, 118. (I.e. that are logically structured and present a clear relationship between the audit objective, criteria, findings, conclusions and recommendations). ISSAI 300:38</i>	Met	The reports are clearly and logically presented and structured and set out in a convincing way the AOG’s findings, conclusions and recommendations.
d) “Auditors should strive to provide audit reports which are (...) reader-friendly (...)” ISSAI 300:38. <i>See also ISSAI 3000:116, 120 (I.e. are as clear and concise as the subject matter permits and phrased in unambiguous language.) ISSAI 300:38</i>	Met	The reports are presented in a user-friendly way using tables, illustrations and photographs to help convey their key messages.
e) “Auditors should strive to provide audit reports which are (...) balanced”. ISSAI 300:38. <i>See also ISSAI 3000:126, 131 (I.e. balanced in content and tone. All evidence needs to be presented in an unbiased manner). ISSAI 3000:131</i>	Met	The AOG expresses its reports’ findings and conclusions in order to strike the appropriate tone. In addition, the entity clearance process facilitates presenting the reports in a balanced, objective way.

f) “Auditors should consider materiality in all stages of the audit process.” ISSAI 300:33. <i>See also ISSAI 3000:83. (I.e. manage the risk of producing inappropriate or low-impact audit findings or reports. ISSAI 300:33)</i>	Met	Rating improved since 2019. same as for (i)(c)
g) “The report should include information about the (...) [audit] criteria [and their sources]”. ISSAI 300:39. <i>See also ISSAI 3000:122</i>	Met	The reports specify the performance audit’s objectives, the audit criteria used, and the source of those criteria.
h) The report should include conclusions in response to the audit objective and questions, “(...) clearly answer the audit questions or explain why this was not possible.” ISSAI 300:38-39. <i>See also ISSAI 3000:124.</i>	Met	The reports explicitly answer the objectives adopted for the performance audit and set out the conclusions flowing from the audit.
i) “If relevant and allowed by the SAI’s mandate, auditors should seek to provide constructive recommendations that are likely to contribute significantly to addressing the weaknesses or problems identified by the audit.” ISSAI 300:40. <i>See also ISSAI 300:39, ISSAI 3000:126</i>	Met	The reports contain recommendations aimed at improving the performance of audited entities.
j) “SAIs should declare which standards they apply when conducting audits, and this declaration should be accessible to users of the SAI’s report.” ISSAI 100:8. <i>(The reference to audit standards may be included in the audit report or communicated by the SAI in a more general form covering a defined range of engagements. ISSAI 300:7)</i>	Met	The reports contain a statement from the Auditor General explaining the standards used by the AOG.
k) “Audited entities should be given an opportunity to comment on the audit findings, conclusions and recommendations before the SAI issues its audit report.” ISSAI 300:29. <i>See also ISSAI 3000:129.</i>	Met	Audited entities are consulted throughout the audit process, including when the AOG finalizes report findings and conclusions.
l) “Any disagreements [with the audited entity] should be analyzed and factual errors corrected. The examination of feedback should be recorded in working papers so that changes to the draft audit report, or reasons for not making changes, are documented.” ISSAI 300:29. <i>See also ISSAI 3000:130</i>	Not Met	The AOG obtains feedback and corrections from audited entities on draft report findings. However, the changes made or not made in response to the feedback was not explicitly documented in the sample of files we reviewed. To remedy this gap, the AOG implemented a new template and process for audits underway at the time of the PMF assessment.

		Note: in one of the audits reviewed, the timeframe to publish was extended significantly to allow time for the audited entity to come to agreement with audit findings and conclusions.
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#### 4.3.7 SAI-14: Performance Audit Results – Indicator Score 3

This indicator relates to performance audit outputs. It assesses three dimensions:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Timely Submission of Performance Audit Reports.	1	0
(ii) Timely Publication of Performance Audit Reports.	4	4
(iii) SAI Follow-up on Implementation of Performance Audit Observations and Recommendations.	4	3
<b>Overall Score</b>	<b>3</b>	<b>2</b>

The assessment of SAI-14 is mainly based on a review of the published performance audit reports on AOGs website, the transmittal cover-letters to the Speaker of the National Assembly, interviews with the Performance Audit Unit team.

There has been significant improvement in this area since 2019. At the time of the previous SAI PMF Assessment, very few performance audit reports had been issued and there was not a systematic process in place for managing the issuance of their performance audit reports. Although no performance audits were issued between 2017-2020, 11 performance audit reports have been issued in 2021 (3 Reports), 2022 (5 Reports) and 2023 (3 Reports)

##### *SAI 14 - Dimension (i): Timely Submission of Performance Audit Reports Score - 1*

While there is no statutory deadline for the submission of performance audit reports, we noted that the AG has presented his performance audit reports at the same time as he presents his annual report, in September of each year from 2021 to 2023. We understand from the AG that moving forward, he may present performance audit reports at other times during the year as well.

Once the AG presents the audit report to the speaker, it is no longer in his control when the speaker will lay the report in Parliament. The report is considered published when the Speaker formally lays the report before the National Assembly. The AOG obviously cannot control the gap between giving the report to the Speaker and the Speaker laying the report before the National Assembly. This depends on recesses, and when the NA convenes.

Additionally, the PAC may or may not decide to add the review of the laid performance audit reports to their agenda. This is also not under the control of the Audit Office.

We did however note that there are significant time gaps between the completion of the field work, clearance letter to the auditee, and the date that this is presented to the speaker. Based on this, a score of 1 has been given signifying that “For at least 50% of performance audits, the report is submitted to the appropriate authority within 60 days of completion of the audit”.

AOG and accounting officers will need to work together to reduce these delays, to ensure that Parliament is expeditiously informed of significant issues.

Since 2019, 11 performance audit reports have been presented to the Speaker as below:

<b>Audit Title</b>	<b>Period</b>	<b>Date of Final Clearance Letter to Auditee</b>	<b>Date Presented to the Speaker</b>	<b>Date Laid in Parliament</b>	<b>Published on AOG Website</b>	<b>Reviewed by PAC</b>
<b>2021</b>						
A Review of the Old Age Pension Programme in Guyana Follow-up Audit	Jan 2015-April 2019	4 Sept. 2019	23 Sept. 2021	20 Mar. 2022	Yes	Not reviewed by PAC, but on their Agenda
Procurement, Storage and Distribution of COVID-19 Supplies	March 2020-Aug 2020	14 Sept. 2020	23 Sept. 2021	20 Mar. 2022	Yes	27 Feb 2023
COVID-19 Pandemic Assistance Voucher Programme	March 2020-Aug 2020	5 Jan. 2021	23 Sept. 2021	20 Mar. 2022	Yes	Not reviewed by PAC, but on their Agenda
<b>2022</b>						
Management of Drugs and Medical Supplies at the Ministry of Public Health and Regional Health Facilities	Jan 2015 – Aug 2018	20 Aug. 2020 1 <sup>st</sup> request 1 Feb, 2022 2 <sup>nd</sup> request	19 Sept. 2022	7 Nov. 2022	Yes	27 Feb 2023
Management of Health Care Waste at Hospitals	Jan 2017-July 2019	Mar. 2020	19 Sept. 2022	7 Nov. 2022	Yes	27 Feb 2023
Receipt, Storage and Distribution of Textbooks to Schools	Jan 2017-Dec 2019	9 Nov. 2020	19 Sept. 2022	7 Nov. 2022	Yes	Not reviewed by PAC, but on their Agenda
Review of Training Programmes Established and Developed by the Council of Technical and	Jan 2017-June 2019	28 Jun. 2021	19 Sept. 2022	7 Nov. 2022	Yes	Not reviewed by PAC, but on their Agenda

Vocational Education and Training						
Preparedness for Marine Oil Spill	Jan 2019- June 2020	9 Sept. 2022	19 Sept. 2022	7 Nov. 2022	Yes	Not reviewed by PAC, but on their Agenda
<b>2023</b>						
Strong and Resilient National Public Health Care Systems - SDG 3d (An INTOSAI co-operative audit) - Implementation of the International Health Regulations (2005)	Jan 2019- Dec 2020	5 Sept. 2023	15 Sept. 2023	11 Dec. 2023	Yes	Not on PAC Agenda
An Assessment of the MoE Hinterland School Feeding Programme	Jan 2018 – March 2020	17 Jul. 2023	15 Sept. 2023	11 Dec. 2023	Yes	Not on PAC Agenda
A Review of the Ministry of Labour's Occupational Safety and Health Inspection Process.	Jan 2021 – Dec 2022	1 Sept. 2023	15 Sept. 2023	11 Dec. 2023	Yes	Not on PAC Agenda

***SAI 14 - Dimension (ii): Timely Publication of Performance Audit Reports – Score 4***

As shown in the table above, all the above PA reports are available on the AOGs website.

Because AOG performance audit reports are, in effect, made public immediately after they are laid by the Speaker of the National Assembly, the score against this dimension is '4'. The specific assessment criterion is as follows:

**Score = 4:** Unless prohibited by legislation, the SAI publishes all its performance audit reports within 15 days after it is permitted to publish them.

***SAI 14 - Dimension (iii): SAI Follow-up on Implementation of Performance Audit Observations and Recommendations – Score of 4***

The Performance Audit Unit has put into place a practice of reviewing all reports issued three years prior to determine if a follow-up audit is necessary. In 2023, they would consider all audits laid in Parliament in 2020 (of which there were none.) The next audits which are due for follow-up were laid in Parliament in March 2022, and are not due for follow-up till 2025.



<i>Dimension (iii): SAI Follow-up on Implementation of Performance Audit Observations and Recommendations</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “Auditors should follow up previous audit findings and recommendations wherever appropriate.” <i>ISSAI 300:42. See also ISSAI 3000:136.</i>	Met	The process established it to perform follow-up audits after 3 years. Based on this, since no audit was done between 2017-2020, there were no follow-up audits scheduled in 2023. There are three audits that were laid in Parliament in March 2022, one of which was in itself a Follow-up audit. All other performance audits that were completed between the years 2021 to 2023 are scheduled for follow-ups from 2025 to 2027.
b) “Follow-up is not restricted to the implementation of recommendations but focuses on whether the audited entity has adequately addressed the problems and remedied the underlying situation after a reasonable period of time.” <i>ISSAI 300:42. See also ISSAI 3000:139.</i>	Met	Based on the reading of the performance audit report of the one follow-up audit that has been done in 2021, i.e. Review of the old age pension programme in Guyana, this is met
c) If possible, the follow-up reports include “(...) the conclusions and impacts of all relevant corrective action. <i>ISSAI 300:42. See also ISSAI 3000:136.</i>	Met	Same as b above
d) The SAI’s “follow-up procedures allow for the audited entity to provide information on corrective measures taken or why corrective actions were not taken.” <i>INTOSAI-P 20:3</i>	Met	Same as b above
e) “Follow-up should be reported appropriately in order to provide feedback to the legislature (...)” <i>ISSAI 300:42. See also INTOSAI-P 10:7 and ISSAI 3000:136.</i>	Met	Same as b above
f) “Follow-up results may be reported individually or as a consolidated report, which may in turn include an analysis of different audits, possibly highlighting common trends and themes across a number of reporting areas.” <i>ISSAI 300:42</i>	Met	Follow-up results are reported individually.
g) The SAI has established a practice for evaluating materiality and the importance of the identified problems in order to determine if a follow-up requires a new additional audit. <i>SAI PMF Task Team, ISSAI 100:41, ISSAI 300:33. See also ISSAI 3200:152-153.</i>	Met	<b>Rating improved since 2019.</b> After three years, when an audit comes due for follow-up the AG will consider the value add and relevance of a follow-up audit. For example, given the time bound nature of the audits related to COVID 19 Vaccines and pandemic voucher assistance, the AG is not planning any follow-up audits for these



		audits done in 2021. This forms part of the ‘PA Units List of Performance audits’, which is a live document and continuously updated. However, the manual still needs to be updated for the proposed new process.
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#### 4.3.8 SAI-15: Compliance Audit Standards and Quality Management – Indicator Score 3

“SAI 15 seeks information on the level of compliance with available standards and other relevant guidance. It also assesses the competencies and experience of the personnel doing these audits”.

This indicator has 3 dimensions:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Compliance Audit Standards and Policies	2	2
(ii) Compliance Audit Team Management and Skills	3	3
(iii) Quality Control in Compliance Audit	3	3
<b>Overall Score</b>	<b>3</b>	<b>3</b>

*The assessment of SAI-15 is mainly based on the risk-based 2011 Audit Manual, the quality assurance manual and the training records available with HR.*

The AOG has traditionally combined its Financial and Compliance audits. There is however a lack of clarity on applicability of ISSAI 4000 across the working papers and audit report, and based on the extent of testing, it is subjective to determine whether the audits could be treated as combined financial/regulatory audit under ISSAI 4000 or a financial audit with audit consideration of compliance aspects under ISSAI 2250.

Discussions with senior management arising out of the SAI PMF exercise, indicate that compliance with the requirements of ISSAI 2250<sup>8</sup> would likely meet their statutory requirements under Section 24 of the 2004 Audit Act to conduct compliance audits. This would also be in line with the general

<sup>8</sup> 2.36. Public sector auditors typically have a responsibility to evaluate compliance with authorities as part of their mandate. Part of this responsibility may be met from the application of ISSAI 2250 as described above but public sector auditors may be required to or may choose to evaluate compliance with other authorities that may not be in scope of ISSAI 2250. It is often most efficient to evaluate compliance with such other authorities as part of the annual financial statement audit process since the auditor is typically evaluating material economic activities that have occurred when testing financial statements and since the same samples that are selected and tested to gain comfort over the financial statements may also be relevant to the testing of compliance with such other authorities. For example, when testing a sample of purchases to gain comfort over relevant financial statement assertions, an auditor may evaluate compliance with a procurement authority that controls an element of the purchasing process but that does not have a direct or indirect effect on the financial statements.

2.37. The financial audit ISSAIs allow for the reporting of the results of testing of compliance with authorities in the auditor’s report when this reporting is necessary to meet a specific statutory reporting requirement. This information must be reported in a separate paragraph in the auditor’s report that is entitled “Report on Other Legal and Regulatory Requirements”. These authorities may or may not be within the scope of ISSAI 2250.

practice across the Caribbean, where no other SAI is issuing separate compliance audit opinions under ISSAI 4000. Accordingly, full compliance with ISSAI 4000 would be unnecessarily burdensome without significant value addition. Steps are intended to be taken to achieve compliance with ISSAI 2250 in the months to come. Nonetheless, an assessment has been performed against SAI-15 to SAI-17 in this report. None of the standards provide detailed guidance on combined audits of this nature, and relevant sections of ISSAI 4000 will continue to be referred to for good practice, such as adequately incorporating compliance criteria and subject matter into planning, as well as issuing a concrete opinion. Additionally, this is in keeping with the approach and interpretation made during the 2019 SAI PMF Assessment. As such, future assessments may take a different approach to assessing SAI-15 to SAI-17.

The guidance available to AOG staff and the AOG's audit practice have together focused mainly on financial audit. The Audit Procedures Manual (2006) needs to be updated to reflect the relevant requirements for compliance audits. The work programmes in use also need to be updated to adequately cover the requirements of compliance audits. Overall, the combined audit process at the AOG is robust and well documented. The files we reviewed showed strong evidence of planning, proper documentation of fieldwork and adequate consideration of audit findings.

#### ***SAI 15 - Dimension (i): Compliance Audit Standards and Policies – Score 2***

There is no significant change since the previous assessment in 2019, with four criteria not met. Criteria (b), (c) and 12 other criteria were met to give a score of 2.

While there is a manual for both financial and compliance audit (the 2006 APM with revised sections in 2011 Manual), this continues to have a focus on financial audit methodology. There is less detailed guidance on compliance audit within the manual, and significant scope for the Manual to be made more up to date. Some specific areas for improvement within the manual include (i) clarifying that ISSAI 400 and 4000 should be applied to compliance aspects of the combined audits (ii) Compliance Audit aspects of the engagement are not explicitly required to be communicated in the Engagement Letter. In addition, there is less guidance on communications through the rest of the audit (such as exit meetings, discussing emerging findings etc.) (iii) There is not enough guidance to document the Subject Matter and Criteria in the planning documents in accordance with ISSAI 4000, (iv) Preparation of Reports within Section 8 of the manual does not reflect the reporting requirements for Compliance or Regularity audits. The AOG also applies two other Quality Assurance Manuals (AOG Quality Assurance Manual - October 2008 and the CAROSAI Quality Assurance Handbook), however, neither contains a significant amount of guidance specific to compliance audit.

<i>Dimension (i): Compliance Audit Standards and Policies</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
The SAI has developed national audit standards consistent with ISSAI 400 or has adopted the Compliance Audit Standard (ISSAI 4000) as its authoritative standards. ISSAI 400:5 Adoption of standards consistent with ISSAI 400 can be considered to fulfill all the following criteria a)-o):		Overarching issue is that there is not enough compliance with ISSAI 4000 within the Manuals and the Audit Working Paper Files
a) "(...) The elements relevant to compliance auditing (...) should be identified by the auditor before commencing the audit." ISSAI 400:27 (I.e. identify the applicable authorities covering regularity and, if necessary, propriety requirements; the subject matter; intended users of the report; and level of assurance to be provided, whether reasonable or limited) ISSAI 400:28-41	Not Met	Risk based Audit Manual of 2011 para 1.3 states "The external audit of government companies is governed by several legislative instruments, the most significant being the Companies Act 1991, the FMAA (2003) and the Audit Act 2004." Para 1.12 also mentions "the rules, procedures and internal management controls are sufficient to secure effective control on the assessment, collection and proper allocation of revenues; (d) all moneys expended and charged to an account have been applied to the purposes which they were intended; and (e) essential records are maintained, and the internal management controls and the rules and procedures established and applied are sufficient to safeguard the control of stores and other public property." Reasonable assurance is implied in the Audit Manual (para 1.3 of 2011 Manual) since this is an audit and not a review. Users are also identified (National Assembly). However, the Audit Manual does not clarify under which standards (ISSAI 400 and 4000) should be applied, in particular the need to specify the subject matter.
b) "Auditors should consider audit risk throughout the audit process." ISSAI 400:46 (I.e. The auditor should consider three different dimensions of audit risk: inherent risk, control risk and detection risk) ISSAI 400:46	Met	The original APM Volume I includes this in Section 5.27 to 5.38 and 6.23 to 6.35. This is also covered in Sections 5.30-5.31 of 2011 Manual. Para 4.16 of 2011 Manual states "For compliance audits, evaluations and studies will be directed towards controls that have been implemented by management to assist in following and complying with laws and regulations." Prior year findings and regulatory framework also drive the risk assessment and the level of testing of compliance with key regulations. See section 5.18. Table of Risk in the Audit Manual also incorporates non-compliance with relevant regulatory frameworks.

c) “Auditors should consider materiality throughout the audit process.” ISSAI 400:47. (I.e. including consideration of materiality by value, nature and context) See also ISSAI 4000:94-99.	Met	This is covered in the 2006 manual in Section 6.23 to 6.35. This is also further elaborated and explained in sections 5.19-5.29 of the 2011 Manual. 2011 Manual See sections 5.19, 5.25 and 5.26. Consideration of 'profile' as well as factors like media, Parliament and General Public.
d) “Auditors should prepare sufficient audit documentation.” ISSAI 400:48	Met	Audit Documentation and Work Papers Section 11 of the APM. Documentation requirements also indicated throughout the manual. See Section 5.45 and 6.36 to 6.38 of APM.
e) “Auditors should establish effective communication throughout the audit process.” ISSAI 400:49	Not Met	There is good guidance generally on planning, entry and engagement letters at the preparation of the audit (Sections 5.10-5.16). However, compliance Audit aspects of the engagement are not explicitly required to be communicated in the Engagement Letter. In addition, there is less guidance on communications through the rest of the audit (such as exit meetings, discussing emerging findings etc.)
f) “Auditors should identify the subject matter and suitable criteria.” ISSAI 400:51	Not Met	Subject Matter and Criteria are not adequately spelled out in the requirements for planning documents
g) “Auditors should determine the audit scope.” ISSAI 400:50	Met	This is covered within the manual, however the guidance on compliance aspects could be expanded on and made more explicit. See the 'Scope of audit' section of the template Letter of Understanding (appendix to Section 5)
h) “Auditors should understand the audited entity in light of the authorities governing it.” ISSAI 400:52	Met	Understanding of Business is adequately covered under the manual. This includes regulatory aspects. 5.17-5.18
i) “Auditors should understand the control environment and the relevant internal controls.” ISSAI 400:53	Met	See Section 5 of 2011 Manual
j) “Auditors should perform a risk assessment.” ISSAI 400:54 (I.e. to determine the nature, timing and extent of audit procedures) See also ISSAI 4000:120).	Met	See Section 5 of 2011 Manual
k) “Auditors should consider the risk of fraud.” ISSAI 400:55	Met	See Section 5.32 to 5.37 of the 2011 Manual
l) “Auditors should [plan the audit by] develop[ing] an audit strategy and an audit plan.” ISSAI 400:56	Met	See Section 5 of 2011 Manual

m) “Auditors should gather sufficient and appropriate audit evidence to cover the scope of the audit.” ISSAI 400:57	Met	This is adequately covered within the manual. See Section 6 'Internal Controls and ICQ assessments' as well as Section 7 on substantive audit procedures
n) “Auditors should evaluate whether sufficient and appropriate audit evidence is obtained and form relevant conclusions.” ISSAI 400:58	Met	This is adequately covered within the manual. See Section 6 'Internal Controls and ICQ assessments' as well as Section 7 on substantive audit procedures
o) “Auditors should prepare a written report based on the principles of completeness, objectivity, timeliness and a contradictory process.” ISSAI 400:59. See also ISSAI 400:158.	Not Met	There is useful guidance on the Preparation of Reports within Section 8 of the manual, however, the guidance is entirely on the preparation of Reports emanating from financial audits and does not reflect the reporting requirements for Compliance or Regularity audits.
The SAI has also adopted policies and procedures about how it has chosen to implement its audit standards, which should cover the following:		
p) “determining materiality [through] professional judgment [based] on the auditor’s interpretation of the users’ needs (...) in terms of value, (...) the inherent characteristics [nature] of an item [and] the context in which it occurs.” ISSAI 400:47	Met	Same as c)
q) requirements for audit documentation, to ensure “the auditor should prepare relevant audit documentation before the audit report or the Auditor’s Report is issued, and the documentation should be retained for an appropriate period of time” ISSAI 400:48	Met	Same as d)
r) determining the nature, timing and extent of audit procedures to be performed:	Met	
• in light of the criteria and scope of the audit, characteristics of the audited entity and results of the risk assessment ISSAI 400:54		Same as b)
• for the purpose of obtaining sufficient and appropriate audit evidence ISSAI 400:57		Same as m)
• and to evaluate whether the evidence obtained is sufficient and appropriate so as to reduce audit risk to an acceptably low level including considerations of materiality and the assurance level of the audit ISSAI 400:58 (If necessary, including an approach to calculating		Same as n)

minimum planned sample sizes in response to materiality, risk assessments, and assurance level, based on an underlying audit model).		
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***SAI – 15 Dimension (ii): Compliance Audit Team Management and Skills – Score 3***

All criteria were met, except for two gaps concerning identifying authorities and criteria.

Criteria (a), (e), (o) and at least nine of the other criteria above are in place, which gives a score of 3.

The AOG has established a system to ensure that “individuals in the audit team should collectively possess the knowledge, skills and expertise necessary to successfully complete the compliance audit” as required in ISSAI 400:45.

The AOG also provides support as necessary to its auditors in the form of training courses and on-the-job training to its staff. Furthermore, from our review of audit files and discussions with the responsible teams, there was adequate evidence that teams had the required competencies. That said, we did not see a documented assessment in the audit files confirming that the team collectively had the appropriate competencies, which would strengthen AOG’s ability to demonstrate compliance with standards.

Improvements are needed in providing teams with guidance about how to identify authorities that should be considered for audit, and developing criteria for the compliance assessment.

<i>Dimension (ii): Compliance Audit Team Management and Skills</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
<i>The SAI has established a system to ensure that “individuals in the audit team should collectively possess the knowledge, skills and expertise necessary to successfully complete the compliance audit”. This includes ISSAI 400:45:</i>		
a) An understanding of and practical experience of the type of audit being undertaken	Met	This is adequately covered in Section 4.6 to 4.11 of the Audit Procedures Manual. Subject covered in internal and external training
b) An understanding of the applicable standards and authorities	Met	This is adequately covered in Sections 4.6 to 4.14 of the Audit Procedures Manual. Subject covered in internal and external training.
c) An understanding of the audited entity’s operations	Met	This is adequately covered in Section 5.10-18 of the Audit Procedures Manual. Subject covered in internal and external training
d) The ability and experience to exercise professional judgment	Met	Professional judgment is discussed in the Audit Procedures Manual, in relevant sections

<i>The system ensures that:</i>		<i>The SAI's quality control procedures and the steps and procedures to be applied by the auditor to achieve high-quality audits are covered in (a) AOG 2011 Audit Procedures Manual Volume 1, (b) AOG Quality Assurance Manual Oct 2008, and (c) Quality Assurance for Financial Audits - A Handbook for SAIs in CAROSAI,</i>
e) The knowledge, skills and expertise required for conducting the compliance audit are identified. SAI PMF Task Team	Met	The SAI's reporting arrangements are covered in AOG 2011 Audit Procedures Manual section 4.
f) If external experts are used, it is evaluated whether they have the necessary competence, capabilities and objectivity. SAI PMF Task Team	Met	This is adequately covered in Section 4 of the Audit Procedures Manual
g) There are clear reporting lines and allocation of responsibilities within the team. SAI PMF Task Team	Met	This is adequately covered in Section 5.6-.7 of the Audit Procedures Manual
<i>The SAI provides support as necessary to its auditors on the following: (E.g. in the form of audit manuals and other guidance material, continuous on-the-job training and promotion of professional development, access to experts and/or information from external sources.)</i>		See summary of training below
h) identifying applicable authorities based on “formal criteria, such as authorizing legislation, regulations issued under governing legislation and other relevant laws, regulations and agreements, including budgetary laws (regularity)” and “where formal criteria are absent or there are obvious gaps in legislation... general principles of sound public sector financial management and conduct of public sector officials (propriety)” ISSAI 400:32	Not Met	The APM does not clearly identify this step in a compliance audit.
i) identifying suitable criteria as a basis for evaluating audit evidence, developing audit findings and concluding ISSAI 400:51	Not Met	Compliance criteria are not explicitly stated
j) determining the elements relevant to the level of assurance to be provided (I.e. reasonable or limited assurance) ISSAI 400:41	Met	<b>Rating improved since 2019.</b> In practice, all AOG work is conducted at an audit level of assurance, as mandated in the Audit Act. Accordingly, this point is academic at AOG.

k) considering “three different dimensions of audit risk: inherent risk, control risk and detection risk” ISSAI 400:46	Met	This is adequately covered in Section 5 and 6 of the Audit Procedures Manual as well as the appended Internal Control Questionnaires.
l) understanding “the control environment and the relevant internal controls” and assessing “the risk that the internal controls may not prevent or detect material instances of non-compliance”. ISSAI 400:53	Met	This is adequately covered in Section 5 and 6 of the Audit Procedures Manual as well as the appended Internal Control Questionnaires.
m) including “fraud risk factors in the risk assessment “and exercising “due professional care and caution” if coming across instances of non-compliance which may be indicative of fraud ISSAI 400:55	Met	See fraud in sections 5.32-5.37. Non-compliance is not explicitly discussed, but most instances of fraud would constitute a non-compliance
n) determining “the nature, timing and extent of audit procedures to be performed” ISSAI 400:54 “in light of the criteria, scope and characteristics of the audited entity” ISSAI 400:54 and “the identification of risks and their impact on the audit procedures” ISSAI 400:54	Met	This is adequately covered in Section 5 and 6 of the Audit Procedures Manual as well as the appended Internal Control Questionnaires.
o) developing “an audit strategy and an audit plan” ISSAI 400:56	Met	This is adequately covered in Section 5 and 6 of the Audit Procedures Manual as well as the appended Internal Control Questionnaires.
p) gathering “sufficient appropriate audit evidence to provide the basis for the conclusion or opinion” covering the quantity of evidence, its relevance and reliability and how “the reliability of evidence is influenced by its source and nature, and is dependent on the individual circumstances under which the evidence is obtained” and the need for “a variety of evidence gathering procedures of both quantitative and qualitative nature.” ISSAI 400:57	Met	This is adequately covered in Section 5 and 6 of the Audit Procedures Manual as well as the appended Internal Control Questionnaires.
q) preparing a written report in an appropriate form, so “the report should be complete, accurate, objective, convincing, and as clear and concise as the subject matter permits” ISSAI 400:59	Met	see APM 4.22-.25

***SAI – 15 - Dimension (iii): Quality Control in Compliance Audits – Score 3***

All criteria were met, with the exception of a gap in specific guidance around how quality control procedures differ for compliance audits. There is no change in score since the 2019 assessment.



AOG has various quality control processes in place. The Audit Procedures Manual includes a requirement for multi-stage review of all audit work. AOG has recognized the need to use EQR, and has assigned an independent EQR this year, chosen from among other AOG audit managers. Our review of sample audits confirmed that audit plans and reports are reviewed and signed off when final.

We reviewed the audit files for our sample of audits to assess whether the Quality Control process included, in practice, specific coverage of the standards for Compliance Audit. The checklists are named specifically for Financial Audits and include light references to regularity or compliance. There is therefore a gap in the guidance around quality control procedures as they apply specifically for compliance audits.

<i>Dimension (iii): Quality Control in Compliance Audits</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) "All work carried out should be subject to review as a means of contributing to quality and promoting learning and personnel development". <i>ISSAI 140: pg. 19 (I.e. including review of the audit plan, working papers and the work of the team, and regular monitoring of progress of the audit by appropriate levels of management. The review should be aimed at ensuring that the audit complies with the applicable standards and that the audit report, conclusion or opinion is appropriate given the circumstances. ISSAI 400:44, SAI PMF Task Team)</i>	Met	Evidence in the APM section 7.20-.21 and 8.25-.26 of policies on supervisor review of work conducted. Our sample audits showed evidence of review and sign-off on plans and completed files. Moreover, an audit review checklist for supervisor, manager and director was included in some files.
b) "The auditor (...) should implement quality control procedures during the audit... aimed at ensuring that the audit complies with the applicable standards". <i>ISSAI 400:44</i>	Not Met	Although the guidance on Quality Control procedures is mostly relevant, it is generally focused on Financial Audits. There is a gap in specific guidance around Quality Control procedures for Compliance audits.
c) "Where difficult or contentious matters arise, SAIs should ensure that appropriate resources (such as technical experts) are used to deal with such matters" <i>ISSAI 140: pg. 19</i>	Met	The APM includes provision for engaging experts in technical areas such as IT, banking and debt. We were told that these do not arise in practice, so that technical experts are not needed.
d) "(...) any differences of opinions within the SAI are clearly documented and resolved before a report is issued". <i>ISSAI 140: pg. 20</i>	Met	Page 33 of the CAROSAI QA Handbook in use at the AOG includes a requirement for the SAI to have policies and procedures for dealing with differences of opinion within the engagement team, and for the SAI to document in detail the resolution and implementation of conclusions

		reached. However, it was not possible to see routine documentary evidence of how differences of opinion are resolved. In practice, these do arise, such as between the Quality Assurance Unit and the engagement team when it conducts a quality control review prior to report signing. Discussions are held within AOG to resolve the differences, and we were told that the report is issued only if the QA Unit has signed off. This was also confirmed in our sample of files. This criterion is being scored as 'Met' since there is nothing to show that unresolved disagreements remained which would require documentation. It is a common practice to remove review notes once they have been cleared. However, documentation could be improved by including a confirmation that there are no pending unresolved issues or differences of opinion and that all significant matters were discussed.
e) "SAIs should recognize the importance of engagement quality control reviews for their work and [where carried out] matters raised should be satisfactorily resolved before a report is issued". ISSAI 140: pg. 20 (I.e. review by experts not involved in the audit)	Met	For high-risk audits, the Quality Unit does a hot review before report signing, and the AG signs only if they have signed off. AOG has recognized the need to further use EQR, and has assigned an independent EQR this year, chosen from among other AOG audit managers.
f) "Procedures are in place for authorizing reports to be issued". ISSAI 140: pg. 20 (I.e. Carry out quality control review of draft reports; normally including review by different levels of management and possibly discussions with staff in the unit and/or external experts).	Met	Sign-off procedures are set out in the APM section 8, including consideration of subsequent events and final review (8.25-.30)

### 4.3.9 SAI-16: Compliance Audit Process – Indicator Score 2

SAI 16 seeks information on how compliance audits are done in practice at the planning, implementation and reporting stages of the audit cycle.

This indicator has three dimensions:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Planning Compliance Audits	1	1
(ii) Implementing Compliance Audits	3	3
(iii) Evaluating Audit Evidence, Concluding and Reporting in Compliance Audits	2	2
<b>Overall Score</b>	<b>2</b>	<b>2</b>

Compliance auditing is a key part of the Guyana system of accountability. AOG provides detailed results of compliance testing in the Annual Report. These results are grouped by ministry/region, with a long-form report of several pages for each. Identified non-compliance typically includes the extent of unspent appropriations, salary and other overpayments, and non-compliance with storage rules. The PAC conducts oversight hearings based on this information, using it to question at length the responsible Accounting Officer. As well, audit opinions of some separate entities and funds require an opinion on compliance.

We found the compliance testing was thorough, so Parliament and Guyanese can rely on the reports where non-compliance is identified. Audit Plans set out the logic of the type and extent of audit procedures to be performed. Evidence-gathering and analysis procedures were sufficient and appropriate to compliance testing. The expected quality control reviews were also undertaken and well documented.

We did, however, note that the reporting of non-compliance could better support parliamentary and public oversight. The annual report lacks a compliance opinion or conclusion which would provide an overview of the extent of non-compliance across the entire government, and which ministries/regions are most problematic. As the Guyana public sector grows, parliamentarians will need information to help them focus on the most significant issues requiring oversight. We did note some examples of good practice, such as a summary of non-compliance on capital projects in the 2022 report.

The AOG has traditionally combined its Financial and Compliance audits in its policies and guidance to AOG staff with most focus on financial audit. There are several areas for improvement to increase the level of focus on compliance audits, primarily to update audit guidance to comply with ISSAI 4000 or 2250 as relevant, improve the planning to clarify the subject matter and criteria, improve the documentation of the consideration of risks and internal controls, especially the risk

of fraud, and to properly conclude and report on the results of the compliance audit. This could permit the condensing of the Annual report sections on individual ministries/regions.

The assessment of this indicator is based on our review of a sample of seven AOG audits for the year 2022, including all audits we selected for review under SAI 10. Based on discussions with AOG senior management, we excluded the three financial audits that did not have a compliance component under ISSAI 4000 (two donor-funded projects and the Guyana Telecommunication Agency). Although due to the lack of clarity on applicability of ISSAI 4000 across the working papers and audit report, it was a little subjective to determine whether an audit was a combined financial/regulatory audit or a financial audit with audit consideration of compliance aspects to support the opinion on the fairness of the financial statements. We structured this sample to reflect as closely as possible the AOG's 'audit universe'.

The seven audits we reviewed were as follows:

- Ministry of Labour
- Ministry of Housing and Water
- Region 4- Demerara/ Mahaica
- The Women and Gender Equality Commission
- Guyana Oil Company Limited (GUYOIL)
- Guyana Power and Light Incorporated (GPL)
- Natural Resource Fund

The review covered a study of the complete audit working files and interviews with the respective audit teams who had done the audit and with their division heads.

### ***SAI 16 - Dimension (i) Planning Compliance Audits – Score 1***

There is no change in score since 2019. From our review of our sample of audits, we found that nine out of the 11 criteria for this dimension were not met. The main reason was the need to more explicitly separate compliance audit work from the financial statement work, beginning with audit guidance and extending into the conduct of these combined audits. For example, standards require that criteria be explicitly identified in a compliance audit, unlike a financial audit where the criteria are already stated in the accounting framework. This is not contained in AOG guidance.

<i>Dimension (i) Planning Compliance Audits</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “The elements relevant to compliance auditing... should be identified by the auditor before conducting a compliance audit.” <i>ISSAI 400:27 (I.e. identify the applicable authorities covering regularity and, if necessary, propriety, requirements; the subject matter; intended users of the report; and level of assurance to be provided, whether reasonable or limited) ISSAI 400:28-41</i>	Not Met	For 2/7 samples, applicable authorities governing regularity were explicitly considered in the audit plan and engagement letter, but not for the remainder. Nonetheless, relevant elements were included in detailed audit work for all seven audits.
b) “Auditors should consider audit risk throughout the audit process.” <i>ISSAI 400:46 (I.e. the auditor should consider three different dimensions of audit risk: inherent risk, control risk and detection risk) and “Auditors should perform a risk assessment to identify risks of non-compliance.” ISSAI 400:54 (I.e. to determine the nature, timing and extent of audit procedures)</i>	Not Met	Planning risk assessment does not cover all aspects of risk. Internal control evaluations, where completed, focused on financial systems.
c) “Auditors should consider materiality throughout the audit process.” <i>ISSAI 400:47. See also ISSAI 4000:94. (I.e. including consideration of materiality by value, nature and context)</i>	Not Met	Materiality of non-compliance with laws and regulations is not specifically mentioned in the audit planning, although this is required by 2011 Manual in para 5.26
d) “Auditors should maintain effective communication throughout the audit process” and “the auditor should also inform the responsible party of the audit criteria.” <i>ISSAI 400:49</i>	Not Met	We saw evidence of effective communication throughout the audit process, with engagement letters, queries during audits and draft reports, but these did not clearly distinguish compliance from financial aspects of the audit, and did not identify audit criteria.
e) “Auditors should identify the subject matter and suitable criteria” based on applicable authorities, as a basis for evaluating audit evidence. <i>ISSAI 400:51</i>	Not Met	compliance subject matter was identified in some audits, but none explicitly set out compliance criteria as required in standards.
f) “Auditors should determine the audit scope (...) [as] a clear statement of the focus, extent and limits in terms of the subject matter’s compliance with the criteria.” <i>ISSAI 400:50</i>	Not Met	audit programs are not explicit about which audit work constitute compliance testing

g) “Auditors should understand the audited entity in light of the relevant authorities [governing it].” <i>ISSAI 400:52</i>	Met	Audit teams demonstrated their knowledge of the entity in plans and reports. Authorities where non-compliance was found are presented in audit report, demonstrating this understanding.
h) “Auditors should understand the control environment and the relevant internal controls (...).” <i>ISSAI 400:53</i>	Not Met	Control environment specific to compliance not explicitly identified. Internal control evaluations varied in thoroughness.
i) “Auditors should consider the risk of fraud” by including fraud risk factors in their risk assessments. <i>ISSAI 400:55</i>	Not Met	No specific consideration in relation to the risk of fraud was documented in any of the sampled audits.
j) “Auditors should [plan the audit by] developing an audit strategy and an audit plan (...) both the audit strategy and audit plan should be documented in writing.” <i>ISSAI 400:56</i>	Met	Audit strategies and plans were developed and contained compliance testing in several areas.
k) The SAI has established a system to ensure that, at the audit engagement level, its auditors [and any contractors] comply with the following ethical requirements: integrity, independence and objectivity, competence, professional behaviour, confidentiality and transparency. <i>ISSAI 30 (E.g. by avoiding long-term relations with the same audited entity and requiring appropriate declarations from staff in relation to ethics and independence)</i>	Not Met	A thorough system of annual and engagement specific declarations is in place, but 2/7 sample audits did not have independence declarations completed for all staff on the engagement.

### ***SAI 16 - Dimension (ii) Implementing Compliance Audits – Score 3***

This dimension has five criteria of which all were met, reflecting the fact that these audits are carried out well. A score of 4 is not possible without a recent independent assessment.

The Audit Plans set out the logic of the type and extent of audit procedures to be performed. Evidence-gathering and analysis procedures were sufficient and appropriate to compliance testing.

<i>Dimension (ii) Implementing Compliance Audits</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) The auditor has “determine[d] the nature, timing and extent of audit procedures to be performed” in light of the criteria and scope of the audit, characteristics of the audited entity and results of the risk assessment <i>ISSAI</i>	Met	The Audit Plans set out the logic of the type and extent of audit procedures to be performed.

<p>400:54 “for the purpose of obtaining sufficient and appropriate audit evidence” ISSAI 400:57 (If relevant, the SAI’s approach to calculating minimum planned sample sizes in response to materiality, risk assessments, and assurance level, has been applied).</p>		
<p>b) “If the auditor comes across instances of non-compliance which may be indicative of fraud, he or she should exercise due professional care and caution so as not to interfere with potential future legal proceedings or investigations” ISSAI 400:55 and should follow the SAIs procedures for handling indications of fraud.</p>	Met	No incidences of fraud were detected in the sample of audits reviewed.
<p>c) Where external experts are used, “auditors should evaluate whether the expert have the necessary competence, capabilities and objectivity and determine whether the work of the expert is adequate for the purpose of the audit.” ISSAI 400:45</p>	Met	Rating improved since 2019. Experts were not used in the sample of audits reviewed for compliance matters. Reliance was placed on auditee commissioned actuarial reports for public enterprises, which impacts the financial audit only.
<p>d) “The auditor should gather sufficient appropriate audit evidence to provide the basis for the conclusion or opinion... [including] a variety of evidence gathering procedures of both quantitative and qualitative nature [and] the auditor often needs to combine and compare evidence from different sources” ISSAI 400:57</p>	Met	Evidence-gathering and analysis procedures were sufficient and appropriate to compliance testing, including analyzing documentary, observational and testimonial evidence
<p>e) All planned audit procedures were performed, or where some planned audit procedures which were not performed, there is an appropriate explanation retained on the audit file and this has been approved by those responsible for the audit. SAI PMF Task Team</p>	Met	In all but one audit in our sample, either planned procedures were performed or this was adequately explained in the audit file

### ***SAI 16 - Dimension (iii) Evaluating Audit Evidence, Concluding and Reporting of Compliance Audits – Score 2***

This dimension has ten criteria of which seven were met.

Audit files follow the standard AOG structure, although the quality of audit documentation varied across the sample audits, with some easy to follow, others requiring improvement.

We saw evidence of effective communication throughout the audit process, with engagement letters, queries during audits and draft reports, with need to more clearly distinguish the financial and compliance aspects of the audit.

Planned work was conducted and reports were complete, objective, timely and confirmed with the auditee. However, some of the report elements required by standards are missing, such as criteria. Reported information is objective and fair, based on sufficient appropriate evidence and put in context. But the compliance findings included in the AG Annual report did not provide sufficient information to understand the full extent of non-compliance, history of related non-compliance, consequences, and the control weaknesses that led to the non-compliance.

<i>Dimension (iii) Evaluating Audit Evidence, Concluding and Reporting of Compliance Audits</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “Documentation should be in sufficient detail to enable an experienced auditor, having no previous connection to the audit, to understand from the audit documentation the following: the relationship between the subject matter, the criteria, the scope of the audit, the risk assessment, the audit strategy and audit plan and the nature, timing and extent and the results of procedures performed; the audit evidence obtained to support the auditor’s conclusion, opinion or report; and to record reasoning on all significant matters that required the exercise of professional judgment and related conclusions.” ISSAI 400:48	Not Met	The quality of audit documentation varied across the sample audits, with some easy to follow, others requiring improvement.  Key elements of the audit (for example the Subject matter and Criteria) were not well highlighted but were discernible by an experienced auditor. However, the process will require more time and cross-checking than is ideal, and the need for the AOG to improve the detail and quality of its audit documentation remains clear.
b) The SAI’s requirements for audit documentation have been followed, to ensure “the auditor should prepare relevant audit documentation before the audit report or the auditor’s report is issued, and the documentation should be retained for an appropriate period of time” ISSAI 400:48. See also ISSAI 4000:64.	Met	Audit files use standard structure, and all significant elements of 2011 manual are reflected



c) “Auditors should evaluate whether sufficient and appropriate audit evidence is obtained and form relevant conclusions... so as to reduce audit risk to an acceptably low level... the evaluation further includes considerations of materiality... [and] the assurance level of the audit”. ISSAI 400:58	Met	Planned work was completed and significant issues went forward to report
d) “Auditors should maintain effective communication throughout the audit process”, and during the audit “instances of material non-compliance should be communicated to the appropriate level of management or those charged with governance.” ISSAI 400:49. See also ISSAI 4000:70, 73	Met	We saw evidence of effective communication throughout the audit process, with engagement letters, queries during audits and draft reports, with need to more clearly distinguish the financial and compliance aspects of the audit.
e) “The SAI’s findings are subject to procedures of comment and the recommendations [or observations] to discussions and responses from the audited entity.” INTOSAI-P 20:3	Met	Responses were seen on the working papers to all findings and recommendations that were communicated
f) “Auditors should prepare a report based on the principles of completeness, objectivity, timeliness and a contradictory process” ISSAI 400:59. See also ISSAI 4000:158.	Met	Rating improved since 2019. Reports were complete, objective, timely and confirmed with the auditee.
g) The compliance audit report itself includes the following elements:	Not Met	The Annual report, in particular, does not meet the requirement in standards for subject matter and criteria-- what specific compliance rules were tested and there is <b>no conclusion</b> on the testing, just the individually reported instances of non-compliance.
I. Title		
II. Addressee		
III. Scope of the audit, including the time period covered		
IV. Identification or description of the subject matter		
V. Identified criteria		
VI. Identification of the auditing standards applied in performing the work		
VII. A summary of the work performed		
VIII. Findings		
IX. A conclusion/opinion		
X. Responses from the audited entity (as appropriate)		
XI. Recommendations (as appropriate)		
XII. Report date		
XIII Signature” ISSAI 400:59		

h) “The report should: be easy to understand and free from vagueness and ambiguity; be complete; include only information which is supported by sufficient and appropriate audit evidence; ensure that findings are put into perspective and context; and be objective and fair”. ISSAI 100:51 (I.e. in the case of long-form reports such as management letters).	Met	Information is understandable, objective and fair, based on sufficient appropriate evidence and put in context. But without a conclusion it is not possible to understand the full extent of non-compliance. For individual non-compliances noted, there isn't often information on whether this is based on a sample or the entire population, is the first time it is reported or the control weaknesses that led to the non-compliance. Observations are not visually highlighted in text or by headings, so requires the reader to carefully read the sections. The 2022 Highlight on capital overpayments is a good example of a more informative reporting.
i) Any audit observations and recommendations are written clearly and concisely, and are directed to those responsible for ensuring they are implemented.	Met	Observations and recommendations were clear, apart from one example.
j) “Where an opinion is provided the auditor should state whether it is unmodified or modified on the basis of an evaluation of materiality and pervasiveness” ISSAI 400:59. See also ISSAI 4000:151.	Not Met	No specific compliance opinion or conclusion is issued.

#### 4.3.10 SAI-17: Compliance Audit Results - Indicator Score 4

SAI-17 assesses how efficient the SAI is in the submission and publication of reports. This SAI seeks information on how compliance audits are done in practice at the planning, implementation and reporting stages of the audit cycle. This indicator has three dimensions:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Timely Submission of Compliance Audit Results	4	4
(ii) Timely Publication of Compliance Audit Results	4	4
(iii) SAI Follow-up on Implementation of Compliance Audit Observations and Recommendations	4	4
<b>Overall Score</b>	<b>4</b>	<b>4</b>

The AOG’s audits combine financial and compliance audits within each single assignment, and the Office’s annual audit operations are scheduled to provide evidence towards the contents of the Auditor General’s Annual Report. This effort takes up most of the time and resources of the Office. The annual deadline for the submission of the Annual Report is clear in the Constitution (9 months after the fiscal year end), and the AOG plans all its activities towards meeting the deadline. In addition, the AOG had a well-established tradition of publishing the Auditor General’s Annual Report immediately it is presented to the National Assembly (within 24-48 hours). There are other

audits with different agreed timelines (mainly non-statutory audits of donor-funded projects). We examined the performance of the AOG in meeting these agreed timelines and found they were met in the instances selected for testing. Furthermore, we found that the AOG incorporates the follow-up on the implementation of its previous recommendations into each new audit (i.e. the subsequent year), and that the results of these follow-up actions are collated and included in the Auditor General's Annual Report. In all the AOG has a comprehensive and proven process for the meeting the deadline for the submission of its results to the legislature, for the publication of its results and for comprehensive follow-up on its previous recommendations.

The assessment of SAI-17 is mainly based on publication and issuance dates of the 2022 Annual Report. Since combined report is issued for financial/compliance audit, the results are identical to SAI-11 'Financial Audit Results'

Dimension	Findings	Score
<b>(i) Timely Submission of Compliance Audit Results</b>	<ul style="list-style-type: none"> <li>The Auditor General's 2022 Annual Audit report which covers over 80% of the AOG's statutory role was submitted within nine months of the end of the financial year, December 31, 2022.</li> </ul>	<b>4</b>
<b>(ii) Timely Publication of Compliance Audit Results</b>	<ul style="list-style-type: none"> <li>The Auditor General's 2022 Annual Report was published within 15 days after the AOG was permitted to publish. i.e. within 15 days of the Report being presented to the National Assembly by the Clerk to the Assembly.</li> </ul>	<b>4</b>
<b>(iii) SAI Follow-up on Implementation of Compliance Audit Observations and Recommendations</b>	<p><b>All the criteria were met.</b></p> <ul style="list-style-type: none"> <li>The follow-up of recommendations starts from the coverage of previous year's recommendations during the planning of each entity's next audit, and through to the consolidation of all results of follow-up activity for inclusion in his Annual Report.</li> <li>The Annual Report of the Auditor General for 2022 holds an update on the 'Status of Implementation of Prior Year Audit Recommendations' and detailed information provided on the process of follow-up and validation across all entities included in the report</li> <li>From the files selected for our review we noted that audited entities are to provide information on all findings and recommendations that remain relevant at the end of each audit, including matters identified in previous years that remain unresolved or outstanding. The information to be provided includes corrective actions that were taken and/or the audited entity's reasons for not taking the recommended corrective actions.</li> <li>Prior Year findings and recommendations are tracked at the planning stage of each audit, and further work to be done to follow-up on these findings is clearly set out on the basis of the materiality of each prior year finding. The materiality of unresolved or brought forward matters for the current year's audit is also assessed.</li> </ul>	<b>4</b> <b>All the criteria were met.</b>

#### 4.3.11 SAI-18: SAI-18, SAI-19, SAI-20: Jurisdictional Controls – N/A

Not applicable as these indicators are only applicable for court model SAIs.

### 4.4 Domain D: Financial Management, Assets and Support Services

“Domain D examines whether the SAI is managing its own operations economically, efficiently and effectively and complies with applicable rules and regulations. Domain D comprises a single indicator.

Domain D: Financial Management, Assets and Support Services		Dimensions			Overall Score	2019 Score
Indicator	Name	1	2	3		
SAI-21	Financial Management, Assets and Support Services	4	4	4	4	3

#### 4.4.1 SAI-21: Financial Management, Assets and Support Services - Indicator Score 4

SAI-21 examines the SAI’s internal system of financial management and control, as well as its policies and practices regarding the support services and resources it requires. Those include IT, assets and infrastructure, as well as administrative support. This indicator has 3 dimensions as shown below:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Financial Management	4	3
(ii) Planning and Effective Use of Assets and Infrastructure.	4	3
(iii) Administrative Support Services	4	2
<b>Overall Score</b>	<b>4</b>	<b>3</b>

*The assessment of SAI 21 is mainly based on the 2004 Audit Act, interviews with the Finance Manager and IT Manager and the 2019 SAI PMF Report, since many of the systems and processes remain the same.*

All criteria under all three dimensions have now been met. Although these don’t impact the ratings, there are small areas for improvement. The progress to move to a paperless environment has been slow, and an integrated and electronic time recording system would enhance efficiency of time monitoring.

**SAI-21- Dimension (i) Financial Management – Score 4**

This score has improved since all criteria are now met.

<i>Dimension (i) Financial Management</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) Clearly assign responsibilities for major financial management activities. INTOSAI GOV 9100: pg. 29.	Met	The 2004 Audit Act and section 4 of the 2005 Regulations provides the statutory framework for the AOG's financial management. Within this framework, an AOG Director is responsible and designated as the Office's Accounting Officer and has overall responsibility for the AOG's financial management. In discharging his/her functions, he/she is supported by the AOG Finance and Accounts Division. Responsibilities are set out and defined in the AOG's financial management procedures.
b) Have a system of delegation of authority to commit/incure and approve expenditure on behalf of the SAI. INTOSAI GOV 9100: pg.29.	Met	The assigned Director approves all major items of expenditure; smaller day-to-day spending is approved by the Finance Manager.
c) Have financial manuals and/or regulations in place and make them available to all staff. INTOSAI-P 20:1, INTOSAI GOV 9100: pg.10, 36-38.	Met	AOG has a Financial Operations Manual which covers management of revenue, payments, procurement, payroll, capital budgeting and contract management. The manual is available for all staff to refer to.
d) Ensure staff tasked with budgeting and accounting have the appropriate skill set, experience, and resources to do the job. Derived from INTOSAI-P 12:9, INTOSAI-P 20:6, INTOSAI GOV 9100 pg. 18.	Met	The Finance Manager, Leona Persaud, was appointed to her current position in December 2022, and she has been employed with AOG in various positions for 31 years. She is a Certified Accounting Technician (CAT) with a master's in business management. The other six members of the Finance Team have spent a combined 40 years working at the AOG. All are Caribbean Examination Council (CXC) qualified while two of them are pursuing ACCA, one is currently at Level 4 Association of Business Executives and one is at Level 2 CAT.
e) Have clear timetables and procedures governing the budgeting process. Derived from INTOSAI-P 20:6.	Met	The AOG prepares its annual budget on a bottom-up basis. The AOG Executive Committee reviews and adjusts the proposed budget before the Auditor General formally submits it to the PAC for further review and comment. In doing this, it follows the standard Government timetable and process. The AOG's proposed budget is finalized around June and submitted to PAC for review usually in August. The proposed budget is then subject to further review by the Minister of Finance, usually in September. The

		final budget is then presented to the National Assembly for approval as part of the overall government budget usually in December.
f) Have a functioning Management Information System, which includes financial and performance information. Derived from INTOSAI-P 12:9, INTOSAI-P 20:6, INTOSAI GOV 9100 pg. 10.	Met	<b>Rating improved since 2019.</b> Since 2017, the Ministry of Finance uses IFMIS to record all expenditure and revenue for all budget agencies, including the Audit Office. Similarly, payroll is also processed using SmartStream by the MoF. The AOG send completed forms on a monthly basis to MoF, who use it to update centralized payroll and IFMIS. At the level of the AOG, QuickBooks and excel based summaries are considered adequate for financial information. For performance information, a weekly update of the status of audits is provided by each division to the QR section for the AG. Performance audits are not yet too many, and management information can be pulled together quickly even manually Information is being used to monitor the financial and human resources of the AOG to ensure deadlines are met, monitor the costs and time spent on jobs/ audit.
g) Have a functioning staff cost recording system. Derived from INTOSAI-P 12:9, INTOSAI-P 20:6, INTOSAI GOV 9100 pg. 10.	Met	<b>Rating improved since 2019.</b> AOG Audit Directors estimate the time taken to conduct audits as part of the annual planning process and, using imputed charge-out rates, they also estimate the costs of conducting those audits. Staff complete weekly and monthly timesheets manually and it is possible to monitor time spent on audits. Staff also sign in on a daily basis with their supervisors. While this functions for the purposes of monitoring, this is not part of an integrated and electronic staff cost recording system linked to the HR systems, which would be more efficient. Information is being used to monitor the financial and human resources of the AOG to ensure deadlines are met, monitor the costs and time spent on jobs/ audit.
h) Manage its actual expenditure so that in no more than one out of the last three years has the SAI's actual expenditure deviated from budgeted expenditure by an amount equivalent to more than 10% of the expenditure in the latest approved budget. Derived from INTOSAI-P 12:8, INTOSAI-P 20:6.	Met	Payroll accounts for about 80% of AOG spending. The payroll itself is maintained by the Ministry of Finance and data supplied monthly to AOG which makes salary payments. The AOG does not allocate payroll costs to cost centres / specific audits. Actual expenditure of the office has matched budgeted expenditure to within G\$100 for each of the past three years (2020,2021 and 2022).
i) The SAI annually prepares a financial statement/financial report following a relevant and appropriate financial	Met	The AOG prepares financial statements each year that comply with the accounting and reporting standards applied to them. These include IFRS

reporting framework. INTOSAI-P 20:6.		for SMEs, the Audit Act and the FMAA 2003. AOGs financial statements are available publicly on their website.
j) The “SAIs’ financial statements are made public and are subject to external independent audit or parliamentary review”. INTOSAI-P 20:6.	Met	Under section 44 of the 2004 Audit Act, the AOG’s financial statements are subject to audit by an independent auditor appointed by the PAC. The auditor’s report is submitted to the Committee.
k) When required by law or applicable regulation, the SAI has received an unmodified or unqualified audit opinion on its last audited/reviewed financial statements and ensured adequate and appropriate response to the audit/review report and/or management letter and recommendations made. (NB: where the SAI’s activities are reported as part of the overall public accounts, they should be disclosed as a separate note in accordance with the applicable financial reporting framework and there should be no qualification in relation to the note on the SAI’s activities). Derived from INTOSAI-P 20:6.	Met	The AOG financial statements for the year ended December 31, 2022 were given a clean audit report. These are publicly available on AOGs website.

#### ***SAI 21 - Dimension (ii): Planning and effective use of assets and infrastructure – Score 4***

There is relatively good management of the Office’s IT system and its assets. There has however been slow progress to move towards a paperless working environment, despite this being on the strategic plan for a number of years. The score has improved from a 3 to a 4 on account of meeting criterion a).

<i>Dimension (ii): Planning and effective use of assets and infrastructure</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) The SAI has developed a long-term strategy or plan for its physical infrastructure needs, and a shorter-term plan for its IT needs, based on current and anticipated future staffing levels. Building Capacity in Supreme Audit Institutions pg. 45, 49	Met	<b>Rating improved since 2019.</b> The AOG’s headquarters building is located in Georgetown. Teams of auditors are also based at major government ministries and departments in Georgetown and at the Regional Development Council Offices of each of Guyana’s five coastal regions. The AOG does not have a permanent presence in Guyana’s five inland regions. The AOG’s physical infrastructure needs are not referred to in the SDP since there is no change envisaged even in the longer term. AOG do not have ownership of the building and has been



		<p>allotted its office from the government. Maintenance needs are budgeted every year. While the current building is at capacity and AOG is seeking more staff, discussions with the senior management indicate that although there most of the 200+ staff work from the rooms dedicated to them at the ministries and in the field, and AOG does not envisage needing a larger space in the near future. Based on this risk profile, the current level of strategic planning for infrastructure is considered adequate.</p> <p>An IT plan is in place and is included in the Strategic Development Plan (sub goal d In the assessment team’s judgement the AOG’s independence is not adversely affected by the issues raised about AOG’s buildings and accommodation.</p>
<p>b) Where relevant, the SAI has reviewed the size, staffing and locations of its accommodation in relation to the location of its audit clients within the past 5 years, and any proposals for improvement have been addressed. Derived from INTOSAI - P 20:06, SAI PMF Task Team</p>	<p>Met</p>	<p>There is regular review of the layout of the AOG headquarters building in Georgetown by the engineering department. Two new offices have been constructed over the last few years, the back shed has been extended. In addition, there is regular maintenance work done of the head office building. Proposals, plans and the status of building improvements are covered in budget and finance committee meetings. During COVID, hybrid accommodation needs were actively managed to maintain AOG's functioning.</p>
<p>c) The SAI has reviewed the adequacy of its IT infrastructure (including computers, software and IT network) within the past 3 years, and any proposals for improvement have been addressed. Building Capacity in Supreme Audit Institutions pg. 48-50, SAI PMF Task Team. (E.g. using the EUROSAI IT Self-Assessment methodology (ITSA)).</p>	<p>Met</p>	<p>There is an Information Systems Policy and a Summary IT Strategic Plan which is updated as part of the SDP. The 2021-2023 SDP includes sub goal (d) ‘Continue Strengthening Information Technology Capacity of the Office’. Every manager submits a form with their IT needs annually to the IT department, based on which an analysis of IT needs is conducted setting out the need for computers and software. The Information Systems Manager reports to the Executive Committee and to the Management Committee on IT needs. There is annual review of the AOG need for computers. In 2022, this resulted in AOG acquiring/replacing 24 new computers. There is regular review of storage capacity and the IT network.</p> <p>The AOG is working to gradually implement electronic working papers, in particular Teammate. Selected staff have attended various webinars and trainings organized by the vendor. Six 2023 audits were conducted in parallel using both hard-copy working papers and Teammate. It</p>



		is planned to move to Teammate for some more statutory bodies and a few more ministries for the fiscal year 2024. The AOG currently has 60 active licences and does not envisage needing anymore for now. Although AOG does not have a formal implementation plan for Teammate, given that many regions and government agencies are not fully computerized, connectivity issues, and not enough laptops for all AOG staff, the AOG is not expecting a full transition soon.
d) The SAI reports on any inadequacies relating to its assets and infrastructure in its annual report or similar when relevant matters arise. Derived from INTOSAI -P12:1	Met	Infrastructure needs and related implications are discussed in Budget Committee meetings and are reported to the PAC as part of AOGs budget submission. An ‘Estimate of the Current and Capital Expenditure’ is submitted to PAC as part of the Budget annually. Completion of any infrastructure is reported to the Works and Structures Department.
e) The SAI has secured access to appropriate archiving facilities, which enable all relevant records to be stored securely over several years and accessed when needed. INTOSAI GOV 9100:pg 11	Met	Documents are indexed, filed and kept in the AOG’s dedicated, on site Registry for at least 7 years in line with legal requirements. Work has started to scan all key documentation from 2008 onwards and has got as far as 2018.

**SAI 21 - Dimension (iii): Administrative Support Services – Score 4**

The rating has improved to a 4 on account of meeting additional criteria a) and d) relating the availability of required skill in the IT department and review of administrative support functions.

<i>Dimension (iii): Administrative Support Services</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) Responsibility for IT support is clearly assigned and the staff tasked with this have the appropriate skill set and resources to do the job. Derived from INTOSAI - P 12:9, INTOSAI - P 20:6, INTOSAI GOV 9100 pg. 18	Met	<b>Rating improved since 2019.</b> Under section 4 of the 2005 Regulations implementing the 2004 Audit Act, the AOG is required to maintain an IT division. The current head of the AOG IT Division, the Information Systems Manager, has a BSc in Computer Science and has been with AOG since 2011. In 2022, he had three other staff to assist him in his work against a staff complement of six staff. While two posts (computer operator and network administrator) have been vacant since 2021, other team members have the requisite network administration and computer operator skills. The programmer position was filled in July 2023. Based on discussions with senior management, since 2023 these vacancies have not hindered the

		IT department in their tasks significantly. That said, the AOG hopes to complete the head count of 7 persons for the IT department soon since vacancies are being advertised.
b) Responsibility for file management and archiving is clearly assigned and the staff tasked with this have the appropriate skills set and resources to do the job. Derived from INTOSAI - P 12:9, INTOSAI - P 20:6, INTOSAI GOV 9100 pg. 18	Met	There are two Registry staff and both have the requisite skills required for the work they do. The current Registry Supervisor joined the AOG in July 2017. She has a Certificate in Record Keeping. There is a system to log receipt, issue and return of documents in the Registry. Work to scan all key documentation is ongoing and has got as far as 2018.
c) Responsibility for management of all major categories of assets and infrastructure is clearly assigned and the staff tasked with this have the appropriate skill set and resources to do the job. Derived from INTOSAI - P 12:9, INTOSAI - P 20:6, INTOSAI GOV 9100 pg. 18	Met	As of September 2024, overall responsibility for asset management rests with the Director of Business Unit 2, Ms. Pearson. Within this Business Unit, the management of IT assets is led by the Information Systems Manager and the management of buildings and other assets is led by the Works and Structures Manager who has significant engineering experience.
d) All administrative support functions have been reviewed within the past 5 years and any proposals for improvement were addressed. Derived from INTOSAI - P 20:6, Building Capacity in Supreme Audit Institutions pg. 46 SAI PMF Task Team	Met	<b>Rating has improved since 2019.</b> The AOG has committees in place that meet for all key administrative issues, i.e. the IT Committee, the Finance Committee and the HR Committee. Any serious matters are elevated to Management or Executive Committees. This allows for a continuous review of administrative support functions.

## 4.5 Domain E: Human Resources and Training

Domain E assesses the way in which the SAI manages and develops its human resources insofar as it has the power to do so. Domain E comprises two indicators.

Domain E: Human Resources and Training		Dimensions				Overall Score	2019 Score
Indicator	Name	1	2	3	4		
SAI-22	Human Resource Management	3	4	3	4	3	2
SAI-23	Professional Development and Training	4	3	3	2	3	0

#### 4.5.1 SAI-22: Human Resource Management – Indicator Score 3

This indicator assesses elements of the SAI’s resource management. The assessment builds on the requirements of ISSAI 40 which stipulates that the SAI’s human resource policies and procedures should include, amongst other things: recruitment, professional development, performance evaluation and promotion. It assesses four dimensions as shown below:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Human Resources Function	3	2
(ii) Human Resources Strategy.	4	1
(iii) Human Resources Recruitment	3	2
(iv) Remuneration, Promotion and Staff Welfare	4	2
<b>Overall Score</b>	<b>3</b>	<b>2</b>

*The assessment of SAI 22 is mainly based on interviews with the HR Manager, the SDP, 2024 Training Plan, Training Needs Analysis, detailed listing of staff identifying their qualifications, the RPPM and the 2019 SAI- PMF Report.*

The OAG has made significant strides in its HR management since the previous assessment. Since 2019, the vacancies have been filled and the HR Manager has now been in her position for over 5 years. The SDP also includes a specific sub goal (C) to Enhance and Maximize Effectiveness of the Human Resource Function. Business needs and emerging risks are considered in requesting staffing from the PAC, in particular the request for additional staff for the oil and gas unit in February 2023. Competency Frameworks are incorporated into the job descriptions for different levels of staff in the RPPM but these would benefit from a review and update to also incorporate competencies against different business units. Performance appraisals are done in a more systematic way, and training needs are assessed based on these. Staff are periodically rotated to enhance their professional development. Staff recruitment processes are strong with good advertising and selection procedures in line with guidelines. Remuneration and promotion guidelines are followed. Some key HR policies continue to be missing or incomplete, such as those covering staff welfare, diversity and succession planning. Succession planning is not formally documented.

The AOG has a hierarchical structure. In addition to the Auditor General there are seven audit grades with Audit Clerks the most junior and Audit Directors the most senior. As at Dec 2022, the AOG’s staff complement was 227 and the Office had 207 staff in post. Of these, 177 were audit staff and 30 were non-audit staff.

The AOG discharges its HR responsibilities within the statutory framework established by the 2004 Audit Act and the 2005 Regulations that implemented the 2004 Act. The key elements of this framework are as follows:

- Under Section 13 of the 2004 Act, the Auditor General is required to ‘establish job descriptions with clearly defined responsibilities and performance expectations for all positions in the Audit Office’.
- Section 14(1) stipulates that the Auditor General should ‘assess staffing needs, and appoint, pay, train, assign promote and discipline officers and employees in accordance with the Constitution, [the 2004 Audit] Act, the Rules, Policies and Procedures Manual and any other law’.
- Section 14(2) provides for the Auditor General to decide the remuneration and the terms and conditions of employment of Audit Office officers and employees ‘within the framework of the budget approved for the Audit Office, taking into consideration the Rules, Policies and Procedures Manual’.
- Section 14(3) stipulates that the Auditor General’s ‘appointment and discipline of all senior officers and senior employees shall be subject to approval by the Public Accounts Committee’.
- Section 15 deals with the RPPM. This stipulates that the manual should be administered to ensure that:
  - There is ‘fair and equal treatment of individuals applying for all offered appointments’;
  - Appointment and promotion decisions are made on ‘the qualification and merit of every individual eligible for consideration’;
  - In disciplinary matters, the right to be heard and to make representations ‘is guaranteed’.
- Section 12 stipulates that ‘for the purpose of discharging the functions of his office’ the Auditor General ‘may ... do anything and enter into any transaction’ including ‘establishing and implementing human resource management systems and policies’.

In relation to the AOG RPPM, Section 11 of the 2004 Audit Act provides for the Auditor General to make regulations for the administration of the Act ‘with the approval of the Public Accounts Committee’. It goes on to state that ‘such regulations may include a Rules, Policies and Procedures Manual’. Section 2 of the Regulations for the implementation of the 2004 Audit Act stipulates that those Regulations incorporate the RPPM. In this context, the remainder of Section 11 of the 2004 Audit Act makes it clear that as part of the Regulations any change to the Manual has to be presented to and approved by the National Assembly.

**SAI 22 - Dimension (i): Human Resources Function – Score 3**

Score has improved from a 2 to a 3, reflecting the efforts by a better staffed HR team.

<i>Dimension (i): Human Resources Function</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) The SAI should assign the responsibility of the human resource management function to an individual or department: Who have the appropriate skill set, experience, and resources to do the job. ISSAI 140: pg. 17	Met	<b>Rating improved since 2019.</b> AOG Human Resource Dept has the appropriate skills, experience and resources to do the job with its HR Manager, Deputy HR Manager and three staff. This was not met in 2019, but since then Deputy HR position has been filled and the HR Manager has been in place for several years. Both Deputy and the Manager are in the process of working on their master's as well.
b) The human resource function has the responsibility for (derived from CBC HRM Guide): Developing and maintaining a human resources strategy and policies	Not Met	One of the targets of the Strategic Development Plan of AOG is to develop a more comprehensive HR development plan. This will also be the right place to incorporate gender considerations and a proposed gender mainstreaming strategy. Additionally, the RPPM includes the key HR policies, which requires updates.
c) The human resource function has the responsibility for (derived from CBC HRM Guide): Developing and maintaining a competency framework	Met	The Human Resource Dept maintains Annual Confidential Report (ACR) evaluation of each staff as it relates to their competency at individual levels, also, stated in their individual job description. A detailed review of the JDs in the RPPM shows that key competencies are already indicated, including technical qualification's as well as softer skills. There is room for improvement by mapping to the INTOSAI competency or another relevant framework.
d) The human resource function has the responsibility for (derived from CBC HRM Guide): Providing guidance and consultation on human resource matters	Met	There is a process of induction through the HR Department for new staff. This includes an introduction to the RPPM. A copy of the RPPM is available on the AOG intranet.
e) The human resource function has the responsibility for (derived from CBC HRM Guide): Maintaining a performance evaluation appraisal system	Met	The Performance Appraisal Manual is Volume 4 of the RPPM. Job objectives are set for each year and a review of performance against these objectives is carried out at the end of the year. There is no interim review.
f) The human resource function has the responsibility for (derived from CBC HRM Guide): Scheduling suitable professional development opportunities	Met	<b>Rating improved since 2019.</b> In the 2022 Annual Work Plan, there is provision for training to improve the professional development needs of staff. Developments in relation to training needs are gathered from ACR. A number of trainings have been conducted over the year for financial and performance auditors, which are linked to

		their areas of development identified in their annual development plans
g) The human resource function has the responsibility for (derived from CBC HRM Guide): Maintaining personnel files (e.g. signed code of ethics, and continuing professional development reports).	Met	Personnel files are kept as hard copies by the HR Division. Signed copies of Oaths of Professional Conduct and Declarations of Conflict of Interest are also kept on file.

### SAI 22 - Dimension (ii): Human Resource Strategy – Score 4

A Human Resource Strategy is included in the SDP which is supported by additional work plans and supporting documents maintained by the H function.

<i>SAI 22 - Dimension (ii): Human Resource Strategy</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) Is aligned with the strategic plan/objectives of the SAI. AFROSAI-E ICBF: pg. 12	Met	<b>Rating improved since 2019.</b> HR Strategy is incorporated in the SDP of the AOG. The SAI PMF team have taken a different view from those of the previous assessment team.
b) Covers recruitment, retention, remuneration, performance appraisal, professional development. CBC HRM Guide: pg. 10-11, SAI PMF Task Team	Met	<b>Rating improved since 2019</b> The SDP includes a list of strategies which includes the recruitment, retention, training, remuneration of staff. This is also reflected in AOG annual work plan for the year 2022.
c) Contains considerations about the number and type of staff required for the strategic planning period. CBC HRM Guide: pg. 10-11	Met	The AOG Strategic Development Plan includes a summary of staff needs for the 3-year period, split by senior management, supervisory and non-management grades.
d) Has indicators, baselines and targets (e.g. for turnover, vacancies and sickness rates). CBC HRM Guide: pg. 11	Met	<b>Rating improved since 2019</b> Indicators and baseline targets are clearly stated in the SDP 2021-2023 for HR and achievements of these targets are examined by PAC through AOG Annual Performance Reports.
e) Achievement of the targets in the strategy is monitored annually. SAI PMF Task Team	Met	<b>Rating improved since 2019.</b> Although preparing an HR Development Plan is part of the targets for HR in the draft 2024 Strategic Plan, there are already a significant number of detailed outputs/activities spelled out in the Strategic Plan for HR. These are monitored on a quarterly basis where quarterly performance reports are submitted to PAC
f) The strategy is communicated to all staff. SAI PMF Task Team	Met	The Strategic Development Plan, which includes the overarching HR Strategy is available on the intranet.

g) The Human resource strategy is reviewed and regularly updated, at a minimum once every five years. Derived from CBC HRM Guide: pg. 10-13	Met	<b>Rating improved since 2019.</b> The HR Strategies are reviewed and updated every three years in the AOG's SDP.
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### SAI 22 - Dimension (iii): Human Resources Recruitment – Score 3

The rating has improved from a 2 to a 3, reflecting a ‘met’ for criterion e) and f) which relates to recruitment based on organizational needs analysis and advertisements.

<i>SAI 22 - Dimension (iii): Human Resources Recruitment</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) There are written procedures in place for recruitment (and minimum qualification requirements for recruited staff). ISSAI 140: pg. 18	Met	Section 14 of the 2004 Audit Act covers appointment and discipline of staff. Part 1, section K of the RPPM covers employee selection.
b) The procedures for recruitment are made public. CBC HRM Guide: pg. 19	Met	The 2004 Audit Act and the RPPM are available through the AOG website.
c) The procedures for recruitment promote diversity. CBC HRM Guide: pg. 19	Not Met	There are no documented diversity policies or procedures. Applications from regions are given priority for regional positions, but these are often the only applications. The AOG tries to get a balance of male and female candidates, but the overarching policy is to hire the best candidate, regardless of gender or other diversity considerations.
d) In recent recruitments, the decision-making process involved more than one person. Derived from CBC HRM Guide: pg. 19-20	Met	For all senior appointments (manager level and above), a panel of three people conduct the interview / selection process.
e) Current overall recruitment plans are based on an analysis of organizational needs, considering matters such as vacancies, existing competencies and skills levels, and staff turnover rates. Derived from CBC HRM Guide: pg. 10-21 and AFROSAI-E ICBF: pg. 11	Met	<b>Rating changed since 2019.</b> The overall staff strength is approved by the PAC. There are very low staff turnover rates, so HR mostly plans to fill vacancies as and when they arise as quickly as possible. Recently, the AOG wanted to increase their staff complement to supplement with additional engineers linked to their assessment of needs based on their audit plans (informal not documented). This justification for recruitment were sent to PAC. While there is no formal analysis of needs to inform recruitment, we consider this is being done intuitively. Given their context of a fairly 'fixed' complement, there isn't a significant risk which would merit a more formal organizational assessment of recruitment needs.



f) Advertisements of positions during the last year included a description of the skills and experiences needed, and were made public. Derived from CBC HRM Guide: pg. 19-20	Met	<b>Rating changed since 2019.</b> During 2022, advertisements were placed in the newspapers to fill the position of audit managers within the AOG. For junior positions, the AOG often has many applications on files, and revisit existing application to fill any updated openings before needing to re-advertise. Audit positions under Manager are also posted internally before advertising.
g) Internal human resources are supplemented by outside expertise as required, and the SAI has procedures in place to ensure the quality of the deliverables. ISSAI 140: pg. 17-18	Met	Occasionally, there is a need to employ outside experts to conduct work for the AOG. In these cases, Terms of Reference are prepared and approved by senior management. Quality of deliverables is reviewed before payments are made for services.

***SAI 22- Dimension (iv): Remuneration, Promotion and Staff Welfare – Score 4***

The AOG has very low staff turnover, and in general, relevant procedures are in place to safeguard employee welfare. Score has improved on account of achieving criteria f) and h).

<i>Dimension (iv): Remuneration, Promotion and Staff Welfare</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) There are established routines to ensure individual performance appraisals take place at least once a year. CBC HRM Guide: pg. 23, SAI PMF Task Team	Met	The performance appraisal manual is volume 4 of the RPPM.
b) The most recent performance appraisal assessed the employee's performance against the job description or performance agreement made the previous year. CBC HRM Guide: pg. 24	Met	Employees are appraised against job objectives and against performance factors (e.g. knowledge, decision-making, attitude etc.).
c) Where it lies within the SAI's powers, there is evidence that the most recent remuneration decisions and any awarding of bonuses were in accordance with established procedures. SAI PMF Task Team	Met	Section 14 of the Audit Act states that 'the officers and employees shall be appointed at such remuneration and on such other terms and conditions as the AG may decide, within the framework of the budget of the Audit Office, taking into consideration the RPPM'.
d) The promotions procedure takes into account an assessment of performance and potential to perform at the higher level. CBC HRM Guide: pg. 23-24	Met	Volume 1, section 12.9 of the RPPM deals with promotions.



e) Promotions awarded during the past year, or the last two promotion decisions, followed established procedures. SAI PMF Task Team	Met	Section 15 of the 2004 Audit Act states that 'the RPPM and all other laws shall be administered to ensure that appointment and promotion decisions are made on the qualification and merit of every individual for consideration'.
f) The SAI has a functioning staff welfare policy (this can be part of the human resources strategy). CBC HRM Guide: pg. 36	Met	<b>Rating improved since 2019.</b> There are separate procedures in place for insurance, leaves policy, and professional development. There is also a Staff Association tasked with Staff Welfare. They have a formal constitution, which includes organizing team building activities, providing financial / emotional support during times of difficulties, and providing a safe / anonymous space for grievances. There is also a grievance policy within the RPPM. HR could additionally consider (i) Safety in the workplace, (ii) Accessibility (iii) Diversity While there is no integrated welfare policy in place, in practice most of the components of a welfare policy appear to be in place. Medical support, bereavement support and burial contributions are made available to staff from the Staff Welfare Association Fund.
g) Employees have had an opportunity to express their views on the work environment to management within the last year. Derived from CBC HRM Guide: pg. 36-38	Met	HR Committee to comprise of a staff representative, Staff Association, open-door policy by the AG/HR, Suggestions Box maintained HR. There is also a Grievance Procedure in place (see RPPM on website)
h) Management has acted upon issues arising from views expressed on the work environment. Derived from CBC HRM Guide: pg. 36-38	Met	<b>Rating improved since 2019.</b> There were no examples of major views expressed and documented about the AOG work environment in the last year. Drop box was not used for grievances. Review of the minutes of staff association and discussion with staff indicate that supervisors act on issues raised by their staff in general, but that these are not necessarily documented.

#### 4.5.2 SAI-23: Professional Development and Training – Indicator Score 3

This indicator assesses how the SAI as an organization is able to promote and ensure professional development to improve and maintain the competency of its staff. It is linked to ISSAI 12. This states that SAIs should promote continuing professional development that contributes to individual, team and organizational excellence. It assesses four dimensions as shown below:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Plans and Processes for Professional Development and Training	4	2
(ii) Financial Audit Professional Development and Training	4	0
(iii) Performance Audit Professional Development and Training	4	0
(iv) Compliance Audit Professional Development and Training	3	0
<b>Overall Score</b>	<b>3</b>	<b>0</b>

The assessment of SAI-23 is mainly based on the SDP, training plans, workshop evaluations and discussions with the HR manager

**SAI 23- Dimension (i): Plans and Processes for Professional Development Training - Score 4**

The score has improved from a 2 to a 4 primarily on account of improved processes in place after having a full-time HR manager for the last 5 years. All criteria are now met including criteria a), b), f) and g) which were not met last time.

<i>Dimension (i): Plans and Processes for Professional Development Training</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) The SAI has developed and implemented a plan for professional development and training which contains: IDI Learning for Impact: A Practice Guide for SAIs: pg. 17-18, SAI PMF Task Team	Met	<b>Rating improved since 2019.</b> The needs of staff are communicated to HR through their ACR. Training is documented in the SDP for 2021 to 2023 under Human Resource. All new staff receive formal induction.
I. Introduction and familiarization for new staff		
II. Internal training on the SAI's policies, procedures and processes		
III. Personal skills training (e.g. communication and writing skills, analytical skills, presentation skills, interviewing skills, ethics, supervision, IT skills)		
IV. Management.		
b) The SAI's learning strategy and/or annual plan for professional development and training is:	Met	<b>Rating improved since 2019.</b> HRs more detailed professional development plans for staff are loosely aligned with the Human Resources Strategy within the SDP for 2021 to 2023. As it relates to professional training and development, AOG is an approved employer of ACCA (Silver Membership). Financial audit staff are required to complete specific certifications linked to their levels of seniority. Performance Audit Unit has been getting regular training from CAAF.
I. Aligned with the human resource strategy. IDI Learning for Impact: A Practice Guide for SAIs: pg. 29-42, AFROSAI-E ICBF: pg. 12		
II. Linked to the goals/objectives stated in the strategic and operational plans of the SAI. IDI Learning for Impact: A Practice Guide for SAIs: pg. 29-42		
III. Based on results from a learning needs analysis. IDI Learning for		

Impact: A Practice Guide for SAIs: pg. 43-55, CBC HRM Guide: pg. 30		
c) The SAI has established procedures for selecting staff to participate in training and obtain professional qualifications. The selection is based on considerations of the competence needed. Derived from ISSAI 140: pg. 17-18 and IDI Learning for Impact: A Practice Guide for SAIs: pg.: 43-59	Met	<b>Rating improved since 2019.</b> There are goals stated in AOGs SDP as it relates to training and professional qualifications. There is also designed training courses for the non-management levels and for management levels, the AG recommends studies at a tertiary level. Additionally, CAAF discusses quarterly with the AG updates on performance audit and proposes potential training. topics are selected based on needs identified by AOG staff in prior trainings. Staff are assigned to training events based on relevance to their roles. While this is not very formalized, the situation is much improved since 2019 due to an active HR team and external partners' involvement in audit training.
d) All professional employees (leaders, managers, auditors, control personnel etc.) have a development plan based on an annual appraisal, and the implementation of the plan is monitored. IDI Learning for Impact: A Practice Guide for SAIs: pg. 58-59, 173 and CBC HRM Guide: pg. 29	Met	There is an annual performance appraisal system that includes reference to job objectives and development needs. There is an annual performance appraisal system that includes reference to job objectives and development needs.
e) The SAI has identified the audit 'professions' or 'cadres' that it wishes to develop in order to discharge its mandate. IDI Learning for Impact: A Practice Guide for SAIs: pg.: 45-50	Met	The AOG distinguishes between financial audit (which incorporates elements of compliance audit), performance / VFM audit and forensic audit. Quality Assurance Unit also receives separate specialized training.
f) A system for professional development of non-audit/control staff is developed, with clearly assigned responsibilities. Appropriately tailored competency requirements and a plan for professional development for non-audit/control staff is developed based on identified needs and implemented. Derived from CBC HRM Guide: pg. 15-19, IDI Learning for Impact: A Practice Guide for SAIs: pg.: 43-59	Met	<b>Rating improved since 2019.</b> Professional development of non-audit/control staff is specified in their respect ACR.
g) There are mechanisms in place to monitor and evaluate the result of professional development and training of staff. IDI Learning for Impact: A Practice Guide for SAIs: pg.171-178	Met	<b>Rating improved since 2019.</b> Participants complete a post workshop evaluation after each training to self-evaluate the benefit of the trainings. Additionally, examinations are held after some of the M&E training conducted by the MoF. Significant improvements in the quality of performance audit reports are noticeable, which testify to the impacts of some of the performance audit training. Improvements in quality of

		financial audit working paper files also testifies to the impact of training for financial auditors. It is however, recommended to consolidate key learnings and way forward in a more formalized training report. This would provide a tangible/ documented mechanism to evaluate the results of professional development.
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***SAI 23- Dimension (ii): Financial Audit Professional Development and Training – Score 4***

The score has improved from a 0 to a 3 primarily on account of improved processes in place after having a full-time HR manager for the last 5 years. While in 2019, no criteria were met under this dimension, this time three of the four criteria are met.

<i>Dimension (ii): Financial Audit Professional Development and Training</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) Assign responsibility for professional development to a person or persons with sufficient and appropriate experience and authority in the SAI. SAI PMF Task Team	Met	<b>Rating improved since 2019</b> An HR Manager has now been in place for over five years. A Deputy HR Manager responsible for training was appointed in 2022. Volume III (Page 248) of RPPM for further details which includes the Deputy HR Managers JD.
b) Develop appropriately tailored competency requirements for different staff grades in financial auditing. Derived from CBC HRM Guide: pg. 15-19 and IDI Learning for Impact: A Practice Guide for SAIs: pg.: 43-59	Met	Basic competency requirements for different staff grades are outlined in the respective Job Descriptions in the RPPM. However, Job Descriptions need to be updated to incorporate the technical and soft skills required in this more technology driven age and created separately for specialized units like the performance audit or oil and gas unit. There is room for improvement by mapping to the INTOSAI competency or another relevant framework. We understand that the RPPM is a little cumbersome to update due to legislative approval needed. At the AOG, employees are employed on the basis of the job specification as stated in the RPPM. However, training are being done in all areas of soft skills such as oil and gas, performance audits and staff are being streamlined in these areas.
c) Develop and implement a plan for professional development for financial audit staff based on an analysis adequately addressing identified needs and competency requirements for	Met	<b>Rating improved since 2019.</b> There is a structured professional development plan for financial audit staff. All new employees undergo an induction/orientation process as part of their onboarding. The HR department holds

<p>different staff grades. IDI Learning for Impact: A Practice Guide for SAIs: pg. 43-55, CBC HRM Guide: pg. 15-18</p>		<p>sessions to explain the administrative policies relevant to staff, which include a lecture followed by a quiz, both conducted orally. New hires typically start at an "entry-level," requiring only a high school diploma or CXC qualifications, typical in the Caribbean context. During their first year of employment, they are assigned to the Quality Assurance Unit for on-the-job training, where they learn the organization and maintenance of working paper files and how to conduct cold reviews. The AOG provides training on ATP, and promotions are linked to completing ATP levels. ATP levels 1, 2 and 3 allow you to be promoted to assistant auditor. To promote organizational development, staff are encouraged to pursue courses or certifications from professional bodies, with the Office covering subscription fees once these are completed. Additionally, when selecting staff for external training that offers credits toward continuous professional development, preference is given to members of the affiliate body. A number of staff are doing the CAT Program of their own accord, which makes staff eligible for promotion to Senior Clerk or Assistant Auditor. ACCA qualified are eligible for promotion to the Supervisor level. AOG is also considering redesigning the ATP to incorporating CAT elements into ATP program. From staff who meet minimum requirements (number of years of service, level of qualification, area of expertise), the AG also nominates four of them for the I-Tech Program in India.</p>
<p>d) The plan for professional development and training in financial auditing should cover, as appropriate: (SAI PMF Task Team)</p>	<p>Met</p>	<p><b>Rating improved since 2019</b> All new employees undergo a formal structured induction/orientation process as part of their onboarding with the HR department. The HR department holds sessions to explain the administrative policies relevant to staff, which include a lecture followed by a quiz, both conducted orally. During their first year of employment, they are assigned to the Quality Assurance Unit for on-the-job training, where they learn the organization and maintenance of working paper files and how to conduct cold reviews.</p>
<p>I. Internal training on the SAI's relevant audit standards and procedures</p>		
<p>II. Learning on the job and supervision / mentoring schemes</p>		
<p>III. Professional or academic training / membership of relevant professional or academic bodies</p>		
<p>IV. Continuing professional development.</p>		<p>Staff must spend a minimum number of years at junior levels to learn on the job before they progress to more senior roles of responsibility. Supervision and review of their work is evidenced and documented in working papers.</p>

	<p>Additional internal training on audit standards and procedures (ISSAIs, IFRS), and supervision and mentoring are done within the AOG but are often conducted informally and are not documented.</p> <p>To promote organizational development, staff are encouraged to pursue courses or certifications from professional bodies, with the Office covering subscription fees once these are completed. Additionally, when selecting staff for external training that offers credits toward continuous professional development, preference is given to members of the affiliate body.</p> <p>Staff writing exams, can come to the designated subject matter experts in the office for support.</p>
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**SAI 23 - Dimension (iii): Performance Audit Professional Development and Training – Score 4.**

The score has improved from a 0 to a 4 primarily on account of improved processes in place after having a full-time HR manager for the last 5 years, and significant PD for PA staff conducted by CAAF under their 2018-2025 Program. No criteria were met last time.

<i>Dimension (iii): Performance Audit Professional Development and Training</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) Assign responsibility for professional to a person or persons with sufficient and appropriate experience and authority in the SAI.	Met	<b>Rating improved since 2019.</b> The HR Unit takes overall responsibility for the professional development of staff in the Performance Audit Unit. A Deputy HR Manager was appointed in 2022 who is also responsible for training. Page 98 of RPPM.
b) Develop appropriately tailored competency requirements for different staff grades in performance auditing. Derived from CBC HRM Guide: pg. 15-19 and IDI Learning for Impact: A Practice Guide for SAIs: pg.: 43-59	Met	Although, AOGs partnership with CAAF makes recommendations on training for Performance auditing, a formal competency framework for the Performance Audit Unit has not been developed. At the AOG, employees are employed on the basis of the job specification as stated in the RPPM. However, training are being done in all areas of soft skills such as oil and gas, performance audits and staff are being streamlined in these areas.
c) Develop and implement a plan for professional development for performance audit staff based on an analysis adequately addressing identified needs and competency requirements for different staff grades.	Met	<b>Rating improved since 2019.</b> CAAF trainings are very targeted to the Performance Audit Unit’s (informal) needs analysis. Partnership Meetings were being held between AOG and CAAF, at a minimum every 6 months, for the last 6 years. Training needs are discussed at each meeting, and

IDI Learning for Impact: A Practice Guide for SAIs: pg. 43-55, CBC HRM Guide: pg. 15-18		decisions on planned training, mentoring and other capacity-building activities.
d) The plan for professional development and training in performance auditing should cover, as appropriate: (SAI PMF Task Team)	Met	There is no formal plan which covers the four elements separately. However, AOGs in its 5 years Strategic Plan makes provision for training for professional development in all areas and as such, the AOG partnership with CAAF makes recommendation on planning for professional development and training in the Performance Audit Unit.
I. Internal training on the SAI's relevant audit standards and procedures		
II. Learning on the job and supervision/mentoring schemes		
III. Professional or academic training/membership of relevant professional or academic bodies		
IV. Continuing professional development.		

***SAI 23-Dimension (iv): Compliance Audit Professional Development and Training -Score 3***

The score has improved from a 0 to a 2 primarily on account of improved processes in place after having a full-time HR manager for the last 5 years. No criteria were met last time.

<i>Dimension (iv): Compliance Audit Professional Development and Training</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) Assign responsibility for professional development to a person or persons with sufficient and appropriate experience and authority in the SAI. SAI PMF Task Team	Met	<b>Rating improved since 2019.</b> The HR Unit takes overall responsibility for the professional development of staff in the Financial/Compliance Audit Unit. A Deputy HR Manager was appointed in 2022 who is also responsible for training. Page 98 of RPPM.
b) Develop appropriately tailored competency requirements for different staff grades in compliance auditing. Derived from CBC HRM Guide: pg. 15-19 and IDI Learning for Impact: A Practice Guide for SAIs: pg.: 43-59	Met	General competency requirements for different staff grades are outlined in the respective Job.  At the AOG, employees are employed on the basis of the job specification as stated in the RPPM. However, training are being done in all areas of soft skills such as oil and gas, performance audits and staff are being streamlined in these areas.



c) Develop and implement a plan for professional development for compliance audit staff based on an analysis adequately addressing identified needs and competency requirements for different staff grades. IDI Learning for Impact: A Practice Guide for SAIs: pg. 43-55, CBC HRM Guide: pg. 15-18	Not Met	While the AOG provides training, these training are not in relation to Compliance Auditing.
d) The plan for professional development and training in compliance auditing should cover, as appropriate: (SAI PMF Task Team)	Met	AOG conducts combine financial and compliance audit and professional development plans are intended to cater to both these competencies. See Dimension (ii) d) above for details of internal training, /mentoring, on-the-job learning, professional training and continuous professional development
I. Internal training on the SAI's relevant audit standards and procedures		
II. Learning on the job and supervision / mentoring schemes		
III. Professional or academic training / membership of relevant professional or academic bodies		
IV. Continuing professional development.		

## 4.6 Domain F: Communication and Stakeholder Management

Domain F looks at the extent to which the SAI has established effective communications with its key stakeholders. Domain F comprises two indicators.

Domain F: Communication and Stakeholder Management		Dimensions				Overall score	2019 Score
Indicator	Name	1	2	3	4		
SAI-24	Communication with the Legislature, Executive and Judiciary	2	4	3	4	3	3
SAI-25	Communication with the media, Citizens and Civil Society Organizations	2	2			2	2

### 4.6.1 SAI-24: Communication with the Legislature, Executive and Judiciary – Indicator Score 3

SAI 24 seeks information on the existence of a current strategy to regulate communications at levels for the SAI. It also explores the status of communications channels and their effectiveness with a range of other interested parties. The outputs from a SAI are reports. The content of these needs to be made available in a coherent way to those who will be expected to have an interest or



are mandated to act upon the content of these reports. This indicator has four dimensions as shown below:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Communications Strategy.	2	2
(ii) Good Practice Regarding Communication with the Legislature.	4	3
(iii) Good Practice Regarding Communication with the Executive	3	3
(iv) Good Practice Regarding Communication with the Judiciary and/or Prosecuting and Investigating	4	4
<b>Overall Score</b>	<b>3</b>	<b>3</b>

*The assessment of SAI 24 is mainly based on the SDP 2021-2023, the draft SDP 2024-2028, the AOGs website, the 2019 SAI PMF Report, Quarterly Performance Reports to the PAC, and the 2022 Annual Report*

The AOG does not currently have a formal communications plan to implement its overall communication strategy as highlighted in the SDP. To meet the requirements of the 2004 Audit Act in respect of the PAC role in overseeing the AOG, the Office has developed a very close and highly structured working relationship with the Committee and, by extension, with the National Assembly. The Auditor General, largely on his own initiative, has developed an effective working relationship with the Executive branch of the Government of Guyana and, in this capacity, has facilitated the AOG's contribution to improving Guyana's public financial management. As in other areas covered by this assessment, the AOG has good, basic communication processes and procedures in place in relation to the Legislature and the Executive. To develop these further, the AOG can consider incorporating an engagement strategy for each category of stakeholder, with specific aims, objectives, priorities, procedures, activities, and performance indicators as well as processes for obtaining feedback from key stakeholders.

Unusually for a Westminster model SAI, the AOG has developed a strong and effective working relationship with the police and prosecuting authorities in Guyana. This has grown out of the AOG's discharge of its responsibilities under the 2004 Audit Act in relation to forensic audit. The confidential nature of this work restricts the AOG's capacity to publicize it. Nevertheless, in successfully carrying out its programme of forensic audits, the AOG makes an important contribution to strengthening public financial management in Guyana.

#### ***SAI 24 - Dimension (i): Communications Strategy – Score 2***

Although an additional criterion is met, criterion d) compared to 2019, the score for this dimension remains at a 2 since there are still three unmet criteria.

<i>Dimension (i): Communications Strategy</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) Establish a strategy for communications and/or stakeholder engagement. INTOSAI Guideline “Communicating and Promoting the Value and Benefits of SAIs”: pg. 4-5	Not Met	The SDP 2021-2023 highlights the key stakeholders as being the National Assembly as well as the PAC in Sections 1.3 and 1.4. Additionally, the mission statement also includes “developing professional relationships with our clients and producing reports which facilitate improvements in their operations”. Under Strategic goal 5, the SDP also aims to “inform the Stakeholder Community of the Audit Office’s role and responsibilities and create goodwill within the auditee community”. This includes organizing public awareness sessions with various stakeholders including ministries/departments/regions and other public entities, general public, civil society, ngo’s and the news media. This also includes continuing to publicize role and work of the Audit Office (using infomercials, brochures, pamphlets, TV, radio, social media, website, etc.). However, there is no underlying stakeholder engagement or communication strategy to formally operationalize this overall mission.
b) Identify key stakeholders with whom the SAI needs to communicate in order to achieve its organizational objectives. AFROSAI-E Handbook on Communication for SAIs, pg. 34-35	Met	As mentioned above, the SDP identifies key stakeholders and planned activities for engaging with them. The AG takes the lead on managing the AOG’s stakeholder relationships. The key relationships in this regard are with the PAC and the National Assembly; the Executive branch of the Government of Guyana, in particular the Ministry of Finance; and the AOG’s international development partners, in particular the Inter-American Development Bank. The general public, civil society, non-governmental organizations, and the news media are also identified as key stakeholders.
c) Identify the key messages the SAI wants to communicate. INTOSAI Guideline “Communicating and Promoting the Value and Benefits of SAIs”: pg. 4	Met	Conveying the AOG’s key messages is done implicitly, principally through the Auditor General’s Annual Report, which highlights the AG’s mandate, vision and mission and the Values and Benefits of the SAI. This serves to highlight the contribution that the AOG is making to the improvement of public financial management and accountability in Guyana.

<p>d) Identify appropriate tools and approaches for external communication. INTOSAI Guideline “Communicating and Promoting the Value and Benefits of SAIs”: chapter 3.1. (E.g. roles and responsibilities of dedicated communications staff).</p>	Met	<p><b>Rating improved since 2019.</b> The key tools for external communication include the AOGs website, the whistleblower access portal on the website, the Annual Report, press notice informing the press that the AG is presenting his report to the speaker, as well as awareness sessions for external stakeholders as well as its own stakeholder awareness training for its staff. The AOGs website is monitored and updated by the Head of IT Department. Awareness sessions on implementing SDGs were conducted in March 2024 for Permanent Secretaries and senior government officials. Multiple sessions have been conducted for the PAC on effective questioning, the extractive industries and reviewing performance audit reports. This also included a study trip for PAC members to Canada in 2022. This also gives the AG the opportunity to convey key messages. In addition, AOG participated in an Anti-Corruption and Human Rights Expo in December, 2023 to enhance awareness of AOGs work. ACCA coordinator for Caribbean region comes to the AOG, the AG provides awareness about working with the AOG. While this criterion has been rated as ‘met’, the communication tools and approaches used by the AOG would benefit from a more detailed review and assessment.</p>
<p>e) Align its communications strategy with its strategic plan. AFROSAI-E Handbook on Communication for SAIs, pg. 43</p>	Not Met	<p>As the AOG does not have a communications strategy, there is no alignment with its Strategic Development Plan.</p>
<p>f) Periodically monitor implementation of the communications strategy. INTOSAI Guideline “Communicating and Promoting the Value and Benefits of SAIs”: chapter 3.1.</p>	Not Met	<p>Without a formal communication plan, the AOG does not systematically assess the implementation and impact of its communications tools and approaches. However, AOGs website is monitored to assess traffic by the Head of the IT Department as well gets informal feedback from auditees and PAC members</p>
<p>g) “(...) periodically assess whether stakeholders believe the SAI is communicating effectively.” INTOSAI-P 12:6</p>	Met	<p>The regular contact between the Auditor General and the PAC provides the structure for the Committee to review the work and performance of the AOG provide the process for giving appropriate feedback on the effectiveness of AOG communications. This is supplemented by the informal feedback that may be provided to the Auditor General by the AOG’s other key stakeholders. In discussion, the Auditor General confirmed that he takes account of the insights</p>

		gained in this way in shaping his reports and other AOG outputs. While this is rated as 'met' as part of developing its communication strategy, formal assessment of communications can be considered e.g. surveys of parliamentarians and auditees or option for providing comments on the website.
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**SAI 24- Dimension (ii): Good Practice Regarding Communication with the Legislature – Score 4**

Score has improved from a 3 to a 4, due to criterion g) now being met. All criteria under this dimension have now been met.

<i>Dimension (ii): Good Practice Regarding Communication with the Legislature</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) "(...) report its findings annually (...) to Parliament." INTOSAI-P 1:16	Met	The Auditor General reports annually to the National Assembly on the financial statements of the Government of Guyana in line with constitutional and legislative requirements. The Auditor General reports quarterly and annually to the PAC on the performance of the AOG. Performance audit reports are usually presented along with the Annual Report, although the AG can present these at any time.
b) "(...) analyse their individual audit reports to identify themes, common findings, trends, root causes and audit recommendations, and discuss these with key stakeholders." INTOSAI-P 12:3. (I.e. including the Legislature where appropriate).	Met	The Auditor General draws out major themes and common findings in the 'Highlights' section at the start of his Annual Report. Communication of Performance Audits has also improved, with short summaries upfront that highlight key points.
c) Establish policies and procedures regarding its communication with the Legislature, including defining who in the SAI is responsible for this communication. AFROSAI-E Handbook on Communication for SAI: pg. 69.	Met	Policies for communication with the National Assembly are reflected in the standard practices that the AOG has developed for presenting its outputs (the Auditor General's reports) and its quarterly and annual performance reports to the PAC. AG is responsible for communication with the legislature, with senior staff supporting him as needed.
d) Raise awareness of the Legislature on the SAI's role and mandate. INTOSAI-P 12:6	Met	Raising the National Assembly's awareness of the AOG's role and mandate is achieved through the regular PAC meetings to consider the findings of the Auditor General's annual reports. The Auditor General attends all these meetings and advises the Committee both on the audit work done by the AOG and on his mandate, remit and responsibilities. With extensive assistance from the CAAF, AOG has worked to raise awareness of the SAI and Parliament's role in

		oversight. Several workshops with PAC and other parliamentarians have been held, including specialized topics such as Asking Effective Questions.
<p>e) “(...) develop professional relationships with relevant legislative oversight committees (...) to help them better understand the audit reports and conclusions, and take appropriate action.” INTOSAI-P 12:3. See also INTOSAI-P 20:7.</p>	Met	<p>The quarterly and annual performance reports presented by the AOG also serve to inform the PAC and, consequently, the National Assembly about the Auditor General’s work, role, responsibilities and any constraints on him.</p> <p>As of September 2024, the Committee comprises nine members reflecting the overall composition of the National Assembly. Five members are from the government side (including two ministers) and four from the opposition side. A member of the opposition chairs the Committee.</p> <p>The Committee generally meets weekly when the National Assembly is in session. However, in recent past, many meetings are not held due to a lack of quorum.</p>
		<p>Most of its meetings focus on the issues raised by the Auditor General’s Annual Report. As is standard for legislatures and SAIs operating in a Westminster style system, the Accounting Officer (AO) for the audited entity concerned gives evidence to the Committee supported by staff from his / her department as appropriate. The Auditor General and senior members of the Office attend the meetings in an advisory capacity, as do senior officials from the Ministry of Finance. For each PAC meeting, the AO provides the Committee with an updated response to the findings set out in the Auditor General’s Annual Report. The AOG reviews this updated response and provides briefing to the Committee together with a set of suggested questions. The PAC then prepares an overall report dealing with the issues it has considered when dealing with each annual report issued by the Auditor General. The Committee’s report includes its findings and recommendations. The government then responds within 90 days to the Committee’s reports by means of a Treasury Memorandum specifying how the government responds. There is currently a significant backlog in the PAC review of the AG’s Annual Report. As of September, 2024, the most recent Treasury Memorandum issued relates to the 2016 Annual Report. To illustrate this process, the PAC’s</p>

		<p>report on the 2016 Public Accounts of Guyana was laid in the National Assembly on July 21, 2022. The National Assembly adopted a motion to refer the report to the government on November 30, 2022. The Treasury Memorandum responding to the Committee’s report was issued by the Finance Secretary at the Ministry of Finance on February 14, 2023. The 2019 Annual Report is currently being reviewed by the PAC while the 2020 to 2022 Annual Report is not on their agenda. The PAC also oversees the work of the AOG – this is set out in detail for SAI-1 and SAI-3. It spends roughly one meeting a year dealing with the AOG’s budget submission; one meeting a year reviewing the AOG’s annual performance report; and around one meeting a quarter reviewing the AOG’s quarterly performance reports.</p>
<p>f) Where appropriate, provide the Legislature with timely access to information related to the work of the SAI. (E.g. in connection with parliamentary hearings on the basis of the SAI’s audits) SAI PMF Task Team, INTOSAI-P 12:3</p>	<p>Met</p>	<p>The AOG provides the National Assembly with timely access to information about its work through the process put in place to brief the PAC when it is considering the Auditor General’s Annual Report. It is also facilitated by the PAC’s consideration of the AOG’s quarterly and annual performance reports. The extensive, regular contact that the Auditor General has with the PAC enables him to provide expert advice and opinions on matters relevant to the AOG and his remit and mandate.</p>
<p>g) Where appropriate, “(...) provide [the Legislature] (...) with [its] professional knowledge in the form of expert opinions, including comments on draft laws and other financial regulations.” INTOSAI-P 1:12</p>	<p>Met</p>	<p><b>Rating improved since 2019.</b> The Auditor General and the AOG have a close working relationship with the PAC, which is slowly extending to the rest of the legislature for the provision of expert advice. In recent years, the AOG has been asked to provide advice to the Ministry of Finance on draft budget circulars as well as moving to accrual-based accounting, which is being considered at the regional Caribbean level. The AOG has also been asked for advice in addressing challenges related to the growing extractive industries sector. The significant expansion of performance auditing provides an excellent opportunity for the AOG to support the legislative and committee work of parliamentarians outside of the PAC. The interest of other parliamentarians in AOG work is evident, e.g. many of them attended a March 2024 workshop on the role of the AOG.</p>

h) Where appropriate, seek feedback from the Legislature about the quality and relevance of its audit reports. INTOSAI guide on “How to increase the use and impact of audit reports”: pg. 21; INTOSAI-P 20:6.	Met	The extensive, regular contact that the Auditor General has with the PAC enables him to seek feedback on the work, reports and other AOG outputs.
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**SAI 24 - Dimension (iii): Good Practice Regarding Communication with the Executive – Score 3**

There is no change in the score for any of the criteria under this dimension since 2019. Criterion d) remains unmet.

<i>Dimension (iii): Good Practice Regarding Communication with the Executive</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “Not be involved or be seen to be involved, in any manner, in the management of the organizations they audit.” INTOSAI-P 10:3	Met	The 2004 Audit Act contains a range of provisions intended to protect the Auditor General’s independence. Section 6 of the Act specifically forbids clashes of interest on the part of the Auditor General. The Auditor General avoids being drawn into issues of policy in the course of his dealings with the Executive. The responsibilities on individual auditors in relation to their independence and ethics are reflected in the various declarations they are required to make.
b) Provide generic information to auditees on what to expect during an audit (E.g. produce and disseminate guidance on the SAI’s objectives and the principles governing interactions between auditors and auditees). INTOSAI guide on “How to Increase the Use and Impact of Audit Reports”: pg. 11.	Met	At working level, for each audit engagement that it undertakes, the AOG informs the auditee about the nature and planned conduct of the audit. The AOG has also produced a leaflet entitled ‘What to Expect in an Audit’ which is given to all audited entities and new staff. Additionally, auditees can find answers to FAQs on the AOGs website.
c) Periodically invite senior members of the Executive to meetings to discuss issues of concern to both the SAI and the Executive, including common findings, trends and root causes the SAI has identified through analysis of its audit reports. INTOSAI-P 12:3, SAI PMF Task Team.	Met	The Auditor General has regular meetings with his counterparts in the Executive to deal with issues of mutual concern that effect public financial management and accountability in Guyana.
d) Seek feedback from the audited entities about the quality and relevance of audit reports and the audit process. INTOSAI guide on “How to increase the use and impact of audit reports”: pg.	Not Met	While audited entities may give feedback informally, the AOG does not have a systematic process in place to secure the type of assessment envisaged by criterion (d).



21, AFROSAI-E Handbook on Communication for SAIs: pg. 69.		
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***SAI 24 - Dimension (iv): Good Practice Regarding Communication with the Judiciary and/or Prosecuting and Investigating Agencies. – Score 4***

All criteria were met under the 2019 assessment and continue to remain met.

<i>Dimension (iv): Good Practice Regarding Communication with the Judiciary and/or Prosecuting and Investigating Agencies. – Score 4</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) Have policies and procedures in place for how to communicate with the Judiciary and/or prosecuting and investigating agencies regarding audit findings that are relevant to those agencies. SAI PMF Task Team (E.g. if audit findings require follow-up by those institutions, or, in the case of SAIs with jurisdictional functions, where judgments fulfill the criteria for being taken forward in the criminal justice system.)	Met	Unusually for a Westminster style SAI, the AOG has a particularly close working relationship with the police and prosecuting authorities in Guyana. This flows from the work of the AOG's Forensic Audit Unit, which was established in 2008. Under section 9 of the 2005 regulations supporting the 2004 Audit Act, the Auditor General may establish a Forensic Audit Unit within the AOG and 'Where a matter is referred to the Forensic Audit Unit, the Unit shall investigate the matter fully and submit a report with recommendations to the Auditor General who, where a criminal offence has been committed, shall refer the matter to the Director of Public prosecutions and send a copy to the Commissioner of Police for appropriate action.' The development of the AOG forensic audit function has resulted in the establishment of clear procedures and processes for communication with the police service of Guyana and the prosecuting authorities.
b) Carry out awareness raising activities with the Judiciary and/or prosecuting and investigating agencies on the SAI's role, mandate and work. INTOSAI-P 12:6, SAI PMF Task Team.	Met	The Auditor General's 2022 Annual Report highlighted two completed special investigations and three in progress. Awareness raising of the role and responsibilities of the Auditor General and the AOG in relation to their forensic audit function and wider responsibilities is facilitated through the regular contact that the AOG Forensic Audit Unit has with the police and prosecuting authorities.
c) Communicate with the Judiciary and/or prosecuting and investigating agencies about the role of the SAI in relation to investigations and legal proceedings that are initiated on the basis of the SAI's audit findings. SAI PMF Task Team (I.e. to reduce the risk	Met	The regular contact that the AOG Forensic Audit Unit has with the police and prosecuting authorities also facilitates communication with these agencies about the role played by the SAI in the investigations and legal proceedings initiated by the AOG's audit findings. The AOG has further streamlined process where they can



that the SAI accidentally impedes such processes through its audit work in cases where audit findings may lead to legal proceedings).		directly refer a file to the Director of Public Prosecution, to avoid instances where the police are too busy. The AOG forensic audit reports are not published or made public.
d) Have a system in place for follow-up on cases that the SAI has transferred to the Judiciary and/or prosecuting and investigating agencies. INTOSAI-P 12:1	Met	The nature of the AOG's forensic audit investigations means that AOG involvement in the investigation of cases is more substantial than is the general norm for SAIs. In this regard, AOG's follow-up of cases referred to the police and prosecuting authorities depends on the decisions made by those agencies on individual cases. Where individuals are charged and a case is taken to court, AOG officials may be required to give evidence.
e) Where relevant, the SAI should have policies and procedures for audit documentation that are designed to ensure compliance with applicable rules of evidence. ISSAI 140: pg. 20, ISSAI 2230: pg. 15. (This is relevant for some SAIs with jurisdictional functions where auditors are subject to laws and regulations requiring them to understand and follow precise documentation procedures related to rules of evidence. ISSAI 2230: pg. 15).	Met	In line with the requirements of its Forensic Audit Manual, the AOG documents forensic audit findings in a way that ensures compliance with the rules of evidence in Guyana. This extends to the collection and preservation of evidence that may be used in legal proceedings. The relevant AOG officials work closely with the police in this regard with the police responsible for, for example, cautioning individuals and arresting and charging individuals for suspected crimes. Where the case comes to court, AOG officials may be called to give evidence.

#### 4.6.2 SAI-25: Communication with the Media, Citizens and Civil Society Organizations – Indicator Score 2

This indicator assesses the extent to which the SAI reaches out to the wider public through the media and civil society to inform about its role and the results of its work. It has 2 dimensions as shown below:

<i>Dimension</i>	<i>Current Score</i>	<i>2019 Score</i>
(i) Good Practices Regarding Communication with the Media.	2	2
(ii) Good Practices Regarding Communications with the Citizens and Civil Society Organizations.	2	2
<b>Overall Score</b>	<b>2</b>	<b>2</b>

The assessment of SAI 25 is mainly based on the details of press coverage on AOG website, recent press notices, the 2019 SAI PMF Report and interviews with senior staff.

**SAI 25 - Dimension (i): Good Practices regarding Communication with the Media – Score 2**

Although details of relevant press coverage are now presented on AOGs website, there is no change in the score for any criteria since 2019.

<i>Dimension (i): Good Practices regarding Communication with the Media</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) During the period under review, the SAI held press conferences to launch its annual report and, where relevant, other major reports, including performance audit reports. INTOSAI Guideline “Communicating and Promoting the Value and Benefits of SAIs”:2.2	Not Met	The AOG does not currently organize or hold press conferences. Only press notices are issued to invite the press informing them of the date, time and location that the Annual Report will be presented to the Speaker of the National Assembly. We understand from discussions with the AG that, with the maturing of the performance audit practice, the AOG intends to more proactively communicate audit results to stakeholders, including media.
b) During the period under review, the SAI issued press releases with major reports, including performance audit reports where relevant. INTOSAI Guideline “Communicating and Promoting the Value and Benefits of SAIs”:2.2	Not Met	The AOG issues a press notice when the Auditor General presents his Annual Report to the Speaker of the National Assembly but this is limited to just simply stating that the Auditor General has presented the report. The press notice does not provide any information about the contents of the report. Essentially, the report and its contents are treated as confidential until the Speaker tables the report in the National Assembly. For this reason, we judge that criterion (b) is ‘not met’.
c) During the period under review, the SAI approached appropriate media to disseminate audit reports, including performance audit reports where relevant. INTOSAI-P 20:8; ISSAI 300:41; INTOSAI Guideline “Communicating and Promoting the Value and Benefits of SAIs”:2.2	Not Met	The AOG’s contacts and work with the media are not organized in the structured way envisaged by criterion (c).
d) The SAI has a system in place to monitor the media’s coverage of the SAI, and topics addressed by the SAI’s audits. INTOSAI Guideline “How to Increase the Use and Impact of Audit Reports”:51.	Met	The AOG has a basic system in place to monitor press coverage. The Auditor General’s Private Office monitors press coverage of the AOG and keeps press cuttings. Key press coverage is also presented on the website, since the website upgrades done in 2023. The Auditor General and senior AOG staff monitor wider press coverage of government and audited entities.

e) The SAI has designated one or more individual(s) who are authorized to and tasked with speaking with the media on behalf of the SAI. INTOSAI Guideline “Communicating and Promoting the Value and Benefits of SAIs”:3.1, 3.2.	Met	The Auditor General personally handles all media enquiries
f) The SAI has procedures in place for handling requests from the media, and a media contact point. INTOSAI Guideline “Communicating and Promoting the Value and Benefits of SAIs”:3.2.2	Met	When staff in the AOG receive enquiries from the media about the Auditor General’s reports or about the work of the Office, they direct these to the Auditor General. The Auditor General personally handles all media enquiries about his reports and the work of the AOG and decides on the most appropriate response to those enquiries.

***SAI 25- Dimension (ii): Good Practices regarding Communication with Citizens and Civil Society Organizations – Score 2***

There is no change in the score for any criteria since 2019. The AOG does not have systematic contact with civil society organizations as such and the focus of AOGs limited outreach work has been the ordinary citizen.

<i>Dimension (ii): Good Practices regarding Communication with Citizens and Civil Society Organizations</i>		
<i>Criteria</i>	<i>Status</i>	<i>Narrative Description</i>
a) “[made] public their mandate (...)”. INTOSAI-P 12:8.	Met	Details of the AOG’s mandate are available through multiple sources: The Auditor General’s Annual Report; the AOG Website; and the distribution of AOG leaflets when staff go to regions or auditees such as ‘Promoting of Good Governance including openness, transparency and improved public accountability’ and ‘Making your tax dollars work’. The AOG has modernized its website with information on the office, its mandate and work, including FAQs and links to all its reports, SDP, relevant regulations, details of the leadership team etc.
b) Published summaries of audit reports, written or otherwise communicated so as to make it easy for citizens to understand the main audit findings. INTOSAI-P 20:8; INTOSAI Guideline “Communicating and Promoting the Value and Benefits of SAIs”:2.2	Met	Rating improved since 2019. AOG is conscious of the need to communicate information to various stakeholders. Since 2019, the website has been modernized and is more user-friendly. The publication of performance audits includes short plain language summaries of audit findings. These are easily found on the website. However, other communications targeted to citizens, in particular on the Annual Report, would improve citizens understanding of the AOGs work.

c) Established contacts with relevant civil society organizations and encouraged them to read audit reports and share the findings with citizens. INTOSAI Guideline “How to Increase the Use and Impact of Audit Reports”: pg. 78.	Not Met	The AOG does not currently have systematic contact with civil society organizations as such. The focus of AOG outreach work is on the ordinary citizen
d) Stimulated citizens to access information on public sector audit and the SAI, beyond audit reports INTOSAI Guideline “Communicating and Promoting the Value and Benefits of SAIs”:3.1	Met	The AOG provides citizens with information about its role and its work through its website. Additionally, awareness sessions have been conducted on anti-corruption. The AG meets annually with Indigenous Chiefs at their Annual Toshao Conference. The AOG maintains a number of brochures which they share with stakeholders.
e) Provided opportunities for citizens to provide input to and/or participate in the SAI’s work, without compromising the SAI’s independence. (E.g. by having mechanisms in place to receive information about government programmes, and suggestions for improved public administration and services – including online channels where appropriate) INTOSAI Guideline “Communicating and Promoting the Value and Benefits of SAIs”:3.2.4	Met	The website opening page provides a means for citizens to provide a confidential report on any whistleblower. However, AOG could consider more structured engagement strategy with citizens or civil society to provide more input into performance audit topic selection.
f) Made adequate use of online media (institutional website, email newsletters, social media), in accordance with the country’s culture (I.e. where social media is popular, the SAI should develop its online presence in this sphere) INTOSAI Guideline “Communicating and Promoting the Value and Benefits of SAIs”:3.2.3	Met	The key instrument used by the AOG for raising the profile of the organization online is the Office’s website.
g) "SAIs should contribute to the debate on public sector improvement without compromising their independence." INTOSAI-P 12:7 INTOSAI Guideline “Communicating and Promoting the Value and Benefits of SAIs”:3.2.3	Not Met	The Auditor General and the AOG aim to exert their influence through the channels of communication established with the Legislature via the PAC and with the Executive. The Auditor General and the AOG are not involved in the kind of overt, public debates envisaged by criterion (g).
h) Sought feedback from civil society organizations and/or members of the public on the accessibility of its reports, and used this feedback to improve these in the future. INTOSAI Guideline	Not Met	The AOG does not have in place structured formal feedback mechanisms from civil society

“Communicating and Promoting the Value and Benefits of SAIs”:3.2.4; IV.		
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## Chapter 5: SAI Capacity Development Process

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### 5.1 Recent and Ongoing Reforms

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#### **Training and professional development**

The AOG recognizes that continuous learning and development is crucial to the continued achievement of its mandate. It obtains support for professional training in auditing from the CAAF, the Indian Technical and Economic Cooperation, IDI, and other partners.

The CAAF has been a steady partner in developing and strengthening of the office's capacity to conduct performance audits and examine its reports. From the beginning of the IGAP program to September 2024, the CAAF delivered 30 courses to AOG staff, with a total of 534 participants.

Four of the recent 11 performance audit reports were fellowship projects, and the CAAF provided mentoring on several other performance audit reports. By the time the GAC-funded IGAP program ends in March 2025, 10 officers of the AOG will have benefited from the fellowship program. At the request of the AOG, CAAF incorporated the PMF results into its International Governance, Accountability and Performance Program (IGAP) seven-year capacity- building plan. In addition to strengthening performance audits, staff are trained in financial and compliance audits. Three senior officers are currently involved in professional education for SAI auditors via an IDI initiative. Also, two officers from the Works and Structures Division are participating in a diploma program in public procurement facilitated by the International Training Centre of the International Labour Organization. In addition, one staff member has completed a course on Auditing the Sustainability of Infrastructure from the University of Tartu in Estonia.

The office continues to benefit from international capacity-building under the Indian Technical and Economic Cooperation program. From January 2022 to September 2023, five staff members benefited from this program in the area of audits of e-governance, audits in an IT environment, performance audits, and receipts and compliance audits.

Apart from international development partners, nine support staff and five audit officers benefited from nine courses offered by the training division of the Public Service Ministry.

The AOG has also completed professional audit training offered by other development partners, universities, private organizations, and think tanks.

AOG staff have received training on auditing the extractive industries. They have also engaged in awareness and outreach sessions with parliamentarians on this subject.

On June 27, 2023, the AOG became a member of the INTOSAI Working Group of Extractive Industries, and a nominated staff member from the oil and gas unit attended associated training in July 2023.

### **Gender mainstreaming**

A comprehensive gender assessment has been conducted at the AOG to evaluate gender-related issues, policies, and best practices within the organization. The analysis identified a lot of good practices; however, many of these are informal and lack documentation. The organization benefits from a significant representation of women, a substantial number of whom are in leadership roles. Most people interviewed during the assessment did not perceive any gender-related issues concerning promotions, compensation, or equality, although some noted the limited male representation on certain teams.

However, it is important to recognize that many women in Guyana carry the expectation of managing household responsibilities, even while working full-time. This burden leads to uncertainty about what a supportive working environment that promotes equitable caregiving would look like when asked the question. Consider that Guyana does not have any laws requiring employers to offer paternity leave, which (when taken) makes it easier for men to share household burdens (which is reflected in the AOG's policies). Additionally, while many participants in the assessment believed that gender issues at the AOG were minimal, only 5% reported feeling adequately equipped to address gender issues or felt they had an understanding of gender mainstreaming. Deeper digging revealed that many individuals tended to interpret "gender issues" primarily in the context of male-female interactions rather than considering the broader implications for equity in the workplace and during audits.

A gender strategy is currently in development, aimed at addressing gender equity in a more systemic manner. This strategy will include a review of existing policies and procedures, such as those governing conduct, dress codes, working hours, administration of leave, and accessibility. The review will identify gaps in gender equity and recommend necessary changes while ensuring that effective practices are documented and implemented throughout the organization. The strategy is in the development phase and will be finalized and approved once a gender committee has been established and trained on gender mainstreaming."

### **Electronic working papers**

The AOG is working to implement electronic working papers, in particular Teammate. Selected staff have attended webinars and trainings organized by the vendor. As reported in the 2023 Annual Report,<sup>9</sup> six 2023 audits (of three ministries and three regions) were conducted using a parallel

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<sup>9</sup> The 2024 Annual Report was laid before the finalization of the SAI PMF Repeat Assessment on September 23, 2024, but was largely not considered for the purposes of this report.

approach that involved both hard-copy working papers and Teammate. The office plans to move to Teammate for the audits of some more statutory bodies and a few more ministries during the 2024 fiscal year. It currently has 60 active licences for Teammate and does not envisage needing more for now. Given that many regions and government agencies are not fully computerized, that connectivity issues remain, and that there are not enough laptops for all AOG staff, the AOG is not expecting a full transition soon.

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## **5.2 Use of SAI Results by External Providers of Financial Support**

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A number of international organizations rely on the AOG to audit some of their projects. In 2022, the AOG audited 29 sets of financial statements on behalf of various international organizations, including:

- Inter-American Development Bank (financial statements for 15 projects),
- International Development Association (financial statements for seven projects),
- Caribbean Development Bank (financial statements for two projects),
- United Nations Development Program (financial statements for 2 projects), and
- others (3 projects).

The audits that the AOG has undertaken on behalf of these international organizations have had an impact on the completion and delivery of its other audit activities, specifically its performance audits. This is because staff members in the AOG's Performance Audit Unit are also assigned the audits of the programmes funded by international organizations.

Additionally, the 2019 SAI PMF Report was used by the Inter-American Development Bank to help inform capacity-building needs for the AOG. The AOG achieved this in the context of the continuing demands on the AOG to audit the programmes of international organisations in Guyana



## Annex 1: Performance Indicator Summary

Indicator	Indicator Name	(i)	(ii)	(iii)	(iv)	Overall Score	2019 Score
<b>Domain A</b>	<b>SAI Independence and Legal Framework</b>						
SAI-1	Independence of the SAI	3	2	3	4	3	3
SAI-2	Mandate of the SAI	4	4	4		4	4
<b>Domain B</b>	<b>Internal Governance and Ethics</b>						
SAI-3	Strategic Planning Cycle	3	3	4	3	3	2
SAI-4	Organizational Control Environment	2	1	3	3	2	2
SAI-5	Outsourced Audits	4	4	4		4	3
SAI-6	Leadership and Internal Communication	4	4			4	2
SAI-7	Overall Audit Planning	4	4			4	2
<b>Domain C</b>	<b>Audit Quality and Reporting</b>						
SAI-8	Audit Coverage	4	3	4	n/a	4	2
SAI-9	Financial Audit Standards and Quality Management	4	4	4		4	4
SAI-10	Financial Audit Process	3	3	3		3	2
SAI-11	Financial Audit Results	4	4	4		4	4
SAI-12	Performance Audit Standards and Quality Management	4	4	3		4	4
SAI-13	Performance Audit Process	3	3	3		3	3
SAI-14	Performance Audit Results	1	4	4		3	2
SAI-15	Compliance Audit Standards and Quality Management	2	3	3		3	3
SAI-16	Compliance Audit Process	1	3	2		2	2
SAI-17	Compliance Audit Results	4	4	4		4	4
SAI-18	Jurisdictional Control Standards and Quality Management						
SAI-19	Jurisdictional Control Process						
SAI-20	Results of Jurisdictional Controls						
<b>Domain D</b>	<b>Financial Management, Assets, and Support Services</b>						
SAI-21	Financial Management, Assets, and Support Services	4	4	4		4	3
<b>Domain E</b>	<b>Human Resources and Training</b>						
SAI-22	Human Resource Management	3	4	3	4	3	2
SAI-23	Professional Development and Training	4	3	4	2	3	0
<b>Domain F</b>	<b>Communication and Stakeholder Management</b>						
SAI-24	Communication with the Legislature, Executive and Judiciary	2	4	3	4	3	3
SAI-25	Communication with the media, the Citizens and Civil Society Organizations	2	2			2	2

## Annex 2: Detailed Overview of Assessment Score

Indicator/Dimension	Findings	Score
SAI-1: Independence of the SAI		
1: Appropriate and effective constitutional framework	Met: a, b, c, d, f, g Not met: e	3
2: Financial independence/autonomy	Met: a, a, b, b, d, d, e, e, g, g Not met: c, c, f, f	2
3: Organizational independence/autonomy	Met: a, b, e, f, g Not met: c, d	3
4: Independence of the Head of SAI and its Officials	Met: a, b, c, d, e, f, g	4
SAI-2: Mandate of the SAI		
1: Sufficiently broad mandate	Met: a, b, c, d, e, f, g, h, i	4
2: Access to information	Met: a, b, c, d, e	4
3: Right and obligation to report	Met: a, b, c, d, e, f, g	4
SAI-3: Strategic Planning Cycle		
1: Content of the Strategic Plan	Met: b, c, d, e, g Not met: a, f	3
2: Content of the Annual Plan/Operational Plan	Met: a, b, c, d, e, g Not met: f	3
3: Organizational Planning Process	Met: a, b, c, d, e, f, g, h, i	4
4: Monitoring and Performance Reporting	Met: a, b, c, e, f, g Not met: d	3
SAI-4: Organizational Control Environment		
1: Internal Control Environment – Ethics, Integrity and Organizational Structure	Met: a, d, f, g, h, i, j Not met: b, c, e, k, l	2
2: System of Internal Control	Met: g, h, j Not met: a, b, c, d, e, i Indicator N/A: f	1
3: Quality Control System	Met: a, b, c, e Not met: d	3
4: Quality Assurance System	Met: a, b, c, e, f, g, h Not met: d	3
SAI-5: Outsourced Audits		

1: Process for Selection of Contracted Auditor	Met: a, b, c, d, e, f, g	4
2: Quality Control of Outsourced Audits	Met: a, b, c, d	4
3: Quality Assurance of Outsourced Audits	Met: a, b, c, d, e, f, g	4
SAI-6: Leadership and Internal Communication		
1: Leadership	Met: a, b, c, d, e, f, g, h	4
2: Internal Communication	Met: a, b, c, d, e, f	4
SAI-7: Overall Audit Planning		
1: Overall Audit Planning Process	Met: a, b, c, d, e, f, g	4
2: Overall Audit Plan Content	Met: a, b, c, d, e	4
SAI-8: Audit Coverage and coverage of the control of regularity of the accounts and management operations		
1: Financial Audit Coverage	Met: a	4
2: Coverage, Selection and Objective of Performance Audit	Met: a, b, c, d, e, f, g Not met: h	3
3: Coverage, Selection and Objective of Compliance Audit	Met: a, b, c, d	4
4: Dim 4-Option 1 Coverage control of regularity of accounts		-1
5: Dim 4-Option 2 Coverage control of regularity of accounts		-1
SAI-9: Financial Audit Standards and Quality Management		
1: Financial Audit Standards and Policies	Met: a, b, c, d, e, f, g, h, i, j, k, l, m, n, o, p, q, s, t, u, v Not met: r	4
2: Financial Audit Team Management and Skills	Met: a, b, c, d, e, f, g, h, i, j, k, l	4
3: Quality Control in Financial Audit	Met: a, b, c, d, e	4
SAI-10: Financial Audit Process		
1: Planning Financial Audits	Met: b, c, d, e, f, h, j Not met: g, i, k N/A: a	3
2: Implementing Financial Audits	Met: a, c, d, e, f, g Not met: b	3
3: Evaluating Audit Evidence, Concluding and Reporting in Financial Audits	Met: a, b, c, d, e, f, g, h, i, k N/A: j	3
SAI-11: Financial Audit Results		

1: Timely Submission of Financial Audit Results	Met: a	4
2: Timely Publication of Financial Audit Results	Met: a	4
3: SAI Follow-up on Implementation of Financial Audit Observations and Recommendations	Met: a, b, c, d, e, f	4
SAI-12: Performance Audit Standards and Quality Management		
1: Performance Audit Standards and Policies	Met: a, b, c, d, f, g, h, i, j, k, l, m, n, o, p, q, r, s, t, u Not met: e	4
2: Performance Audit Team Management and Skills	Met: a, b, c, d, e, f, g, h, i, j, k, l, m, n	4
3: Quality Control in Performance Audit	Met: a, b, c, d, f Not met: e	3
SAI-13: Performance Audit Process		
1: Planning Performance Audits	Met: a, b, c, d, e, f, g, h, i, k, l, m Not met: j	3
2: Implementing Performance Audits	Met: a, b, c, d, e, f, g, h, i, j, k	3
3: Reporting on Performance Audits	Met: a, b, c, d, e, f, g, h, i, j, k Not met: l	3
SAI-14: Performance Audit Results		
1: Timely Submission of Performance Audit Reports	Met: d Not met: a, b, c N/A: e	1
2: Timely Publication of Performance Audit Reports	Met: a	4
3: SAI Follow-up on Implementation of Performance Audit Observations and Recommendations	Met: a, b, c, d, e, f, g	4
SAI-15: Compliance Audit Standards and Quality Management		
1: Compliance Audit Standards and Policies	Met: b, c, d, g, h, i, j, k, l, m, n, p, q, r Not met: a, e, f, o	2
2: Compliance Audit Team Management and Skills	Met: a, b, c, d, e, f, g, j, k, l, m, n, o, p, q Not met: h, i	3
3: Quality Control in Compliance Audit	Met: a, c, d, e, f Not met: b	3
SAI-16: Compliance Audit Process		

1: Planning Compliance Audits	Met: g, j Not met: a, b, c, d, e, f, h, i, k	1
2: Implementing Compliance Audits	Met: a, b, c, d, e	3
3: Evaluating Audit Evidence, Concluding and Reporting in Compliance Audits	Met: b, c, d, e, f, h, i Not met: a, g, j	2
SAI-17: Compliance Audit Results		
1: Timely Submission of Compliance Audit Results	Met: a	4
2: Timely Publication of Compliance Audit Results		4
3: SAI Follow-up on Implementation of Compliance Audit Observations and Recommendations	Met: a, b, c, e	4
SAI-20: Results of Legal Proceedings		
SAI-21: Financial Management, Assets and Support Services		
1: Financial Management	Met: a, b, c, d, e, f, g, h, i, j, k	4
2: Planning and Effective Use of Assets and Infrastructure	Met: a, b, c, d, e	4
3: Administrative Support Services	Met: a, b, c, d	4
SAI-22: Human Resource Management		
1: Human Resources Function	Met: a, c, d, e, f, g Not met: b	3
2: Human Resources Strategy	Met: a, b, c, d, e, f, g	4
3: Human Resources Recruitment	Met: a, b, d, e, f, g Not met: c	3
4: Remuneration, Promotion and Staff Welfare	Met: a, b, c, d, e, f, g, h	4
SAI-23: Professional Development and Training		
1: Plans and Processes for Professional Development and Training	Met: a, b, c, d, e, f, g	4
2: Financial Audit Professional Development and Training	Met: a, b, c, d	4
3: Performance Audit Professional Development and Training	Met: a, b, c, d	4
4: Compliance Audit Professional Development and Training	Met: a, b, d Not met: c	3
SAI-24: Communication with the Legislature, Executive and Judiciary		
1: Communications Strategy	Met: b, c, d, g Not met: a, e, f	2

2: Good Practice Regarding Communication with the Legislature	Met: a, b, c, d, e, f, g, h	4
3: Good Practice Regarding Communication with the Executive	Met: a, b, c Not met: d	3
4: Good Practice Regarding Communication with the Judiciary, Prosecuting and Investigating Agencies	Met: a, b, c, d, e	4
SAI-25: Communication with the Media, Citizens and Civil Society Organizations		
1: Good Practice Regarding Communication with the Media	Met: d, e, f Not met: a, b, c	2
2: Good Practice Regarding Communication with Citizens and Civil Society Organizations	Met: a, b, d, e, f Not met: c, g, h	2

### Annex 3: Monitoring Performance Change

INDICATOR	REPEAT ASSESSMENT SCORE	FIRST ASSESSMENT SCORE	PERFORMANCE CHANGE - DESCRIPTION
<b>DOMAIN A- INDEPENDENCE AND LEGAL FRAMEWORK</b>			
<b>SAI-1 Independence of the SAI</b>	Indicator score 3	Indicator score 3	<b>Summary for the indicator</b> There have not been any changes to the legal framework governing the SAI. The Audit Act 2004 provides for increased financial independence for the SAI which so far has also been enforced in practice. In terms of organization independence and independence of the Head of SAI the situation is the same.
(1) Appropriate and effective constitutional framework	Dimension score 3	Dimension score 3	<b>Summary for the dimension</b> There have been no changes to the Constitution in the period between the two assessments which entails that the Constitution provides the same level of independence for the SAI.
(2) Financial independence / autonomy	Dimension score 2	Dimension score 2	<b>Summary for the dimension</b> The Audit Act was approved in 2004. This entails that the legal framework now provides for increased financial independence for the SAI and the SAI now has the right to submit its budget to the Parliament without interference from the Executive. This right provided in the legal framework has so far also been enforced in practice.
(3) Organizational independence / autonomy	Dimension score 3	Dimension score 3	<b>Summary for the dimension</b> The legal framework provides in large the same level of organizational independence for the SAI and there have not been any substantial performance changes in this area.
(4) Independence of the Head of SAI and its Officials	Dimension score 4	Dimension score 4	<b>Summary for the dimension</b> The legal framework provides in large the same level of independence for the Head of SAI and there have not been any substantial performance changes in this area.
<b>SAI-2 Mandate of the SAI</b>	Indicator score 4	Indicator score 4	<b>Summary for the indicator</b> There have not been any changes to the mandate governing the SAI. The Constitution and the Audit Act 2004 provides the SAI's mandate in terms of the scope and nature of the duties and responsibilities of the head of SAI and SAI as well as the SAI's ability to access

			all information it requires to fulfill its functions and its right and obligation to report. In terms of the mandate of the SAI, the situation is the same.
(1) Sufficiently broad mandate	<b>Dimension score</b> 4	<b>Dimension score</b> 4	<b>Summary for the dimension</b> The expectation of the ISSAIs is that the SAI should have a broad mandate covering all or most public financial operations. In light of the strong constitutional mandate, all criteria under this dimension are met. There is no change since the first assessment that was done in 2019.
(2) Access to information	<b>Dimension score</b> 4	<b>Dimension score</b> 4	<b>Summary for the dimension</b> The SAI has free, timely and unrestricted access to all documents and information it might need for the proper discharge of its responsibilities. There is no change since the first assessment that was done in 2019.
(3) Right and obligation to report	<b>Dimension score</b> 4	<b>Dimension score</b> 4	<b>Summary for the dimension</b> The constitutional and statutory framework governing the work of the Auditor General give him powers in relation to reporting the results of all his audit work and activities. There is no change since the first assessment that was done in 2019.
<b>DOMAIN B INTERNAL GOVERNANCE AND ETHICS</b>			
<b>SAI-3 Strategic Planning Cycle</b>	<b>Indicator score</b> 3	<b>Indicator score</b> 2	<b>Summary for the indicator</b> There has been substantial improvement in the strategic planning cycle. The current strategic plan is based on a needs assessment and regular monitoring of the implementation of the strategic plan has been put in place. The strategic plan articulates strategic outcomes and outputs which are clearly linked to the vision and mission of the SAI. The SAI has become also more transparent and is publishing all SDPs
(1) Content of the strategic plan	<b>Dimension score</b> 3	<b>Dimension score</b> 1	<b>Summary for the dimension</b> The performance has improved significantly. The current strategic plan which was developed after the first SAI PMF assessment is prepared based on a thorough needs assessment covering all functions of the SAI. The strategic plan articulates strategic outcomes and outputs which are clearly linked to the vision and mission of the SAI. The plan also incorporates qualitative performance indicators, consideration of risks with related mitigating strategies.
(2) Content of the Annual Plan/Operational Plan	<b>Dimension score</b> 3	<b>Dimension score</b> 2	<b>Summary for the dimension</b> The score has improved under this dimension due to the incorporation of risks and mitigating measures into the annual operating plan.



(3) Organizational Planning Process	<b>Dimension score</b> 4	<b>Dimension score</b> 2	<b>Summary for the dimension</b> The rating has improved since 2019, since the Strategic Development Plan 2021-2023 is now available on the AOG Website and there is no longer any gap between when the previous and most recent strategic plan.
(4) Monitoring and Performance Reporting	<b>Dimension score</b> 3	<b>Dimension score</b> 2	<b>Summary for the dimension</b> The rating has improved from a 2 to a 3 since performance indicators which assess the value of the audit work for external stakeholders is also incorporated into the Annual Report. In particular, cost savings from Financial Audit and Increase in number of audits are reported in the Annual Report.
<b>SAI-4 Organizational Control Environment</b>	<b>Indicator score</b> 2	<b>Indicator score</b> 2	<b>Summary for the indicator</b> Although incremental improvements have been made in quality control and quality assurance over audit reports, there has been no improvement in this dimension score, and the overall organizational control environment remains at the development level.
(1) Internal Control Environment – Ethics, Integrity and Organizational Structure	<b>Dimension score</b> 2	<b>Dimension score</b> 1	<b>Summary for the indicator</b> There has been no improvement in this dimension score. A score of two is based on achieving criteria a), d) and g) as well as at least three other criteria. This was also achieved last time but the scoring methodology may have been updated by IDI since then.
(2) System of Internal Control	<b>Dimension score</b> 1	<b>Dimension score</b> 1	<b>Summary for the indicator</b> The overall system of internal controls over AOGs own activities remains at the development level
(3) Quality Control System	<b>Dimension score</b> 3	<b>Dimension score</b> 2	<b>Summary for the indicator</b> The score has improved from a 3 to a 4, since one additional criterion has been met whereby Quality control policies and procedures are clearly established and the Head of the SAI retains overall responsibility for the system of quality control
(4) Quality Assurance System	<b>Dimension score</b> 3	<b>Dimension score</b> 3	<b>Summary for the indicator</b> Although two additional criteria e) and f) are met this time, this has not impacted the overall score.
<b>SAI-5 Outsourced Audits</b>	<b>Indicator score</b> 4	<b>Indicator score</b> 3	<b>Summary for the indicator</b> The score has improved for this indicator due to a more structured and rigorous review of work conducted by outsourced audit firms

(1) Process for Selection of Contracted Auditor	<b>Dimension score</b> 4	<b>Dimension score</b> 2	<b>Summary for the dimension</b> There have been improvements as it relates to parties contracted to carry out work for the SAI. All contracted audits are subjected to a hot review and there is evidence that these reviews are being signed off by the respected parties. The AOG communicates its Quality Control Section Policies and Procedures to the contracted auditor at the time of the award of a contract.
(2) Quality Control of Outsourced Audits	<b>Dimension score</b> 4	<b>Dimension score</b> 3	<b>Summary for the dimension</b> There have been improvements as it relates to the quality control system in place for outsourced audits for the SAI. Audits are assigned to firms that bid based on their size and respective ability to audit small/large/medium sized entities, so a risk assessment is built into this. Additionally, regardless of risk assessed, every outsourced firms working papers are subject to hot review.
(3) Quality Assurance of Outsourced Audits	<b>Dimension score</b> 4	<b>Dimension score</b> 3	<b>Summary for the dimension</b> AOG Quality Review Section reviews files and make recommendations which are agreed on and implemented by contracted firms. Evidence of query notes from QA to the contracted auditor were found in sampled files.
<b>SAI-6 Leadership and Internal Communication</b>	<b>Indicator score</b> 4	<b>Indicator score</b> 2	<b>Summary for the indicator</b> The score has improved due to better internal communication, and the demonstration of commitment to accountability and transparency, such as by publishing the 2019 SAI PMF Report
(1) Leadership	<b>Dimension score</b> 4	<b>Dimension score</b> 2	<b>Summary for the dimension</b> The AOG has demonstrated initiatives to set a tone of enabling accountability and strengthening the culture of internal controls. This includes: - publication of 2019 SAI PMF showing transparency/accountability. - improved performance appraisal process which now has strong personal planning component promoting accountability. - Quarterly reporting to PAC Key decisions of the Auditor General are communicated to the staff through memos, web share, intranet and various WhatsApp groups
(2) Internal Communication	<b>Dimension score</b> 4	<b>Dimension score</b> 3	<b>Summary for the dimension</b> The score has improved due to enhanced consultation and information sharing with employees.
<b>SAI-7 Overall Audit Planning</b>	<b>Indicator score</b> 4	<b>Indicator score</b> 2	<b>Summary for the indicator</b> The overall audit planning has improved to include a more rigorous risk assessment.

(1) Overall Audit Planning Process	<b>Dimension score</b> 4	<b>Dimension score</b> 2	<b>Summary for the dimension</b> The rating has improved to 4, since all criteria are now met. In particular, risk assessment is undertaken in determining areas of focus for each annual audit plan, and stakeholders' expectations are taken into consideration as part of audit planning. The PA process demonstrates a risk-based topic selection process based on stakeholder input and media review, as well as topic proposal template which includes an assessment of risk/significance. A 'live' PA Topic Register is maintained and continuously updated based on inputs from various stakeholders. Based on this, performance audit topics for the year are finalized. Financial audits are mandated and are either performed in-house or assigned to contracted firms based on resource availability.
(2) Overall Audit Plan Content	<b>Dimension score</b> 4	<b>Dimension score</b> 3	<b>Summary for the dimension</b> The rating for this dimension has improved to a 4, since all criteria are now met. In particular, the AOG Annual Work Plan and Programme specifies assessment of risks and mitigation of such risk
<b>DOMAIN C AUDIT QUALITY AND REPORTING</b>			
<b>SAI-8 Audit Coverage</b>	<b>Indicator score</b> 4	<b>Indicator score</b> 2	<b>Summary for the indicator</b> Indicator score has improved primarily due to greater performance audit coverage
(1) Financial Audit Coverage	<b>Dimension score</b> 4	<b>Dimension score</b> 3	<b>Summary for the dimension</b> During the period under review, all financial statements submitted on a timely basis (by April 30) were subject to audit, which forms the basis for the score of 4
(2) Coverage, Selection and Objective of Performance Audit	<b>Dimension score</b> 3	<b>Dimension score</b> 1	<b>Summary for the dimension</b> <i>There has been significant improvement in this dimension, since criteria c) to g), which were not met previously are now being met. Performance audit topics are selected based on stakeholder consultation and in a more structured manner. The number of performance audits has also increased.</i>
(3) Coverage, Selection and Objective of Compliance Audit	<b>Dimension score</b> 4	<b>Dimension score</b> 3	<b>Summary for the dimension</b> <i>All criteria are now being met under this dimension. During the past three years audits have included Government Procurement, Payroll and Revenue Collection AOG, which was not the case in 2019.</i>
(4) Coverage of Jurisdictional Control	<b>Dimension score</b> N/A	<b>Dimension score</b> N/A	<b>Summary for the dimension</b> <i>This is not applicable for a Westminster style Audit Office</i>

<b>SAI-9 Financial Audit Standards and Quality Management</b>	<b>Indicator score</b> 4	<b>Indicator score</b> 4	<b>Summary for the indicator</b> <i>The AOG has well defined policies and procedures in place for financial audits, as well as the quality assurance over financial audits.</i>
(1) Financial Audit Standards and Policies	<b>Dimension score</b> 4	<b>Dimension score</b> 4	<b>Summary for the dimension</b> All criteria are met apart from criterion (r). The Audit Procedures Manual (2006) and Risk Manual 2011 need to be consolidated into one manual and additional guidance is needed on the audit of group financial statements. There is also no written guidance on auditing consolidated financial statements.
(2) Financial Audit Team Management and Skills	<b>Dimension score</b> 4	<b>Dimension score</b> 4	<b>Summary for the dimension</b> All criteria have been met under this dimension and there is no change in score since 2019 Assessment. There is adequate provision for staff to ensure sufficient training and experience before being assigned to audit engagements.
(3) Quality Control in Financial Audit	<b>Dimension score</b> 4	<b>Dimension score</b> 3	<b>Summary for the dimension</b> There are a number of policies in place to ensure quality control of financial audit work, and all criteria under this dimension are met. There is however room for improvement in that there is no documentation to indicate that there were either no unresolved differences of opinion, or that they were suitably resolved. Documentation to support that appropriate resources such as technical experts were used to deal with difficult or contentious matters can also be improved.
<b>SAI-10 Financial Audit Process</b>	<b>Indicator score</b> 3	<b>Indicator score</b> 2	<b>Summary for the indicator</b> The AOG financial audit process is robust and well documented in the working paper and permanent files.
(1) Planning Financial Audits	<b>Dimension score</b> 3	<b>Dimension score</b> 2	<b>Summary for the dimension</b> Materiality considerations are better documented. The materiality templates have also been updated in the 2011 Risk Based Manual and are being used widely.
(2) Implementing Financial Audits	<b>Dimension score</b> 3	<b>Dimension score</b> 3	<b>Summary for the dimension</b> Score of 3 with (a), (f) and 4 other criteria are met. No change in rating since 2019.
(3) Evaluating Audit Evidence, Concluding and Reporting in Financial Audits	<b>Dimension score</b> 3	<b>Dimension score</b> 2	<b>Summary for the dimension</b> Score has improved from 2 last time to a 3, due to a different interpretation of criterion e) on assessing the materiality of uncorrected misstatements. Based on our discussions with the audit teams, misstatements are not left uncorrected and are adjusted by the auditee. Although the AG issues modified audit opinions, these relate primarily to compliance issues and would

			not likely result in misstatements in the financial statements. However, this could be better documented.
<b>SAI-11 Financial Audit Results</b>	<b>Indicator score</b> 4	<b>Indicator score</b> 4	<b>Summary for the indicator</b> <i>There is no significant change in this Indicator since 2019</i>
(1) Timely Submission of Financial Audit Results	<b>Dimension score</b> 4	<b>Dimension score</b> 4	<b>Summary for the dimension</b> <i>There is no significant change in this Indicator or any of its criteria since 2019</i>
(2) Timely Publication of Financial Audit Results	<b>Dimension score</b> 4	<b>Dimension score</b> 4	<b>Summary for the dimension</b> <i>There is no significant change in this Indicator or any of its criteria since 2019</i>
(3) SAI Follow-up on Implementation of Financial Audit Observations and Recommendations	<b>Dimension score</b> 4	<b>Dimension score</b> 4	<b>Summary for the dimension</b> <i>There is no significant change in this Indicator or any of its criteria since 2019</i>
<b>SAI-12 Performance Audit Standards and Quality Management</b>	<b>Indicator score</b> 4	<b>Indicator score</b> 3	<b>Summary for the indicator</b> AOG performs well under this indicator although the Performance Audit Manual (2009) needs to be updated to reflect the full range of ISSAIs at level 300 and 3000.
(1) Performance Audit Standards and Policies	<b>Dimension score</b> 4	<b>Dimension score</b> 4	<b>Summary for the dimension</b> <i>Although there is no impact on the rating, performance audit standards have benefited significantly from the use of additional templates and checklists to ensure compliance with ISSAI 3000</i>
(2) Performance Audit Team Management and Skills	<b>Dimension score</b> 4	<b>Dimension score</b> 3	<b>Summary for the dimension</b> The rating has improved since 2019. AOG scores a 4 with all criteria being met. Rating improved on criteria b) with appropriate research design and methods used to conclude on objectives and criteria and f) extensive training for performance audit staff.
(3) Quality Control in Performance Audit	<b>Dimension score</b> 3	<b>Dimension score</b> 3	<b>Summary for the dimension</b> There is no significant change in this Indicator or any of its criteria since 2019. Similar to 2019, all criteria except (e), which relates to EQR, have been met.
<b>SAI-13 Performance Audit Process</b>	<b>Indicator score</b> 3	<b>Indicator score</b> 3	<b>Summary for the indicator</b> Since the last assessment, the AOG has dramatically expanded its performance audit practice. At the time of the 2019 performance audit accounted for a very small proportion of the AOG's audit activities. It had issued just four performance audit reports in the preceding decade. It

			now produces about that many annually. We found that the reports compare favourably with those of other SAIs.
(1) Planning Performance Audits	<b>Dimension score</b> 3	<b>Dimension score</b> 2	<b>Summary for the dimension</b> All criteria for this section were met, with the exception of criteria (j) in that audit teams don't explicitly assess the risk of fraud in planning. Improvement has been made in criterion c) with respect to documenting materiality/ significance. Rating has improved on criterion h) relating to the documentation of risks and mitigating actions in performance audit planning.
(2) Implementing Performance Audits	<b>Dimension score</b> 3	<b>Dimension score</b> 3	<b>Summary for the dimension</b> A review of a sample of three performance audit files found that the expectations for this section were all met. A score of 4 is not possible, since an independent assessment has not been conducted in the past three years.
(3) Reporting in Performance Audits	<b>Dimension score</b> 3	<b>Dimension score</b> 3	<b>Summary for the dimension</b> <i>Although this is not captured in the score, which is a little subjective, there have been drastic improvements in the content and quality of performance audit reports.</i> All criteria for this section were met, with the exception of documenting changes to draft audit report. The rating improved for criterion f) with respect to documenting and considering significance/ materiality.
<b>SAI-14 Performance Audit Results</b>	<b>Indicator score</b> 3	<b>Indicator score</b> 2	<b>Summary for the indicator</b> Although this is not reflected in the score, there has been significant improvement in this area since 2019. At the time of the previous SAI PMF Assessment, very few performance audit reports had been issued and there was not a systematic process in place for managing the issuance of their performance audit reports. Although no performance audits were issued between 2017-2020, 11 performance audit reports have been issued in 2021 (3 Reports), 2022 (5 Reports) and 2023 (3 Reports)
(1) Timely Submission of Performance Audit Reports	<b>Dimension score</b> 1	<b>Dimension score</b> 0	<b>Summary for the dimension</b> There are significant time gaps between the completion of the field work, clearance letter to the auditee, and the date that report is presented to the speaker.
(2) Timely Publication of Performance Audit Reports	<b>Dimension score</b> 4	<b>Dimension score</b> 4	<b>Summary for the dimension</b> There is no change in performance since 2019. Because AOG performance audit reports are, in effect, made public immediately after they are laid by the Speaker of the National Assembly, the score against this dimension is '4'



(3) SAI Follow-up on Implementation of Performance Audit Observations and Recommendations	<b>Dimension score</b> 4	<b>Dimension score</b> 3	<b>Summary for the dimension</b> All criteria are now met under this dimension, including criterion g) relating to evaluating materiality.
<b>SAI-15 Compliance Audit Standards and Quality Management</b>	<b>Indicator score</b> 3	<b>Indicator score</b> 3	<b>Summary for the indicator</b> There is no significant change in this indicator. The AOG has traditionally combined its Financial and Compliance audits. The guidance available to AOG staff and the AOG's audit practice have together focused mainly on financial audit. The Audit Procedures Manual (2006) needs to be updated to reflect the full range of ISSAIs, especially ISSAIs 400 and 4000]
(1) Compliance Audit Standards and Policies	<b>Dimension score</b> 2	<b>Dimension score</b> 2	<b>Summary for the dimension</b> <i>No change in this dimension</i>
(2) Compliance Audit Team Management and Skills	<b>Dimension score</b> 3	<b>Dimension score</b> 3	<b>Summary for the dimension</b> <i>Although one additional criterion j) related to the level of assurance provided by the AOG is now met, there is no resulting change in score under this dimension.</i>
(3) Quality Control in Compliance Audit	<b>Dimension score</b> 3	<b>Dimension score</b> 3	<b>Summary for the dimension</b> There is no change in score since the 2019 assessment.
<b>SAI-16 Compliance Audit Process</b>	<b>Indicator score</b> 2	<b>Indicator score</b> 2	<b>Summary for the indicator</b> Compliance auditing is a key part of the Guyana system of accountability. Compliance testing is thorough. However, the annual report lacks a compliance opinion or conclusion which would provide an overview of the extent of non-compliance across the entire government
(1) Planning Compliance Audits	<b>Dimension score</b> 1	<b>Dimension score</b> 1	<b>Summary for the dimension</b> There is no change in score since 2019.
(2) Implementing Compliance Audits	<b>Dimension score</b> 3	<b>Dimension score</b> 3	<b>Summary for the dimension</b> There is no change in score since 2019.
(3) Evaluating Audit Evidence, Concluding and Reporting in Compliance Audits	<b>Dimension score</b> 2	<b>Dimension score</b> 2	<b>Summary for the dimension</b> Although there is no change in score since 2019, the AOG has met criterion f) this time, which relates to issuance of timely, objective, complete reports which are confirmed with the auditee.

<b>SAI-17 Compliance Audit Results</b>	<b>Indicator score</b> 4	<b>Indicator score</b> 4	<b>Summary for the indicator</b> There is no change in performance against this indicator since 2019.
(1) Timely Submission of Compliance Audit Results	<b>Dimension score</b> 4	<b>Dimension score</b> 4	<b>Summary for the dimension</b> There is no change in score since 2019.
(2) Timely Publication of Compliance Audit Results	<b>Dimension score</b> 4	<b>Dimension score</b> 4	<b>Summary for the dimension</b> There is no change in score since 2019.
(3) SAI Follow-up on Implementation of Compliance Audit Observations and Recommendations	<b>Dimension score</b> 4	<b>Dimension score</b> 4	<b>Summary for the dimension</b> There is no change in score since 2019.
<b>SAI-18 Jurisdictional Control Standards and Quality Management</b>	<b>Indicator score</b> N/A	<b>Indicator score</b> N/A	N/A
(1) Jurisdictional Control Standards and Policies	<b>Dimension score</b> N/A	<b>Dimension score</b> N/A	N/A
(2) Jurisdictional Control Team Management and Skills	<b>Dimension score</b> N/A	<b>Dimension score</b> N/A	N/A
(3) Quality Control of Jurisdictional Controls	<b>Dimension score</b> N/A	<b>Dimension score</b> N/A	N/A
<b>SAI-19 Jurisdictional Control Process</b>	<b>Indicator score</b> N/A	<b>Indicator score</b> N/A	N/A
(1) Planning Jurisdictional Controls	<b>Dimension score</b> [N/A]	<b>Dimension score</b> N/A	N/A



(2) Implementing Jurisdictional Controls	<b>Dimension score</b> [N/A]	<b>Dimension score</b> [N/A]	N/A
(3) Decision-making Process During Jurisdictional Controls	<b>Dimension score</b> [N/A]	<b>Dimension score</b> N/A	N/A
(4) Final Decision of Jurisdictional Controls	<b>Dimension score</b> N/A	<b>Dimension score</b> N/A	N/A
<b>SAI-20 Results of Jurisdictional Controls</b>	<b>Indicator score</b> N/A	<b>Indicator score</b> N/A	N/A
(1) Notification of Decisions Relating to Jurisdictional Control	<b>Dimension score</b> N/A	<b>Dimension score</b> [N/A]	N/A
(2) Publication of Decisions Relating to Jurisdictional Control	<b>Dimension score</b> N/A	<b>Dimension score</b> N/A	N/A
(3) Follow-up by the SAI on the Implementation of Decisions Relating to Jurisdictional Control	<b>Dimension score</b> [N/A]	<b>Dimension score</b> N/A	N/A
<b>DOMAIN D FINANCIAL MANAGEMENT, ASSETS AND SUPPORT SERVICES</b>			
<b>SAI-21 Financial Management, Assets and Support Services</b>	<b>Indicator score</b> 4	<b>Indicator score</b> 3	<b>Summary for the indicator</b> All criteria under all three dimensions have now been met. Although these don't impact the ratings, there are small areas for improvement. The progress to move to a paperless environment has been slow, and an integrated and electronic time recording system would enhance efficiency of time monitoring.
(1) Financial Management	<b>Dimension score</b> 4	<b>Dimension score</b> 3	<b>Summary for the dimension</b> The AOG has improved since 2019 on account of a functioning financial system (IFMIS) and a functioning, albeit inefficient, time recording system.

(2) Planning and Effective Use of Assets and Infrastructure	<b>Dimension score</b> 4	<b>Dimension score</b> 3	<b>Summary for the dimension</b> The AOG has improved since 2019 on one indicator on account of adequate risk-based planning for infrastructure needs.
(3) Administrative Support Services	<b>Dimension score</b> 4	<b>Dimension score</b> 2	<b>Summary for the dimension</b> Score has improved from a 2 to a 4 on account of IT staff vacancies being filled
<b>DOMAIN E HUMAN RESOURCES AND TRAINING</b>			
<b>SAI-22 Human Resource Management</b>	<b>Indicator score</b> 3	<b>Indicator score</b> 2	<b>Summary for the indicator</b> The OAG has made significant strides in its HR management since the previous assessment. Since 2019, the vacancies have been filled and the HR Manager has now been in her position for over 5 years. The SDP also includes a specific sub goal (C) to Enhance and Maximize Effectiveness of the Human Resource Function
(1) Human Resources Function	<b>Dimension score</b> 3	<b>Dimension score</b> 2	<b>Summary for the dimension</b> Score has improved from a 2 to a 3, reflecting the efforts by a better staffed HR team with two additional criteria a) and f) being met this time.
(2) Human Resources Strategy	<b>Dimension score</b> 4	<b>Dimension score</b> 1	<b>Summary for the dimension</b> All criteria under this dimension are considered 'met'. The SAI PMF team has taken a different view from the previous assessment team on the HR strategy which is incorporated in the SDP. The SDP includes a list of strategies which includes the recruitment, retention, training, remuneration of staff. This is also reflected in AOG annual work plan for the year 2022. Indicators and baseline targets are clearly stated in the SDP 2021-2023 for HR and achievements of these targets are examined by PAC through AOG Annual Performance Reports. Although preparing an HR Development Plan is part of the targets for HR in the draft 2024 Strategic Plan, there are already a significant number of detailed outputs/ activities spelled out in the Strategic Plan for HR. These are monitored on a quarterly basis where quarterly performance reports are submitted to PAC. The HR Strategies are reviewed and updated every three years in the AOG's SDP. Accordingly, a) b) c) e and f) which were not met last time, are considered 'met' this time.
(3) Human Resources Recruitment	<b>Dimension score</b> 3	<b>Dimension score</b> 2	<b>Summary for the dimension</b> Two additional criteria under this dimension are now met. Criterion e) which relates to recruitment based on organizational needs, and advertisements for all positions. The assessment team considers that given the context of a fairly 'fixed' complement, there isn't a

			significant risk which would merit a more formal organizational assessment of recruitment needs.
(4) Remuneration, Promotion and Staff Welfare	<b>Dimension score</b> 3	<b>Dimension score</b> 2	<b>Summary for the dimension</b> One additional criterion has been met relating to staff welfare. Criterion f) is considered to be met, since there are separate procedures in place for insurance, leaves policy, and professional development. There is also a Staff Association tasked with Staff Welfare. They have a formal constitution, which includes organizing team building activities, providing financial / emotional support during times of difficulties, and providing a safe / anonymous space for grievances. There is also a grievance policy within the RPPM. HR could additionally consider (i) Safety in the workplace, (ii) Accessibility (iii) Diversity HR Committee to comprise of a staff representative, Staff Association, open-door policy by the AG/HR, Suggestions Box maintained HR.
<b>SAI-23 Professional Development and Training</b>	<b>Indicator score</b> 3	<b>Indicator score</b> 0	<b>Summary for the indicator</b> The higher score reflects the enhanced professionalism of the HR department, which is now fully staffed, as well as the continued engagement of the CAAF since 2018 on AOG staffs training and development needs.
(1) Plans and Processes for Professional Development and Training	<b>Dimension score</b> 4	<b>Dimension score</b> 2	<b>Summary for the dimension</b> The score has improved from a 2 to a 4 primarily on account of improved processes in place after having a full-time HR manager for the last 5 years. Criteria a), b) and f) which were not met last time have now been met.  The needs of staff are communicated to HR through their ACR. Training is documented in the SDP for 2021 to 2023 under Human Resource. All new staff receive formal induction.  HRs more detailed professional development plans for staff are loosely aligned with the Human Resources Strategy within the SDP for 2021 to 2023. As it relates to professional training and development, AOG is an approved employer of ACCA ( Silver Membership). Financial audit staff are required to complete specific certifications linked to their levels of seniority. Performance Audit Unit has been getting regular training from CAAF There are goals stated in AOGs SDP as it relates to training and professional qualifications. There is also designed training courses for the non-management levels and for management levels, the AG recommends studies at a tertiary level. Additionally, CAAF discusses quarterly with the AG updates on performance audit and proposes potential training. topics are selected based on needs identified by AOG staff in prior trainings. Staff are assigned to training events based on relevance to their roles.

(2) Financial Audit Professional Development and Training	<b>Dimension score</b> 3	<b>Dimension score</b> 0	<b>Summary for the dimension</b> The score has improved from a 0 to a 3 primarily on account of improved processes in place after having a full-time HR manager for the last 5 years. In 2019, no criteria were met under this dimension. Now three of the four criteria are met with structured professional development in place for financial audit staff.
(3) Performance Audit Professional Development and Training	<b>Dimension score</b> 4	<b>Dimension score</b> 0	<b>Summary for the dimension</b> The score has improved from a 0 to a 4 primarily on account of improved processes in place after having a full-time HR manager for the last 5 years, and significant PD for PA staff conducted by CAAF under their 2018-2025 Program. No criteria were met last time. Two out of four criteria under this dimension are now met.
(4) Compliance Audit Professional Development and Training	<b>Dimension score</b> 3	<b>Dimension score</b> 0	<b>Summary for the dimension</b> The score has improved from a 0 to a 2 primarily on account of improved processes in place after having a full-time HR manager for the last 5 years. No criteria were met last time.
<b>DOMAIN F COMMUNICATION AND STAKEHOLDER MANAGEMENT</b>			
<b>SAI-24</b> <b>Communication with the Legislature, Executive and Judiciary</b>	<b>Indicator score</b> 3	<b>Indicator score</b> 3	<b>Summary for the indicator</b> The AOG does not currently have a formal communications plan to implement its overall communication strategy as highlighted in the SDP. There is no significant change under this indicator.
(1) Communications Strategy	<b>Dimension score</b> 2	<b>Dimension score</b> 2	<b>Summary for the dimension</b> Although an additional criterion is met, criterion d) which relates to identifying appropriate tools and processes for external communication, the score for this dimension remains at a 2 since there are still three unmet criteria.
(2) Good Practice Regarding Communication with the Legislature	<b>Dimension score</b> 4	<b>Dimension score</b> 3	<b>Summary for the dimension</b> Score has improved from a 3 to a 4, due to criterion g) now being met. All criteria under this dimension have now been met. Criterion g) relates to providing the Legislature with professional knowledge in the form of expert opinions, including comments on draft laws and other financial regulations. The Auditor General and the AOG have a close working relationship with the PAC, which is slowly extending to the rest of the legislature for the provision of expert advice. In recent years, the AOG has been asked to provide advice to the Ministry of Finance on draft budget circulars as well as moving to accrual-based

			accounting, which is being considered at the regional Caribbean level. The AOG has also been asked for advice in addressing challenges related to the growing extractive industries sector. The significant expansion of performance auditing provides an excellent opportunity for the AOG to support the legislative and committee work of parliamentarians outside of the PAC. The interest of other parliamentarians in AOG work is evident, e.g. many of them attended a March 2024 workshop on the role of the AOG.
(3) Good Practice Regarding Communication with the Executive	<b>Dimension score</b> 3	<b>Dimension score</b> 3	<b>Summary for the dimension</b> There has been no change under this dimension. While audited entities may give feedback informally, the AOG does not have a systematic process in place to secure the type of assessment envisaged by criterion (d).
(4) Good Practice Regarding Communication with the Judiciary, Prosecuting and Investigating Agencies	<b>Dimension score</b> 4	<b>Dimension score</b> 4	<b>Summary for the dimension</b> As it relates to Good Practice Regarding Communication with the Judiciary, Prosecuting and Investigating Agencies, there has not been any change to this area. All criteria in place were met.
<b>SAI-25</b> <b>Communication with the Media, Citizens and Civil Society Organizations</b>	<b>Indicator score</b> 2	<b>Indicator score</b> 2	<b>Summary for the indicator</b> Although the website has been significantly modernized, this is not reflected in the score for this dimension
(1) Good Practice Regarding Communication with the Media	<b>Dimension score</b> 2	<b>Dimension score</b> 2	<b>Summary for the dimension</b> There have not been any changes in relation to good practice regarding communication with the media. The AOG intends, with the maturing of the performance audit practice, to more proactively communicate audit results to stakeholders, including media. This is contained in the AOG Strategic plan.
(2) Good Practice Regarding Communication with Citizens and Civil Society Organizations	<b>Dimension score</b> 2	<b>Dimension score</b> 2	<b>Summary for the dimension</b> Although there is no change in the score for any criteria since 2019, there have been positive changes as it relates to publishing audit reports to make them easier for citizens to understand. The publication of performance audits includes short plain language summaries of audit findings. Additionally, the website has been modernized. AOG is conscious of the need to communicate information to various stakeholders.

## **Annex 4: Sources of Information and Evidence to Support Indicator Scoring**

### **List of interviewees**

Mr. Deodat Sharma	Auditor General
Ms. Geetanjali Singh	Audit Director
Ms. Dawn Pearson	Audit Director (acting)
Ms. Chandrawattie Samaroo	Audit Director (acting)
Mr. Victor Lall	Audit Director (Works & Structure)
Mr. Dhanraj Persaud	Audit Manager
Ms. Nichette Harcourt	Audit Manager
Ms. Fiona Kingston	Audit Manager
Ms. Karel Canterbury	Audit Manager
Mr. Marlon Leitch	Audit Manager
Mr. Troy Braithwaithe	Audit Manager
Mr. Wazir Shakeer	Audit Manager
Ms. Leona Persaud	Finance Manager
Mr. Rohit Kallicharran	Information Systems Manager
Ms. Reona Persaud	Human Resources Manager
Ms. Vanessa Jaigopaul	Audit Supervisor
Mr. Anisah Wickham	Audit Supervisor
Ms. Jo Ann Carmicheal	Audit Supervisor
Ms. Rocklyn Fraser	Audit Supervisor
Mr. Dane Gibson	Audit Supervisor
Ms. Helena Blair	Registry Supervisor
Ms. Bibi Mohamed	Assistant Auditor
Ms. Deoce Alleyne	Assistant Auditor
Ms. Tomika Fitzpatrick	Assistant Auditor
MS Ashley Nelson	Assistant Auditor
Ms. Dhanwantie Persaud	Assistant Auditor

## **Documents Reviewed**

1. 2004 Audit Act (No. 5 of 2004)
2. 2019 Guyana SAI PMF Report
3. AOG 2006 Audit Procedures Manual Volume 1
4. AOG Audited Financial Statements for the year ended December 31, 2022
5. AOG Budget Proposals 2022 - 2023
6. AOG Quality Assurance Manual - Oct 2008
7. AOG website
8. Annual Performance Report - 2022 and 2023
9. Annual Report of the Auditor General (2022)
10. Annual Work Plan and Programme - 2022 and 2023
11. Constitution of Guyana
12. Contracted Audits documentation
13. Correspondence from the Clerk of the National Assembly to the Auditor General (to acknowledge receipt of the Annual Reports for 2022)
14. Correspondence with PAC
15. Current Strategic Development Plans (2021 – 2023) and Draft 2024
16. Detailed Listing of Audit Opinions Issued for Annual Report 2022
17. Details of Business Units and staff allocation
18. Draft Performance Audit Manual
19. Draft Strategic Development Plan 2024-2028
20. Evaluation Criteria for outsourced audit firms
21. Financial Operations Manual, version current at time of SAI PMF assessment (May 2018)
22. Fiscal Management and Accountability Act 2003
23. Internal Memos
24. ISSAI Compliance Assessment Tool (iCAT) Level 2 and Level 4 (Internal Training)
25. IT Strategy, 2017, 2018
26. List of Training and participants
27. Minutes of Management Meetings
28. Performance Audit Completion Letters sent to auditees
29. Performance Audit topic Register
30. Permanent files for the auditees selected
31. Quality Assurance for Financial Audits - A Handbook for SAIs in CAROSAI (2012)
32. Quality Management Needs Assessment Plan – based on new ISSAI 140
33. Quarterly Performance Reports
34. Regulations made under the Audit Act – Section 5, 2005
35. Rules Policies and Procedures Manual Volume 1-10, 2005
36. Schedule showing Budget and Actual Comparisons 2022 - 2023
37. Staff Association Constitution and Minutes
38. Strategic Development Plans (2021 – 2023)

39. Working paper files for the 13 selected audits

**Audit Files Reviewed**

• **Financial/ Compliance Audit**

1. Ministry of Labour
2. Ministry of Housing and Water
3. Region 4- Demerara/ Mahaica
4. The Women and Gender Equality Commission
5. Guyana Oil Company Limited (GUYOIL)
6. Guyana Power and Light Incorporated (GPL)
7. Natural Resource Fund
8. Telecommunication Agency (Financial audit only)
9. Support of Safety Nets for Vulnerable populations affected by Corona Virus in Guyana Loan No.5180/BL-GY – Component 2- Ministry of Education. (Financial audit only)
10. Sustainable Agricultural Development Program LO:3798/BL-GY (Financial audit only)

• **Performance Audit**

1. INTOSAI Co-op Audit of Strong and Resilient National Health Care Systems- Linked to SDG.3d
2. Guyana 's Preparedness for Marine Oil Spill Response
3. Receipt, Storage & Distribution of Text Books to Schools





**Annex 6: Audit Opinions issued for the year 2022**

Type of Entity	Total Agencies requiring audit as per Annual Report	Total Number of Entities subject to audit (count column A)	Total number of opinions issued (FY2022 + backlog)	Entities with audits up to date till FY 2022 (See yellow highlighted in Column B)	Entities with audit opinions issued for prior years	Total opinions for backlog
Public Enterprises	39	20	36	4	16	32
Statutory Bodies	61	42	69	7	35	62
Trade Unions	23	2	7	0	2	7
Foreign Funded Projects	29	29	29	29	0	0
Neighbourhood Democratic Councils	70	21	102	0	21	102
Constitutional Agencies	16	12	19	1	11	18
Municipalities	10	1	6	0	1	6
GYEITI Assurance Reports	8	8	8	0	8	8
	256	135	276	41	94	235