Auditor-General of Pakistan

November, 2025

Audit Report on…… (*insert complete name of the project*)
(Volume-I)

(Note: In case of a single audit report for the whole period of project, there will be no need to give reference to specific volume. However, if there is more than one report covering the project at various stages, reference like Volume I, II shall be given)

(Name of Sponsoring / Executing Agency)

Report No: DGA----25-001

*(*Indicate the exact period of project covered in this audit report*)*

Audit Year-------

PREFACE

Articles 169 & 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Sections 8 & 12 of the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, require the Auditor-General of Pakistan to conduct audit of receipts and expenditure of the Federation and the Provinces or the accounts of any authority or body established or under the control of the Federal or a Provincial government.

This report is based on the audit of (*name of project*) executed by *(name of executing agency/Ministry/Department)*. The Directorate General Audit (*name of FAO*) conducted the audit of the project during (*month, year*) for the period covering (*indicate relevant financial years here*) with a view to make an independent assessment of the project's status & performance, highlight potential gaps, issues & risks and identify areas for improvement. The report also aims at improving the internal controls system of the project, thereby allowing the management to take corrective action and improve effectiveness of the overall project management processes.

At the outset, the report provides key facts and details about the project followed by an audit snapshot summarizing the reasons for conducting the audit, findings on a various matters and actionable recommendations. The Audit Report covers a variety of aspects of the project including project objectives, project planning, Human Resource Management, financial management, procurement, contract management, monitoring & evaluation and physical/on-site progress. The report also includes conclusion and recommendations for executive action.

The report was shared with the entity as well as the Principal Accounting Officer (PAO) and executive responses were evaluated before finalization this report. The report was discussed with the PAO in Departmental Accounts Committee (DAC) meeting held on (*indicate date of DAC meeting*) and outcome of the meeting has been incorporated in this report.

The Audit Report is submitted to the President of Pakistan in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan 1973, for causing it to be laid before both houses of Majlis-e-Shoora (Parliament).
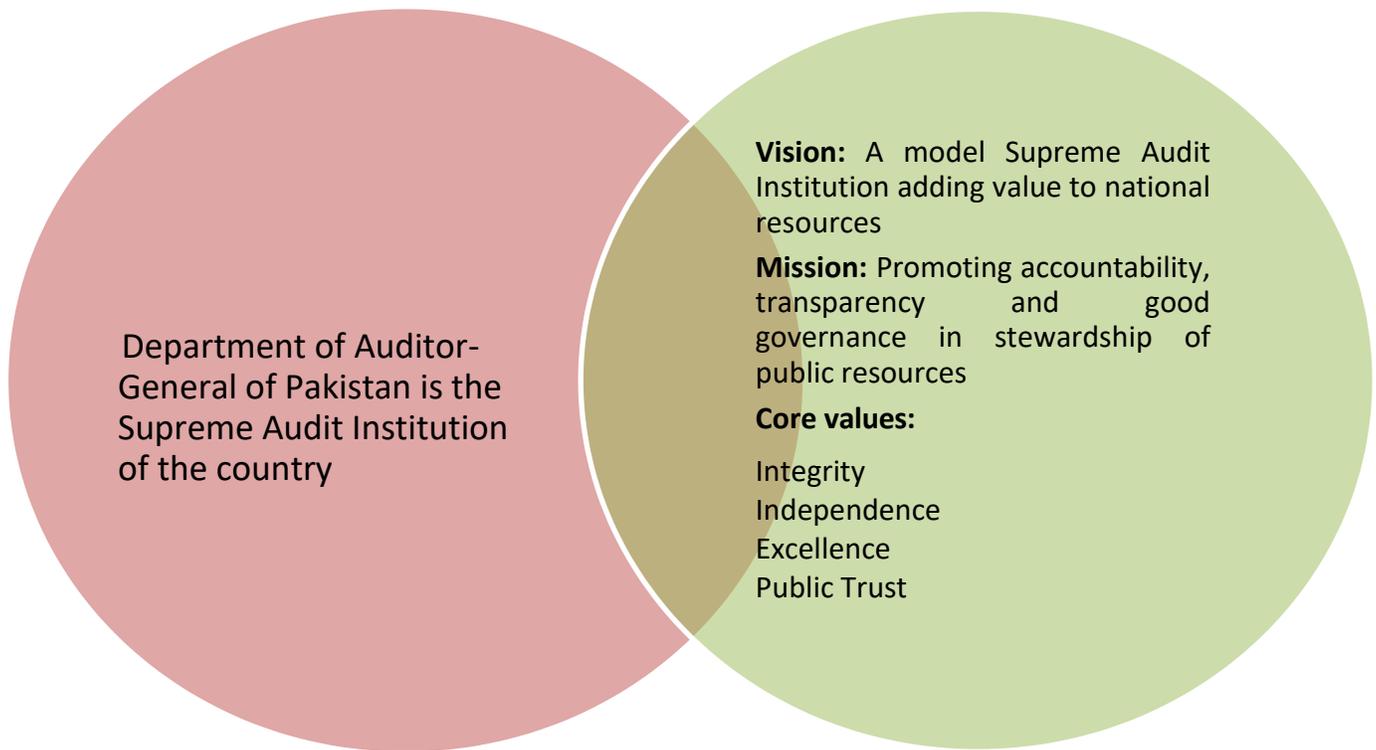

Islamabad   (Maqbool Ahmad Gondal)
Dated: *Month, Year*   **Auditor-General of Pakistan**

Department of the Auditor-General of Pakistan

Department of Auditor-General of Pakistan is the Supreme Audit Institution of the country

Vision: A model Supreme Audit Institution adding value to national resources

Mission: Promoting accountability, transparency and good governance in stewardship of public resources

Core values:

Integrity
Independence
Excellence
Public Trust

The Auditor-General of Pakistan is appointed under Article 168 the Constitution of Islamic Republic of Pakistan. The reports of the Auditor-General are laid before the legislature and are discussed by the Public Accounts Committees of the respective Assemblies. The constitutional mandate enables the Auditor-General to strengthen legislative oversight by providing an independent, reliable and objective assessment of the process of governance at the federal, provincial and district level.

AUDIT SNAPSHOT

Audit Report on *(....insert name of the project*)

DGA----25-001

Why did we do this audit?

(Outline reasons for conducting the subject audit / study)

What did we find?

(Give a summary of the key findings from the report)

Key assessment

(Any illustration/graphical representation of execution of project as per schedule given in PC-I, phase and activity-wise progress, public value creation, operational efficiency, governance, productivity, achievements, impact and revenue & expenditure analysis of the project may be given here)

(Indicative)
15,064   3.7   452%

What did we recommend?

(Give recommendations of the report here)

Data Summary Sheet

Description	Details
Project Name and Code (if, any)	
Location	
Approving Forum & Dates	
Executing Entity	
Feasibility Study	
Funding Sources (Govt/Donor agency)	
Approved cost	
Total Allocations (year-wise)	
Total Releases (Year-wise & date-wise)	
Expenditure (year-wise)	
Expenditure up to date	
Allocation/provision for Procurement	
Expenditure on Procurement	
Was procurement made through e-PADS (Yes or No)	
Status of project i.e. Completed or Ongoing	
Cost Over-run	
Stated Completion date	
Status of PC-II to V	
Time over-run	
Scope of work (Targets / Deliverables of project)	
Sustainability	
Outcome of the project	
Physical Progress in terms of %	
Financial Progress in terms of %	
Checklist	As at **Appendix-II**
Composite (risk) Rating (derived from audit finding to provide an at-a-glance summary of project integrity and performance) *('A' indicating highest risk)*	A B C D
Compliance Status of audit recommendations	

CONTENTS   Page No

Background and Overview

Give background and introduction of the project on the following areas, where applicable. These areas are indicative only and the template is flexible for further addition/deletion and professional judgement of DG. (Sub-headings can be given).

1. Brief description about the project and its overview including PC-I
2. Project objectives,
3. Intended outcome,
4. Allocation of resources,
5. Timelines and status of progress so far.

(*The purpose of background is to give the reader context and clarity of the project*)

FINDINGS

Project Objective (s)

(Whether the stated project objective(s) were fully achieved in case of completed projects. In cases of ongoing projects, whether achievement of specific deliverables in given timelines was ensured)

Objective 1:

Objective 2:

Objective 3:

Objective 4:

*(Give comments on achievement status of **each objective** as per the timelines indicated in the project document. Indicate the achievement of objective in quantifiable terms, percentages and rankings where possible. This should be an objective assessment of the achievements of the project)*

Management response to a particular finding and DAC outcome may also be given here, while the recommendations should be given in recommendations section

Project Planning

(Give findings on the following areas, where applicable. These areas are indicative only and the template is flexible for further addition/deletion and professional judgement of DG)

1. Project documentation (feasibility study, PC-I and other applicable PC forms and related approval from respective forums)
2. Project schedule (adherence to timelines etc.)

The titles should be neutral and objective without any negative connotation. Further, the titles of findings should not include amounts. Details of amounts (if, any) shall be indicated in the body of the finding)

Management response to a particular finding and DAC outcome may also be given here, while the recommendations should be given in recommendations section

Human Resource Management

(Give findings on the following areas, where applicable. These areas are indicative only and the template is flexible for further addition/deletion and professional judgement of DG)

1. Hiring
2. Compensation
3. Training
4. Performance measurement
5. Placement of staff

The titles should be neutral and objective without any negative connotation. Further, the titles of findings should not include amounts. Details of amounts (if, any) shall be indicated in the body of the finding)

Management response to a particular finding and DAC outcome may also be given here, while the recommendations should be given in recommendations section

Financial Management

(Give findings on the following areas, where applicable. These areas are indicative only and the template is flexible for further addition/deletion and professional judgement of DG)

1. Budgeting and cost control (budgeted vs actual expenditure & cost-overrun)
2. Risk management & Forecasting
3. Financial reporting
4. Releases (timelines)
5. Payment Process
6. Compliance with PFM Act
7. Taxation

The titles should be neutral and objective without any negative connotation. Further, the titles of findings should not include amounts. Details of amounts (if, any) shall be indicated in the body of the finding)

Management response to a particular finding and DAC outcome may also be given here, while the recommendations should be given in recommendations section

Procurement

(Give findings on the following areas, where applicable. These areas are indicative only and the template is flexible for further addition/deletion and professional judgement of DG)

1. Allocation for Procurement vs Expenditure
2. Comments on e-procurement/e-PADS
3. Tendering process
4. Bidding document
5. Bidding process
6. Bid evaluation
7. Award of work etc.
8. Inventory management & inspections

(Procurement of goods, services, consultancy to be covered)

The titles should be neutral and objective without any negative connotation. Further, the titles of findings should not include amounts. Details of amounts (if, any) shall be indicated in the body of the finding)

Management response to a particular finding and DAC outcome may also be given here, while the recommendations should be given in recommendations section

Contract Management

(Give findings on the following areas, where applicable. These areas are indicative only and the template is flexible for further addition/deletion and professional judgement of DG)

1. Legal / regulatory Compliance and risk management (Retention money, PBG, advances etc.)
2. Supplier performance
3. Billing/payment accuracy as per terms of contract
4. Performance / delivery of the contract
5. Payment certifications i.e.

    a. Validate physical progress before approval of interim payments
    b. Finality clauses (check for delays, non-compliance and enforcement of LDs)

6. Overpayments
7. Recoveries

The titles should be neutral and objective without any negative connotation. Further, the titles of findings should not include amounts. Details of amounts (if, any) shall be indicated in the body of the finding)

Management response to a particular finding and DAC outcome may also be given here, while the recommendations should be given in recommendations section

Asset Management

(Give findings on the following areas, where applicable. These areas are indicative only and the template is flexible for further addition/deletion and professional judgement of DG)

1. Physical existence of assets
2. Location and condition
3. Asset register
4. Maintenance and safe custody of assets
5. Utilization
6. Valuation of assets
7. Asset utilization
8. Disposal
9. Intangible assets

The titles should be neutral and objective without any negative connotation. Further, the titles of findings should not include amounts. Details of amounts (if, any) shall be indicated in the body of the finding)

Management response to a particular finding and DAC outcome may also be given here, while the recommendations should be given in recommendations section

Monitoring and Evaluation

(Give findings on the following areas, where applicable. These areas are indicative only and the template is flexible for further addition/deletion and professional judgement of DG)

1. M&E Framework and System
2. PC-III
3. PC-IV
4. Final Bill
5. Financial Closure of the Project
6. Total Cost
7. Accuracy of performance monitoring (data accuracy)

The titles should be neutral and objective without any negative connotation. Further, the titles of findings should not include amounts. Details of amounts (if, any) shall be indicated in the body of the finding)

Management response to a particular finding and DAC outcome may also be given here, while the recommendations should be given in recommendations section

Sustainability Assessment

(Give findings on the following areas, where applicable. These areas are indicative only and the template is flexible for further addition / deletion and professional judgement of DG)

1. Regulatory adherence (environmental approvals etc.)

2. Environmental performance (Carbon Emission, Waste Management etc.)

3. Social performance (Health & safety, Impact on local communities)

4. Economic sustainability (Long term financial viability)

5. Governance & reporting (ESG Disclosures etc.)

The titles should be neutral and objective without any negative connotation. Further, the titles of findings should not include amounts. Details of amounts (if, any) shall be indicated in the body of the finding)

Management response to a particular finding and DAC outcome may also be given here, while the recommendations should be given in recommendations section

Internal Audit

(Give findings on the following areas, where applicable. These areas are indicative only and the template is flexible for further addition/deletion and professional judgment of DG)

1. Existence of Internal Audit function in the Project.
2. No of Employees hired for Internal Audit
3. Internal Audit Plan whether prepared and implemented or not.
4. No of reports of Internal Audit produced during the year.
5. Implementation status of recommendations of Internal Audit Reports.
6. Presentation of Internal Audit Reports before the Project Management Board/Steering Committee and recommendations by the Forum.
7. Review, revision and updation of Internal Controls in the light of Internal Audit findings.

(Give details of the findings. The titles should be neutral and objective without any negative connotation. Further, the titles of findings should not include amounts and details of amounts (if, any) shall be indicated in the body of the finding)

Management response to a particular finding and DAC outcome may also be given here, while the recommendations should be given in recommendations section

Physical/on-Site Progress

(Give findings on Physical/on-Site Progress as per following notified SOPs)

Step 1:	Clearly establish audit objective and scope of Inspection/physical verification. The date and time must be decided in consultation with audited entity along with a representative of the entity.
Step 2:	Identification of the location/site and time schedule
Step 3:	Prepare checklist (specific points, areas etc. to be verified during inspection). This includes the identification of baseline against which progress is proposed to be monitored.
Step 4:	Notify Auditee
Step 5:	Conducting physical inspection (the audit team shall visits the site, collect evidence through observation, interviews, data, inspect the facility against established checklist). Pictorial evidence and images must also be made part of the activity.
Step 6:	Prepare report (document the findings, identify areas of conformity, non-conformity and the report shall be jointly signed with the representative of auditee)
Step 7:	Compare physical progress on ground with the financial progress (payments released)
Step 8:	Communicate the findings of physical inspection in the Project Report.

Conclusion

(*Give conclusions here*)

Recommendations

Give 8-10 clear and actionable
recommendations. The recommendations
shall clearly address the issues
pointed out in the findings for facilitating
meaningful discussion in PAC meetings and
acceptance of such recommendations by the forum)

Appendices

Appendix-I   Audit Objectives, Scope, Methodology
                         (*Detailed and meaningful*)

Appendix-II   Check List

Appendix-III   *(Any other details)*

CHECKLIST

Sr. No.	Section	Ref	Check Point
1	**Human Resource Management**	1.1	Project governance structure (Steering Committee, Board) is clearly defined, active, and effective.
		1.2	Roles, responsibilities, and reporting lines are documented and understood by all parties.
		1.3	The Project Manager has the requisite authority and competence to lead the project.
		1.4	Staffing levels (client, consultant, contractor) are adequate and match the project's current phase.
2	**Financial Management**	2.1	A detailed and approved cost baseline/budget exists and is being used for tracking.
		2.2	Actual expenditures are tracked accurately against the budget, with variances clearly explained.
		2.3	Forecasts for Cost at Completion are regularly updated and credible.
		2.4	Invoices from contractors are certified and paid in a timely manner.
		2.5	Contingency funds are managed formally, with clear justification for any drawdowns.
3	**Procurement and Contract Management**	3.1	All major contracts are in place, executed, and readily available.
		3.2	Contractor performance is actively monitored against contractual KPIs and Service Level Agreements (SLAs).
		3.3	A formal variation/change order process is in place and is being strictly followed.
		3.4	There is evidence of robust claims management and dispute resolution mechanisms.
		3.5	Procurement of materials and equipment is aligned with the construction schedule to prevent delays.
4	**Asset Management**	4.1	There is a clear plan for the handover of assets to the operations team.
		4.2	"As-built" drawings and documentation are being prepared progressively, not just at project end.
		4.3	Operation & Maintenance (O&M) manuals and spare parts lists are under development.

		4.4	Training plans for the end-users and maintenance staff are defined and funded.
5	**Monitoring and Evaluation**	5.1	A comprehensive Project Monitoring Framework (with KPIs, baselines, targets) is in use.
		5.2	Progress reports are accurate, timely, and used for decision-making.
		5.3	Risks and issues are logged in a live register with clear owners and mitigation actions.
		5.4	Independent audits or reviews (e.g., cost, technical, risk) are conducted as planned.
6	**Sustainability**	6.1	All required environmental permits and licenses are in place and valid.
		6.2	The Environmental Management Plan (EMP) is being implemented on-site.
		6.3	There is evidence of monitoring for environmental compliance (e.g., water, air, noise).
		6.4	Waste management (hazardous and non-hazardous) follows the approved plan.
		6.5	The project has defined sustainability objectives (economic, social, environmental).
		6.6	Local content/employment targets are being met and documented.
		6.7	Plans for enhancing community benefits and managing negative social impacts are operational.
		6.8	Resource efficiency (energy, water, materials) is considered in design and execution.
7	**Overall Assessment**	7.1	The project is likely to deliver its intended benefits and strategic objectives.
		7.2	The project is on track to be completed within the approved budget and schedule.
		7.3	Major risks to project success are being adequately managed.
		7.4	The client/stakeholder satisfaction level with project progress is acceptable.