

# Approved Performance Audit Report Template

The main change in the template is in the section: Review of Performance. Other sections have been modified in terms of indicative content that should be covered.

## **Title Page**

- Report Title
- Audit Entity
- Audit Period
- Date of Issue

## **Preface**

- Reference to relevant AGP's constitutional and statutory provisions
- Reference to relevant ISSAI standards and guidelines (e.g. ISSAI #3000), relevant SDGs etc, wherever applicable
- Audit Description
- Statement of submission of the report to the relevant quarter
- Signature of the Auditor General of Pakistan

## **Table of Contents**

- Including annexures/appendices
- List of Tables/Figures/Illustrations

## **Abbreviations and Acronyms**

- Key terms used repeatedly to be abbreviated, and acronyms fully listed

## **Executive Summary**

- State briefly Background of the entity etc
- List briefly its Objectives
- State briefly the results of Performance Audit: whether the objectives were achieved or not
- Recommendations

## **1. Introduction and Methodology**

### **1.1 Introduction**

- Context of Audit: importance of entity and rationale for selecting it for Performance Audit in the Annual Audit Plan
- Introduce the entity (organization/programme/project etc.)
- List the entity's Objectives/Functions to be performance-audited
  - State rationale for the Objectives: how these were derived and whether agreed between the management and the government or between the management and the Board of Directors etc.

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- List SMART (Specific, Measurable, Achievable, Relevant, Time-Bound) KPIs that can be used for assessing the achievement of objectives
    - State rationale for the KPIs: whether derived from the project itself or based on good practice etc.
    - If the KPIs are not SMART, this may be so mentioned in the report and audit may develop these some rational basis

## 1.2 Audit Objectives

- Description of objectives
- List of specific audit questions to be explored during the audit

## 1.3 Audit Scope and Limitation

- State the scope of the audit vis-à-vis entity, operation, function, geographical coverage, time period, etc.
- Clarify and scope limitations
- State any constraints/challenges faced affecting the audit

## 1.4 Audit Methodology

- Explain the methodology used to assess performance, and state the significance of 5Es in the context of Performance Audit exercise
- State key sources of data/information (e.g. survey questionnaire or secondary data sources) and means of verification (details, if any, in the Annexure)
- Describe analytical (qualitative and quantitative) tools for conducting Performance Audit

## 2. Review of Entity's Performance

The Performance Audit shall be structured around the entity's objectives, and with the centrality of 5Es in mind, is exclusively focused on the sole consideration whether these objectives have been achieved or not.

- Paragraph(s) giving critical analysis and overall evaluation of performance 'Effectiveness' in the context of relevant KPIs:
  - Critical analysis on the 'Effectiveness' aspect may include elaboration on the extent to which intended results in terms of outputs, outcome and impact assessment more suited under outcome or impact Audit due to more elaborate methodology have been achieved or can be expected to be achieved based on current level of performance
- Paragraph(s) giving critical analysis and overall evaluation of performance in the context of relevant KPIs w.r.t the **Economy and Efficiency** considerations:

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- Observation(s) on the 'Economy' aspect may elaborate on *acquisition* of resources 'at the right cost, at right time, at right place, in right quantity and of right quality' for achieving the objective
- Observations on the 'Efficiency' aspect may elaborate on the minimum utilization of resources for maximum output (without compromising on the quality of output) for achieving the objective
- Paragraph(s) giving critical analysis and overall evaluation of the project on the 'Environment' consideration, *wherever applicable*
  - Observation(s) on the 'Environment' aspect may elaborate on the environmental effects or implications of the project, program or initiative; sustainability aspects etc.
- Paragraph(s) giving critical analysis and overall evaluation of the impact of the project on the 'Equity' considerations, wherever applicable
  - Observations on the 'Equity' aspect may include assessment on the extent to which the program or initiative promotes 'fairness' and that everyone has a fair chance to avail benefits of the initiative
  - Leave-No-One-Behind focus to be a separate sub-heading under which findings are included that assess the extent to which the program/initiative actively addresses needs of the vulnerable segments
  - 'Gender Equity' to be included as a separate sub-heading where an assessment of programme in terms of the extent to which it promotes fair treatment of women is taken into account

All the objectives or the significant objectives that the audit selects to review are to be listed and discussed one by one. The template for each objective has been given below, all other objectives should follow the same template.

## 2.1 [Objective One]

- Did the management achieve the objective effectively to the desired extent.
  - 2.1.1 [Findings]
  - 2.1.2 [Findings] etc.
- Was the objective achieved in an economical manner
  - 2.1.3 [Findings]
  - 2.1.4 [Findings] etc.
- Was the objective achieved in an efficient manner
  - 2.1.5 [Findings]
  - 2.1.6 [Findings] etc.
- Was the objective achieved in an environmentally-friendly manner
  - 2.1.7 [Findings]
  - 2.1.8 [Findings] etc.

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- Was the objective achieved in an equitable manner

2.1.9 [Findings]

2.1.10[Findings] etc.

### 3. Audit Impact Assessment [*if applicable*]

- Actual impact of audit based on impact of Performance Audit raised on public service delivery, program design, sustainability, resilience, and agreed by the management during meeting of the DAC
- Cost-benefit analysis of financial implications, where applicable

### 4. Conclusion

- Inferences about subject matter based on Performance Audit, follow-up and impact assessment (*if applicable*)
- Expression of professional judgment regarding performance as framed in the audit objectives and questions
- Should logically connect to recommendations
- Not a summary of findings

### 5. Recommendations

- Based only on the conclusion related to the Performance audit based on 5Es, impact assessment
- Should cover recommendations to address immediate causes as well as underlying causes
- Be categorized for immediate and medium-to-long-term applicability based on the nature of the underlying cause

### 6. Acknowledgment

- Acknowledging the auditee support and cooperation

### 7. Annexure

- Supporting evidence for audit observations
- List of KPIs for 5Es
- List of documents consulted

<b>Performance Audit Report Template and Indicative Content</b>	
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ii.	Preface
iii.	Table of Contents
iv.	Abbreviations and Acronyms
v.	Executive Summary
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1.1	Introduction
1.2	Audit Objectives
1.3	Audit Scope and Limitation
1.4	Audit Methodology
<b>2.</b>	<b>Review of Entity's Performance</b>
2.1	<b>Objective One</b>
	Did the management achieve the objective effectively to the desired extent.
2.1.1	Finding(s)
	Was the objective achieved in an economical manner.
2.1.2	Finding(s)
	Was the objective achieved in an efficient manner.
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	Was the objective achieved in an environmentally-friendly manner.
2.1.4	Finding(s)
	Was the objective achieved in an equitable manner.
2.1.5	Finding(s)
<b>3.</b>	<b>Audit Impact Assessment</b>
<b>4.</b>	<b>Conclusion</b>
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<b>7.</b>	<b>Annexures</b>

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