

Agile auditing: theory and practice

PEMPAL IACOP – PLENARY MEETING,
Virtual – Smart Interactive Talk (SIT)

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national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Internal Audit
Community of
Practice



Theory

ISPPIA 2000: Managing the IAA

- CAE must effectively manage the IAA to ensure it adds value to the org.
“... strive to offer ways to enhance GRC processes...”



IA Mission

- To enhance and protect organizational value by providing risk-based and objective assurance | **advice** | insight.



Agile audit definition

- IAs to adopt a mind-set that is:
 - Stakeholder-needs driven | Accelerate audit cycles to drive timely insights | Increased efficiency, | Generating less doc.
- (Deloitte, 2017)



Agile Auditing Techniques/ Practices

Dashboard Reporting

- Interim reporting & Summary of audit findings – communicating high risks timeously to AC | Lean Reporting

DASHBOARD: AUDIT FINDINGS

REF#	AUDIT	FINDING SUMMARY	IMPLICATION	ORG. STRAT. OBJ.	AMOUNT	IMPACT (H M L)	
SCM1	SCM	Avoidable Interest incurred due to late payments of accounts	Fruitless & Wasteful Expenditure	Y	R 15 000 000.00	☹️	↓
HR2	HR	...				😐	↔️
SCM3	SCM	...				😊	↑

Key1:

☹️	H - High
😐	M - Medium
😊	L - Low
Y	Yes
N	No

Key2:

SCM - Supply Chain Management
 HR - Human Resources
 ORG. STRAT. OBJ. - Organisation Strategic Objectives

Agile Auditing Techniques/ Practices (Cont'd)

Consulting Assignments (Advisory)

- Increased **Consulting assignments** – It's OK to put a disclaimer on a report stating “*objectivity might have been impaired*”, provided value is added in helping the org. achieve objectives (e.g. Org. Performance improved from $\pm 34\%$ to 80% plus)



QA Self-assessments

- QASP & Monitoring Tool** – streamline self-assessment | Excel Formula driven = automatically generates rating outcome, i.e. GC | PC | DNC (same tool used to do external audit **Reliance** analysis) | leads to = **Saving Money & Time**



Challenges in

- Scaling efforts at country level
- Changing IA mind-sets & culture – IAs shy away from consulting and adopting new techniques

Contact Details

THANK  YOU!

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