In the audit field-work phase, the auditors perform the audit procedures on the questions to gather sufficient and appropriate audit evidence. As determined in the audit planning matrix, the questions address the emergency expenditures of the COVID-19 fund in procurement or socio-economic packages, including transparency, accountability, and inclusiveness of such spending.

The TAI auditor may use audit **sampling**, where appropriate, to provide a sufficient number of items to conclude on the population from which the sample is selected. Audit sampling is applying audit procedures to less than 100 per cent of items within a population of the audit. The audit sample may be quantitative or qualitative, depending on the audit scope and the need for information to analyse the subject matter from several angles.

When designing an audit sample, the TAI auditor needs to consider the purpose of the audit procedure and the population's characteristics from which the sample will be drawn. When deciding which sample items to test, the auditor can either select all items (100% examination), select specific items or use audit sampling methods like judgmental, simple random or monetary unit sampling[1].

TAI auditors design and apply necessary audit procedures to obtain sufficient and appropriate audit evidence to form a conclusion about whether a subject matter (procurement or socio-economic package for TAI audit) complies, in all material respects, with the established criteria. The TAI auditor has to decide whether the audit evidence is sufficient and appropriate to provide the basis of a conclusion. Obtaining sufficient and appropriate audit evidence is a systemic and iterative process as it involves:

| Gathering the evidence | By performing appropriate audit procedures as planned. | Evaluating the evidence | As to its sufficiency and appropriateness | Re-assessing risk | Gathering further evidence as necessary. |

Sufficiency and Appropriateness of audit evidence

Sufficiency is a measure of the quantity of evidence needed to support the audit findings and conclusions. There is no formula to express how much evidence must be considered sufficient in absolute terms. In assessing the evidence's sufficiency, the TAI auditor needs to determine whether enough evidence has been obtained to persuade a knowledgeable person that the findings are reasonable.

The quantity of the audit evidence needed is related to the nature of the audit task. For example, to form a conclusion in a reasonable assurance engagement of the socio-economic packages, the TAI auditor needs to obtain more evidence than a limited assurance engagement. A wider audit scope typically requires more audit evidence than a

ISSAI check
✓ Were audit procedures planned and performed to obtain sufficient and appropriate audit evidence?
✓ Was a combination of audit techniques selected?
✓ Did the team use audit sampling, where appropriate to draw conclusions on the population?

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[1] IDI's Compliance Audit ISSAI Implementation Handbook, page 84-86.

narrower scope of the audit topic. The quantity of evidence also depends on audit risk. The higher the risk, the more evidence is likely to be required.

Appropriateness is a measure of the quality of the audit evidence. It includes relevance, validity and reliability. Relevance is the extent to which evidence has a logical relationship with the issue being addressed. Relevant evidence helps the TAI auditor to answer the audit objective.

Validity is the extent to which evidence is meaningful or provide a reasonable basis for measuring what is being evaluated. Reliability is the extent to which the audit evidence has been gathered and produced following a transparent method. Reliable evidence fulfils the requirements for credibility.

Evidence gathering techniques

The TAI auditor may obtain evidence by carrying out a variety of techniques. The TAI auditor needs to judge which method (or a combination thereof) for obtaining audit evidence will be suitably reliable and balance the evidence against the cost of getting it. Commonly used evidence gathering techniques are the test of controls (observation, inspection, inquiry, re-performance) and substantive procedures (test of details and analytical procedures). During COVID-19 times, the TAI auditor may not be able to apply all these techniques, e.g. inspections, observations or test of details as explained below.

SAIs with jurisdictional powers perform procedures to obtain sufficient and appropriate audit evidence regarding the public official's liability who might be held responsible for non-compliance/unlawful acts. Also, in such SAIs, the inquiry shall be carried out in written form when requested by the national law.

Constraints for gathering evidence during COVID-19

During the COVID-19 period, the auditor may face challenges in gathering evidence compared to the normal period. Some of the challenges are:

- Inability to perform planned audits as per timelines
- Inaccessible geographical locations due to lockdowns, pandemic hotspots, and containment zones
- COVID-19 outbreaks within the SAI staff
- Inability to audit on-site due to travel restrictions, public transport risk, absence of proper accommodation - living and working space, audited entity premises are closed – or entity employees working remotely
- Inability to interview the entity management on-site or evaluate entity's internal controls on-site
- Entity officials are unable or unwilling to engage with auditors

In such a situation, to gather sufficient and appropriate evidence, the TAI auditor may need to consider different options.

Options for TAI auditors to gather evidence during COVID-19

- Assess the implications of Government interventions in terms of financial/budgetary and others. Based on that, carry out a quick audit risk reassessment and rework the audit plan in an agile manner, if required.
- Identify significant IT systems in the public sector which are the vehicles for implementing government interventions, if possible, holding financial (budgets and fund transfers) and beneficiary data, e.g., socio-economic packages.
- Where the entity data integrity is assured, consider IT-enabled audits

- Follow a two-phased audit approach – first Off-site and then on-site audits
  Off-site audits:
  - Desk reviews/interim audits using analytical audit procedures/information systems audits to derive assurance about adequacy and effectiveness of controls over entity IT systems and data
  - Use of IT tools to facilitate remote audits
  - Telephonic/email-based communication, and beneficiary and stakeholder survey
  On-site audits (when the pandemic related situation improves)
  - To carry out test of details, examination of manual records
  - Beneficiary surveys and physical inspection of works/projects, to the extent possible
- Engage with the responsible party/entities and the stakeholders through virtual platforms

Gathering evidence through virtual platforms

When face-to-face methods are not possible or desired, TAI auditors can use information and communication technology (ICT) to gather evidence. However, this presupposes that the entity has its information system that captures the operations, entity data and information is stored there, and the auditor can access those data remotely. In such cases, the TAI auditor could access the entity system for gathering evidence. The auditor can communicate with the entity through email, telephone, video conferencing, and similar means.

TAI auditor needs to consider if it is possible to use remote auditing approach from the audit planning stage. SAI management also could agree on the methods regarding ICT tools for conducting the audit remotely to gather evidence. Since using ICT to conduct the audit would be new for both the auditor and the audited entity, it will be beneficial to have continuous communication during the audit to deal with issues as they may emerge[2].

To manage the challenges during COVID 19 times, the TAI audit team may discuss the audit's likely limitations and clarify that it would make onsite visits when needed and possible. The auditor also needs to find out from the audited entity what restrictions (e.g. limited access, data non-availability) may be in place and determine how this may affect the audit (e.g. unintended delay).

Accessing entity documents and information system

Auditors may be given access to the audited entity's online information system. In such a case, the team should ensure that it abide by the data protection laws and regulations. If that option is not feasible, the audited entity can create a digital filing system that the auditors can access or send to them.

Once the audit team has the digital files, they can be uploaded to a sharing platform such as SharePoint, one drive, google docs, etc. The audit team can also use such a platform for the audit work, including reviewing working papers. Interviews and other audit documentation can all be stored in this platform for use by the audit team.

TAI auditors need to consider the security and confidentiality of information. Relevant safeguards should be put in place and applied. There are laws and regulations governing data transmission and use in the respective country and entity, and the auditor may consider those. The audit team could also consider including members with knowledge of IT security who can assist with the application of data encryption, multi-factor authentication and other safeguards.

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[2] INTOSAI GUID 5280: Guidance for audits of Public Procurement (exposure draft), para 122-124.

Conducting online meeting and interviews

In case the TAI auditor needs to conduct online meetings or interviews, the auditor needs to notify concerned persons and make arrangements in good time and with due regard to the availability of government officials during the emergency. The auditor could use questionnaires to obtain audit evidence, if feasible and practical, and various online tools to conduct interviews (free and proprietary services like Zoom, Skype, Microsoft teams, amongst others). It is critical to consider accessibility and data security while using these tools.

When a remote audit is not possible

In some cases, it may not be possible to access entity data and gather audit sufficient and appropriate evidence in a digital format. The audited entities may only have physical or manual records that the auditor cannot access electronically. The TAI auditor could consider the option of converting entity records into digital formats through scans, pictures, get documents delivered to a safe location or travel to the audited entity after ensuring safety.

This will require close cooperation between the auditor and the audited entity. Under these circumstances, auditors need to be flexible and innovative. For example, TAI auditors could be agile and consider limiting their sample of documents to review only those of very high risk. Also, the team could get documents scanned and then later make a site visit to confirm the authenticity of the documents.

In addition to documents scanned and sent to the audit team, TAI auditors themselves could take videos as audit evidence or have the audited entity do so and send it to them. To minimise physical contact during the pandemic, the TAI audit team could dedicate a specific day to visit the audited entity to take a video of the sample selected. Good coordination is essential so that the audited entity arranges beforehand all the relevant audit data or information are available.

The audit team leader may review and compile the photos and videos into a single folder and share them with the team members. Auditors need to take notes of queries they may have when examining evidence and seek clarification during remote meetings with the audited entity.

The audit team needs to maintain regular communication with the audited entity. The TAI audit team can also coordinate with the audited entity and ensure that the audited entity is not overburdened with different audit team members' requests. TAI auditors could share audit queries early throughout the audit, ideally during the regular meetings with the audited entity.

Evaluating the evidence gathered

The auditor compares the obtained audit evidence with the stated audit criteria to form audit findings for the audit conclusion. For a balanced and objective view, the evaluation process entails considering all evidence provided concerning the audit findings.

By evaluating the scope of work performed, the auditor determines whether she/he is able to draw a conclusion. If the scope of work is insufficient, the auditor might consider performing further procedures or modifying the opinion or conclusion.

For a balanced and objective view, the evaluation of evidence entails considering all evidence concerning the audit findings. By evaluating the scope of work performed, the auditor determines whether (s)he is able to conclude. The evidence-gathering process continues until the auditor is confident that sufficient and appropriate evidence exists to support the agreed level of assurance that will support the auditor's conclusion or opinion.

Formulating audit findings

An audit finding describes the compliance deviation, based on the information gathered during fieldwork, between the existing situation and the criteria. The findings and information obtained during the audit; the conclusions can be recorded in the findings matrix. The findings matrix is a useful tool to facilitate the assessment of the findings, whether they are based on sufficient appropriate evidence, and to prepare a coherent audit report. The table below shows the elements of an audit findings matrix.

Audit question	Audit criteria	Condition/ Evidence	Cause and effect

Tip for TAI auditor: Keep in mind the focus on audit impact at the conducting stage.

Next step:

Based on the audit findings and the materiality, the auditor will determine whether the subject matter is, in all material respects, in compliance with the applicable criteria. The auditor will formulate recommendations and describe all these in the audit report, as explained next.