

### Deciding on SAI Financial Audits in COVID 19 times

Many SAIs are facing restricted operating environments in response to the public health crises arising from COVID-19. The public sector environment is likely to be severely affected due to closed operations of public bodies or their engagement in COVID-19 response. How can a SAI add value through financial audits during these times?

#### Scenario 1: Financial Statements not prepared

#### Scenario 2: Financial Statements prepared but SAI has not yet started the audit

#### Scenario 3: SAI in the process of conducting the audit

Maintain strong communication & consultation channels with audited entities

Decide if you will conduct Interim audit (testing internal controls, getting to know the entity)

Decide if you will conduct audit remotely using virtual platform

Decide if you will continue audit remotely using virtual platform

##### Considerations:

- Access to accounting records
- Access to entity staff
- Access to internet connection, laptop computers and IT facilities
- SAI staff safety
- Maintain auditor independence

##### Considerations:

- Availability of SAI financial auditors trained on audited entities' IT systems
- Access to accounting records
- Access to entity staff
- Access to internet connection, laptop computers and IT equipment
- SAI staff safety

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- Availability of SAI financial auditors trained on audited entities' IT systems
- Access to accounting records
- Access to entity staff
- Access to internet connection, laptop computers and IT equipment
- SAI staff safety
- Amount of audit evidence gathered so far

##### Actions:

- Check the legal provision on delayed financial statements
- Assess risk arising from COVID 19
- Confirm data security policy and confidentiality of information
- Design alternative audit procedures to gather sufficient appropriate audit evidence
- Plan for final audit

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- Assess risk arising from COVID 19
- Confirm data security policy and confidentiality of information
- Design alternative audit procedures to gather sufficient appropriate audit evidence
- Revisit the risk assessment considering COVID 19

If SAI is not able to carry out financial audit in all three scenarios, SAI can use the time available to:

- Train financial auditors, develop/update FA manual, develop audit guidelines, review past audit reports
- Communicate the continued importance of accountability and transparency of financial transactions in COVID 19 times

Conclude and issue audit opinion based on sufficient appropriate audit evidence. If it is not possible to obtain sufficient appropriate audit evidence, then modify the audit opinion accordingly as per ISSAI 2705.