





### **Session Outline**

- Public Accountability
- About AGO
- Independence
- Audit Mandate
- Types of audit
- Audit reports

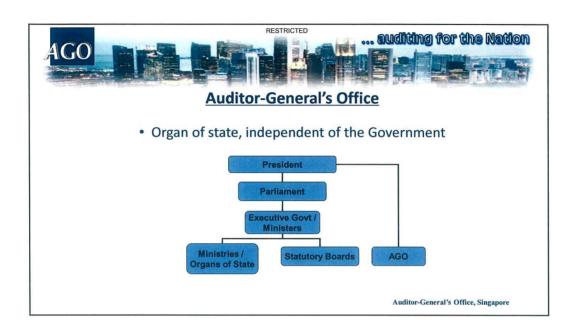
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## **PUBLIC ACCOUNTABILITY**









#### **Role of AGO**

To help Parliament in calling the Government to account, the Auditor-General will audit ministries and statutory boards to ascertain that:

- · public funds are accounted for
- there is no excess, extravagance, inefficiency and waste of public resources
- · all relevant laws are complied with



## **AGO's Vision**

To be a *respected* national audit institution - *Professional, Independent, Effective*.

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#### **AGO's Mission**

To audit and report to the President and Parliament on the proper accounting and use of public resources to enhance public accountability and help strengthen the financial governance of the public service.



## **INDEPENDENCE**

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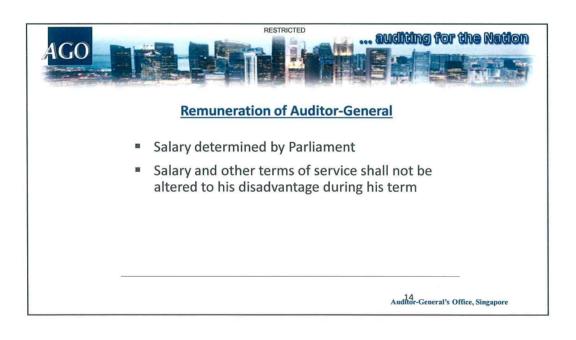


#### **AG's Independence**

Safeguards on AG's independence enshrined in the Constitution of the Republic of Singapore

- Appointment
- Remuneration
- Removal







#### **Removal of Auditor-General**

#### Grounds

- Inability to discharge functions due to infirmity of body or mind or any other cause
- Misbehaviour

#### Procedure

- By President if he agrees with advice of Prime Minister (on above grounds)
- Concurrence of a tribunal (Chief Justice & 2 Supreme Court judges nominated by Chief Justice)

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## **AUDIT MANDATE**



#### **Constitution of The Republic of Singapore**

#### **Duty of the AG**

- Audit and report on accounts of all departments and offices of Government
- Perform audits on such accounts of public authorities and bodies administering public funds as prescribed by law; otherwise upon request and with approval of Minister
- Make recommendations and comment on all matters relating to public accounts, public moneys and public stores

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#### **Audit Act**

#### **Nature of Audit**

Examine if reasonable steps taken to

- Safeguard collection & custody of public moneys
- Ensure payments made with proper authority and supported by proof of payment
- Ensure that provisions of law relating to public moneys or public stores have been complied with



#### **Audit Act**

#### **Additional Duty**

To bring to the notice of the Finance Ministry serious irregularities which have occurred in the accounting or custody of public moneys or public stores

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#### **Audit Act**

#### **Powers of the AG**

- Having access to all information needed for audit
- Presenting his reports to President (President tables the reports in Parliament)



#### **Standing Orders of Parliament**

#### **Public Accounts Committee**

- Comprises up to 8 Members of Parliament
- Examines the accounts of the Government and statutory boards
- Deliberates on the Report of the Auditor-General
- Conducts inquiries into selected issues
- Reports to Parliament its findings, conclusions and recommendations

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# AGO'S Working Relationship with PAC

AG attends the meetings of the Public Accounts Committee and provides clarification on his Report and other audit issues raised by the Committee



## **TYPES OF AUDIT**

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## **Types of Audit**

- Financial Statements Audit
- Selective Audit
  - · check for financial irregularities
  - check whether there has been excess, extravagance, gross inefficiency leading to waste and whether measures to prevent them are in place



#### Whom We Audit

- Government ministries and departments
- Statutory boards
- Government companies e.g. Government of Singapore Investment Corporation Pte Ltd (GIC)
- Government Funds

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# **AUDIT REPORTS**



#### **AUDIT REPORTS**

- Audit Report on the Financial Statements
  - o Government
  - o Statutory Boards
- Management letters to Ministry / Statutory boards (findings and recommendations)
- Annual Report of the Auditor-General to President and Parliament (key findings)

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#### **Annual Audit Report to President**

#### **Factors Considered**

- Seriousness of the audit observation
- Frequency of occurrence
- Importance for purpose of giving assurance



