



PASAI UPDATE

Pacific Auditors working together

PASAI's Technical Support Advisor, Mrs Agnes Aruwafu, attended the AFROSAI-E 9th Technical Update held in Benoni, South Africa on 12–14 November 2014. This is an annual event organised by the AFROSAI-E Secretariat, covering a range of technical topics and also provides an opportunity for SAI members to share some of their experiences. The theme of the program was 'Make your vision a reality — get switched on'.

The Technical Update also provided PASAI with an opportunity to continue its relationship with AFROSAI-E by signing and extending an Memorandum of Understanding, which allows both parties to share and make use of each other's resource materials and experts. The official signing of the MOU was on 12 November 2014 and was signed by PASAI's Executive Director and AFROSAI-E's Executive Officer.



Mr Wessel Pretorius Executive Officer, AFROSAI-E & PASAI Technical Support Advisor, Mrs Agnes Aruwafu, during the official signing of the MOU

SAS Program update

The Sub-regional Audit Support (SAS) program is progressing well in its fourth round with the continued support of the Asian Development Bank. Round 4 started in the Solomon Islands on 2 June 2014 and was completed on 11 July 2014. During the period 1 September to 10 October 2014, the Kiribati phase was successfully completed and the Tuvalu phase (final phase) started on 10 November 2014.

The PASAI Executive Director will be visiting Tuvalu on 15–18 December 2014 to monitor and evaluate the completion of the SAS program.

Grant funding agreements

The New Zealand Ministry of Foreign Affairs and Trade (MFAT) has released the first tranche of its assistance to PASAI under a new funding agreement. PASAI acknowledges and appreciates the continuing support of the New Zealand Government to raise the level of public sector auditing in the Pacific region. The Australian Department of Foreign Affairs and Trade (DFAT) is finalising its funding agreement with PASAI.

Capacity building — ISSAI Implementation Initiative (3i)

IDI and PASAI facilitated the iCAT (ISSAI Compliance Assessment Tool) review workshop held on 24–28 November 2014 in Fiji. The workshop reviewed the iCATs completed by the SAI that have committed to implementing ISSAIs. In December 2012, 14 SAIs signed a statement of commitment with PASAI and IDI during the 3i management workshop. To date, 10 of 14 the SAIs have completed the relevant iCATs, which depend on the audits that SAIs are mandated to conduct.

The main criterion for participating in the workshop was for SAIs to have completed iCATs. Nine SAIs were represented at the workshop by 22 participants. As well as facilitators from PASAI and IDI, experts on performance auditing from SAI Brazil and experts on compliance auditing from SAI Norway helped to facilitate sessions.

SAIs received valuable feedback from the facilitators and also from a peer-review process on how the iCATs were completed. Participants were reminded that iCATs are an assessment of a SAI's audit practice — audit processes and methodologies should not exist only in manuals and policies, but be implemented in audits undertaken by SAIs. It is important that iCATs are completed properly because the results of the iCATs will be the basis for developing an ISSAI implementation strategy for the SAI.

Resources are available to assist SAIs complete the iCATs. The *ISSAI Handbook and Guidance* is for all three audit streams: financial, performance and compliance auditing. In addition, there are 22 certified ISSAI facilitators and three mentors in the PASAI region. All SAIs should be supported by an ISSAI facilitator or mentor. If your SAI does not have a facilitator or mentor, the Secretariat will work with you to ensure one is put in place.

The workshop provided a good overview of the different levels of ISSAIs and the link to the iCATs. Participants got a better understanding of the big picture in ISSAI implementation and the different activities involved in implementing ISSAIs.

Timelines were set for completing revised iCATs, taking into account the feedback received during the workshop as well as preparation of the *iCAT Compliance Assessment Report*. The PASAI Secretariat will inform the Heads of SAI about the timelines and further activities required as the next steps in implementing ISSAIs.



Tier 1 Workshop delivered in Papua New Guinea

PASAI, together with the Papua New Guinea Auditor-General's Office (PNG-AGO) completed the Tier 1 — Fundamentals of Government Auditing workshop from 3–7 November 2014 in Port Moresby, PNG. This workshop was aimed at public auditors with at least 1–2 years' experience.

The cost of attending the workshop was on a cost-sharing basis, where PNG-AGO subsidised the larger component of the workshop.

A total of 19 participants attended this workshop from PNG (8 auditors); Vanuatu (5 auditors); Samoa (3 auditors); FSM National (1 auditor); Nauru (1 auditor); and Solomon Islands (1 auditor). The PASAI Secretariat also used three PNG facilitators to assist with delivering presentations during this workshop: Mrs Maggie Kupp Kuli, ISSAI Facilitator — Compliance Audit; Mr Jeremiah Ten ISSAI Facilitator — Financial Audit; and Mr Puva Heako, Assistant Auditor General — Performance Audit.

There were five main objectives of the workshop:

- Objective 1: providing auditors with classroom sessions and on-the-job training to meet staff needs
- Objective 2: educating auditors on audit methodologies
- Objective 3: imparting knowledge to auditors on International Standards of Supreme Audit Institutions (ISSAIs) and how they are applied in the audit process
- Objective 4: facilitating auditors learning through simulated exercises and case studies
- Objective 5: increasing auditing capabilities by teaching audit techniques and skills.

The response from the participants was that they enjoyed the workshop and learned a lot. All participants hope to undertake the next PASAI Tier 2 training together.

PASAI acknowledges the Auditor-General of PNG, Mr Philip Nauga, and the staff of PNG-AGO for their hospitality, cooperation and support in delivering this PASAI workshop.



Seated: Tier 1 workshop facilitators and PNG Auditor-General,
Standing: participants of the Tier 1 Workshop. Photo taken at Laguna Hotel, PNG.

Independence Resource Kit

What is the Independence Resource Kit?

The Independence Resource Kit is a guide that the PASAI Secretariat is preparing for heads of SAIs to use as guidance in addressing independence issues in their countries.

Why is it important?

The Independence Resource Kit will help SAIs that lack certain elements of independence to find experts who can help. The resource kit will include a list of regional experts and development partners. Stakeholders have also been asked if they could share their expert database for this resource.

What we need from SAIs

An important component of the activity is for SAIs to assess their requirements for independence resources. While the Independence Resource Kit will be developed by the Secretariat, SAIs need to assist the Secretariat by providing the status of their independence by using the independence component of the SAI PMF.

Five SAIs are yet to complete their independence self-assessments. We need to you finalise them and send them into the Secretariat as soon as possible. Assessments received after 31 December will not be considered for the project.

Accounting and travel services

PASAI has received satisfactory interest from its two advertisements for companies to provide accounting and travel services. The process for selection is underway.

THE NEXT SIX MONTHS

22 December 2014 – 2 January 2015: PASAI Secretariat closed for Christmas and New Year

17–18 February 2015: 12th Governing Board meeting, Auckland, New Zealand

9–13 March 2015 (to be confirmed): Tier 3 in-country workshop, Pohnpei, Federated States of Micronesia.

11–15 May 2015: Tier 2 in-country workshop, Tarawa, Kiribati.

FURTHER INFORMATION

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