

2.8.4 Auditor-General's Reports to Parliament – Financial Audit Reports and Special Reports

Introduction

This section provides policy and guidance regarding the Audit Office's (the Office's) Financial Audit Reports to Parliament and any other Special Reports to Parliament,¹ (collectively referred to as the Reports).

A thorough understanding of this policy will help report authors and reviewers ensure that the Report's commentary, findings and recommendations are supported by sufficient appropriate evidence.

This policy should be read in conjunction with the AG's Report Guide (the Guide) produced by the Financial Audit Branch.

Policies and guidance

Report planning

1. The Report Owner should ensure a Report file is created in TeamMate + to evidence the audit team's procedures in preparing the Report.
2. The Report Owner must prepare and present a scoping document to the Deputy Auditor-General (DA-G) and Auditor-General (A-G). The scoping document should be filed as evidence of the scope and direction agreed with the DA-G and A-G, as well as how the report team:
 - presented and discussed the proposed scope with the A-G and DA-G
 - obtained approval of the scope
 - acquitted feedback from the A-G and DA-G.

Report conduct

3. The Report Owner must ensure workpapers within the Report file are adequate to support all Report information including comments, data, tables and charts. The workpapers must provide sufficient appropriate evidence and include:
 - source of information used (whether internal, external, from an expert and so on).
 - procedures performed to obtain comfort the information is accurate and complete.
4. The procedures and documentation required to support the Report information is subject to professional judgement and should be scaled based on the intended use of the information. For example, where information is used to draw a conclusion or raise a recommendation, a higher level of evidentiary documentation is required. In contrast, where information is used as supplementary information (that is, not the primary source of information to support the Report), the report team may determine a lower level of evidentiary documentation is sufficient.

¹ Special Reports are those reports prepared under section 52(3) of the *Government Sector Audit Act 1983*.

5. Where the report team relies on information/data from other audit teams, whether or not as part of the financial statements audit, the report team is required to either:
 - obtain the relevant workpapers necessary for compliance with this Policy and include them in the Report file; or
 - obtain an attestation from the relevant Engagement Controller (EC) that the information/data provided to the Report Owner is accurate and complete.
6. Although other audit teams may contribute information for the preparation of the Report, the Report Owner is responsible for compliance with this Policy. The report team should provide instructions to other audit teams and specify the information required, and the procedures and level of documentation needed to support the accuracy and completeness of the information. Where information/data is sourced but not replicated from the financial statements audit file, the EC should also provide the workpaper reference from the financial statements audit file to the Report Owner, for ease of review by the Report Owner.
7. Where internally generated (management) information, such as key performance information, is relied on in the Report, the report team must assess the accuracy and completeness of this information through appropriate testing to gain confidence that the systems and processes used to produce the information can be relied on. This may involve reviewing relevant controls, testing data, and/or performing appropriate substantive procedures such as accept and reject testing.²
8. Where the report team intends to rely on information provided by an expert (both auditor's and management's expert), the report team should:
 - evaluate the competence, capabilities and objectivity of the expert
 - obtain an understanding of the expert's work and evaluate the relevance and reasonableness of significant assumptions and methods used
 - evaluate the source data used by the expert for relevance, completeness and accuracy.

To support the team's documentation, teams should use the relevant evidence gathering activities (EGAs – audit templates) available in TeamStore.

9. Information or data published in the Report that has not been subject to audit should be clearly labelled as such. Labelling information in the Report as unaudited does not negate the requirements in paragraphs 4 and 5 of this Policy.

Report writing

10. The Report Owner must ensure all comments/queries from all reviewers, including the, DA-G and A-G are appropriately responded to, with the response and follow up action documented on the Report file.
11. Once the A-G has cleared the draft Report, the Report Owner must send in a timely manner the Report to the auditee/cluster head for comment. Evidence of the draft Report sent and the auditee/cluster head response must be documented on the Report file. The provision of the Report must be provided in a timely manner so that there is sufficient time for the entity/cluster head to provide their response.
12. All comments/queries from the entity/cluster head must be acquitted/responded to, with the response and follow up action documented on the Report file.

Report finalisation

13. The Report Owner must ensure that the final Report is fully referenced to source documentation and filed in the Report file. Where the report contains confidential information, the Report Owner should refer, as applicable to the:
 - Performance Audit Guide – section on 'Reporting of confidential (Cabinet and LPP information)'
 - Guidance Note – Access to and reporting of confidential information.

² Refer to 6201.3 'Accept-Reject Testing' of the Audit Guide.

14. The Report Owner must prepare relevant communication materials (such as the Public Audit Committee (PAC) briefing note) and submit to the DA-G and A-G for review. The final versions of the materials should be documented on the Report file.

Post publication

15. Where an error in the Report has been identified and an erratum³ or corrigendum⁴ is required, the report team must refer to policy [2.8.3 'Amending a tabled report'](#).
16. The Report file must be finalised in accordance with policy [2.7.1 'Retention of audit evidence and finalisation of audit files'](#).

Effective date

Issued November 2023 and effective November 2023.

³ An erratum is usually issued because an error arose as a result of the publishing process.

⁴ A corrigendum is usually issued because there was an error contained within the Report (information/data/analysis and so on).