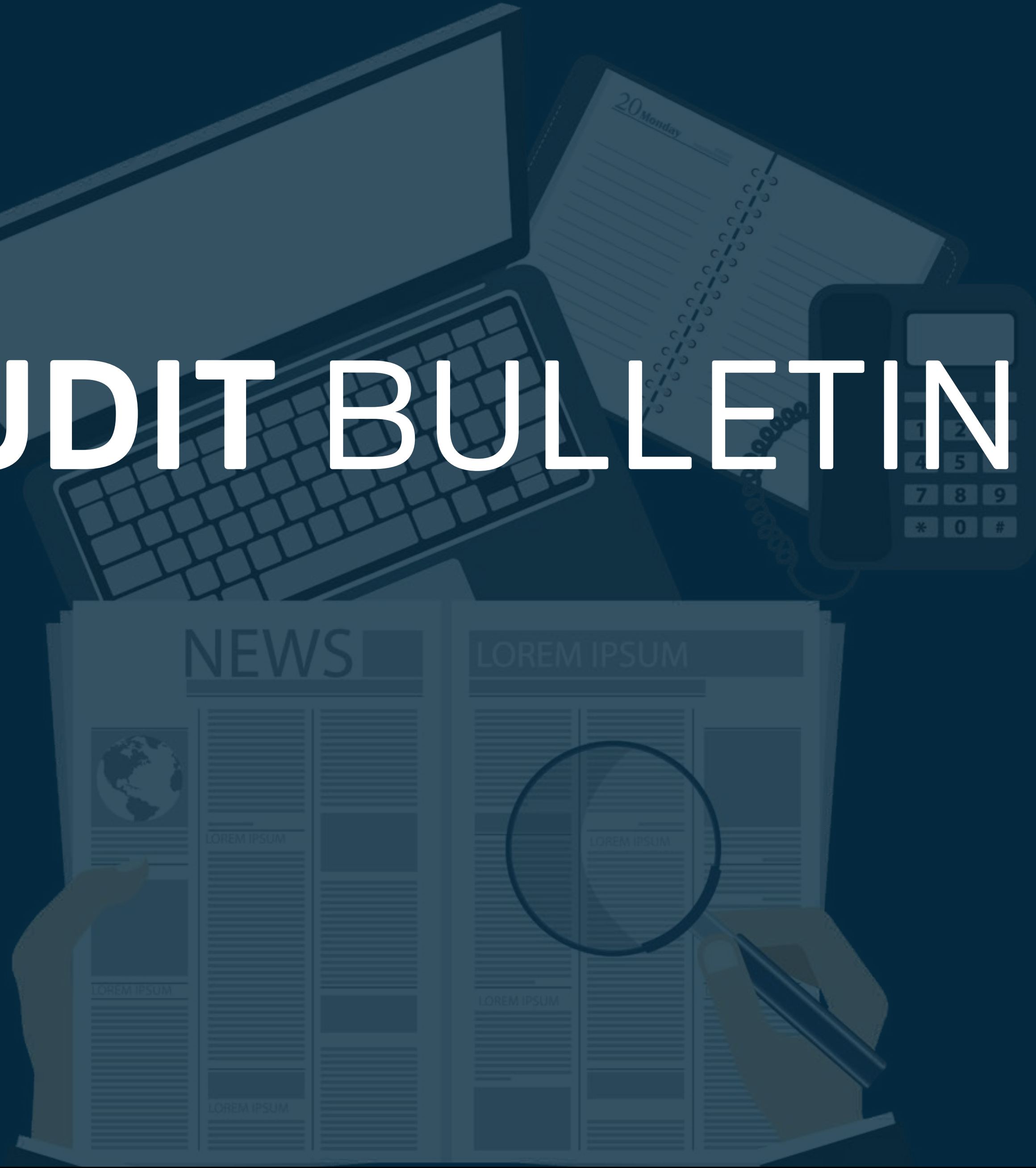


JUNE 2020

# AUDIT BULLETIN



# INTRODUCTION

*This interactive bulletin was initially intended as an easily accessible internal resource having relevant information required for auditors of Auditor General's Office to add value to the on-going audits in times of COVID-19. However, since this bulletin contains articles that could benefit other Auditing and Accounting professionals, upon the advice of Auditor General, it was decided to publish this in official website.*

*It is intended to make this a monthly publication and share latest developments and resources from Auditor General's Office. In addition to this, guidance will be shared from professional organizations within the sector that may be of practical use to the auditors.*

*This bulletin is a collective effort of Technical Department and Information Communication and Technology unit. In addition, valuable suggestions were provided by senior management. Therefore, I thank everyone involved for taking time out of their busy schedule to make this bulletin successful.*

*If you have any feedback to share or would like to contribute to future editions, I would be delighted to hear your views.*

*Thank you*

*Nishwa Firag*

*Director of Technical Services Department*

*Auditor General's Office*

# FEATURES

# REGULATORY



# REGULATORY

## New circulars from Ministry of Finance relating to COVID-19

*Note: To view any circular below, click the circular number.*

# REGULATORY

## New circulars from Ministry of Finance relating to COVID-19

*Note: To view any circular below, click the circular number.*

## REGULATORY

## Other Recent Circulars from Ministry of Finance relating to COVID-19



# REGULATORY

## New circulars from Civil Service Commission relating to COVID-19

*Note: To view any circular below, click the circular number.*

# REGULATORY

## New circulars from Civil Service Commission relating to COVID-19

*Note: To view any circular below, click the circular number.*



# REGULATORY

## New Rules and Regulations


# GLOBAL INSIGHTS

# GLOBAL INSIGHTS



# GLOBAL INSIGHTS

## LESSONS LEARNED FROM AUDITING EBOLA (SIERRA LEONE)

*Lessons from auditing the management of funds donated to fight the Ebola outbreak in 2014 in Sierra Leone are shared by INTOSAI. This was led by a Deputy Auditor General of SAI Sierra Leone, Mr Tamba Momoh.*

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*Please find the recording from the webinar here:*

*You'll also find the ppt presentation of Mr Tamba Momoh here:*

# GLOBAL INSIGHTS

# GLOBAL INSIGHTS



# GLOBAL INSIGHTS

## OTHER COVID-RELATED RESOURCES

# PARLIAMENT

# PARLIAMENT

Committee on Independent institutions

Committee on Social Affairs

Committee on Economic Affairs



# PARLIAMENT

Public Accounts Committee

Government Oversight Committee

## OTHER RESOURCES

# OTHER RESOURCES

Economic Ministry



# OTHER RESOURCES

## Health Protection Agency


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# OTHER RESOURCES

## MINISTRY OF FINANCE

*Details of the spending towards Covid-10 related efforts by the government can be found from the weekly reports below:*


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# OTHER RESOURCES

MALDIVES PORTS LIMITED (MPL)

## OTHER RESOURCES



# MEDIA HIGHLIGHTS

# MEDIA HIGHLIGHTS

News relating to Economic support program

# MEDIA HIGHLIGHTS

News relating to Economic support program



# MEDIA HIGHLIGHTS

News relating to Quarantine facilities

# MEDIA HIGHLIGHTS

News relating to Quarantine facilities



# MEDIA HIGHLIGHTS

News relating to Quarantine facilities

# MEDIA HIGHLIGHTS

News relating to Quarantine facilities



# MEDIA HIGHLIGHTS

News relating to Ventilators, Equipments and other Assets

# MEDIA HIGHLIGHTS

News relating to Ventilators, Equipments and other Assets



# MEDIA HIGHLIGHTS

News relating to Ventilators, Equipments and other Assets



# MEDIA HIGHLIGHTS

News relating to financial aid, donation and Foreign loan

# MEDIA HIGHLIGHTS

News relating to financial aid, donation and Foreign loan



# MEDIA HIGHLIGHTS

News relating to supplies ( Food, Medicine stock, Test kit, Mask, Gloves, PPE )

# MEDIA HIGHLIGHTS

News relating to supplies ( Food, Medicine stock, Test kit, Mask, Gloves, PPE )

المركز الإعلامي



# MEDIA HIGHLIGHTS

News relating to supplies ( Food, Medicine stock, Test kit, Mask, Gloves, PPE )

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# MEDIA HIGHLIGHTS

News relating to expatriates

# MEDIA HIGHLIGHTS

Other news relevant to audit



# MEDIA HIGHLIGHTS

Other news relevant to audit

## MEDIA HIGHLIGHTS

## Other news relevant to audit

[illegible]



# MEDIA HIGHLIGHTS

Other news relevant to audit

# AUDIT FAQs

*The following questions relate to planning stage of an audit. FAQ's for Auditors will be updated as required to address additional common scenarios that arise. We welcome your feedback if you have specific questions which you believe should be added to these FAQs.*

*Adapted from frequently asked questions published by AUASB relating to COVID-19.*





# AUDIT FAQs

## Q1: How might COVID-19 impact an entity's system of internal control and my planned audit approach?audit approach?

- *With more people working from home, changes in operating environment may result in a change in processes and controls.*
- *Incorporating new technology to enable employees to work from home may change the risk associated with the entity's system of internal control.*
- *Restructures may be accompanied by staff reductions and changes in supervision and segregation of duties that may change the risk associated with the entity's system of internal control.*
- *There may be associated changes to the entity's processes to monitor the systems of internal controls.*
- *If an entity has an internal audit function, they may not be able to conduct the planned activities to evaluate or monitor the effectiveness of internal controls.*

*Auditors should discuss with management whether there have been any changes to the systems of internal control as a result of changes to the entity's operations caused by the COVID-19 event. They should also evaluate how management are monitoring and assessing whether the system of internal control is still achieving the objective of reliable financial reporting. Auditors should also remain alert to possible changes in controls when performing audit procedures.*

*Where there have been changes to the systems of internal controls subsequent to the performance of planning and risk assessment procedures, the changes need to be understood and the impact on the audit approach assessed, including (but not limited to):*

- *The impact on the identified risks of material misstatement.*
- *The planned level of reliance on internal controls.*
- *Whether more substantive testing will be required as a result of less reliance on internal controls.*

*Changes to the systems of internal may also impact increase the risk of fraud. Refer to Q2.*

# AUDIT FAQs

## Q2: How may COVID-19 event impact my fraud risk assessment?

*A: Auditors need to maintain professional scepticism and be alert to how fraud risks may be higher as a result of COVID-19. There may be situations where there is a greater risk of fraud and the control environment may be operating differently to usual, for instance impacting on segregation of duties and relaxation of security controls at an entity based on changes to working conditions caused by the COVID-19 restrictions. The following may also increase the risk of fraud:*

- *Increased incentive or pressure for fraudulent financial reporting due to management being under pressure, from sources outside or inside the entity, to achieve an expected (and perhaps unrealistic) target or outcome.*
- *Increased incentive to commit fraud due to financial hardships.*
- *Increased opportunity to commit fraud if internal controls have been weakened.*

*If a risk of material misstatement due to fraud is identified the auditor should design audit procedures to respond to the assessed risks. Refer to ISSAI 1240 The Auditor's Responsibilities Relating to Fraud in an Audit of a Financial Report for relevant requirements.*

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