12.47 Improvements in the performance of audit work can be expected if:

- standards are followed that address all aspects of comprehensive auditing;
- appropriate audit methods and procedures are established and documented in an audit manual;
- decisions on the nature, extent and timing of audit tests and procedures are based on an evaluation of the systems of internal control operating in the department; and
- audit working papers clearly document the audit process and substantiate findings.

12.48 Many departments have no assurance that audits are properly carried out because performance standards have not been defined. Frequently, there is no evidence that audit work is supervised and audit working papers are reviewed. Established methods and procedures are seldom used for giving guidance to audit staff. Documentation of audit findings is generally poor; some audit reports reviewed during the study did not have any supporting working papers. Audit files frequently lack a proper indexing system to ensure that all procedures are performed, that information can be retrieved at a later date, and that evidence can be produced if findings are challenged.

12.49 The Comptroller General has provided guidelines for financial audit; these should be extended to cover all aspects of a comprehensive audit.

12.50 **Reporting audit findings.** *The results of the audit should be documented in a formal report to provide a constructive vehicle for change, be discussed with the managers affected and be presented on a timely basis to the deputy head and his audit committee.*

12.51 Draft audit reports should be discussed with the head of the organization being audited before being finalized and his response should be included in the report.

12.52 Audit reports should be as clear and objective as possible to help management appraise the seriousness of the problems reported. Limitations in the scope of audit should be disclosed. The measurement or evaluation criteria used by the auditor should also be clearly indicated.