

# **National Audit Office**

**Vote Number:** 060

**Controlling Officer:** Auditor General

## **1. Overview**

### **1.1 Mission**

The mission of the office is to promote accountability, transparent administration and good governance in the public sector through the provision of quality audit services which ensure that public resources are used for their intended purpose.

### **1.2 Objectives and Strategies**

<b><i>Objectives</i></b>	<b><i>Strategies</i></b>
To audit and issue audit certificates and opinions to the donor community with respect of donors projects;	Strengthening institutional framework and capacity for auditing.
To audit the Assemblies in accordance with the Local Government Act 1998;	By effectively providing programmed audit services to ministries, departments, assemblies and other public bodies and timely report to National Assemblies
To strengthen Value for Money (VFM) audit in Public Institutions;	By establishing a mechanism for ensuring that public resources are managed with due regard to economy, efficiency, and effectiveness;
To examine and enquire into the accounts of all controlling officers, receivers of revenue and all persons entrusted with collection receipt or disposal of public stores;	By effectively providing programmed audit services to ministries, departments, assemblies and other public bodies and timely report to National Assemblies
To promote transparency, accountability and integrity in the administration of government and subsequently report to the National Assembly;	By effectively providing programmed audit services to ministries, departments, assemblies and other public bodies and timely report to National Assemblies

### **1.3 Summary of Achievements in 2010/ 2011**

- 96 audit management reports and opinions were produced using Regularity Audit Methodology;
- 33 Local Authorities' audits have been conducted;
- 4 Performance Audit reports were produced, 2 are yet to be tabled in the National Assembly; and
- Training of 21 members of staff in various professional development programs undertaken.

### **1.4 Priority Outputs and Measures**

<b>Output</b>	<b>What Objective Is Output Contributing To?</b>	<b>2010-11 Planned</b>	<b>2010-11 Preliminary</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
Performance Audits Strengthened	Strengthen the Value for money Audit in public institutions	8 Performance Audit Reports Produced	4 Performance Audit Reports Produced	8 Performance Audit Reports Produced	8 Performance Audit Reports Produced	8 Performance Audit Reports Produced

Output	What Objective Is Output Contributing To?	2010-11 Planned	2010-11 Preliminary	2011-12	2012-13	2013-14
Prevalence and incidence of HIV/AIDS and its negative impact reduced	Number of staff sensitised and trained	500 staff members	500 staff members	200 staff members	600 staff members	700 staff members
Audit coverage increased	To promote transparency, accountability and integrity in the administration of government and subsequently report to the National Assembly;	97 Management Reports and opinions, 6 embassies audited	96 Management Reports and opinions, 2 embassies audited.	118 Management Reports and opinions, 6 embassies audited	280 Management Reports and opinions, 6 embassies audited	300 Management Reports and opinions, 6 embassies audited
IT Audit Established.	To promote transparency, accountability and integrity in the administration of government and subsequently report to the National Assembly;	IT-audit manual development initiated	IT-audit manual development started	IT audit manual finalised	general and specialised IT audit piloted.	general and specialised IT audit piloted.
A productive civil service	To build capacity in civil service	200 staff members trained	200 staff members trained	150 staff members trained	300 staff members trained	350 staff members trained

## 2. Summary of Budget

### 2.1 Medium-Term Expenditure Allocations

**Table 2a: Budget by Type**

	MK 000'000s				
	2010-11 Approved	2010-11 Revised	2011-12 Estimate	2012/13 Projection	2013/14 Projection
PE	115.80	134.23	154.15	164.30	181.08
ORT	162.94	162.94	201.97	219.14	237.77
<b>Recurrent - Total:</b>	<b>278.74</b>	<b>297.17</b>	<b>356.12</b>	<b>383.45</b>	<b>418.85</b>
Dev Part I	192.62	192.62	100.00	0.00	0.00
<b>Development - Total:</b>	<b>192.62</b>	<b>192.62</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>
<b>060 - National Audit Office - Total:</b>	<b>471.35</b>	<b>489.78</b>	<b>456.12</b>	<b>383.45</b>	<b>418.85</b>

**Table 2b: Budget by Program**

	MK 000'000s				
	2010-11 Approved	2010-11 Revised	2011-12 Estimate	2012/13 Projection	2013/14 Projection
<b>060 - National audit office - Output Based Budget</b>					

05. Auditing Services	368.49	386.92	371.11	290.23	319.43
<b>14. Economic and Financial Management - Total:</b>	<b>368.49</b>	<b>386.92</b>	<b>371.11</b>	<b>290.23</b>	<b>319.43</b>
03. Management and Support Services	92.29	92.29	61.93	78.67	85.95
04. HR Development and Management	8.57	8.57	23.08	14.55	13.47
<b>17. Public Administration - Total:</b>	<b>100.86</b>	<b>100.86</b>	<b>85.02</b>	<b>93.22</b>	<b>99.42</b>
Other	2.00	2.00	0.00	0.00	0.00
<b>Other - Total:</b>	<b>2.00</b>	<b>2.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>060 - National Audit Office - Total:</b>	<b>471.35</b>	<b>489.78</b>	<b>456.12</b>	<b>383.45</b>	<b>418.85</b>

### **Table 2c: Development Budget Projects**

	MK 000'000s					
	Total Estimated Cost	2010-11 Approved	2010-11 Revised	2011-12 Estimate	2012/13 Projection	2013/14 Projection
039 - Institutional Support (National Audit)		192.62	192.62	100.00	0.00	0.00
<b>Dev Part I - Total:</b>		<b>192.62</b>	<b>192.62</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>
<b>060 - National Audit Office - Total:</b>		<b>192.62</b>	<b>192.62</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>

## **3. Past Performance and Planned Outputs**

### **Table 3a - Recurrent Budget Outputs**

Sub - Program/ Program	2010/11 Approved Budget		2010/11 Revised Budget		2011/12 Estimates	
	Planned Outputs	Allocation: MK 000'000s	Actual Outputs	Allocation: MK 000'000s	Planned Outputs	Allocation: MK 000'000s
<i>05. Auditing Services</i>						
	8 Performance Audit Reports Produced, 97 Management Reports & opinions, 6 embassies Audited, IT Audit Manual Devt. Initiated	<b>175.88</b>	4 Performance Audit Reports Produced, 96 Management Reports & opinions, 2 embassies Audited, IT Audit Manual Devt. Started	<b>194.31</b>	8 Performance Audit Reports Produced, 280 Management Reports & opinions, 6 embassies Audited, IT Audit Manual Devt. Finalised	<b>271.11</b>
<b>14. Economic and Financial Management - Total</b>		<b>175.88</b>		<b>194.31</b>		<b>271.11</b>

<i>Sub - Program/ Program</i>	<b>2010/11 Approved Budget</b>		<b>2010/11 Revised Budget</b>		<b>2011/12 Estimates</b>	
	Planned Outputs	<b>Allocation: MK 000'000s</b>	Actual Outputs	<b>Allocation: MK 000'000s</b>	Planned Outputs	<b>Allocation: MK 000'000s</b>
<i>03. Management and Support Services</i>	500 members of staff sensitised and trained in HIV/AIDS Management	<b>92.29</b>	500 members of staff sensitised and trained in HIV/AIDS Management	<b>92.29</b>	200 members of staff sensitised and trained in HIV/AIDS Management	<b>61.93</b>
<i>04. HR Development and Management</i>	200 Staff members to undergo specialist short term training, 6 members to go long term training	<b>8.57</b>	200 Staff members to undergo specialist short term training, 6 members to go long term training	<b>8.57</b>	150 Staff members to undergo specialist short term training, 6 members to go long term training	<b>23.08</b>
<b>17. Public Administration - Total</b>		<b>100.86</b>		<b>100.86</b>		<b>85.02</b>
<i>Other</i>		<b>2.00</b>		<b>2.00</b>		<b>0.00</b>
<b>Other - Total</b>		<b>2.00</b>		<b>2.00</b>		<b>0.00</b>
<b>060 - National Audit Office - Recurrent Budget Total</b>		<b>278.74</b>		<b>297.17</b>		<b>356.12</b>

***Table 3b - Development Budget Outputs***

Project	<b>2010/11 Approved Budget</b>		<b>2010/11 Revised Budget</b>		<b>2011/12 Estimates</b>	
	Planned Outputs	<b>Allocation: MK 000'000s</b>	Actual Outputs	<b>Allocation: MK 000'000s</b>	Planned Outputs	<b>Allocation: MK 000'000s</b>
<b>039 - Institutional Support (National Audit)</b>	8 performance Audit reports produced, IT Audit Manual Developed	192.62	4 performance Audit reports produced, IT Audit Manual Development started	192.62	8 performance Audit reports produced, IT Audit Manual finalised	100.00
<b>060 - National Audit Office - Development Total</b>		<b>192.62</b>		<b>192.62</b>		<b>100.00</b>

## 4. Itemized Budget Summary

***Table 4a - Recurrent Budget by Item***

	MK 000'000s			
	2010-11 Approved	2010-11 Revised	2011-12 Estimate	% Change 2011/12
10 - Salaries	111.67	130.09	150.86	35.10%
11 - Other allowances	4.13	4.13	3.29	-20.48%
21 - Internal travel	58.36	58.36	102.24	75.18%
22 - External travel	25.98	25.98	47.38	82.39%
23 - Public Utilities	6.96	6.96	9.73	39.87%
24 - Office supplies and expenses	17.36	17.36	23.86	37.47%
25 - Medical supplies and expense	1.00	1.00	0.38	-62.50%
28 - Training expenses	20.06	20.06	0.00	-100.00%
29 - Acquisition of technical services	0.00	0.00	4.90	
33 - Other goods and services	0.00	0.00	0.10	
34 - Motor vehicle running expenses	16.27	16.27	10.68	-34.39%
35 - Routine Maintenance of Assets	8.54	8.54	2.06	-75.90%
41 - Acquisition of Fixed Assets	8.41	8.41	0.65	-92.26%
<b>060 - National Audit Office - Total:</b>	<b>278.74</b>	<b>297.17</b>	<b>356.12</b>	<b>27.76%</b>

***Table 4b - Development Budget by Item***

	MK 000'000s			
	2010-11 Approved	2010-11 Revised	2011-12 Estimate	% Change 2011/12
21 - Internal travel	40.37	40.37	11.88	-70.58%
22 - External travel	34.42	34.42	19.69	-42.79%
23 - Public Utilities	0.78	0.78	0.72	-8.33%
24 - Office supplies and expenses	14.43	14.43	6.45	-55.33%
25 - Medical supplies and expense	0.53	0.53	0.53	0.00%
27 - Education supplies and services	11.81	11.81	12.23	3.60%
28 - Training expenses	6.27	6.27	3.28	-47.65%
29 - Acquisition of technical services	4.20	4.20	4.41	5.00%
34 - Motor vehicle running expenses	3.87	3.87	1.68	-56.72%
41 - Acquisition of Fixed Assets	75.93	75.93	39.14	-48.45%
<b>060 - National Audit Office - Total:</b>	<b>192.62</b>	<b>192.62</b>	<b>100.00</b>	<b>-48.08%</b>