



Ref: DG/TA/NTCE/2024/01

17th September, 2024

NOTICE NUMBER: IAA/01/09/2024

PREPARATION AND SUBMISSION OF AN INTERIM 2025 RISK-BASED INTERNAL AUDIT (RBIA) WORKPLAN IN VIEW OF ARTICLE 180 OF THE 1992 CONSTITUTION AND SECTION 23 OF THE PFM ACT 2016 (ACT 921)

Reference is made to regulation 219 (2) of the Public Financial Management (PFM) Regulations, 2019 (L.I.2378) and sections 3 (1) and 16 of the Internal Audit Agency Act, 2003 (Act 658) which mandates the Agency to prepare and publish directives and guidelines for the implementation of accepted standards and procedures for the conduct of internal audit in Public Institutions.

2. Section 83 (4) of the Public Financial Management Act, 2016 (Act 921) requires *the Internal Auditor of a Covered Entity to, in consultation with the Principal Spending Officer of that Covered Entity, prepare an annual audit work plan of the activities required to be performed by the Internal Auditor in a financial year which is determined by the risk assessment including the fiscal risk of that covered entity in accordance with guidelines issued by the Internal Audit Agency (IAA).*

3. In accordance with Section 83 (6b) of the PFM Act, 2016 (Act 921), the Internal Auditor of a Covered Entity shall, **within thirty (30) days after** the beginning of the financial year, submit a copy of the annual risk-based internal audit work plan to the **Director-General of the Internal Audit Agency.**

4. However, in view of the 2024 Presidential and Parliamentary elections, the Appropriation Act for 2025 *will not come into operation at the beginning of that financial year, requiring expenditure in advance of appropriation* in accordance with article 180 of the 1992 Constitution, Section 23 of the PFM Act, 2016 (Act 921) and Regulation 22 of the PFM Regulations, 2019 (L.I.2378).

5. The Agency therefore directs Public Institutions to, prepare and submit a three (3) month **interim Risk-Based Internal Audit workplan for 2025**, pending the passage of the 2025 full year appropriation in April 2025.

6. A copy of the approved interim Risk-Based Internal Audit (RBIA) Work plan should reach the Agency by **31st December, 2024**.

7. Heads of Internal Audit Units (IAUs) and Audit Committees of Public Institutions are to also ensure inclusion of the following **mandatory thrust areas** in addition to other areas *defined by their risk assessment (including corruption and fiscal risks)* in their Interim Risk-Based Workplan.

- i. Reporting and Auditing of Activities under the National Anticorruption Action Plan (NACAP).
- ii. Reviewing financial reports based on International Public Sector Accounting Standards (IPSAS).
- iii. Reviewing and reporting on compliance with the **Handing-over Notes** requirements under section 6 of the Presidential (Transition) Act, 2012 (Act 845).
- iv. Reviewing and reporting on **compliance with the Assets and Liability Declaration** requirements under the Public Office Holders (Declaration of Asset and Disqualification Act, 1998 (Act 550).
- v. Reviewing and reporting on **arrears, outstanding and liabilities** of their respective Institutions.
- vi. Reviewing and reporting on the **status of Assets of public institutions** - protection and appropriate ownership, i.e. appropriate titling and documentation.
- vii. Reviewing and reporting on status of **contracts and project execution, payments to date and outstandings**.
- viii. Reviewing and reporting on compliance with the **Expenditure control measures** outlined in the 2024 Mid-year Budget by the Minister of Finance.
- ix. Progress towards complying with the first-time reporting using the Global Internal Audit Standards, effective 9th January, 2025.
- x. Reporting on compliance with the **Audit Recommendations Implementation and Follow-up Instructions (ARI&FI) and Emergency Expenditure Management Guidelines (2023)**.

8. Heads of IAUs and Audit Committees of Public Institutions are to note that supplementary **mandatory thrust areas** shall be made available to IAUs in 2025 on the coming into operation of the Appropriation Act of 2025 to enable them revise, update and finalize the full 2025 Risk-based Internal Audit Workplan.

9. Please be reminded that the approved **Interim Risk-Based Internal Audit Work Plan for 2025** of your Institution should reach the Agency not later than **31st December, 2024**.

10. Whilst in anticipation of compliance please accept the assurances of our highest consideration.



**E.O. OSAE (PhD, FCA)
DIRECTOR-GENERAL**

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- 1. HEADS OF COVERED ENTITIES**
- 2. HEADS OF INTERNAL AUDIT UNITS**
- 3. CHAIRPERSONS, AUDIT COMMITTEES**

Cc: The Minister for Finance