

UK

OVERSEAS TERRITORIES

PROJECT

COMMONWEALTH  
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# Performance Audit Workshop

17-20 April 2018

Miami, United States



National Audit Office



Government  
Internal Audit  
Agency



Funded by  
UK Government

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## BACKGROUND

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CPA UK has formed a consortium with the UK National Audit Office (NAO) and the UK Government Internal Audit Agency (GIAA) to deliver a three-year project of activities to support relevant UK Overseas Territory (UKOT) stakeholders. The programme brings together parliamentarians and audit officials from the Territories and UK to discuss frameworks for good practice and priorities in public financial management. CPA UK's OT project team is working in partnership with Territory legislatures and audit institutions to gain insight and expertise to ensure that activities fit the specific context and demand of each Territory.

The Project was launched with the CPA UK and UK Overseas Territories Parliamentary Forum on Public Financial Management in Miami on 1-2 March 2017. As part of the Forum, bilateral discussions between PAC Chairs, Auditor Generals, and Heads of Internal Audit, provided an opportunity to discuss priorities and specific challenges in public financial oversight and audit, and convey how the UK Overseas Territories Project (UKOTP) could best support their roles. Following this consultation, a programme of activities was agreed with key stakeholders in each UKOT. This programme includes specialist/performance audit support.

The purpose of the planning workshop was to share approaches in planning a performance audit and share how to plan a performance audit in line with international good practice. The workshop was the first part of a 12 month piece of work partnering with external audit offices in each UKOT on performance audit. This assistance includes a mix of remote and in-person training and assistance.

## KEY AREAS OF SUPPORT

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The workshop shared the approach of the UK NAO and Cayman Islands Office of the Auditor General (OAG) in planning a performance audit on a major project. The UK NAO discussed the process of moving from an initial concept, to developing a concept plan for discussion with the Auditor-General, planning and conducting fieldwork, working on emerging findings, drafting a report, clearing the report with the client department, publishing the report, and working with the Public Accounts Committee.

The Cayman Islands OAG discussed a recent report reviewing major capital projects in Cayman Islands. This included a discussion of how the office determined the scope and approach for the work, how they conducted the audit, and the challenges they faced in doing it.

The group discussed the major project delivery environment across UK Overseas Territories and the challenges faced in delivering major projects. The group discussed the UK NAO Major Project assessment framework which is a valuable tool in conducting a performance audit.

The workshop explored different fieldwork methods to use during an audit, and the advantages and disadvantages of each. The workshop then explored how to manage the delivery of an audit, including allocating work amongst different staff, managing relationships with stakeholders, and managing quality assurance of the audit.

Each UKOT present spent time developing the concept for a performance audit they propose to conduct during the financial year. Those present had an opportunity to present on their concept, develop it further, and received advice from auditors across the UKOTs, and from the NAO. Following the workshop, each Territory committed to developing its concept further and will then discuss the delivery of the audit with their Auditor-General, before then delivering the audit this financial year.

## WORKSHOP OUTCOMES

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1.01. The project increased the understanding of delegates around key themes in planning a performance audit on a major project. The workshop enabled delegates to learn from each other about the challenges and priorities in their Territory, the challenges in conducting a performance audit on a major project, and to collaborate on developing concept plans for a major project performance audit to be conducted over the next financial year.

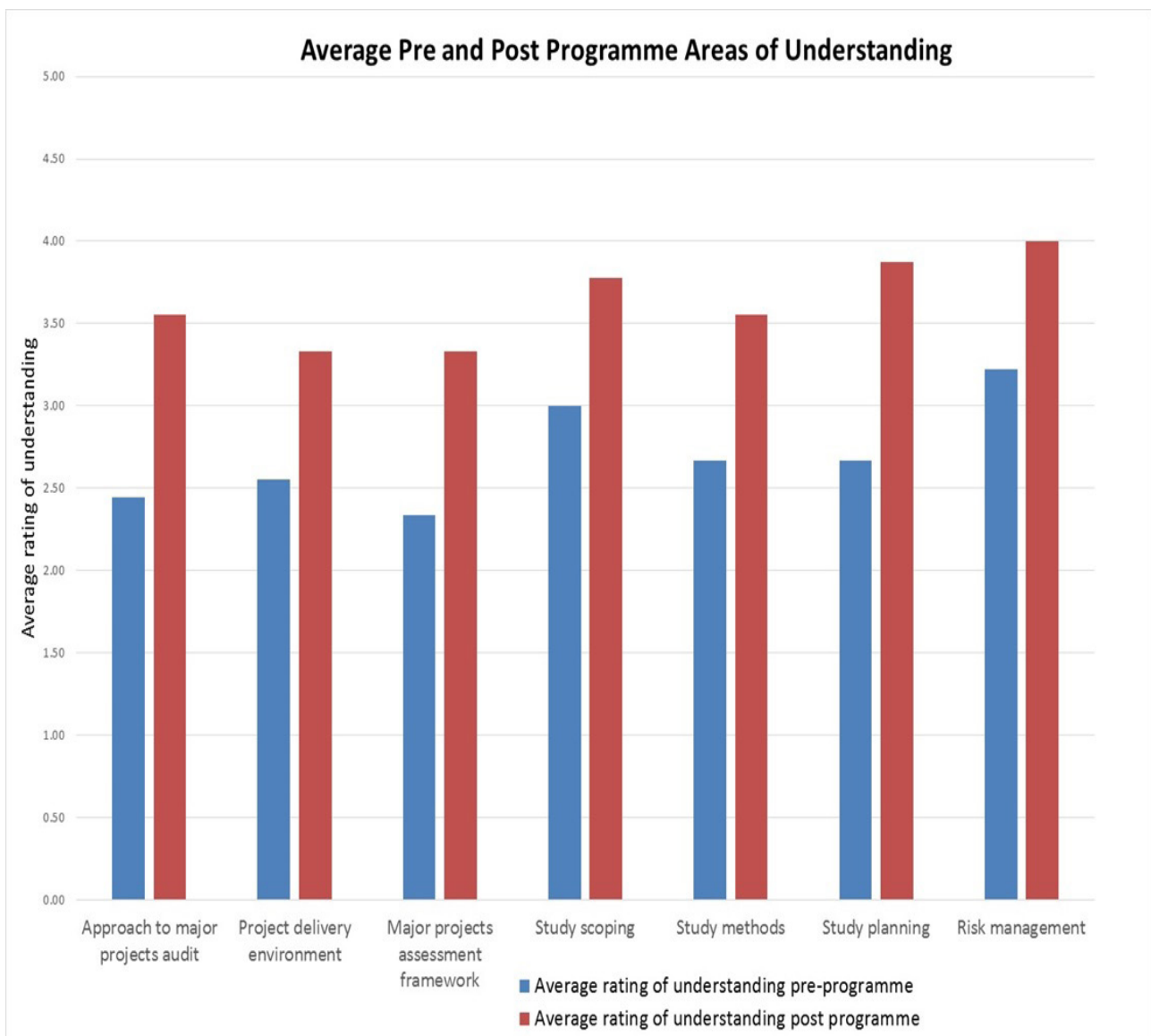
1.02. A delegate from Gibraltar stated that 'we are going to perform a major project audit for the first time. The workshop has proved invaluable for this.' A delegate from Montserrat stated that things learnt at the workshop had 'immediate application to our next audit. The entire programme content proved immediately relevant'. A delegate from St Helena stated that the training 'will give our small office much needed structure through the use of provided templates'.

1.03. The workshop supported shared knowledge and developed networks between external audit officials across the UK Overseas Territories. A delegate from the Cayman Islands stated that it was a 'great opportunity to build relationships and learn about experiences and challenges in other UK Overseas Territories'. Such shared knowledge and networks will be further built on through the UKOTP Online Portal.



1.05. Participants completed post-assessment forms which gathered quantitative and qualitative data on key themes. These were: approach to major projects audit, project delivery environment, major projects assessment framework, study scoping, study methods, study planning, risk management and the concept template.

1.06. Analysis of the participant post-assessment forms yielded the below levels of understanding after the workshop, with 5 being the maximum value of strong understanding. Delegates had significantly increased levels of understanding of the key components of planning a performance audit. Delegates reported substantial increases in understanding across the core areas of the workshop.



## NEXT STEPS

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- 2.01. Following the workshop, each Territory will develop their audit concept further and will then discuss the concept and its resourcing with their Auditor-General. They are then expected to complete the audit in 2018-19.
- 2.02. Each external audit office will be provided remote advice to support them in delivering the audit during 2018-19. This can include review of key documents and ad hoc advice.
- 2.03. It is expected that a second workshop will be held in Autumn 2018 for auditors from each Territory to discuss emerging findings, report drafting and clearance, and working with PACs.
- 2.04. At the training, delegates were given access to a range of training materials, case studies, a concept planning template and useful resources.
- 2.05. Delegates were provided the opportunity to join the UKOTP Online Portal<sup>1</sup> to continue discussions and collaboration with others from other audit offices. The NAO is exploring the possibility of audit offices using Huddle, a secure file-sharing site, to share documents.
- 2.06. The NAO will produce a Value for Money Audit Manual in 2018 and expects to provide training in the use of the manual in early 2019.

### Further resources

- 3.01. Further resources are available to members of the portal on the UK Overseas Territories Project Portal at <https://www.ukotp-portal.com/>. To be a member of the Portal you should work in a UKOT external audit office, internal audit office, or serve on a UKOT Public Accounts Committee.
- 3.02. This report is available on [www.uk-cpa.org](http://www.uk-cpa.org).

### Acknowledgements

- 4.01. Sincere appreciation is given to the external audit office in each participating UK Overseas Territory, the Governor's Office in each UKOT, the CSSF, and the FCO.

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1. The aim of the online portal is to create a platform for Chairs of Public Accounts Committees and Heads of Internal and External Audit from the UK Overseas Territories (UKOTs) to share good practice and exchange ideas with regards to public financial management, promoting cross-Territory communication between professional counterparts. The portal enables stakeholders to discuss key issues with counterparts, upload documents, and allow the Project Team to easily share updates, outputs and other relevant material. To be a member of the Portal you should work in a UKOT external audit office, internal audit office, or serve on a UKOT Public Accounts Committee.

# PROGRAMME

## Day 1 - Tuesday 17 April

TIME	SESSION
0900	<b>Welcome</b> Introduction Workshop objectives Discussion of objectives for the audit
1000	<b>How the UK NAO does VFM (Paul Wright-Anderson, Audit Manager, UK National Audit Office)</b> Overview of the UK NAO approach Concept, POC, emerging findings, draft report, clearance, publication, PAC, Analytical frameworks
1030	<i>Break</i>
1100	<b>How the UK NAO does VFM (continued)</b> How practice varies in UKOTs
1115	<b>Major projects audit (Sandy Gordon, Audit Manager, UK National Audit Office)</b> Projects and programmes Major projects in the UK Risks to VFM Overview of our audits What project audits UKOTs do (discussion)
1230	<i>Lunch</i>
1330	<b>Cayman Islands audit of major projects (Angela Cullen, Director of Performance Audits, Office of the Auditor General, Cayman Islands)</b> Audit scope and approach Findings Impact / client value Challenges in doing the work
1430	<b>Project delivery environment (Sandy Gordon)</b> Delivery environment The DECA tool Discussion
1500	<i>Break</i>
1530	<b>Delivery environment in UKOTs (Delegate Contributions)</b> Overall characteristics Feedback and discussion
1615	<b>Major projects assessment framework (Sandy Gordon)</b> Purpose Content of the framework How NAO uses it How UKOTs might use it Discussion
1700	<b>Round-up (Paul Wright-Anderson, Audit Manager, UK National Audit Office)</b>
1730	<i>Close</i>

## PROGRAMME

### Day 2 - Wednesday 18 April

TIME	SESSION
0830	<b>Recap / Intro (Paul Wright-Anderson)</b>
0900	<b>Study scoping (Paul Wright-Anderson)</b> Objectives Options How many projects, type, completed or live projects Criteria for considering option
1000	<b>Breakout - UKOT scoping</b> Consideration by Territories
1030	<i>Break</i>
1100	<b>Breakout - UKOT scoping (continued)</b> Consideration by Territories Presentation Discussion
1230	<i>Lunch</i>
1330	<b>Issue analysis / evaluative criteria (Sandy Gordon)</b> Purpose Approaches
1415	<b>Breakout - UKOT audit issues</b> Consideration by Territories Presentation
1500	<i>Break</i>
1530	<b>Feedback - UKOT issues</b> Presentation
1600	<b>Study methods (Angela Cullen)</b> Options for methods, with their pros and cons Triangulation
1700	<b>Round-up (Paul Wright-Anderson)</b>
1730	<i>Close</i>



# PROGRAMME

## Day 3 - Thursday 19 April

TIME	SESSION
0900	<b>Recap / Intro (Paul Wright-Anderson)</b>
0915	<b>Breakout - UKOT Methods</b> Consideration; Presentation; Discussion
1000	<b>Expected findings (Sandy Gordon)</b>
1015	<b>Breakout - UKOT findings</b> Consideration; Discussion
1045	<i>Break</i>
1115	<b>Study planning and management (Paul Wright-Anderson and Angela Cullen)</b> Team and other resources Timetable Budget QA arrangements Stakeholder management Angela to provide perspective of what this means in a smaller audit office and Territory
1200	<b>Breakout - UKOT population of concept template</b> Consideration Discussion
1230	<i>Lunch</i>
1330	<b>Risk management (Sandy Gordon)</b> Overview of risk management Likely risks Possible mitigations
1400	<b>Breakout - UKOT risk management</b> Consideration Discussion
1430	<b>Breakout - UKOT population of concept template</b> Consideration
1500	<i>Break</i>
1530	<b>Breakout - UKOT population of concept template</b> Consideration Completion
1615	<b>Short attendee presentations of concepts</b>
1630	<b>Scoping and Issue Analysis</b>
1730	<i>Close</i>

## PROGRAMME

### Day 4 - Friday 20 April

TIME	SESSION
0900	<b>Further Development of Issue Analysis</b>
1030	<i>Break</i>
1115	<b>How we work together - discussion (Paul Wright-Anderson)</b> NAO role Helping each other Discussion
1130	<b>Round up (Paul Wright-Anderson)</b> Including any final comments and questions
1230	<i>Lunch</i>
1330	Close

## BIOGRAPHIES

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### PAUL WRIGHT-ANDERSON

Audit Manager, UK National Audit Office

Paul Wright Anderson has nearly 30 years experience at the UK National Audit Office. He currently focuses on VFM work in the health sector and on international technical cooperation with supreme audit institutions, including with the UK Overseas Territories. He has previously managed performance audits in a number of areas including United Nations, centre of government, education, and housing.



### SANDY GORDON

Audit Manager, UK National Audit Office

Sandy Gordon has over 25 years experience in value for money audit at the NAO. He has specialised in examining the implementation of new services and major change programmes across government, from the creation of the independent further education sector in the 1990s, through welfare reforms and the introduction of Sure Start in the 2000s, to cost reduction and reform of the Ministry of Defence in the 2010s. He has consistently championed innovative approaches to our audits to encompass new subject matter and improve their rigour and timeliness. He currently leads the NAO's project delivery practice and is working to improve the UK NAO's approach to auditing major project and programme delivery.



As well as being a qualified accountant he has a Masters degree in social research. His dissertation analysed pensioner benefit take-up using large-scale quantitative data analysis.

### ANGELA CULLEN

Director of Performance Audits, Office of the Auditor General, Cayman Islands

Angela Cullen has over 25 years public sector audit experience, covering both performance and financial audit. She is currently the Director of Performance Audit in the Office of the Auditor General of the Cayman Islands (since January 2017) where she is responsible for the performance audit practice.

Prior to this Angela was an Assistant Director at Audit Scotland where she was responsible for over 50 performance audits. Over the years, she has carried out performance audits on areas covering health, public finances, investment, justice, environment, economic development and skills. She was also appointed auditor for a number of central government bodies. Angela is a CIPFA qualified accountant and has represented previous employers on various CIPFA committees.



### CALLUM FORSTER

Project Officer, UK Overseas Territories Project, CPA UK

Callum Forster is the Project Officer for the UK Overseas Territories Project. Callum is responsible for delivering a variety of parliamentary strengthening and capacity building programmes and activities across the project.

Prior to joining CPA UK, Callum supported the delivery of international development programmes for a range of NGOs, and previously, the delivery of international education programmes. Callum served as a Harold W. Rosenthal Fellow in the United States Congress. Callum holds an MA (Hons) in International Relations from the University of St Andrews, and an MA in International Studies from the Josef Korbel School of International Studies at the University of Denver, focused on governance.



**BRITTANY BODDEN**

Audit Trainee, Office of the Auditor General, Cayman Islands

Born and raised in the beautiful Cayman Islands, Brittany Bodden is an aspiring CPA who values excellence, integrity, teamwork and good leadership. After spending two years with MUFG AFS (Cayman) Limited as a Fund Accounting Intern, she is thrilled about her new role as Audit Trainee at the Cayman Islands Office of the Auditor General. Before her internship with MUFG, she also interned with the Cayman Islands Government Internal Audit Unit. The UKOT Specialist Audit Workshop will be the very first professional conference in Brittany's career. She certainly looks forward to learning about all the various strategies and concepts for auditing.

**JONATHAN MOSQUERA**

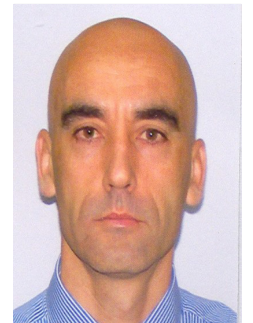
Audit Manager, Gibraltar Audit Office

Jonathan Mosquera has been employed in the Gibraltar Civil Service since July 1999. He joined the Gibraltar Audit Office in January 2001 as an Assistant Auditor. On 1 July 2007 he was promoted to the post of Auditor. As Auditor, he became responsible for an audit team. During his time as Auditor he has substituted for the post Audit Manager for more than five months on three separate occasions during which time he led the team carrying out the audit of the Public Accounts of Gibraltar. In May 2017 he was promoted to the post of Audit Manager. Included in his remit is the responsibility for Value for Money Audits. His team is currently engaged in the Value for Money of the prescription service provided by the Gibraltar Health Authority.

**EDGAR HARPER**

Audit Manager, Gibraltar Audit Office

After graduating at the University of Brighton (United Kingdom) in Accounting and Finance in 1995, Edgar Harper worked for different companies in the private sector (in England and in Gibraltar) mainly preparing company accounts until he was employed at the Gibraltar Audit Office (GAO) in 2006. He commenced at the GAO as an Audit Clerk and he has gradually worked my way through the ranks to be promoted to the grade of Audit Manager in 2017. He has been a Fellow of the Association of Chartered Certified Accountants since 2017. He is currently in charge of a team of three, with Edgar as manager, one Auditor and one Assistant Auditor. The team is one of two 'external' teams at the GAO with the main responsibility of auditing the departments of the Government of Gibraltar. In addition to reporting on these departments, the team regularly undertake special exercises at the request of the Principal Auditor and perform value for money reviews on Government departments, agencies and authorities.

**BRENT SHUFFLER**

Audit Manager (Performance Audits), Office of Auditor General, Montserrat

Brent Shuffler is the Audit Manager (Performance Audits) in the Montserrat Office of the Auditor General. Over the last 30 years, he has worked in accounting, external audit, internal audit, finance and investments. He passed the CPA Uniform Final Examination, AICPA in 1998. He is a regional trainer of accountants in the Becker CPA Programme (Barbados, Guyana, and Trinidad), a member of the American Institute of Certified Public Accountants (AICPA), 1999. He studies with the Chartered Financial Analysts Institute (to Level 2).

**CHARLENE SAM**

Auditor, Office of Auditor General, Montserrat

Charlene Sam is a native of Guyana, residing in Montserrat for the past twelve (12) years. Ms Sam is currently pursuing her Bachelors of Science Degree in Financial Management at the University of the West Indies. She is currently employed as an Auditor at the Office of the Auditor General, where she has gained eight (8) years of experience particularly in the area of financial auditing. Her pursuit in learning other audit areas has led to her interest in Performance Audit. As such, she is preparing to transition to a new team within her Department under Performance Auditing/Value for Money. Therefore, this training will serve as a tool to enable a seamless changeover.



## HAPPYMAN MAKAMURE

Head of Audit Services, St Helena Audit Service

Happyman is a Chartered Accountant by profession with extensive audit (external, internal and value for money audit) and advisory experience. He is currently the Head of Audit Service at the St Helena Audit Service (SHAS) with responsibilities for the delivery of both external (financial) audits and value for money audits. He did his articles of clerkship with Nexia SAB&T in South Africa and rising to the position of Director within the firm. He left Nexia SAB&T in November 2015 to join SHAS as the Performance Audit Manager.



## HELENA LOECHEN

Senior Performance Auditor, St Helena Audit Service

Helena is Senior Performance Auditor, and in this role she plans, executes, finalises and leads the audit team in the delivery of VFM audits and any other delegated assignments.

Helena holds a Master of Science Degree in Business Administration from The Norwegian School of Economics and Business Administration. She has experience as a consultant/project manager, working with innovations and category improvement in retail, and process analysis, IT and business solution projects both in the private and public sector. Helena joined SHAS in March 2016, and is currently studying to become a Certified Internal Auditor.



## KEVA WILSON

Audit and Administrative Manager, Turks & Caicos Islands National Audit Office

Keva Wilson is the Audit and Administrative Manager at the National Audit Office (NAO) with 20 years of experience in government auditing. She is responsible for auditing the Turks and Caicos Islands Government Ministries and Departments. Additionally, she oversees all the administrative functions of the NAO as Administrative Manager. She holds a Bachelors of Honors Degree in Finance and Accounting from the Manchester Metropolitan University, and received training in value for money, Financial and performance audits.



## UK OVERSEAS TERRITORIES ONLINE PORTAL

The online portal is a secure member-only platform for Members of UKOT legislatures engaged in oversight of public spending, members of Public Accounts Committees and Internal and External Audit from the UK Overseas Territories to share good practice and exchange ideas with regards to public financial management, promoting cross-Territory communication between professional counterparts.



Connect with individuals in UK Overseas Territories to exchange ideas and network.



Read latest news and updates on progress of UK Overseas Territories Project.



Download resources on public financial oversight including seminars and e-workshops.



Follow up on activities through online discussions.

Join the community at  
[www.ukotp-portal.com](http://www.ukotp-portal.com)



## ABOUT THE UK NAO & CPA UK

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### UK NAO - WHO WE ARE

The National Audit Office is the UK's Supreme Audit Institution. Its 800 staff certify the accounts of all government departments, and many other public sector bodies, and report the results to Parliament. They also carry out value for money reports, investigations, support to Parliament, and international audit and cooperation. The recommendations and reports on good practice help government improve public services, leading to audited savings of £734 million in 2016.

### CPA UK - WHO WE ARE

CPA UK is a member of the Commonwealth Parliamentary Association (CPA), which is a Commonwealth-wide network of some 17,000 national, state, provincial and territorial parliamentarians within 180 legislatures in 52 countries. The purpose of the CPA is to strengthen parliamentary democracy within the 52-country Commonwealth, providing a space for parliamentarians to share, learn, compare and work together to promote Commonwealth values of democracy, rule of law, human rights, good governance and social and economic development.

The Commonwealth brings together a third of the world's population, including a billion people under 25, from the poorest and the richest, the largest and the smallest, developing and developed countries. Within the Commonwealth family there are huge opportunities created by aspects of shared culture, governance commonalities and good diplomatic and trade relations. There are also many challenges, which by acting and working together Commonwealth countries can strengthen their responses and bring about positive change. CPA UK is part of the UK Parliament and is the most active branch in the Association. Its offices are at the very heart of Parliament, off Westminster Hall. All sitting Members of both Houses are eligible to participate in CPA UK programmes.

### WHAT WE DO

CPA UK runs exciting, demanding, and far-reaching international outreach programmes of parliamentary strengthening and capacity-building with legislatures across the Commonwealth focusing on the tools by which the Executive is held accountable by parliamentarians. CPA UK's themed international parliamentary conferences and parliamentary workshops run in Parliament and abroad attract international speakers of note from politics, academia, NGOs and governments across the world and the quality of its programmes is internationally recognised. Discussions on a huge range of issues take place between international policy makers in forums conducted by CPA UK such as sustainable development, human rights, gender equality and the empowerment of women, climate change, international trade and investment, national security, conflict resolution and peacebuilding.



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