Audit Profile: The Auditor-General's Office of Singapore

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Audit Profile: The Auditor-General’s Office of Singapore

by Lim Soo Ping, Auditor-General of Singapore

Published in International Journal of Government Auditing, 2008 October.
http://www.intosaijournal.org/technicalarticles/technicaloct2008b.html

History

The beginnings of the Auditor-General’s Office of Singapore can be traced back to 1867 when Singapore was a British colony. Archival records from the 19th century show that the Audit Office in Singapore submitted annual reports on the accounts of the “Straits Settlements” to the Colonial Secretary in London.

Shortly after Singapore became a sovereign state in 1965, the Constitution of the Republic of Singapore and the Audit Act were enacted. Under this legislation, the Director of Audit (as the Auditor-General was then called) reported to the President of Singapore. In the late 1980s, the Audit Department was renamed the Auditor-General’s Office (AGO).

AGO’s mission is to audit and report to the President and Parliament on the proper accounting of public moneys and the economic, efficient, and effective use of public resources to enhance public accountability.

Statutory Duties of the Auditor-General

The Auditor-General is required to audit all government ministries, departments, and other public authorities and bodies as prescribed by written law. Where the enabling act of a public authority or body does not so provide, the Auditor-General may audit the accounts at the request of that public authority or body.

The Auditor-General audits the accounts of 15 government ministries and 7 state organs. The public authorities under AGO’s audit purview comprise mainly statutory boards,¹ which AGO audits on a rotational basis. During the time between AGO audits, the statutory boards are audited by public accounting firms that are appointed in consultation with the Auditor-General.

The Auditor-General also has a role, most likely unique to Singapore, in protecting the country’s reserves. Under the constitution, the President of Singapore has discretionary and custodial powers to safeguard past reserves accumulated by the government. Past reserves, which the government does not accumulate during its current term of office, can only be used with the President’s concurrence. The Constitution requires the Auditor-General to inform the President of any proposed government transaction that, to his knowledge, is likely to draw on past reserves.

Independence

¹ A statutory board is a body that is established or constituted by or under a public act and that has a public function.
To ensure the independence of the Auditor-General, the Constitution provides that he be appointed by the President and dictates that he cannot be arbitrarily removed from his position and his salary cannot be reduced by the government. His duties and responsibilities (including audit scope and coverage) are spelled out in the Constitution and the Audit Act. To carry out his work, the Audit Act empowers the Auditor-General to have access to all books, records, and reports relating to the accounts subject to his audit and to comment on all matters relating to public accounts and public moneys. The Report of the Auditor-General is submitted to the President and presented to Parliament annually.

Public Accounts Committee

The Public Accounts Committee (PAC), a select committee of Parliament, reviews the Report of the Auditor-General. The PAC conducts inquiries into selected issues by calling on ministries to (1) account for lapses identified in the report and (2) update the PAC on corrective actions being taken. The Auditor-General attends the PAC meetings and provides clarification on his report and other audit issues raised by the committee. The PAC reports its findings, conclusions, and recommendations to Parliament.

Organization

The Auditor-General is assisted by a Deputy Auditor-General and two Assistant Auditors-General. As shown in figure 1, AGO’s organization comprises four departments, namely the Audits Department, the Special Audits Department, the Policy and Research Department, and the Corporate and Public Affairs Department.

Figure 1: AGO Organization Chart

The Audits Department is responsible for financial and compliance audits on the accounts of government ministries and departments and other public authorities.

The Special Audits Department is responsible for performance audits and information technology audits.

The Policy and Research Department is responsible for formulating and implementing AGO’s policies and conducting research.
The Corporate and Public Affairs Department is responsible for the corporate and administrative functions, including international and public relations.

**Personnel**

Our auditors come from various disciplines, in particular accounting, commerce, engineering, and computer and information science. About half are Certified Public Accountants (CPA); a number of them have other professional qualifications, such as Certified Information Systems Auditor (CISA), Chartered Financial Analyst (CFA), and Certified Internal Auditor (CIA).

**Professional Development**

AGO has in place a structured training and development program that covers foundational, professional, and leadership training. AGO’s training academy carries out its training and development program through an array of formal courses, self-study, and on-the-job training. Officers with high leadership potential are sponsored for overseas training, such as the International Auditor Fellowship Program at the U.S. Government Accountability Office.

AGO is represented in a number of professional bodies and committees in Singapore. These include the Auditing and Assurance Standard Committee of the Institute of Certified Public Accountants of Singapore (ICPAS) and the Advisory Committee on Accounting Standards for Statutory Boards.

AGO also emphasizes the importance of public education because a parliamentary democracy is better served if the general public is familiar with the concept and practice of public accountability. AGO achieves this through its Web site and publications as well as briefings/seminars to public officers. The AGO Academy contributes to the public education effort by offering courses for officers in the public sector.

**International Cooperation**

In the past year, AGO has received delegations from various SAIs. As an INTOSAI member, we look forward to further exchanges, especially through contacts made through the INTOSAI network and programs. They provide useful opportunities for the sharing of knowledge and experience in government auditing and for discussing common issues relating to challenges SAIs face in a rapidly changing globalized world.

For further information, contact the Auditor-General’s Office:

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