Audit Report and Its Follow-Up
1. Recording, review of findings and conclusions

It is essential that the findings of an audit are thoroughly documented! (notes, calculations, written records of procedures)

- Formal meetings with auditee to discuss the conclusion and findings
- The auditor should present a summary of the audit findings to the company officials.
- Agreement to the auditor’s conclusion

Auditee disagreement → objection/appeal
Auditee agreement
2. Reporting

The audit report represents the **formal communication** from the audit team to the *auditee*

- It makes certain **recommendations** as to how the *auditee* can improve compliance in the future.
- It contains the **findings** of the audit, including the auditor’s **opinion** as to the **level of compliance** based on the results of the audit procedures.
Audit Reports have to be written after audit is finished and sent to parties.

Audit reports should include:
- **Scope** and **purposes** of the audit
- A statement that audit has been conducted accordingly with the audit **standards**
- **Conclusions** and **recommendations**
I. Summary of Audit Process
   a. Legal Basis
   b. Audit Purposes
   c. Nature and Scope of Audit
   d. Audit Procedures
   e. Audit Results

II. Auditee’s Profile

III. Conclusions and Recommendations

Appendixes (including Worksheets, Inventory Counts, etc)
The process of preparing audit report

**Draft**
Prepared by audit team and reviewed hierarchically by the supervisors

**Check**
Checked by PCA manager’s staff whether the report is free from technical errors and has already fulfilled the formal provisions

**Final Audit Report**
The report is now issued as a final audit report and ready for distribution
FOLLOW-UP OF AUDIT REPORTS

RECOMMENDATIONS

A. Improvements of regulation;
B. Improvements of system and service procedures and supervision;
C. Billing of under-payment;
D. Refund of over-payment;
E. Re-examination of customs value and HS classification;
F. Improvement of auditee’s Internal Control Structure, book-keeping, IT Inventory; and / or
G. Other recommendations for relevant parties in accordance with regulations.
Monitoring, Evaluation, and Quality Assurance (MEQA) of Audit
OUTLINE

1. SCOPE OF MEQA OF AUDIT
2. MONITORING OF AUDIT REPORTS FOLLOW-UP
3. EVALUATION OF AUDIT REPORTS
4. AUDIT QUALITY ASSURANCE
SCOPE OF MEQA

Follow-up of audit report

Conformity of PCA with audit provisions

Monitoring

Evaluation

Assuring that all provisions have been met in all stages of PCA (Planning, Implementation, and Monitoring, Evaluation)
## Monitoring of Audit Reports Follow-Up

<table>
<thead>
<tr>
<th>WHAT</th>
<th>WHO</th>
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</table>
| A series of activities carried out in a systematic and continuous manner to determine the level of completion of Audit Reports Follow-Up | 1. Directorate of Customs & Excise Audit  
2. Regional Offices  
3. Prime Customs Offices |

<table>
<thead>
<tr>
<th>HOW</th>
<th>WHEN</th>
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</table>
| 1. Data Collection  
2. Data Tabulation  
3. Reporting | Monthly |
HOW

Data Collection
- Audit Database
- Audit Billing
- Realization Report
- Audit Implementation
- Report

Data Tabulation

Confirmation to related
Customs Offices
(when necessary)

Reported monthly by
Regional Offices

Reporting
- Follow-Up Audit Report

DIRECTOR OF
CUSTOMS & EXCISE
AUDIT
Evaluation of Audit Report
An activity to assess audit report, in area of:
- Fulfilment of auditing procedures
- Compliance with audit standards
- Fulfillment of the audit program
- Provisions on audit findings
- Cost/benefit analysis

1. Feedback for audit team
2. Input for profile database of parties involved in PCA
3. Re-audit
4. Recommendations to other units
5. Recommendations for the improvement of regulation
REVIEW ON AUDIT BUSINESS PROCESS

AUDIT PLANNING
- Generaly Planned
- Generally by Request
- Specificity by Request
- Investigate
- LAOA & NPA
- LAOA & NPA + INTERNAL MEETING

AUDIT IMPLEMENTATION
- Letter of Assignment
- Field Work
- Office Work
- DTS Presentation
- Audit Report
- Follow Up
- Audit Result

AUDIT MONITORING & EVALUATION
- Monitoring of Follow-Up of Audit Reports
- Evaluation of Audit Reports
- ✓ Audit Monitoring & Evaluation

QUALITY ASSURANCE
- ✓ Audit Planning
- ✓ Audit Implementation
- ✓ Audit Assignment

Directorate General Customs and Excise
Ministry of Finance of Republic Indonesia
AUDIT QUALITY ASSURANCE

→ WHAT
A set of systematic and planned activities to assure that all audit business processes have been met the standards and provisions

→ WHY
To fulfill determined quality standards of every stage of audit business process.

→ WHEN
Reported REGULARLY every semester; and/or
Reported BY REQUEST to Director or Head Office

→ HOW
Deputy Director of MEQA or an assigned Officer

Evaluation of Quality Assurance Audit Implementation

To meet the determined quality standards

All related parties
## AUDIT QUALITY ASSURANCE SCOPE

### Scope of QA in Audit Planning phase, at least includes:

1. Data Collection;
2. Field Observation;
3. Analysis process to determine audit objects;

### Scope of QA in Audit Assignment phase, at least includes:

1. Examination of Auditee’s Internal Control Structure;
2. Presentation of Preliminary Findings to the Director, Head of Office, or assigned officers;
3. After Closing Conference.

### Scope of QA in Audit Implementation phase, at least includes:

1. Audit Progress Report;
2. Presentation of Preliminary Findings to the Director, Heads of Regional Offices, or assigned officers;
3. Examination of Preliminary Findings;
4. Monitoring of the Audit Reports submission.

### Scope of QA in Monitoring and Evaluation of Audit phase, at least includes:

1. Evaluation of Audit Reports;
2. Monitoring of Follow-Up of Audit Reports.
Monas

Contains Dutch-style structures mostly dated from 17th century, when the port city served as the Asian headquarter of VOC.

Jakarta Oldtown

Culture-based recreational area located in East Jakarta.

TMII

The national monument of the Republic of Indonesia, built in 1961 to commemorate the struggle for Indonesian independence.

Ancol Dreamland

A resort destination located along Jakarta's waterfront.
THANK YOU