**Suggested Solution to Exercise 2.3**

1. Primary objective of audit shall guide the auditors as to which standards shall they apply
2. Through Preliminary study/pilot study
3. The planning phase shall also involve research work aimed at building knowledge, testing various audit designs and checking whether the necessary data are available. This may involve combining and comparing data from different sources, drawing preliminary conclusions and compiling findings in order to build hypotheses that can be tested, if necessary, against additional data. This makes it easier to choose the most appropriate audit method. Technology and data analytics may be optimally utilised to facilitate this process.

**4.** a) a system-oriented approach means examination of proper functioning of management systems, e.g. financial management systems;

b) a result-oriented approach, means assessing whether outcome or output objectives have been achieved as intended or programmes and services are operating as intended;

c) In a problem-oriented approach, auditor has to examine, verify and analyse the causes of particular problems or deviations from criteria.

**5 .**  The methods chosen shall be those which best allow evidence to be gathered in an efficient and effective manner. This can be approached in several stage as follows:

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| **#** | particulars | Examples |
| a | Deciding on the overall audit design | To assess which questions to ask, e.g. explanatory /descriptive/evaluative |
| b | Determining the level of observation | Looking at a process or individual files and methodology (e.g. full analysis or sample); |
| c | Specific data-collection techniques | Analysis of records, questionnaire, interview or focus group. Data-collection methods and sampling techniques shall be carefully chosen. |