

INTERNAL AUDIT MASTER CLASS

Theme: The journey towards competence and professionalism

Engagement Execution

26th - 30th April 2021

**CIA, CPA Muonde Daniel,
CFE, CISA**

Outcome



XYZ Limited Case Study

1. Engagement Work
Program

2. Work Papers



XYZ Limited-Payroll Audit



1. Process objective

2. Risks

3. Controls

- Should be there
- Exist
- Gaps noted

4. Scope we shall check: people, process, system, policy, procedures

5. Audit Steps

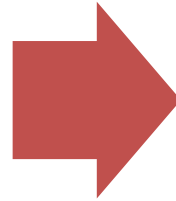
- Development
- Implementation



Engagement Objective-2210



Payroll Process Objective



Payroll Process Risks

- Accurate salary and benefits are processed and paid

- Ghost workers
- Overpayment/Underpayment
 1. Salaries
 2. Benefits

- Expected Controls relating**
1. Addition, leavers & suspended
 2. Payroll system, finance & payment system
 3. Payroll reconciliations

Engagement Objective-2210



Risk

Control

**Audit
Objective**

- **Ghost
Workers**

- **Addition, Leavers &
Suspended**

Employees: only valid employees are paid accurately and payroll is accurately processed

Engagement Scope & Steps-2220 & 2240



Employees: only valid employees are paid accurately and payroll is accurately processed

Scope

- 1. Period**
- 2. Employee group:**
 - **Executive Management & Others**
 - **Permanent Staff & Hourly Staff**



Audit Steps

- 1. Testing Control**
 - **Design**
 - **Operating effectively**
- 2. Gathering evidence**
 - **Identifying appropriate information (population, sample)**
 - **Analysing,**
 - **Evaluating, and**
 - **Documenting**
 - **Employee group**

END



*Thank
you*



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