

# EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF THE CHIEF OF STAFF AND HEAD OF THE PUBLIC SERVICE

VIRTUAL MEETING WITH ALL KEY ACTORS IN ZERO FAULT AUDIT (MACs, BACs, PFMSCs, HIAs) IN MDAs.

ACHIEVEMENT OF ZERO FAULT AUDIT (ZFA) STATUS BY EACH PUBLIC ENTITY FOR THE FINANCIAL YEAR (FY) 2025/2026

A PRESENTATION MADE

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# 1. Fundamentals of the Zero Fault Audit(ZFA) Initiative

- A structured reform initiative led by the **Office of COS&HOPS**.
- Established as a control mechanism for implementation of both internal and external audit recommendations.
- Fundamentals and tenets of Zero Fault Audit are anchored in the Constitution, the law and relevant regulations.

# 1. Fundamentals of Zero Fault Audit(ZFA) Initiative...Cont'd

## Scale of the ZFA Ecosystem Under Executive Arm of Government.

- All Members of Ministerial Audit committees( MACs)
- All Members of Board Audit Committees(BACs)
- All Members of Public Finance Management Standing Committees(PFMSCs)
- Internal Audit Function in MDAs
- Other Key stakeholders that are not under the Executive Arm of Government( OAG, COB etc.)

## 2. What does the Campaign Seek to Achieve?

- i. **Timely and accurate financial reporting:** Ensures auditors receive complete, accurate records this key to a clean opinion.
- ii. **Comprehensive documentation and audit trails.** Avoid audit flags due to missing or incomplete supporting evidences
- iii. **Strong leadership and ethical governance.** Set the tone at the top and drive a culture of accountability and transparency.
- iv. **Effective internal controls.** Prevent, detects and mitigates financial errors.
- v. **Risk management practices.** Anticipate, mitigate financial, operational and compliance risks.
- vi. **Sound systems and proper structures.** Prevent, detect and mitigate financial that mature into audit queries.

### 3. Who are the Key Actors in the Zero Fault Audit Space

**Office of the Chief of Staff and Head of the Public Service:** - Executive Order No. 1 of 2025 ;




**Ministerial Audit Committees/Board Audit Committees:** **Governance** – Provide oversight of financial reporting risk management, governance processes, and appraise the board, review and appraise the board on audit risk and findings.




**Accounting Officers (PS's and CEO's):** **Strategic Direction** – Integrate audit and compliance into business strategy & **Accountability** – Hold senior management accountable for audit outcomes.



**PFMSCs (All HODS):** (a) Fully comply with Regulation 18 and Regulation 19 of the PFM Regulations of 2015 (b) Provide an effective way for tracking and monitoring the progress of the Zero Fault Audit Campaign within the State Departments/Corporations.



**Head of Internal Audit:** Evaluate the effectiveness of governance, risk management, and internal audit control arrangements, thus preventing MDAs from attracting audit queries.



**Citizens:** these are the recipients: transparency, oversight & monitoring, accountability, and feedback

## 4. Current Stage of the Campaign and Expectations

- Third year of implementation.
- Accounting Officers attending entrance and exit meetings with OAG
- Improvement in quality of Financial Statements submitted to the OAG.
- Reduction in Disclaimer and Adverse Audit Opinions and increase in Unmodified Audit Opinions.
- Increased collaborations between External and Internal Auditors.
- Strengthening and recognition of Internal Audit Functions.

## 4. Current Stage of the Campaign and Expectations...Cont'd

### What Is Required from Key Actors?

- i. Continuous Implementation of Audit Recommendations.
- ii. Prudent, responsible, transparent, and effective use and management of public resources.
- iii. Proactive management of risk minimizes Surprises and potential audit findings.
- iv. Development and Implementation of Procedures, Processes and Systems.



## 5. Next Steps and Upcoming Engagement

### Looking Ahead

- Preparers of Financial Statements (FS) must complete all Financial Statements by 31/07/2026.
- The prepared Financial Statements should be discussed by all PFMSC members by 5/08/2026.
- Financial Statements should be submitted to the Head of Internal Audit by 6/08/2026.
- Submission of Financial Statements to Ministerial Audit Committees(MAC)/Board Audit Committees(BAC) by 21/08/2026 by the Head of Internal Audit.

## 5. Next Steps and Upcoming Engagement...Cont'd

- Preparers of Financial Statements to submit to Accounting Officer for signing with a memorandum from the **MAC** and **BAC**.
- Submissions and Financial Statements to the **OAG**.
- All **Accounting Officers** should attend **Audit Entry and Exit** meetings as guided by the **OAG**.
- The **PSs** should circulate this guidance to all the Respective Agencies and Entities under their State Department.

## 7. Conclusion

- The Campaign is firmly in its **delivery and accountability** phase  
- all actors must remain engaged and aligned.
- ZFA Actors must continuously **sensitise and engage** internal teams, stakeholders, and the Citizens to ensure reform messages cascade effectively and are translated into **timely Audit Recommendation Implementation, consistent, timely implementation.**



*Thank  
you*

