

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

AUD002

Question Serial
No.

Head: 24 – Audit Commission Subhead (No. & title):

1011

Programme: (2) Value for Money Audit

Controlling Officer: Director of Audit

Director of Bureau:

Question:

The Audit Commission conducts value for money audit independently with precision which often shows that government departments have misused public funds and discharged their functions ineffectively. Value for money audit is effective in encouraging the Government to make good use of public funds and enhancing efficiency. At a time of inadequate public support for the Government, it is especially important that the Audit Commission should closely monitor the operations of the Government on behalf of the general public.

Can the Audit Commission increase the number of value for money audit reports to more than 19 in 2010-11 and expand the scope of audit? If yes, what will be the additional staffing requirements and expenses involved? If not, can the Audit Commission seek to have additional resources in the budget of coming years to expand the scope of value for money audit?

Asked by: Hon. TSE Wai-chun, Paul

Reply:

Availability of resources is just one of the factors we take into account in determining whether or not to conduct a value for money audit on a particular subject. In selecting subjects for conducting value for money audits, we also take into account a number of factors (such as materiality, risk, auditability, timeliness and value-added). We conduct a value for money audit when the situation warrants an in-depth review. We will continue to make the best deployment of our existing resources to provide independent, professional and quality audit services to the HKSAR Government and public sector organisations to help enhance public sector performance and accountability in Hong Kong. We will seek additional resources from the Administration when there is a need to do so.

Signature _____

Name in block letters BENJAMIN TANG

Post Title Director of Audit

Date 15.3.2010