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**Audit From Home:  
Financial Auditing  
during COVID-19  
Pandemic,  
BPK Experience**

24 July 2020



# Agenda

## 01 **BPK's financial auditing legal framework**

## 02 **Audit timeline**

at which point of the audit when the outbreaks came

## 03 **Challenges**

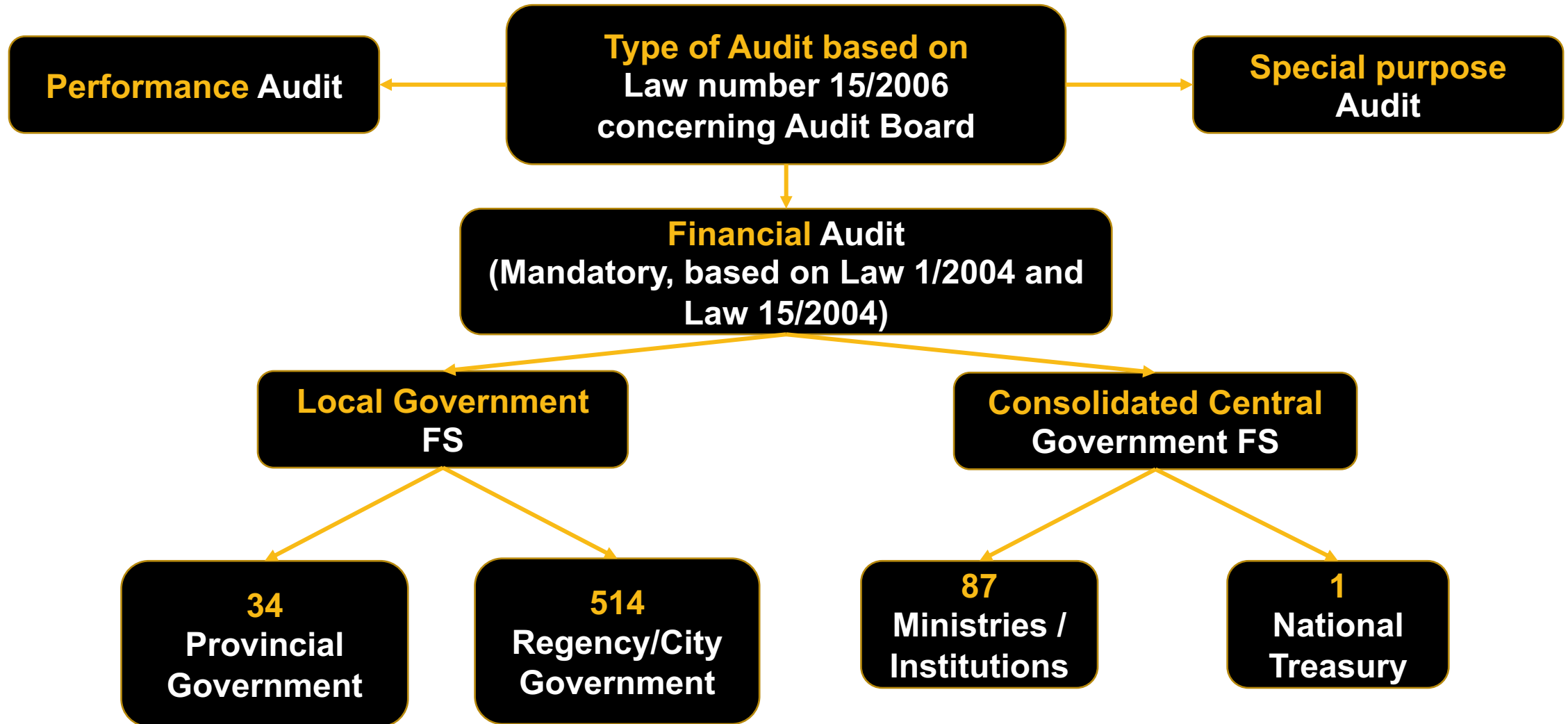
Faced by both the auditor and the auditee

## 04 **How did we deal with the situation**

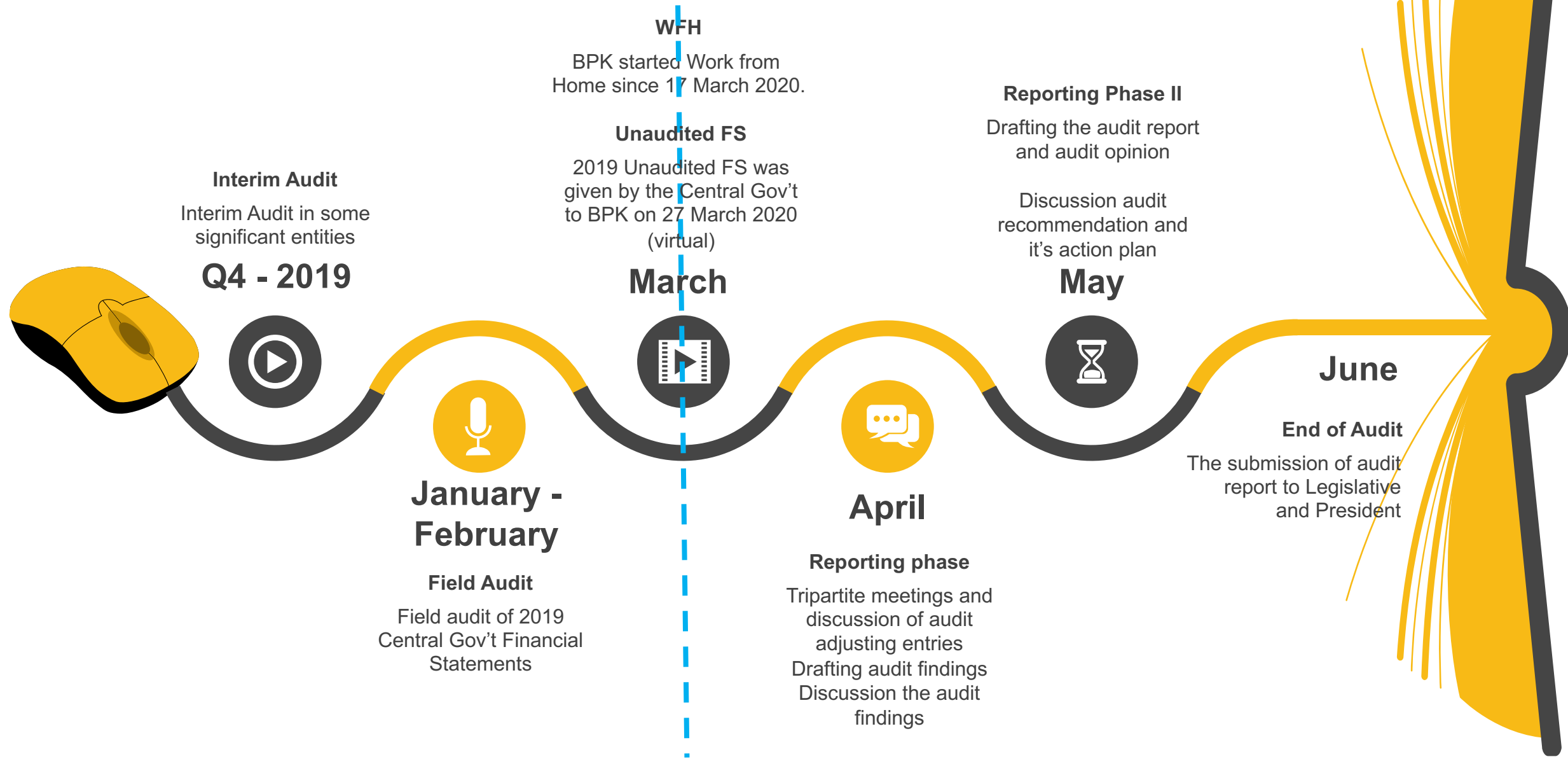
- a. Audit procedures
- b. The infrastructure
- c. The working papers
- d. The platform
- e. Team management



# BPK's financial auditing legal framework



# Audit Timeline



# CHALLENGES WE FACED

## THE SOURCE DOCUMENT IS NOT YET PAPERLESS

The auditee has not yet converted paper-based documents into digital form, thus there needs more time to receive and analyze the documents.

## IT ENTITIES INFRASTRUCTURE

The IT infrastructure of the auditee is not ready for remote working, especially entities located outside the capital



## NEW WAY OF MEETING AND INTERVIEWING

It needs time to accustomed both the auditor and the auditee to be interacted virtually

## LIMITED PHYSICAL VERIFICATION

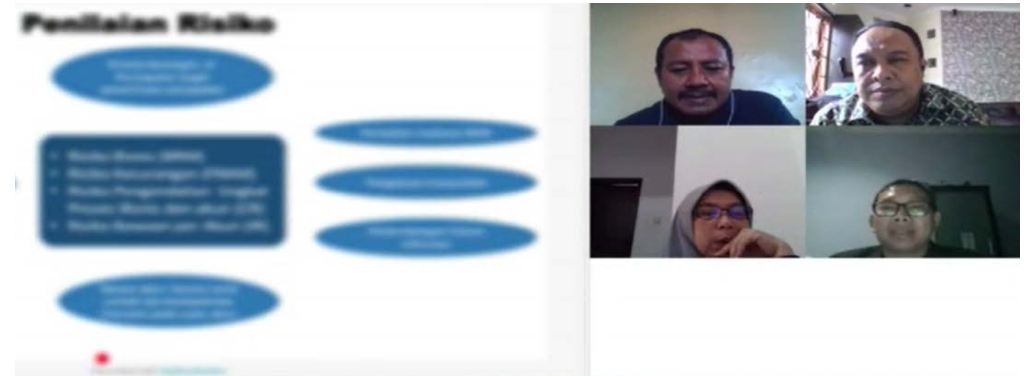
During covid-19 pandemic, the physical verification is significantly limited.

# BEFORE



Covid-19

# AFTER



# Audit Procedure during Pandemic

3 scenarios to Deciding on SAI Financial Audits in Covid-19 times proposed by IDI

Scenario 1: FS not prepared

Scenario 2: FS prepared but SAI has not yet started the audit

Scenario 3: SAI in the process of conducting the audit

BPK was in the process of the audit when the outbreak came. BPK decided to continue the audit remotely using virtual platform

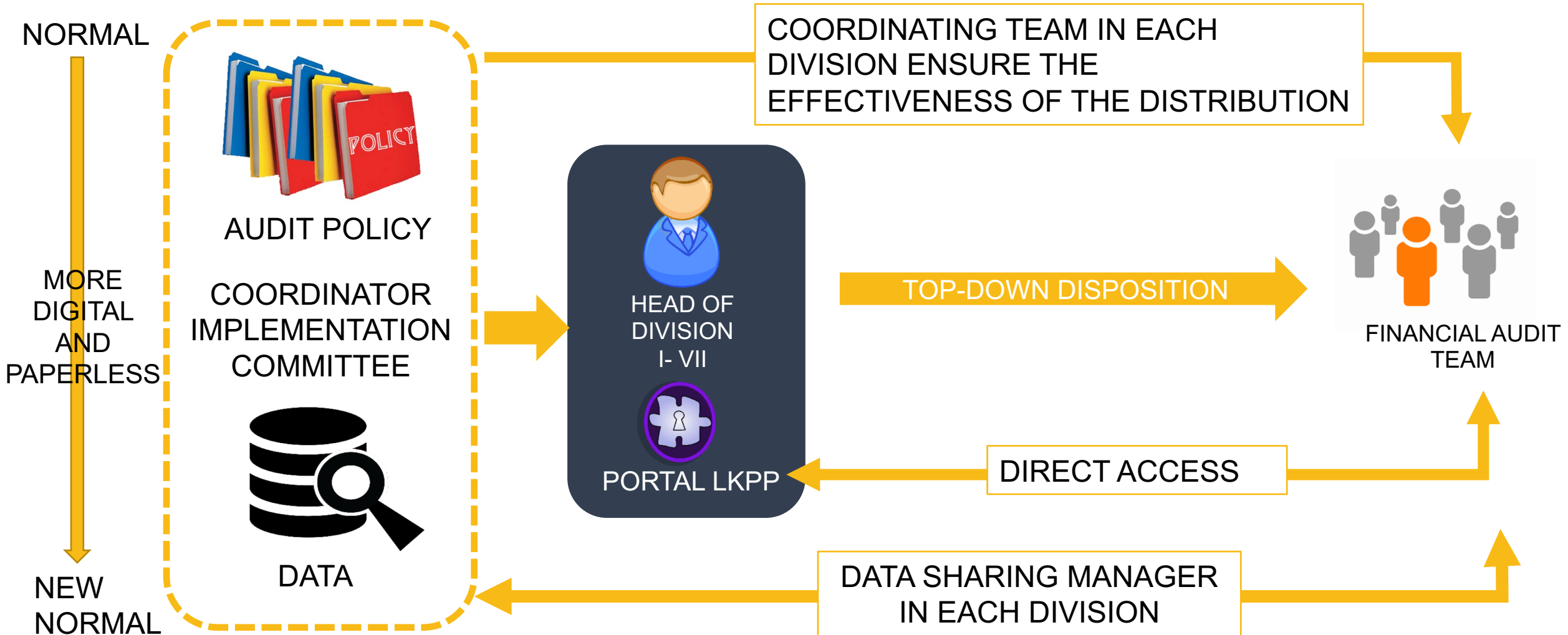
BPK issued Decree number 4/2020 concerning Technical Guideline on Financial Audit in Emergency Period

## BPK's Audit Strategy during Covid-19 Pandemic

1. Generally, the audit is conducted from home, virtually, and through IT optimization.
2. For specific highly significant matters, physical internal and external meeting could still be conducted (including the physical verification) by implementing health protocol
3. Considering and implementing alternative procedures.

# DISTRIBUTION FLOW OF AUDIT POLICY AND AUDIT INFORMATION

There are working groups under the coordination of implementation committee who regularly meet to discuss and recommend the establishment of audit policy, especially during the outbreak





# INFRASTRUCTURE



100%

All auditors have been equipped with laptop to make them easily work from anywhere  
All laptops have been set to VPN connection

Mbps

High speed and stable internet connection

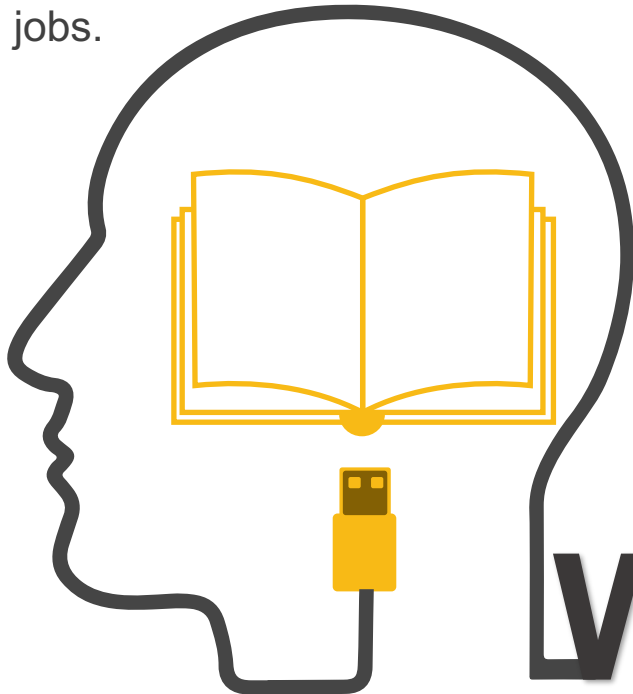
Server

BPK has a server to gain financial information as well as accounting information database shared by the auditee; There are IT people who are dedicated to maintain, control, and processing the database to be able utilized by all respective auditors who involve in the audit.

## Since 2011

BPK has developed web-based application which support all phases of the audit, especially the working papers documentation. These apps also has covered main features of the **RISK-BASED AUDIT** approach and **PAPERLESS** working papers.

During the covid-19 outbreaks, all these apps are simultaneously accessed by all auditors and effectively help the auditor to finish their jobs.



### Main features

- ✓ Project management
- ✓ Coaching and document management
- ✓ Knowledge-based management
- ✓ Methodology and audit procedures



### Main features

- ✓ Consolidation module (planning, executing, and reporting)
- ✓ Integrating system between BPK (e-audit) and the entities (e-auditee)



### Main features

- ✓ Share point
- ✓ Collaboration portal
- ✓ E-drive

# WORKING PAPER

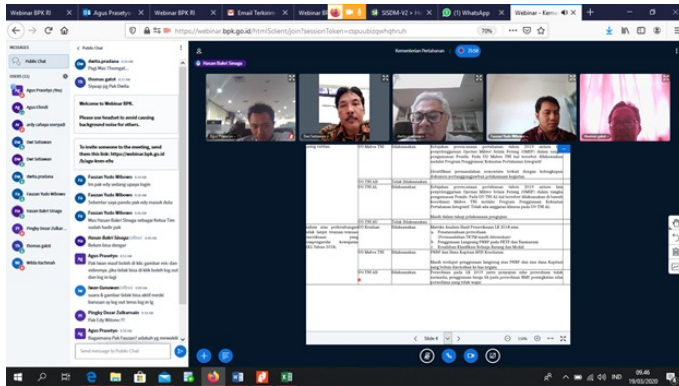
# COMMUNICATION PLATFORM



BPK utilized a wide-range of communication platform to enhance the effectiveness and the efficiency of the audit, especially video conference application.

**MOST USE** platforms are:

1. Zoom
2. Ruang (internally-developed meeting app)
3. Webinar
4. Microsoft Teams



**These meeting applications have been in-place as main tools to do interview, internal coordination meeting, and even the high-level meeting. Participant check is applied to ensure that only right person are attending the meetings**

# TEAM MANAGEMENT

## Working-group meeting

The working groups are formed to raise recommendation on issues during the course of audit

## Periodic internal meeting

Periodic internal meeting via meeting application to maintain the achievement of the milestones.

## Weekly progress report

To keep the work on the track, each team had to submit their weekly progress report to the supervisor as well as to the auditor in-charge.

## WA share locations

To keep update the current location of the teams during audit from home and to ensure that the teams are “still alive”

## Health daily report

To keep update the health condition of each personnel.







THANK YOU  
TERIMA KASIH