ECIIA

European
Commission

Guidance on Remote Auditing
for the use of Internal Auditors

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Introduction

Auditing, just like technology, is evolving. Once an exclusively on-site exercise, be it a face-to-face meeting with an auditee, having a coffee in the boardroom with a senior manager and discussing context and leadership, or having a site tour of the facilities with a member of the operational team, audits can now be carried out remotely using information communication technology. Due to the travel restrictions and obligation to work from home related to the COVID-19 pandemic remote auditing was not an option anymore but became a necessity.

The purpose of this guidance is to describe what remote auditing is, how to assess whether or not an audit is suitable to be conducted remotely, the tools that are available for remote auditing and how to approach remote auditing in the organisation, as follows:

This document is not a comprehensive remote auditing guidance but describes a number of practices not yet commonly used in the organisation, which the auditors should consider when performing a remote audit. Annexes 1 to 3 provide a number of checklists with more detailed information for weighing advantages and disadvantages or considering practicalities of remote auditing.

This document does not provide specific guidance on good practices for working from home and managing virtual/distributed teams. Please refer to other publications on the related areas (e.g. teleworking, audit missions/trips, managing virtual teams, etc.). Remote auditing is possible from any location (e.g. standard office, home, co-working/shared office, etc.).

What is Remote Auditing? Main terms and concepts. Where are you today regarding remote?

Can and should you perform your audit remotely?
See Annex I
Consider the suitability of remote audit tools

Definitions and main concepts

Suitability

Audit approach

Tools

Which additional practices to be aware of and to apply when auditing remotely?
See Annex III

Which remote auditing tools (ICT) are available? What are the opportunities and risks involved?
See Annex II

Definition and main concepts

A remote, or partly remote, audit uses electronic means to obtain audit evidence remotely, including video conferencing, email and telephone, accessing local IT systems, real-time video streaming, and evaluate it objectively in order to determine the extent of conformity to the audit criteria, just as during an on-site audit.

Remote audits use information communication technologies (ICT) to obtain audit evidence through gathering information, interviewing an auditee, etc. when this is not possible, needed or desired in physical face-to-face meetings or conversations. Remote auditing replaces physical face-to-face interaction.

Availability of ICT and better access to it have made remote auditing more feasible and common.

The organisation should have a digital workplace vision to 'provide staff with the right information (IT) tools, platforms and services, enabling users to work and collaborate anywhere, anytime with a fit-for-purpose security and optimizing their work experience and productivity. It should be adaptive and flexible to incorporate different type of users, new behaviours and new technologies'. It should provide the auditors with the tools needed for remote auditing:

DEVICES

IDENTITY AND ACCESS MANAGEMENT

OFFICE AUTOMATION

COLLABORATION

MAIL AND CALENDAR

UNIFIED COMMUNICATION

This digital workplace should allow you to adopt remote auditing practices. Nowadays, audits already include a combination of on-site and remote auditing techniques.

The following tools, platforms and services should be available to the auditors and its auditees to make remote auditing possible:

- Laptops which have remote and secure access to all of the organisation ICT tools when working outside of the office.

- An audit management IT system, providing an electronic project management system that facilitates the audit process from risk assessment to reporting, aimed at bringing efficiency and consistency to the entire audit process.

- An electronic implementation management, tracking and reporting tool to which both the auditor and its auditees have access to manage the follow-up of recommendations.

- Electronic signature capabilities to register and file key audit documents (e.g. announcement letters, scoping memorandums, findings documents, draft/final audit report) in the electronic common repository.

- Using online conferencing tools (e.g. Skype for Business, MS Teams, WebEx, Zoom) in line with the security/confidentiality/privacy policies of the organisation for online meetings.

- Using collaborative platforms (e.g. SharePoint, MS Teams) for exchanging documents with the auditee and the audit team.

- Encryption and signature functionalities for more secure e-mail exchange

- Gaining access to the auditee ICT tools to perform data analytics and to better understand the process and the implemented controls. Examples of this could be: paperless workflows, customer relationship management (CRM) and enterprise resource planning (ERP) systems, procurement and contract management systems, etc.

Remote Auditing Suitability

Can/should you perform your audit remotely?
See Annex I
Consider suitability of remote working methods and auditing practices

Not all audits are equally well-suited to be performed remotely. For example, an audit on a business process is a better candidate than a review of physical security controls. The former consists primarily of documentation review and data analysis, whereas the latter requires not only testing of controls on site but the presence of the auditor to get a sense of the larger security environment.

Key elements the auditor should consider, to determine if a remote audit is suitable, are the audit objective, available technology and the type of audit evidence that needs to be gathered.

Before deciding to conduct an audit remotely instead of on-site, the auditor should be satisfied, beyond any doubt, that the audit objectives can be met and the high risks identified at planning stage covered.

In addition, other elements, such as operational and environmental aspects can be taken into account.

Finally, for a number of reasons an auditor may not be able to conduct an audit on site, for example due to safety constraints, pandemics or travel restrictions or to avoid travel costs. Conversely, auditors may have to conduct an audit remotely even if it is not the optimal solution or choice, for example due to sanitary measures or travel restrictions during a pandemic.

Auditors should evaluate the suitability of the engagement to be performed remotely with an open mind, on a case-by-case basis.

When weighing remote versus on-site auditing consider the following:

Audit Objectives	Operational Aspects	Environmental Sustainability
Types of procedures to be performed (consider impact on risk coverage)	Cost/time savings	Impact of travelling vs impact of electricity usage for communication
Types of evidence that can be obtained	Audit resources (location, technique & related experience, number of auditors required, availability, infrastructure …)	
Stakeholder acceptance	Scheduling	
	Security and quality of communications and data access and transfers	

Using certain remote auditing tools brings its own opportunities and risks, which the auditor should also consider before taking a final decision on whether and how to perform a remote audit. This is explained under section 4 and Annex II contains a checklist to facilitate the decision-making process.

Annex I provides guidance on assessing suitability for performing an audit remotely.

Remote Auditing Tools

Which remote auditing tools (ICT) are available?
What are the opportunities and risks involved?
See Annex II

Overall, ICT tools allow the auditor to communicate with people globally, accessing a wide range of information and data. They provide the opportunity to audit sites and people remotely, shortening distances, reducing travel time and costs, the environmental impact associated with audit travel, adapting audits to more efficiently cover different organisational models (e.g. decentralised and/or virtual teams, multi-site operations).

ICT can also help increase the size or quality of audit samples or provide agility in including more team members with relevant expertise in the audit process. As with any new audit testing approach, the ICT tools and techniques used (e.g. data analytics, process mining, visualisation) need to be prepared (use cases which add value to the audit), validated (tested for accuracy) and used properly (correct interpretation of result).

However, ICT also brings limitations and risks related to the fulfilment of audit objectives. These include information security, data protection and confidentiality issues, reliability and quality of the evidence collected, amongst others.

When conducting an audit remotely, the following limitations and risks may arise.

- Internet connection may be unstable when conducting remote interviews and the person to be interviewed may not be comfortable with using the ICT tools.

- Auditing processes and sites remotely/offsite may prove difficult to audit or allow only partial assurance.

- Overview of the facilities, equipment, operations, controls may be limited and all the relevant information may not be accessible.

- Our understanding of the remote site may not be a representation of real status/fact as we may be guided by selected images. We may not be looking at real time images but instead at pre-recorded images/videos.

- The lack of in-person interaction opens risks for misleading the auditors (incomplete information, doctored documents, omitting relevant information).

- First-hand observations cannot be replaced. Observing processes first-hand, perceiving body language, or noticing relevant details in human behaviour, general mood or state of the infrastructure of the location cannot be yet easily done through technology.

- Remote auditing makes it hard to build rapport with auditees. Opportunities to provide hints, tips, and observations for improvement could be difficult through online meetings. It can prove hard to identify best practices or describe things that others may benefit from, outside of the documentation process.

- Attracting talent for auditing may be impacted if the organisation cannot provide sufficient opportunities for travelling and being on premise. This can be seen as a negative risk but also as an opportunity for those that have family constraints and remote auditing allows them to perform this profession from their home location.
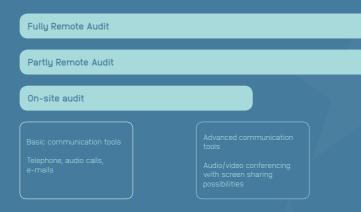
The audit manager and audit team also need to be aware of the risks and opportunities related to using ICT tools in the audit process when deciding if remote auditing methods can be used.

Based on the audit team's decisions, audits can be performed on site, remotely or with a hybrid approach combining both on-site and remote activities. The approach chosen should be suitably balanced based on, for example, consideration of associated risks and opportunities (the level of risk to achieving the audit objectives, the level of confidence between auditor and auditee in truthfully/completely sharing the information, regulatory requirements impacting the information transfer/access methods, etc.), in order to achieve the audit objectives.

Remote auditing tools are numerous and depend on the maturity and adoption of ICT technologies in the workplace of the organisation. Any remote auditing tool should be tested beforehand to confirm the feasibility of its usage. If a method is common practice in the organisation then additional testing is not needed (e.g. e-mail, etc.).

All of the ICT tools for remote auditing can also be used during on-site audits as a supporting method.

Once the remote auditing methods become a predominant working method, we start considering it as a remote audit.

Fully Remote Audit

Partly Remote Audit

On-site audit

Basic communication tools	Advanced communication tools	Collaboration tools and access to the ICT systems of the auditee	Livestreaming, virtual tours and mixed-reality
Telephone, audio calls, e-mails	Audio/video conferencing with screen sharing possibilities	Specific ICT systems supporting the audited process, CAATs	Virtual on-site tours of locations such as data centres, production facilities, etc.

Telephone calls, instant messaging or video/audio conferences are most commonly used for remote audits. To improve the effectiveness and efficiency, various computer assisted auditing techniques (CAATs) can be used to carry out remote audits. This enables the audit team to cope at a faster pace and quickly deliver results across locations. Examples are electronic work papers and audit management tools which in today's time have become a common practice. The more challenging aspects are data analytics, process mining tools which enable an analysis of data/processes/events/controls regardless of its physical location.

In the future, specific audit objectives may be met by using so-called mixed reality solutions using live-streaming, two-way audio and video communication wireless smart glasses, for example, with which the auditor can actually see relevant areas in the field of vision, or drones, especially useful for auditing physical locations.

Use Annex II as a guidance on opportunities and risks of using various remote auditing tools.

Audit approach for Remote Auditing

Which additional practices to be aware of and to apply when auditing remotely?
See annex III

Every audit has a number of challenges in each of the audit phases that need to be well understood and addressed for the audit to be performed efficiently and effectively. Remote auditing is no different and has a number of well-known audit challenges as well as a number of specific ones depending on the remote auditing tools used.

The possibility to address successfully these challenges is closely linked to understanding the suitability of performing an audit remotely. Furthermore, to benefit most of the use of ICT tools during remote auditing, all parties involved should be aware of their role in the process, inputs, expected outputs, and risks and opportunities to achieve the audit objectives.

The main challenges and related principles can be grouped in the following way:

CHALLENGE	PRINCIPLE
Preparation and management	To avoid possible conflicts and risks, appropriate preparation, with an agreed audit communication and testing techniques needs to be established. Clear and regular communication by the auditor on the audit process and on expectations from the auditee needs to be performed.
Readiness (stakeholder acceptance)	Both the auditor and auditee need to be willing to use and be confident with remote auditing and using the ICT tools.
Technology	The auditor and the auditee must have the necessary ICT tools (hardware and software) ready to use to ensure high quality communication and exchange of information and documentation.
Knowledge	The corresponding technical knowhow on how to use the ICT tools and for which purpose is required on both sides to ensure a smooth process.
Security and privacy	The necessary data protection requirements and internal security regulations of the organisation must be considered in advance and be respected during and after the audit.

To address these challenges the audit team should take the following steps in alignment with their established audit methodology, during the various phases of the audit that is done remotely:

See Annex III for a checklist covering these steps and principles, and how to apply them to remote auditing.

PREPARATION

MANAGEMENT

READINESS

TECHNOLOGY

KNOWLEDGE

SECURITY

Audit Planning

Consider remote audit suitability (see Annex I) and which remote auditing methods could be used (see Annex II).

Communicate the potential remote auditing method to the auditee (Announcement letter).

Audit Preparation

Re-assess and confirm the remote audit suitability

Understand the usage of ICT tools in the audited process (collaboration tools, ICT systems)

Confirm remote auditing methods (Scoping memo / kick-off).

Audit Preparation, fieldwork and validation

Enhance the documentation request lists with specific questions (information request lists)

Maximise the exchange of audit information / documentation before a meeting.

Limit the discussion in the calls to complex / unclear topics or to observations not agreed. Obtain written comments and agreements before the call, when possible.

Use ad-hoc instant messaging or calls for short and specific questions.

Reporting Follow-up

Include remote audit procedures used in sections on audit methodology and any scope limitations (Audit report)

1. International Accreditation Forum, 'ISO 9001 Auditing Practices Group Guidance on: Remote Audits', Edition 1, 2020-04-16

2. International Organization for Standardization, 'ISO 19011:2018 Guidelines for auditing management systems', Edition 3, 2018-07

3. ProPharma Group, 'Top Tips for a Successful Virtual Audit During COVID-19', 2020-04-07

4. CQI, IRCA, 'The evolution of remote audits', 2020-04-23

5. Dekra, 'Remote Audits – The Digital Future of Audits'

6. DQS Remote, 'How to do Remote Audits – Part 1-7', 2020-02-01

7. The Institute of Internal Auditors - Internal Auditor magazine, 'The Virtual Audit', 2020-06-01

8. The Institute of Internal Auditors – Environmental Health & Safety Audit center, 'Remote auditing for Covid-19 and beyond', 2020-04

9. PEMPAL IACOP, 'The impact of COVID-19 on the role and activities of internal audit', 2020-04

10. Journal of Accountancy, 'Remote auditing comes to forefront during pandemic', 2020-03-24

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ABOUT ECIIA

The European Confederation of Institutes of Internal Auditing (ECIIA) is the professional representative body of 34 national institutes of internal audit in the wider geographic area of Europe and the Mediterranean basin.

The mission of ECIIA is to be the consolidated voice for the profession of internal auditing in Europe by dealing with the European Union, its Parliament and Commission and any other appropriate institutions of influence. The primary objective is to further the development of corporate governance and internal audit through knowledge sharing, key relationships and regulatory environment oversight.

ANNEX I – REMOTE AUDITING SUITABILITY

Below is a list of criteria, grouped per category, for assessing whether conditions are suitable to conducting an audit engagement remotely or on-site auditing would be preferable. It aims at helping the auditor measure out the best choices and decide on conducting an audit on-site or remotely.

The points listed below may not all be relevant or suitable for your audit. The audit team/management will decide which ones apply and should be discussed. The list is kept as exhaustive as possible to provide discussion ideas and possible impact on your audit.

AUDIT EFFECTIVENESS (AUDIT OBJECTIVES)	Types of procedures to be performed	ON-SITE Initial audits without prior knowledge of the auditee and/or audited process, especially when covering complex/specific processes and organisation. Audits with challenging and demanding communication with the auditee where face-to-face communication is easier to manage the complexity of the organisation and/or audited process. Audits on areas with significant changes in the management or the audited process. Audits involving highly confidential information. Audits requiring a physical inspection/walk-through of a location/site.
		REMOTE Audits with good knowledge and understanding of the organisation, management and/or audited process. Audits with a standardised audit programme or covering a standard process. Audits based on reviewing structured datasets and information. Processes or activities where testing procedures mainly involve reviewing documents and explanatory information obtained through interviews such as procurement, human resources/training, design and development of IT systems.
	Types of evidence/ information that can be obtained	ON-SITE No limitations
		REMOTE Consider access possibilities to relevant databases and systems, collaboration platforms and any other digital documentation to ensure tangible and objective evidence is available to review. Consider access possibilities to video, screen sharing/screenshot, live-streaming to ensure real time collection of evidence if this is the type of evidence you will need in order to be able to achieve the audit objective. Limitation in access to highly confidential information. Limitation in access to paper records (additional effort required to scan and send). Limitation in physical inspection/walk-through of a location/site. Remote review can be burdensome and requires a high quality and secure ICT video/audio streaming tools and for the location to be equipped with a strong WI-FI signal.
	Stakeholder acceptance	ON-SITE Ensuring direct visibility by having auditors on site.
		REMOTE No burden of accommodating on-site auditors. Increased burden of managing e-communications.

AUDIT EFFICIENCY (OPERATIONAL ASPECTS)	Cost/time savings	**ON-SITE** Less mandays / hours required if it would be faster to audit / understand a process in face-to-face meetings. **REMOTE** Less mandays / hours budget required if no travel time is needed. Approximate saving would be office to office (5-10min extra), building to building (30-60 min extra) or city/country to city/country (4-12h extra). Less financial budget required because no travel related costs (transport, accommodation, per-diems) - major impact for missions, minor in other cases. Independently of the amount of man-days consumed by the audit, the timespan of execution may also become longer. Experience shows that remote meeting schedules are more spread out over time when compared to onsite mission meeting schedules to avoid overburdening the audited entity with online meetings and provide time to the auditors to digest the received information.
	Audit resources (safety, location, technique & related experience, number of auditors required, availability, infrastructure etc.).	**ON-SITE** Experience and infrastructure in place as this was business-as-usual. Higher focus on a single task/audit due to not working on multiple audits at the same time. Less agility for scheduling/performing tasks from multiple audits due to the need for physical presence. **REMOTE** Widely established infrastructure and remote working capabilities (laptops, remote access/VPN, common communication channels and collaboration platforms, audit access profiles/read-only accesses profiles) Potential difficulties with parts of the organisation that do not have common communication tools or collaboration platforms. Potential difficulties with audit staff not trained in using the ICT tools and performing remote audits. For a successful remote audit, the auditor needs to be capable of both establishing meetings using the tools provided by its organisation or by the auditee and trouble-shooting the tools when issues arise (voice breaking, video vs audio for helping the quality of the call, screens sharing practicalities), such as when Internet connections are unstable or have insufficient bandwidth to support an effective audit (in cases when connecting from outside the office premises). Easier availability of audit team(s) with required competence, connecting and including them in the audit where and when needed with less advanced notice as we are not dependant on the resources being physically at the same location. Thus, additional competence or auditor(s) can be added to any audit team in cost-efficient ways Avoids travel to risky or restricted areas, making more sites accessible and increasing control. Ensures business continuity in severe conditions and situations.
	Security and quality of communications and data transfers	**ON-SITE** No additional security limitations or quality issues. **REMOTE** Adequate ICT tools might not be readily available or same tools used by all stakeholders Certain information might be restricted from being shared through the available remote ICT tools. Quality of the video/audio calls might hinder understanding between the participants.
	Scheduling	**ON-SITE** Focused on a shorter, more intense period. Strict and early planning required with limited possibilities for changes in case of engagements with missions abroad. **REMOTE** Higher flexibility in schedule planning and modification (e.g. easier rescheduling of meetings, quick calls for clarification purposes, remote access to document storage locations for additional document review) allowing for faster finalisation of the audit but could also reduce focus and prolong the total duration of the audit. More sites or locations could be included in the audit scope, which could increase audit coverage.
SUSTAINABILITY	Environmental sustainability	**ON-SITE** If the auditee is within the city limits and reachable on foot/using public transport the on-site visit is often more environmentally sustainable than a video/audio call. The number of participants and using audio vs video vs high-definition video calls causes significant impacts on emissions through using electricity for the data transfers. **REMOTE** For long-distance travel (e.g. plane), audio/video calls are preferred as they produce less greenhouse gas emissions. To reduce environmental impact, contacts through video conferencing may have to be limited, for example starting with a video (if this is the first contact with the auditee) and then move to audio only.

ANNEX II — REMOTE AUDITING TOOLS — OPPORTUNITIES AND RISKS

The list below provides most common tips and tricks on how to use various remote auditing method and how to communicate with the auditee in the most effective and efficient way. It also provides solutions/ ideas for some of the practical difficulties you may encounter.

Every method of communication and exchange of information needs to respect the security and confidentiality requirements.

Regardless of the methods listed below, the policy for the documentation and retention of audit documents needs to be respected.

TECHNOLOGY/TOOL	POTENTIAL USE	ADVANTAGES/OPPORTUNITIES	RISKS
Email	Request documentation Request information (specific questions) Conduct interviews (full set of questions) Exchange of documentation	• Send a highly structured, identical initial set of questions to the auditees – possibility for creating a standard questionnaire. • The collection, review, analysis of answers happens in parallel for every project, sample, transaction - saving time of the audit team. • The audit team can follow-up on the answers to clarify potential identified issues obtaining immediately written confirmation of the issues by the auditee. • Facilitates documenting the audit if the questions are easily linked to testing procedures thus enabling to use collected answers for drafting the audit work papers / conclusions. • No need to create meeting minutes as all communication is in written form. Just save the e-mail and any attachments as supporting documentation. • No need to establish a meeting schedule as writing/answering e-mail can happen at any time during the audit process - only start date, key milestones and end dates are relevant.	• Auditees may not understand the objective or the meaning of the question or requested document. The time to get the answers might be longer than scheduling a meeting and asking the questions directly. *Be clear, specific, detailed and descriptive. Try to give an example or two of a potential/expected answer or document.* • Complex follow-up on an answers if questions were answered partially. Thus, potentially leading to an increased time in the preparation, writing down and follow up until a complete answer is received. *Try to, immediately in the first e-mail, ask sub-questions that might follow in case of different answers. Try to anticipate possible answers / documentation gaps and further questions you might have. E.g. 'If this is in place, what is the... Otherwise, how do you ensure...'.* • E-mail correspondence may complicate immediately verifying or validating shortcomings identified in certain answers as compared to meetings with the auditee. *Verify findings in a follow-up e-mail to key stakeholders or during pre-validation.*
Instant messaging	Request information (specific questions)	• Convenient for asking a quick, specific question as if popping down to someone's office. • It is more convenient than a telephone call as the recipient has time to read, understand and answer, and faster than an e-mail as there is an expectation to receive the answer in a few minutes.	• The answer may not be received for a prolonged period. *If you do not receive an answer in the same day, follow-up with an e-mail or a telephone/Skype call containing the same question.*

TECHNOLOGY/TOOL	POTENTIAL USE	ADVANTAGES/OPPORTUNITIES	RISKS
Telephone / audio (one-on-one) calls	Request information (specific questions) Conduct interviews (full set of questions)	• Useful for specific questions, for which you can call the auditee without announcement and would need the answers relatively quickly. The questions are normally too complex to be explained in an instant message. This type of a call does not need to be scheduled beforehand. Any relevant information exchanged should be documented in a form of meeting minutes and stored as per common practices. • Possible to conduct an interview in cases when you can cover the main points with a single person. Complex questions can be asked and answers provided. This type of a call needs to be planned and scheduled beforehand. Any relevant information exchanged should be documented in a form of meeting minutes and stored as per common practices.	• The auditee may not be answering the call. *If you do not manage to reach the auditee, follow-up with an e-mail asking for a scheduled 5-10min meeting through a telephone or Skype. Provide in the e-mail a brief summary of your question.* • The auditee may not explain properly the process without showing supporting documentation. *Try to obtain and analyse relevant documentation beforehand, so the questions and answers are specific and can be referenced to a document you have received* • It may be more difficult to note down meeting minutes while on the call. *Use noise-cancelling headphones or speaker/microphone to have your hands free for taking notes. Do not hesitate to tell to the auditee that you need a second to note down the answer, as the auditee cannot see you.* • The quality (audio, video) of the call (e.g. background noise, connectivity issues) may be poor preventing easy communication. *Reschedule the meeting (try in less work intensive periods, e.g. during lunch hours or later in the afternoon when network bandwidth is not used by other colleagues) or provide the remaining questions in an e-mail (see tips above).*
Audio / video conferencing with screen sharing possibilities	Documentary review with auditee participation	• Detailed document, system and/or process reviews can be performed jointly with the auditee. A document, process, ICT system walkthrough is performed by means of the auditee sharing their screen during a conference call. Also, a pre-prepared presentation can be shown to explain the process and established controls. Store the meeting minutes as per common practices.	• All the risks for Audio / video conferencing with screen sharing possibilities apply. See above. Additional risks are: • The possibility to observe the organization in a more autonomous and free way is weakened as the auditor does not command the camera. This could lead to potential data manipulation – the audit team sees only what the auditee shows them. *Use 'take control' option during screen sharing to have autonomous navigation in your hands. Keep in mind that the auditor should not perform any actions that could be logged in the ICT systems as performed by the auditee.* • Increased time required (potentially time-consuming process) due to an inherent delay of the image/audio on the screen and the auditor response. The review will go slower and interaction with auditees may be weakened. *Ensure good quality connection. Be comfortable with the use of the screen sharing technology. Try to limit the interaction / follow up questions for the time after the auditee explains parts of or entire process. Timely communicate if you have image delay on your side so the auditee can adjust the speed of explaining / navigating the screen.*

TECHNOLOGY/TOOL	POTENTIAL USE	ADVANTAGES/OPPORTUNITIES	RISKS
IT Collaboration platforms	Documentation exchange (standard)	Establishing a common platform for exchange of documentation and/or questions in an interactive way. This is separate from sending attachments in an e-mail.	Inherent risk of real-time editing of documents on collaboration platforms. *The requested information is clearly split per lines in Excel or in a SharePoint list or split per folders for each sampled project/ unit/DG/etc. so that multiple users could add the information without blocking others.*
	Interactive information exchange with real-time audit fieldwork status (request lists, documentation, questions, answers, observations) (*ensure all required audit documentation is adequately stored in your audit management system in line with existing rules)	• All audit fieldwork information in one place (questions, answers, documentation, preliminary observations). • Enables interactive work (e.g. once a questions has been answered with a supported documentation uploaded) the auditor can review and revert back with follow-up questions - a status of folders or questions workflow or a status table should be maintained to manage the progress • Enables immediate view on the audit fieldwork status and next steps to anyone in the audit team or the auditee. • Potential for continuous pre-validation of findings - full transparency towards the auditee during the fieldwork.	• Requires a strong understanding of the ICT tools and the way they work - not all auditors or auditees could feel comfortable with the tools which could creating significant complexities for the audit. *To use such an approach, this would need to become a standard for the audit team, or at least for standard audit topics. A possible example is: an information (documents, questions) request list is used as a live excel or SharePoint list that has its own unique, secure website. The client can open it up, type responses to questions, or drag and drop files to a line requesting information. As the client works through the requested items at their own pace, the auditor has set up "alerts" on the changes performed by the auditee. As the client works through the requested information, the auditor can go grab the information and work through it. The auditor can add additional questions to an answered list item and even note down a potential findings and ask for confirmation from the auditee.* • There could be security concerns as splitting the information lists per project, sample, unit, DG could prove cumbersome. *For every project, sample, unit, DG there could be a separate list and secured space established accessible only to the specific auditees.* • This approach requires a longer initial preparation time to set up for a new audit (especially if several lists/spaces are needed due to security concerns). *A template could be established on the audit organisation level which could easily be copied for every new audit and adapted with the questions and documentation requests needed for every specific audit.*

TECHNOLOGY/TOOL	POTENTIAL USE	ADVANTAGES/OPPORTUNITIES	RISKS
Audio / video conferencing with screen sharing possibilities	Hold opening / status / closing meetings Request information (specific questions) Conduct interviews (full set of questions) Do guided site tours	• Can fully replace a face-to-face meeting and exchange of paper documents with an online video conference with sharing digital documentation during the call. • Easier to schedule meetings when people from different location need to join. Using this approach a larger number of colleagues can join than in case of physical meetings, ensuring the audit teams get the most comprehensive answer possible. • Easier organisation of opening/status/closing meetings in multisite audits as participants do not need to travel all to the same location. • Easier to schedule shorter, specific interviews with relevant personnel working remotely, e.g. home office, project teams in design and development; • Online meeting drive towards using online tools for real-time documenting / sharing the meeting minutes all in one place during the meeting itself saving time of the audit team on post-meeting documentation. Store the meeting minutes as per common practices.	• Security rules may prevent screen-sharing of confidential documentation through available communication tools. *Share the documents you wish to discuss prior to the meeting with the call participants and during the discussion only reference to the part of the text for discussion without reading it in full.* • When more than one auditor is participating in an interview, care must be taken to avoid talking over either the interviewee or other auditors. It is also challenging to have a brainstorming and more interactive exchange of ideas. *Have a highly structured approach (short, specific questions if possible) and moderate when a larger number of participants (3 or more different sites dialling in or more than 2 people per site) to ensure clear communication without interruptions. If the video is on, participants can raise a hand if they wish to speak.* *Taking minutes while presenting/speaking is challenging. Therefore, it is advised to have two auditors of the same team attending the meeting so they can back-up each other in the task and merge the notes once finished. Tools like MS OneNote facilitate this greatly because of the ability to access concurrently the same document.* • Many people may not be comfortable chatting by video, especially auditees who do not regularly do so. While this is unavoidable, try to set a comfortable tone and be aware that the video alone may change body language or perception. • On the other hand, there is a lack of monitoring the body language during the questions/answers as non-verbal cues are an important part of communication and are often lost without video. *An option is to use the video only at the beginning of the call, especially when the participants do not know each other. Later in the call, the participants can turn off the camera if they wish so but mention it would be helpful to keep the video on.* • Lack of informal discussion possibilities and establishing more social connection and networks *A one-on-one video call with a specific person can enhance the social connection and networks with our auditees. Often the calls are happening from our personal surrounding which can be a good talking point / ice-breaker / connection between the auditor and the auditee or with other colleagues.* • The quality (audio, video) of the call (e.g. background noise, connectivity issues) may be poor preventing easy communication. *Try stopping the video to increase the bandwidth for audio and sharing document. If still not enough, stop sharing and remain only on audio. If still not working, reschedule the meeting (try in less work intensive periods, e.g. during lunch hours or later in the afternoon when network bandwidth is not used by other colleagues) or provide the remaining questions in an e-mail (see tips above).*

TECHNOLOGY/TOOL	POTENTIAL USE	ADVANTAGES/OPPORTUNITIES	RISKS
Access to the ICT systems supporting the audited process **(e.g. CRM/ERP systems – IT sharing tools/ systems, shared drives)**	Data analytics Documentation collection and analysis Process controls review and analysis Continuous auditing	• Enables flexible use of time by the audit team for sampling / testing and continuous auditing. • Enables in-depth, full analysis of all documentation, data - not limited to sampling. • Enables independent analysis of information. Less reliance on the auditee to explain the practices thus leading to more objective approach. Uninterrupted view to documentation and formalisation practices. • Enables better understanding of the practices in place through more detailed exploration noticing exceptions / inconsistencies which would normally not be mentioned by the auditee or potentially not present in the selected samples. • Possibility of integrating expertise that would not be able to travel to the site.	• Difficulty in obtaining read-only access to the auditee ICT systems and/or collaboration platforms where the auditee documentation is stored. Security and confidentiality access risks with potentially causing data manipulation by the auditor. *Agree during audit planning and preparation on which ICT systems you can access and to ensure the access is read-only and removed after the audit. If you envisage access to the same systems for multiple audits, try to agree with the system owner to create an access profile for the auditors to assign to audit teams per need.* • More time required (potentially time consuming process) to understand the process, usage of the ICT system and/ or data structure and content. This could also reduce the available time for performing other audit tests. *Have a session with the auditee beforehand to understand how to use the ICT system, where the controls are and how to interpret the data.* • Lack of interaction with the auditees does not allow clarification of issues which might lead to misguided conclusions. *Ensure that you consult the auditee on every identified potential issue before making conclusions. Verify the testing with the auditee as soon as possible.* • Could lead to audit scope expansion / scope creep by noticing issues not part of the original audit scope or relevant for the audit objective. *Stay focused on the audit objective and scope. Review only the data sets and the documentation within the audit scope. If still, any out-of-scope issues noted, discuss internally if worth continuing to analyse it and how to communicate it to the auditee.* • Risk of transparency, as the auditee loses perception of what is being audited and what the audit sample is. *Communicate clearly / timely on the approach for documentation / data review (full analysis or sample based). Once the testing is finished, communicate the testing technique, scope and potential issues found to the auditee to ensure their awareness and accuracy of your conclusions.*

TECHNOLOGY/TOOL	POTENTIAL USE	ADVANTAGES/OPPORTUNITIES	RISKS
Livestreaming, virtual tours and mixed-reality (e.g. mobile Skype video call, live two way communication wireless smart glasses) **Video (e.g. surveillance camera, recordings taken for the audit)**	Location review (e.g. data centres, production facilities) Controls testing	• Increased sampling of geographically spread out locations. • Ideal for auditing activities where the safety requirements do not allow the presence of the audit team (high risk tasks), or to observe places and facilities where the ratio travel time versus audit time is high; • Good for complementing field visits in outdoor activities (e.g. forest and agricultural sites, mining)	• Risks inherent in the use and presence of equipment (e.g. drone drop, use of equipment, unfavourable weather, unstable/insufficient wireless internet or cellular connectivity, poor quality of video or audio. *Ensure beforehand that the technology will work. Otherwise, try to instruct the auditee to record specific locations, items, components you need to review. This can be provided as a supporting evidence. Define minimum video quality/resolution (e.g. HD, full HD, UHD) you require to ensure image clarity.* • Full appreciation of the site, equipment and conditions including peripheral observations might be lost and relevant details may not be noticed. *Perform the tour slowly to have time to catch any details. Use wide camera mode to have peripheral vision. Support the tour with documentation to ensure the relevant controls are in place.* • Reliability of the data *Ensure the received livestreaming. video or recording is of the exact place you wish to see. You can require for the camera to show the surroundings or a GPS location on the mobile phone of the person who is participating in the tour on-site.*

ANNEX III — REMOTE AUDITING APPROACH

The checklist below provides guidance on how to organise the audit and communicate with the auditee while auditing remotely. It also provides solutions/ideas for some of the practical difficulties you may encounter.

PLANNING MEETINGS

Plan and schedule meetings sufficiently in advance with the proper invitees.

- Clearly state who are the mandatory and optional participants, when planning and organising meetings. Conference calls tend to include a much larger group of participants than on-site/face-to-face meetings.
- Clearly state the meeting time and the time zone when organising meetings. Be aware if meeting participants are in different time zones.

Schedule multiple shorter calls and spread them out over multiple days, rather than to have one very intensive day.

Test the connection beforehand, and ensure that all meeting participants are familiar with the required hard- and software.

Reserve the meeting rooms for the auditors. The auditor and the auditee both will need to ensure that there is a quiet environment for all participants, to avoid interference and background noise.

Determine if audio, video and/or screen sharing will be used and communicate this to the participants in advance, to avoid that some people only access by phone.

Distribute the documents you will discuss before the meeting. Distribute them enough in advance to provide the possibility to the participants to review them.

CONDUCTING MEETINGS

Set and communicate the meeting rules. Keep the number of simultaneous participants to a minimum and mute non-speaking participants. If needed, make sure people introduce themselves before speaking, especially if you are using audio only. Initially, you might not recognize the voice of the person or the meeting participants do not know the person speaking. Of course, you can use the Skype/WebEx/etc. participant name to identify the speaker. The larger the group of participants, the more important this becomes. At the beginning, clarify if questions and information can be shared as well through the chat function during the online meeting. If needed; do a tour de table with short introduction of each person to understand who is in the meeting.

Use headphones or echo cancelling speakers/microphones to reduce background noises and echo to the maximum.

Join the meeting a few minutes early and ask all participants to do the same in the meeting invitation. This allows you to troubleshoot any technical issues and configure your audio and video properly (volume, camera position).

In case of quality issues, use audio only. If the quality issues persist, re-schedule the meeting and consider sending the questions in written form by e-mail. Depending on the quality of the answers received, decide if the meeting needs re-scheduling.

Determine whether or not conference calls recording is needed (e.g. auditee presenting the process or IT system way of working, etc.). While recording calls can be useful to document the audit, data security and privacy issues need to be considered. Not only will you need the consent of all participants, you will also need to discuss the security/access rights considerations for storage and deletion of the recording. When seeking consent, specify whether you will be recording sound, video or both. If you rely on recordings to document the findings, make sure there is a way to determine who said what (e.g. see which participant is highlighted in the recording which means that participants is speaking, participant states his name before speaking). **Please check with the organisation data protection responsible staff on relevant data protection requirements.**

Communicate if you will be taking screenshots or capture the screen/call in any way and obtain consent from the participants (e.g. submit this questions in the chat function and ask every participants to give consent by answering "OK"/"I agree"). The same rules apply as for the call recording. If the consent is not given, note down the screens/information you wanted to capture and send it after the meeting as a documentation request.

Meeting minutes can be taken in a way that the auditor prefers. A common tool used is OneNote, which can automatically create the basic meeting information based on the MS Outlook meeting invitation, and multiple auditors can simultaneously document their notes. Thus having a single location for capturing all meeting information. In order to achieve this, technologies like SharePoint are needed to store the OneNote file so concurrent access to the file is enabled. Ensure the meeting minutes are eventually stored in line with the organisation common practices

PLANNING THE AUDIT

Use Annex I to assess if remote auditing (partly or fully) is appropriate for the planned audit. Perform the assessment and verbally discuss the conclusions within the audit team. If you decide to use remote auditing, document the results through the Scoping memorandum as explained in the next section "Conducting the audit".

Use Annex II to assess which available remote auditing tools are appropriate.

The duration of a remote audit may be longer than an on-site audit for the following reasons.

- Technical problems (e.g. connection issues) may cause delays. This should be anticipated if possible.
- Auditors will need more time to digest information on screen than on-site.
- Participants of online meetings will need frequent breaks, because conference calls are more tiring than a face-to-face dialogue. Any impact on the duration of the audit will depend on the number of meetings needed. This should therefore also be anticipated as much as possible.

Communicate to the auditee that the audit will be conducted (partly) remotely auditing and which tools you will use. This can be done in the announcement letter or opening meeting (if already decided at this point). If discussed in the opening meeting, the auditors should explain the similarities and differences between an on-site and a remote audit to the auditee. If the additional content and explanation is needed, auditors should allocate more time for a remote audit opening meeting (e.g. 15 minutes more), compared to what is needed for a traditional audit.

CONDUCTING THE AUDIT (PRELIMINARY SURVEY, FIELDWORK AND

VALIDATION)

Use Annex I — Remote auditing engagement suitability during the preliminary survey to re-assess and confirm if your audit is a candidate to be performed remotely or partially remotely.

Use Annex II — Remote auditing tools to re-assess and confirm which methods are best suited for your audit.

- Can you receive read-only access to collaboration/project management systems (e.g. IT sharing tools/ systems, shared drives) to freely analyse all required documentation for the planned audit scope?

- Can you receive read-only access to ICT systems supporting the audited process for e.g. i) understand- ing the audited process more in depth; ii) extracting and analysing the data sets; iii) confirming the implementation of process controls, etc. This access gives the auditors an opportunity to see thorough documentation of the systems and how information is transmitted between systems. The documenta- tion assists the auditor in getting a complete understanding of any controls established in the business process for which the auditor receives various extracts / reports.

Obtain confirmation for the remote auditing approach and the tools to be used. This should be discussed during the preliminary survey meetings with final confirmation through the Scoping memorandum / Kick- off meeting. If needed, reiterate the explanations (if used during the opening meeting) on remote audit ap- proach with anticipated similarities and differences between face-to-face audits and remote audits.

Include the agreed upon remote auditing tools in the audit methodology/approach section of the scop- ing documentation. Set out the reason for conducting the audit remotely and the tools to be used and for which part of the audit scope (e.g. full or limited parts of the audit scope).

Communicate early enough and manage the information request list (documents, questions) with clear due date for receiving the feedback. Include any specific question you might already have as part of the documentation request. Set the due date for at least 1 week before your first meeting to be able to review the information received. Share with the auditee the updated information request list regularly through e-mail or store it on a collaboration site with access granted to the audit contact/auditee for easier ver- sioning and real-time update.

Obtain direct access to the digital file system where relevant audit documentation is managed (for stored governance / programme / project management documentation, ICT systems supporting the audited pro- cess, etc.)

Be flexible and provide alternative solution to the auditee for information sharing in case of their paper records. Some of the options the auditee can do are:

- Scanning of the required paper records and sending it through an e-mail (encrypted if needed) from your computer.

- Taking photos of the required paper records with their mobile phone (if they use a BYOD ("Bring Your Own Device") mobile phone configured for business usage) and sending it through an e-mail (encrypted if needed) from their mobile phone.

- Showing the paper records on camera during a videoconference call. Skype for business on a mobile phone can be used for flexibility of the camera. Paper records should be readable by the auditor. The auditor could make screen capture/screenshot if evidence is needed.

Use ad hoc instant messaging or calls for quick and specific questions. This could replace some e-mails and/or unplanned discussions with the auditee on-site.

Schedule and conduct online meetings in line with the good practices listed in Planning meetings and

Conducting meetings sections above.

Exchange the observations with the auditee and receive comments from the auditee in advance of the validation meetings. This will facilitate the discussion and allow it to focus on the key points. Beyond this consideration, the validation meetings should be held as normal but via the audio/video conferencing tool selected.

AUDIT REPORTING, FOLLOW-UP

Audit methodology section in the audit report should include any specific remote auditing practices used during audit execution/testing.

If for any reason, some processes originally in the audit scope could not be audited (which could be a result of doing the audit remotely), this should be mentioned in the audit report.

No further additional remote auditing practice needed:

- Draft and final reports are nowadays commonly prepared and exchanged through ICT tools (e-mail, audit management systems, document repositories). If any further discussion is needed to align on the final report, the above mentioned principles on conducting online meeting and validation meetings will apply (e.g. telephone/audio/video communication).

- Follow-up desk review is in fact a remote auditing method (e-mail, online communication tools).

- Follow-up on-the-spot, i.e. on-site review which follows the same principles as a standard audit en- gagement (see all the principles above).

THE REMOTE AUDITING GUIDANCE

Definition and main concepts → Suitability — can you and should you perform a remote audit (Annex I)
→ Remote auditing tools — opportunities and risks (Annex II) → Audit approach — methodology, tips & tricks (Annex III)

PLANNING

Assess suitability for a remote audit (Annex I)

Any specific need for physical presence

Audit evidences available digitally and can be exchanged / accessed

Online communication tools are available, high quality and secure

Stakeholders accept remote audit approach and are capable in using the expected ICT tool

Scheduling

Multiple sites coverage
Environmental benefits
etc.

Assess availability, applicability and usability of ICT tools (Annex II)

Principles
Preparation / Security and privacy / Readiness (willing to use) / Technology in place (ready to use) / Knowledge (how to use)

Instant Messaging

Telephone/audio one-on-one calls

Email

Audio/video conferencing with screen sharing

Access to ICT systems supporting the audited process

Livestream, virtual tours, video recordings

Collaboration platforms

Request documents/ Request information (specific questions)

Conduct Interviews (full sets of questions)

Evidence collection/Evidence exchange

Document review/process review

Conduct formal status and progress meetings

Advanced process and data analysis (e.g.: data analytics, visualization, etc)

Guided site tours/site reviews

Interactive information exchange with real-time audit fieldwork status

Communicate in announcement letter or discuss in the opening meeting the possibility of a remote audit.*

PRELIMINARY SURVEY

Planning meetings (Annex III)

Plan and schedule meetings sufficiently in advance with proper invitees

Schedule multiple shorter calls and spread them out over multiple days

Test the connection beforehand

Ensure quiet surroundings

Determine if audio, video and/or screen sharing will be used and communicate this to the participants in advance

Distribute the documents you will discuss before the meeting

Conducting meetings (Annex III)

Set and communicate the meeting rules

Use headphones or echo cancelling speakers/microphone to reduce noise

Join the meeting a few minutes early and ask all participants to do the same in the meeting invitation

In case of internet network (bandwidth) issues, use audio only

Determine whether or not conference calls recording is needed

Communicate if you will be taking screenshots or capture the screen/call in any way

Meeting minutes can be taken in a way that the auditor prefers

Confirm the remote audit approach and techniques through scoping documentation and kick-off meeting.*

FIELDWORK

Perform fieldwork using agreed remote auditing tools / techniques.*

REPORTING

Pre-validate the findings prior to the findings validation meeting. Keep the online meeting focused on key messages and findings.*

Include used remote auditing practices in the audit methodology section of the audit report.*

Mention any gaps in achieving audit objectives (possibly arising from remoted auditing approach) in the audit report.*

Exchange of findings/audit reports follows the common audit practice — no change.*

FOLLOW UP

Follow up reviews are performed as usual — no change to common practice. Desk reviews are already performed remotely, while the remote on-site review would follow the same remote audit principles.*

*Remote Auditing Approach (Annex III)