# Remote Audit Procedure

**Civil Aviation Safety Regulation Directorate**

**Civil Aviation Authority of Nepal**

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In case of any circumstance facing civil aviation, if it is not possible or desirable for the auditor to conduct an on-site audit, Civil Aviation Authority of Nepal may perform remote audits as an alternative method of continued surveillance of the service providing organizations. Thus, Remote audit refers to the use of ICT to gather information, interview an auditee, etc., when "face-to-face" methods are not possible or desired. There are a variety of reasons that an auditor may not be present due to safety constraints, pandemics, travel restrictions or any such reason.

Remote auditing provides major advantages including increased flexibility and shorter set-up times. In addition, travel restrictions, costs and extensive preparations are eliminated to save time and money.

# Process for conducting remote audits

To conduct the audit, following audit processes shall be followed:

## 1. Determine the viability of conducting a remote audit.

The feasibility of conducting a remote audit using ICT should be considered when deciding whether to conduct a remote audit and establishing the audit plan, at a minimum the auditor should verify;

- That the service provider agrees to the conducting of a remote audit and the proposed method for conducting it.
- That the appropriate technology is available to share required documentation and connect directly with relevant staff or members as required, this includes appropriate internet connection and bandwidth.

- That full confidentiality, security and data protection is ensured for all data shared during the audit.

- That a risk assessment has been made to identify areas (people, activities, sites) that cannot be adequately assessed by remote audit alone.

## 2. Determine the Scope of the Remote Audit

If it is feasible to conduct a remote audit the auditor must determine the most appropriate scope of the remote audit. In all cases the objective of a remote audit is to establish the performance level of the service provider with all of the relevant criteria of the standard/code for the audit year/level corresponding to the laid down regulations.

### 2.1 Partial Remote Audit:

Audits that are conducted through a combination of remote and on-site checks to verify compliance are partial remote audits.

The remote portion of the audit shall follow the standard course of an audit while using technological tools to access the necessary evidence. Partial Remote Audits are most effective in verifying compliance with standard requirements which require documentary evidence. A limited set of interviews or other visual evidence will also be collected remotely. The aim is to provide preliminary level of verification pending further on-site verification whenever possible to confirm the implementation of the established procedures. The on-site part of the audit is intended to verify the conclusions of the remote audit and conduct additional verification of issues that could not be detected through the remote auditing process.

## 2.2 Full Remote Audit

In cases where onsite verification is not realistically possible within the current audit cycle, a Full Remote Audit will be necessary. Remote auditing should follow the standard course of an audit while using technological mechanisms and tools to access the necessary evidence, including interviews, using appropriate sampling techniques. In addition to the verification of documentary evidence carried out in a Partial Remote Audit, a Full Remote Audit will use additional data to check criteria/checkpoints that cannot be verified in the remote assessment. Where possible this may include interviews with staff and members conducted by telephone or by video link, video footage of sites provided by the service provider, and other relevant data. Where the collection of additional information remotely is not possible the auditor must assess compliance with the internal inspection carried out by the service provider before reaching a conclusion about its performance. Auditors may also use analysis of the results of the previous audit.

If the condition does not allow performing onsite audits, Civil Aviation Authority of Nepal (CAAN)may decide to perform remote audits as an alternative method of audit of the service providing organizations. To conduct the audit, following audit processes shall be followed:

## 3. Audit Planning

In this phase, following activities shall be conducted:

- Detailed audit plan that includes scheduled calls and persons to be interviewed;
- The list of documents required for remote audit verification and its communication to the auditee together with the deadline of submission of the documents. (normally, 7 days ahead of audit date)
- Internet connection and reliable communication equipment availability;
- Documentation access (cloud server, file sharing platform, documentation software etc).
- IT solutions for video conferencing and document sharing etc.
- Requesting a cross-reference list to enable an efficient remote assessment.
- Determining the methodology and techniques to be used for assessing the records remotely
- For Partial Remote Audits, the audit plan must describe which criteria/checkpoints will be audited remotely and which will be part of the on-site audit.

## 4. Audit Execution

Using reliable and stable voice and video communication and screen sharing capabilities necessary for a successful remote audit, personal interviews, documents review are conducted by the auditors and processes and activities are observed and recorded according to the audit plan. Audit execution shall comprise of the following parts:

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### a) Documentation Audit

In this phase, following activities shall be conducted:

5. Reviewing the cross-reference list, when applicable
6. Assessing the documentation prior to the start of the remote audit
7. Analyzing the previous audit results and other information as applicable.

### b) Implementation Audit

In this phase, following activities shall be conducted:

1. Assessing records and evidences provided through cloud storage or shared server, live sharing of screens or any other acceptable methods
2. Observing records and evidences through shared images or screens
3. Uploading records and evidences into an auditing software
4. Interviewing management and operational personnel through video conference tools
5. Observing the operations through live video broadcasting
6. Increasing sampling size whenever possible, to compensate for the lack of direct observation of operations.
7. If there is any connectivity issue during the audit and the issue cannot be resolved on time, the necessary follow-up shall be arrangedwith the auditee to ensure the audit is completed.

## 5. Audit Reporting

1. Audit report shall be provided to the auditee with clearly defining the findings and mentioning deadlines to submit the corrective action plans (CAPs) in the prescribed format within 7 working days after the completion of the remote audit.
2. Audit report shall also include the details about the remote auditing methods used and also clarifies the effectiveness of the audit in achieving the stated objectives of the audit.

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