

Guidance Note

Executive Summary of Standalone Performance Audit reports

I Introduction

The Executive Summary contained in standalone **performance** audit reports of the Comptroller and Auditor General of India is expected to convey the main message of the report to readers with different backgrounds and interests. The Executive Summary should therefore contain only such information that is germane to the report's main message by presenting the key analysis that support the audit findings. It should be distinct from the 'Preface' which conveys the mandate and scope of audit. Specific guidance on what a 'Preface' of all audit reports of the Union and the States should contain has already been issued vide circular no 70-160/PPG/44-2013 dated 4 April 2014. This Guidance Note aims to provide a uniform structure for writing the Executive Summary that appears in the CAGs standalone Performance Audit Reports.

II Features of Executive Summary

It is essential that the summary concisely presents the main message in a clear, accurate and fair manner. The essential features of an Executive Summary are:

- i) **Length:** The length of an Executive Summary should generally not exceed **three** pages.
- ii) **Clarity:** The Executive Summary should be understandable to those who have no knowledge of the subject or programme being reported upon. Readers must be able to comprehend the Executive Summary in one reading without referring to the text of the report. The following aspects contribute to enhancing the clarity of Executive Summary:
 - a. Facts should not be repeated. A paragraph of the Executive Summary should not repeat facts contained in, or summarise the contents of, another paragraph. Each major point, or the main message of the report should therefore be presented just once in the Executive Summary.
 - b. Instructions already exist to use only commonly used abbreviations and acronyms in the report and to spell them out the first time they are used. This would apply to the Executive Summary as well. Where commonly used abbreviations are not available other references may be used for the full name. For example for 'Directorate of National Vector Borne Disease Control Program' the phrase 'the Directorate' could be used.
 - c. Ordinarily, technical language or jargon, which are not generally understood outside a specific profession should not be used. If jargon or technical language is unavoidable, it has to be defined in a simple manner when it is first used.

- iii) **Conciseness:** When an audit report is complex, the Executive Summary should acknowledge the complexity of the subject matter and summarise the principal message without extensively discussing the details. Similarly, when an audit report addresses many issues, Executive Summary should present only the key issues. The following aspects facilitate concise presentation of an Executive Summary:
 - a. Using short sentences and paragraphs
 - b. Using bullets to avoid wordiness
 - c. Providing references of paragraph numbers of the audit report to refer the reader to further details.
 - d. Not introducing facts or opinions that are not included in the report.
- iv) **Tone and balance:** The Executive Summary should summarise the results of audit in a balanced and fair manner. The summary should focus not only on the negative aspects of performance but should also fairly recognise the relevant and valid positive measures of the audited entity which have been identified in the audit report.

III Structure of Executive Summary

The Executive Summary should be structured and divided into sections in the following chronological order:

1. Purpose
 2. Results in brief
 3. Principal findings
 4. Principal recommendations
1. **Purpose:** The opening paragraphs should lay out the purpose for which the audit was undertaken. This section of the Executive Summary should accomplish three goals:
- (i) catch the reader's attention;
 - (ii) explain why the audit was undertaken; and
 - (iii) outline the audit objectives that were pursued in the report.

The first goal is to convince the readers that the topic was important and therefore, to the extent applicable, the initial paragraph needs to briefly highlight the background, criticality/ importance of the program or topic, impact on the public and the possible serious consequences of flaws in implementation.

The next goal of this section should explain the significance and reason(s) for selecting the subject matter/topic for review. When the audit was undertaken due to stakeholder interest or to respond to a statutory requirement, this section should identify and recognise the underlying reasons for audit.

The last goal of this section is to outline the audit objectives that were pursued in the report. When a report has a number of objectives, only those that are relevant to the main message of the report should be selected for inclusion in the Executive Summary. In such a case, the Executive Summary should draw the reader's attention to the existence of other objectives, which have not been included in the Executive Summary. Any significant scope limitation that led to a revision in the audit objectives may be briefly mentioned.

2. **Results in brief:** This section should broadly summarise the main audit conclusions and answer the questions (audit objectives) that were set out for audit. **This section is the core of the Executive Summary which should briefly and clearly state the principal conclusions and prepare the reader for the major recommendations.**
3. **Principal findings:** This section should present the key audit findings that support the principal conclusions as summarised in the earlier section, and not repeat them. The principal findings should be presented in the order of their significance, which may be different from their order in the report. Reference to the respective paragraph numbers in the report should be provided against each principal finding. A finding that is subsidiary to a main finding should not be presented as though it is another main finding. The major evidence that supports the findings may be presented in a summarised form or through specific examples from the report.

This section should also recognise the responses received from the audited entity (ies) and that they have been considered while arriving at audit conclusions. The goal is to provide a perspective of the extent of the audited entity's overall agreement with audit results. While the detailed responses of the audited entity are incorporated in the report, the significant disagreements with the principal conclusions or principal findings and Audit's response should be explained briefly in the Executive Summary so that readers can appreciate the reasons for disagreement and Audit's perspective. Tone is particularly important in this section. A dispassionate, explanatory tone is most convincing and should be maintained.

4. **Principal recommendations:** This section should present the principal recommendations based on principal findings and conclusions. It can also explain why no recommendations are being made. While drafting this section, attention should be paid to directly associating recommendations with the conclusions and findings. The recommendations should be presented in the same chronology as the principal findings in the earlier section.