

I am a CIA.



Internal Control & Internal Auditing

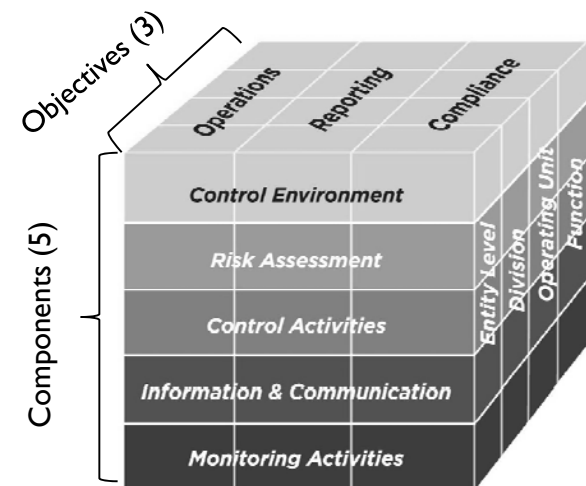
Internal Control: COSO

- Issued by the Committee of Sponsoring Organizations of Treadway Commission (COSO) (1992, revised in 2013)
- To achieve 3 organization's objectives:
 - Reporting objectives
(Reliability, transparency, timeliness, etc.)
 - Operations objectives
(Effectiveness & Efficiency)
 - Compliance objectives
(Adherence to laws & regulations)

Internal Control: COSO

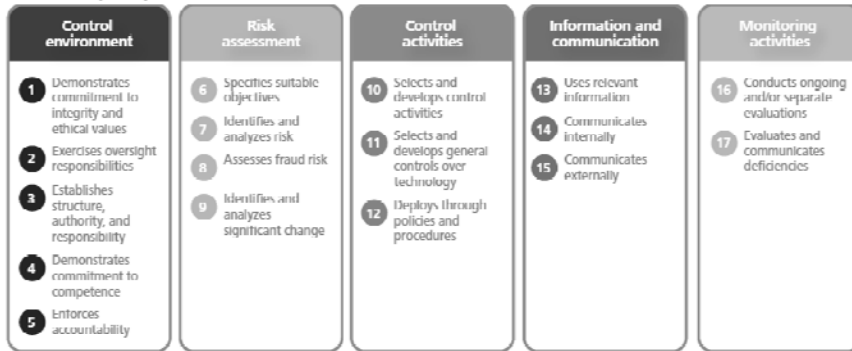
- Consisting of 5 components:
 - Control Environment
 - Risk Assessment
 - Control Activities
 - Information & Communication
 - Monitoring

COSO: Cube



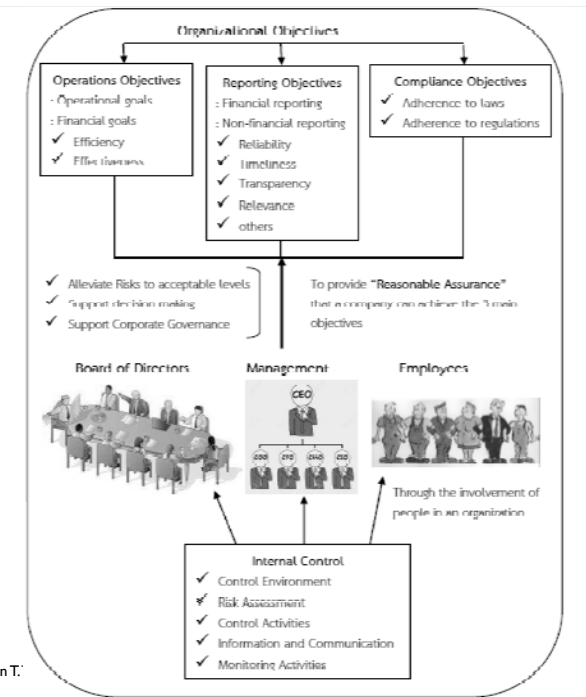
COSO: Principles (17)

COSO's 17 principles of internal control – summarized



Source: Audit Committee Brief, March 2014, Deloitte Development Corporation. All rights reserved.

Relationship between organizational objectives and COSO



Internal Audit: IPPF

- International Professional Practice Framework (IPPF)(revised 2015 by the Institute of Internal Auditors: IIA)
- Consisting of 2 main parts:

Mandatory Guidance	Recommended Guidance
<ul style="list-style-type: none"> ✓ Definition ✓ Core Principles ✓ Code of Ethics ✓ Standards 	<ul style="list-style-type: none"> ✓ Implementation guidance ✓ Supplemental guidance

IPPF 2015



Internal Audit: Standards

- International Standards for the Professional Practice of Internal Auditing (revised 2015 by the Institute of Internal Auditors: IIA)
- Consisting of 2 parts:
 - Attribute Standards (code 1000++)
 - 1000 Purpose, Authority, and Responsibility
 - 1100 Independence and Objectivity
 - 1200 Proficiency and Due Professional Care
 - 1300 Quality Assurance and Improvement Program

Internal Audit: Standards

- Consisting of 2 parts:
 - Performance Standards (code 2000++)
 - 2000 Managing the Internal Audit Activity
 - 2100 Nature of Work
 - 2200 Engagement Planning
 - 2300 Performing the Engagement
 - 2400 Communicating Results
 - 2500 Monitoring Progress
 - 2600 Communicating the Acceptance of Risk

Differences between CPA & CIA

Topic	CIA	CPA
Purpose	Consider whether business practices are helping a company manage its risks and meet its objectives	Consider whether the Financial Statements give a 'true and fair presentation' and are prepared in accordance with GAAP and legal requirements
Qualification	Can be employed by a company or outsourced with an accounting or other backgrounds	Must be an outside firm of accountants who are 'Registered Auditors'
Audit Plan	Set internally in the light of the business's risks and objectives	Set its own audit plan of work based on its assessment of the risks of the accounts being materially misstated
Reporting	Report internally to relevant managers, audit committee or the Board of Directors	Report primarily to the shareholders

Differences between CPA & CIA

Topic	CIA	CPA
Contents in report	1) Provide a tailored report about how the risks and objectives are being managed 2) Focus on helping the business move forward by providing recommendations for improvement	1) Main report is in a format required by Auditing Standards: International Standards on Auditing (ISA) 700. 2) Focus on whether the accounts give a true and fair presentation and comply with GAAP and legal requirements 3) If other things come to light which the auditors think should be brought to the client's attention they will be reported separately to the board of directors in a 'management letter'.

Differences between CPA & CIA

Topic	CIA	CPA
After Audit	1) Follow up by looking to see whether recommendations have been implemented 2) Follow up by providing consultative help to guide the implementation of recommendations	No external audit follow up until the planning stage of the next year's audit when past issues should be considered
Availability of audit report	All internal auditors, reports are not published publicly.	1) "Independent Auditor's Report" is publicly available. 2) Only 'Management letters' are not publicly available.

Vocabularies

Audit Committee	คณะกรรมการการตรวจสอบ
Board of Directors	คณะกรรมการบริหารบริษัท
Certified Internal Auditor (CIA)	ผู้ตรวจสอบภายในรับอนุญาต
Compliance objective	วัตถุประสงค์ด้านการปฏิบัติตามไป ตามกฎหมายและข้อบังคับ
Control Activities	กิจกรรมในการควบคุม
Control Environment	สภาพแวดล้อมในการควบคุม
Corporate Governance	การกำกับดูแลกิจการ
Effectiveness	ประสิทธิผล
Efficiency	ประสิทธิภาพ
Fraud	การทุจริต
Information and Communication	ข้อมูลและการสื่อสาร
Institute of Internal Auditors (IIA)	สมาคมผู้ตรวจสอบภายใน
Institute of Internal Auditors of Thailand (IIAT)	สมาคมผู้ตรวจสอบภายในแห่ง ประเทศไทย (สศท.)
Internal Audit	การตรวจสอบภายใน
Internal Control	การควบคุมภายใน

Vocabularies

International Standards for the Professional Practice of Internal Auditing	มาตรฐานสากลการปฏิบัติงานวิชาชีพ การตรวจสอบภายใน
Monitoring Activities	กิจกรรมการติดตามและการประเมินผล
Operations objective	วัตถุประสงค์ด้านการดำเนินงาน
Reasonable Assurance	ความเชื่อมั่นอย่างมีเหตุผล
Relevance	ความเกี่ยวข้องกัน
Reliability	ความเชื่อถือได้
Reporting objective	วัตถุประสงค์ด้านการรายงาน
Risk Assessment	การประเมินความเสี่ยง
Timeliness	ความทันต่อเวลา
Transparency	ความโปร่งใส

Just for fun



"Don't you think this internal audit's gone too far?"

Just for fun

