

**Inspection & Internal Audit
Friends or Enemies?
Differences and Mutual Influence**

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Audit Structure in Turkey

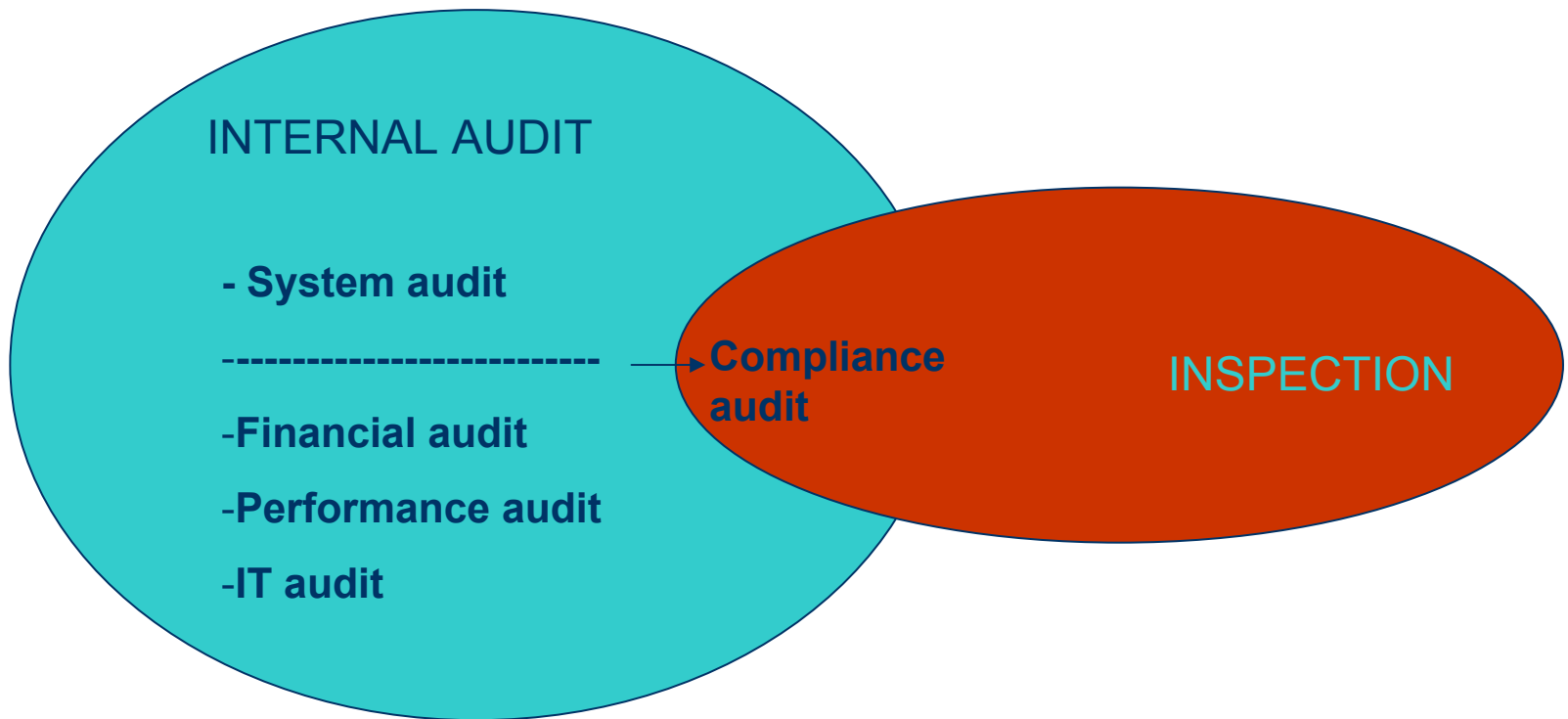
Before 2004:

- Audit units established in accordance with the Constitution
- Audit units in Ministries
- Audit units in Autonomous Institutions

After 2004:

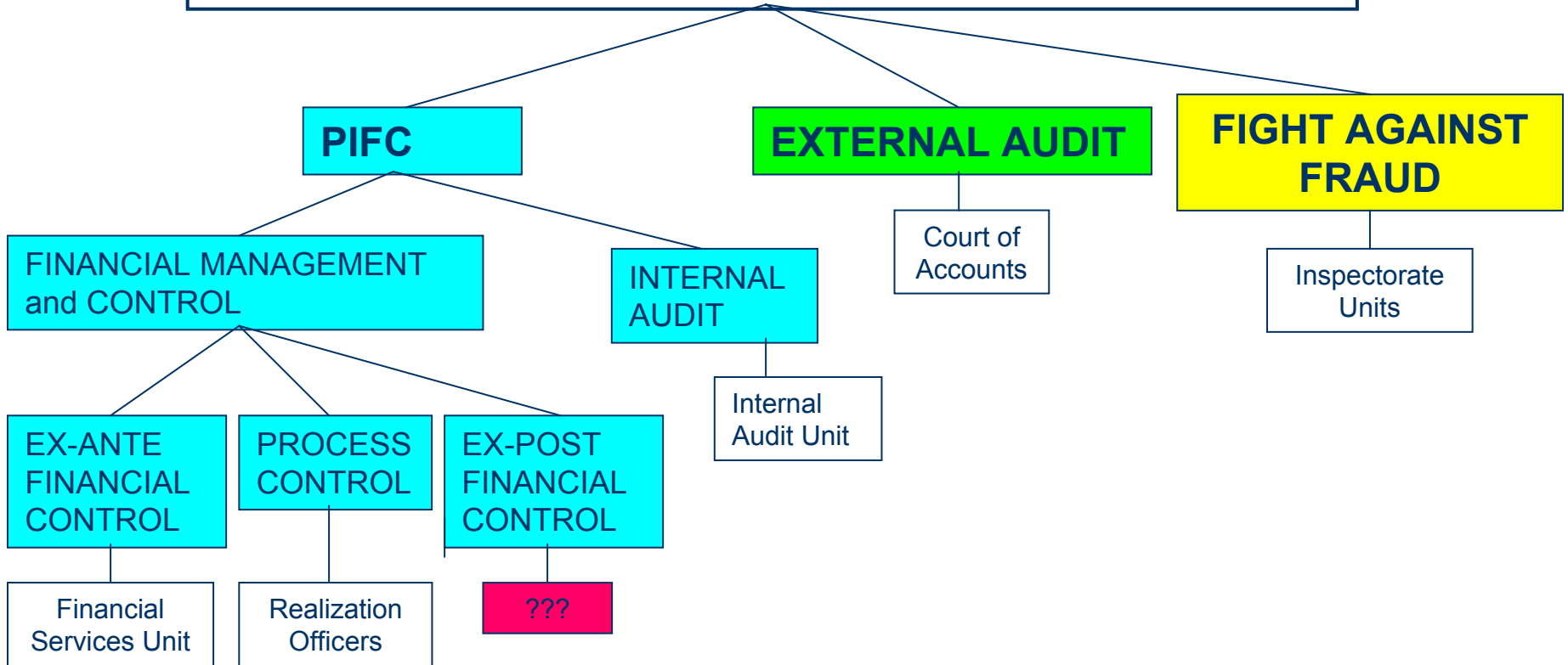
- Internal Audit is involved in the Public Financial Management and Control System **in addition to former audit units**
 - Conflict of interest between internal audit & inspection bodies still exists

Conflict of Interest between Internal Audit and Inspection



Solution: Segregation of Duties

EU NEGOTIATIONS: CHAPTER 32: FINANCIAL CONTROL



So, inspection is not our enemy, just relative!

Suggestions for Solution:

- Clear separation of roles and establishment of sound relations between internal audit and external audit, as well as inspection
- Adopting and implementing necessary legal arrangements which will ensure that the internal auditors perform audit and the main focus of inspection is on “fight against corruption and serious irregularities”

THANKS FOR YOUR ATTENTION