



MINISTRY OF
FINANCE OF
UKRAINE

Progress in Internal Audit Activity in Ukraine (2018-2020)

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Main changes in the Order for the implementation of internal audit and the creation of internal audit units:



Extension of the Order



- on other main spending budget units (courts and law enforcement agencies);



Increasing the independence of internal audit units



- introduction of the norm to sign an internal audit charter by the head of the state body and the head of the internal audit unit, which outlines the mission and goals, principles of independence, main powers and responsibilities of the unit;
- introduction possibility of formation audit committees for professional consultations and consideration of issues related to the implementation of internal audit activities, preparation of recommendations for its improvement in the state body;



Strengthening the effectiveness of internal audit



- implementation of strategic planning of internal audit activities;
- determination of one of the tasks of the internal audit unit to assess the reliability, efficiency and effectiveness of information systems and technologies, which **later made it possible to implement the practice of conducting IT audits in Ukraine;**
- exclude limitations of the terms for conducting an internal audit.



Major changes to the Internal Auditing Standards:

GOAL

approximation to
International Standards
for the Professional
Practice of Internal
Auditing (IPPF)



- excluded the provision on the distribution of the scope of internal audit by areas (topics) of internal audit: performance audit, compliance audit, financial audit
- the emphasis on the essence of the internal audit activity has been changed - it should be carried out using a systematic, consistent and risk-oriented approach to assessing the object of internal audit and contribute to the improvement of management systems, internal control and risk management through the provision of independent and objective conclusions and recommendations
- the criteria for effective management of the activities of the internal audit unit in the institution are determined
- approaches to conducting internal audit have been changed - now it is a process of planning and performing an audit engagement
- excluded classification of audit conclusions
- the main characteristics of the quality of the audit report are determined



Changed approaches to reporting on results internal audit:

The previous report form contained detailed information on the identified financial violations:

- shortage of financial resources
- misuse of funds
- illegal spending
- shortages



Restrospective component



The new reporting form contains detailed information on:

- achievement of key performance indicators of the internal audit unit
- The main shortcomings of the functioning of the internal control system and the measures taken to improve it
- examples of implementation of the most important recommendations



Preventive component



The updated reporting form reflects the results of the work of the internal audit unit, taking into account the change in priorities in the implementation of audit assignments - from focusing on the occurrence of financial violations to the implementation of a systematic analysis and assessment of the effectiveness, efficiency and quality of the internal control system, the implementation of tasks and functions, budget programs, the provision of administrative services etc



Improving methodology

Methodological guidelines for internal audit in the public sector of Ukraine

Risk-based planning of internal audit activities

Internal performance audit

Internal audit toolkit

Quality assessment of the internal audit in state bodies

General competencies, skills and knowledge model



Методологічні вказівки з внутрішнього аудиту в державному секторі України



Ризик-орієнтоване планування діяльності з внутрішнього аудиту
Методичний посібник

Київ 2019



ВНУТРІШНІЙ АУДИТ ЕФЕКТИВНОСТІ:
МЕТОДИЧНІ ЗАСАДИ ТА ПРАКТИЧНІ АСПЕКТИ

Методичний посібник
(редакція 2019 року)

МІН
ФІН
Центральний підрозділ гармонізації



ІНСТРУМЕНТАРІЙ
ВНУТРІШНЬОГО АУДИТУ
(посібник для внутрішніх аудиторів державного сектору)



Оцінка якості внутрішнього аудиту в державних органах

методичний посібник

МОДЕЛЬ загальних компетенцій, навиків та знань



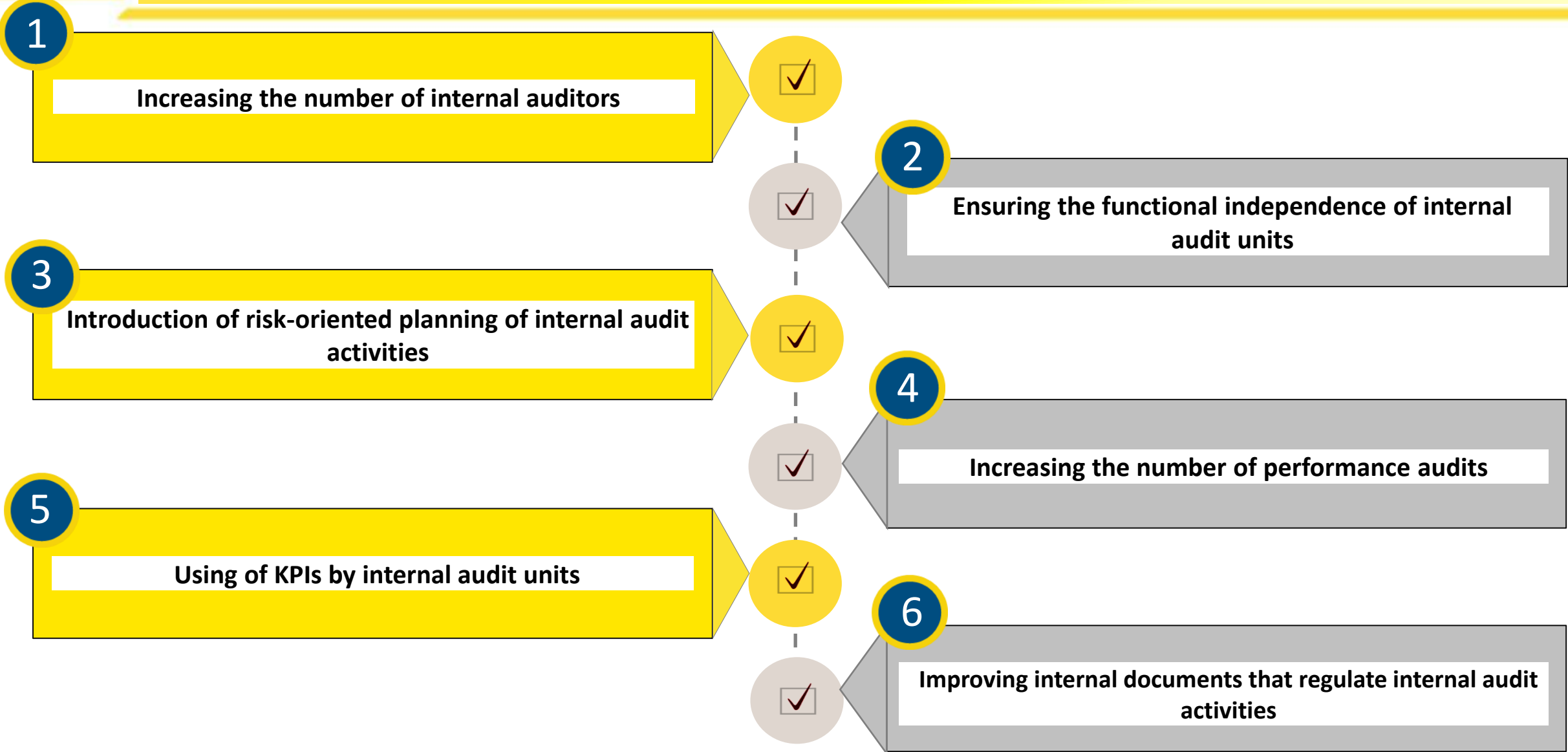
Київ 2020



Київ 2019



The results of external quality assessment of internal audit





Conducting training events on internal audit (2018-2021)

✓ 4 basic trainings on internal control and internal audit

✓ performance audit training

✓ financial audit training

✓ 2nd level trainings on internal audit (reference models)



✓ 6 thematic webinars and conferences, including the topics: "The consulting role of internal audit", "Current trends in the management of the internal audit function", "Writing an audit report and its key characteristics"

✓ Participation in training events on internal control and internal audit, which are organized by other state bodies

✓ 3 trainings on IT audit

✓ training in project management and management skills

✓ engagement planning training

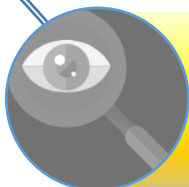
✓ training on the topic "Internal audit and fraud"



➤ Implemented 2 pilot projects on internal performance audit



PLANS FOR 2021-2023



Implementation of national certification of internal auditors from 01.01.2023



Functioning of the interactive portal of the PIFC, containing training and information-analytical modules, including a platform for distance learning and assessment of the professional level of internal auditors



Monitoring of the practical implementation of the legal framework on PIFC issues, improving the regulatory and methodological support of internal control and internal audit (including taking into account the results of the internal audit quality assessments)



Conducting assessments of the functioning of the internal audit system (external assessments of the quality of internal audit) in order to provide recommendations for improving such activities



Implementation of the activities of audit committees for professional consultations and consideration of issues related to the activities of internal audit units, preparation of recommendations for its improvement



Thank you for attention!

