

LEARNING THEORIES 5

Audit Records for
your Business

Why audit records?

to review your current records management policies and retention procedures, according to the regulatory requirements of your organization

helping your business maintain compliance, an audit also improves organisational efficiency

Objective

Adequate records of information are maintained to account fully and transparently for all actions and decisions and demonstrate due professional care;

There are consistent and documented retention and disposal procedures to include provision for permanent preservation of archival material and secure disposal of information at the end of its life;

SCOPE AND ELEMENT OF AN AUDIT

1

Environment control:

The attitude, alertness, and work-zeal of directors, managers and shareholders are reflected through environmental control.

2

Accounting system:

Accounting system means some procedures and recordings with which identification of business transactions, classification, summarization, statement preparation and analysis for timely presentation of correct information are performed.

3

Control procedure:

The additional policies and procedures adopted by the business authority for ensuring the achievement of the specific goal of a business organization are the controlling procedures.

These control procedures are:

1. Proper delegation of power
 2. Segregation of responsibility
 3. Preparation and use of document
 4. Adoption of adequate security measures to protect the properties,
 5. Independent control over the execution of activities.
-

COMPONENTS OF RECORDS AUDIT

CONTROLLING THE ENVIRONMENT

Moral values, managerial skills, the honesty of employees and managerial direction, etc. are included in the controlling environment.

RISK ASSESSMENT

After setting up the objective of business, external and internal risks are to be assessed.

CONTROL ACTIVITIES

These controlling activities include all those measures that are to be followed by the employees.

INFORMATION AND COMMUNICATION

Relevant information for taking decision are to be collected and reported in proper time.

MONITORING

When the internal control system is in practice, the organization monitors its effectiveness so that necessary changes can be brought if any serious problem arises..

**Good Record Practise
Resulted to an Excellent
Audit Assessment!**
