



Experientia mutua omnibus prodest – Mutual Experience Benefits All

Research paper on reporting on internal control in the light of the results of the global survey of 2012

June 2013

INTOSAI SUBCOMMITTEE ON INTERNAL CONTROL STANDARDS

Introduction

Accountability is a powerful tool which, when consistently applied, can help reduce fraud, corruption and financial abuse. Enhancing and enabling accountability is especially important today due to political instability, turbulent economic climate, unparalleled challenges faced by public services, austerity measures and rising unemployment rates in some regions. Good governance, transparency, accountability and integrity have become the most common expectations of citizens from governments and public managers.

The mission of the INTOSAI Subcommittee on Internal Control Standards is to focus on the development and promotion of good practices in the field of internal control, and to establish improved and focused managerial accountability in the public sector. Task 4 of the Subcommittee's Action Plan for the years 2010-2013 was to conduct a survey on reporting on internal control by public sector entities – the results of the survey have been presented in this paper.

The aim of the survey is to establish the extent to which internal control reporting by public sector entities exists, under what forms and what the underlying frames of reference are. The survey also intends to establish the SAIs' involvement in reporting on internal control. The results of the survey will be used as a background for updating INTOSAI GOV 9110 on internal control reporting which will be implemented after 2013. The questionnaire for the survey was developed by the SAI of Lithuania – the Coordinator for Task 4, in cooperation with the SAI of Poland – the Subcommittee Chair. To gain necessary information, the questionnaire was sent to all INTOSAI members and it contained questions on:

- the legal and organisational framework for reporting on internal control,
- the scope of internal control assessment and reporting on internal control by public sector entities,
- assessment of reports on internal control and auditing of internal control,
- an opinion on the revision of INTOSAI GOV 9110 *Guidance for Reporting on the Effectiveness of Internal Controls: SAI Experiences in Implementing and Evaluating Internal Controls*.

Answers were received from 64 INTOSAI member SAIs from all over the world, representing the whole INTOSAI community associated in seven regional working groups (42.2% from EUROSAI)¹.

¹ An extrapolation of the results to INTOSAI as a whole is not possible since about two-thirds of the INTOSAI members did not participate in the survey. However, this survey shows the main trends in reporting on internal control. The specific results of the survey are presented on the following pages by total number and percentage of the returned questionnaires.

The basics of reporting on internal control in the light of INTOSAI GOVs

1. The guidelines on internal control which were initially developed in 1992 were updated in 2004 by the INTOSAI Subcommittee on Internal Control to make them relevant for the control environment and challenges at that time. It is necessary to emphasise that *Guidelines for Internal Control Standards for the Public Sector (INTOSAI GOV 9100)* in the concept and assumptions refer to the worldwide recognised integrated frameworks of the Committee on Sponsoring Organizations of the Treadway Commission (COSO). The INTOSAI vision comprised in INTOSAI GOV 9100 goes beyond the private sector approach and takes into account the public sector perspective, including primary ethical aspects as a fundamental point of reference for public officers. The main elements of this vision, as defined in INTOSAI GOV 9100, are the following:
 - 1.1. **Internal control** is a dynamic process built into the everyday activities of entities that is continuously adapting to the changes which an organisation is facing. It means that internal control is not an activity that must be added to daily operations, but an inevitable aspect of the methods of work integrated with well-known typical management functions, such as planning, executing and monitoring. The definition states that internal control is an integral process that is affected by an entity's management and personnel, and it is designed to address risks and to provide reasonable assurance that in pursuit of the entity's mission accountability obligations are fulfilled as one of specific objectives.
 - 1.2. Fulfilling **accountability obligations** implies the process whereby public service organisations and individuals within them are held responsible for their decisions and actions, including their stewardship of public funds, fairness, and all aspects of performance. This will be realised by developing, maintaining and making available reliable and relevant financial and non-financial information, and by means of a fair disclosure of that information in timely reports to internal as well as external stakeholders. Non-financial information may relate to the economy, efficiency and effectiveness of policies and operations.
 - 1.3. Effective information and communication as one of the components of internal control is vital for each organisation to run and control its operations. Information is needed at all levels in order to obtain effective internal control and to achieve the entity's objectives.
 - 1.4. Management's ability to make appropriate decisions is affected by the quality of information which implies that the information should be appropriate (is the needed information there?); timely (is it there when required?); current (is it the latest available?); accurate (is it correct?); accessible (can it be obtained easily by the relevant parties?).

- 1.5. All personnel should receive a clear message from top management. They should understand their own role in the internal control system, as well as how their individual activities relate to the work of others. Communication should raise awareness about the importance and relevance of effective internal control, communicate the entity's risk appetite and risk tolerances, and make personnel aware of their roles and responsibilities in effecting and supporting the components of internal control.
 - 1.6. There is also a need to effectively communicate with external parties due to the necessity to fulfil accountability obligations. First and foremost, citizens play an extremely significant role as ultimate beneficiaries of public sector activities due to their tax obligation, so they have justified rights to receive feedback information regarding the performance of public tasks. Legislators, regulators, internal and external auditors, as well as Supreme Audit Institutions are usually interested in reporting systems as they provide input that may have a highly significant impact on the extent to which an organisation achieves its goals.
2. In 1997, the Subcommittee on Internal Control Standards issued *Guidance for Reporting on the Effectiveness of Internal Controls: SAI Experiences in Implementing and Evaluating Internal Controls (INTOSAI GOV 9110)*. Several examples have been presented of useful practices in creating and monitoring a strong internal control framework and control structure. These are:
- a) having a constitutional or legislative provision that establishes in the law an overall basis (or a requirement and objectives) for maintaining effective internal controls;
 - b) prescribing internal control standards to be followed when designing an internal control structure and which can be patterned after or adopted from INTOSAI standards;
 - c) focusing management's attention on their responsibilities for implementing effective internal controls and continuously maintaining a positive internal control environment;
 - d) emphasising the prevention of internal control breakdowns – rather than detecting and correcting them – through such means as requiring managers to periodically undertake self-evaluation of internal control operations;
 - e) stressing the role of internal auditors as a critical part of an organisation's internal control structure; and ensuring that Supreme Audit Institutions play a key role in (1) establishing internal control standards, (2) creating a solid internal control framework, (3) working with internal auditors, and (4) evaluating internal controls as an integral part of both financial and performance audits.

Findings and practices in the light of the results of the 2012 survey

1. Legal and organisational framework for reporting on internal control

- 1.1. An obligation to report on internal control, if set out in different legislations, is ascertained in various ways, usually in legal provisions and acts issued by the government, but there is a small group of countries where other specific legislations, such as statutory acts, are provided as well.
- 1.2. There is a visible practice that all public sector entities are obliged to report on internal control, however in some countries reporting liability exists only for central government public sector entities.
- 1.3. The frequency of reporting remains an essential issue with regard to accountability. There is a prevailing demand for public entities to report once a year – after the end of the fiscal year. In some cases reporting is expected when required by the competent supervising body or on other specific dates, for example on a monthly or quarterly basis.
- 1.4. Usually a manager of a public entity is responsible for reporting on internal control. Interestingly, there are quite a meaningful number of countries where persons referred to as managers of entities, as well as internal auditors or chief accountants (financial directors) are designated to meet reporting obligations.
- 1.5. The Ministry of Finance in most cases is the ultimate addressee of reports on internal control, partly indirectly through the supervisory body. Sometimes other specific bodies, such as the parliament or the Supreme Audit Institution is indicated as the addressee, especially when the internal control report is a component of an annual report, or a facet of a financial statement. Interestingly, the number of countries where there is an obligation to provide a report on internal control to the public is relatively low – and it is most often done through the internet.
- 1.6. There is a balance when it comes to the form of a report on internal control between the practice of developing separate reports, and elaborating them as a part of a public sector entity's financial statement. In some cases, reports on internal control are embedded in management/ accountability reports.
- 1.7. To support the reporting processes, guidelines on how to assess internal control for public sector entities are provided in less than a half of the respondents. Moreover, it is often required that internal control assessment should be conducted in accordance with a set of defined indicators related to internal control objectives, such as compliance with legal regulations and internal

procedures, effectiveness and efficiency of the activity, reliability of reports, protection of resources, compliance with ethical conduct rules and their promotion. Additionally, methods have been indicated for assessing internal control together with templates for reporting and even special instructions how to complete the report.

- 1.8. Negative consequences for a failure to present a statement on internal control or for presenting an unreliable statement, such as penalties, fines, or administrative sanctions, are not a common practice around the world.

Summary:

Although most of the countries have implemented some formal requirements, the legal obligation regarding reporting on internal control in the public sector in its scope and range vary from country to country, and the distinctions are broad and explicit. An obligation to report, if expressed directly at all, primarily takes into consideration the source of the obligation, the type of entities legally bound to report, the subject and frequency of reporting, ultimate addressee, and negative consequences in case of failing to report. It seems worthwhile to emphasise that only a few countries have established reporting on internal control to the public.

2. Scope of internal control assessment and reporting on internal control by public sector entities

- 2.1. Without doubt, in most countries public sector entities regularly and systematically assess their internal control systems. However, it is worthwhile to notice quite a substantial number of cases without any activity in this field.
- 2.2. A review by the management or their expert is the predominant method of internal control assessment, followed by an evaluation by the internal auditor, external auditors, and Supreme Audit Institutions. Even though *Guidelines for Internal Control Standards for the Public Sector* emphasise that internal control should be an integral part of day-to-day management operations, self-assessment workshops are not a widespread type of exercise applied in the public sector.
- 2.3. Compliance with applicable laws and regulations is the primary subject of assessment and reporting out of the four objectives of internal control. The analysis and reporting on the reliability of financial statements, issues related to corruption, misappropriation or ethical aspects of task performance and effectiveness of the implementation of objectives (tasks) set by the entity management are less frequently applied.

- 2.4. All internal control components are assessed in most countries. There is, however, quite a big number of cases where assessment is confined only to some aspects of internal control, for instance control mechanisms, control environment or reporting on fraud and corruption.
- 2.5. The state of internal control usually is the subject of assessment, however usually there is no scale for an overall evaluation. Generally, where there is a scale, the assessment is given in a descriptive manner, for example very good/ good/ satisfactory/ unsatisfactory or compliance/ partial compliance/ non-compliance, or the internal control system is effective/ the internal control system is operating, but some minor improvements are necessary/ the internal control system is operating, but essential improvements are necessary/ the internal control system is not effective.
- 2.6. Sometimes reports on internal control include valuable information about internal control deviations/ discrepancies, planned activities to undertake with a view to improve internal control, basis for assessing internal control and sources used for assessment or activities to improve internal control planned for the year to which the statement applies.

Summary:

There is a common approach among public sector entities to assess their internal control systems on a regular and systematic basis. Referring to the principles developed in the Guidelines for Internal Control Standards for the Public Sector, some premises exist to come to the conclusion that internal control is treated as a managerial business and a review by the entity's management, and the basic assessment tool. Due to the low popularity of the self-assessment attitude, personnel (employees) may not be committed to a control appraisal or further improvement at a sufficient degree. Reporting on internal control in public sector entities is usually focused on compliance with legal acts and regulations rather than on the effectiveness of the implementation of objectives and tasks performance. What is more, the scale for an overall assessment (a unified assessment system) of the maturity levels of internal control is not a common practice around the world.

3. Assessment of reports on internal control and auditing of internal control

- 1.1. An entity's internal audit function, in addition to an external auditor, usually provides the assurance on the reliability and transparency of a report on internal control. In some countries, the competent ministry responsible for internal control methodology (usually the Ministry of Finance) plays an important role in this process as well.
- 1.2. The role of internal audit in the internal control assessment process and reporting on internal control have been identified. The role of SAIs in assessing internal controls, reporting on it and

promoting good practices is quite alike. Internal control assessment is applied by SAIs mostly during financial audits, followed by compliance audits, and it is the least frequently applied in performance audits.

- 1.3. Taking into consideration the activities of SAIs, the basic and most often used form to report on internal control is an audit report, however a separate document, e.g. a letter to the management, an annual report on the state of accounts, or even an annual report on internal control were also indicated by those surveyed.
- 1.4. Most frequently SAIs report barely on the deficiencies in internal control. Only some of them give an overall assessment and use a descriptive form (for example: meets the requirements/ partially meets the requirements/ does not meet the requirements; or: very good/ good/ satisfactory/ poor; or: very well/ well/ satisfactory/ unsatisfactory; or: strong/ weak).
- 1.5. Since they play an important role in maintaining internal control, almost all SAIs wish to promote good practices with regard to improving organisational processes, and it is done by different means, such as conducting audits and issuing recommendations, and providing guidelines for an internal control model.

Summary:

There are two main parties involved in the assessment of reports on internal control and auditing of internal control. Assurance on the reliability and transparency of the report on internal control is mostly provided by internal auditors with a visible commitment of the national Supreme Audit Institution as an external auditor. SAIs assess the internal control systems by focusing, first of all, on financial and compliance audits, and expressing their opinion against deficiencies rather than drawing up an overall appraisal. SAIs are aware of their position and influence on internal control in the public sector, so generally they demonstrate a positive attitude towards the promotion of good practices in the field.

4. Opinion on the revision of INTOSAI GOV 9110: *Guidance for Reporting on the Effectiveness of Internal Controls: SAI Experiences in Implementing and Evaluating Internal Controls*

In the light of the survey whose results have been analysed in this paper, it can be concluded that there is the basis for undertaking a revision of INTOSAI GOV 9110, so that to acknowledge the latest developments in the field, and to meet the needs of all stakeholders. Such a revision will be included in the next work plan of the INTOSAI Subcommittee on Internal Control Standards as one of its tasks for the upcoming years.

The results of the survey in figures

REPRESENTATION OF INTOSAI REGIONAL WORKING GROUPS IN THE SURVEY

	AFROSAI	EUROSAI	ARABOSAI	OLACEFS	ASOSAI	PASAI	CAROSAI
Total of returned questionnaires ²	10	27	7	7	19	1	2
% of returned questionnaires	15.6	42.2	10.9	10.9	29.7	1.6	3.1

Answers were received from 64 INTOSAI member SAIs, however one of the respondents informed that it is in the process of addressing the issues connected with internal controls and risk management, they gave a general overview only, and they did not answer the questionnaire. Besides some SAIs did not answer all the questions. The results are presented by the total number and percentage of the returned questionnaires. In some questions, more than one answer was possible, or SAIs indicated more than one answer – in these cases the total percentage of the returned questionnaires exceeds 100.

QUESTIONS

SECTION 1: LEGAL AND ORGANISATIONAL FRAMEWORK FOR REPORTING ON INTERNAL CONTROL

1. Is there a legal obligation for public sector entities to report on internal control?

	Yes, on internal control	No	Yes, but only on specified matters	Yes, but only on financial control	No answer
Total of returned questionnaires	25	23	8	6	2
% of returned questionnaires	39%	36%	13%	9%	3%

2. In what legislation is the obligation to report on internal control set out? (*more than one answer possible*)

	Act by the Government	Law	Other specified legislation (statutory act)	Not applicable	No answer
Total of returned questionnaires	18	16	11	22	3
% of returned questionnaires	28%	25%	17%	34%	5%

² Nine INTOSAI member SAIs belong to two regional working groups, so the total percentage of the returned questionnaires exceeds 100.

3. What entities are obliged to report on internal control?

	All public sector entities	Only central government (federal/state government) public sector entities	Other specified entities	Only self-government (local government) public sector entities	Not applicable	No answer
Total of returned questionnaires	26	9	4	0	22	3
% of returned questionnaires	41%	14%	6%	0%	34%	5%

4. How often are public sector entities obliged to report on internal control? (*more than one answer possible*)

	Once a year (after the end of the fiscal year)	When required by the competent supervising body	On other specified dates	Not applicable	No answer
Total of returned questionnaires	33	7	3	22	4
% of returned questionnaires	52%	11%	5%	34%	6%

5. Who is responsible in a public sector entity for reporting on internal control? (*more than one answer possible*)

	Manager of the entity	Other specified person	Chief accountant (financial director)	Administrative director	Not applicable	No answer
Total of returned questionnaires	25	18	2	0	22	2
% of returned questionnaires	39%	28%	3%	0%	34%	3%

6. To whom a public sector entity provides a report on internal control? (*more than one answer possible*)

	Public sector entity reports to the supervising body, which later reports to the competent ministry (usually the Ministry of Finance)	Competent ministry (usually the Ministry of Finance)	Other specified body	Competent supervising body	Not applicable	No answer
Total of returned questionnaires	13	13	13	6	22	4
% of returned questionnaires	20%	20%	20%	9%	34%	6%

7. A report on internal control is (*more than one answer possible*):

	Separate report	Part of a public sector entity's financial statements	Other	Not applicable	No answer
Total of returned questionnaires	19	18	4	22	3
% of returned questionnaires	30%	28%	6%	34%	5%

8. Have the consequences for the failure to present a statement on internal control or for presenting an unreliable statement been defined in the legislation?

	Yes	No	Not applicable	No answer
Total of returned questionnaires	15	22	22	5
% of returned questionnaires	24%	34%	34%	8%

9. Have guidelines been provided on how to assess internal control for public sector entities?

	Yes	No	Not applicable	No answer
Total of returned questionnaires	30	9	22	3
% of returned questionnaires	47%	14%	34%	5%

10. Is it required that the internal control assessment be conducted in accordance with a set of defined indicators related to internal control objectives? Examples of such indicators: compliance with legal regulations and internal procedures, effectiveness and efficiency of the activity, reliability of reports, protection of resources, compliance with ethical conduct rules and their promotion, etc.

	Yes	No	Not applicable	No answer
Total of returned questionnaires	26	4	30	4
% of returned questionnaires	41%	6%	47%	6%

11. Have the methods been indicated for assessing internal control in public sector entities?

	Yes	No	Not applicable	No answer
Total of returned questionnaires	26	4	30	4
% of returned questionnaires	41%	6%	47%	6%

12. Has a template been developed for a report on internal control with an instruction (guidelines) how to complete it?

	Yes, there is a template for reporting on internal control and an instruction how to complete it	No	Yes, there is a template for reporting on internal control, but without an instruction how to complete it	Not applicable	No answer
Total of returned questionnaires	17	14	7	22	4
% of returned questionnaires	27%	22%	12%	34%	6%

13. Is there an obligation to provide a report on internal control to the public?

	Yes	No	Not applicable	No answer
Total of returned questionnaires	19	19	22	4
% of returned questionnaires	30%	30%	34%	6%

SECTION 2: SCOPE OF INTERNAL CONTROL ASSESSMENT AND REPORTING ON INTERNAL CONTROL BY PUBLIC SECTOR ENTITIES

14. Do public sector entities regularly and systematically assess their internal control?

	Yes	No	No answer
Total of returned questionnaires	38	22	4
% of returned questionnaires	59%	34%	6%

15. What are the most frequently used internal control assessment methods? (*more than one answer possible*)

	Review by the management	Other methods	Assessment by external experts	Survey (questionnaire)	Self-assessment workshops	Peer-review	No answer
Total of returned questionnaires	33	24	16	15	15	6	6
% of returned questionnaires	52%	38%	25%	23%	23%	9%	9%

16. Does the assessment of internal control in public sector entities take the following into consideration? (*more than one answer possible*)

	Compliance with legal acts and regulations	Cases of fraud, corruption, misappropriation, unethical conduct found	Reliability of financial statements	Effectiveness of the implementation of objectives and tasks set by the entity management	Other	No answer
Total of returned questionnaires	50	39	38	34	11	6
% of returned questionnaires	78%	61%	59%	53%	17%	9%

17. Does the assessment consider all the components³ of internal control?

	Yes	No	No answer
Total of returned questionnaires	38	21	5
% of returned questionnaires	59%	33%	8%

18. In countries, where the assessment does not consider all the components of internal control, the following components are covered in internal control assessment (*more than one answer possible*):

	Control mechanisms/ activities	Control environment	Risk management	Monitoring and assessment	Reporting on fraud and corruption	Information and communication	None of the above	Not applicable	No answer
Total of returned questionnaires	16	13	11	10	8	4	6	38	8
% of returned questionnaires	25%	20%	17%	16%	13%	6%	9%	59%	13%

³ According to the COSO model, internal control components are the following: control environment, risk assessment, information and communication, control activities, monitoring.

19. What the reporting on internal control is focused on in public sector entities? (*more than one answer possible*)

	Compliance with legal acts and regulations	Reliability of financial statements	Effectiveness of the implementation of objectives and tasks set by the entity management	Cases of fraud, corruption, misappropriation, unethical conduct found	Other	No answer
Total of returned questionnaires	46	35	32	31	10	8
% of returned questionnaires	72%	55%	50%	48%	16%	13%

20. The template for reporting on internal control includes the following elements (*more than one answer possible*):

	Assessment of the state of internal control	Internal control deviations/ discrepancies	Planned activities to be undertaken with a view to improve internal control	Basis for assessing internal control and sources used for assessment	Activities to improve the internal control system planned for the year to which the statement applies	Other	No answer
Total of returned questionnaires	33	29	24	22	18	11	13
% of returned questionnaires	52%	45%	38%	34%	28%	17%	20%

21. If a report on internal control comprises an overall assessment of the state of internal control, what is its form?

	There is no scale for assessment	There is a scale for assessment	No answer
Total of returned questionnaires	30	19	15
% of returned questionnaires	47%	30%	23%

In the countries which use a scale for assessment, the following scales were indicated:

- from 1 (completely not applicable) to 5 (completely applicable);
- very good / good / satisfactory / unsatisfactory;
- high / medium / low;
- compliance / partial compliance / non-compliance;
- the internal control system is effective / the internal control system is operating, but some minor improvements are necessary / the internal control system is operating, but essential improvements are necessary / the internal control system is not effective;
- the scale is verbal (without obligation to use standard words).

SECTION 3: ASSESSMENT OF REPORTS ON INTERNAL CONTROL AND AUDITING OF INTERNAL CONTROL

22. Who provides the assurance on the reliability and transparency of the report on internal control? (*more than one answer possible*)

	Entity's internal audit	External audit	Competent ministry responsible for internal control methodology (usually the Ministry of Finance)	Other	No answer
Total of returned questionnaires	34	31	18	8	10
% of returned questionnaires	53%	48%	28%	13%	16%

23. Has the role of internal audit in the internal control assessment process been identified?

	Yes	No	No answer
Total of returned questionnaires	40	19	5
% of returned questionnaires	63%	30%	8%

24. Has the role of internal audit in reporting on internal control by public sector entity been identified?

	Yes	No	No answer
Total of returned questionnaires	34	22	8
% of returned questionnaires	53%	34%	12%

25. Is the SAI obliged to conduct audits aimed at assessing internal control in public sector entities? (*more than one answer possible*)

	Yes, in financial audits	Yes, in compliance audits (if they are conducted separately)	Yes, in performance audits	No	Yes, other	No answer
Total of returned questionnaires	42	26	24	13	3	3
% of returned questionnaires	66%	41%	38%	20%	5%	5%

26. Does the SAI, as a result of its audits, report on internal control of a public sector entity? (*more than one answer possible*)

	Yes, in an audit report	Yes, in a separate document, e.g. a letter to the management	Yes, in other documents	No	No answer
Total of returned questionnaires	55	15	4	3	3
% of returned questionnaires	86%	23%	6%	5%	5%

27. In what form does the SAI report on internal control? (*more than one answer possible*)

	The SAI informs the management about deficiencies in internal control, but does not give an overall assessment of internal control	The SAI informs the management about deficiencies in internal control and gives an overall assessment of internal control	Other form	No answer
Total of returned questionnaires	42	16	3	6
% of returned questionnaires	66%	25%	5%	9%

SAIs which give an overall assessment of internal control, do it in the following manners:

- non-systematic overall assessment (in the form of a specific chapter of the report);
- meets the requirements / partially meets the requirements / does not meet the requirements;
- very good / good / satisfactory / poor;
- very well / well / satisfactory / unsatisfactory;
- strong / weak.

28. Does the SAI promote good practices with regard to organisation and functioning of internal control in public sector entities? (*more than one answer possible*)

	Yes, by providing general recommendations on internal control in the public sector	Yes, by other means	Yes, by obligatory audit focus on internal control	Yes, by providing guidelines for internal control model for the public sector	No	No answer
Total of returned questionnaires	34	17	14	12	1	3
% of returned questionnaires	53%	27%	22%	19%	2%	5%

SECTION 4: OPINION ON REVISION OF INTOSAI GOV 9110 “GUIDANCE FOR REPORTING ON THE EFFECTIVENESS OF INTERNAL CONTROLS: SAI EXPERIENCES IN IMPLEMENTING AND EVALUATING INTERNAL CONTROLS”

29. Do you think that INTOSAI GOV 9110 should more reflect the guidance on reporting on internal control to public sector entities?

	Yes	No	No answer
Total of returned questionnaires	49	8	7
% of returned questionnaires	77%	13%	11%

30. Do you think that INTOSAI GOV 9110 should include good practises on reporting on internal control?

	Yes	No	No answer
Total of returned questionnaires	54	3	7
% of returned questionnaires	84%	5%	11%

31. Do you have any suggestions regarding the revision of INTOSAI GOV 9110?

	Yes	No	No answer
Total of returned questionnaires	11	46	7
% of returned questionnaires	17%	72%	11%

When answering “Yes”, the respondents were asked to give suggestions; these were the following:

- COSO ERM;
- Examples of reporting on statements on internal control should be included, as the present INTOSAI GOV 9110 focuses only on the components of internal control;
- To include a description of the use of surveys and peer reviews as internal control assessment methods;
- To disseminate, at the national level, good practices evidenced to be followed and bad practices to be preventively avoided;
- Presentation of examples of reporting done by SAIs on internal control in the public sector;
- To include the most recent experiences of SAIs from various countries and consider the recent financial crisis;
- To include a template for a report;
- The document should be re-written in the form of a standard, and not as a discussion document. It is currently not useful and is out of date;
- More examples on components of internal control – sample tools, templates, scale system, etc. for an overall assessment of internal control system;
- Specific roles of internal audit and management.

List of countries which responded to the questionnaire on internal control reporting

EUROSAI

1. Austria
2. Belgium
3. Bosnia and Herzegovina
4. Bulgaria
5. Cyprus (declares also membership in ASOSAI)
6. Czech Republic
7. Denmark
8. Estonia
9. Finland
10. France
11. Georgia (declares also membership in ASOSAI)
12. Germany
13. Hungary



14. Iceland
15. Italy
16. Latvia
17. Lithuania
18. Netherlands
19. Malta
20. Norway
21. Poland
22. Portugal (declares also membership in OLACEFS)
23. Russian Federation (declares also membership in ASOSAI)
24. Romania
25. Slovakia
26. Sweden
27. Turkey (declares also membership in ASOSAI)
28. Ukraine

ASOSAI

29. Australia
30. Bangladesh
31. China
32. Japan
33. Korea
34. Malaysia
35. Pakistan
36. Singapore
37. Thailand

ARABOSAI

38. Jordan
39. Kuwait (declares also membership in ASOSAI)
40. Saudi Arabia (declares also membership in ASOSAI)
41. Yemen (declares also membership in ASOSAI)
42. Qatar (declares also membership in ASOSAI)
43. United Arab Emirates (declares also membership in ASOSAI)

AFROSAI

44. Côte d'Ivoire
45. Egypt (declares also membership in ARABOSAI)
46. Republic of South Africa
47. Rwanda
48. Uganda
49. Zimbabwe
50. Zambia

OLACEFS



- 51. Belize (declares also membership in CAROSAI)
- 52. Brazil
- 53. Chile
- 54. Colombia
- 55. Costa Rica
- 56. Honduras

PASAI

- 57. Kiribati
- 58. Maldives

CAROSAI

- 59. Bahamas

Countries which did not declare membership in any Regional Working Group

- 60. Salvador
- 61. Lesotho
- 62. United Republic of Tanzania
- 63. United States of America
- 64. Philippines