



SECTION I.2 - AUDIT ENGAGEMENT EXECUTION – GENERAL ISSUES

Ref.	Policy and Practice Requirements	IIA Standards and Other References
I.2-1	<p>Policy: Internal Auditors shall apply due professional care during the execution phase of assurance and consulting assignments</p> <p>Discussion:</p> <ul style="list-style-type: none"> ▪ Internal auditors should be alert to the possibility of fraud, intentional wrongdoing, errors and omissions, inefficiency, waste, ineffectiveness, and conflicts of interest. The auditor should apply procedures to ensure they fully understand the activity, associated risks and potential exposures. They should always professional skepticism – assertions of control and performance by auditees should not be accepted without some testing or validation. ▪ Due professional care will be exercised when approved audit programs, developed in accordance with the guidance in this Manual, are properly completed and documented ▪ Specific guidance to promote due professional care during the engagement execution phase is provided in subsequent sections of this manual in relation to: <ul style="list-style-type: none"> ○ Audit evidence ○ Engagement sampling ○ Using computer assisted audit techniques ○ Using the work of experts ○ Quality assurance 	<p>1200 – Proficiency and Due Professional Care</p> <p>Engagements must be performed with proficiency and due professional care.</p> <p>Standard 1220 - Due Professional Care</p> <p>Internal auditors must apply the care and skill expected of a reasonably prudent and competent internal auditor. Due professional care does not imply infallibility.</p> <p>Practice Advisory 1220-1</p> <p>Due Professional Care</p>



<p>I.2-1:1</p>	<p>Practice Requirement:</p> <p>When internal auditors are requested to undertake audits of financial statements of projects or of interim Center financial statements, they shall observe the requirements of the International Standards on Audit (ISA) in addition to the policies and practice requirements in this Manual.</p> <p>Discussion:</p> <ul style="list-style-type: none"> ▪ The policies and practice requirements in this Manual are consistent with the related standards in the ISA. However there are additional matters specific to the audit of financial statements which are in the ISA but not covered in this Manual. ▪ The ISA can be downloaded from the IFAC website (www.ifac.org). 	
<p>1.2-2</p>	<p>Policy: Internal Audits shall organize their audit field work so that all aspects are sufficiently reviewed to support conclusions on the audit objectives stated in the audit terms of reference.</p>	<p>Standard 2300 – Performing the Engagement</p> <p>Internal auditors must identify, analyze, evaluate, and document sufficient information to achieve the engagement’s objectives</p>
<p>I.2-2:1</p>	<p>Practice Requirement:</p> <p>Internal auditors shall plan their field work to cover each of the audit objectives, through an analysis of what areas must be covered for each objective, and ensure that sufficient evidence is gathered in each area so that a composite conclusion can be obtained on each audit objective.</p>	



I.2-2:2	<p>Practice Requirement:</p> <p>Where it is not possible for various reasons to cover a particular area, such that a composite conclusion cannot be reached on a particular audit objective, or only in some respects, this should be noted in the working papers and included in the engagement report.</p> <p>Discussion:</p> <ul style="list-style-type: none">• An overall conclusion on the audit objective may be limited or not possible in such circumstances.	
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