

Assurance vs Consulting

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Consulting services are advisory in nature and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice – the internal auditor, and (2) the person or group seeking and receiving the advice – the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Examples: advice and recommendations, hands-on assistance, personnel training.

Assurance	Consulting
Analysis of audit evidence to provide independent assessment	Advice
	Hands-on assistance and personnel training

Assurance	Consulting
<p>1130.A1 – Internal auditors must refrain from assessing specific operations for which they were previously responsible.</p>	<p>1130.C1 – Internal auditors may provide consulting services relating to operations for which they had previous responsibilities.</p>
<p>1120 – Individual Objectivity Internal auditors must have an impartial, unbiased attitude and avoid any conflict of interest.</p>	<p>2010.C1 — The chief audit executive should consider accepting proposed consulting engagements based on the engagement’s potential to improve management of risks, add value, and improve the organization’s operations. Accepted engagements must be included in the plan.</p> <p>2120.C3 — When assisting management in establishing or improving risk management processes, internal auditors must refrain from assuming any management responsibility by actually managing risks.</p>
<p>Conflict of interests</p>	<p>No conflict of interests</p>

Assurance

2201.A1 — When planning an engagement for parties outside the organization, internal auditors must establish a written understanding with them about objectives, scope, respective responsibilities, and other expectations, including restrictions on distribution of the results of the engagement and access to engagement records.

Consulting

2201.C1 — Internal auditors must establish an understanding with consulting engagement clients about objectives, scope, respective responsibilities, and other client expectations. For significant engagements, this understanding must be documented.

Assurance

2210.A1 — Internal auditors must conduct a preliminary assessment of the risks relevant to the activity under review. Engagement objectives must reflect the results of this assessment

Consulting

2210.C1 — — Consulting engagement objectives must address governance, risk management, and control processes to the extent agreed upon with the client.

Assurance

2120 — Risk Management

The internal audit activity must evaluate the effectiveness and contribute to the improvement of risk management processes.

Consulting

2120.C3 — When assisting management in establishing or improving risk management processes, internal auditors must refrain from assuming any management responsibility by actually managing risks.

The role of internal audit in Enterprise-wide Risk Management



Assurance

2240.A1 — Work programs must include the procedures for identifying, analyzing, evaluating, and documenting information during the engagement. The work program must be approved prior to its implementation, and any adjustments approved promptly.

Consulting

2240.C1 — Work programs for consulting engagements may vary in form and content depending upon the nature of the engagement.

Assurance	Consulting
<p data-bbox="188 522 733 605">Audit opinion</p> <p data-bbox="188 625 672 708">Compliance</p> <p data-bbox="188 728 856 811">Adverse opinion</p>	<p data-bbox="1294 522 2058 605">Recommendations</p> <p data-bbox="1294 625 1992 708">Problem solution</p> <p data-bbox="1294 728 1625 811">Training</p>

THANK YOU!

