



REPUBLIC OF CROATIA
MINISTRY OF FINANCE



INTERNAL AUDIT
COMMUNITY OF PRACTICE

Periodic self assessment in Croatia

mr.sc. Ljerka Crnković
Ministry of Finance, Croatia

Katančićeva 5
10000 Zagreb, Croatia
Phone: ++385 1 4591-133



Periodic self assessment

- Legal basis
 - The International Standards
 - The Budget Users' Internal Audit Ordinance
 - The Internal Auditors' Manual, v.4.0 (working procedure)
 - Quality Assurance and Improvement Programme



Periodic self assessment

■ Purpose

- evaluating the compliance of audit activities with
 - the International Standards (the Internal Auditors' manual)
 - the Internal Auditors' Professional Code of Ethics
 - the Internal Auditors' Charter
- evaluating the efficiency and effectiveness of internal auditors in meeting management's needs
- Identify opportunities for improvement



Periodic self assessment

- Activity performed
 - not routinely
 - at least once a year
 - by the internal audit unit staff
(or assessment by other persons within the organization with sufficient knowledge of internal audit practices)
 - the internal audit unit head decides on the self assessment team (professionalism, skills)
 - activity needs to be foreseen in the internal audit annual plan



Periodic self assessment

- May include
 - conducting thorough interviews or surveying auditees
 - updating risk assessment on an annual basis for the audit planning purposes
 - review of individual audit working papers to assess compliance with the Internal Auditors' Manual and the working procedures
 - The Evaluation Questionnaire template



Periodic self assessment

- The Evaluation Questionnaire template
(Annex 8 of the Manual)
 - a series of questions referring to
 - the relevant international standards
 - (questions related to standards 1000, 1100, 1200...)

Periodic self assessment

- The Evaluation Questionnaire template
 - Answers
 - “Yes”
 - “Partially”
 - “No”
 - Comments needed
 - Conclusion at the end of each Evaluation Questionnaire template section (“Acquainted with”, “Implementation in Course”, “Applied in Practice”)
(for International Standards 1000, 1100, 1200, ...)





Periodic self assessment

- The Evaluation Questionnaire is a template and can be supplemented during the periodic self assessment with questions appropriate for evaluating the work of specific internal audit unit



Periodic self-assessment

- It is not likely that all public internal audit units would achieve the “Applied in Practice” level for each standard
- it is important to recognise and highlight the areas which require further development and improvements of internal audit units work



Periodic self assessment

- Reporting on the Periodic self assessment
 - conclusions/results of the internal evaluation
 - recommendations (during the course of internal evaluation)
 - the report is submitted to the internal audit unit head for comments
 - Internal audit unit head prepares an Action plan and sets deadlines for implementation of recommendations
 - the internal audit unit head will take adequate actions to ensure follow-up of recommendations



Thank you!

ljerka.crnkovic@mfin.hr