

## Answer No-7 Characteristics of Internal Audit

- An Internal Audit is an Audit which is performed to ensure that the system of Internal Controls is functioning in the manner intended by the key Managerial Personnel of the Company and also for the welfare of the member of the Company.
- An Internal Audit takes into consideration the question of whether the business practices deployed by the officers of the Company are helpful in prudently managing the business and meeting the strategic objective of the organisation.
- The Internal Audit is conducted based on the Personal Receive Resolve of the business owner to measure the operation's efficiency as conducted by the business.
- Internal Audit involves performing Audit of both financial and non-financial nature within a wide of area of operation in business, including those that are directed by the Annual Audit plan.

Internal Check is an Integral function of the Internal Control System. It is an arrangement of duties of the Staff members in such a way that the work performed by one person is automatically and Independently checked by the other.

### Objective of Internal Check

- To protect business from Carelessness, inefficiency and fraud.
- To ensure and produce adequate and reliable Accounting Information.
- To keep moral pressure over staff.
- To minimize the chance of errors and frauds and to detect them easily on early stage IF it is committed.
- To divided the work in such a way that no business transaction should be left unrecorded.
- To fix responsibility of every clerk according to the division of work.