Problems and Countermeasures for Conducting Internal Audits in Informatization Background

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Abstract: At this stage, with the rapid development of network technology, using information technology to improve management has become an inevitable choice for the development and growth of enterprises. And the internal audit of enterprises has continued to develop and progress in the Informatization environment. This paper analyzes the problems including the shortage of compound talents, insufficient system construction, and incomplete information system evaluation system in the internal audit informatization of Chinese enterprises, and puts forward three suggestions: attaching importance to talent training, strengthening the connection between information systems, and establish and improve rules and regulations.

Keywords: Informatization; Internal Audit; Transformation and Practice

Introduction

Today, science and technology is crossing the third great leap. The rapid development and popularization of Internet and e-commerce ushered in the national information age. Informatization is an inevitable trend of the development of the times, which has penetrate into all fields of society and promoted economic and social development. In the wrapping of the information trend, the innovation of the management model brings many challenges to the enterprise. Internal audit as an independent and objective supervision and evaluation activity, has made great changes in the object and content, technology and method, environment, supervision and management of the carrier of the object. The traditional internal audit mode with financial supervision and inspection as the main goal has been unable to achieve the function and purpose of audit in the information age. Enterprises are in urgent need of transformation. Analyze the development trend of enterprise informatization, the problems faced by internal audit and the transformation of functions, and find out the solutions. Organically combine the achievements of enterprise informatization with the function of internal audit to promote the better development of enterprises.

1. The current situation of internal audit informatization in China's enterprises and the main problems in its application

1.1 Increased audit risk

Generally speaking, the objective of internal audit is clear. It mainly carries out independent evaluation on the implementation of decision-making, enterprise performance, financial statements, operation and management, internal control and the performance of the economic responsibilities of the main principals of their subordinate units. With the advent of big data era and the promotion of informatization, the management data and financial information are diversified. At the same time, the financial environment of enterprises is more open, so the work content of internal audit is abundant. Due to the continuous breakthrough of computerized technology and the rapid development of network system, information technology, database and other technologies, the security of various information carriers and the accuracy of data transmission have also become important contents of internal audit. The goal of internal audit is further expanded, and the audit risk is also increased accordingly. In traditional internal audit, auditors usually view paper materials. With the addition of information technology, the advantages and characteristics of electronic data are more prominent, but the accuracy and authenticity of data virtually increase the audit risk.

1.2 The focus of the substantive procedure has changed

In the traditional audit, the internal audit generally starts from the financial statements and reviews the logical consistency of the financial statements themselves. Auditors trace the general ledger and Sub Ledger through the report data, and then use the audit analysis program to trace each specific financial voucher, and finally review the authenticity and compliance of the voucher corresponding to the actual business. Or conversely, review the accuracy of financial statements through business data. Under the condition of enterprise informatization, multiple systems coexist, interface transmits data, timely creation and modification of data, uniqueness, accuracy, timeliness and data itself need to invest more audit procedures. If the information system has errors or is modified without authorization, the common checking method is difficult to find, and even draw inaccurate audit conclusions. To solve this problem, we should increase the application of analytical audit procedures and check the correctness of the program design of each subsystem.

1.3 From post-inspection to in-event and pre-event control

Traditional internal audit is limited by resources and cannot obtain real-time information. It is more about post control, post inspection and post accountability. With the development of enterprise informatization, the Internet can be used to implement centralized management of enterprise financial system. Integrate accounting information and business such as financial vouchers, detailed accounts and financial statements, so as to transform accounting from statement accounting to management accounting. Internal auditors can obtain the query authority of the financial system and obtain financial information. With the expansion of the connotation and responsibilities of internal audit, enterprises do not meet the responsibility of post inspection of internal audit. It is required that internal audit can provide feasible management suggestions on the basis of experience accumulation, and timely give control measures in current affairs and in advance. The advantage of internal audit is that it can understand the overall operation of the enterprise across departments and units, and reveal the operation risks.

1.4 The quality level of auditors is low

With the development of enterprise informatization, internal audit is transformed. Although it has achieved some success, the integration of internal audit and enterprise informatization is still insufficient due to the lack of training of informatization audit talents.

First, there are misunderstandings in the concept of talent training. More high-quality personnel will be invested in the business department. The lack of sufficient support for internal audit in personnel recruitment, training, work emphasis and salary has affected the training and application of information audit talents.

Second, there is a lack of compound talents. As an important part of enterprise management, internal auditors need to have compound financial knowledge, understand the company's business and operation mode, and have excellent ability of enterprise risk analysis, communication and coordination. Under the condition of enterprise informatization, internal auditors need to have the ability of computer, network technology and data analysis. The lack of talents with such comprehensive professional knowledge and the lack of systematic training in the later training restrict the level of internal audit application of enterprise informatization achievements.

2. Countermeasures of perfecting enterprise internal audit informatization

2.1 Cultivating compound internal audit talents

The effect of audit information construction lies in the improvement of the ability and quality of internal auditors. Applying enterprise informatization achievements and computer technology to internal audit, increasing the technical content of internal audit and cultivating high-quality internal audit team are the fundamental requirements for enterprises to play the function of internal audit after informatization. Under the condition of enterprise informatization, internal auditors need to have compound knowledge and cross-border ability to audit information systems. Enterprises should strengthen the compound training of internal auditors. Enterprises should cultivate internal compound audit talents through internal job

rotation, audit knowledge training, industry knowledge training, information system training, comprehensive training and "learning by doing". So as to establish an internal audit team suitable for the actual situation of the enterprise.

2.2 Strengthen the integration between various information systems and ERP systems

The embedded audit sampling system mainly relies on the ERP system to extract data from the ERP system for audit verification and data analysis. To solve the problem of disconnection with the system and the impact of disparate information on auditing, the key is to realize the integration of various information systems and ERP systems, so as to achieve data homogeneity and improve the role of audit sampling systems in practice. In the information construction, enterprises should still build an integrated platform around the ERP system as the core, and connect the data of each production system into the ERP system. Increase the intensity of software development, establish a multi-information platform interconnection system, and use advanced technology to make the information systems of each platform complete the coupling.

2.3 Accelerate the establishment of enterprise standards

Compared with external audit, the internal audit of enterprises has greater flexibility. However, to do the best internal audit work, we must have certain audit standards and enterprise standards. State owned enterprises should establish and improve internal audit standards and norms in terms of internal audit system, audit workflow, post responsibilities and continuing education. Gradually form an internal audit system, audit project system, audit business manual and audit management system in line with the actual situation of the enterprise. Clarify the scope, purpose and responsibility of the audit, and use the system to answer what the audit work is, what to do and how to do it. Establishing a scientific and effective long-term mechanism of audit can provide institutional guarantee for standardized management, scientific management and fine management, and effectively promote the healthy and orderly development of internal audit.

Conclusions and Outlook

In today's era, the continuous development of information technology has injected new vitality into the technical upgrading of internal audit informatization. With the development of the concept of internal audit, internal audit is changing to governance, risk and value, from simple "error detection and correction" to risk prevention and value-added services. Traditional audit is unable to meet its needs in the information environment, and audit informatization is facing unprecedented development opportunities.

In the future, the internal audit of Chinese enterprises will change to value-added type, which will have the following functions and innovations: first, the focus of audit work will change from audit internal control to monitoring corporate risk; Second, the audit objective will extend from financial control to creating value for the company; Third, the role of auditors will change from supervisor to management controller and participant; Fourth, the audit direction will change from business audit to strategic audit; Fifth, the core function of audit will change from the evaluation process to the prediction link.

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