IIA-Australia Glossary - A

AASB	Refer Australian Accounting Standards Board.
ABCs of Auditing	Concepts of being Attuned, Balanced, Credible.
ABEF	Refer Australian Business Excellence Framework.
AC	Refer Audit Committee.
ACCA	Refer Association of Chartered Certified Accountants.
ACCC	Refer Australian Competition and Consumer Commission.
Acceptance Criteria	Specified criteria to evaluate deliverables before they are formally approved.
Accountability	Obligation to bear the consequences for failure to perform as expected.
Accountable Authority	The body of persons or officer having ultimate control of an organisation. In the private sector, for-purpose sector or government trading enterprise the accountable authority would usually be a board of directors. In the public sector it would usually be secretary, director general or chief executive officer. Also known as governing authority, governing body.
Accumulation Scheme	A financial strategy in which an investor attempts to build the value of a portfolio. It is a formal arrangement in which an investor contributes a specified amount of money to the fund on a periodic basis.
ACFE	Association of Certified Fraud Examiners.
ACIIA	Asian Confederation of Institutes of Internal Auditors.
ACL	Audit Command Language – A data-driven audit management software platform.
ACSC	Refer Australian Cyber Security Centre.
Act	A statute or law passed by parliament. It is a bill until it is granted assent and comes into law.
Action Plan	A document that stipulates the steps required to achieve a specific goal to implement audit recommendations. It identifies the resources needed, allocates responsibility and reflects the agreed timeline.
Ad Hoc Internal Audit Service	An internal audit service provided outside the approved internal audit plan. It can often be requested by the audit committee or management in response to an issue that has occurred or an emerging risk that might happen.
Add Value	Providing objective and relevant assurance and contributing to the effectiveness and efficiency of governance, risk management and control processes.
Adequate Control	Adequate control is present if management has planned and organised (designed) in a manner that provides reasonable assurance the organisation's risks have been managed effectively, and the organisation's goals and objectives will be achieved efficiently and economically.
Administrative Reporting	The chief audit executive will typically have an administrative reporting line to the chief executive officer or their delegate. In this context, administrative responsibilities include human resource administration and budgets. Refer also Functional Reporting.
Advisory	Refer Consulting.

Agency	An organisation providing a particular service on behalf of another business, person or group.
	In a government setting it is a permanent or semi-permanent organisation in the machinery of government responsible for oversight and administration of specific functions.
Agent of Change	A person or persons from inside or outside an organisation who help the organisation transform its operations, activities and culture through strategic and people-centric innovation, improvement and focused development. Also referred to as transformational leaders or change agents.
Agile	A project management approach (a) Segregate the development lifecycle into sprints (b) Contains a set of different projects that are iterations of the different stages focused on improving quality and feedback from users (c) A flexible model (d) Project follows an iterative development approach, so some phases can appear more than once (e) Flexibility allows changes in the project development requirements, even after planning has been completed (f) Testing is usually performed concurrently with programming (g) Methodology focuses on client satisfaction and involves their participation throughout the development phase (h) Allows for changing and evolving requirements.
Agile Internal Auditing	An internal audit approach to provide a more timely internal audit service to the board (or equivalent governing authority), audit committee and senior management. This can be achieved by leveraging agile project management techniques such as sprints to split the internal audit services into manageable chunks, enabling internal auditors and stakeholders to collaboratively work together to stay relevant and quickly deliver internal audit services.
Agreed-Upon-Procedures	An engagement in which an assurance practitioner is engaged by a client to issue a report of findings based on specific procedures performed on subject matter. The client engages the assurance practitioner to perform procedures specified by the client to assist evaluation of subject matter or an assertion. In an agreed-upon-procedures engagement, the assurance practitioner does not express an opinion or conclusion, but only reports on the agreed-upon-procedures in the form of findings related to the specific agreed-upon-procedures applied. Agreed-upon-procedures are included in external audit standards and apply to external audit work. They are not included in the IPPF and would rarely, if ever, apply to internal audit work. An agreed-upon-procedures engagement is a line 2 assurance activity performed by line 3. It would be a 'consulting' engagement that should only be undertaken if the chief audit executive is of the opinion the engagement has potential to improve management of risks, add value and improve an organisation's operations.
Agreement	A negotiated arrangement between parties about a course of action. An agreement may be legally binding.
AIAP	Refer Internal Audit Plan.
ALARP	As Low As Reasonably Practicable — A term applied to level of risk.
Aligned Assurance	Refer Integrated Assurance. Also known as combined assurance / coordinated assurance / integrated assurance.
Allegation	A statement or accusation by a person that an offence has or may have been committed.
ANAO	Refer Australian National Audit Office.
Annual Internal Audit Plan	AIAP - refer Internal Audit Plan.
Annual Performance Report	APR — A report produced annually that provides information on an organisation's progress achieving objectives described in its strategic plan.
Annual Performance Statement	A statement addressing an organisation's non-financial performance including information about the organisation's performance achieving its purpose.
Annual Quality Assertion	An annual conformance assertion from the chief audit executive to the audit committee with respect to internal audit requirements under professional internal audit standards. It provides explicit confirmation that oblique internal audit standards not evident from routine reporting are understood and have been applied appropriately.

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Annual Report	A summary of an organisation's achievements for a financial year. It includes the financial statements and independent external audit report.
Annual Report on Internal Audit	A formal report that showcases the contribution and achievements of the internal audit function over the past year, demonstrates its value, and delivers consolidated insights to the audit committee.
Anti-Fraud	Controls put in place designed to stop illegal acts characterised by deceit, concealment or violation of trust to obtain money, property, or services / to avoid payment or loss of services / to secure personal or business advantage.
Anti-Pharming	Techniques and technology used to combat pharming.
Anti-Spyware	Techniques and technology used to combat spyware.
Anti-Trust	Laws and regulations designed to encourage competition by limiting the market power of any particular organisation.
Anti-Virus	Techniques and technology used to combat software viruses.
Apparatchik	An official in a large political organisation. Is usually a derogatory term.
App	An application downloaded by a user to a mobile device.
Apple	A multinational technology company specialising in consumer electronics, software and online services.
Application	A computer software program designed to carry out a specific task other than one relating to the operation of the computer itself.
Approach	Refer Audit Approach.
APR	Refer Annual Performance Report.
APRA	Refer Australian Prudential Regulation Authority.
APS	Refer Annual Performance Statement.
APS	Refer Australian Public Service.
APS	Refer Prudential Standard.
ARC	Audit and Risk Committee – Refer Audit Committee.
ARIC	Audit Risk and Improvement Committee – Refer Audit Committee.
Artefact	A documentary output of project management.
Approach	Refer Audit Approach.
Artefact	A documentary output of project management.
Artificial Intelligence	Uses a machine or robot controlled by a computer to mimic problem-solving and decision-making capability of the human mind.
ASD	Refer Australian Signals Directorate.
ASIC	Refer Australian Securities and Investments Commission.
ASL	Refer Average Staffing Level.

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Associate Member	A membership category of the Institute of Internal Auditors–Australia.
Association of Chartered Certified Accountants	ACCA – A global professional accounting body headquartered in the United Kingdom that offers the Chartered Certified Accountant qualification (ACCA) certification. The term 'Chartered' refers to a Royal Charter granted in 1974.
Assurance	A positive declaration intended to give confidence designed to improve the quality of information to aid informed decision-making.
Assurance Engagement	Refer Assurance Service.
Assurance Map	A high-level document that identifies the holistic risk coverage across the organisation by a range of assurance providers. Helps to identify gaps and duplication of assurance coverage.
Assurance Practitioner	Refer Assurance Provider.
Assurance Provider	An individual, service provider or other organisation that provides assurance services. Also referred to as assurance practitioner.
Assurance Service	An objective examination of evidence for the purpose of providing an independent assessment on governance, risk management and control processes for the organisation. Examples may include financial, performance, compliance, system security, and due diligence engagements. Also referred to as assurance engagement.
Assurance Strategy	A strategy to make use of all assurance sources in the monitoring of an organisation. Ideally, all assurance mechanisms should be visible to senior management and the audit committee including assessment of their effectiveness.
Attack Surface	The boundary of a software system where an attacker can try to enter, cause an effect or extract data.
Attestation	Official verification of something as true or authentic.
Attribute Standards	Part of the 'International Standards for the Professional Practice of Internal Auditing' – Address the attributes of organisations and individuals performing internal auditing.
AUASB	Refer Auditing and Assurance Standards Board.
Audit	Evidence-based examination of an activity using sampling of the population to test for results that can be extrapolated to provide an opinion on the entire population.
Audit Action	An improvement action included in an audit report ideally agreed by management for management to implement.
Audit Action Close-out	Accepting an audit action as complete after management has implemented remediation or control improvements to address a matter raised in an audit report, or the risk has been accepted through the approved organisation risk acceptance process.
Audit Approach	Reflects the way that the auditor will conduct their work and gather audit evidence for example risk workshop; control self-assessment; use of technology; testing; collaboration with others. It is defined in the audit planning memorandum.
Audit Client	Refer Audit Sponsor.
Audit close-out Memorandum	Compiled at the conclusion of the audit to reconcile the actual audit effort against what was estimated in the audit planning memorandum.
Audit Committee	A committee established to advise those charged with the governance of an organisation. The committee provides oversight of the financial reporting process, the audit process, the organisation's system of risk management and internal controls, and compliance with laws and regulations. Also known as Audit and Risk Committee (ARC) or Audit Risk and Improvement Committee (ARIC).
Audit Criteria	Measures or indicators used to gauge whether the business objectives of the area under review are achieved. They are the basis for internal audit evaluation. Examples of audit criteria may be laws, regulations, policies, contracts, standards, procedures, best practice models, etc.
Audit Evidence	Relevant, useful, sufficient and reliable information that auditors obtain in the conduct of their audits through observing conditions, research, benchmarking, interviewing people and examining records.

Audit Feedback	Audit sponsor feedback after an audit service has been delivered to provide information to the auditor on what went well and what could be improved.
Audit Finding	Refer Audit Observation.
Audit Objective	A broad statement determined through a systematic and disciplined approach that defines what the intended accomplishments of an audit will be. Should be designed to clearly outline what is expected to be achieved from an audit. This includes an answer the question: "Why are we doing the audit?" An audit objective helps to define questions to be answered from the audit and to enable someone reading the audit objectives to understand why the audit is being conducted. Audit objectives should be related to audit criteria so there is a measure to gauge whether the audit objective is achieved. An audit objective may incorporate: • Reviewing an organisation's achievement of objectives. • Assessing if decisions are properly authorised. • Evaluating the reliability and integrity of information. • Ensuring assets are safeguarded. • Assessing compliance with laws, regulations, policies and contracts. • Considering the efficiency, effectiveness, economy and ethics of business activities. • Reviewing opportunities for fraud and corruption. • Following-up previous audits to assess if remedial action has been effectively implemented. • Looking for better ways of doing things and sharing these insights with other areas within the organisation.
Audit Observation	The connection between the audit criteria and the audit evidence to reflect conformity, non-conformity or opportunities for improvement. Also known as an audit finding.
Audit Plan	Refer Internal Audit Work Plan.
Audit Planning Memorandum	Consolidated single document that reflects the planning efforts for an internal audit service. It includes background and risk information; defines the audit objectives, scope and audit approach; highlights known problems; articulates the budget and schedule; contains the requisite approvals; documents conflicts of interests and how they will be managed.
Audit Program	Contains detailed information on how the step-by-step audit procedures will be performed during an approved internal audit service. The audit steps could be aided by a walkthrough assessment document or a sample selection form.
Audit Recommendation	Corrective action describing opportunities for improvement to be implemented by management to remediate an issue that has happened or reduce a risk that could potentially occur.
Audit Report	The primary means of communicating the outcomes of an audit, reflecting the auditor's observations, opinion and recommendations arising from the audit.
Audit Report Rating	Refer Audit Report Rating System.
Audit Report Rating System	Not all observations and recommendations are equally important, so a consistent well-understood rating system based on the organisation's risk table (impact / likelihood) and risk appetite statement helps management to focus on higher priority observations and recommendations.
Audit Scope	The boundaries of the audit to show where the audit will be directed to achieve the audit objective. It shows what will be covered by the audit and how much audit work will be performed.
Audit Sponsor	The person subject to audit.
Audit Universe	The range of business activities, programs, functions and entities that collectively contribute to the achievement of strategic objectives and could potentially be the subject of an audit. It comprises everything that could potentially be audited.
Audit Work Plan	Refer Audit Program.
Auditee	Refer Audit Sponsor.
Auditing and Assurance Standards Board	AUASB – An independent Australian Government organisation responsible for developing, issuing and maintaining auditing and assurance standards applicable to the external auditing process.

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Auditor	Someone whose job it is to independently undertake internal auditing, aimed at adding value and improving an organisation's operations and helping to achieve the organisation objectives. Can also be applied to people performing other forms of auditing such as external auditing or ISO management systems auditing.
Auditor General	A senior public servant charged with improving government accountability by auditing and reporting on the government's operations. An auditor general reports to the parliament in their jurisdiction.
Australian Accounting Standards Board	AASB – An independent Australian Government organisation responsible for developing and maintaining financial reporting standards applicable to entities in the private and public sectors of the Australian economy.
Australian Business Excellence Framework	ABEF – A systematic and structured approach to assess and improve the performance of an organisation's leadership and management systems.
Australian Competition and Consumer Commission	ACCC – The chief competition regulator of the Australian Government located within the Department of the Treasury.
Australian Cyber Security Centre	ACSC – The Australian Government lead agency for cyber security.
Australian National Audit Office	ANAO – The Australia Government external auditor. It supports accountability and transparency in the Australian Government through independent reporting to the Australian Parliament to contribute to improved public sector performance. It performs both financial audits and performance audits.
Australian Prudential Regulation Authority	APRA – A statutory authority of the Australian Government that is the prudential regulator for the Australian financial services industry.
Australian Public Service	APS – The federal civil service of the Commonwealth of Australia responsible for public administration, public policy and public services of the departments and statutory agencies of the Australian Government. It is often used to refer collectively to all Australian Government organisations.
Australian Signals Directorate	ASD – The Australian Government agency responsible for foreign signals intelligence, support to military operations, cyber warfare and information security.
Australian Securities and Investments Commission	ASIC – An independent commission of the Australian Government tasked as the national corporate regulator.
Autocrat	A person with absolute power who insists on complete obedience from others.
Average Staffing Level	ASL – A method of counting that adjusts for casual and part-time staff to show the average number of full-time equivalent employees. ASL is almost always a lower figure than a headcount of actual employees.