The
EVOlution
of
auditing

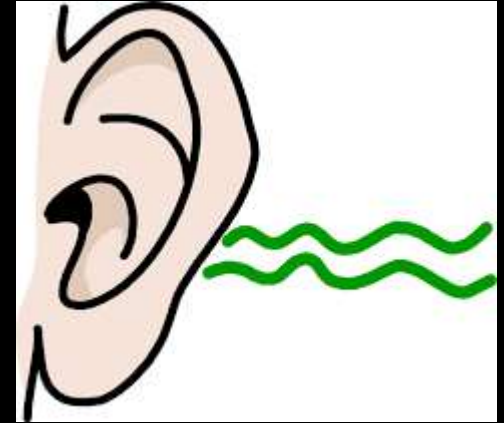## Etymology

The word "audit" has Latin origins (audio, audire, means listening).

The word is now synonymous with controlling, checking, inspection etc.

From time immemorial

Chanakya detailed 40+ types of irregularities/ frauds in his famed treatise – the Arthashastra.

In olden days the key purpose of audits was to gain information about the financial system and records of the business.

Compliance

Back in the 1840s, audits were required by law in England to protect shareholders from "improper actions by promoters and directors."

Focus: Compliance
Aim: Detect mistakes

Systems based

Focusing on historical data. Auditing standards came about in the late 1970s.

Focus: Systems
Aim: Improve internal controls

For more updates, follow me
on LinkedIn