to know about coso let's jump back to the late 1970s and early 1980s ,a period(pe e rd) when there were many major organizational failures(飞 e ies) in the United States due to conditions including very high inflation(in fla tion), the resultant high interest rates, and some aggressive corporate accounting and financial reporting approaches.

The scope of these corporation failures(飞 e ies) seems minor(min e or) today , but they raised major concerns at that earlier time.

In the 1970s, concern was that several major corporations suffered a financial collapse shortly after the release of their financial reports, signed by their external auditors, that showed both adequate(add de qou de) earnings and financial health. Some of these failures(飞 e ies) were caused by fraudulent (fall draw lent)financial reporting, but many others turned out to be victims of the high inflation(in fla tion) and high interest rates during that period (pe e rd) .

And since the govement did not do enough things, a private professional group, the National Commission on Fraudulent(fall draw lent) Financial Reporting, was formed to study the issue. Five U.S. professional financial organizations sponsored this Commission: (AICPA),(IIA), (FEI), (AAA), (IMA). (SEC) , the official name was called The Committee(Commit tea) of Sponsoring Organizations of the Treadway ( ed way)Commission. Today, that group has become known by its acronym(act cre nym) name, COSO.

After talking about the histroy , it is important to now about the relationship between ...... since this is what we are talking about. to make sure the slides are correct I take the words mostly from the coso offical website , so you will be comtable to read it

The relationship is

It will help to achieve its performance and profitability targets , so it will prevent loss of resources. It can also ensure financial reporting is reliable and ensure that companies (come ply) with (a pick able) laws and (regu lations), to avoid damage to its (re pe tation) and other consequences.

After that the in 1992 the first framework came out showing by the left hand image ,

after 20 years because the ..... changes they deicde to update the framework

This is a timeline of coso framework

It is noteworthy in 2004 they realease a framework called Enterprise Risk Management but they are two differnet framework we will talk about the interrelaonship later on but we not going to go deep into that framework.