EIGHTH EDITION

ROBERT MOELLER

Brink's MODERN INTERNAL AUDITING

A Common Body of Knowledge

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Preface

THIS BOOK IS A COMPLETE guide and a definition of a common body of knowledge (CBOK) for the processes and profession of internal auditing—what professionals need to know to successfully perform individual internal audits and what an enterprise needs to know to launch an effective internal audit function. With a heritage that goes back to the first days of internal auditing after World War II when Victor Brink produced the first edition, the chapters following outline a professional CBOK and describe internal auditing today. Although it is often misused, the word *modern* beginning with the title of the first edition says a lot about this book's heritage and the contemporary practice of internal auditing. In the first edition it described a new and evolving profession. The early internal auditors were often little more than accounting clerks or clerical support staff for their external auditors. Brink envisioned them as professionals performing much broader services to management.

Due to the pervasiveness of information technology processes and the Internet in all areas of commerce, the rules for a consistent definition of internal controls, and our evolution to a truly global economy, internal auditors today must operate in an ever-changing environment. Internal auditors need increasing levels of knowledge and understanding in many areas, but sorting through what is important and what is just nice to know represents challenges for internal auditors at all levels. This newly revised eighth edition discusses modern internal auditing in terms of areas where there is a strong knowledge requirement as well as other areas where only a general level of knowledge is needed. This edition updates our three common CBOKs for the profession of internal auditing.

The practice of internal auditing is important to enterprises today worldwide, and senior management members, government regulators, and other professionals need to have a general understanding and set of expectations of the roles and capabilities of internal auditors. That is, just as internal auditors need a CBOK to better define their profession, the outside world needs to better understand internal auditors and how they can serve management at all levels.

The following chapters describe this CBOK for internal auditors—knowledge areas that should be important to all internal auditors, no matter their level of experience, their business area, or where they are working in the world. The CBOK topics presented here are not based on surveys of what other internal auditors are doing today; they are based on this author's long-term, 40-plus years of experience in internal auditing as well as his extensive professional activities and research.