

**«CONFIRMED»**  
by the Decision of Board of Directors  
of the NCJSC «West Kazakhstan  
Marat Ospanov Medical University»  
from August 06, 2019  
report No 3.

**Audit standards  
of the Internal Audit  
of the Non-commercial Joint Stock Company  
«West Kazakhstan Marat Ospanov Medical University»**

Aktobe – 2019



## 1. General provisions

1. These standards of audit (hereinafter – the Standards) are developed in accordance with the Regulations on the Internal audit service of the NCJSC «West Kazakhstan Marat Ospanov Medical University» (hereinafter – the Regulations), taking into account the principles of international standards of audit.

2. The standards contain fundamental requirements to the activity of the internal audit Service in order to ensure the efficiency and objectivity of the audit.

3. The standards include the following standards:

- 1) «Independence»;
- 2) «Ethical correctness»;
- 3) «Objectivity»;
- 4) «Professional competency»;
- 5) «Professional judgment»;
- 6) «Accountability»;
- 7) «Reliability»;
- 8) «Transparency»;
- 9) «Privacy»;
- 10) «Management».

4. The standards are mandatory for use by the internal audit Service, individuals and legal entities involved in the audit.

5. The objects of audit include structural units of the NCJSC «West Kazakhstan Marat Ospanov Medical University» (hereinafter the Company).

## 2. The Standard «Independence»

6. The purpose of the independence Standard is to ensure the impartiality, objectivity, reliability of evaluations and recommendations of the Service, auditors, the inadmissibility of any interference that infringes on their independence in the conduct of their activities.

7. The service, auditors in all matters related to the audit are independent of the objects of audit, protected from external influences, orders and interventions.

8. The service, auditors are functionally, organizationally and financially independent from the objects of audit.

9. The service, auditors do not allow any actions that limit their independence and objectivity.

10. The service carries out an audit in accordance with the approved work plan for the relevant year.

11. It is not allowed to interfere in the activities of the Service on the choice of subject, object of audit, the procedures used, the nature and volume of audit evidence, the scope of the audit, methods of forming the list of objects of audit, its conduct, preparation and distribution of documents adopted on the results of the audit (hereinafter – the documents), mechanisms for the implementation of the audit results, as well as any actions that may affect the independence and objectivity of auditors for political, ideological, religious and other reasons.

12. Judgments, revealed facts, conclusions, conclusions and recommendations of the Service, auditors shall be impartial, objective, reliable, competent, reliable and be such for third parties.



13. Auditors in the performance of their powers and duties shall remain independent from the objects of audit, any external influence that undermines their independence.

14. The service is provided with necessary and sufficient labor, financial and material resources, which are managed independently in accordance with the procedure established by law.

15. Objects of audit provide free, timely and necessary for the audit service access to all documents and information, including state and other information systems.

16. Cooperation of the Service with public administration bodies, local representative and Executive bodies, organizations and their associations, as well as bodies of other States and their international associations is allowed.

### **3. The Standard «Ethical correctness»**

17. The purpose of the ethics Standard is to ensure that auditors comply with ethical requirements and professional conduct.

18. Ethical standards include generally accepted ethical standards and principles of professional conduct.

19. In the conduct of auditors and audit approaches, any action that may lead to suspicions and accusations of non-compliance with ethical requirements and principles of professional conduct should be excluded.

20. Independence of the Service, auditors does not prevent the maintenance of friendly relations with the object of audit.

21. Auditors should act in accordance with ethical standards in case of conflict situations.

22. Auditors should be independent of the opinion of the object of audit, the influence of public opinion, their actions do not give rise to justified criticism, do not allow prosecution for criticism, use constructive criticism to eliminate shortcomings and improve their professional activities.

### **4. The Standard «Objectivity»**

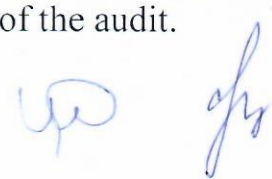
23. The objective of the «Objectivity» Standard is to ensure that auditors conduct the audit in an impartial manner and that there is no compromise on the quality of the audit.

24. Auditors must be objective in conducting the audit. Audit reports should be based solely on data and documents (materials and information) collected directly on the object of audit, as well as obtained from other reliable sources in compliance with the legislation of the Republic of Kazakhstan and in accordance with the standards of audit.

25. It is prohibited to conduct an audit in the event of a conflict of interest.

### **5. The Standard «Professional competence»**

26. The purpose of the «Professional competence» Standard is to maintain the proper professional level of auditors for the effective implementation of the audit.





27. Auditors must have the education, skills, knowledge and experience to perform an audit effectively.

28. The audit is carried out by auditors whose level of professional knowledge, skills and experience together correspond to the nature, scope and complexity of the audit.

29. Auditors are properly qualified throughout all stages of the audit, from the formation of the work plan, the preliminary study of the object of audit to monitoring the recommendations given in the audit report.

30. Professional knowledge and skills of auditors are improved through continuous professional training and self-education, as well as periodic organization of training, retraining and advanced training of auditors. The company creates the necessary conditions for training, advanced training and retraining.

## **6. The Standard «Professional judgment»**

31. The purpose of the professional judgment Standard is to ensure quality at all stages of the audit.

32. Professional judgment is used in the audit and other activities of the Service.

33. Auditors must make a professional judgment on issues which may be significant due to their nature.

34. Auditors should take into account key aspects of the relevance of the work to be undertaken, including quantitative and qualitative factors such as the purpose, scope, subject matter and criteria of the audit.

35. Based on professional judgment, auditors must conduct the audit in a manner that reduces risk to an acceptable level by providing reasonable assurance as to the adequacy, acceptability and reliability of the audit evidence.

36. Professional judgment is interconnected with the competence that allows you to make the proper judgment. Professional judgment and competence together imply the use of a set of knowledge, skills and experience of all persons involved in the audit.

37. Professional judgment is used to determine the nature, type, method of collection and quality of audit evidence collected, which serves as the basis for the findings, conclusions and recommendations of the Service.

## **7. Standard «Accountability»**

38. The purpose of the accountability Standard is to ensure that information, documentation and reports on the activities of the Service are made available to all users («information»).

39. The service conducts audit, carry out other activities in accordance with the assigned functions and tasks, including the requirements of audit standards, observing the principle of accountability through the provision of information.

40. The service reports to the Board of Directors and the internal audit Committee.

41. The service ensures the preparation and submission to the Department of internal audit of the Ministry of Health of the Republic of Kazakhstan of quarterly reports on the results of audits/controls, as well as semi-annual and annual reports on



the results of monitoring and control of elimination of violations identified by the audit/control.

42. The service ensures compliance with the principle of accountability when involving organizations and individuals in the audit.

### **8. The Standard «Reliability»**

43. The purpose of the reliability Standard is to provide all users of the Service documents with reliable information contained therein.

44. Auditors must use reliable information that is based on audit evidence.

45. At the same time, auditors need to determine the reliability of the information provided by the objects of audit.

46. The service ensures the accuracy of the information included in the documents accepted by them as a result of the audit.

### **9. The Standard «Transparency»**

47. The purpose of the transparency Standard is to ensure that the audit is conducted in an open manner, ensuring transparency and trust in its activities on the part of document users, by providing accurate, clear and relevant information on the status, authority, strategy, activities and their effectiveness.

48. The list and content of disclosed information and documents, including the submission of documentation on external requests, shall be determined in accordance with the requirements of the legislation of the Republic of Kazakhstan on state secrets, including the requirements of audit standards.

49. The service, while ensuring transparency of its activities, must comply with confidentiality requirements, clearly defining further procedures for providing access to information and information constituting state secrets, official, commercial or other secrets protected by law.

50. The service, auditors ensure openness and clarity of audit procedures performed at all stages of the audit and the methodology used.

51. Information on the involvement of organizations and individuals (specialists and experts) in the audit should be included in the audit documentation and relevant documents of the Service.

52. The service and auditors ensure the accuracy of the disclosed information.

### **10. The Standard «Privacy»**

53. The purpose of the Standard «Privacy» is to ensure the safety and non-disclosure of information relating to state secrets, official, commercial or other secrets protected by law, obtained during the audit.

54. The service, auditors in the cases established by the legislation provide safety of the information received at implementation of audit, and restriction of access to it.

55. The information requested by the auditors is used only for audit purposes.

56. Auditors are not entitled to receive direct or indirect personal benefit from the information obtained during the audit.

57. Auditors may not disclose information regarding any aspect of the audit.



## 11. The Standard «Management»

58. The purpose of the «Management» standard is to form a workable audit team, to provide the organization and monitor its work to achieve the audit objectives.

59. Auditors carry out proper management of their activities to ensure the quality, efficiency, effectiveness and efficiency of the audit.

60. Responsibilities between the officials responsible for the audit and its implementation should be clearly distributed.

61. Auditors should ensure their continuing professional development in order to maintain their knowledge and skills at the level necessary to manage the audit team.

62. All stages of the audit are subject to management.

63. The activity of the audit team or individual auditors at each stage of the audit is carried out under the systematic control and supervision of the head of the internal audit service.

64. Monitoring is carried out at all stages of the audit, preparation of audit reports on its results, as well as in the process of implementation of the audit results.

65. The degree of supervision is determined depending on the complexity of the audit, the level of qualification and professionalism of the audit team or individual auditors.

66. The head of Service independently define forms and methods of supervision.

67. It is mandatory to monitor the content, methods of audit, completeness of audit issues.

68. Monitoring includes instruction, information on the most frequently encountered problems, monitoring of the work done, dispute resolution in cases of divergence of views in the audit team.