



International Professional  
Practices Framework

# Implementation Guide 2310

## Standard 2310 – Identifying Information

Internal auditors must identify sufficient, reliable, relevant, and useful information to achieve the engagement's objectives.

### Interpretation:

*Sufficient information is factual, adequate, and convincing so that a prudent, informed person would reach the same conclusions as the auditor. Reliable information is the best attainable information through the use of appropriate engagement techniques. Relevant information supports engagement observations and recommendations and is consistent with the objectives for the engagement. Useful information helps the organization meet its goals.*

Revised *Standards*, Effective 1 January 2017

## Getting Started

The internal audit activity uses a systematic and disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes. The systematic and disciplined approach requires that internal auditors identify, analyze, evaluate, and document information to support the results of an engagement and the internal auditors' conclusions. Standard 2310 defines the criteria of the information that must be identified.

Internal auditors begin gathering information, which includes audit evidence, when planning the engagement. A review of the engagement objectives and engagement work program helps prepare internal auditors to identify sufficient, reliable, relevant, and useful information. The work program prescribes the procedures internal auditors use to perform the engagement.

It may be helpful for internal auditors to review the organization's policies and jurisdictional laws related to data privacy before beginning engagement work. They may also consult with the organization's legal counsel or other applicable subject matter experts to address any questions or concerns that may arise about access to personal information.

The process of identifying information is facilitated by open and collaborative communication between the internal auditor and the organization's personnel, especially those directly involved with the area or process under review. Establishing and maintaining effective channels of communication is an important aspect of performing the engagement. Organizational independence of the internal audit activity is also essential for open communication (see Standard 1110 – Organizational Independence).

## Considerations for Implementation

During engagement planning, internal auditors gather information about the audit client and document the information in workpapers. The level of analysis and detail applied during the planning phase varies by internal audit activity and engagement. Evaluating the adequacy of control design is often completed as part of engagement planning because it helps internal auditors identify key controls to be further tested for effectiveness. Thus, audit evidence may result from testing the design of control processes.

According to Standard 2310, the reliability of the audit information depends on the use of appropriate engagement techniques. Some techniques take longer or require more resources than others, but may be worth the investment because they enable a higher level of assurance. In general, simple manual audit procedures include:

- Inspecting physical evidence, such as the physical property of the area under review.
- Examining documentation from either the audit client or outside sources.



- Gathering testimonial evidence through interviews, surveys, or risk and control self-assessments.
- Conducting a walk-through to observe a process in action.
- Examining data that is continuously monitored via technology.

More complex procedures for analyzing and evaluating information are discussed in greater detail in Implementation Guide 2320 – Analysis and Evaluation.

The sufficiency and reliability of information increase when the information is current, corroborated, and/or obtained directly by an internal auditor (e.g., observing a process or reviewing documentation) or from an independent third party. Information is also more reliable when it is gathered from a system where the controls are operating effectively.

Perhaps one of the most important characteristics of sufficient and reliable information is that it should be gathered and documented such that a prudent, informed person (e.g., an internal audit supervisor or external assessor) would be able to repeat the steps and tests described in the workpapers, achieve the same results, and logically reach the same conclusions as the original internal auditors who performed the work. Therefore, it is important that the chief audit executive (CAE) establishes a system of documentation, including preferred terminology and standardized notations (e.g., symbols and tick marks), and that internal auditors use this system consistently. Documentation is discussed in greater detail in Implementation Guide 2330 – Documenting Information.

Because engagement resources are not unlimited, it is important for internal auditors to identify and prioritize the most relevant and useful information (i.e., information that supports, or gives credibility to, engagement observations and recommendations). It is also important for internal auditors to critically assess all of the engagement information as a whole, rather than relying on singular examples, as their conclusions and advice are based on evidence that is persuasive, rather than absolute.

## Considerations for Demonstrating Conformance

Conformance with Standard 2310 may be evidenced in the engagement work program and the



supporting engagement workpapers, which may be stored electronically or in paper format. Workpapers are usually organized in the order of the work program and link to the work program, whether they exist as individual pages or audit steps in a computerized audit system. As a result of supervision, evidence to support objectives is achieved through identification of sufficient, reliable, relevant, and useful information.

To confirm that the information provided was useful to the organization, surveys could be issued to personnel in the area under review (after audit engagement communications are completed). In addition, the CAE monitors the disposition of the engagement results communicated to management, which may provide evidence of the usefulness of the information communicated.



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Implementation Guides assist internal auditors in applying the *Standards*. They collectively address internal audit's approach, methodologies, and consideration, but do not detail processes or procedures.

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