



INTERNAL AUDIT IN THE COVID-19 ENVIRONMENT: KEY ASPECTS AND PERSPECTIVES OF REMOTE AUDITING

Maja Kljajić*, Vule Mizdraković, Blaženka Hadrović Zekić

Singidunum University,
Belgrade, Serbia

Abstract:

It was very difficult to predict the global pandemic caused by the new coronavirus COVID-19 disease that spread around the world. There is no doubt that the pandemic will have a serious impact on worldwide economy because besides causing a health crisis, the pandemic threatens to generate an economic and financial crisis. Therefore, the management of service providing entities were faced with a challenge of finding a model to perform their business activities and take care of the employees' health at the same time. This paper discusses possible solutions related to internal audit as a service providing profession. The research findings in the field have led to the conclusion that auditors can take advantage of this business environment to undergo complete digital transformation and make extensive use of remote auditing, since the function of internal audit can be further improved by using new information and communication technologies. The results of the research, which was focused on the opinions of certified internal auditors from the Republic of Serbia, showed that the advantages of remote auditing in internal audit outweighed the disadvantages. During the pandemic, the quality level of performed audits either increased or stayed the same, as well as the level of trust of audit client management, whereas savings in time and a decrease of travel-related costs were substantial.

Article info:

Received: January 1, 2022
Correction: February 24, 2022
Accepted: March 10, 2022

Keywords:

remote auditing,
pandemic,
internal auditor,
digital transformation,
ICT.

INTRODUCTION

This paper is a result of a short presentation and later discussion related to a study on internal audit in the time of the COVID-19 pandemic, which took place at the International Scientific Conference FINIZ held in Belgrade at the end of 2021. One of the conclusions was that the emergence of a global pandemic caused by the COVID-19 brought with it additional precariousness, risks and challenges to the already fast-paced environment, and changed current business conditions in all industries



(Barac, Plant, Kunz, & Kirsten, 2021), (Hao, Xue, Yau, & Zhang, 2022) and (Tang, 2022). Namely, countries around the world have restricted, and at one moment, even banned office work in their companies (Albitar, Gerged, Kikhia, & Hussainey, 2020). For example, the Government of the Republic of Serbia passed the Decree on organizing work during the state of emergency (Official Gazette of RS, 2020) which obliges organizing work from home, or harmonizing business hours when it is not possible to organize work from home during the state of emergency. As it has been said, all industries have been affected by the global pandemic, the financial impact of which will be felt even after it ends (Roska, 2021) and (Adnan & Hasan, 2021). For example, the impact on the Gross Domestic Product in the Republic of Serbia can already be observed if the figures from 2019 (GDP rate: +4.2) and 2020 (GDP rate: -1.0) are compared (The Serbian Business Registers Agency, 2020). To prevent additional losses, business entities should adapt to the current business environment and increase their operational capacity. Workforce is one of the key elements in such situations, because their innovative way of thinking and willingness to use modern information and communication technology (ICT) to a larger extent will be reflected on the adaptability of a business entity (Stanisic, Spahic, & Tomin, 2018). Internal audit is focused on the comprehensive operations of the entity, where constant control of business activities is carried out as follows: monitoring, verification and improvement of performing activities; identification of the risks to which the entity is, or may be exposed; assessment and evaluation of the internal controls; and providing appropriate recommendations to address deficiencies and recognised irregularities (Bae, Choi, Lamoreuax, & Lee, 2020). This paper discusses how internal auditors should respond to the current business environment and at the same time provide the same or higher level of quality of their services. In order to be given an insight into internal audit work in the Republic of Serbia during the COVID-19 pandemic, a survey has been conducted and the results will show opinions of certified internal auditors on the impact of the pandemic on internal audit and the advantages and disadvantages of remote internal auditing in practice.

THE EFFECTS OF THE COVID-19 PANDEMIC ON INTERNAL AUDIT

The need for reliable information is vital to any business entity and its strategic and decision-making process (Vitezic & Pertlic, 2021). In that regard, the role of internal auditors is of great importance, given the fact that their results can be used to meet the information needs of stakeholders in a company, primarily those of the business owner and different levels of management, but also those of the supervisory, executive and audit boards. According to the International Standard on Auditing 610 - Using the Work of Internal Auditors, the external auditor refers to the work of internal auditors, which indicates that the external auditor is one of the users of internal audit services. The main difference between internal and external audit is that the service of the latter is always outsourced, that is to say an external auditor will be hired by a business entity to perform their audits (Mizdrakovic, Kljajic, & Hadrovic Zekic, 2021). However, internal audit as a function of an entity should be part of it, and an internal auditor who is employed in that entity is expected to perform their activities for the needs of the supreme governing body. However, modern business conditions and the possibility of achieving maximum efficiency and effectiveness in the market have imposed the need to entrust the task of internal audit to business entities that provide internal audit services as their main business activity (so-called *internal audit outsourcing*). In that case, the internal auditor will not be a permanent employee, and instead will be hired on the basis of a service contract. This is an important factor in adapting to the current business environment, as outsourced internal auditors have probably already been using ICT in their work to a greater extent, trying to minimise their physical presence at the entity's premises.



Even before the global pandemic, the accounting and auditing profession were faced with a challenge of revising the strategy and methodology of performing activities, as well as introducing a complex process of digitization and digital transformation so as to improve the quality of accounting and audit services (Tiberius & Hirth, 2019; Bauer, Humphreys, & Trotman, 2022). Digital transformation and other new technologies had already affected many internal audit functions before the outbreak of the pandemic (Serag & Daoud, 2021). Tusek (2019) and Sheldon (2019) state that the accelerated application of digital technology has brought numerous and fundamental changes in business models, strategies, organizational structure, business processes and their adaptation to the digital age. As no process takes place overnight, adapting to the new circumstances and conditions is slow due to both limited resources and employees' resistance to change (Chan, Chiu, & Vasarhelyi, 2018). However, the pandemic has abruptly confronted auditors with a new approach to work and accelerated digitization in performing activities (Agoglia & Krishnan, 2022). Therefore, they face new, unexpected and unknown inherent risks that they have to deal with when conducting their audit engagements (Tusek, Ježovita, & Halar, 2020).

Furthermore, standard setters and regulatory bodies reacted to the changes in business environment by revising the issued standards and providing additional guidelines for auditors and accountants. Namely, there was a significant impact on the activities of accountants and auditors with regard to preparing financial statements in accordance with International Financial Reporting Standards (IFRS), as well as audits in accordance with International Standards on Auditing (ISA). In March 2020, the International Auditing and Assurance Standards Board (IAASB) issued the first statement on the work during the global pandemic caused by the COVID-19. The Board stated that the audit, whether internal or external, should be performed in accordance with the required standards. It was also stated that auditors might need to consider developing alternative procedures to gather sufficient and appropriate audit evidence to support their audit opinion or to amend the audit opinion (IAASB, 2020). The areas that the IAASB considered particularly important in this regard are as follows: auditor reporting; going concern; subsequent events; auditing accounting estimates; considerations for public sector auditing. By September 2021, a total of 17 communications in the form of accounting and auditing guidelines were issued in the time of COVID-19, indicating possible changes needed to be made (IAASB, 2020). The Institute of Internal Auditors stated the following changes that chief internal auditors could expect during a pandemic in terms of the way the internal audit process is conducted (Audit Executive Center, 2020):

- increased use of data analysis procedures (Data Analytics);
- increased use of agile audit techniques (Agile Auditing Techniques);
- providing advisory engagements;
- identifying ways to save costs (Cost Management);
- reducing the time needed to complete internal audit engagement;
- increasing the use of audit software packages and ICT;
- investing in automation of the internal audit process;
- increasing the use of robotic process automation.

In addition to this, the IAASB conducted a survey on a sample of 486 chief internal auditors and internal audit officers from the United States and Canada in 2020. The regulating body investigated perceptions of the long-term effects of the COVID-19 pandemic on the efficiency and effectiveness of internal audit functions. The results of the research showed that the key areas of action of internal auditors on which the COVID-19 pandemic will have long-term effects are the following: budgets of internal audit functions, frequency of risk assessment and updating of internal audit plans with the audit committee, and increasing demand for certain competencies and skills (IAASB, 2020).



THE ROLE AND SIGNIFICANCE OF REMOTE AUDITING CONCEPT

In times of crisis, the function of internal audit is crucial in the process of risk management and control, because the auditor can provide relevant advice and assessments that correspond to the organizational structure of the observed entity. Therefore, internal auditors should be part of crisis management teams in companies in order to adequately respond to all challenges and provide advisory support to management. Internal auditors are expected to pay special attention to employees, processes and technology when conducting a pandemic impact analysis on the company's operations (Audit Board, 2020). They are also expected to work on related internal controls to minimize these risks (Pempal IACOP, 2020) and (Tadesse & Murthy, 2021). Although most companies have Disaster Recovery and Business Continuity Plans in place, it was impossible to predict a crisis-like situation caused by the current global pandemic. Namely, business entities lacked the key resources and employees who had to switch to online work (Teeter, Alles, & Vasarhelyi, 2010), (Audit Board, 2020) and (KPMG, 2020).

As has already been mentioned, the auditing profession faced unexpected challenges due to the fact that with the outbreak of the COVID-19 pandemic, both internal and external auditors had to switch to different working methods in order to perform their activities. In this way, traditional auditing has been replaced by remote auditing, requiring modification of the audit methodology and application of advanced data analysis techniques. Internal auditors are faced with increased requirements for consulting engagements, as well as significant changes in business processes that have led to previously non-existent risks. Thus, remote auditing gives rise to the need for updating and making significant changes in strategic, annual and individual plans (Tusek, *et al.*, 2020).

Remote auditing, also known as virtual auditing, is a method of conducting an audit using modern technology to obtain audit evidence. Teeter, Alles, & Vasarhelyi (2010) define remote audit as "the process by which internal auditors link information and communication technologies with data analytics to collect and evaluate electronic evidence, interact with the auditee and report on the accuracy of financial data and internal controls, independently from the auditor's physical location". Unlike traditional auditing, remote auditing is performed either partially or completely off-site. In this regard, we can distinguish between two main approaches for conducting a remote auditing: partial remote audit and full remote audit.

Partial remote audit is a combination of remote procedures and on-site procedures. Remote procedures follow the standard part of the audit using technological tools to access the necessary evidence and collect a limited number of surveys or interviews from employees or third parties, as well as other visual evidence. The on-site procedures aim at verifying the conclusions drawn on the basis of remote procedures and to conduct additional tests of issues that could not be verified through the remote audit process. On the other hand, a full remote audit is performed by using modern information technologies for gathering evidence. A full remote audit should be in line with standard auditing procedures and involve using technological instruments and tools to access the necessary evidence, including interviews, and using appropriate sampling techniques (Serag & Daoud, 2021).

The way of doing business ex-ante the COVID-19 pandemic mostly required personal visits of remote areas in order to collect the necessary data. Therefore, the auditor had to make additional efforts to reach a particular auditee and perform the necessary tasks. Significant travel-related efforts and costs are the primary reason why remote audit (without personal presence) has attracted both internal and external auditors (Christ, Eulerich, Krane, & Wood, 2021). Commonly mentioned advantages of remote auditing are reflected in the following: time and money savings by using ICT, avoiding personal visits



of remote areas, increasing the scope of audit, increased efficiency of the audit team, double-check of documents leading to more relevant evidence, increased use of ICT strengthening documentation and reporting, and the fact that logistics related to auditing are not needed anymore (Serag & Daoud, 2021).

LITERATURE REVIEW

When it comes to the literature in this field, there has been some research done on the topic and the following text provides a brief overview of it. Eulerich, Wagener, & Wood (2021) presented in their research the results of a survey conducted in 2020, involving 271 German internal auditors that conducted remote and traditional audits. Based on their responses, the research showed that internal auditors did not notice any differences in the efficiency and effectiveness of stakeholders' trust in the results of remote and traditional audits. In addition to this, the research showed that there was a positive correlation between the perception of efficiency and effectiveness and internal auditor's experience with remote audits – that is to say, the perception of efficiency and effectiveness increased as the internal auditor's experience with remote audits increased. Additional analyses showed that the expected success of remote auditing primarily depended on the auditee support.

From the standpoint of the impact of remote audit on the level of quality of provided internal audit services, the authors have conflicting opinions. The first group of authors conclude in their work that the quality of audit will be reduced (Bennett & Hatfield, 2018), (Saiewitz, 2018), (Saiewitz & Kida, 2018) and (Abu Saleem, 2021). The mentioned authors observed in their works that personal interactions are important for the quality of the audit. More specifically, when the auditor visits the auditee, they can get better conclusions through non-verbal communication and elicit additional answers, as opposed to interactions via e-mail. Therefore, audit clients and third parties believe that auditors' personal requests are more urgent and important than e-mail requests; they also expect bigger number of questions in live interactions.

On the other hand, authors Hawkins (2017) and Carlisle (2018) suggest that remote auditing would in fact improve audit quality. The former claims that the auditor will be more neutral in remote auditing as they will not be influenced by the auditee management and will try to find their own source of information to confirm the claims given in financial reporting. The latter claims that when auditors are not physically present at the auditee premises they will show higher level of scepticism, as opposed to traditional audit when the auditor may place too much reliance on the auditee management presentations.

RESEARCH METHODOLOGY

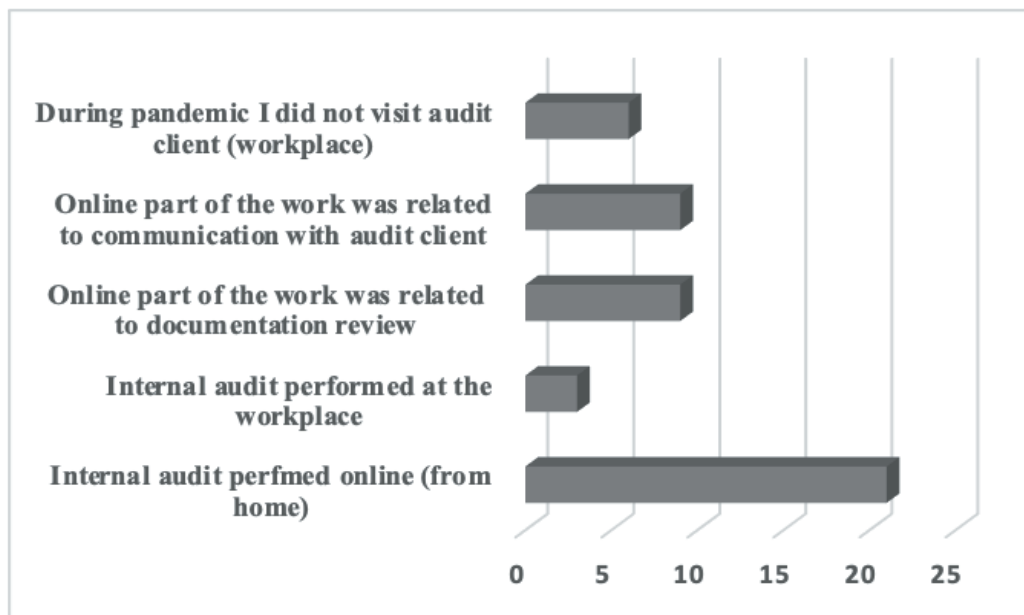
In order to gain some insight into internal audit practice in the Republic of Serbia in the time of COVID-19, a questionnaire was prepared and distributed to certified internal auditors who attended the 8th annual International Scientific conference FINIZ 2021 and its special session related to internal audit. Association of Internal Auditors of Serbia was a partner in organizing the session and its members were the main respondents in this research. Responses were provided by 39 out of 80 attendees, which is app. 48.75% response rate. The previously published scientific papers served as a basis for defining questions in this survey. The questionnaire consisted of 14 questions, three of which were general ones, whereas the remaining questions were directed to the experience of the respondents in traditional and remote internal auditing. Three questions were open-ended, where the respondents were required to elaborate on their opinions about the effects of the pandemic on internal control and the advantages and disadvantages of remote auditing.



RESEARCH RESULTS AND DISCUSSION

The results show that the highest number of respondents (61.5%) had between 10 - 20 years of work experience, and none of them had less than five years of experience. As regards gender, there was an almost equal percentage of female and male respondents, although only app. 30% of the initial number of attendees of the session were males. As presumed, 76.9% of respondents were employed as internal auditors, and 64.6% performed internal audit in the entity where they are employed. The remaining 7.7% of respondents were IT auditors and 15.4% were principals of audit companies.

Figure 1. Performing internal audit process during the pandemic



Source: Authors' data

The figure above reveals that app. only 8% of the respondents performed internal audit process at their workplace during the pandemic. The highest percentage of the respondents (53.8%) performed the procedures online from home (full remote auditing), while close to 38% worked from their office but carried out one part of their activities online (documentation review, analyses of procedures, communication with clients or other employees...). Nevertheless, the respondents who performed at least some of the procedures from home claimed that the number of activities stayed the same (58.3%), whereas one quarter of the respondents claimed that the number of activities increased due to online work. A number of respondents (6 of 39) stated that the level of workload was actually lower than before the pandemic. However, 61.54% of the respondents were under the impression that the pandemic had had an impact on internal audit procedures to some extent; 30.77% of the respondents did not share that opinion, while 7.7% of them were indecisive. It is interesting to notice that the same number of respondents who claimed that internal audit had been affected by the pandemic also added that due to the pandemic they were forced to make use of information technologies for the first time, or to a greater extent. It can be assumed that introducing new types of information technologies or making greater use of the existing ones was the main effect of the pandemic on internal audit.



The respondents were indecisive when it came to the impact of the pandemic on the quality level of internal audit. However, the highest percentage of the respondents (46.2%) claimed that the quality level was the same as it had been before the pandemic. On the other hand, 38.5% of them considered that internal audit performance during the pandemic was of greater quality. These results are in line with authors Carlisle (2018) and Hawkins (2017) who concluded that remote auditing would improve the quality of internal audit. A small number of the respondents (15.4%) believed that the quality level decreased as a result of the pandemic.

Although not all of the respondents were able to recognize the positive effects of the pandemic on internal audit, the ones who did named the following:

- Higher commitment to internal audit client;
- Introduction of online communication at all levels (digitalization);
- Faster communication using different online platforms;
- Easier organization and conduct of meetings online;
- Improvement of technical skills and knowledge;
- Auditors have a more objective approach to internal audit procedures;
- Higher efficiency and better focus on internal audit procedures;
- Use of information technologies for quicker and easier data transfer;
- Deadlines are easier to meet due to faster acquisition of electronic documentation;
- Already scanned documentation for review;
- Some audit procedures can be conducted online;
- More comfortable work from home;
- More flexible working hours (auditors are not required to be present at office at all times).

The respondents' answers are in line with the literature in the field where almost all previously recognised positive effects of the pandemic on internal audit process were named (Serag & Daoud, 2021). When it comes to the advantages and disadvantages of internal audit performed online, the respondents believed that remote auditing had more advantages than disadvantages. The following table gives a summary of the respondents' suggestions as to what might be the pros and cons of performing internal audit from home.

**Table 1.** Advantages and disadvantages of remote auditing

| Advantages | Disadvantages |
|---|--|
| Higher degree of objectivity in audit process | Lack of direct communication with the client management and employees |
| The client is more willing to provide additional information in comparison to traditional audit | Direct insight into a business process is impossible |
| Higher flexibility in conducting audit procedures | Inadequate risk assessment |
| Better communication and focus on procedures | Some parts of internal audit should be performed entirely in person |
| Better management of resources (time and travel costs) | Lack of team work and communication |
| Less involvement in non-audit activities | The client is more motivated to provide certain types of documentation when required in person |
| Easier access to documentation | The social aspect of working at home |
| Flexible working hours | |
| Deeper understanding of auditor procedures and more analytical approach | |
| The risk associated with the process is lower and the quality of services is higher | |

Source: Authors' data

It is important to mention that some of the suggestions were brought up more often than others. When it comes to the advantages, it seems that better communications, flexibility, better time management and travel-related costs savings were the most common answers. On the other hand, about one third of the respondents didn't mention any disadvantages of remote internal audit. However, one disadvantage that was mentioned the most was the lack of direct communication with audit client management and employees. It is interesting that none of the respondents mentioned the decreased level of trust of client management in remote auditing. The previous research showed that this might be the case in some situations. The answers to the final question in this survey showed that 61.5% of the respondents claimed that the level of trust is the same as it had been before the outbreak of the COVID-19 pandemic; 7.7% of them claimed that the level was either higher or lower than before the pandemic, whereas the rest of the respondents were indecisive.

CONCLUSION

The spread of the pandemic caused by the COVID-19 has brought with it new business conditions around the world. While countries were struggling to adopt timely measures to combat it, business entities still had to make important decisions that would help them to continue their businesses. The pandemic's global economic and financial impact is likely to be felt in all industries and activities, even after the end of the pandemic. This led the management of companies to put special emphasis on their employees during the pandemic by introducing special protection measures in the form of remote work, in an effort to suppress the spread of this type of coronavirus. It can be concluded that internal auditors



should see the current COVID-19 environment as an opportunity to improve their effectiveness and efficiency through digital transformation. Authors in this field mention different advantages of using remote auditing concept, with cost and time savings being the most important ones. Moreover, internal auditors may be more neutral compared to when they use traditional audit techniques, as they will show greater scepticism towards the auditee. It can be concluded that the research results in this paper are in line with those of the existing literature in the field. Namely, a high proportion of certified internal auditors from the Republic of Serbia performed the process completely online from their homes during the pandemic. In their answers they stated that the number of activities stayed the same, that the pandemic had definitely had an impact on internal audit (at least to some extent), that the quality level of the provided services increased or remained the same, and that on the whole, there were many advantages to remote auditing. The most noticeable advantages are as follows: flexibility of procedures, travel-related efforts and costs, times savings and flexible office hours. Finally, it can be concluded that remote auditing might bring about smarter ways of performing internal auditing in the future and that might have a positive effect on employees' willingness to adapt to new business environment.

AKNOWLEDGMENT

The would like to express their gratitude to *Association of Internal Auditors of Serbia* for providing professional suggestions and support during this research.

REFERENCES

- Abu Saleem, K. (2021). The impact of the coronavirus pandemic on auditing quality in Jordan. *International Journal of Innovation, Creativity and Change*, 15(4), 31-40. Retrieved January 10, 2022, from https://www.ijicc.net/images/Vol_15/Iss_4/15403_Saleem_2021_E1_R.pdf
- Adnan, A., & Hasan, M. (2021). The emergence of COVID-19 and capital market reaction: An emerging market scenario analysis. *Asian Academy of Management Journal of Accounting and Finance*. 17(1), 35-61. <https://doi.org/10.21315/aamjaf2021.17.1.2>.
- Agoglia, C., & Krishnan, J. (2022). Research forum on COVID-19: Implications for audits and the audit profession. *AUDITING: A Journal of Practice & Theory*. 41(1), 1. <https://doi.org/10.2308/ajpt-10805>.
- Albitar, K., Gerged, A., Kikhia, H., & Hussainey, K. (2020). Auditing in times of social distancing: The effect of COVID-19 on auditing quality. *International Journal of Accounting and Information Management*. 1(1), 1-13. <https://doi.org/10.1108/IJAIM-08-2020-0128>.
- Audit Board. (2020). Internal Audit - COVID-19 Response strategy: Evolving internal audit practices for success. Retrieved November 1, 2021, from <https://www.auditboard.com/blog/covid-19-response-strategy-internal-audit-practices>.
- Audit executive center. (2020). COVID-19: Longer term impact on internal audit. Retrieved November 10, 2021, from <https://dl.theiia.org/Documents/COVID-19-Longer-Term-Impact-on-Internal-Audit.pdf>.
- Bae, G., Choi, S., Lamoreaux, P., & Lee, J. (2020). Auditors' fee premiums and low-quality internal controls. *Contemporary Accounting Research*. 38(1), 586-620. <https://doi.org/10.1111/1911-3846.12602>.
- Barac, K., Plant, K., Kunz, R., & Kirstein, M. (2021). Audit practice: A straightforward trade or a complex system? *International Journal of Auditing*. 25(3), 797-812. <https://doi.org/10.1111/ijau.12249>.
- Bauer, T., Humphreys, K., & Trotman, K. (2022). Group judgment and decision making in auditing: Research in the time of COVID-19 and beyond. *AUDITING: A Journal of Practice & Theory*. 41(1), 3-23. <https://doi.org/10.2308/AJPT-2020-147>.



- Bennett, G., & Hatfield, R. (2018). Staff auditors' proclivity for computer-mediated communication with clients and its effect on skeptical behavior. *Accounting, Organizations and Society*. 68(1), 42–57. <https://doi.org/10.1016/j.aos.2018.05.003>.
- Carlisle, M. (2018). *Auditors' evaluation of evidence: The effect of communication channel and management competence information*. Unpublished doctoral dissertation, Georgia Institute of Technology Western Reserve University.
- Chan, D., Chiu, V., & Vasarhelyi, M. (2018). New Perspective: Data analytics as a precursor to audit automation. In Chan, D. Y., Chiu, V. and Vasarhelyi, M. A. (Ed.) *Continuous Auditing-Rutgers Studies in Accounting Analytics*, (pp. 315-322). Bingley: Emerald Publishing Limited. <https://doi.org/10.1108/978-1-78743-413-420181016>.
- Christ, M., Eulerich, M., Krane, R., & Wood, D. (2021). *New frontiers for internal audit research*. Working Paper. University of Georgia & University of Duisburg-Essen. <https://doi.org/10.1111/1911-3838.12272>.
- Eulerich, M., Wagener, M., & Wood, D. (2021). *Evidence on internal audit effectiveness from transitioning to remote audits because of COVID-19*. 1-24. Retrieved December 15, 2021, from <https://ssrn.com/abstract=3774050>.
- Hao, R., Xue, J., Yau, L., & Zhang, C. (2022). Analyst forecasting during COVID-19 pandemic. *Managerial Auditing Journal*. 37(3), 380-405. <https://doi.org/10.1108/MAJ-12-2021-3406>.
- Hawkins, E. (2017). *When auditors' skeptical judgments do not lead to skeptical actions*. Working paper. Clemson: Clemson University. Retrieved December 15, 2021. <https://scholarcommons.sc.edu/cgi/viewcontent.cgi?article=5301&context=etd>
- IAASB. (2020). Staff audit practice alert. Highlighting areas of focus in an evolving audit environment due to the impact of COVID-19. Retrieved December 13, 2021, from <https://www.iaasb.org/publications/highlighting-areas-focus-evolving-audit-environment-due-impact-covid-19-1>.
- KPMG. (2020). Coronavirus and the role of internal audit leaders. Retrieved December 15, 2021, from <https://home.kpmg/ch/en/blogs/home/posts/2020/03/coronavirus-role-of-internal-audit.html>.
- Mizdraković, V., Kljajić, M., Hadrović Zekic, B. (2021). Internal auditing in Covid-19 environment: Is remote auditing a solution?. In *International Scientific Conference FINIZ* (pp. 3-7). Belgrade, Serbia: Singidunum University. <https://doi.org/10.15308/finiz-2021-3-7>
- Official Gazette of RS, 31/20. (2020). *Legal information system of the Republic of Serbia*. Decree on organizing the work of employers during a state of emergency 31/2020-3. Retrieved November 10, 2021. from <https://pravno-informacioni-sistem.rs/SIGlasnikPortal/eli/rep/sgrs/vlada/uredba/2020/31/2/reg>.
- Pempal IACOP. (2020). *The impact of COVID-19 on the role and activities of internal audit*. Retrieved November 12, 2021, from https://www.pempal.org/sites/pempal/files/IACOP/covid_publication_pages.pdf.
- Roska, V. (2021). Economic and fiscal support during the COVID-19 pandemic in Croatia. *Interdisciplinary Management Research XVII*, 59-79. <https://doi.org/10.31784/zvr.9.1.4>.
- Saiewitz, A. (2018). Email versus in-person audit inquiry: Recent research and additional survey data. *Current Issues in Auditing*, 12(2), A36–A44. <http://dx.doi.org/10.2308/ciia-52267>.
- Saiewitz, A., & Kida, T. (2018). The effects of an auditor's communication mode and professional tone on client responses to audit inquiries. *Accounting, Organizations and Society*. 65(1), 33-43. <http://dx.doi.org/10.2139/ssrn.2449795>.
- Serag, A., & Daoud, M. (2021). Remote Auditing: An alternative approach to face the internal audit challenges during the COVID-19 pandemic. *Atasu Journals*. 25(5), 228-259. <http://dx.doi.org/10.21608/ATASU.2021.181073>.
- Sheldon, M. (2019). A Primer for Information Technology General Control Considerations on a Private and Permissioned Blockchain Audit. *Current Issues in Auditing*, 13(1), 15-29. <https://doi.org/10.2308/ciia-52356>.
- Stanišić, M., Spahić, N., & Tomin, M. (2018). Revizija aplikativnih kontrola. In *SINTEZA – International Scientific Conference on Information Technology and Data Related Research* (pp. 343). Belgrade, Serbia: Singidunum University.



- Tadesse, A., & Murthy, U. (2021). Does the format of internal control disclosures matter? An experimental investigation of nonprofessional investor behavior. *AUDITING: A Journal of Practice & Theory*, 40(1), 91–106. <https://doi.org/10.2308/AJPT-17-171>.
- Tang, Y. (2022). COVID-19 and personal finance. *Accounting, Auditing & Accountability Journal*, 35(2), 576. <https://doi.org/10.1108/AAAJ-02-2022-146>.
- Teeter, R., Alles, M., & Vasarhelyi, M. (2010). The remote audit. *Journal of Emerging Technologies in Accounting*, 7(1), 73-88. <https://doi.org/10.2308/jeta.2010.7.1.73>.
- The Serbian Business Registers Agency. (2020). Publications - Macroeconomic analysis. Retrieved November 10, 2021, from <https://www.apr.gov.rs/registers/financial-statements/publications/%D0%BCacroeconomic-analysis.1805.html>.
- Tiberius, V., & Hirth, S. (2019). Impacts of digitization on auditing: A Delphi study for Germany. *Journal of International Accounting, Auditing and Taxation*, 1(1), 1-35. <https://doi.org/10.1016/j.intaccaudtax.2019.100288>.
- Tusek, B., Jezovita, A., & Halar, P. (2020). Izazovi djelovanja interne i eksterne revizije u eri pandemije COVID-19. *Journal of Economy and Business*, 26(1), 111-130. <https://doi.org/10.46458/27121097.2020.26.111>.
- Tusek, B. (2019). Utjecaj digitalizacije na internu reviziju. Računovodstvo, revizija i porezi ususret digitalizaciji i eurozoni, June 2019 (pp.73-92). Zagreb, Croatia: Hrvatska zajednica računovođa i financijskih djelatnika.
- Vitezic, N., & Pertlic, A. (2021). Controllers' responsibility in the post COVID business environment. *Journal of Accounting and Management*, 11(2), 93-104. Retrieved February 15, 2022, from <https://hrcak.srce.hr/271680>.



INTERNA REVIZIJA U DOBA COVID-19: KLJUČNI ASPEKTI I PERSPEKTIVE REVIZIJE NA DALJINU

Rezime:

Bilo je veoma teško predvideti globalnu pandemiju izazvanu novim virusom COVID-19 koji se rasplamsao širom sveta. Nema sumnje da će pandemija imati ozbiljne posledice na svetsku ekonomiju, jer osim što je zdravstvena, pandemija pretila da preraste u ekonomsku i finansijsku krizu. Zbog toga je uprava uslužnih privrednih društava bila u dilemi pri izboru adekvatnog modela obavljanja poslovnih aktivnosti i brizi o zdravlju svojih zaposlenih. U ovom radu se razmatraju moguća rešenja vezana za internu reviziju, kao jednu od uslužnih profesija. Rezultati istraživanja autora iz ove oblasti upućuju na zaključak da bi revizori mogli da iskoriste novo poslovno okruženje kao priliku za potpunu digitalnu transformaciju, kao i široku upotrebu revizije na daljinu, budući da se funkcija interne revizije može dodatno unaprediti korišćenjem novih informaciono-komunikacionih tehnologija. Rezultati istraživanja fokusiranog na stavove ovlašćenih internih revizora iz Republike Srbije pokazali su da prednosti revizije na daljinu u internoj reviziji prevladavaju nad nedostacima. Za vreme pandemije, nivo kvaliteta izvršenih usluga revizije je povećan ili ostao nepromenjen, kao i nivo poverenja menadžmenta klijenata revizije, dok je smanjenje putnih troškova i ušteda vremena znatna.

Ključne reči:

revizija na daljinu,
globalna pandemija,
interni revizor,
digitalna transformacija,
informaciono-komunikacione tehnologije.