

## Principles of Audit

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### ABSTRACT:

This study makes a review of the “auditing principles of food business organisation. It aims at identifying the auditing practices as prevalent in the food business organisation, assessing their efficacy and efficiency; examining their conformance to the national and international standards. The study also purposes to ascertain whether the auditors have the realization of their responsibility and obligations in carrying out the Food business operations in keeping with the regulation and standards set by various food authorities. Audit is a quality control tool which helps to inspect whether a food processing practices are compliant with the regulation. In this article we document the principles of audit to be followed in conducting audit in a systematic, objective and professional way.

### INTRODUCTION:

The word “audit” comes from the Latin “auditus”, which means hearing. The audit procedure usually incorporates documentation review and conduction of checks and interviews to confirm compliance with a standard. Traditional inspections evaluate the structure and construction of the sites and visually assess the state of cleanliness, although these may not always be the best indicators. The auditing process may involve the inspection of the whole manufacturing process from a raw material through preparation to dispatch/service and can be very detailed and thorough [5]. Specifically, within the frame of a food safety audit, information about a food business is gathered in order to identify areas of potential improvement in the company’s food safety processes and systems. Another purpose of the audits is the identification of areas of the business that present deficiencies in order to implement measures for their correction [1]. Audits are very important tools for maintaining food safety standards and any relevant certification,

through enabling transparency and reassuring that standards are being maintained. This transparency can increase the collaborative capacity of stakeholders within the supply chain, and improves safety and efficiency, while promotes the continual improvement within each part of the supply chain [4]. Audits are an essential tool in the process of certifying that proper food safety practices are followed [2].

Food safety auditing is a massive subject area. Unlike other compliance audit programs such as those covering financial, governance or management; food safety requires knowledge of a number of very different fields which need to be combined to effectively audit or assess the risk and status of a food production, processing or distribution operation. For example a typical food safety audit, depending on the defined scope of the program, requires a detailed and working knowledge of management processes, hygiene, risk assessment, monitoring, human resources, health and safety, microbiology, chemistry, toxicology, engineering and so on. Auditing can also require that this knowledge covers an extensive range of product categories, each with its own specific and unique attributes, hazards and risks. We can see that the job of the food safety auditors is not simply one of showing up and ticking boxes. It is a challenging one where becoming an effective, fair and valuable auditor requires time, dedication, experience, knowledge, education and communication skills. And like any scientific procedures, the audit also has certain principles and rules that govern it.

According to Auditor Manual recognised by FSSAI under Food Safety and Standards (Food Safety Auditing) Regulations, 2018, there are six principles of auditing which are given below:

#### Integrity

Integrity is a characteristic that is defined as having moral standards and ethics. The auditor has to be honest, fair and abide by laws and regulations while auditing, he cannot be

favouring the organization. He must remain objective throughout the whole process; his integrity must not allow any malpractice. Well, each company has to follow laws and rules set by the government. Companies can't be fraudulent in any of their practices. They also cannot abuse their power and operate in ways that are illegal.

**Fair Presentation** - The commitment to report honestly and perfectly.

Fair presentation is the ethical necessity to demonstrate the report findings accurately and truthfully. The key issue is how a finding is presented. A finding is a factual item of evidence relating to a specific requirement. They may be observed, heard, or contained in records and other media. This is a challenging task during the audit; however, the auditor can overcome this by remaining faithful on findings which are observed during the process.

**Suitable professional care** - The application of carefulness and judgment in auditing

The auditors have an obligation to maintain due professional care in regard to their audit and auditor responsibilities. This includes the sound application of diligence and judgement and maintaining a standard of personal and professional competencies.

**Confidentiality** - Security of information

The auditor has access to a lot of sensitive financial information of the organization. It is important that he respect the confidential nature of such information and documents. All information and data gathered during the course of the audit must remain confidential to the parties concerned and not disclosed in any way to others. This includes not talking or speaking about information gained from previous audits. This is essential to build trust and facilitates open communication. This attribute of an audit demonstrates intelligence, sound judgement and an ability to differentiate between conformities and non conformities.

**Independence** - The base for the unbiased audit and neutrality of the audit conclusions

Another important principle is independence. This is the fundamental basis for impartiality and objectivity. The auditor shall not have any interest in the organization he is auditing, which allows him to be independent and impartial at all times. In all cases audit reflects unbiased findings and there should be no conflict of interest in the audit process and where this exists it should be informed to the regulated

authorities.

**6. Facts based approach** - The logical method for attainment consistent and reproducible audit results

The evidence based approach is the rational method for reaching valid, reliable and reproducible conclusions. The auditor must collect enough evidence to support his final opinion. This collection of such evidence is done by compliance and substantive procedures.

### **CONCLUSION:**

Auditing has been extensively used worldwide to ensure food safety systems and programs are compliant and effective. Audits are widely used wisely in the food industry for various reasons (to evaluate management systems, obtain certifications to certain food safety and quality standards, assess the condition of premises and products, confirm legal compliance, and so on). The increased interests of the consumers towards food safety drag the concern of all units of food manufacturing for ensuring the safety standards are compliant with the regulations. It is now essential that the food business organisation drives the implementation of standards all over the world. Audit ensures the effectiveness of quality management systems.

### **REFERENCES:**

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