

Factor	Internal audit	External audit
Organisational structure	Internal audit can be an external contractor or an in-house function.	External audit is an external contractor, never an employee of the company.
Objectives	Internal audit forms an opinion on the adequacy and effectiveness of systems of risk management and internal control, many of which fall outside the main accounting systems.	External audit seeks to provide an opinion on whether the accounts/financial statements present a true and fair view of the organisation.
Audit coverage	Internal audit covers all the organisation's operations.	External audit works primarily with those financial systems that have a bearing on the final accounts.
Audit timeframe	Internal audit performs audits throughout the year.	External audit tends to be a year-end process, even though some testing may be carried out during the year.
Staff structure	Staff consists of Chief Audit Executive (CAE), managers, senior and junior internal auditors	Staff consists of partners, managers, seniors and trainees.
Staff	Competent persons trained in internal auditing.	Qualified CAs and partly qualified accountants.

Methodology	Risk-based audits – assurance and consulting services.	Vouching and verification and some use of risk-based systems approach.
Certification	Certified Internal Auditor (CIA)	Chartered Accountant (CA)
Membership affiliation	Institute of Internal Auditors (IIA)	South African Institute of Chartered Accountants (SAICA)
Legislation	Legally required in the public sector, encouraged in private sector.	Legally required for all registered companies and the public sector (small companies may have exemptions).