

**RESEARCH ON THE INTERNAL CONTROL EVALUATION OF CHINESE FINANCIAL INSTITUTIONS
BASED ON THE LATEST DEVELOPMENT OF COSO**

Zhenguang Wu, Wuhan University, Wuhan, China

dx.doi.org/10.18374/EJM-13-1.4

ABSTRACT

A scientific and effective system of internal control evaluation is a fundamental guarantee for the continuous improvement and perfection of internal control for an enterprise. Based on the latest development of internal control evaluation of COSO (The Committee of Sponsoring Organizations of the Treadway Commission), the methods and contents of evaluation can be determined in accordance with 5 factors, 17 principles, and 81 related attributes of internal control. In the meantime, in the light of laws and regulations, requirement of external supervision, rules and regulations of internal management, the proposals and opinions of leadership, and the overall evaluation and focused evaluation, evaluations should be made based on the efficiency of internal control so as to promote the continuous improvement and perfection of internal control.

Keywords: *COSO, internal control, evaluation, Chinese financial institutions*