Members' Meetings for 1993/94

Tuesday 12 October	Controlling end-user computing	John Silltow Woolwich Building Society
Tuesday 19 October (Full Day)	Discussion Group (Network Security)	James Hutt Lyn Lawton John Silltow
Tuesday 9 November	Automating software testing	Mark Gillett Direct Technology Ltd
Tuesday 14 December	Insuring computer-related risks	David G Davies Hogg Insurance Brokers

1994

Wednesday 12 January IIA Joint Meeting Contact: D Baker 0494 776188	Legal aspects of document image processing Auditing aspects of document image processing	Chris Reed Centre for Computer Law Studies Ken Tombs Independent Consultant
Tuesday 8 February	Access control	Dr Brian Collins PC Security Limited
Tuesday 22 February (Full Day)	Discussion Group (Quality Issues)	TBA
Tuesday 8 March	Viruses	Jan Hruska Sophos
Tuesday 12 April	Annual Debate with the EDPAA	TBA
Wednesday 11 May (Full Day)	Annual Conference & AGM (London Press Centre)	TBA

Meetings are usually held at the Royal Institute of Public Health & Hygiene, 28 Portland Place, London W1N 4DE (Ground floor, Lecture Room 1), except as noted above. For last minute confirmation, telephone 071-580 2731 or 071-636 1208. Meetings start at 4.00 for 4.30pm, unless otherwise stated. Tea and coffee are available before each meeting; sandwiches and refreshments afterwards.

Details of discussions groups are forwarded directly to members as part of the quarterly mailing. Please contact Bill Barton on 071 872 6720, or Steve Pooley on 0580 891036, for further information.

For details of the annual conference please contact Paul Howitt on 0992 632222.

SUBSCRIPTIONS DUE – See Page 2

Editorial

My plea for more frequent use of electronic mail last issue has certainly paid dividends (one reader mailed me within a day or so of receiving the journal). Even more impressively, the keynote article in this journal was entirely requested, written, transmitted (from Australia), edited and submitted to the typesetters via electronic media.

This series of events was initiated by an e-mail request from me to George Mickhail at Sydney University for a paper in his specialist area. This article was needed in fairly short time, and George replied to me (again via e-mail) the next day. One week later he had transmitted the paper (about 5,000 words) to my mailbox. I used a utility called FTP (file transfer programme) to move this document from the unix based mail server to my PC. Although there were one or two problems with format codes and layout - George's PC uses Windows, mine is still a DOS dinosaur - it was a very straightforward task to edit and customize the paper. This was then copied to a floppy and the result is for you all to see in the journal.

Now FTP is not the easiest way of transferring text from PC to e-mail (when I was with the Woolwich we had a very neat utility to do this as long ago as 1989 - 90). But the thought of initiating, posting, editing and submitting for publication in less than a fortnight using any other method is unthinkable. From this experience, I would like to set a challenge: if anyone has anything they wish published in the journal, send it to my mailbox and it will be published in the next issue (subject of course to my editorial prejudices!).

* * *

In keeping with the positive altitudes of the Group, there is now a special low cost option for student membership. Please pass this good news to any student acquaintances and relatives; computer auditing is a very useful skill even if their eventual career path is in mainstream computing or business. If any reader has connections with educational institutions through their work, or by teaching evening classes and training courses, I would be glad to hear from them so that copies of the journal and other information can be passed on.

* * *

This year's programme of discussions and conferences is now complete, and what a good year it was. In very trying times, with recession and redundancy threatening many of our group, the organizers of the events managed to produce some very positive speakers and many very lively debates. Next year looks just as interesting, why not tell your colleagues and employers about it? There are always spare copies of the journal available for potential members.

ROB MELVILLE

EDP AUDIT
NATIONWIDE

PRINCIPAL COMPUTER AUDITOR

Bucks   **To £25,000 + Bens**

Our client, a very successful international financial organisation is currently seeking to recruit an articulate, well qualified computer auditor with 2 years experience of Application and Installation reviews on large systems, preferably IBM, UNISYS, MAINFRAMES and also a background in reviewing Systems under Development and Security would be desirable.

UTILITIES

UK Wide   **To £35,000 + Bens**

Our client, a leading international consultancy specialising in the Electricity and Water industries is seeking to recruit a number of Auditors with extensive PC/LAN Audit skills. The successful applicants will be self motivated, enthusiastic and fully PC literate with programming and analysis abilities. Excellent communication and presentation skills are also essential.

SENIOR COMPUTER AUDITOR

South East   **To £25,000 + Bens**

This multinational plc currently undergoing major expansion in its EDT Audit department is seeking to recruit an EDP Auditor with a minimum of 18 months experience, carrying out reviews on a variety of applications and installations (preferably IBM mainframe). Some exposure to auditing systems running under development is of particular interest.

AUDIT YOUR BANKER

City   **To £30,000 + Bens**

Our client, an international merchant bank is currently seeking to recruit a Chartered Accountant with a minimum of 2 years EDP Audit expertise. You will be directly responsible for carrying out audits throughout the UK and Europe on a variety of applications. Ideally you have banking expertise and are under the age of 30.

COMPUTER AUDITOR

Scotland   **To £22,000 + Bens**

This major plc with its large IBM mainframe installation requires an EDP Auditor (preferably QiCA or CISA qualified) to preform system under development reviews, and to get involved in the planning and management of a variety of audits throughout the organisation. Excellent career prospects are on offer.

COMPUTER AUDITORS
Move Into Consultancy

UK Wide   **To £30,000 + Car**

This leading consultancy is currently undergoing major expansion throughout its UK Computer Audit Services division. They require Graduates with an accounting or DP background who have a successful 18 months EDP audit track record. The applicant's experience should include reviewing systems under development. This company will allow you to broaden your EDP audit skills through the variety of assignments it has to offer.

PC LAN AUDITS

City   **To £35,000 + Bens**

Expanding EDP Audit team within this international bank requires a graduate Chartered Accountant with 2 years EDP Audit skills. The successful applicant must be able to demonstrate a track record reviewing PC LAN systems. Excellent career prospects and benefits package are on offer.

SYSTEMS DEVELOPMENT AUDITORS

Midlands   **To £25,000 + Bens**

This leading financial services organisation requires computer auditors with a solid track record reviewing systems under development. The hardware environment is IBM AS400 and applications are financial. This company offers excellent opportunities to study either for the QiCA or CISA qualifications.

NORTH WEST OPPORTUNITIES

Computer Auditors   **To £25,000 + Bens**

We have currently been retained by a number of blue chip companies in the North West who are interested in recruiting qualified Chartered Accountants or DP professionals with a minimum of 18 months EDP Audit experience. Your audit background should encompass a range of skills including application and system under development reviews on mainframe or PC hardware. Fast track career progression is on offer to the successful candidates.

CONTRACTS! CONTRACTS!

Nationwide   **Excellent Rates**

Have you audited the following systems?

* Billing * Stock Control * Payroll * Email * Unix

If so, then contact one of our consultants NOW!

Contents

Chairman's Corner

John Mitchell

We are now at that time of the year when we are preparing ourselves for the excesses of next season. Elsewhere in the Journal you will find a programme card and, more importantly from my point of view, an invitation to renew your membership. You will notice that our subscriptions have increased, but we are still far cheaper than other professional groups and the discounts that we offer far exceed, by a couple of hundred pounds, the cost of membership.

The increase is our first in three years and only our second in the last seven, and, as before, we do not wait until we are in trouble, but try to head it off before it happens. Our operational costs now exceed our membership income and the drop in interest rates has hit our investment income. We believe that prompt action now will prevent heartache in the future, so please believe us when we say that the pain is necessary.

In exchange, we offer you a quality meeting programme and a superb Journal. Whatever happens we intend to maintain our traditionally high standards.

* * * * * * * *

The annual debate with our colleagues from the EDPAA was very enjoyable. The motion that 'this house considers that contracting out internal audit is a good idea' was, roundly defeated (3 in favour, 12 against and 2 abstentions). The final result contrasted markedly with the pre-debate vote where the figures were much more finely balanced (7 in favour, 7 against and 3 undecided). The debate was robust, informative, amusing and entertaining and great credit must go to the teams for their presentations. Well done Derek Oliver, Ragu Iyer, Bill Barton and Steve Bones for a most enjoyable evening.

* * * * * * * *

I wish you all a very peaceful summer and look forward to meeting many of you at our meetings next season.

Membership Renewal

Some of you reading this edition of our Journal will not have renewed your subscription for next season (subscriptions are due in August of each year). Others of you may be unsure whether you have renewed, or not. If you are in this last category, please contact our membership secretary, Jacqui Race, at the Stock Exchange on 071 797 3551 to establish the current situation.

If you have not yet renewed your subscription, I urge you to use the renewal form that you will find elsewhere in this Journal otherwise you will lose out on the significant benefits of membership. These include:

- free attendance at our late afternoon meetings
- free quarterly journal

- 20% reduction in the subscription price of the *Computer Fraud and Security Bulletin*
- 20% reduction in the subscription price of *Computers and Security*
- a saving of at least £75 on our own Annual Conference
- 25% reduction in the subscription to the *Quality Software Report* newsletter
- discounts on attendances at many other conferences and training opportunities
- the opportunity to take part in our twice yearly Discussion Group

As Corporate membership costs only £75, you will realise that membership of the Group can actually save your organisation many hundreds of pounds each year.

☞ RENEW NOW TO RETAIN THESE IMPORTANT BENEFITS ☜

Chairman's Annual Report - 1992/93

This is the text of a report given by the chairman at the AGM

Introduction

Five years have now passed since I first had the honour to address you as chairman of this group. During that time, the foundations laid by my predecessors have been consolidated and expanded by the hard work of your Management Committee. Unlike many other professional groups, ours is still on a firm financial footing and this report is really a tribute to the members of the committee who have made this possible.

Management Committee

Your management committee comprises four elected positions (chairman, secretary, treasurer and auditor), as required by the rules of the BCS, and a number of co-opted volunteers. The chairman is required to be a BCS member and it is desirable that the other elected officials, with the exception of the auditor, are also members, although there is some flexibility on this point.

There were a few changes to the committee membership during the year, due to changes in members' personal circumstances and two members have indicated that they will be unable to serve next season. Chris Birt, who has helped to organise our Discussion Group and Ian Longbon who has organised our Annual Conference for the last three years have had to relinquish their responsibilities. I am sure that you will join me in my thanks to them and wish then every success for the future.

The list below shows the committee for next season. As you notice, each member of the committee has a defined responsibility and where possible there is some "shadowing" of roles to cater for the invariable moves that take place where professional people are concerned.

Elected Officers

Chairman:
John Mitchell   Little Heath Services

Secretary:
Raghu Iyer   KPMG Peat Marwick McLintock

Treasurer:
Fred Thomas   Retired Consultant

Hon. Auditor:
Tony Locke   Day Smith & Hunter

Members & Associated Responsibilities

Meetings
John Bevan   Audit & Computer Security Services

Meetings
Alison Webb   Independent Consultant

Press & PR
Jarlath Bracken   Zurich Insurance

Membership
Jacqui Race   The Stock Exchange

Journal
Rob Melville   City University

Discussion Group
Steve Pooley   Independent Consultant

Discussion Group
Bill Barton   The Rank Organisation

Conference
Paul Howitt   Tesco Stores Ltd

Publications
Nigel Smith   NJ Associates

Finances

The report from Fred Thomas, our Treasurer, shows that although we are financially sound, we are not covering our operating costs. This, together with our fall in investment income has forced us to propose a motion to increase our subscriptions. This is the first increase for three years and only our second in the last seven, so please believe us when we say it is necessary. At this stage I must add a word of praise for Fred Thomas our astute Treasurer, who is without doubt the best Specialist Group Treasurer in the BCS.

Membership

Our membership records, which have been ably maintained by Jacqui Race and her computer tells us that we currently have almost 400 members; a pleasing near doubling of our membership in the last four years. An analysis of the membership shows:

By type of Membership	1993	1992	1991	1990	1989	1988
Corporate	191	224	245	195	140	139
Individual BCS	64	63	57	45	33	35
Individual Non BCS	100	106	78	61	34	37
	355	393	390	301	207	211

By Discipline	1993	1992	1991	1990	1989	1988
External Audit	26	42	48	47	41	38
Internal Audit	277	309	290	214	130	151
Other	52	42	52	40	36	22
	355	393	390	301	207	211

The drop in numbers is disappointing, especially as it is in the corporate category. Although this may not be unexpected in recessionary times, it does raise the question as to whether organisations take seriously the need to control their I.T. environment.

I still have my own personal goal of 500 members, but that still looks a little way off, despite the value and quality of the service we offer to members.

Discussion Groups

Two Discussion Group meetings were held during the year; the first discussing the advantages and disadvantages of the differences between the systems based audit approach and substantive testing and the second with computer insecurity. Steve Pooley and Chris Birt were responsible for the exemplary administration in both cases.

The format is to have four sessions, each of which is addressed by a speaker for about 30 minutes, followed by about an hours discussion. We limit attendance to keep the meeting small enough to ensure that discussion actually does take place.

Both meetings were well supported, even though we make a charge to cover the cost of accommodation and refreshments.

Meeting Venue

Our regular and popular venue, at the Institute of Public Health and Hygiene in Portland Place, has served us well and we will be continuing our use of these facilities for next season.

Member Meetings

The annual meeting programme was ably handled by John Bevan and Alison Webb. The subjects covered, including our annual conference and two discussion groups, were as follows:

1992	Subject	No.of Attendees
6th October	EDI Security & Audit	25
22nd October	Systems Based v Substantive Audit (Discussion Group)	40
10th November	TickIT Auditing	27
27th November	Facilities Management (joint with IIA Midlands)	32
1st December	Outsourcing Computer Audit	18

1993		
13th January	Controlling IT (Joint Meeting with IIA)	43
9th February	Mainframe to Micro Security	25
23rd February	Computer Insecurity (Discussion Group)	38
9th March	Annual Debate (Joint Meeting with EDPPA London)	20
13th April	UNIX Network Security	27
12th May	System Integrity (Annual Conference)	20

On average, the attendance at our meetings is up on last year which is pleasing in view of the effort and cost involved in running them.

The Journal

Under Rob Melville's stewardship, our main communication arm with our membership goes from strength to strength and it has become the envy of other Specialist Groups within the BCS. For those members unable to attend our meetings it provides valuable information at both a practical and theoretical level on computer audit and control matters.

Contributions from our members still provides the main material and I hope that more members will consider sharing their ideas and experiences in this way.

Other Publications

We are now receiving royalties on our book *Control and Audit of Databases*, which was produced as a joint effort with the Data Management and the Security specialist groups. We are also receiving a steady income from Malcolm Lyndsey's superb booklet on *Auditing the AS/400*. Thank you Malcolm.

Annual Conference

Our most recent conference, held in May of this year, was well organised by Ian Longbon and Paul Howitt and was on the subject of *System Integrity*. Attendance was disappointing and we made our first conference loss in over fifteen years. A sign of the recession perhaps, or are our discussion group activities eating into our conference attendance? This is something we will be looking at very closely during the next few months.

Liaison with the BCS

Our relationship with our parent body has improved over the last year and there is no doubt that they have a sneaking admiration for our professional approach in running what is a very successful small business. Small things, such as their attempt to enforce

counter-signing of our cheques, continue to rankle, but on balance we manage to keep a professional relationship with BCS Headquarters.

External Relations

Our annual joint meeting with the Home Counties District of the Institute of Internal Auditors was its usual success and we also held our second joint meeting with the Midlands Chapter of the IIA in Birmingham, although as previously, very few of our own members actually turned up. Based on our experiences over the last two years we now believe that we have firm evidence that there is no great demand for meetings outside of the London Area and we will therefore not be repeating the exercise.

We still enjoy good relations with our "sister" organisation, the EDPAA, and we work closely together to avoid duplication of subjects. We had our first joint meeting in the form of a debate on the subject that *"this house believes that contracting out internal audit is a good idea"*. An enjoyable and lively debate took place between the two mixed teams who had volunteered to debate the motion with the final vote being a resounding defeat for the motion. The whole evening was so enjoyable that we have agreed to repeat the exercise next season.

During the year, members of your committee also addressed the EDPAA's European Conference and various BCS promotional meetings. This formed part of our policy to take every opportunity to increase the visibility of the Group.

Conclusion

The past year has been a year of great progress which has only been achieved due to the hard work of your management committee. I would like to propose a vote of thanks to them on your behalf, but more especially on my behalf, as without their generous help and support my job would be impossible.

John Mitchell
12th May 1993

Guidelines for Potential Authors

The Journal publishes two types of article: refereed and invited. Refereed articles should be technically oriented, and based on current or future issues related to computer audit, security or control. This type of article will be reviewed by at least one member of the editorial panel (anonymously). If published, it will be identified as a refereed paper.

An invited article need not be technical or overly academic (even Computer Auditors have a sense of humour!). In fact it need not even be 'invited'. Submission without invitation is encouraged and although this may lead to severe sub-editing by the Editor, submission will virtually guarantee publication.

We also invite members to volunteer for book, product and course reviews (anonymously if required).

Why not call Rob Melville at CUBS (071 477 8646) to discuss how you can get your name in print?

ADVERTISING IN THE JOURNAL

Reach the top professionals in the field of EDP Audit, Control and Security by advertising in the CASG Journal.

Our advertising policy allows advertising for any security and control related products, services and jobs.

For more information, phone Rob Melville on 071 477 8646.

YET ANOTHER DISCOUNT

We have arranged for our members to receive a 15% discount on the price of a one day pass to the IBC Conference on "Exploiting New Technology for Competitive Advantage". You will see from the enclosed brochure that this represents a substantial saving on the normal price of the conference and once again illustrates that membership of CASG pays for itself many times over.

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30TH APRIL 1993

RECURRING ACTIVITIES

	1992-93 No	1992-93 £	1991-92 No	1991-92 £	1990-91 No	1990-91 £
INCOME						
Subscriptions – Corporate Members	54	2700	67	3350	71	3295
– Individual Non BCS Members	114	1704	103	1545	78	1070
– Individual BCS Members	66	660	61	610	57	543
	234	5064	231	5505	206	4908
BCS Allocation (Office Services)		(116)		116		500
Interest on Bank Accounts		1312		1615		2320
Discussion Days – Net Income	£2570		£1676		£1580	
– Less Net Expenditure	2177	393	1417	259	1681	(101)
Sundry Income		–		161		459
Joint Meetings (Share of profits)		51		(23)		290
Total		6704		7633		8376
EXPENDITURE						
Members' Meetings – Hire of Halls	£435		£390		£734	
– Speakers' Costs	£280		£143		£147	
– Audio Visual Aids	60		52		(45)	
– Refreshments	£651	1426	£782	1367	£724	1560
Programme Cards		935		984		814
Administration		614		632		392
Journal (Net cost)		3666		2365		1565
Development Project		954		–		–
Total		£7595		£5348		£4331
RECURRING ACTIVITIES SURPLUS/(DEFICIT)		(£891)		£2285		£4045

SPECIAL ACTIVITIES

	1992-93	1992-93 £	1991-92	1991-92 £	1990-91	1990-91 £
CONFERENCE – Income (net)	£5489		£5428		£4070	
– Expenditure (Net)	£3944	1545	£3350	2078	£4180	(110)
SALE OF BOOKS – Income and Royalties	£358		£337		£55	
– Expenditure	£118	240	£21	316	–	55
INTEREST – Special refund of Income Tax		1257		–		–
SPECIAL ACTIVITIES SURPLUS/(DEFICIT)		£3042		£2394		(55)
OVERALL – SURPLUS		£2151		£4679		£3990

			Represented by:	
Fund Balance 1.5.92	£29465		Cash at Bank and on Deposit 30.4.93	£33687
Add 1992-93 Surplus	£2151		Accruals, Advance Receipts & Creditors 30.4.93	(£3409)
Fund Balance 30.4.93	£31616		Payments in Advance and Income due 30.4.93	£1338
				£31616

A.J Thomas
3.5.1993

****TOP SECRET****TOP SECRET****

Your chairman managed to spirit away the following top secret document from NATO headquarters.
Please eat it after memorisation so that you can counter any gobbledegook from I.T. people with some of your own!

NATO COMPUTASPEAK by MWGS Staff EGUERMIN, OSTEND

6502 – The year you will finally pay off your computer.

6800 – The year you will finally pay off your peripherals.

BASIC – Computer language used for generating errors. Most billing programs are, apparently, written in BASIC.

BATCH PROCESSING – Making lots of cookies at once.

BCD – Three of the first four letters of the alphabet.

COBOL – Far better than MOBOBOL.

COMPONENT – Part of a computer, usually forgotten when the machine was sold to you, that cost extra.

CRASH – Normal termination.

EBCDIC – Security code for IBM computers. Means "Erase Backup, Chew Disk, Ignite Cards". For a variety of obvious reasons, only IBM computers use EBCDIC code.

EXECUTION – What your computer did to your program, also known as murder.

FORTRAN – A high level computer language used by those who have mastered BASIC syntax errors and are looking for a challenge.

INSTRUCTION – A suggestion made to a computer.

KEYBOARD – The most important part of a computer. Resembling a typewriter, a keyboard is used for entering errors into a computer.

LOOP – (see LOOP).

MANUAL – A handy book, to be used as a guide to your computer, software and peripherals. It is usually a photocopy of some hand-written notes, and tells you how to use the manual and not how to use the computer, software or peripherals.

NULL STRING – The result of a four hour sort.

RESET – Another method of ending four hour sorts.

REDUNDANCY – Kkeybbouncce.

SCREEN – A wire mesh which protects the computer from the programmer.

SCROLL – What the instructions do when you are trying to read them.

SPECIAL CHARACTER – One of the characters used in computer expressions, like &, $, %, £ and , as in the famous expression "&$%£ ".

STAND ALONE – What happens to a programmer who starts talking about computers at a party.

SAVE – What you should do before you buy a computer.

RESERVED WORDS – All the good ones that you wanted to use.

SNOBOL – Computer language used in cold climates.

OFF-LINE – A computer joke in bad taste.

ON-LINE – A computer joke in good taste.

PERIPHERAL – Something attached to your computer with wires, cables or chewing gum, such as the case, the monitor, whips and chains, dynamite and other programming aids.

ERROR – A programmer's decision to skip making a flowchart and exclude comments.

OBJECT CODE – Reason given by computer as to why it won't run a program.

BOOT – Good way for ending four hour sort.

CHIP – Used in computers, they come in four flavours: silicon, potato, chocolates and buffalo.

DOCUMENTATION – Instructions which come with hardware or software and explain how much more money you will have to spend in order to get your hardware or software to work.

I/O – Abbreviation of the phrase used by programmers which they watch their programs, known in full as "Aaaaaaaaiiiiieeeeee Oooooooooooooooooooohh...!"

MIPS – Meaningless indicator of processor speed.

BULLSHIT – Biggest United Liaison of Leading Suppliers of Hardware Innovative Technology.

PACMAN – Patiently Awaiting Computer Manufacturer's Arrival News.

BOOK REVIEW
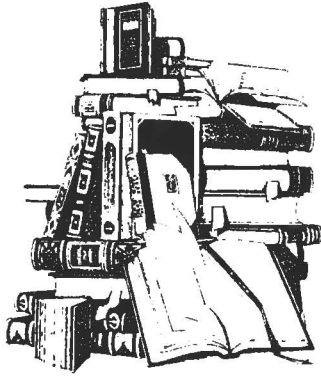
TITLE:
Data Protection & Security
For Personal Computers

AUTHOR:
Robert Schifreen

PUBLISHER:
TTK Technical Publications Ltd (081 995 9845)

PRICE: **PAGES:**
£145.00   327

This book is sub-titled "a management guide to security for personal computers and local area networks" , but I believe that its target audience is really much wider than that implied in the sub-title. Mainly because Mr Schifreen uses the word "security" in its wider sense to embrace integrity and availability, rather than simply confidentiality.

Now I have long argued against us computer auditors using the wider definition, as I believe that it clouds the issue between control and security, but perhaps this is a personal idiosyncrasy that I will have to overcome as everyone else seems to expect security to include everything. I would have been much happier if Mr Schifreen had used the word "control" rather than "security", but he has not and the resulting book is none the worse for it.

The book is sensibly structured, easy to follow and avoids any sensationalism; which some readers who know Mr Schifreen's background may find surprising. His starting point is an evaluation of the likelihood of the potential threats, followed by an introduction to risk analysis, before moving into an explanation of the PC itself. All this is clearly explained and helps to set the scene for the real meat which includes chapters on hacker motivation, management tasks, creating a security policy and what to do if you suspect a breach.

Various sections then deal with the role of the security manager, the different types of back-up, viruses, access control and software piracy. The author then moves onto LANs, encryption, software development, trouble shooting and network considerations. There is a handy chapter on legislation and a section called the "resource guide" which provides a useful reference to many products and provides useful addresses and telephone numbers. The table of contents makes it easy to find a particular section and the index is sensibly structured and simple to use.

I found the book a very useful addition to my library and having everything in one place certainly makes it a useful tool for the busy auditor. However, in view of the progress of technology, I wonder whether Mr Schifreen would consider offering a regular upgrade service in order to keep it up to date in the future!

John Mitchell

Review of Audit Conferences Europe
Audit Automation Conference, 1993

Rob Melville

This three day conference was targeted at auditors (internal and external) who wished to gain practical knowledge of the state of the art techniques for automating their audits. Conference literature made it plain that a major selling point was value for money, and indeed its price was very reasonable compared to its competitors.

So was it worth attending? If I were the Head of Audit, and had sent my staff to gain a good grounding in computer audit techniques for an economic price, the answer is an unqualified yes. But if I were a senior auditor, using up precious conference time, then my answer would be more guarded: too many of the sessions were either too specific (such as VME) or too general (like the quality debates). Overall there was much more to applaud than to criticise, and the networking (in the human sense of the word) was excellent; lots of enthusiastic auditors mingling with some very useful speakers and exhibitors.

Letter from a reader:

Dear Rob,

**Computer Audit Training and Qualifications-
Article by John Mitchell in the Spring '93 CASG
Journal**

I have just read the above article in the Journal
and thought that I must write to express my views on
its contents, I presume you may have anticipated
some response from your comment in the Editorial.

Qualification in Computer Auditing (QiCA)

My first point concerns the understatement and
misrepresentation of the QiCA qualification.
A qualification cannot say that it will help you to
become something. It is awarded in recognition of
the fact that you have attained a required level of
learning and experience (if necessary to obtain it).
The 'mistake' in insisting on completion of a course
of learning approved by the IIA helps specify the
learning requirements in becoming a computer
auditor. It also ensures that the learning results in a
demonstrably high level of learning to a national
standard by examination. An additional point
relating to QiCA is that it also ensures a breadth of
coverage, by requiring that the three (not two!) years
of logged and certified experience relate to a range of
IT audit areas (operating systems, PC's,
Communications, etc.). The 'couple of computer
audit and one management related' set of papers
required for this qualification are based on a broad
syllabus and take 9 hours to complete, rather longer
than the 'one day' CISA examination. *(I am not
aware of the level of management theory and practice
are included in the CISA examination, and therefore
cannot comment on the EDPAA's testing of this
crucial area of auditor development.)*

The 'dot' model is therefore deficient in that, in
relation to 'I.T. KNOWL' for QiCA, it represents
the level of knowledge of an entrant to the
programme, not the level required to gain the
qualification. A quick look at IIA papers 4 and 6c will
reveal that superficial knowledge will not be
sufficient to gain a pass on either paper. (Results
relating to paper 4 - the basic computer audit paper -
by non-computer audit candidates bear this out).

International recognition for QiCA is achieved
through the affiliation of IIA-UK with other
international IIA bodies throughout the world, the
IIA-UK being a leading body in terms of membership
and auditor development.

The low number of people who can use the
designatory letters *may* be due to the fact that this is
a very new qualification (in relation to CISA) and is
not easy to attain due to stringent experience
requirements and rigorous examinations. From day
one there was no attempt to boost numbers by saying
that all those who had been in 'computer audit' in all
its various guises for x years 'must have reached the
standards required'. My belief is that, like the MIIA
diploma itself, the recognition of the quality of the
candidates produced by this programme will grow as
the holders go out and 'do their stuff'. (I am also
biased - see below!)

The 'commitment' of CISA candidates (1 day and
no formal course of tuition) was recognised. I would
suggest that there is equal commitment displayed by
QiCA candidates who volunteer for the formal
tuition and triple examination torture of the IIA.

Member of the British Computer Society

My second, shorter point, concerns the MBCS
references in the article. The qualification, by
examination and experience, is the MBCS. The
'higher' *(senior?)* letters - FBCS - are awarded to
members who are at least 30, with a minimum of 8
years practical experience in IT (5 of the 8 in a
position of eminence or authority) and sponsored
appropriately, thus *not by examination* and therefore
not the MBCS which the earlier parts of the article
refer to. The quote given towards the end specifically
refers to the 'Fellow' designation and bears no
resemblance to the MBCS students (majority under
30) who took part in the course of study with me. The
combining of MBCS and FBCS in references under
the quote at the end of the article is therefore
particularly misleading.

Conclusion

If this article was penned as an unbiased,
informative view on the subject I do not believe it
succeeded. The bias towards CISA is apparent
(though admitted by the author mid-way through),
whilst the potential understatement of the
requirements of the QiCA qualification is also
significant. If, on the other hand, it was intended to
generate correspondence on this subject it succeeded
- well done!

Yours sincerely

Brian Selby MIIA, MBCS, QiCA
Cannock

Computer Audit Duality

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N.S.W. 2006 - Australia

ABSTRACT

This paper considers computer auditing as an area of practical knowledge that lends itself to several disciplines: philosophy, accounting, auditing, and information systems. In our role as interdisciplinary practitioners and researchers, we should draw upon knowledge and experience from other related disciplines to provide us with an insightful understanding of our own.

The main concern within computer audit is to make sense of and evaluate the human-computer interaction. This interaction can be seen in terms of the mind-body problem or duality, which has long been a concern of philosophers. The problems identified with it may prove to be useful in giving an insight to problems in computer audit.

Analysis is based on computer audit duality problems. The critique provides an enlightenment of how to interpret the socio-technical inscriptions present within a computer audit situation, coupled with a semiotic application to its inherent problems, and aims to provide a different view of computer audit approaches and computer audit in general.

Key Words

accounting, auditing, computer audit, enlightenment, information systems, philosophy, semiotics.

Introduction

The interface between humans and machines can be described as a socio-technical interface where humans and machines communicate. This socio-technical interface presents us with a modern formulation of duality or the mind-body problem. Drawing upon philosophy and its wealth of experience may ssist in examining the mind-body problem, an understanding of the socio-technical interface and its interrelated communication problems.

Communication consists of elements which we can analyze in terms of a continuum: from context through meaning, syntax and code. An act of communication is successful when the intentions of the sender are understood by the receiver. When humans try to make sense of their own reality or simply of what exists, they are merely describing their own interpretation of what they perceive to exist. Humans use their own way of communicating to describe themselves and to realise their own world. They use language - a system of signs - to represent what they perceive to exist and communicate to one another.

'Information' is a widely used term in many fields and contexts. It has come to mean all sort of things, and is often used in a careless or imprecise manner. Information offers a basis for studying organisations; widespread human communication (signification) problems and the role of computers in mechanical manipulation of signs from a common perspective.

Semiotics (the theory of signs) is an established area of study which can provide a common framework for the interpretation of human and computer based signs. This paper attempts to explain the socio-technical interface duality using a semiotic framework. I have provided an interpretation of the socio-technical inscriptions as follows:

- an outline of the socio-technical interface

- an analysis of the socio-technical interface duality in a computer audit context

- an interpretation of what I see as the socio-technical inscriptions

Socio-Technical Interfaces

The interface between a human and a computer can be described as 'that part of a system that the user comes in contact with physically, perceptually or conceptually' (Moran, 1981). For the purpose of this paper, I would like to refer to this interface as the socio-technical interface (Fig.1).

On one side of the interface I am concerned with the human or the social aspect; on the other side, my concern is with the total Computer Based Information System (CBIS), including models and structures, assumptions and values, embedded in the CBIS, rather than just the machine itself (Hirschheim *et al*, 1989).

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┌─────────────────────────────────────────────┐
│ ┌───────────┐  ┌───────────┐  ┌──────────┐   │
│ │ COMPUTER  │  │           │  │          │   │
│ │  BASED    │  │  SOCIO    │  │          │   │
│ │INFORMATION├──┤ TECHNICAL ├──┤ HUMANS   │   │
│ │  SYSTEM   │  │ INTERFACE │  │          │   │
│ └───────────┘  └───────────┘  └──────────┘   │
└─────────────────────────────────────────────┘
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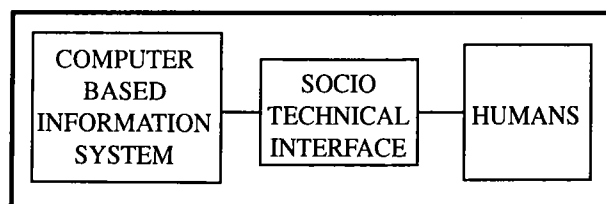
FIGURE 1 - *SOCIO-TECHNICAL INTERFACE*

In a Computer Audit context, computer auditors should be able to define their own reality. That is, what are the different socio-technical interface(s) within the client's system? How many interfaces are there in the client's system? Why should we identify and classify these interfaces according to a certain way?

Duality of the Socio-Technical Interface

General View of Duality

Duality or the mind-body problem has been a major concern of metaphysicians, especially since the rise of modern philosophy in the seventeenth century. On one hand we have the mind which is the mental state of our existence and the body which is the physical state of our existence. The mental state is trying to make sense of our physical state and is trying in some way or another to rationalise the interaction with it. Hence it creates and offers us what we can refer to as the mind-body interface. This interface represents the perceptual interactions between each of these two interrelated problematic states of our existence.

In a way, the socio-technical interface portrays duality in a modern setting. On the one hand we have the mind or the social aspect of the interface and on the other we have matter or computer technology. Duality (Sprague, 1978) in its broadest sense involves answering two questions:

what is the fundamental nature of mind and body?

how are mind and body related?

Russell (1967) argues that what we know about mental and physical events might well lead one to suspect that the most general characteristics of each are different from one another, and yet that they seem to bear some relation to each other, or some influence upon one another.

When something happens in the physical world of the CBIS, this affects the world of the social system, and may change one's thoughts, wishes, etc. Similarly, a desire that one may have can alter events in the physical world of the CBIS, as when one decides to change what is being stored inside the CBIS: information. More particularly, it can afflict an unauthorised change to the events in the physical world of the CBIS; ie, by computer abuse.

Computer Audit - A Case for Modern Duality

Computer Auditing functions in a way that can be described as a field that 'seeks an understanding of socio-technical systems inscriptions', where humans and computers interface and interact in a human based activity that is being examined by human auditors. A human activity involves more than what can be captured, represented and manipulated by

quantitative measures. It involves an exchange of an interest based on an intention through an act of communication.

Duality of the socio-technical interface within a Computer Audit context may involve answering the questions 'what is the impact of the social system on the technical system?' and 'what is the impact of the technical system on the social system?' This can be demonstrated in the following diagram (Fig.2):
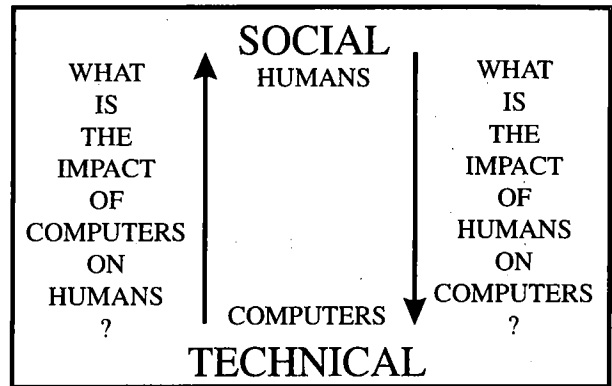

FIGURE 2 -
SOCIO-TECHNICAL INTERFACE DUALITY

It is fundamentally important to realise that it is the social system that is trying to find a rationale to make sense of the physical system not the other way round. In other words, the social system should be the focal point of any investigation that would address the interface. It is from the perspective of the social system that we are questioning and addressing the interface.

Computer auditors study, assess and evaluate computer based information systems (Fig.3). A computer based information system is another form of a socio-technical system, where humans as accountants or accounting clerks input and retrieve data to and from the accounting information that is being processed in the computer. So they are inflicting a change to the physical world of the computer and getting affected by the changes that they have caused in the first place.
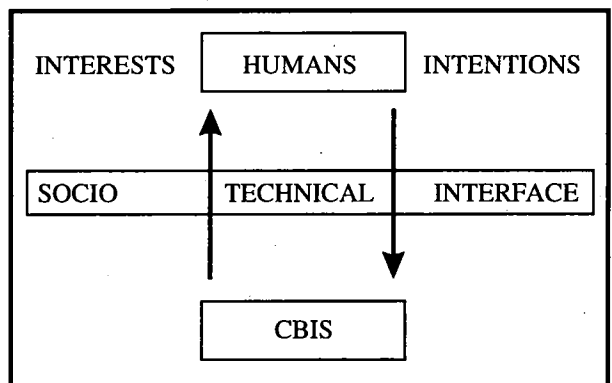

FIGURE 3 -
COMPUTER AUDIT AS A SOCIO-TECHNICAL SYSTEM

These two relationships (HUMAN -> CBIS & CBIS -> HUMAN) provide us with the duality problems, that we are supposed to make sense of in our own way as Computer Auditors. Both of these relationships comprise our concern within the course of an audit. Auditors will be concerned in locating the socio-technical interfaces that portray this form of duality and plan the audit to address the different problematical issues that are associated with their duality.
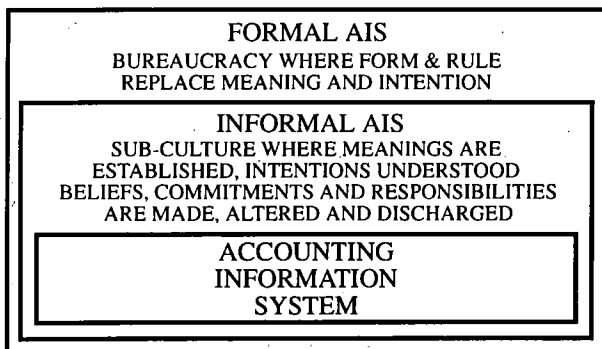
In addressing a dual relationship, we are concerned with what exists in the auditee's socio-technical interface, that is the relationship between the humans or the auditee's employees that interface with the auditee's CBIS. This group of humans should be considered in terms of the dual relationship between themselves and the CBIS that they interface with. The duality of the relationship incorporates two aspects that are of particular importance to the auditor:

(i) **who are the humans that can inflict a change to the AIS?**

Here the auditor will be concerned with the people that can directly or indirectly inflict a change to the system. These may include: programmers, system administrators, accountants and accounting clerks that affects the CBIS or are the agents of change within the CBIS. Their roles may be considered in terms of their intentional states of action, by which is meant their intentional states of action, their formal and informal ability to inflict change upon the CBIS.

Formal Systems, Informal Systems and Change

Change (Fig.4) may occur because of the formal system's (Organisational) rules to force it upon the AIS at a certain time e.g., update an employee pay record in the employees database at the end of the week, or because of the informal system's intention in inflicting it eg., destroy the employees database or perhaps update the database with fictitious information.

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┌─────────────────────────────────────────┐
│           FORMAL AIS                     │
│   BUREAUCRACY WHERE FORM & RULE          │
│   REPLACE MEANING AND INTENTION          │
│ ┌───────────────────────────────────┐   │
│ │         INFORMAL AIS              │   │
│ │  SUB-CULTURE WHERE MEANINGS ARE   │   │
│ │ ESTABLISHED, INTENTIONS UNDERSTOOD│   │
│ │ BELIEFS, COMMITMENTS AND RESPONSIBILITIES │
│ │ ARE MADE, ALTERED AND DISCHARGED  │   │
│ │ ┌─────────────────────────────┐   │   │
│ │ │       ACCOUNTING           │   │   │
│ │ │      INFORMATION           │   │   │
│ │ │        SYSTEM              │   │   │
│ │ └─────────────────────────────┘   │   │
│ └───────────────────────────────────┘   │
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FIGURE 4 -
FORMAL SYSTEM, INFORMAL SYSTEM & CHANGE

A Formal System can be thought of as the bureaucracy where form and rule on how to inflict change to the AIS, are being laid by the auditee's organisation. The auditor's concern within such a system is to assess whether the auditee's employees are functioning within the formal system, ie., they are following the rules on how to inflict change to the AIS.

On the other hand, an Informal System may be described as the tendency of humans within the formal system to interpret the formal rules and regulations according to their own sub-culture where meanings are established, intentions understood, beliefs, commitments and responsibilities are made, altered and discharged. In doing so, they present the auditor with the informal system that requires sufficient consideration in addressing why the formal rules have not been followed, why certain controls are there, why other controls should have been there.

(ii) **who are the employees that will be influenced by the changes made to the AIS**

In this case, the auditor is concerned with the people that are directly or indirectly interested in the system. These may include: executives, administrators, accountants, accounting clerks that are affected by the CBIS. Humans tend to resist change especially if it threatens their existence or the way they are. It is often the case that individual interests might not coincide with group or organisational interests. Their roles may be considered in terms of their intentional resistant states of action. I mean by intentional resistant states of action, their formal and informal ability to inflict resistance upon the CBIS change agents or factors. This can take several forms: claiming inadequacy of the information provided by the CBIS, continuous complaints about the CBIS inability to provide politically correct information.

Resistance to change may be viewed in a similar way as individuals response to change. The above diagram, Fig.4, outlines and explores the formal and informal interrelationships within an organisation. At a formal level, resistance may take the form of obstructing the introduction of new automated modules by discrediting their effectiveness and efficiency factors. At an informal level, employees may consider the introduction of a new computer system as a threat to making some of them redundant, so they may resist its introduction by all available means.

In considering both of the above questions, the auditor will be in a position to address the accountability of both of these groups of humans within the auditee's CBIS. Accountability in the sense of who is doing what with the AIS, and who did

what to the AIS. This may provide some focal direction to the audit plan, audit tests and audit judgement. In other words, this will provide a richer picture of the auditee's socio-technical interfaces and would contribute to the auditor's interpretation of the auditee's socio-technical inscriptions.

Interpreting Socio-Technical Inscriptions

Since the invention of the wheel, it has been used in peace and in war, and were in a position to control its use for their own purposes. Computer technology is quite similar to that of wheel technology but it poses its own threat; where humans become one with this technology. They become one with it because of their use that affects it, as well as getting affected by it through: INFORMATION.

Information

In our human advancement in reaching for modernity (or it might be said, reinventing ourselves), computers were invented. They were built to describe and interpret information about our own human world using a human way of communicating our perception of it; through language or our systems of signs.

In our practical area of interest (computer auditing) we are particularly concerned with information problems. We tend to tackle them from many different perspectives depending on the context of information and our interdisciplinary expertise eg., systems engineering, computer science, accounting, auditing, operational research, management science.

A proper understanding of information can help us examine complex questions about information eg, their existence; their quantitative measures; their qualitative qualities; their valuation issues. Information is problematic because it can be defined in so many ways that may contradict one another and therefore we are left to choose either the best definition or the best combination of definitions for our purposes.

For our purposes, it is important to identify at least the following elements: information represents something or someone of our physical world; it cannot exist independently of the perceiving person who gives it meaning and somehow acts upon it, and the differences between data and information must be preserved, at least in so far as information is data organised by someone in a meaningful way for some perceived purpose.

When systems engineers face an information problem they may first look at the signalling or coding of messages. When computer scientists encounter the same problem, they may look first at the logic of the data structures. As for accounting specialists, they will be concerned with the social interactions and how to interpret accounting guidelines and procedures. Audit managers may take a broader look at the information problem and may be concerned with the business culture of the auditee's organisation.

All of these four views are relevant to different elements of communication in organisations. Our challenge as computer auditors is to hold together these apparently disparate approaches in such a way as to be able to use information to control, to construct, to improve, to manage the audit and above all understand and make sense of our role and realities.

One particular established area of study that can provide us with a firm foundation on which to build is Semiotics. Semiotics or the theory of signs is particularly useful for it provides a common framework to the human interpretation of both social and technical signs.

A Semiotic Approach to Computer Auditing

In any problem structuring method or problem solving approach, it is fundamentally important to recognize how the problem is being viewed. This is integral to information and computer audit, especially if these different views would affect how information is to be treated throughout the computer audit.

Stamper (1992) argues that the classical Methodologies (Systems Development Methodologies) all share the perspective that the world is an objective reality and information represents it, whilst messages flow, like a mystical fluid, carrying information around the systems we build.

If we adopt this view to computer audit, we can identify how our structured methodologies tend to concern ourselves with the processing of the messages leaving all concern for meaning and the purposes of the messages to the users because we feel they are issues outside our province.

What is Communication?

All communication (Jakobson, 1962; Saussure, 1960; Piaget, 1968) consists of a message initiated by an addresser, whose destination is an addressee. But the process is not as simple as that. The message requires contact between addresser and addressee, which may be oral, visual, electronic or whatever. Jakobson, (1962) argues that it must be formulated in terms of a code : speech, numbers, writing, sound-formations, etc. And the message must refer to a context understood by both addresser and addressee, which enables the message to 'make sense' - as the context of the present discussion enables individual phrases and sentences to be meaningful where otherwise (uttered at, say, a football match) they would not.

In a socio-technical interface situation, a communication involves at least two parties: a human and a CBIS. This process can be characterised as a set of activities involving a sender with intentions to convey, a medium or channel for carrying signals, and a receiver who has the ability to interpret those signals.

In considering the act of communication of signals through the socio-technical interface, the computer has no bearing on the intentions, the meaning, or the interpretation of those signals. Hence, communication of signals can be thought of as a social phenomenon where intentions are being communicated and interpreted by humans.

The socio-technical interface can be thought of as a medium for the communication of signs between the social and technical components. Both sign systems originate from the same source: humans. They have been created by humans and being interpreted by humans too. Hence, semiotics plays an integral role in bringing together both sign systems. This is important so as to be able to have some common method to the creation and interpretation of signs infiltrating through the socio-technical interface.

Signs

The classical definition (Stamper, 1992) of a sign - aliquid stat pro aliquo - was modified and expanded by C.S. Pierce into

A sign is something which stands to somebody for something in some respect or capacity.

Pierce's definition emphasises that a sign has at least three aspects:

(a) some physical representation;

(b) something to which this refers to or alludes;

(c) somebody able to interpret this relationship.

Communication takes place by the use of signs which have a number of properties. These properties of signs can be thought of in terms of Stamper's (1992) expansion on Pierce's definition to include the following: physical signs, empirics, syntactics, semantics, pragmatics and the social level. These levels represent a range from the most social to the most technical aspects of communication within which we can employ different analytical tools.

The levels can be seen in two parts: Pragmatics and Semantics correspond to the content and purpose of communication. Syntactics and Empirics correspond to the form and means. This would leave us with the Physical Sign itself which we need to account for, and the Social level is best understood as a process of imparting form to a social situation. The entire structure presupposes that responsible agents, which

SOCIAL WORLD beliefs, expectations, commitments, contracts, law, culture, etc.	S O C I A L
PRAGMATICS intentions, communications, conversations, negotiations, ...	
SEMANTICS meanings, propositions, validity, truth, signification, denotations, ...	
SYNTACTICS formal structure, language, logic, data, records, deduction, software, files, ...	T E C H N I C A L
EMPIRICS pattern, variety, noise, entropy, channel capacity, redundancy, efficiency, codes, ...	
PHYSICAL WORLD signals, traces, physical distinctions, hardware, component density, speed, economics, ...	

FIGURE 5 -
SOCIO-TECHNICAL SEMIOTIC LEVELS

might be individuals, groups, or larger organisations, have commitments, expectations and relations within social frameworks.

Pragmatics

Pragmatics takes into account the general culture and broad context of communication where we take account of the assumptions, expectations and beliefs of the agents involved, and assess them in relation to the social environment in which signs are being used.

Semantics

Semantics is concerned with meaning and knowledge where we take account of the connections that agents make between the signs that they use and their behaviour and actions.

Syntactics

Syntactics is concerned with the logic and grammar of communication where it provides us with tools for the construction of formal rules and the means by which they interrelate.

Empirics

Empirics describe the codes, signals and physical characteristics of the medium of communication where we employ the statistical description of the speed and quantity of signals and the mechanisms for encoding and decoding them.

Most socio-technical interfaces are difficult to understand when first looked at and require an analytical approach. The approach described above derived from the characteristics of signs, allows the auditor to see how socio-technical interfaces operate as sign processing systems where people do the

processing. It allows us to identify problems which would not otherwise have come to our attention. Then we can examine the different properties of signs employed in the interface, and the understanding which comes from that examination contributes to our ability to form better judgements. The process of analyzing signs and how they function is called semiotics.

Semiotics can be used to examine the socio-technical interface through identifying which parts of the interface would correspond to the different semiotic levels. As outlined earlier on, semiotics can be classified into two parts: (a) Pragmatics and semantics, and (b) Syntactics and Empirics. The first part (a) corresponds to the content and purpose of the communication, hence fostering the social aspect of the communication. The second part (b) corresponds to the form and means of the communication, hence, fostering the technical aspects of the communication.

The socio-technical interface was considered earlier on, to outline the communication process between humans and computers. I think that, now I can argue that, if semiotics as an approach is concerned with the communication process then it can be adopted to understand the socio-technical interface as a medium for communication. This is especially the case with the inability of classical structured methodologies to capture meaning and purposes of the messages within the system.

By doing so, there is a case that provides the basis for constructing a Semiological Computer Audit Approach. The reason is that the concept of a sign is not a vague one but, one that can be operationalised either by experiment, to ascertain the existence of regularity of behaviour, perception, judgement, etc. or by expressing the sign in a written form and asking for judgements about the validity of the formulation.

Conclusions

This aim of this paper has been to outline an alternative outlook that considers both the social and technical elements of computer based information systems. I have used the user systems interface which is a familiar concept to computer audit professionals. It is a concept that has often been dealt with in the information systems literature. I have intentionally used it, because I believe that any human activity is a mere information based system and it is our responsibility to address both social and technical implications rather than being only fascinated with the technical components of computer based information systems.

This outlook offers a way of perceiving what exists using the socio-technical interface view of a computer based information system. This view is particularly useful for it focuses on the communication process

which is central to our human way of existing in this world. I have outlined how both humans and computers communicate using signs. The socio-technical interface can be thought of as a medium for the communication of signs between the social and technical components. Both sign systems originate from the same source: humans.

Communication takes place by the use of signs which have a number of properties. These properties of signs may include the following: physical signs, empirics, syntactics, semantics, pragmatics and the social level. The levels can be seen in two parts: Pragmatics and Semantics, which correspond to the content and purpose of communication; and Syntactics and Empirics which correspond to the form and means. This would leave us with the Physical Sign itself which we need to account for, and the Social level is best understood as a process of imparting form to a social situation. The entire structure presupposes that responsible agents, which might be individuals, groups, or larger organisations, have commitments, expectations and relations within social frameworks. The process of analyzing signs and how they function is called Semiotics.

In conclusion, I would like to propose a different outlook to develop an alternative methodology to the traditional and classical methods, the aim of which is two fold:

(a) to enable auditors to capture meaning and purpose rather than form and means of what exists, so as to make better sense of our role and reality

(b) to call for a debate in defining and identifying what constitutes our interdisciplinary area of practical knowledge, that is Computer Audit.

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BRITISH COMPUTER SOCIETY

COMPUTER AUDIT SPECIALIST GROUP

Minutes of the Annual General Meeting
held at the International London Press Centre on 12 May 1993

Held in the presence of 14 members of the Group including the Chairman, the Secretary and the Treasurer.

1. Approval of the minutes of the 1992 AGM

The minutes of the 1992 AGM held on 13 May 1992 as circulated at the meeting were approved as a correct record of the meeting.

2. Chairman's Report

Dr John Mitchell presented this report for 1992/93 and highlighted the following:

* CASG is on a firm financial footing despite running a deficit on recurring activities. He thanked the CASG committee for their hard work during the year.

* After three years of maintaining the level of our subscriptions it is now necessary to increase these for 1993/94.

* The membership of our group has doubled in the last four years to almost 400; it is disappointing however that the numbers dropped a little this year, especially in the corporate category. John still has a personal goal of 500 members.

* There was a full programme of meetings including two joint meetings with IIA and one with EDPAA; the two discussion groups run during the year were successful and well supported. On average the attendance at our meetings was up on last year.

* We are now receiving royalties on our book *Control and Audit of Databases* and also receiving a steady income from Malcolm Lindsey's booklet *Auditing the AS400*.

* The 1993 annual conference was well organised although we anticipate making a loss for the first time.

* The joint meeting with the IIA Home Counties was successful as usual but not the one with IIA Midlands where very few people turned up.

* We enjoy good relations with EDPAA and work closely to avoid duplication of topics.

Our first joint meeting, a debate, was very enjoyable and so we have agreed to repeat it next year on a different subject.

3. Treasurers Report

Fred Thomas circulated a copy of the unaudited accounts for the year to 30 April 1993. Fred said that although these accounts show an overall surplus of £2,151 there is a deficit on recurring activities of £891. Bearing in mind that the discussion days run at a surplus, albeit a small one, the overall surplus is mainly due to the conference surplus of £1,545 and a one off special refund of income tax on interest of £1,257. This supports the need for a review of the subscription rates to safeguard our recurring activities by continuing to fund it out of the subscription income.

The accounts were duly approved at the meeting subject to the audit.

4. Election of Officers and the Management Committee

As there were no nominations for any of the officers' positions it was agreed that Dr John Mitchell would continue as Chairman of the Group, Raghu Iyer as the Secretary and Fred Thomas the Treasurer. The meeting also accepted the appointment of Tony Locke as the Hon. Auditor. On behalf of the Specialist Group, Fred Thomas thanked Tony Locke for undertaking this role.

The Chairman reported that Ian Longbon and Chris Birt were retiring from the Committee but the remaining members had all indicated their willingness to continue. John Mitchell asked members present to come forward to join the Committee and in response Nigel Smith volunteered. It was agrged that he will be allocated the responsibility of looking after the publications of the Specialist Group.

The meeting approved the election of the officers, the Hon. Auditor and the committee members as noted above. John Mitchell thanked Ian Longbon and Chris Birt for their excellent service to the Specialist Group over the past several years.

The Committee elected for 1993/94 was therefore as follows:

Officers

Chairman
John Mitchell   Little Heath Services

Secretary
Raghu Iyer   KPMG Peat Marwick

Treasurer
Fred Thomas   Retired Consultant

Members

Journal Editor
Rob Melville   City University

Members' Meetings
John Bevan   Consultant
Alison Webb   Consultant

Discussion Groups
Bill Barton   The Rank Organisation PLC
Steve Pooley   Consultant

Annual Conference
Paul Howitt   Tesco Stores Limited

Membership Secretary
Jacqui Race   The London Stock Exchange

Press & PR
Jarlath Bracken   Zurich Insurance Company

Publications
Nigel Smith   Consultant

5. Approval of new subscription rates

Referring to the 1992/93 operating loss on recurring activities John Mitchell said that he did not feel that it was appropriate to rely on non-recurring income to fund our recurring activities. In addition, the annual conference, which has always made a surplus in the past, is expected to make a loss of some £800 - £1000 this year. He therefore proposed that the membership subscription be increased as follows:

Corporate Membership   from £50 to £75

Individual Membership
Non BCS Members   from £15 to £25
BCS Members   from £10 to £15

A new student membership rate of £10 was proposed, and this should be for full time students provided they can forward a written affidavit from their tutors. It was noted that there has been no increase in subscription rates for the last three years and the proposed increases are therefore necessary.

The above proposal was put to the meeting. From the floor one member commented that the increase was somewhat high in percentage terms and felt that it might put off existing members who may not wish to pay more. After some discussion the proposal was put to the vote. The meeting voted 13 in favour and 1 against and according the increase in subscription charges were approved.

6. The proposed 1993/94 members' meeting programme

John Mitchell briefly covered the plans for next year which will be published in detail in the summer issue of the Journal. From the floor one of the members present offered an IBM speaker for the document image processing joint meeting with the IIA, if needed. This was noted.

John urged members to provide articles for the Journal which is now professionally designed and provides valuable information to the members.

7. Liaison with BCS

John Mitchell said that the new proposed companion membership of the BCS is of interest to the Specialist Group Members.

He also commented on the relative importance placed by BCS on quality audit qualifications as compared to those for the computer audit and the fact that the former was always placed one level higher in the BCS ISM. He felt that computer audit should be placed higher in the mainstream information technology.

There being no other business the 1993 AGM of the British Computer Society CASG was closed.

Masters Degree in Internal Auditing

South Bank University have launched its new part-time degree in Internal Auditing which will commence in the autumn of this year. The degree has Information Technology and Quality Assurance electives and is likely to be of interest to practising I.T. Auditors. For further details contact Marion Bateman at the University on 071 815 7868.

casg

Management Committee

CHAIRMAN	John Mitchell	Little Heath Services	0707 654040
SECRETARY	Raghu Iyer	KPMG Peat Marwick McLintock	071 236 8000
TREASURER	Fred Thomas	Retired Consultant	0371 875457
MEMBERSHIP SECRETARY	Jacqui Race	The Stock Exchange	071 797 3551
PUBLICATIONS	Nigel Smith	NJ Associates	0707 334421
MONTHLY MEETINGS	John Bevan	Audit and Computer Security Services	0992 582439
	Alison Webb	Independent Consultant	0223 461316
CONFERENCE ORGANISERS	Paul Howitt	Tesco Stores Ltd	0992 632222 Ext 54320
DISCUSSION GROUPS	Bill Barton	The Rank Organisation plc	071 872 6720
	Steve Pooley	Independent Consultant	0580 891036
MARKETING & PR	Jarlath Bracken	Zurich Insurance	0705 822200
JOURNAL EDITOR	Rob Melville	City University Business School	071 477 8646 SC355@CITY.AC.UK

Membership Application/Renewal

(Renewals are due in August of each year)

I wish to APPLY FOR / RENEW (delete as appropriate) my membership of the Group in the following category and enclose the appropriate subscription.

CORPORATE MEMBERSHIP (Up to 5 delegates)*   £75
* Corporate members may nominate up to 4 additional recipients
  for direct mailing of the Journal and attendance at our meetings (see over)

INDIVIDUAL MEMBERSHIP (NOT a member of the BCS)   £25

INDIVIDUAL MEMBERSHIP (A member of the BCS)   £15
BCS membership number: _____

STUDENT MEMBERSHIP (Full-time only and must be supported by a letter from the   £10
educational establishment). Educational Establishment: _____

Please circle the appropriate subscription amount and complete the details below.

INDIVIDUAL NAME: (Title/Initials/Surname)
POSITION:
ORGANISATION:
ADDRESS: POST CODE:
TELEPHONE: (STD Code/Number/Extension)
PROFESSIONAL CATEGORY: (Please circle) 1 = Internal Audit   4 = Academic 2 = External Audit   5 = Full-Time Student 3 = Data Processor   6 = Other (please specify)
SIGNATURE: DATE:

PLEASE MAKE CHEQUES PAYABLE TO "BCS CASG"
AND RETURN WITH THIS FORM TO THE ADDRESS SHOWN ABOVE
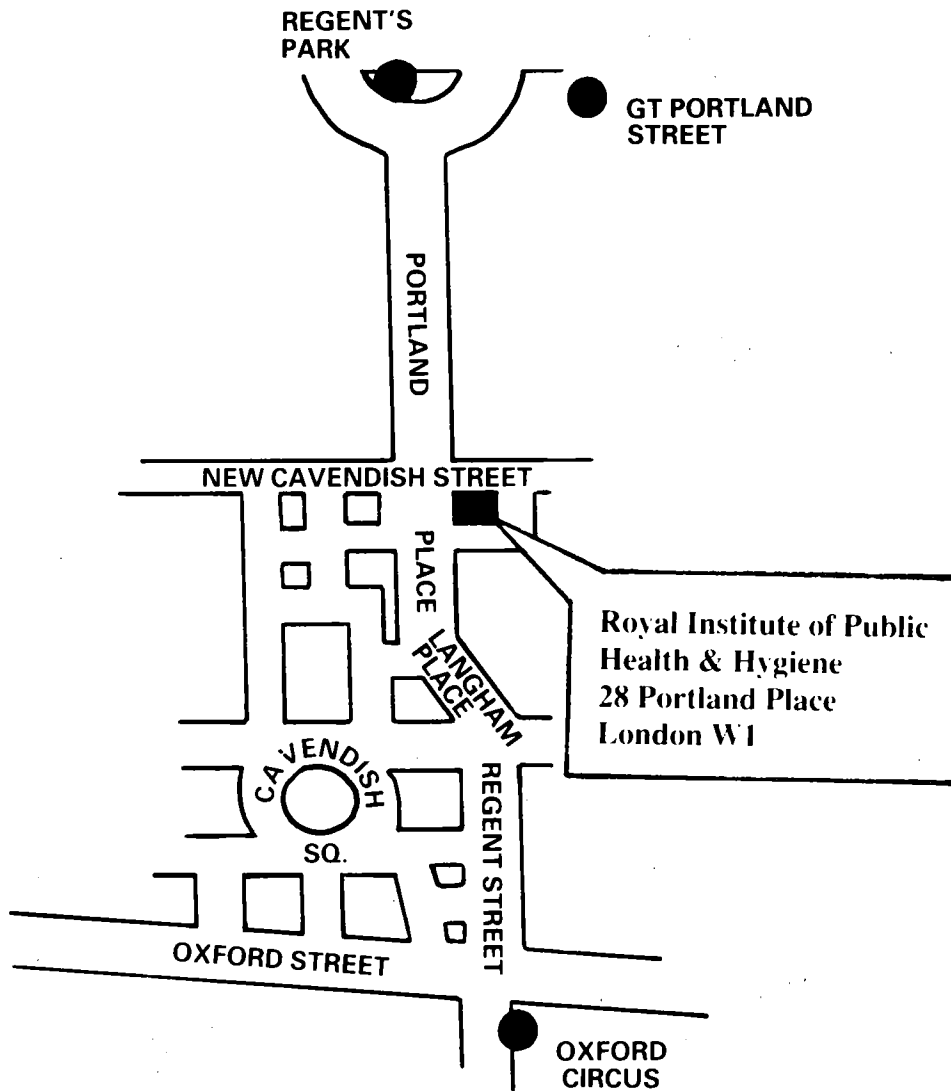
ADDITIONAL CORPORATE MEMBERS

INDIVIDUAL NAME:
(Title/Initials/Surname)

POSITION:

ORGANISATION:

ADDRESS:

POST CODE:

TELEPHONE: (STD Code/Number/Extension)

PROFESSIONAL CATEGORY:
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2 = External Audit 5 = Full-Time Student
3 = Data Processor 6 = Other (please specify)

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Venue for Members' Meetings

REGENT'S
PARK

GT PORTLAND
STREET

PORTLAND

NEW CAVENDISH STREET

PLACE

LANGHAM PLACE

CAVENDISH SQ.

REGENT STREET

Royal Institute of Public
Health & Hygiene
28 Portland Place
London W1

OXFORD STREET

OXFORD
CIRCUS

SUBMISSION DEADLINES

Spring Edition	**14th February**
Summer Edition	**14th May**
Autumn Edition	**14th August**
Winter Edition	**14th November**