

### Extent of Internal Control in “Definition of Internal Control”

Internal control is defined that internal control is a process, effected **by the entity's board of directors'**, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (Executive Summary Para17 Page 3)

On the other hand, one of fundamental concepts says that internal control is able to provide reasonable assurance, not absolute assurance, to an entity's senior management and **board**. (E.S. Para 18 Page 3)

These descriptions make the extent or point of view of internal control obscure. In case that internal control is a process effected by people including the entity's board of directors', reasonable assurance should be provided to external stake holders not to board who has a role and responsibility to effect internal control.

I think the relation between view of internal control and those who assurance should be provided to as below.

Internal Control Viewed by	Reasonable assurance provided to
entity's management	board
entity's board of directors	external stake holders (shareholders and others)

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