

INTRODUCTION

1. The reason for choosing the thesis

In the current period, the world economy is full of uncertainties and risks. In addition to the positive impacts of joining world and regional economic organizations, international economic integration poses many challenges for Vietnamese enterprises in general and manufacturing enterprises in particular. . Due to lack of internal capital and technology, weak management, traditional production ... leading to the competitiveness of domestic producers, the risk of loss, or even bankruptcy in unstable business environment is very high. According to the General Statistics Office, from 2010 to 2015 the number of enterprises stopped operating and dissolved is always high and increased through specific years: in 2010 is 43,000; in 2011 was 53,000; 2012 over 54,000; 2013 is 60,737; 2014 is 67,823 and the first 6 months of 2015 is 31,700. These enterprises are mainly small enterprises, with the registered capital of less than 10 billion; The number of enterprises operating over 3 years of dissolution accounted for 76.2%.

Beer - Alcohol - Beverages (including soft drinks, mineral water and non - alcoholic beverages) is a sub - sector of the economy of level 3 in the second - class beverage production sector. The industrial production value of the industry accounts for about 5.6-6% of the total industrial value nationwide [37]. Beer - Alcohol - Beverages is one of the few industries contributing to the large budget, accounting for about 50% of the sector's consumer spending, and with total remittances to both the central and provincial levels. However, considering the three aspects of production, consumption and inventory of the whole processing and manufacturing industry, in general, in the first quarter of 2015, production slowed down by 4.9%, consumption dropped 0.1%, and inventories increased by 35.9%

[1]. In addition, the integration of ASEAN community will have a considerable impact on the domestic market, while Vietnam's beer exports are modest, the foreign products will have conditions in the Vietnam market. . In addition, the beer-wine-beverage industry has a wave of mergers, acquisitions, or divestments by foreign-based firms that are on the rise: Carlsberg Brewing Company (Denmark) took over Hue Beer Company Limited (Huda); Tribeco brand - the strongest beverage brand in Vietnam was acquired by Uni - President; and Sabeco - Saigon Beer - Alcohol - Beverage Corporation is at risk of taking over by foreign enterprises. So how can Vietnamese beer - wine - beverage companies step up their efficiency, increase their competitiveness and develop sustainably? A practical and feasible solution for these enterprises is to build and maintain the effectiveness of internal controls. Because control is an important step in all management processes, internal control covers all aspects of operations and is important for the survival and development of businesses. Therefore, effective internal control will ensure that enterprises meet their objectives and plans; ensure efficient use of resources, avoid loss of assets and improve operational efficiency.

In addition, the law in many countries such as the US, UK, European countries require public and listed companies to build and operate internal control as prescribed. In vietnam, the provisions of the new auditing law, the new accounting law also require the public interest units and accounting units to build and operate an appropriate system of accreditation and effective. Therefore, it can be seen that the design and operation of effective internal control is not only a voluntary issue of the business but gradually becomes a mandatory requirement of the law to protect the confidence and interests of the public.

In fact, in the manufacturing enterprises in Vietnam in general and beer, wine and soft drink producers in particular, the construction and effective operation of internal control has not really been properly considered. Therefore, this system has not brought into full play its potential in managing and operating activities in the enterprise. Starting from the above reasons, perfecting internal control is an urgent issue in the current Vietnamese beer - wine - beverage companies. In addition, there are some domestic and foreign researches on internal control in some specific sectors and fields. However, there is no mention of internal controls. in the business of producing beer - alcohol - beverage. The essence of the topic, and the gap in research in this field, the author selected the topic "***Completion of internal controls in Vietnamese beer - wine - beverage manufacturing enterprises***"

2. Literature review

Since the introduction of COSO 1992, internal controls have been developed in many different directions, such as risk management, information technology, internal audit, In particular, each control approach has its own authors and works that contribute to the development of the concept of control, internal control, control types, application control. internal control in different fields and types of enterprises. The research on internal control at this time focused on the following key issues: (1) identifying the groups constituting internal control and (2) identifying a group of factors affecting the effectiveness of internal control sets, (3) the effects of internal control on various aspects of the business.

2.1. Studies on the components of internal control

The research on the composition of cyanide in Vietnam and in the world today is mainly based on the five elements of the COSO 1992

framework and there is an update on the 17 new COSO principles in 2013 for the design, internal control assessment.

2.2. Research on factors affecting the effectiveness of internal controls

In a nutshell, research on the constituents of internal control and the factors that affect the effectiveness of internal control are basically based on the five components of COSO 1992, namely: Environmental control, risk assessment, control, information and communication systems, and monitoring.

2.3. Studies on the impact of internal control on various aspects of the business

* Evaluate studies and identify research gaps:

Thus, approaching internal control from any aspects of business management, risk management, internal audit or independent audit, information system, the research on internal control focuses on the main contents such as: (1) components of internal control - this is the basic content when approaching internal control, which is the basis for building, measuring, assessing the status and completion of internal control in each unit or organization; (2) study of factors affecting internal control effectiveness. Because, in view of internal control, the highest goal is to maintain the effectiveness of internal control, because when internal control is effective, it will improve the efficiency of corporate governance, improve efficiency Maintaining the compliance objectives, reporting objectives and operational objectives that the company is aiming for is an important basis for reducing costs, saving time and improving the quality of audits. Although these works have access to the above key aspects, however, some of the existing gaps remain unresolved:

First, on the application of internal control in specific industries

Secondly, on the content of internal control in the direction of risk management

Third, determine the impact of factors on the effectiveness of internal control

Fourth, comprehensiveness when studying the effectiveness of internal control

3. Objectives of the study

- Systematize and clarify the basic theoretical issues of internal control in manufacturing enterprises in order to guide the contents of completing internal control in line with the characteristics of production and business organization. To organize and manage the production of beer, liquor and beverage enterprises of Vietnam.

- Assessment of the status of internal controls at Vietnamese Beer - Wine - beverage producing enterprises.

- Measure the impact of factors on the effectiveness of internal controls in Vietnam Beer - Wine - beverage producers.

- Proposing measures to improve internal controls at Vietnamese Beer - Wine - beverage producing enterprises.

4. Research questions

5. Subjects and scope of research of thesis

The object of the thesis is internal control in Vietnamese Beer - Wine - beverage producing enterprises.

The research scope of the thesis is the Vietnam Beer - Wine - beverage, excluding foreign invested enterprises. For secondary data: Study using data for the period 2010-2016. For primary data: The study used data collected during the survey from June 2016 to June 2017. This is the time when Vietnam's big Vietnamese Beer - Wine - beverage

producing enterprises are struggling with competition, being overbored and demanding equitisation and ownership transformation.

Scope of content: Within the scope of this thesis, the author approaches the internal control in the direction of risk management with the main objective is to assess the current status and develop a system of solutions to enhance and maintain the ownership. The effective internal control will effectively assist auditors (independent auditors or internal auditors) when conducting audits of financial statements, compliance audits or performance audits as well as ensuring effective governance.

6. Research Methodology

6.1. Methodology

6.2. Specific method

a. Qualitative research methods

In the study, the author has applied various methods of research such as generalizing, systematizing, analyzing, synthesizing ... studies, articles and works in the past, especially from the internal control framework - COSO Since then, the author has compiled into a set of criteria to measure the components of internal control and the effectiveness of internal control of enterprises.

Then, using the expert method, the authors consulted with the lecturers, scientists, researchers in the field of governance - auditing; In-depth interviews with senior executives of a number of Vietnamese companies in order to correct measurement criteria and develop questionnaires. Then use the interview questionnaire to interview 20 administrators at all levels of some Vietnamese Beer - Wine - beverage producing enterprises to correct the questionnaire to ensure that each question is clear, concise, unidirectional and informative. The contents of the observation variable.

In addition, the author uses a case study approach in a number of companies to collect detailed and practical information on the state of environment control, risk assessment, information systems and transmission. communication, monitoring and control activities in these enterprises.

b. Quantitative research methods

c. Data collection methods

7. Research results and new contributions of thesis

Firstly, the thesis has systematized and clarified the basic theories of internal control, the theoretical frameworks of operation and measurement of internal control, the elements constituting internal control from a modern and conceptual point of view and measure the effectiveness of internal control.

Secondly, based on the COSO Internal Control Framework, the thesis has developed a comprehensive, clear and comprehensive set of scales with 97 observational variables for five factors including control environment, risk assessment, control, information and communication systems, monitoring and effectiveness of internal control. In addition, the scale of internal control 's effectiveness is complementary to its risk management objectives and strategic goals.

Thirdly, the thesis has specific measurement and validation of the influence of factors on the effectiveness of internal control, which is the basis for improving the internal control in the production of Vietnamese Beer - Wine - beverage producing enterprises

Fifth, the thesis is characterized by the use of quantitative methods, especially the linear model, which examines complex relationships in the model.

8. Thesis structure

Apart from the introduction and conclusion, the dissertation is divided into the following main chapters:

Chapter 1: Theoretical problems of Internal Control.

Chapter 2: Internal control status in Vietnamese Beer - Wine - beverage producing enterprises

Chapter 3: Some solutions contribute to improving the internal control in the Vietnamese Beer - Wine - beverage producing enterprises

In addition, the thesis also includes diagrams, tables and attached appendices.

CHAPTER 1

THEORITICAL PROBLEM OF INTERNAL CONTROL

1.1. Control function in corporate governance

1.1.1. Business and corporate governance

1.1.2. Control function in corporate governance

1.2. Internal control

1.2.1. Concept

According to the author, "Internal control is the process implemented by the efforts of all members of the business to ensure that the enterprise recognizes and responds to risks in order to achieve the objectives of: Depreciation of financial statements; compliance with rules and regulations; Ensure the effectiveness, effectiveness of the operation and towards the sustainable development of enterprises "

1.2.2. The need for internal control

1.3. Frameworks and models of internal controls

Through the systematic content of the framework, the control model finds that the internal control framework of COSO since its inception and development has always been the accepted framework of control, and uses either the basis for Develop internal control models in many countries around the world. Within the scope of the thesis, the author uses COSO's internal control framework for the following reasons:

Firstly, as the author mentioned above, internal controls are currently in development stage, so internal control is no longer confined to the scope of money control, accounting control or financial control, control of information technology separately ... that internal control should be considered is a comprehensive concept related to business operations and governance in the enterprise. through the review and systematization of the control frameworks in the previous sections, other internal control frameworks have not met the comprehensive, universal and high-

governance framework of the internal control framework. COSO. Specifically, the COSO control framework is not only related to financial reporting but extends to areas of operation and compliance, corporate governance and risk management.

Second, popularity: The COSO report is widely used in scholarly works related to internal control, various control frameworks, regulations in a lot of countries, The majority of large companies in the world prioritize the use of the COSO framework in the design and operation of internal control. [27]

- Third, high guidance, COSO report details, clearly and in detail the principles, elements, indicators for the design, operation and assessment of technical details for each city. part.
- Fourth, the COSO framework demonstrates the coherence between internal control, risk management and corporate governance.

1.4. Fundamentals of internal control under COSO 2013

- 1.4.1. Control environment
- 1.4.2. Risk assessment
- 1.4.3. Control activities
- 1.4.4. Information and communication system
- 1.4.5. Monitoring

1.5. The effectiveness of internal control

Internal control aims to ensure that the business achieves three basic objectives: reporting objectives, compliance objectives and operational objectives. Specifically,

- Operational objectives: effective internal control helps businesses to effectively use resources and assets, minimizing risks in the operation, ensuring coordination and work of all employees. achieve business goals with efficiency and consistency; at the same time, internal control is effective and economical.

- Reporting objective: effective internal control helps to increase the reliability of financial and non-financial information, completeness and up-to-date information, ensuring timely and reliable reporting. for decision making.

- Compliance objectives: internal control is maintained in the company to ensure that all activities of the unit comply with the laws and regulations of the country; management requirements; business policies and procedures of the unit.

Thus, assessing the effectiveness of internal controls is an assessment of the performance of three objectives: activity, reporting and compliance ([135], [64], [124], [38], [167]). However, with internal control in the direction of risk management now, within the scope of the study of the thesis, the author adds risk management objectives and strategic objectives such as the risk management framework mentioned simultaneously. the protection of assets of enterprises.

1.6. Lessons learned on internal control of foreign invested Beer - Wine - beverage producing enterprises in Vietnam

CHAPTER 1 - CONCLUSION

Within Chapter 1, the author has systematized the basic theory of enterprise, control and internal control, specifically: First, the author has system of control frames and models from which to indicate The COSO framework selection is due to its comprehensive, popularity, up-to-date and high applicability. Secondly, the author focuses on clarifying the content of internal control elements under the COSO framework and the effectiveness of the internal control. Finally, through the example of the internal control in 02 foreign invested enterprises in the field of Beer - Wine - beverage producing, the author has summarized some lessons for the construction and operation of internal control in Beer - Wine - beverage producing enterprises in Vietnam.

CHAPTER 2

INTERNAL CONTROL SITUATION IN VIETNAMESE BEER - WINE - BEVERAGE PRODUCING ENTERPRISES

2.1. Overview of Vietnamese Beer - Wine - beverage producing enterprises

2.1.1. The formation and development of the Beer - Wine - beverage producing industry in Vietnam

Beer - Wine - beverage producing industry is in the second-class sector in the manufacturing industry and this is an important industry that attracts a large amount of investment and generates the second largest source of revenue in the industry. According to the development plan of Beer - Wine - beverage producing industry in Vietnam to 2025 with a vision to 2035 [4], Vietnam aims to build Beer - Wine - beverage producing industry into a modern industry worthy of its position and role in the economy. , have strong brands in the market, products of high quality, diverse in types, models, ensure food safety and public health, compete well in the integration process, meet the needs Domestic demand and export.

2.1.2. Characteristics of the Beer - Wine - beverage producing enterprises affecting the internal control

The characteristics of the Beer - Wine - beverage producing enterprises have an important influence on the design and operation of internal control in enterprises. Specific characteristics of the Beer - Wine - beverage producing enterprises are as follows:

Firstly, the process of producing Beer - Wine - beverage products is relatively complex, directly affecting the design and operation of internal control elements in these enterprises.

Secondly, the Beer - Wine - beverage producing enterprises are

exposed to many risks in business especially financial risk

Thirdly, the technology level of the Beer - Wine - beverage producing enterprises in Vietnam is still limited

Fourth, the scale of funds is moderate.

Fifth, the Beer - Wine - beverage producer are subject to state regulation of taxation and controlled consumption.

Fifth, product quality control is an important control activity for the Beer - Wine - beverage producing enterprises.

Sixth, rivals of the Vietnamese Beer - Wine - beverage producing enterprises are foreign-owned enterprises with modern production technology, good management skills, large capital sources and well known brands of wine, beer and soft drinks in the world.

2.2. The status of internal control in Vietnamese Beer - Wine - beverage producing enterprises

2.2.1. Research design

2.2.2. Status of internal control components in Vietnamese Beer - Wine - beverage producing enterprises

2.2.3. Assessing the effectiveness of internal control at Vietnamese Beer - Wine - beverage producing enterprises

2.2.4. Evaluate the impact of factors on the effectiveness of internal control at the Vietnamese Beer - Wine - beverage producing enterprises

2.3. Assessment of internal control in Vietnamese Beer - Wine - beverage producing enterprises

2.3.1. Achievements

Through surveys and analysis can conclude the outstanding advantages of the design, organization and operation of internal control in the vietnamese beer - wine - beverage producing enterprises expressed in the following aspects:

First, the control environment: The Vietnamese Beer - Wine - beverage producing enterprises administrator was initially aware of the importance of maintaining integrity and moral values. The rules of conduct generally accepted by businesses are based on ethical standards, legal regulations and related business regulations.

On the role of the board of directors, the board of supervisors, the board of directors and the board of supervisors at the Vietnamese Beer - Wine - beverage producing enterprises have well implemented the regular review and approval of control policies and procedures; At the same time, the capacity of the BOD is generally well appreciated, capable of conducting supervisory activities for managers and with internal control. this is an important basis for maintaining an effective internal control at the company.

Management philosophy and management style: It can be seen that managers of the Vietnamese Beer - Wine - beverage producing enterprises have the viewpoint to comply with the regulations of the state, the field of industry; always strive to ensure that all work is completed on schedule; ensure reporting objectives, financial goals, budget estimates and operational objectives. The organizational structure of the Vietnamese Beer - Wine - beverage producing enterprises ensures relative independence between departments, functions and divisions and ensures that the structure, order of presentation and reporting are consistent with the characteristics of production and information needs of the enterprises. Major job positions have met the requirements of the job. In addition, in comparison with other professions, salaries, wages and reward policies of the Vietnamese Beer - Wine - beverage producing enterprises ensure transparency and relevance.

Second, risk assessment: The Vietnamese Beer - Wine - beverage producing enterprises are particularly interested in setting goals, by setting indicators that specifically reflect their intended goals. The finalization of financial targets and performance into indicators is an important basis for enterprises to monitor the implementation of the objectives throughout the implementation process, as well as timely make necessary adjustments. when the target is misaligned. The target of the Vietnamese Beer - Wine - beverage producing enterprises production enterprises can be listed as financial objectives, operational objectives, compliance, financial reports ... These enterprises also periodically evaluate and adjust targets to suit the fluctuation of market, macroeconomic environment, as well as factors changing from within the enterprise. Identification and assessment of risks have been positively changed. Specifically, these companies have proactively reviewed, and identified key risk groups, which can significantly affect the implementation of the enterprise objectives.

Third, control activities: Control activities at the Vietnamese Beer - Wine - beverage producing enterprises have outstanding advantages such as good control of access, control of data center, network and machine. calculated in units; the policy of control procedures ensures the principle of ratification, the principle of full authorization; Fundamental control activities are carried out by qualified individuals and bodies.

Fourth, information and communication systems: The Vietnamese Beer - Wine - beverage producing enterprises have operated effectively the communication channels from upper to lower level organization. The channels and methods of communication help ensure information about the tasks and requirements of managers in enterprises communicated clearly to the right department at the right time. Special information systems are accounting information systems such as voucher systems,

accounts and accounting books that comply with the provisions of the national accounting law and standards; In addition, this system is organized in accordance with management information needs.

Fifth, supervision activities: The Vietnamese Beer - Wine - beverage producing enterprises 's production companies perform relatively well the decentralization of supervisory activities, the managers have the capacity to carry out monitoring and information technology activities support activities close to the whole enterprise.

In summary, internal control at the Vietnamese Beer - Wine - beverage producing enterprises has been designed and operated on the basis of the five elements of COSO's Internal Control Framework 2013. The internal control elements exist and are effective in the implementation process which contributes significantly to reducing risks and helping businesses achieve their objectives. However, it can be seen that in addition to the advantages on the internal control in the Vietnamese Beer - Wine - beverage producing enterprises are still many limitations, and disadvantages are mentioned below.

2.3.2. Limitations

First, on the control environment

Commitment to integrity and moral values: Code of conduct or ethical norms have not been established and communicated clearly to all employees. The company has not done well to assess the compliance of the ethical standards of each employee, division department.

The role of the Board of Directors and the Board of Supervisors for internal control: through the assessment despite the ability of the BOD to ensure good supervision, but at the Vietnamese Beer - Wine - beverage producing independence of the management board is inevitably which may affect the decisions of the governing board for internal control.

Management philosophy and management style: The managers of the Vietnamese Beer - Wine - beverage producing enterprises have always tried to comply with laws and regulations, always strive to fulfill the objectives and tasks of the financial and budgetary targets, However, the managers of these enterprises have not yet done well in publicizing financial matters of enterprises

Regarding the organizational structure and decentralization: the Vietnamese Beer - Wine - beverage producing enterprises have not yet implemented the promulgation of documents clearly defining the functions, powers and responsibilities of sections and divisions. At the same time, many of these positions are still concurrently held, especially the separation between the function of ratification, performance of the profession, and the recording of unqualified accounting books.

Personnel policy and capacity commitment: Job placements in the Vietnamese Beer - Wine - beverage producing enterprises do not currently have a complete and clear job description. The training and fostering of large-scale enterprises is relatively well done, however, for small enterprises, the training and upgrading of skills and skills have not been carried out regularly and effectively. Recruitment policies at these enterprises have not ensured transparency. Most of the Vietnamese Beer - Wine - beverage producing enterprises have not yet developed appropriate methods and criteria for assessing work results, the assessment results have not been exchanged specifically and clearly with the personnel member. Employees at these businesses do not really understand and act in line with the overall goal of the business, as well as the goal of internal control.

Second, risk assessment: Objectives set does not take into account the risks, and the goal has not been communicated to all employees in the

enterprise, so the employees do not really understand and act consistently with the common goal of the business. Risk identification has not been implemented on the whole enterprise, and enterprises have not yet conducted the assessment of the frequency and the impact of risk as well as identify suitable risk management strategies in place.

Change management: the Vietnamese Beer - Wine - beverage producing enterprises have not yet done a good job of assessing the impact of changes from the internal and external environment to the internal control. Therefore, the adjustment of regulations, policies internal control has not really matched with the change.

Third, control activities: Control activity has not been established based on the results of the risk assessment. The enterprise has not implemented the control over the applications, software. Control policies and procedures specify the scope of application, roles and functions of the divisions. The control operation has not ensured the verification of the validity and legality of the transaction before the recording, has not ensured that the operations have been recorded in the right order and have ensured the control process. Control does not ensure the correctness and rationality of information; There is no guarantee of comparison of data, information between departments and with previous plans.

Fourth, the information and communication system: The communication channel of enterprises from lower to higher level is not organized effectively and smoothly. The current mode of communication between departments in the enterprise is not suitable and does not ensure the coordination in the performance of tasks. On the information system, enterprises have not done well in determining the information needs of departments, departments and operations. The information on the report is

just general level, not detailed details to serve managers in decision making, information has not been timely provided to the stakeholders.

Fifth, on monitoring activities: Most of the Vietnamese Beer - Wine - beverage producing enterprises in Vietnam have not organized the internal control function effectively, the self-assessment and cross-assessment between departments, departments are still limited processing. On the monitoring and communication of weaknesses of internal control, the management has not provided appropriate and timely solutions to limit and overcome weaknesses of internal control.

2.3.3. The cause of the limitations

External reasons: With imperfect market economy, monopoly and state ownership of corporations leads to poor adaptability of the Vietnamese Beer - Wine - beverage producing sector to market volatility. Some large corporations have a change in ownership and are in the process of divesting capital, so there are many confusing and difficult to determine the organizational structure management and construction internal control.

Management style: Due to the influence from the previous state-owned enterprises, some large corporations in the Vietnamese Beer - Wine - beverage producing sector in Vietnam are outdated and hesitant to innovate, leading to difficulties in accepting and changing with new perspectives in risk management and internal control.

Internal reasons: Firstly, the perception and views of the managers of the Vietnamese Beer - Wine - beverage producing enterprises; Secondly, on staffing level of technology

CHAPTER 2 - CONCLUSION

Within the Chapter 2, the author (1) generalized the overview of the industry of beers - wine - beverages, and analyzed the characteristics of the Vietnamese Beer - Wine - beverage producing enterprises that affect the construction and operation of the internal control. Then, using guidelines, guided by COSO's internal control framework and by qualitative research, the author (2) constructed a complete factor scale of 97 variables. Based on the scale of the variables, the author conducts interviews with managers at all levels in these enterprise to (3) assess the reality of each element of the internal control at the Vietnamese beer - wine - beverage producing enterprises to test the relationship between the elements and the effectiveness internal control. The results of the SEM model test showed that: (4) control environment, risk assessment, control activities, communication and information system and monitoring factor had positive relationship with the effectiveness of internal control at the Vietnamese Beer - Wine - beverage producing enterprises. Finally, based on the research results, (5) advantages and limitations in internal control in the Vietnamese Beer - Wine - beverage producing enterprises have been identified by the author as the basis for developing complete solutions.

CHAPTER 3

SOLUTION FOR IMPROVING INTERNAL CONTROL IN THE VIETNAMESE BEER - WINE - BEVERAGE PRODUCING ENTERPRISES

3.1. Development orientation of the Vietnamese beer - wine - beverage producing industry

3.2. Principle of improving internal control

3.3. Solutions for improving internal control in the Vietnamese beer - wine - beverage producing enterprises

3.3.1. Solution for improving controlling environment

First, enhance the integrity and moral values

Second, ensure the independence of the board

Third, management philosophy and management style

Fourth, organizational structure and decentralization:

Fifth, personnel policy and commitment to competence

3.3.2. Solution for improving control activities

Firstly, control activities aim to reduce risk.

Second, control technology

Third, control policy

Fourth, transaction control activities

3.3.3. Solution for improving communication and information system

First, communication

Second, accounting information system

3.3.4. Solution for improving risk assessment

3.3.4.1. Risk department

3.3.4.2. Risk assessment process

First, set goals and materialize into plans.

Second, risk identification

Third, risk assessment

Fourth, take appropriate measures to respond to risks.

3.3.5. *Solution for improving monitoring activities*

* Internal auditor: is usually organized in one of the following models:

- Internal auditor under the audit committee, the department directly assist and perform the tasks required by the audit committee.

- Internal auditor belongs to board of supervisors, performs tasks as required by board of supervisors.

- Internal auditor is under general director (or director).

*Personnel implementing internal auditor

3.4. A number of recommendations and conditions to implement solutions for improving internal control in the Vietnamese Beer - Wine - beverage producing enterprises

CHAPTER 3 - CONCLUSION

In Chapter 3, the author has pointed out the principle of complete internal control: ensure the principle consistent with the subject and object of internal control, ensuring the principle of cost – benefit and efficiency. Based on the principle of perfection and the results of research on the status, strengths and limitations of the internal control in Chapter 2, the author has come up with feasible solutions, linked to the conditions of infrastructure, financial strength, professional qualification, management level ... in the production of the Vietnamese Beer - Wine - beverage producing enterprises. The main solutions focus on improving each of the internal control elements such as: control environment, risk assessment, control activities, information and communication systems, monitoring activities. In order to ensure that solutions are effectively implemented, the thesis also provides some basic recommendations to the State and to the Vietnamese Beer - Wine - beverage association.

CONCLUSION

With the orientation of becoming a sustainable development industry, applying advanced technology and equipment, constantly innovating and improving in technology, the Beer - Wine - beverage producing industry in Vietnam aims to become an important economic branch. However, in the context of integration and globalization, the Vietnamese Beer - Wine - beverage producing industry is facing a lot of challenges and competition from strong competitors with modern financial capability, good corporate governance and famous global brand. With limited financial and technological potential, the solution to improve the management capacity of fixed elements is considered a feasible and effective solution. Internal control as an essential part of corporate governance which needs to be finalized and improved. Through the theoretical study of typical models and internal control frameworks in the world, adjusted in line with the characteristics of Vietnam's macro-economic environment, the thesis has applied theories to solve the practical problems posed to the the ese Beer - Wine - beverage producing industry of Vietnam.

For that purpose, the thesis has systematized the theoretical foundation of internal control, the constituents of internal control, as well as the proposed COSO internal control framework for the design and operation of internal control in the Vietnamese Beer - Wine - beverage producing enterprises. Through qualitative research by surveying accountants, auditors, senior executives of enterprises as well as the guidance of the COSO internal control framework, the author has built the scale measure of 97 variables of internal control and the effectiveness of internal control. On the basis of the scale, the survey was conducted to assess the state of internal control and to assess the impact of factors on the

effectiveness of the internal control. Finally, the author has proposed solutions to improve the internal control in the direction of ensuring the maintenance of effective internal control of the Vietnamese Beer - Wine - beverage producing enterprises.

Thus, the thesis has basically accomplished the objectives with the most common goal is to complete the internal control at the Vietnamese Beer - Wine - beverage producing enterprises. However, the research conditions are limited in terms of time, cost and knowledge of the author on the Vietnamese Beer - Wine - beverage producing industry so the research results are somewhat lacking and should be supplemented in the next research. The author are looking forward to receiving feedback from scientists and administrators of the Vietnamese Beer - Wine - beverage producing enterprises to make the thesis more complete.

Sincerely!