Brazilian Public Companies: Model Proposal for Fraud Detection

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Abstract: The transparency and credibility of accountability of public enterprises have been gradually demanded due to corruption. Brazil has been adopting measures to reduce the occurrence of fraud, through supervisory bodies such as the Court of Auditors and the Comptroller General. This paper seeks to demonstrate the existence of similarity in the procedures and in the opinion issued between the independent auditors and the supervisory bodies mentioned. The contribution of this work focuses on the evidence of the functioning mechanisms of these agencies, using descriptive and observational research in the independent audit reports for 2014 of the five largest Brazilian public companies. The result obtained was later ratified by the independent auditors in their reports and opinions in the form of paragraphs emphasizing the evidence pointed out by the supervisory bodies, contributing to a greater perception of the performance of these bodies by the stakeholders in their decisions.

Introduction

In times of globalized economy and in the midst of a digital age, transparency in the accounts of public companies is in line with the credibility and interest of investors. The combination of these two elements responds to the anxieties of the citizens astonished by the many processes of corruption established in the last decade in Brazil. In order to strengthen the institutions, Brazil has been adopting legal measures to control public power in general, including mixed and state-owned companies, in order to guarantee disclosure and transparency of the acts and results achieved in each management.

According to the Brazilian Institute of Independent Auditors (BIIA), one way of guaranteeing transparency in public accounts is through auditing, a crucial instrument for protecting users of financial statements, as it increases trust and contributes to market efficiency. This is due to the fact that the independent audit seeks to verify the truthfulness of the facts, information presented in the reports of companies in general, including public ones, seeking that they be reliable as to their economic, financial and patrimonial situation.

Contributing to this need, the Court Union Accounts (CUA), governed by Organic Law no. 8,443 of 1992, has as its function the accounting, financial, budgetary, operational, patrimonial oversight of the Union and direct and indirect administrative bodies. It acts in the improvement of the public administration in favor of the society and it is incumbent on the individual and legal person, public and private, to render accounts when using or administering public goods and values belonging to the union, or that assume an obligation of pecuniary nature.

Another oversight body is the Federal Comptroller’s Office (FCO), created by law n. 10,683 of 2003, whose attribution is to analyze the execution of government programs, to prove and evaluate the legality and results regarding the efficiency and effectiveness of the management of federal public administrators. It controls credit operations and activities in support of external control, in compliance with the provisions of Article 74 of the Federal Constitution of 1988 (FC / 88).

Thus, the FCO and the CUA have a common objective that corroborates with the independent audit that is to avoid / reduce the occurrence of errors and fraud, where through audits of an operational nature, it aims to contribute to the improvement of the performance of governmental institutions.

In this context, the objective of this study is to demonstrate the existence of similarity between the procedures performed by the supervisory bodies and the opinions issued by the independent auditors.

In order to achieve this objective, analyzes were performed in the operational auditing and independent audit reports for the year 2014 of the five largest Brazilian public companies: Bankfio Brazil (BB); National Bank for Economic and Social Development (NBESD); Federal Savings Bank (FSB); Brazilian Post and...
Telegraph Company (BPTC) and Brazilian Oil S.A. (Petrobras). These companies were chosen intentionally in the face of the existing judicial processes in the fight against corruption.

The next sections focus on the theoretical basis, highlighting the position of the CUA and FCO supervisory bodies, as well as procedures on independent auditing and international accounting standards, methodological aspects involving the design and methods applied in the research, results and considerations together with a synthesis of the main findings and contributions for future research.

**Historical evolution of the independent audit in Brazil**

The first reports on independent auditing in Brazil date back to the nineteenth century, with the origin of international investments and infrastructure such as ports, railways, navigation, which served as a foundation for industrialization, exerting a great influence in the country with the introduction of international audit that cooperated in the upgrading of knowledge and the insertion of accounting techniques.

As for the effective exercise of the accountant’s activity as a liberal professional, which included the function of an independent auditor, very little existed in Brazil before 1931, except for the foreign auditors’ offices, all of English origin. This area has undergone changes and updates to the present day.

Since 1965, the audit was regulated and strengthened in 1976, with the creation of the Securities Commission (SC), which has the function of registering and supervising independent auditors, enabling them to audit companies, brokers and negotiators of securities. According to Law no. 11,638 of 2007, publicly-held companies and large companies must be audited annually by independent accountants registered with the SC.

Therefore, it is assumed that auditing is one of the ways to avoid mistakes and frauds in management, amplified through transparency through publicly ordered accountability (Law of Access to Information – LAI, Law n°. 12,527, of November 18, 2011) and also with the independent audit opinion report, in accordance with International Accounting Standards (IAS).

**CUA e a auditoria operacional**

According to resolution of the Court of Auditors of the Union - CUA no. 246/2011, the supervisory instruments of this body are the monitoring, auditing, inspection, survey and monitoring. Thus, within the scope of this body, it is, mainly, the performance of compliance audits, focusing on the legality of administrative acts and audits of an operational nature.

According to the Operational Nature Audit Manual, the SWOT analysis and the risk verification diagram identify the strengths and weaknesses of the internal environment of the audit object, the opportunities and threats of the external environment, as well as possible areas to investigate and risk factors, knowing the organizational capacity for its management.

Stakeholder analysis allows identification of key stakeholders, opinions and conflicts of interest, as well as relevant information. Through the map of products and performance indicators it becomes possible to highlight the main objectives of an entity or program, representing relationships of dependence between products, identifying those responsible for the critical products, developing performance indicators. With regard to the mapping of processes, it makes it possible to reveal the working processes, as well as the identification of good practices and opportunities for rationalization and improvement of work processes.

Table 1 summarizes the standards and procedures described here.

<table>
<thead>
<tr>
<th>Procedures</th>
<th>Compliance Audit</th>
<th>Operational Audit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit</td>
<td>Procedure used to evaluate criteria of legality and legitimacy, focusing on the legal aspects, through planning, execution and preparation of the report.</td>
<td>Procedure used to prevent corrupt practices in the management of public resources, as well as their efficiency, resoluteness and effectiveness, focusing on performance aspects through planning, execution and preparation of the report.</td>
</tr>
<tr>
<td>Inspection</td>
<td>On-site verification, which should provide the team with certainty of whether the object or item checked.</td>
<td>A monitoring instrument used to fill in omissions and information gaps, clarify doubts or investigate complaints or representations regarding the legality, legitimacy and cost-effectiveness of facts.</td>
</tr>
<tr>
<td>Survey</td>
<td>Survey of data when little information is available on the organ / entity or on the object to be inspected.</td>
<td>Survey of audit object information that allows the identification of areas that present vulnerabilities and that have the potential for the audit to contribute to improvements in management.</td>
</tr>
<tr>
<td>Monitoring</td>
<td>Follow-up of the measures adopted by the audited unit in relation to the determinations and recommendations contained in the report.</td>
<td>Analysis of compliance with CUA’s deliberations and results, to verify the measures taken and to verify their effects.</td>
</tr>
</tbody>
</table>

Source: Adapted from Resolution CUA no 246/2011.
The purpose of having a manual in conjunction with the standards is to standardize the legality and applicability of such procedures and techniques in order to make the evolutionary process based on the inefficiency of past audit work and its due modifications arising from such requirements and, thus achieving the results more efficiently and effectively. As provided in the Operational Audit Manual, CUA contributes to the detection of material misstatements, since the audit process is performed in entities that present vulnerabilities to fraud and errors. These audits are aimed at verifying the objectives of the entity through the execution of its programs and policies outlined for each area of responsibility in which it performs its attributions.

As mentioned in the introduction to this paper, CUA and FCO are autonomous bodies and complement each other for the same purpose, that is, to ensure that the management of public enterprises and the use of public resources are within the law and in the interests of citizens represented there.

**FCO and accountability**

It is analyzed that the idea contained in the word accountability requires that the mission of an organization is to be accountable between it and society, in which it must present at the highest level its performances and results. Governmental and organizational transparency makes it possible to improve accountability. However, the occurrence of corruption cooperates to bring about the fragility of the existing mechanisms of accountability in Brazil. Organizations have weakened systems, where norms and rules are not conspicuously constituted or even when the corrupt has the perception that the act will not be discovered, yet governments and bodies strive to fight corruption, corroborate laws, rules of conduct and juxtaposed fines.

The FCO contributes to the progress of the accountability process, since with the institutionalization of internal control, there is a greater capacity for oversight, control and monitoring of public policies. In 2015, FCO created an integrity guide to guide state-owned enterprises, which, in addition to preventing corruption, can quickly detect the wrongful act. In this context, compliance programs that are effective to avoid corruption practices will be implemented.

The state guide was declared in November 2015 at the XIII Plenary Meeting of the National Strategy to Combat Corruption and Money Laundering (NSCCML), which defined actions for the year 2016 and later, using objective-based work methodology defined by the FCO, related to the three pillars needed to deal with corruption: prevention, detection and punishment.

Table 2 shows the relationship between strategic objectives, actions and axes arising from this plenary meeting.

<table>
<thead>
<tr>
<th>Strategic Objectives</th>
<th>Actions</th>
<th>Axes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase the effectiveness of the preventive system of money laundering, corruption and justice.</td>
<td>Evaluate, elaborate, map and improve; studies on the effectiveness of criminal prosecution in the face of the principle of obligatory, information systems and databases useful for preventing and combating corruption and money laundering, institutional format for the development of the Evaluation National Risks, rules of banking and fiscal secrecy, aiming to become more agile and efficient, in addition to the implementation of the new regulatory framework of civil society organizations (NSCCML) and their effects on deviations of purpose.</td>
<td>Prevention</td>
</tr>
<tr>
<td>Extending public transparency and social participation</td>
<td>Promote social participation through active transparency instruments for monitoring through federal resources.</td>
<td>Detection</td>
</tr>
<tr>
<td>Strengthen the instruments of governance, integrity and control in public administration.</td>
<td>Create guidelines for the implementation and effective functioning of the state and municipal system of internal control, proposing the creation of mechanisms that encourage the adoption of integrity programs in public contracting.</td>
<td>Punishment</td>
</tr>
<tr>
<td>Improve coordination mechanisms, strategic operational action of public bodies and agents to deal with corruption.</td>
<td>Prepare a diagnosis of the models of action in the Public Advocacy, including in partnership with the Public Prosecutor, regarding the administrative and civil judicial prosecution.</td>
<td></td>
</tr>
</tbody>
</table>

Source: Adapted from ENCCLA / Actions (2016).

Representing axis support, Law n°. 12,846, published on August 1, 2013, was denominated as an anti-corruption law, where it is responsible for the legal entity, which will be the subject of an administrative and civil proceeding to repair damages related to corruption, responsibility in which there will be an independent condemnation of the guilty party's fault agent who practiced or act of the legal entity itself, stipulating criteria for fine grading.
In view of the foregoing and through prevention, detection and punishment in the fight against corruption of public companies, it is expected to guarantee fairness, disclosure, responsibility in accountability and faithful compliance of norms and laws, detecting nonconformities (compliance).

Studies point out that disclosure, fairness, accountability and compliance are the four fundamental pillars for corporate governance, thereby ensuring the accurate disclosure of all relevant facts about the organizations\(^{18,19}\). It is shown that the same factors are fundamental and are present in the audit independent.

### Independent audits and international accounting standards

In order to do so, it is essential to complement the work of the CUA and the FCO as supervisory bodies, with independent audit reports by external and specialized companies, which excel in their services by presenting a true picture of the reality accused in the analysis of the financial statements, guiding the stakeholders on the existing practices in the companies and the degree of obligations and observation of the legislation in force.

The audit is an accounting specialization aimed at testing the efficiency and effectiveness of the equity control implemented and regarding the relationship between the auditor and the audited entity. It is divided into internal and external, aiming at expressing opinions, conclusions, criticisms and guidelines on situations or patrimonial phenomena, occurred, prospected and diagnosed. The independent audit has the same objectives, however, it is performed by a professional with no link with the company\(^{20}\).

The importance of the audit corroborates the need for an orderly procedure to obtain and evaluate evidence on economic actions and events, with the purpose of measuring the degree of equivalence of the affirmations and established criteria\(^{21}\). Due to this and the laws and regulations governing the companies object of this study, the entities analyzed should submit their financial statements to the independent auditors and be regularly inspected by the aforementioned bodies.

Audit procedures in conjunction with new technologies support audit work in the detection of fraud and error\(^{22}\). These procedures in the audit as a general way to achieve their objectives favoring the detection of fraud\(^{23}\).

The error is an unintentional act, since fraud refers to the intentional act of taking advantage of a particular situation and its characterization is determined by the following elements: manipulation, falsification, or change of records and documents in order to modify the records of assets, liabilities and results; misappropriation of assets; suspension or omission of transactions in the accounting records; unproven transaction records; and application of undue accounting practices\(^{24}\).

According to ISA 240, fraud is the intentional act of one or more individuals in the administration, those in charge of governance, employees or third parties, who involve fraud in order to obtain an unfair or unfair advantage.

The effectiveness of independent auditing occurs when you use audit procedures to pinpoint misstatements. These procedures are divided into observance tests and substantive tests\(^{25}\). Compliance tests are performed in sectors that lack greater control, which are inherent to greater risks\(^{26}\), while substantive tests show the adequacy, accuracy and validity of the elements produced in the entity's accounting system, as proposed in the NBC T11 of the Board Federal Accounting Department (FAD).

Table 3 presents the techniques and their concepts officially adopted.

### Table 3 - Demonstration of substantive audit tests

<table>
<thead>
<tr>
<th>Technician</th>
<th>Conception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inquiry</td>
<td>It consists of collecting information from the person with financial and non-financial knowledge, inside or outside the entity.</td>
</tr>
<tr>
<td>Recalculation</td>
<td>It consists of verifying the mathematical accuracy of documents or records.</td>
</tr>
<tr>
<td>Reexecution</td>
<td>It consists of the independent execution by the auditor of procedures or controls that were originally performed as part of the entity's internal control.</td>
</tr>
<tr>
<td>Inspection</td>
<td>Consists of examining records or documents, internal or external, in paper form, in electronic form or in other media or physical examination of an asset.</td>
</tr>
<tr>
<td>Note</td>
<td>It consists of the examination of process or procedure performed by others, and the observation provides audit evidence regarding the execution of a process or procedure.</td>
</tr>
<tr>
<td>Circulation</td>
<td>It consists of checking balances contained in accounts representing rights and obligations through information received from the creditors or debtors themselves of the organization being audited.</td>
</tr>
<tr>
<td>Sampling</td>
<td>It consists of applying audit procedures to less than 100% of relevant population items for auditing purposes, so that all sampling units have the same chance of being selected.</td>
</tr>
<tr>
<td>Cut-off</td>
<td>It consists of the interruption of an operation in order to determine the dynamics of a procedure.</td>
</tr>
<tr>
<td>Tracking</td>
<td>Tracking: thorough investigation to assure the opinion of the person responsible for the execution of the work.</td>
</tr>
<tr>
<td></td>
<td>Track or investigate forward, which consists of tracking the entire routine involving issuance of documentation, shipment, transportation to delivery.</td>
</tr>
</tbody>
</table>
At the international level, in order to standardize the audit, there are the regulatory standards that have been created by the International Accounting Standards Board (IASB) since 1972. At the national level there is also the Federal Accounting Council (FAC), the Accounting Pronouncements Committee (APC), the Securities Commission (SC) and BIIA, whose function is to issue the auditing standards based on IAS. The fundamental aspects and procedures of independent auditing do not have significant differences between what is regulated in Brazil and the US.

Therefore, in order to be able to consolidate the detection of fraud and errors, it is imperative that audit techniques are developed and performed in accordance with national and international standards, in order to achieve efficiency in obtaining evidence and, consequently, to based on the reports issued by the CUA and FCO, thus seeking as much evidence as is necessary to form the auditor's opinion.

II. Material and Methods

The present work has a descriptive nature, with a qualitative approach. This approach leads to deeper analysis of the phenomenon studied. With regard to data collection, it was based on bibliographic method and documentary research. The need to use both methods is due to the fact that bibliographical research uses sources already elaborated as books and scientific articles, whereas documentary research uses several sources without analytical treatment such as magazines, reports, official documents.

Data sources were used, being scientific papers and books as theoretical basis and the reports issued by the CUA and FCO as a starting point for the discussions.

The choice of the five largest Brazilian public companies – Bank of Brazil, Federal Savings Bank, National Bank for Economic and Social Development, Brazilian Post and Telegraph Company and Brazilian Oil S.A. - was due to evidence of fraud and corruption, already triggered in investigative and judicial operations such as Operation Lava-Jato.

The period chosen for analysis was the year 2014, which had its publications published in 2015, since during the execution of this work the demonstrations for the year 2015 had not yet been disclosed. The choice of the last published year of the financial statements, due to the evident publicity of the corruption scandals practiced in these companies and the probable interference in the formation of the opinion of the independent auditors.

To carry out the research, it was initially used the FCO website, which provides a tab with the title: audit reports, inspection and evaluation. In this page it was possible to find numerous audits carried out in the companies object of this study, in different lines of action.

In this research, the line of action was used: management’s evaluation / annual audit of accounts. It is significant to mention that the Brazilian Post and Telegraph Company report for the year 2014 was only published in 2016, so when looking for the report of that company was necessary to indicate the year 2016.

The search for this information was carried out in order to verify the FCO’s audit reports, being sufficient to be able to be compared with the provisions of the law and to verify compliance with the law, allowing a comparison with the theoretical basis presented.

In order to have access to the independent audit report and consequently the opinion issued by the auditor, it was necessary to access the financial statements of each company under study. This access was given through a publication obtained through the Official Diary of the Union (O.D.U.) or, at the same time, in the own web page of each company.

Section 4 presents the data collected on the CUA and FCO web pages, as well as the opinion of the independent auditors, showing whether or not there was a consensus on the considerations issued by both, as evidenced in their reports.

III. Result and Discussion

With the use of the audit procedures there is a qualitative contribution of the results by the independent audit. These contributions are only possible with the application of the operational audit and compliance procedures performed by the CUA, together with the FCO audit, where their cooperation is to point out possible indications that may lead to the occurrence of errors or fraud, as shown in Table 4.
Brazilian Public Companies: Model Proposal for Fraud Detector

Table 4 – Verification of audit procedures in the study objects

<table>
<thead>
<tr>
<th>Procedures</th>
<th>Bank of Brazil</th>
<th>National Bank for Economic and Social Development</th>
<th>Federal Savings Bank</th>
<th>Brazilian Post and Telegraph Company</th>
<th>Brazilian Oil S.A.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational Audit</td>
<td>No internal control for high risk was found.</td>
<td>Emphasis is given to failures in internal control due to the lack of standardization and clarity of the reversion of reserves to Operating Margin.</td>
<td>It emphasizes the insufficiency of standardization, management mechanisms of monitoring, measurement of results and management.</td>
<td>It emphasizes the absence of standardization and centralization of control and absence of indicators.</td>
<td>Noteworthy regarding the management of contracts, improprieties in the management of investment projects.</td>
</tr>
<tr>
<td>Compliance Audit</td>
<td>According to Art. 151 of Decree n. 93.872 / 86 and subsection VI, art. 13 of IN / TCU / N. 63/2010.</td>
<td>Verified inconsistencies by the TCU in accordance with resolution CMN 4,175 / 12.</td>
<td>In accordance with the provisions of art. 151 of Decree n. 93.872 / 86 and subsection VI, art. 13 of IN / TCU / N. 63/2010.</td>
<td>Disclaimed highlighted in accordance with what is required in item IV of art. 15, from IN n. 24/2015.</td>
<td>It stands out in the normative aspect according to item 1.1 of part C annex II of DN TCU no. 134/2013.</td>
</tr>
<tr>
<td>FCO Audit</td>
<td>Recommendatio ns to minimize verified misconduct.</td>
<td>FCO requested new accounts for the purposes of resources disbursed by the BNDES, which made regularization.</td>
<td>Recommendations (punishment) for prevention of detected items.</td>
<td>Recommendations (punishment) for prevention of detected items.</td>
<td>Recommendations (punishment) for prevention of detected items.</td>
</tr>
<tr>
<td>Independent Audit</td>
<td>“Look Clean”</td>
<td>“Look Clean”</td>
<td>Clear opinion with emphasis paragraphs related to the restatement of values corresponding to the change in accounting practice.</td>
<td>Clean-up opinion with emphasis paragraphs related to rectification of previous years’ errors and inconsistencies in the financial statements.</td>
<td>Cleaned comment with emphasis paragraphs related to “Operation Lava Jet”.</td>
</tr>
</tbody>
</table>

Source: prepared by the authors based on the research data for the year 2014

It can be seen that, in relation to the operational audit, all the companies analyzed presented flaws, Petrobras being the most serious one, since it is contrary to the provisions of CUA 246/11, as shown in Table 1, in relation to management performance. In this way, presenting inconsistencies and improprieties regarding the management of contracts, investment projects and planning information. These flaws were caused due to the lack of use of appropriate procedures for effective transparency, in accordance with resolution n°. 240/2011 of the Federal Accounting Council (FAC), so that the inspection can be carried out and make transparency effective in fact.

Still, in relation to Brazil Oil S.A., the CUA pointed out that the causes are the inefficiency and inefficacy of the internal audit, which did not play its role in detecting and preventing errors and fraud. Internal auditing procedures combined with new technologies that support audit work in the detection and prevention of errors and fraud. Among other measures to strengthen this area, it is necessary to review the use of such systems, and to test validity as a control instrument.

Regarding the compliance audit, Brazilian Post and Telegraph Company, Brazil Oil S.A. and National Bank for Economic and Social Development deserve special mention. In the Brazilian Post and Telegraph Company, failures were evidenced in the Annual Report of Internal Audit Activities (ARIAA), evidencing that the company did not comply with the requirements of article 15 of the Normative Instruction of FCO n°. 24/2015, causing a negative effect on results, since it did not allow an overall assessment of internal controls. This contrasts with the provisions of the Integrity Guide to Assist Companies in Combating Corruption which establishes that internal audit units should adopt best practices, considering at least control environment, risk assessment, control, information and communication activities, and monitoring activities.

The National Bank for Economic and Social Development, as evidenced in Table 4, highlights the weaknesses verified in CMN Resolution n°. 4,175, dated December 27, 2012, demonstrating a breach of consistency that may affect the comparability of the financial statements of the company, negatively impacting the relevance of the accounting information. The quality of accounting information is the degree of functionality.
of accounting itself as a mechanism of governance, related to feedback power through the performance of managers, relevance of information when it affects the user's expectation in the predictive ability to make decisions about future events and, therefore, without information that is timely, timely and integrated, will significantly compromise organizational performance with regard to decision-making.26

In relation to Bank of Brazil and Federal Savings Bank, as highlighted in Table 4 in a FCO audit, the recommendations are for improvement of the systems to prevent failures that have impacted the image of the institutions, traditionally known as savings account, rural credit and lottery management of lotteries. A balance must be struck between observance tests and substantive internal audit procedures as a means of improving controls and preserving the institutions' image.22, 23, 24

Regarding the independent audit, the reports present clear opinions, but it is essential to highlight that Federal Savings Bank, Brazilian Post and Telegraph Company and Brazil Oil S.A. presented paragraphs of emphasis, where, in accordance with the provisions of NBC TA 500, they presented the use of audit procedures appropriately and as a consequence of this employment, emphasis was placed on the emphasis on "Operation Lava Jet" and this situation would be impacting investors and the company's own reputation. The inefficiency and inadequate competence of the auditor affects the audited organization's report, but such behavior is not enough and the technical pronouncements of the Accounting Pronouncements Committee (APC) must be followed, since the IAS are provided for in them.

Therefore, because the cause of this situation is directly related to the behavioral theory, where the emphasis in the emphasis on paragraphs were classified as "look clean", the seriousness of the emphasis should make a change in opinion.

IV. Conclusion

The present study was carried out with the objective of identifying similarities between the conclusion of the work carried out by the CUA and the FCO and the audit report issued by the independent auditors. For this, the largest public companies were used, identifying the contributions that were evidenced in section 4, demonstrating congruence between both, and can not be disregarded by the independent auditors who a priori deliver their reports later to the supervisory bodies.

The indications of errors or frauds pointed out by the CUA regarding operational audit presented greater redundancy in the aspect of absence of standardization, decentralization of internal control, lack of planning. Based on the evidence found, it was possible to identify FCO performance, proposing recommendations for improvements.

The CUA also played a fundamental role in the analyzes carried out, and as a source for the independent auditors the operational audit and compliance reports, which according to Table 4, presented several reports of irregularities that could later have been used by the independent auditors as indications for application of audit procedures for the purpose of obtaining evidence.

In the independent reports, despite the fact that the contributions of the CUA and FCO were evident, only the companies Federal Savings Bank, Brazilian Post and Telegraph Company and Brazil Oil S.A. had a change of opinion in the audit reports. This means that Bank of Brazil and National Bank for Economic and Social Development had no evidence confirmed by independent audits, ignoring the results pointed out by the CUA in the operational and compliance audits, as well as by the FCO audit report. Such findings from this research are possibly a consequence of behavioral theory, where the emphasis on paragraphs were rated as "clean" and the severity of the emphasis paragraphs could make a change in opinion in the final report of the independent auditors.

Through cross-analysis using bibliographical and documentary sources, it became possible to make a comparison between theory and practice, consequently giving rise to errors and making it possible to justify them theoretically, emphasizing the relevance of the use of theoretical instruments for practical purposes, in order to contribute in the empirical process on the application of auditing techniques and procedures.

This paper presents as main limitation the use of data for the year 2014 due to the fact that some companies did not publish their independent audit reports until the time of the work closure.

As future contributions it is suggested to carry out the present study with subsequent years, seeking to follow the evolution of these companies in the detection and prevention of errors and fraud, using the techniques and procedures of auditing by the FCO and CUA in comparison with the opinions in the independent audit reports.
References