

A photograph of two women in business attire working at a desk. The woman on the left is wearing glasses and a light blue shirt, looking down at a document. The woman on the right is wearing a blue shirt and a grey vest, holding a yellow pencil and looking at the same document. There are stacks of papers on the desk and a clock on the wall in the background.

# INTERNAL AUDIT

Organizations around the world, in nearly all industries, have experienced some degree of stress or turmoil caused by the global economic recession. In this environment, internal auditors are playing a vital and growing role in monitoring and helping improve organization-wide systems, processes and controls. This role likely will continue to grow in the next few years as organizations address not only financial pressures, but also regulatory pressures that governments impose in response to the financial crisis. In particular the internal audit function now plays a pivotal role to support the audit committee, risk committee and the risk unit of companies. With the increase in corporate fraud the internal audit and risk unit have to fully understand the importance of managing forensic and fraud audits and related services.



# The Importance of Internal Audit

## Integrating Risk Based and Forensic Auditing to mitigate the risk of fraud

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With the increase in corporate fraud the internal audit and risk unit have to fully understand the importance of managing forensic and fraud audits and related services. Fraud is the biggest threat to good corporate governance for both public and private enterprises - profit and non-profit making organizations.

Internal Audit has become an important element in the assurance environment of many organisations and a valuable tool and contributor to managing risk more effectively. This applies to both the corporate sector and the public sector.

The increased importance of Internal Audit has been reflected in the most recent revision of the ASX Corporate Governance Principles and Recommendations (3rd edition, 2014) which has adopted the position that if listed organisations do not have an internal audit function, they need to explain the reason ("if not, why not"). Additionally, the Australia Prudential Regulation Authority (APRA) has a mandated requirement for internal audit for financial institutions.

## Skill Set that a Head of Internal Audit needs today



### A thorough understanding of the (new) basic requirements

- A broad knowledge base that extends beyond pure accounting
- Specialized auditing credentials
- Membership of professional organizations



### Critical thinking and the ability to continue learning

- The ability to grow, adapt and change
- A capacity to look at risk in new ways
- People skills and the ability to build solid relationships



### Deep industry experience coupled with corporate knowledge

- An understanding of risks beyond the financial statements
- A thorough knowledge of industry-specific controls
- An awareness of potential reputational risks



### Leadership and the ability to "belong" in the C-suite

- A deep operational understanding of self and others
- The confidence to "sit at the table" at the top
- Superior communication and presentation skills



### A firm grasp of the importance of internal teamwork and partnering

- An ability to build relationships across the three lines of defense
- An aptitude for maintaining the independence of the internal audit function
- The skill necessary to bring others "into the tent" when change is needed

Source: <https://risk.thomsonreuters.com>

## Internal audit in the spotlight<sup>1</sup>

Boards and executive management have differing views of the value of an internal audit:



## Changing perceptions

Internal auditors need to evolve from internal compliance and validation officers to strategic advisors.



## Top 5 skills desired for internal auditors<sup>2</sup>

Internal auditors are under pressure to increase the breadth and depth of their skills – especially in analytical thinking – to create value through business insight.



## Internal auditors need to cultivate additional IT skills.<sup>3</sup>

A worrying

42%



of internal auditors are dependent on third parties for specialist IT skills. Internal audit functions must invest in training and up-skilling to gain the competencies and capabilities to increase the value of auditing and shift management perceptions.

Source: SAP

# INTERNAL AUDIT ROADMAP

A CLEAR OUTLINE OF THE INTERNAL AUDIT ROADMAP CAN HELP ENGAGE STAKEHOLDERS AND MANAGE EXPECTATIONS ALONG THE WAY





## OVERVIEW

Organizations around the world, in nearly all industries, have experienced some degree of stress or turmoil caused by the global economic recession. In this environment, internal auditors are playing a vital and growing role in monitoring and helping improve organization-wide systems, processes and controls. This role likely will continue to grow in the next few years as organizations address not only financial pressures, but also regulatory pressures that governments impose in response to the financial crisis. In particular the internal audit function now plays a pivotal role to support the audit committee, risk committee and the risk unit of companies. With the increase in corporate fraud the internal audit and risk unit have to fully understand the importance of managing forensic and fraud audits and related services.

## LEARNING OBJECTIVES

- ✓ Lessons of the Global Financial Crisis for the Internal Audit
- ✓ G20 Approach to the Global Financial Crisis and Key Measures taken
- ✓ Developing an Advanced Internal Audit plan by leveraging– Strategy-Based Audit (SBA)
- ✓ Why Audit Committees and Risk Committee are demanding SBA?
- ✓ How to link your Audit Plan to Business Strategies?
- ✓ How to measure the effectiveness of Strategy Implementation?
- ✓ Identifying Internal Auditor's Strategic and Future Role
- ✓ What does a world class risk register look like?

# INTERNAL AUDIT, FRAUD & FORENSIC AUDITING EXCELLENCE 2016

## 3 Day Master Class

 19th - 21st October, 2016

 Pullman Bangkok Grande Sukhumvit, Bangkok, Thailand

## COURSE LEADER



Andrew Bissett is one of the world's leading Chief Audit Executives having been the Global Head of Internal Audit, Group Risk and Reporting for Qantas Airways, one of the world's leading airline companies and Head of Audit and Fraud for one of Asia's largest Retail.

He has extensive governance, risk and audit experience in banking, aviation, oil and gas, energy, government, telecommunications and financial services, and professional services during which time he has reported directly to Board Committee, Chief Executive Officer, Chief Financial Officer and Chief Operating Officer levels for 25+ years. He has worked with some of the world and the Asian region's largest brands including: Woolworths Limited, Tabcorp Holdings, Qantas Airways, Deloitte, and E&Y Professionally, Andrew now runs his own global governance, risk management and audit consultancy; has assisted a number of organisations to transform their Risk and Assurance functions, with a focus

on articulating the risk and assurance strategy to ensure that it aligns with the organisation's strategy and then enabling people, process and technology to position the risk and assurance function to deliver value to the organisation.

He has led highly rated public seminars & in-house programs all across Asia Pacific & Middle East, India, Australia, UAE, Kuwait, Saudi Arabia, Malaysia, Pakistan, Philippines, Thailand. Blending theory, practical advice and in-depth solid expertise, his ability to educate market players on how to identify and control fraud risks is unsurpassed.

## Quest Masterclass

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