

Certificate in Internal Audit 2

Internal Audit Practitioner

Who should attend?

- Auditors with more than 18 months experience in internal audit
- This course will be particularly useful for delegates that have previously attended the Certificate in Internal Audit 1 -Essentials of Internal Audit course
- Auditors or other assurance professionals who want to significantly improve their reports
- Personnel in other functions who need a wider understanding on the modern internal audit role or improve their reports

What you will learn

- More than 150 ways to improve your reports
- How to enhance the impact of your reports significantly
- How to make your reports easier to write, easier to review and easier for management to implement
- Improve the acceptance and implementation of your recommendations
- Appreciate the worldwide trends in Internal Audit
- Be able to perform a self- analysis of your skills and techniques
- Improve your audit manual
- How to complete more audits on time
- Use CAAT's effectively

Why you should attend

This course is arranged into 2 modules – 150 Ways to improve your audit reports and Essential Audit Skills. The modules are designed to enable the reasonably experienced auditor to further develop the key skills of a modern auditor – communication, teamwork, negotiation, planning and time management – to name but a few

The course is designed to challenge your thinking about the whole approach to writing reports and planning the audit process.

The event will be particularly beneficial for those supervising assignments, lead auditors and those being asked to lead audit teams

As a developing auditor this course focuses on the challenges you will need to overcome

You will also be introduced to the new ideas in the IA profession and how to apply them

Day 1-2 150 Ways to improve your audit reports

Day 1 Audit reports – your shop window

- What is a best practice report?
- Who do you need to convince?
- The challenges of audit reporting
- Grabbing attention
- Getting the message across
- Getting action
- The need for impact
- Which of 7 reports shown would you be likely to read
- 5 ideas on creating impact
- How do you know a good report when you see one?
- What Management expect – recent survey of chief executive
- 2009 IIA professional standards
- Who are the reports really for?

Exercise 1 What are the factors that separate an excellent report from the rest?

The problems with audit reports

Exercise 2 35 questions about your audit reports issued during the last 12 months

- The 35 questions (all based on best practice) – how did you score?
- What are the factors preventing the achievement of these best practice measures
- 35 Tips, techniques and ideas to help you score a maximum
- Discussion of the implications
- How to assess the needs of the audit customers

Analysis of actual reports

- Explanation of a proven method to evaluate audit reports

Exercise 3 Analysis of 4 actual reports

- Feedback and discussion

Assessment and evaluation of your own reports

Exercise 4 Self evaluation against the model provided

- Discussion of key issues and identification of opportunities for improvement
- Key challenges and their implications

The Executive Summary

Exercise 5 Comparison of 3 actual executive summaries

- 15 ways to improve the Executive summary
- The benefits of writing the Executive summary before the main report.
- Messages rather than content
- Outcomes rather than output
- Solutions not problems

Exercise 6 Role-play a meeting with senior management to discuss the report

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| Day 2 Best practice internal audit reports – the way forward |
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- The psychological problem with reports
- Why audit reports are taken as a criticism of management

Exercise 7 Re-writing the Executive summary

- 15 ways to focus on success
- Key requirements of the audit report of the future
- How to draft a report with impact – discussion of banner headlines and their relative impact
- Highlighting the issues that matter
- How to get recipients to react positively
- 20 ideas on format and language
- 10 ways of improving the review process
- The use of sentences, paragraphs and bullet points

The main report

- Audit Objectives
- Scope
- Forming and expressing the audit opinion

- Benefits and deliverables
- Formatting ideas
- How to improve the review process
- The power of Senior management comments
- Circulation lists
- 30 Words and phrases to avoid

Exercise 8 Picking the biggest paragraph from a report and rewriting it in one third of the words originally used.

- How to avoid repeating any sections in the Executive Summary
- How to reduce the number of words
- The power of pictures and graphics
- The need to relate the issues to objectives and risk
- How to deal with sensitive issues in the report.

Exercise 9 Redrafting the objectives, scope, opinion and conclusions

- Recommendations and actions plans
- Management Comments
- How to reflect the right issues for the Audit Committee
- 5 ways to improve the follow-up process
- 5 ways to present results
- **Examples of good reports will be provided**
- The need to be on your customers side
- Reporting KPI's
- Follow up
- Tracking actions
- Use of the Intranet
- Action plans

Day 3-4 Essentials Audit Skills

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| <p>Day 3 Challenges of the modern audit role</p> |
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The Modern Auditor Role

- Worldwide trends in the profession
- The role of the internal audit function
 - The policing role
 - The risk assessor role
 - The consulting role
- Can all three roles be provided?
- What should the balance between the roles be?

- How much time should be given to each?
- How can a better understanding of the role be gained?
- How can the profile be enhanced?

Exercise 10 The Role of IA in 2010 and beyond

- The multi-faceted role of the auditor
- Qualities required by a successful auditor
 - Negotiating
 - Planning
 - Questioning
 - Listening
 - Establishing rapport
 - Investigative skills
 - Building trust
 - People management
- Leadership styles
- Delegation and tips for success

Exercise 11 Performing a self analysis

- The different requirements and challenges of auditing in major sectors in the Gulf region
- Results of October 2008 Survey of Chief Executives
- Why Internal Audit needs to take the pulse of the organisation
- What is best practice?

Exercise 12 Key audit challenges

- Preliminary planning
- The importance of planning
- Constraints to effective planning
- Pre-meeting with management

Exercise 13 Building success – a negotiation exercise

- The Audit manual
- Outline of the key constituents
- **A 64 page manual will be provided to all delegates**

Exercise 14 How to improve the audit manual

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| Day 4 Planning the audit assignment |
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- The key issues in assignment planning
- The need to apply project planning techniques
- Developing a planning memo for the assignment
- Determining an effective time budget
- Process analysis
- Preventative, detective, directive and corrective controls
- Strategies for improving time management

Exercise 15 How to complete more audits on time

- Determining sources of information
- Getting management input
- Deciding on the audit team
- Allocating the roles
- Team work and the challenges faced
- How to hold an effective team meeting to plan the assignment
- Getting the most out of the team

Exercise 16 Teamwork

- The link between control, risk and objectives
- Deciding who you will need to interview
- Determining the audit objectives
- Risk based planning
- Determining the objectives of the function to be audited
- Building an understanding of the audit process
- Developing effective audit programmes
 - What makes a good programme?
 - Mistakes to avoid
 - The dangers of re-inventing the wheel
 - Assigning tasks
 - Staffing factors
 - The need for regular updates for standard programmes

Exercise 17 Audit programme development

- Supervising and controlling audits – tips for success
- Fieldwork Techniques
 - Types of fieldwork
 - Who to decide what techniques to use
 - How to decide the depth of testing required
 - Problem solving
- Use of Computer assisted audit techniques
- The benefits of ACL and IDEA
- CAAT's and data mining
- Opportunities
 - Big populations
 - Comparing files
 - Info on different systems

- Investigations
- Stratified sampling
- Complex IT updates
- Audit trails
- Continuous audit
- Benford's Law
- Looking for duplicates
- Types of test ideal for CAAT's applications
- Cash monitoring
- Stock control
- Payroll
- Revenue
- Cost comparisons
- External comparisons (with external databases)
- Branch or business comparison

Exercise 18– Use of ACL – group exercise using audits chosen by the delegates



- The need to meet and hopefully exceed management expectations
- How to deal with the audit- phobe (those who dislike audit)
- The need to focus on benefits rather than problems
- Marketing
- Explaining the audit approach to staff of the function being audited
- Example presentation to use
- Marketing yourselves
- Internal Audit at your service

Exercise 19– marketing your approach