

Ken Knowledge International in association with



168 Ways to improve your audit reports

Writing effective audit reports must be the most important aspect of the Internal Audit process. It is the main deliverable and the only written information audit customers receive

Attend this 2-day workshop and learn how to:-

- Enhance the impact of your reports
- Improve their clarity and brevity
- Increase the percentage of recommendations implemented
- Create more focussed audit opinions
- Reduce the lead time for their issue
- Appreciate the do's and don'ts of effective reports
- Understand the words and phrases to avoid
- Benchmark your audit reports against worldwide best practice
- Develop an approach for the future, which is innovative, creative and constructive.

The course is designed to challenge your thinking about the whole approach to writing and reviewing audit reports – it is targeted at both auditors and audit managers. Heads of Internal Audit will also benefit significantly from attending.

Phil Griffiths is an acknowledged expert in the internal audit field and has delivered this course all over the world – everyone attending will go away armed with practical ideas to improve their audit reports and enhance their impact.

Course Outline

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 5 reports shown would you be most likely to read
- **8 ideas on creating impact**
- How do you know a good report when you see one?
- What Management expect – recent survey of chief executive
- Who are the reports really for?

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

- What management expects from audit reports – survey results
- IIA professional standards re reporting

The problems with audit reports

Exercise 2 : 35 questions about your Internal 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
- **38 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 3 actual reports

- What were the differences between the reports?
- Comparison of positive and negative aspects
- Feedback and discussion

Assessment and evaluation of your own reports – Exercise 4

- Self evaluation against the model provided (*delegates are asked to bring along 2 recent reports- purely for their own reference*)
- 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

- The messages you want the Board to hear
- How to ensure no overreaction

- Including positive comments
- How to keep it short and focussed
- **18 ways to improve the Executive summary**
- 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

Day 2

Best practice internal audit reports – the way forward

- The psychological problem with reports
- Why audit reports are taken as a criticism of management
- **18 ways to make the reports more positive**

Exercise 7 Re-writing the Executive summary of one of your own reports

- Key requirements of the audit report of the future
- How to draft a report with impact – discussion of banner headlines and their relative impact
- How to get recipients to react positively
- How to write balanced reports
- How to get 95% of your recommendations actioned
- Title pages and indexes
- Highlighting the issues that matter
- **8 ideas on improving format and language**
- The review process – the need for a positive approach
- **9 ways of improving the review process**

The main report

- Audit Objectives
- Scope
- Forming and expressing the audit opinion
- Benefits and deliverables
- Conclusions
- The power of Senior management comments
- Circulation lists
- **28 Words and phrases to avoid**
- How to avoid repeating any sections in the Executive Summary
- How to reduce the number of words
- The power of pictures and graphics
- The use of sentences, paragraphs and bullet points
- The need to relate the issues to objectives and risk
- How to deal with sensitive issues in the report.

Exercise 8 : Redrafting the objectives, scope, opinion and conclusions in the main body of the report

- Recommendations and actions plans
- Management Comments
- How to reflect the right issues for the Audit Committee
- The follow-up process
- Follow up audits – using the action plan
- How to get management to take responsibility for chasing actions
- **8 ways to improve the follow-up process**
- Issuing the report
- Presenting or issuing reports (inc use of e-mail and the Intranet)
- Alternative methods of reporting e.g. PowerPoint presentations
- **5 ways to present results**
- **A Best practice report template will be shared**
- Examples of excellent reports will be provided
- The need to be on your customers side
- **8 Reporting KPI's**
- Tracking actions
- Use of the Intranet
- **20 steps to success**

Writing a report in the best practice format

*Interactive Exercise- taking a long report of your own – ideally one with more than 15 pages and turning it into the 6 page best practice format – **a report should be brought along for the purpose.***

Delegates action plans