150 ways to improve your audit reports

Who should attend?

- More experienced auditors or other assurance professional who want to significantly improve their reports
- Newer internal auditors – to enable them to learn the most up to date techniques
- Personnel in other functions who need a wider understanding on how to improve their reports

Why you should attend

- 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

- This 2 day course is designed to challenge your thinking about the whole approach to writing and reviewing audit reports

Course Level

- This is an intermediary level course it is advisable that delegates have 6 months experience in Internal Audit or other assurance functions
- There are no minimum educational requirements
- No advance preparation is required
- Delivery method – Group-live (with exercises to simulate audit scenarios and situations that delegates will encounter)

After completing this course you will be able to

- Simplify your reports and enhance their readability
- Significantly enhance the impact of your reports
- Make your reports easier to write, easier to review and easier for management to implement
- Improve the acceptance and implementation of your recommendations
- Create more focussed audit opinions
- Reduce the lead time for their issue
- Avoid unnecessary words and phrases
- Benchmark your audit reports against worldwide best practice
- Influence management more effectively
- Negotiate more successful outcomes

- Participants will earn 10 CPE credits in the Auditing field of study

Day 1   Audit reports – your shop window

- The 5 dilemmas of audit reporting
- Video from IIA president
- What is a best practice report?
- Who do you need to convince?
- Top tips – communicating results
- The challenges of audit reporting
- Grabbing attention
- Getting the message across
- Getting action
- The need for impact
- Which of 6 reports shown would you be likely to read
- Ideas on creating impact
- How do you know a good report when you see one?
- What Management expect – recent survey of chief executive
- 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 - Thirty five questions about your audit reports

- The 35 questions (all based on best practice) – how did you score?
- What are the factors preventing the achievement of these best practice measures
- 30 Tips, techniques and ideas to help you score a maximum
  - How to get 95% of recommendations implemented
  - Use of charts and photos
  - Dealing with minor issues
  - Future focus
  - Order of importance of the issues
  - Actions rather than recommendations
  - Action plans
- 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
- The need to determine success criteria
- Who should you involve?

Exercise 3 - Analysis of 4 actual reports

The Executive Summary

Exercise 4 - Comparison of 3 executive summaries

- The role of the Executive summary
- **20** tips for writing better summaries
- Targeting the Executive summary to the reader
- The benefits of writing the Executive summary before the main report.
- Asking a non-technical person to read it

Exercise 5 - Role-play a meeting with senior management to discuss the report

- Feedback and discussion of the issues

Writing the Executive summary

- Reflecting on the issues raised in the role-play
- The need to cover the following issues
  - How many key issues are there?
  - What led to the control failures?
  - What did it or could it cost the business?
  - Were there any other impacts
  - Will the actions agreed deal with the risk?
  - What confidence will this give senior management

Exercise 6 – Writing the Executive summary

Day 2   Best practice internal audit reports

Writing reports with impact

- **10** ways to market the audit reporting process
- Why audit reports are taken as a criticism of management
- Messages rather than content
- Outcomes rather than output
- Solutions not problems
- Auditor and reader mind-sets
- Ways to make the reports more positive
- Benefits and deliverables
- Conclusions
- Language and impact
- Simple and Complex language
- The use of 'power words' in your communications
- How to get on the same wavelength as your customer
- Highlighting the issues that matter
- Audit observations
- New paper on audit observations will be shared
- Causes and effects

- **35** ways to draft a report with impact

Ideas on improving the review process

- **10** ways to improve the review process
- The need for a positive approach
- Techniques for effective review
- Putting yourself in the position of the writer and recipient
- Avoiding the use of the 'red pen'
- Encouraging the auditor
- Avoiding making changes for change sake
- Messages rather than content
- Outcomes rather than output

The main report

- **25** ideas for improving the main report
- Keeping it simple
- The report process
- Writing the main report
- Dealing with writers block
- Audit Objectives
- Scope
- Forming and expressing the audit opinion
- Wording tips
- Tone
- Writing effective coherent sentences and paragraphs
- The editing process – tips for success
- The power of Senior management comments
- Circulation lists
- Formatting ideas
- How to avoid repeating any sections in the Executive summary
- Words and phrases to avoid
- How to reduce the number of words
- Why the spellchecker sometimes does not help you
- Dealing with the difficulties of the English language

Finalising the report

- **5** ideas to finalise the report more effectively
- Recommendations and actions plans
- Management Comments
- How to reflect the right issues for the Audit Committee
- Audit Committee report examples

- **The need to be on your customers side**
- **Follow up audits – using the action plan**
- **How to get management to take responsibility for actions**
- **5 Ways to improve the follow-up process**

Exercise 10 - Follow up of reports

- **Issuing the report**
- **Presenting or issuing reports (including use of e-mail and the Intranet)**
- **Alternative methods of reporting e.g. PowerPoint**
- **Examples of excellent reports will be provided**
- **The need to be on your customers side**
- **Reporting performance indicators**
- **Tracking actions**
- **10 other Steps to success**

Assessment and evaluation of your own reports

- **A model for assessing reports will be outlined**

Exercise 11 Self-evaluation against the model provided
(delegates *are requested to bring along 2 recent reports- purely for their own reference)*

- **Discussion of key issues and action plans**