



## **World Class Internal Audit On-line interactive course 2 days**

### **Why you should attend**

The Internal audit function is increasingly regarded as a business partner, a catalyst for change and a Governance advisor.

You therefore need your internal audit function to adopt world class techniques.

The event represents a superb opportunity to develop new approaches to the difficult challenges facing modern audit functions

The workshop also includes opportunities to discuss issues of your choosing with your peers

### **Who should attend?**

- Heads of Internal Audit (CAE's)
- Audit Managers and those about to be appointed to that role
- Audit supervisors
- Senior Managers of other assurance functions such as Compliance or Quality Assurance
- Directors or VP's who need to know about the modern IA role

### **Course Level**

- This is an intermediate to advanced level course and delegates should be Audit Supervisor level or above
- Delegates should have a good educational standard (Bachelors degree or above) and/or a professional qualification
- No advance preparation is required
- Delivery method – On-line live (with exercises and case studies to provide practical application of the tools and techniques)

## After completing this course you will be able to

- Benchmark your IA function against worldwide best practice
- Make the transition from a good function to a great one
- Significantly improve the strategic audit focus
- Deal with the challenges of consultancy
- Audit complex areas of the business
- Deliver stakeholder assurance more effectively
- Engage more positively with senior management

## CPE credits

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

## Day 1 Developing Internal Audit to be a strategic advisor

### The need to exceed stakeholder expectations

- Who are the stakeholders?
- Are stakeholders' expectations known?
- Arranging meetings with all stakeholders
- Workshops with key stakeholders?
- Are the expectations clear?
- How can you meet the widely differing expectations?
- Are there any areas where expectations could be exceeded?
- Are there any quick wins?
- What reports should IA provide to stakeholders?
- A new paper on working with stakeholders will be shared
- New advice on auditing strategy
- What every Director should know about IA – new guidance

### Exercise 1 - Meeting the ever expanding requirements of stakeholders – what should the IA role be?

### Auditing the key risks of the Board

- The development of strategic objectives, are taken without due consideration of the impact on the organisation
- Non-executive directors (NEDs)/independent members of the board are unable to give independent, robust challenge
- The Board does not have sufficient, complete or timely information on which to base its decisions.
- Committees set up by the Board may not fulfil their obligations or there are too many committees
- The Board does not have sufficient oversight across the whole organisation.
- Policies, procedures and projects are not aligned to the organisation's objectives.
- The culture of the organisation is not fully defined or does not support the organisation in achieving its objectives.

- Risks are accepted or taken which are outside of the organisation's risk appetite.
- The regulatory or legislation requirements are not adequately understood leading to increased regulatory sanction or censure

## **Exercise 2 – Auditing the Board risks**

### **Auditing IT Governance**

- Global Technology Audit Guides (GTAG's)
- The need to determine the boundaries
- Defining the IT audit universe
- Focus on high risk areas
- Assess IT vulnerabilities
- Target areas where you are focusing on process rather than technical aspects
- Use of audit frameworks such as CoBIT and ISO 27000
- IIA new standard on IT Governance
- Risk based audit of general controls (GAIT)
- IIA guidance re GAIT
- **An ISO 27000 audit checklist will be shared**

## **Exercise 3 – Challenges of IT Governance audit**

### **Auditing the Audit Committee process**

- The Audit Committee role
- Structure and independence
- Does the Committee approve (but not direct) internal audit strategy, plan and performance?
- Does the Committee review summary IA reports and the main issues arising and seek assurance that action has been taken
- How does the Committee consider the reports of external audit and other external agencies?
- How are the effectiveness of relationships between IA and EA and other bodies reviewed
- How are the effectiveness of the risk management environment and anti-fraud arrangements assessed
- The Audit Committee / IA relationship
- New paper on how the Audit Committee should assess IA
- Case study and audit programme will be provided
- How does the Committee satisfy itself that assurance statements and the annual statement of accounts properly reflect the risk
- An Audit Committee checklist will be shared

## **Exercise 4 –The Audit Committee audit**

## **Day 2 Focussing the Internal Audit role**

### **Internal Audit as an agent for positive change**

- Ensure that your staff know that risk management is not a fad or the latest initiative – it is a business process
- Ensure you define risk as the need to get things right – not what can go wrong
- ‘Ring fencing’ risk exposure - never allow one part of the business to impact the whole organisation
- Determining and communicating your attitude to risk and your required risk culture to managers and stakeholders
- Recognise that reputation is both your biggest asset and the biggest risk you face – and one you cannot insure
- Do not wait until you are required to provide evidence of effective risk management by regulators or legislation – this will usually be too late
- Market the audit process internally and to stakeholders
- Recognise that your employees will only be interested in managing risks if there is a benefit for them in doing so
- Realise that if managers want to get a proposal through, they will tend to understate the risk (if you let them)
- Promote risk as the pulse of the organization and make sure that you have personnel to regularly take this pulse

#### **Exercise 5 - What steps can IA take to better promote themselves?**

### **Responding to the significant changes in the IA role**

- How the IA profession has changed in the last 10 years
- New IIA paper on models of effective IA will be shared
- The transition from Risk based Auditing to Objectives based audit
- Key messages from the IIA Body of Knowledge survey
- Deciding the strategic direction for your function
- Pulse of the profession survey results
- IIA ‘Becoming more effective’ guidance will be shared
- The relationship between the IA function and the organisation’s centralised risk monitoring function
- Passing responsibility for follow-up to Senior Management.

#### **Exercise 6 – Focussing the IA role**

### **Continuous auditing**

- The revised IIA Global Technology Audit Guide (GTAG)
- The practicalities of continuous auditing
- Paper – fantasy or reality
- Continuous assurance – new guidance
- Continuous auditing and continuous monitoring
- The use of CAAT’s for continuous auditing
- Continuous risk assessment techniques

- Examples of continuous auditing
- A paper on continuous audit using ACL will be shared
- New GTAG on audit sampling

## **Exercise 7 – Opportunities for continuous auditing**

### **Auditing Cybersecurity risks**

- Statistics about cybersecurity crime
- Profiles of the Attackers
- Anatomy of a Breach
- How to prevent Cyber Incidents
  - Network Controls (Internal and External)
  - Domain and Password Controls
  - Access rights and User Awareness
  - Application Security
  - Secure Software Development environment
  - Data Controls
  - Encryption
- Vulnerability Management
- Security Testing
- Social Media risks
- ISO 27000

## **Exercise 8 – Cybersecurity risks**

### **The challenges of the consultancy role**

- The IIA standards
- Why consultancy should be encouraged
- The difference in approach
- Opportunity auditing
- How to document these assignments
- Reporting consultancy assignments
- Audit by workshop
- Facilitation –do's and don'ts

## **Exercise 9 – How to develop the consultancy role**