



## 100 ways to improve your audit 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

The course is designed to challenge your thinking about the whole approach to writing and reviewing audit reports – it is targeted at both newer auditors and also more experienced personnel

### Course Level

- This is an intermediary level course it is advisable that delegates have 6 months experience in Internal Audit to attend
- There are no minimum educational requirements
- No advance preparation is required
- Delivery method – Group-live (with exercises and role-plays to simulate audit scenarios and situations that auditors 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

### CPE credits

- Participants can earn 14 CPE credits in the Auditing field of study

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## **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- 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
- 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**

- Feedback and discussion

## Assessment and evaluation of your own reports

- A model for assessing reports will be outlined

**Exercise 4 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 identification of opportunities for improvement

## The Executive Summary

**Exercise 5 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 6 Role-play a meeting with senior management to discuss the report**

- Feedback and discussion of the issues

**Exercise 7 Writing an Executive summary – based on the role-play**

**Day 2 Best practice internal audit reports – the way forward**

## Writing reports with impact

- Messages rather than content
- Outcomes rather than output
- Solutions not problems
- Auditor and reader mind-sets
- Why audit reports are taken as a criticism of management
- Ways to make the reports more positive
- Benefits and deliverables
- Conclusions
- How to draft a report with impact – discussion of banner headlines and their relative impact
- 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

### Exercise 9 Causes and effects exercise

## Ideas on improving the review process

- The peer 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
  - Solutions not problems

### Exercise 10 Reviewing a draft report

## 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

### Exercise 11 Picking the biggest paragraph from a report and rewriting it in one third of the words originally used.

## Finalising the report

- 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**
- **Ways to improve the follow-up process**

### **Exercise 12 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**
- **Steps to success**

### **Exercise 13 Tracking actions**

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