



# BUSINESS PROPOSAL

[Sender.FirstName] [Sender.LastName]

[Sender.Company]



# Why Choose Us?



## Agile

We have adopted Agile practices in our project management techniques. What this means is that we don't follow traditional waterfall approach.



## CAATS and ICT

We use data analysis, to improve efficiency whilst enhancing the quality of our results.



## We Bring Value Partners

A partner from our consulting division who is primarily focused on how we can improve the business, to help the organization "do business better".



## Young

We are a relatively young firm, which means we do not suffer from historical bias. We do not have any assets or IP that we have to sweat, accordingly you get the what you need for the best value. Our methodology is fresh and relevant



## Small Enough to Care

We are mid sized firm with a personal ethos. We are big enough to have the relevant and appropriate skills, yet small enough to provide a personal high quality service through our continuous oversight model.



## Investment in our People

We are our people. We invest heavily in our people, encouraging them to adopt our value adding approach.

# Cover Letter

Thank you for allowing us the opportunity to propose our  
for the **[Client.FirstName]**

We have prepared a detailed response to address each and every of your requirements.

We believe, Internal Audit has to extend beyond simply providing assurance to management and the Audit Committee over the organization's key risks. Internal Audit must add continuous value, it is this belief that drives our passion to improve your business, to help you "do business better"

To achieve this, we have put together a multi-disciplinary engagement team who share a unique set of complementary skills, values and experience which will enable us to serve you with distinction. Our team consist of experts in areas of governance, risks, internal controls, IT Audit, data analytics and IT security. Each of our engagement teams include a **Value [Client.FirstName]**, a concept unique to our Firm.

Our proprietary agile based internal audit methodology is highly efficient, cost effective and rapid, whilst ensuring valuable insights and analysis is distilled.

We thank you for your consideration and look forward to helping your organization achieve its objectives.

Yours sincerely,

**[Sender.Company]**



# Key Clients

The Firm operates in a broad range of sectors including : ICT, Telecommunications Infrastructure, Financial Services, Retail and Wholesale Trade, Manufacturing, Enterprise Retail, Property Development and Management. You will find a list of our key clients below :

Top clients by Size				
	Client	Engagement	Industry	Size
1	KZN Medical Care Coalition Ltd	External Assurance	Medical, Public Entity	Shareholders > 1,500
2	Kwantu	External Assurance	Hospitality and Retail	Assets > R 500m
3	Bargain	External Assurance	Bargain-Wholesaler	Revenue > R 2bn
4	GFT Group	External Assurance	Medical, Public Entity	Revenue > R 3bn
5	Global Foreign Exchange	External Assurance	Global Foreign Exchange-Finance	Tx Processed > R 1.7bn

Public Sector Engagementsa				
	Client	Engagement	Industry	Size
1	KZN Medical Care Coalition Ltd	External Assurance	Medical, Public Entity	Shareholders > 1,500
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5	Global Foreign Exchange	External Assurance	Global Foreign Exchange-Finance	Tx Processed > R 1.7bn

# Software and Affiliations

Financial Reporting



Cloud Accounting

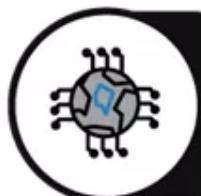


Data Analytics  
and Automation



Back-Office

Network and IT Security



Proprietary

Proprietary



Audit



# ■ Reference Letters

Dear Sir/Madam,

**TO WHOM IT MAY CONCERN**

It gives us great pleasure to recommend Nexia SAB&T to your organization. We have worked with them since April 2014. In this time, they have provided us with the following professional outsourced Services:

- Internal Audit Services;
- Risk Management Services;
- IT Audit Services; and
- Forensic Services

Their subject matter expertise and professionalism has contributed greatly in enhancing our organization. They have further made value added recommendations to improving the control environment within our organization.

We have no hesitation in recommending them as their service rendering is not only exceptional, but they are also easy to work with, and willing to involve management in every step of the process.

If you have any further questions, please feel free to contact my office.

# Team Summary



**Muhammad Lockhat**

**Ismail Lockhat**

**Imraan Lockhat**

<b>Title</b>	Director	Director	Director
<b>Designation</b>	CA (SA) RA CISA	CA (SA) RA CISA	CA (SA) RA CISA
<b>Registered Bodies</b>	SAICA, IRBA, ISACA, ACFE, IIASA	SAICA, IRBA, ISACA, ACFE, IIASA	SAICA, IRBA, ISACA, ACFE, IIASA
<b>Industry Experience</b>	+17 years	+15 years	+19 years
<b>Public Sector Experience</b>	+8 years	+9 years	+11 years
<b>ICT Experience</b>	+6 years	+7 years	+8 years
<b>Notable clients Public sector</b>	<ul style="list-style-type: none"> <li>• Dept. of Water</li> <li>• Government Pension</li> <li>• Administration Agency</li> <li>• South African National Energy</li> <li>• Development Institute</li> <li>• National School of Government</li> <li>• The Umhlatuze Municipality</li> </ul>	<ul style="list-style-type: none"> <li>• Dept of Education KZN</li> <li>• Office of the Premier</li> <li>• National Research Fund</li> <li>• KZN Treasury</li> <li>• National Empowerment fund</li> </ul>	<ul style="list-style-type: none"> <li>• Dept. of transport</li> <li>• Department of Public Safety</li> <li>• National Regulator for Compulsory Specifications</li> <li>• Natal Joint Municipal Pension Fund</li> <li>• Umgeni Municipality</li> </ul>
<b>Software</b>	ACL, Teammate, SAP, Oracle, Sage, SOL	ACL, Teammate, Idea, Caseware	ACL, Teammate, SAP, Oracle, Sage, SOL
<b>Special Skills</b>	Data Analytics, ICT Assurance, Network Security, CFO support	Quality Control, IT Assurance, Large Enterprise Audits, technical assurance expert	Business Strategy, Control Frameworks, Continuous Auditing, Performance Management
<b>Industry focus</b>	Technology, Financial Services, Utilities, Property, Social Services, Fund management	Telecommunications, Utilities, Property, Entertainment, Manufacturing, Wholesale and retail	Retail and Trade, Logistics, Infrastructure, Technology, Fund Management, Municipalities
<b>Industry focus</b>	Muhammad has over 17 years of experience in the assurance industry. He has a broad portfolio of clients nationally with a specific focus on ICT based clients in the private sector. Muhammad is the engagement partner for some of the Firm's largest clients, he is a trusted advisor to our Firm's key clients and has continues to oversee our firm's IT division which has grown significantly since his involvement.	Ismail has over 15 years of experience in the assurance industry. He has a broad portfolio of clients and is the engagement partner for some of the Firm's largest clients.	Imraan has over 19 years of industry experience, having worked across a broad range of sectors successfully managing various roles.
			He is the lead partner of our public sector portfolio and manages key relationships in this sector personally. He is incredibly active in the public sector and continues to extend his and the Firm's reach within the sector.

# Team Summary (continued)



**Priya Singh**



**Ahmed Paruk**



**ROHITH Ramsarup**

<b>Title</b>	AUDIT MANAGER	KEY MANAGER
<b>Designation</b>		
<b>Registered Bodies</b>	SAICA and IRBA	CA (SA)CISA
<b>industry Experience</b>	+15 years	+6 years
<b>Public Sector Experience</b>	+6 years	+6years
<b>ICT Experience</b>	+6years	+6years
<b>Notable clients</b>		
<b>Public sector</b>		
<b>Software</b>		
<b>Special Skills</b>		
<b>Industry focus</b>		
<b>Industry focus</b>		

# Team Summary



**Dawood Abubaker**



**Yashiren Naidoo**



**Roshan**

<b>Title</b>	KEY MANAGER	AUDIT MANAGER
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**Designation**

<b>Registered Bodies</b>	(SA),CISA(CURRENT)	CA(SA)
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<b>industry Experience</b>	+6 years	+6 years
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<b>Public Sector Experience</b>	+6 years	+6years
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<b>ICT Experience</b>	+6years	+6years
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**Notable clients**

Public sector

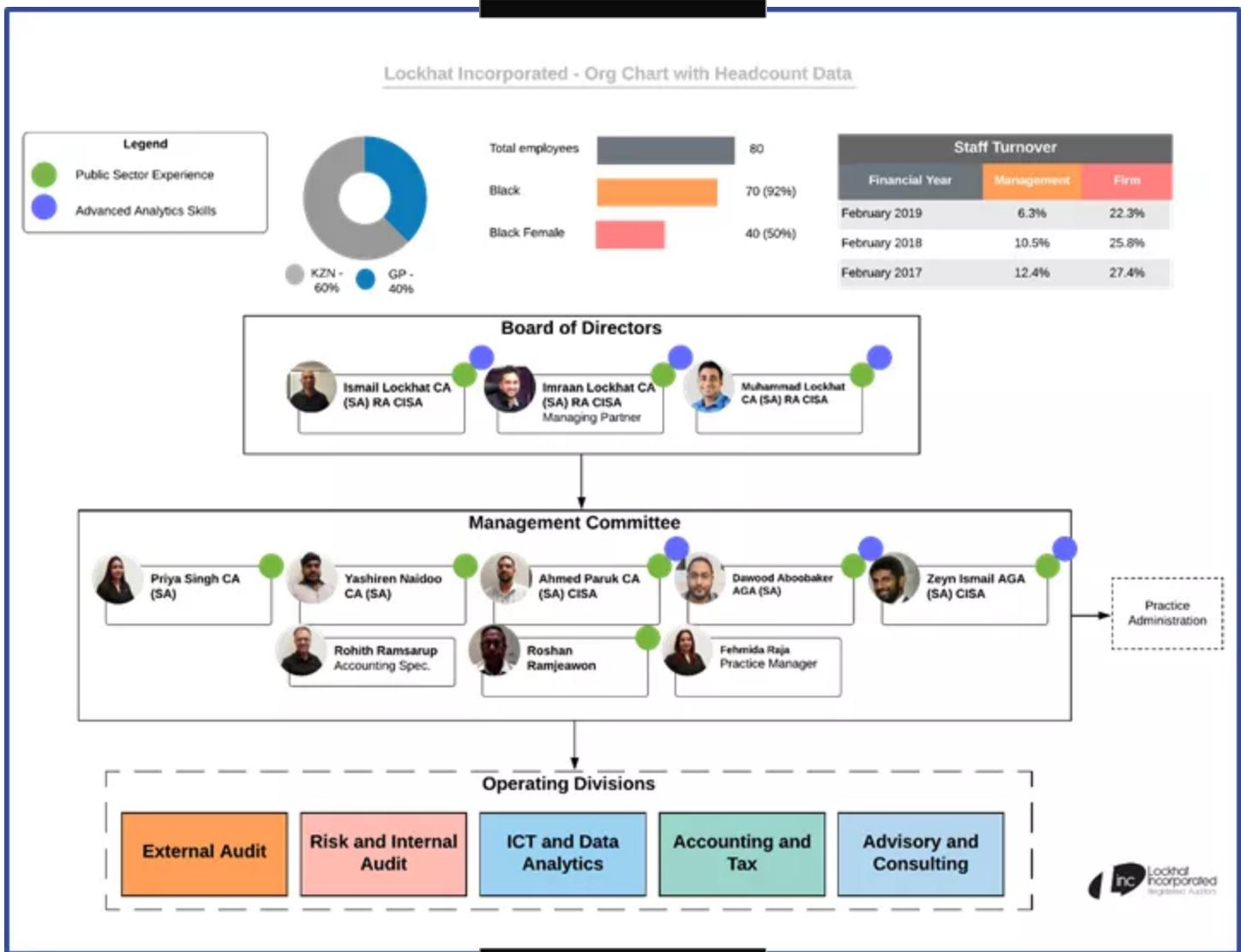
**Software**

**Special Skills**

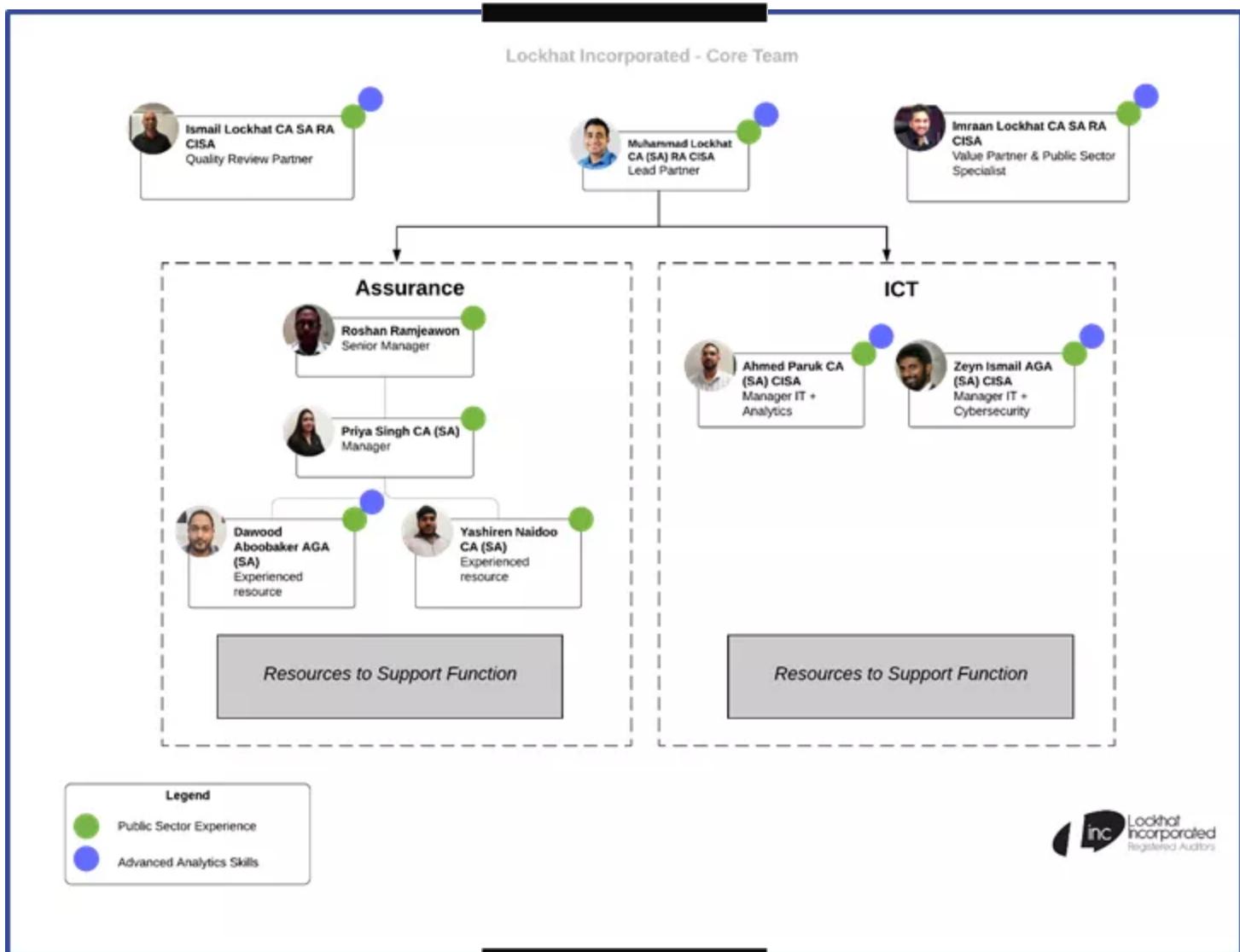
**Industry focus**

**Industry focus**

# Firm Org Chart



# Core Team Org Chart



# Public Sector Focus

# Internal Audit Methodology

Our internal audit methodology is based on the world's best assurance standards and control frameworks, including Internal auditing standards, COSO, COBIT, ITIL, ISA. These standards are tightly integrated with each other and deployed using an agile approach, allowing us to provide a higher quality of assurance whilst adding significant value to the organization.



# IT Audit

Our approach and methodology for IT Audits is based on the COBIT framework (Control Objectives for Information and related Technology). COBIT is regarded as the leading international framework for IT Audit, Risk, Control and Governance. Our IT Audit approach is designed to achieve value, whilst reducing disruption to the organization.



We determine during planning the level of sophistication, complexity and automation in the business environment. This enables us to assess risk and determine audit procedures.



Execution



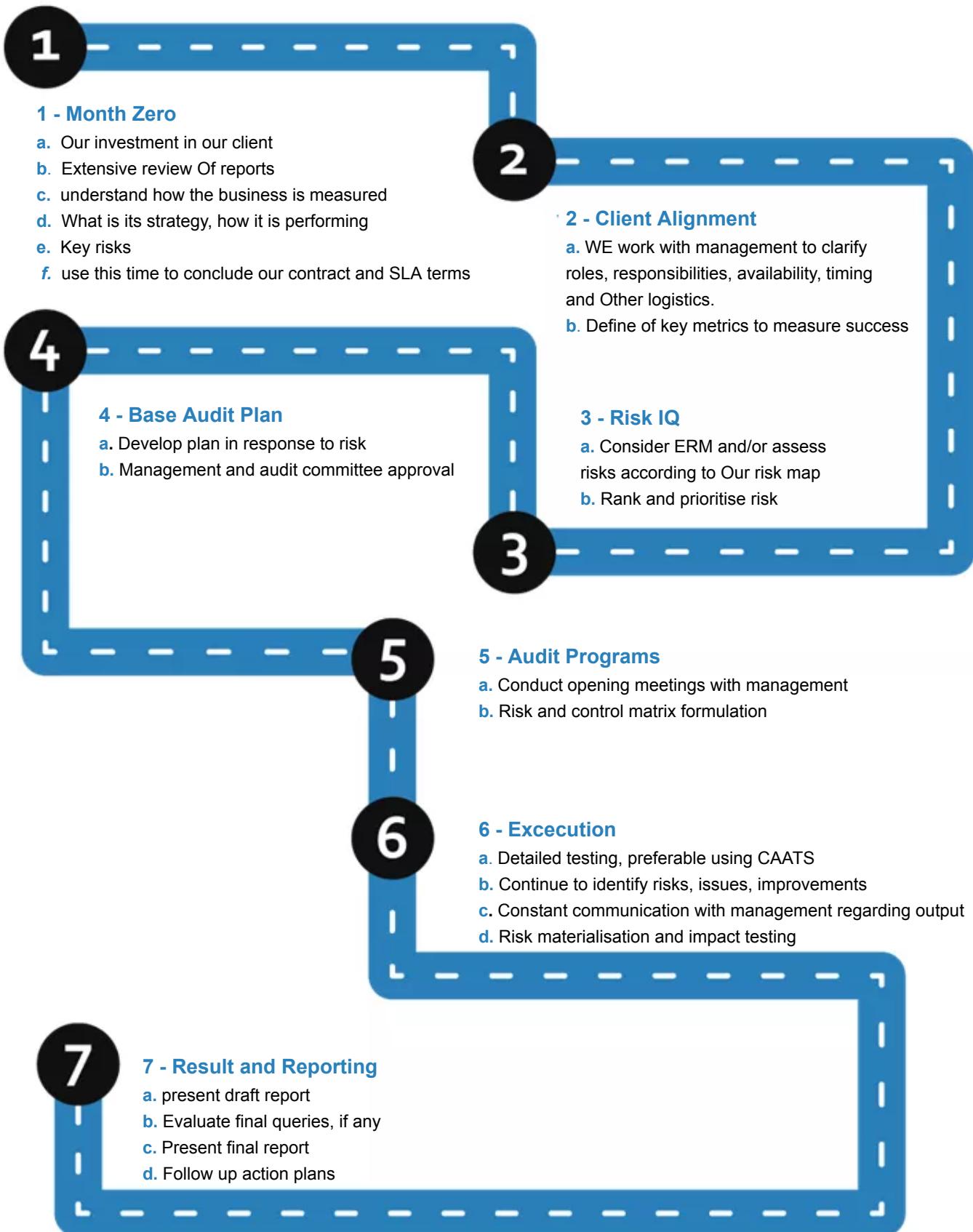
Concluding

## 1 General Controls

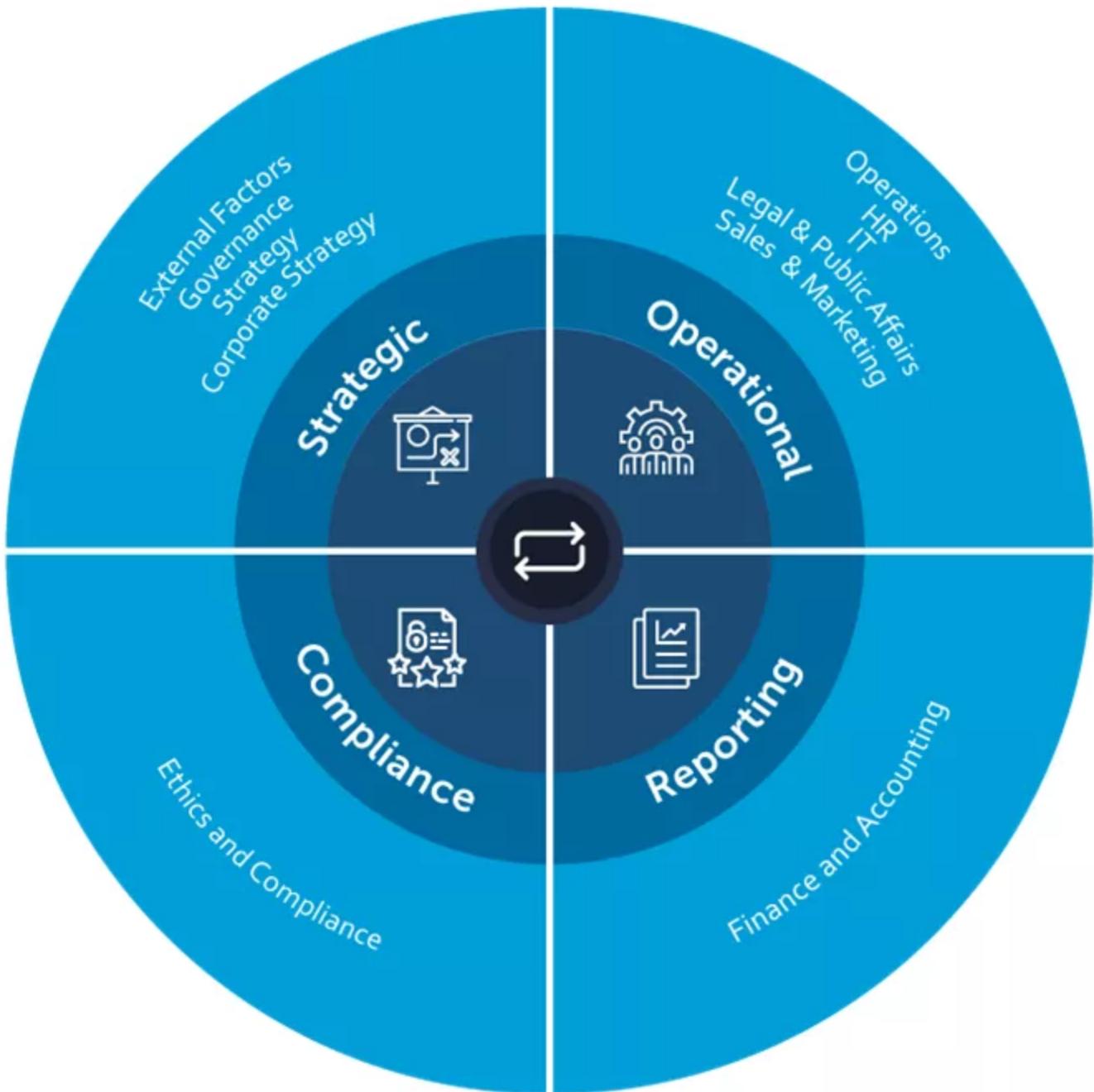
- A. IT Governance (Projects, Structure, Strategy, Contract Management)
- B. Security Controls (Policy, DB Controls, Logical Controls, Awareness, Training, Patches)
- C. User Access Controls (Policy, oversight, monitoring controls, user lifecycle management)
- D. Business Continuity (BCP, DRP, backups)
- E. Facility and environmental controls (Policy, management, reporting, maintenance)
- F. Post and pre-implementation review

## 2 Application Controls

# Audit Process



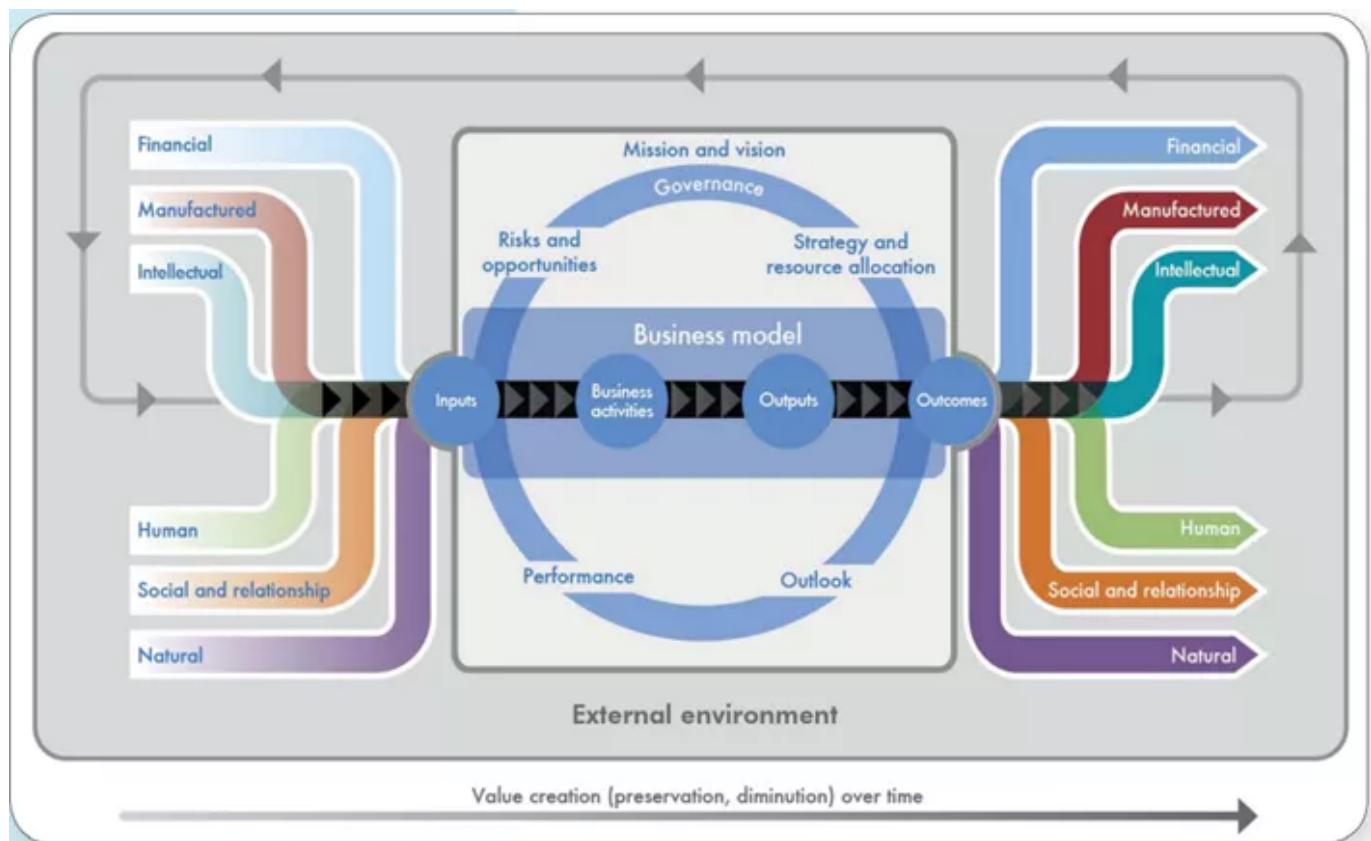
# Risk Framework



# Governance

We subscribe to the King IV Report on Corporate Governance 2016 and we believe that a balance must be achieved between compliance with the Code, cost and benefit to the organization. Governance plays a central role in enabling and supporting the value creation process of an organization. We work hard with our clients to determine if the Governance model within your organization is established and functioning to foster value whilst providing leadership, strategic direction and accountability. This in turn must result in the Governance outcomes of an Ethical culture, good performance, effective control and legitimacy

## The Role of Governance in the Value Creation Process



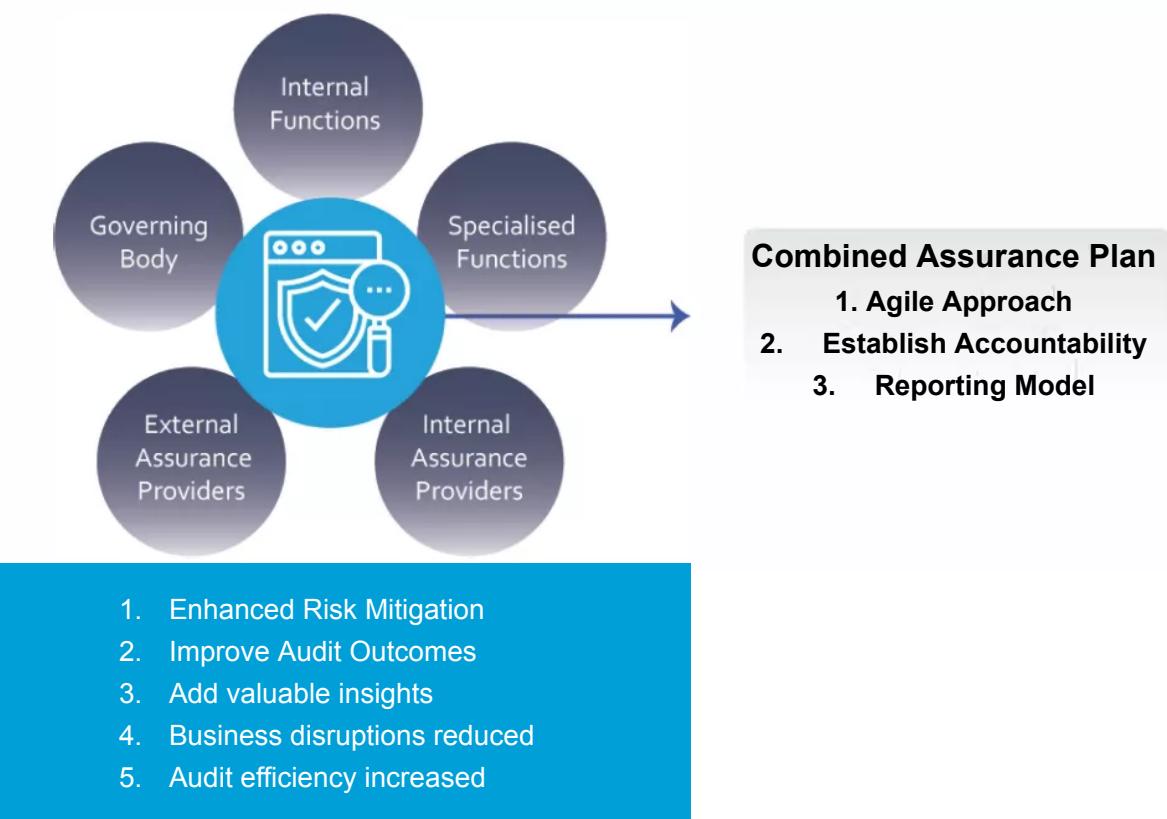
# Snapshot of King IV



# Combined Assurance Model

We have long been proponents of a value-added audit approach and this is consistent with Combined Assurance approach. We believe a Combined Assurance approach can:

1. Enhance quality of risk mitigation
2. Improve audit outcomes
3. Disruptions to business and operations are significantly minimised
4. Increase audit efficiency and reduce cost.
5. As part of our planning process, we work hard to: We then create a reporting model that provides stakeholders with the relevant insight and information regarding progress on audit and assurance coverage
  - a. Functions that own and manage risk and opportunity - Management and Staff
  - b. Specialist functions that oversee and assess risk and opportunity-ERM, various committees
  - c. Internal Assurance Providers- Internal audit
  - d. External Assurance Providers-Auditors
  - e. Governing Body I Board and Committees
6. We then put together a combined assurance plan, defining roles and responsibilities. A "who does what" so that we can establish accountability using our Agile approach.
7. We then create a reporting model that provides stakeholders with the relevant insight and information regarding progress on audit and assurance coverage



# Fraud

In an increasingly complex environment and a challenging political and economic climate, fraud risk is so significant that it requires special consideration and a bespoke approach. The most comprehensive annual study conducted globally by the Association of Certified Fraud Examiners has consistently identified the following :

**5%**

An organization loses an average of 5% of its revenues to fraud each year

**18**

MONTHS

Fraud lasted a median of 18 months before it was detected.

**40-50%**

40-50% of the organization do not recover any of their fraud related losses



The majority of fraud is conducted by employees.

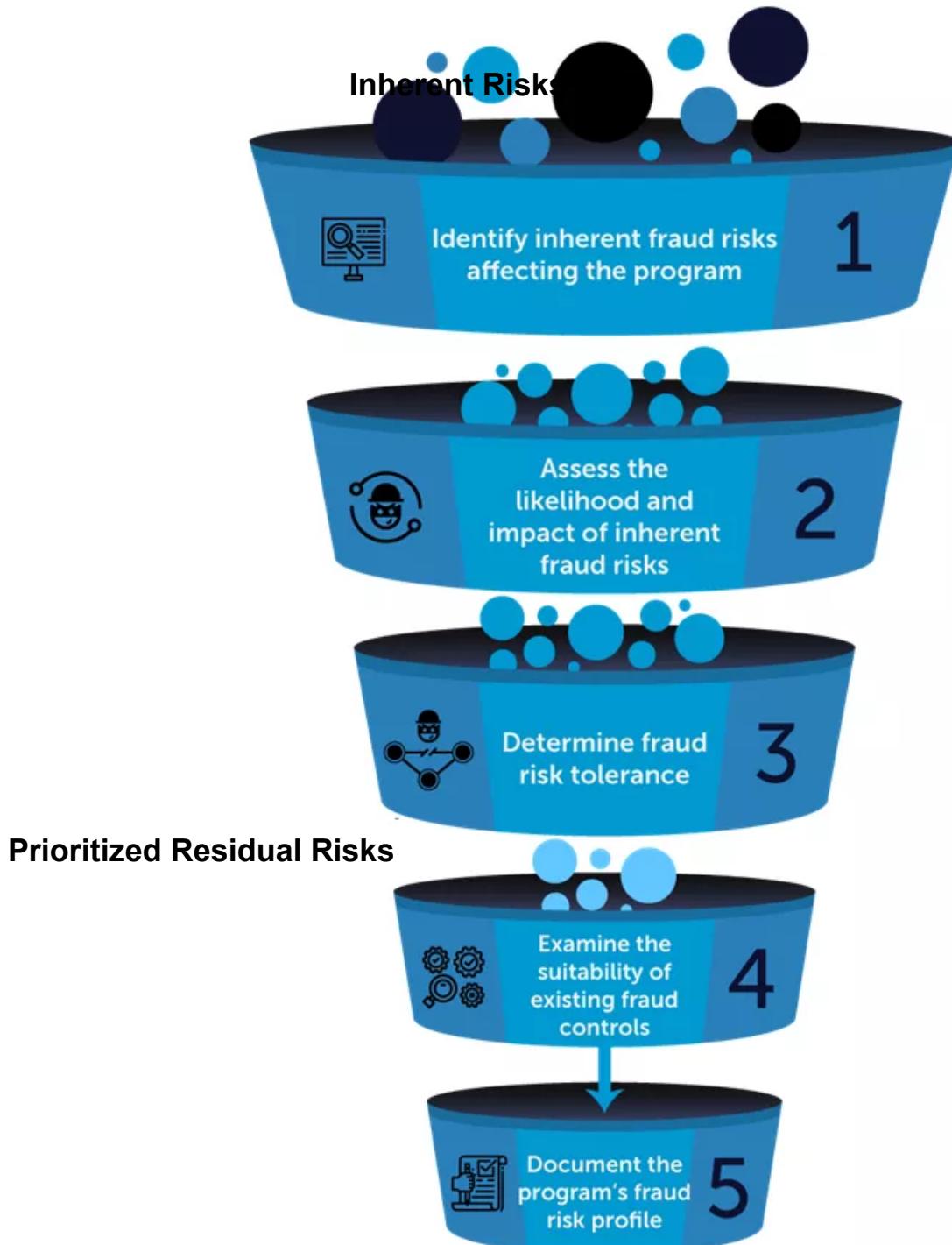
Based on this, we have the right people, process and technologies to be able to address fraud risk. We continuously consider the risk of fraud:

- During our risk assessment process
- During our evaluation of controls - we also evaluate controls to determine how resilient they maybe to prevent or detect fraud.
- Whilst evaluating the outcome of our audit procedures.
- The ICT systems, including network, application, database and cybersecurity



# Fraud Risk Assessment

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# Our Fraud Strategy



## Feature prevention plan

- Risk Assessment
- Ethics Policy and Training
- Fraud awareness Training
- Fraud Policies and Procedures

## Feature Detection plan

- Whistleblower Mechanism
- Whistleblower Policy
- Data Analytics and Analysis
- Cybersecurity Analysis
- Fraud Response Plan

### phase 1



#### Detect

- We use unique tools, methodologies and analytics techniques to detect, eliminate or quantify potential fraud.

### phase 2



#### Investigate

- We then investigate extensively, collating documents and evidence to determine if the fraud did occur.

### phase 3



#### Determination

- We work on determining whether the alleged fraud, with reference to evidence obtained is valid or not.

### phase 4



#### Possible action

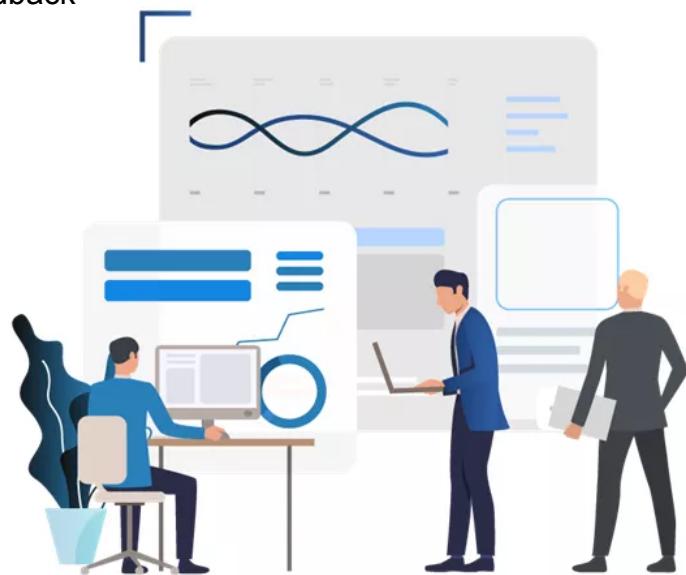
- If valid, we obtain further evidence through interviews, source documents etc. and we bring to managements attention possible causes of action - Disciplinary, criminal case, civil action for recovery.

# Enhanced Analytics

It is our firm belief that reliable high-quality data can add significant value to the audit and to our clients. It is with this belief that we adopt a technology first approach, working extremely hard to ensure we can use data analytics extensively. Our data analytics professionals are unique in that each and every one of them have a financial qualification together with skills in data analysis. This allows each of our team members to have a deeper understanding of the underlying accounting and financial transactions, which enables them to provide higher quality insights and an improved risk management techniques.

Our enhanced analytics offering benefits our clients as follows:

1. Total population testing, now provides value beyond audit risk
2. Identification of trends, metrics, relationships between data sets unearthing additional risks
3. Reduced timing
4. Higher quality
5. Quicker feedback



# Our Analytics Approach



## Business issue understanding

- Business Objectives
  - Information Needed
  - Type of Analysis
- Scope of Work
  - Deliverables



## Data Understanding

- Initial Data Collection
  - Data Requirements
- Data Availability
  - Data Exploration and Characteristics



## Data Preparation

- Gather Data from Multiple Sources
  - Cleanse
  - Format
- Blend
  - Sample



## Exploratory Analysis/Modeling

- Develop Methodology
  - Determine Important Variables
- Build Model
  - Assess Model



## Validation

- Evaluate Results
  - Review Process
  - Determine Next Steps
- OK
  - Not OK



## Validation

- Communicate Results
  - Determine Best Graphs to Present Insights Based on Analysis and Audience
- Craft a Compelling Story
  - Make Recommendations

