



Audit

Fundamentals of Internal Auditing

Website: www.btsconsultant.com

Email: info@btsconsultant.com

Telephone: 00971-2-645263



Fundamentals of Internal Auditing

Introduction:

In this comprehensive course the candidates will learn the concepts of traditional and operational auditing and gain proven tools and techniques for performing effective audits. You will get a solid background in the basics of documenting and evaluating internal control/fieldwork techniques. Using specifically formulated case exercises, you will examine the critical elements of internal auditing: assessing risk, flowcharting, designing flexibility into the audit program, performing the audit and applying audit results to solve business problems. You will focus on and put into practice the communications skills associated with internal auditing: conferencing with customers, writing audit findings, and selling audit recommendations.

Who Should Attend?

Technical personnel involved in project work, personnel involved in construction activities, mechanical, electrical, instrumentation, maintenance, design and HSE technical personnel

Course Objectives:

By the end of this course delegates will be able to:

- Have a well-grounded foundation in the concepts of traditional and operational auditing
- Gain proven tools and techniques for performing value-added audits
- Use case studies to learn critical audit tasks
- Learn about assessing risks, flowcharting and solving business problems
- Focus on writing audit findings and selling your recommendations

Course Outline:

Internal Auditing

- IA department sample charter
- The role of the internal audit department
- Attribute standards
- Leading-edge trends in IA
- What makes an effective internal audit department
- Differences between an internal auditor and an external auditor
- Events that have helped create growth in IA
- The Foreign Corrupt Practices Act
- COSO
- Federal Sentencing Guidelines
- Sarbanes-Oxley
- Fraudulent financial reporting
- Internal audit department sample statement of purpose

Contemporary Internal Auditing

- Types of internal audits, economy
- Efficiency and effectiveness
- Operational vs. financial auditing
- Benefits of operational auditing
- Steps in the internal audit process: an overview

Planning and Preliminary Fieldwork

- **Performance standard for planning the audit**
- **The planning memo**
- Notifying the client
- Opening conferences
- 3 phases on an audit plan
- The importance of preliminary work
- Risk control matrices
- 25 planning resources
- Performance standard for corporate governance

Documenting Internal Controls

- Evaluating and documenting the system of internal controls
- Performance standard for controls
- Control points
- Cost/benefit considerations
- Types of controls
- The control environment· Methods of documenting internal controls
- Internal control questionnaire
- Flowcharts
- Flowcharting symbols

Audit Programs

- Performance standard for engagement objectives and scope
- Performance standard for developing the audit program
- The audit program as guide
- Criteria for audit programs

- Audit objective
- Audit scope
- Audit test steps
- Sample audit program

Fieldwork Techniques

- Performance standard for fieldwork
- Audit evidence
- Handling sensitive evidence

Audit Findings

- Performance standards for communicating results and monitoring progress
- Attributes of audit findings
- Selling your audit findings
- Template for audit findings

Work Papers

- Performance standards for recording information and engagement supervision

- Purpose of audit workpapers
- Workpaper techniques
- Electronic workpapers
- Workpaper templates
- Tick marks
- Sample audit workpaper
- Performance standard for quality assurance and compliance

Audit Reports

- Fundamentals of audit reports
- Selling your report
- Recommendation options
- Strategies for issuing timely reports

Effective Audit Communications

- Understanding patterns of communications
- Possible barriers to overcome in the interview
- Diffusing the difficult interview

- Interview strategies
- Do's and don'ts of effective interviewing
- Closing conferences

Sampling

- Audit testing
- Sampling terminology and methodologies
- Sampling for SOX

Risk Assessment Strategies

- Selecting the client
- Notifying the client
- Determining risk
- Performance standard for determining risk
- Effects of risk
- Identifying auditable activities
- Risk criteria
- Trends in risk assessment

- Risk assessment factors