



2 Day Best Practices in Risk-Based Auditing and Self-Assessment

Monday 16th - Tuesday 17th October

What you will gain from this seminar:

- Understand the risk-based audit process used increasingly by world class audit departments
- Practice the key skills used in this process
- Take home proven evaluation tools used in this process
- Explore self-assessment techniques that can be used to enrich the risk-based approach

Who should attend: Auditors with at least one year of experience.

Seminar Outline:

The Challenge

The new understanding of internal control (COSO)

- The challenge: *How to evaluate soft controls?*
- The key to success: *Participative auditing*
- Why risk assessment is central to control and audit

Tools for Meeting the Challenge

Results of a major IIA research project, *Control Model Implementation: Best Practices*

A Better Audit Process

The traditional audit process

A better audit process:

- Risk-based
- Participative
- Using self-assessment
- High-payback focus on evaluation of system design



Audit Simulation: Introduction to Monolithic Diversified Industries (MDI)

Phase I: Planning

Planning steps for a participative audit

The acquisition audit approach

Audit Simulation: Notes on research of the human resource function

Audit Simulation: Participative audit planning meeting

Identifying and assessing risks: four helpful categories

Characteristics of well-defined audit objectives

Audit Simulation: Develop audit objectives and approach for MDI Human Resources audit

Phase II: Evaluate the Adequacy of System Design

Documenting internal controls: traditional methods

Documenting internal controls: the risk/control matrix

Teaching your audit customer the risk assessment thought process

Audit Simulation: Exercises in using the risk/control matrix:

- Defining objectives
- Identifying risks
- Analyzing risk cause and effect

Emerging concepts of internal control

- Preventive, detective, protective, procedural, and directive
- Three levels to apply controls
- Control activities are changing
- New control concepts from reengineering

Alternative versions of the risk/control matrix:

- Most common features
- COSO-ized
- To evaluate a reengineered process
- To evaluate customer service
- With simple wording to help managers
- CSA work paper
- Sample completed matrices

Key points in using the tool



Phase III: Evaluate the Effectiveness of Key Controls

Fieldwork: purpose and methods

Rules of audit evidence, and how they apply to soft controls

Five principles for evaluating soft controls

A risk/control matrix for evaluating the control environment

Phases IV: Identify Opportunities for Improvement

The five attribute approach

Form for developing and reporting opportunities for improvement

Participative reporting

Phase V: Reporting

Innovations in audit reports: customer-friendly techniques and format

More Risk and Control Self-Assessment Techniques to Enhance the Risk-Based Audit Process

CSA workshops

- The two core techniques
- Best practice example – Canada Post
- Case study: succeeding in a hostile environment

CSA Questionnaire

Uses of self-assessment and how to select the best technique for your organization



ABOUT THE FACILITATOR

JAMES ROTH

James Roth, PhD, CIA, CCSA, is President of *AuditTrends*, a training firm devoted to researching the practices of leading edge audit departments and teaching them in practical, hands-on seminars.

Dr. Roth has over thirty years of progressive internal audit and teaching experience and has written many seminars and educational products for the IIA. He is a widely published author and frequent speaker at international conferences.

His publications include eleven of his own seminars and eleven major works for the IIA International, including:

- *Vision University* (the IIA's executive training program)
- *Best Practices: Value-Added Approaches of Four Innovative Internal Auditing Departments* (IIA; 2000)
- *Adding Value: Seven Roads to Success* (IIA Research Foundation, 2002)

An energetic and motivating speaker, Jim is one of the internal audit professions most highly rated presenters. For more information, visit www.auditrends.com.



Some comments from former attendees:

"Good pace. Real life stories really helped drive home the information."

"Information was very useful and not loaded with fluff. Instructor was very pleasant and delivery was right on track; he kept the class moving along."

"Very energetic instructor who kept us on track and stimulated discussion."

"Wonderful seminar – very worthwhile – I learned a lot and will take great information away from this course."

Jim, I attended your seminar last August...I used lots of your material...to get buy-in from senior management...It was a great course and it's still paying dividends. Thanks, Jim"

"Kept the seminar fun and was unpredictable! Kept seminar challenging."

"Great job of facilitating interaction within the class ...very knowledgeable and helpful."

"Very enthusiastic! Really appreciated his examples."

"Learned some very good tools to put into practice."

"Workbook will serve as a good reference. The case study was very effective."

"Excellent! Excellent! Excellent!"



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REGISTRATION FORM

NAME:

JOB TITLE:

COMPANY NAME:

COMPANY ADDRESS:

PHONE:

FAX NO:

E-MAIL ADDRESS:

SIGNATURE:

COURSE PRICE: US\$1090 + 15% VAT

This covers the cost of tuition, course materials, lunch and refreshments.

In order to ensure that you have a booked place, you must complete and sign the registration forms signifying your confirmed attendance at the above seminar and payment in full upon registration.

CANCELLATION POLICY

A cancellation fee of 50% of the total cost per registered participant will apply after **Monday 9th October 2006**.

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