



The Institute of Internal Auditors, Singapore

The Secretariat
10 Anson Road
#10-13A International Plaza
Singapore 079903
Tel: 6324 9029
Fax: 6220 5972
Email: iiasg@singnet.com.sg

5 March 2008

Dear Members

4 Day Seminar on Operational Auditing

20th – 23rd May 2008 by Eric Lim

What you will gain from this talk:

YOUR OPPORTUNITY TO...

- Position the audit to focus on management goals and initiatives.
- Concentrate your efforts on the future rather than the past.
- Team with management to develop innovative solutions for business challenges and promote needed change in the areas under review.
- Learn how to employ three effective operational auditing approaches.
- Develop criteria to evaluate operational efficiency, effectiveness, and economy.

Course Description

As a new or experienced operational auditor, you have the ability and influence to help businesses and organizations push their strategies and achieve their goals and initiatives. This seminar will show you how to concentrate your efforts on the future and lead the way to positive change.

Through the application of basic principles as determined through case studies and “real world” practice, you will develop criteria for evaluating operational efficiency and effectiveness. The program also focuses on three different approaches to operational auditing, giving you innovative solutions to business challenges.

Course Outline

Please refer to Appendix I.

About the Speaker

Eric Lim is the Head of Internal Audit of Research and Development Company in Singapore. He has over 20 years of management and financial experience. He was instrumental in setting up the Internal Audit Department and adopting good practices to enhance the effectiveness of internal auditing activity. His recent projects include reviewing ERM framework and have successfully completed operational efficiency project and QAR in his department. He has also delivered seminars such as Risk Based Auditing, Auditing for New Auditors, Audit Workplan using Management Concepts, etc.

Mr Eric Lim is a Certified Public Accountant, Singapore and holds an accreditation in Internal Quality Assessment. He graduated with an MBA in Accountancy at NTU and MA in Economics in Canada Saskatchewan.

Over the past years, he gave talks and shared experiences with MBA students, and organizations relating to internal audit and organizational issues.

He is the governor of Institute of Internal Auditors, Singapore and is actively involved in the education activities.

Who Should Attend

- Auditors entering the operational environment or making the transition from financial/compliance auditing to operational auditing.
- Chief audit executives, audit directors, audit managers, audit team leaders, and internal auditors who strive to enhance efficiency, effectiveness and economy in their organisations.

Details of the administrative arrangements are as follows:

Date : 20th to 23rd May 2008

Time : 9.00 am to 5.00 pm (Lunch and refreshments provided)

Registration : 8.30 am

Venue : **Amara Singapore**
Connection 2, Level 3
165 Tanjong Pagar Road
Singapore 088539

CPE credit : 28

Fee : \$1200 (IIA / ISACA Member)
\$1560 (Non-member)
*** NO GST payable**
****NO invoice will be issued**

Closing Date : 9 May 2008

Please return the reply slip together with your cheque made payable to “**The Institute of Internal Auditors Singapore**”. **No invoice will be issued.**

Yours sincerely
Lena Kuok
for Education Committee

REPLY SLIP

To: The Institute of Internal Auditors, Singapore
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Tel: 6324 9029
Fax: 6220 5972

4 Day Seminar on **Operational Auditing**

20th – 23rd May 2008 by Eric Lim
To be held at Amara Singapore

From: Mr/Mrs/Ms/Miss _____

Organisation: _____

Mailing Address: _____

Tel: _____ Fax: _____ Mobile: _____ Email: _____

Name of Attendee	Designation	IIA / ISACA Membership No. (where applicable)

Terms and Conditions:

1. Notification of withdrawal in writing received **seven working days or more before** the event will be processed for refund after deduction of \$100 processing fee.
2. No refund will be made for shorter notice but you are welcome to send a replacement.
3. Registration is only confirmed when full payment is received. An official receipt will be sent to you.
4. Payment must be received **before** commencement of the event.
5. No invoice will be issued.
6. Programme may be subject to change.
7. Request for special food arrangement must be made at time of registration.

Enclosed is cheque number _____ for S\$ _____ being payment for _____
IIA / ISACA member(s) @ S\$1,200 and _____ non-member(s) @ S\$1,560.

Participants will be awarded 28 CPE hours upon completion of the course.

[Cheque should be crossed and made payable to "The Institute of Internal Auditors Singapore"]

>>>> Complete and Fax to : (65) 6220 5972 for Reservation <<<<<

COURSE OUTLINE

DEFINITION OF OPERATIONAL AUDITING: AN OVERVIEW

- Define OA and look at how the Standards support the need for this type of auditing.
- Distinguish the operational audit from the financial/compliance audit.
- Look at how different types of organizations need different types of auditing.
- The Professional Practices Framework covering the Definition of Internal Auditing, Code of Ethics, International Standards, and Practice Advisories, and their support for auditing.
- Discuss The IIA's new definition of internal auditing.

MANAGEMENT ISSUES, CONCERNS, AND FUNCTIONS

- Understand our customers and their needs.
- Identify management's greatest concerns about its operations.
- Consider the impact of management issues and concerns and their effect on the audit function.
- A look at the management function: How well management is managing "When the Problem is Management" (Internal Auditor article).
- Validate the value of defining, planning and achieving management goals and objectives.

CONTROLLING THE ORGANIZATION: A LOOK AT THE COMPREHENSIVE NATURE OF INTERNAL CONTROL

- Learn about the relationship between risk management and internal control.
- Control frameworks: A vital step toward achieving organizational goals and objectives.
- The COSO and CoCo internal control frameworks and the COSO ERM Framework.

WORKING WITH PEOPLE

- Work effectively with management and the audit team.
- Use the people skills, process skills and communication skills internal auditors need to be successful.
- Overcome the hindrances of the negative auditor stereotypes.
- Develop leadership skills for operational auditing.
- Understand the issues of auditor objectivity independence.

INNOVATION

- Discuss the use of innovation seeking techniques as an Operational Auditing tool for identifying business improvements.
- Use a short innovative thinking exercise to practice these techniques.

INTERNAL AUDITOR INDEPENDENCE AND OBJECTIVITY

- Discuss the topic of auditor objectivity and independence.
- Understand why this is becoming a more important topic as the role of internal audit evolves in today's environment.

OPERATIONAL AUDITING AND ORGANIZATIONAL AUDIT PLANNING

- Gain senior management's support for operational audits.
- Understand the process followed by internal audit management in determining the organizational (enterprise-wide) audit plan and ways to make the best use of internal audit resources.
- Review the steps taken to define auditable activities, review organizational risks, select areas for audit, budget for audit scope, and determine audit intensity.
- Discuss the importance of involving the organization's management in determining areas of risk and selling the value of the audit process.

PLANNING THE AUDIT

- Assigning audit resources to the operational audit project.
- Planning the audit engagement.
- Design the audit based on current operational goals, objectives, and initiatives.
- Partnering with operational management and staff in identifying and assessing risk and defining the audit objectives and the audit scope.

AUDIT SAMPLING

- Obtain a general overview of various sampling techniques available for internal auditors.
- Look the value of sampling for a variety of different types of auditing projects.
- Discuss the reasons for sampling and why we would want to use a particular approach.

OPERATIONAL AUDITING TOOLS

- Learn about the three specific approaches to Operational Auditing.
- The Risk-based Approach is based on the COSO formula of "objective risks and controls".
- The second approach focuses on getting Value for Money, which is based on the 3 E's of effectiveness, efficiency, and economy of operations.
- The third approach is based on the process of Value Cost Improvement and the Four Characteristics of Effective Processes.
- Each of these concepts will be applied to a case study in order to reinforce the concepts learned.

COMMUNICATING AUDIT RESULTS

- Discuss the importance of effective communication, both oral and written.
- Talk about how to use the correct words and report writing techniques that help achieve the right tone.
- Discuss in detail the five key components of an audit finding.

OPERATIONAL AUDIT OPPORTUNITIES FOR YOUR ORGANIZATION (TAKING IT HOME)

- Discuss the application of the OA approaches learned to marketing, purchasing, and other operational areas.
- Look at opportunities for taking home and using the information and ideas learned in this course.