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Secretariat:

80 Raffles Place Level 36
 UOB Plaza One Singapore 048624
 Tel: (65) 6248 4647 Fax: (65) 6248 4954
 Website: www.iaa.org.sg

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Message from the President

Dear Members

We have had a number of exciting events in the past few months, with more to come.

Strategic planning meeting held to appraise current and future needs of our members

A strategic planning meeting was held on 14 January 2003 and facilitated by Bob McDonald. Bob is the Director of Internal Audit, Department of Natural Resources and Mines in Queensland, Australia. He is presently the Senior Vice-Chairman of the Board of IIA Inc. Many of you would have met him during his well-attended presentation on the Professional Practice Framework and Quality Assurance Review.

The objective of this meeting, as recommended by IIA Inc, was to appraise current and future needs of our National Institute and, after giving consideration to our chapter's resources and the support available from IIA headquarters, to recommend long-range objectives,

which will maximise the benefits to our members. The committee - comprised of the Singapore Board of Governors, the immediate past President, Chng Seh Chong, past Vice-President, Joyce Chee, and past Governor Irene Kong - is still working on this project. I plan to give you a more detailed update on the work of this committee soon.

Theme for this year's annual conference: Effective governance – Internal auditing's role

One event that we all look forward to every year is the IIA Annual Conference, which will be held on 22 and 23 May 2003. This event is organised for the internal auditing profession in Singapore and the region. It serves to enhance your professional development and at the same time offers networking opportunities. The theme this year is: Effective Governance - Internal Auditing's Role. We shall have a number of high profile, local and foreign speakers to deliver valuable insights on areas of topical interest and best practices to our profession. These topics will reveal, educate and highlight changes in the internal audit profession and help you to overcome your organisational challenges. Therefore, I encourage you to make it a point to join us at this exciting event.

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Notice to Members

With effect from 1 April 2003, the Secretariat's office hours are:

Mondays to Fridays - 8.30 am to 5.00 pm
 Saturdays - By appointment only



Bob McDonald's visit to Singapore

By Bob McDonald CIA, CGAP
Senior Vice-Chairman, IIA Inc

Late last year I received an invitation from my friend, Lawrence Lee, to visit Singapore to present a seminar on the Institute's Professional Practices Framework and to give an update on the process for conducting Quality Assurance Reviews. I was also invited to facilitate the IIA Singapore's strategic planning day. After a check with my family on time away, I arranged some leave from work and formally accepted the invitation.

So, on Monday, 13 January 2003, I arrived at the Grand Plaza Parkroyal Hotel to be greeted by Lawrence and nearly fifty participants for the seminars.

The morning seminar covered the development of the Professional Practices Framework that is made up of the following:

- Definition of Internal Auditing
- The IIA Code of Ethics
- Standards for the Professional Practice of Internal Auditing
- Practice Advisories
- Practice Aids produced by the IIA.

Reference to all of these is available at the IIA website: www.theiia.org.

In particular, we looked at the Attribute, Performance and Implementation Standards.

The Attribute Standards describe the attributes of organisations and individuals performing internal audit services. These standards apply to all internal audit services and describe the purpose, authority and responsibility of the internal audit function and provide the meaning for independence and objectivity, proficiency and due professional care, and the necessity for a quality assurance and continuous improvement programme.

The Performance Standards describe the nature of internal audit services and provide quality criteria against which the performance of these services can be measured. These standards apply to all auditing services and provide guidance on managing the activity, the nature of work, engagement planning, performing the engagement, communicating the results, monitoring the process and management's acceptance of risk.

The Implementation Standards address the appropriate means of applying Attribute and Performance Standards to specific types of engagements such as Assurance, Consulting and other activities.

The main reference document for this session was: Implementing the Professional Practices Framework by the authors, Christy Chapman and Urton Anderson, CIA, CCSA, CGAP, Ph.D. This document is available from the IIA bookstore.

The session reviewed the particular standards and tried to apply them to real life experiences. Participation and questions from the participants went very well with a good deal of sharing of experiences.

The afternoon seminar focussed on improving the participants' understanding of the Professional Practices Framework and the impact of the Quality Assurance related standards. In short, the objectives of a Quality Assessment are to assess the efficiency and effectiveness of an internal audit activity, identify opportunities for improvement and to provide an opinion on conformance to the Standards.

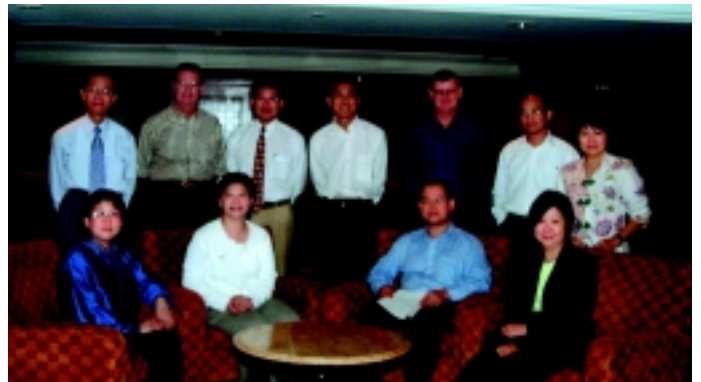
The session briefly examined the external assessment requirements and looked more closely at the process of self-assessment with independent evaluation.

A major point to be made is that the standards now require the internal audit activity to undertake an external assessment or self-assessment with independent evaluation at least once every five years.

The basis of this seminar came from the IIA's publication: Quality Assessment Manual, fourth edition, which is available also from the IIA bookstore.

Again, the participation of each of the attendees added to the value of the seminar with excellent questions and sharing of experiences.

On Tuesday, I met with members and selected guests of the IIA Singapore Board and participated in the chapter's strategic planning process. This session lasted most of



Participants of the IIA Singapore Strategic Planning Meeting

the day and I am very pleased at the level of participation and the outcomes of the planning day. Mr Laval Wong has taken his role as President very seriously and is building on the great success of his predecessors.

Laval was able to produce a template for selected working parties to complete and I understand that their hard work will be presented to IIA Singapore members at a meeting in the not too distant future. The understanding of the profession, the needs of members and the commitment to the progress of the IIA and the profession in Singapore are

in great hands judging from the participation and input that I saw from each of the current and past Governors.

I left Singapore with a wonderful satisfaction from the participation of all of those who attended the seminars and with a real sense of achievement for the IIA Singapore Board in the progress that they made with their planning day. I can see good things ahead for the IIA, the profession and its members in Singapore over the years ahead.

Thank you for the opportunity of sharing our experiences.

Congratulations to members on their CIA and CCSA examination successes

Certified Internal Auditor

Certified Internal Auditors are a selected group of professionals who have distinguished themselves in one of the world's most exciting career fields: internal auditing. The CIA designation demonstrates competence in the principles and practice of internal auditing and is the only internationally accepted designation for internal auditors. As a CIA, you will be:

- An acknowledged expert in internal auditing.
- A preferred candidate for thousands of career opportunities.
- A member of the elite group of internal auditing professionals.

Become a CIA and join the nearly 25,000 auditing professionals who proudly wear the red ribbon of success!

For more information on the CIA examination, visit our website at www.ia.org.sg.

Congratulations to the following members who have passed the CIA November 2002 examinations and earned the CIA designation:

Aw Yong Wai Yie Melissa	Lim Joo Kiow Hazel
Boo Guan Khoo	Lim Kian Hui
Chai Chung Hai	Lim Leong Seng
Chan Miew Yeng	Low Kim Koon
Gale Wynne Sawickis	Lye Choy Kuen
Ho Soo Hui	Michael Arthur Krzyminski
Ishitoya Kuniaki	Ne Suet Yee
Lee Chee Hing	Ng Wee Leng
Lee Dah Khang	Ong Kah Heng
Lee Su Leng	Ouh Siew Ping
Liew Huey	Ow Chew Yan
Lim Chee Wee	Pang Mui Mui

Pang Suit Wung
Phoo Meng Teck
Quek Hang Wee
Seah Siow Kiat
Tan Boon Wei
Tan Chee Keng
Tan Lee Ing
Tan Suat Hoon
Tang Yim Ling

Ting Bing Hing
Wong Chee Khuen
Wong Kee Kuan Baldwin
Wong Sunn Sunn
Yeow Kinn Leong
Yeow Wai Leng Jenny
Yip Bao Chung
Yoong Nian Chiang

We would also like to congratulate Mr Seah Siow Kiat for achieving the William S Smith Certificate of Honor. This certificate is only given to the candidates who achieve outstanding performance in the core parts of the examinations (parts 1, 2 and 3) in one sitting and is one of the 25 best examinations papers submitted following those of Gold Medalist and the five Certificate of Excellence recipients.

Certificate in Control Self-Assessment (CCSA)

The Certificate in Control Self-Assessment is the specialty certification for practitioners of control self-assessment. This CCSA certification programme identifies the skills sets needed by successful practitioners of CSA, measures understanding of CSA and provide guidance for CSA initiatives. We are pleased to inform that the following candidates have passed the November 2002 CCSA examinations and earned the CCSA designation.

Goh Lai Yong
Lim Him Chuan
Lim Kwang Wee
Sim Boon Hwei
Thierry Jean-Ernest Morin
Wai Yuk Ho Patrick

Global IIA Board of Directors nominees 2003-2004

The Global Nominating Committee has selected the following nominees for officers and directors.

The candidates have agreed to serve subject to election at the Annual Business Meeting to be held at the MGM Grand Hotel and Casino in Las Vegas, Nevada, USA, on 25 June 2003. The new leaders will take office immediately upon election. IIA members may vote in person or by proxy. Officers are elected for one-year terms.

The IIA 2002-2003 nominating committee

Chairman: LeRoy E. Bookal, CIA, USA
Members: Yves Chandelon, Luxembourg;
Michael J. A. Parkinson, CIA, Australia;
David A. Richards, CIA, USA;
Deanna F. Sullivan, CIA, USA;
Dominique Vincenti, CIA, France;
Colleen G. Waring, CIA, USA;
Roslyn Watrobski, CIA, USA

The nominees for officers are:

Chairman of the Board
Robert (Bob) N. McDonald, CIA, CGAP
Director, Internal Audit
Queensland Department of Natural Resources and Mines

Senior Vice-Chairman of the Board
Betty L. McPhilimy, CIA
Director of Auditing
Northwestern University

Vice-Chairman of the Board - Professional Development
Thomas J. Warga, CIA
Senior V P & General Auditor
New York Life Insurance Company

Vice-Chairman of the Board - Professional Practices
Anton B. van Wyk, CIA
Partner
PricewaterhouseCoopers, South Africa

Vice-Chairman of the Board - Professional Services
Stephen D. Goepfert, CIA
Senior Director Internal Audit
Continental Airlines Inc

Vice-Chairman of the Board - Research
(President, IIA Research Foundation)
Larry E. Rittenberg, CIA
Professor of Accounting
University of Wisconsin

Treasurer
Gerald D. Cox, MIIA
Head of Business Support & Audit
South Somerset District Council

Secretary
Patricia E. Scipio, CIA
Vice-President Auditing
Empire Blue Cross Blue Shield

Foreign Financial Institutions Round Table Group (FFI RTG)

By Lilian Tay

After a lapse of more than a year the Foreign Financial Institutions Round Table Group (FFI RTG) has made an enthusiastic comeback (on 28 January 2003). This group--in response to a need amongst auditors from the foreign/offshore banks--will be a forum for networking, benchmarking, peer support and the free exchange of ideas.

Our thanks to PricewaterhouseCoopers who supported us with the use of their conference room facilities, and even gave us a presentation on the Sarbanes-Oxley Act. We were also fortunate to have our President, Mr. Laval Wong in attendance, who shared with us the new Professional Practices Framework and Quality Assurance Review. Lilian Tay gave a presentation on Risk Management Practices.

We have decided to centre our next FFI RTG discussions on a recent circular from the Monetary Authority of Singapore

(MAS) that was sent to all banks in Singapore, "Guidelines on Sound Risk Management Practices", which covers credit, market and liquidity risks and internal controls.

The FFI RTG is in need of volunteers to chair or co-chair some of the meetings, or to help in any other way (such as organising activities, contacting the participants, etc). So, please do not hesitate to come forward in service. Remember, our motto is: Progress through Sharing.

In the coming months, we will include the following topics in our discussions:

- Sound Risk Management Practices
- Prevention of Money Laundering
- Business Continuity Planning
- IAS 39

If you are interested, please drop us your e-mail at: iasg@singnet.com.sg or lilian.tay@ap.nxbp.com

IIA Singapore educational events

The institute recognises that as professionals we never stop growing and learning. To support continuing learning and educational needs, the following courses have been/are being organised.

Date	Event	Duration
14-15 Apr 2003	Writing audit reports by Dr James Roth	Seminar two days
27-30 Apr 2003	CIA May 2003 Examination review course by various instructors	Examination review four days
5- 6 May 2003	Control self-assessment by Dale Thompson	Seminar two days
22-23 May 2003	Annual internal audit conference 2003 Theme: Effective governance: Internal auditing's role By various international and local speakers	Conference two days
June 2003	Annual general membership meeting	Evening

22-23 June 2003	<p>The IIA's International Conference will be held in Las Vegas, Nevada, USA, June 22-25, 2003. The conference will provide a one-of-a-kind career development programme with dynamic keynote speakers and 8 professional tracks of topics of current interest to the global internal auditing community. The conference will be held at the MGM Grand Hotel and Casino with room rates of \$123 for single or double. Register online at The IIA Web site fax +1-407-937-1101, or call +1-407-937-1111. Hotel reservations may be made by calling +1-702-891-7468; fax +1-702-891-3136, or online at MGM Grand Hotel and Casino</p> <p>For more information, visit The IIA Website: www.theiia.org and click the Las Vegas Conference logo.</p>	Global IIA 's event in the U.S.
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Legend: White: Confirmed events Grey: Planned events

IIA welcomes new members

We would like to extend a warm welcome to the following new members who have joined The IIA Singapore family since the November 2002 issue of The IIA newsletter:

Last name	Middle name	First	Organisation
Aw	Sio Hoon		Defence Science & Technology Agency
Beh	Lee Ngoh	Jesslyn	Attorney-General's Chamber
Chan	Chong Sun	John	Singapore Exchange Limited
Chan	Weng Keong		Singapore Exchange Limited
Chen	Yan Rong	Renitt	Singapore Exchange Limited
Chiang	Kok Ying	Vivienne	K Y Chiang & Co.
Chiang Consultant	Kar Fong	Dorothy	Chiang & Associates Management
Chin	Li Theng		SMRT Corporation Ltd
Chong	Hong Yie		NatSteel Ltd
Chong	Tse Meng	Kenneth	Wilson Parking (S) Pte Ltd
Choy	Yoke Ping		TIBS Holdings Ltd
Chuah	Yak Ngi		NatSteel Ltd
Eng	Sok Khim		Mizuho Corporate Bank Ltd
Gan	Hui Fern	Dorgee Wangmo	Land Transport Authority
Goh	An Nee		Transitlink Pte Ltd
Hooi	Sow Kheng		Kohler Co.
Hsiao	Miao-Fang	Doris	Ernst & Young
Kwok	Keng Yean	Simon	Sharikat Kim Loong Sdn Bhd
Lai	Foong Nin		BDO International
Lee	Yeow Lian		Akzo Nobel South East Asia Pte Ltd
Lee	Yu Leung		Deloitte & Touche
Lee	Kar Wai	Florence	Defence Science & Technology Agency
Lee	Poh Seng		Singapore Airlines Limited
Lee	Gwo Mey		Land Transport Authority
Leung	Wei Fun	Stefenie	United Overseas Bank Ltd
Lie	Tjui Ying	Regina Henny	Wilmar Holdings Pte Ltd
Lim	Kian Li		Asia General Holdings Ltd
Lim	Sek Fei	Christopher	United Overseas Bank Ltd
Lim	Kwee Lang		Defence Science & Technology Agency
Lo	Foong Chai	Elaine	Defence Science & Technology Agency
Loh	Gek Foong	Angela	Cerebos Pacific Limited
Malathi	Theyagarajan		Defence Science & Technology Agency
Michael	Rickett		KPMG
Ng	Yee Na		Federal International (2000) Ltd
Ng	Shiao Ling		SMRT Corporation Ltd
Ng	Aun Ni		NatSteel Ltd
Ngeow	Ko Min	Irwin	Singapore Airlines Limited
Quah	Lean Im	Shirleen	United Overseas Bank Ltd
Ravikumar	Srinivasan		GCNK Logistics Singapore Pte Ltd
Rengaraj	Suppiah		Defence Science & Technology Agency
Srikumar	Muralidaran		Indian Overseas Bank
Supramaniam	Selvanathan		Texcamp Investments Pte Ltd

Tan	Tiong Heng		Sime Travel (S) Pte Ltd
Tan	Ling Choo		Ernst & Young
Tan	Sy Jian		UFJ Bank Limited
Tan	Yin Kait		Wilmar Holdings Pte Ltd
Tan	Aik Chin		United Overseas Bank Ltd
Tang	Lai Meng		Asia Power Corporation Ltd
Teo	May Lin	Janice	Fujikura Asia Limited
Teo	Jin Ghee	Adrain	Defence Science & Technology Agency
Thavarajan	Thavanesh		Conoco Asia Ventures Pte Ltd
Wang	Yu		Pannell Kerr Forster
Wong	Sin Yong	Wilson	UFJ Bank Limited
Yeo	Djin Hoe		C.C. Yang & Co.
Yeo	Teck Chuan		BOC Gases Pte Limited
Yeo	Hui Min	Celeste	CWT Distribution Limited

SEC redefines independence

By David Salierno, Staff Editor, Auditwire,
(article sourced from Auditwire newsletter, IIA,
USA)

The U.S. Securities and Exchange Commission (SEC) recently issued proposed rules intended to strengthen auditor independence. The regulatory proposals respond to, and in some instances exceed, requirements under section 208(a) of the Sarbanes-Oxley Act of 2002, which was signed into law last July amid corporate scandals at Enron Corp., WorldCom Inc., and other firms.

The SECs proposed changes include revising existing regulations pertaining to consulting and other non-audit services — including certain types of internal auditing — that accounting firms are prohibited from providing to their audit clients. Specifically, the commission would ban accounting firms from performing internal audit services related to internal accounting controls, financial systems, or financial statements. Other activities prohibited under the proposed rules include information technology services, financial systems design, bookkeeping, and personnel and legal services.

Another rule proposed by the commission would require partners on an external audit engagement to be replaced every five years, as opposed to the current seven-year rotation period. Furthermore, the SEC recommends that audit partners wait five years before returning to the same client.

Additional proposals responding to section 208(a) include:

- Requiring corporate audit committees to pre-approve all audit and non-audit services provided by the firm that audits the company's financial statements.
- Prohibiting accounting firms from auditing the financial statements of a company that employs anyone in a management position who has served on the firm's engagement team within a year of the commencement of audit procedures.
- Requiring auditors to brief corporate audit committees on the company's critical accounting policies and to state whether or not it uses generally accepted accounting principles.

Beyond the provisions required by Sarbanes-Oxley, the SEC also proposes to bar audit partners from receiving compensation for selling non-audit services. In addition, the commission seeks to require disclosure of fees paid for audits, tax preparation, and all other services rendered by a company's audit firm during the current and prior year.

For more information about the proposed rules, visit the SEC's Web site at <http://www.sec.gov/>

The IIA Responds to the SEC

(sourced from Auditwire)

The IIA recently submitted comments on the U.S. Securities and Exchange Commission's (SEC) exposure draft, "Strengthening the Commission's Requirements Regarding Auditor Independence" (File No. S7-49-02), which has since become a final rule. The Institute's response focused on areas related to the definition of internal auditing and the scope of activities performed by internal auditors.

According to The IIA, external auditors play a significant role in maintaining good corporate governance and accurate financial reporting, and preserving their independence is critical to restoring investor confidence. The Institute also stressed the importance of the SEC providing clear, unambiguous guidance, and made several recommendations, including the following.

1. Include a clear definition of internal auditing.
The IIA has promulgated the most authoritative and widely recognised definition of internal auditing and supports it through a comprehensive framework of standards. The SEC should adopt The IIA's definition of internal auditing and endorse The IIA's Standards for the Professional Practice of Internal Auditing for those providing internal audit services.
2. Prohibit the conduct of any internal audit services performed by the firm that audits an organization's financial statements. This means no exceptions, no loopholes, no ambiguous terms, and no materiality considerations for discrete items.
3. The external auditor's independence is impaired

if he or she conducts both the financial statement audit and provides internal audit services, regardless of the size of the organisation. If an organization is listed on a public exchange and accepts investors' money, then all listed companies should be required to conform to the same independence standards, and there should be no exceptions for small businesses.

4. Audit committees should be allowed to adopt operating policies that establish appropriate guidelines for contracting non-audit services. Requiring audit committee votes and approvals for each service or transaction is not reasonable or practical and would place the audit committee in a role similar to operating management. Audit committees should be able to adopt a policy to govern this activity and simply review overall compliance with the policy.
5. Guidelines to facilitate communications and evaluations of auditor independence should be included in a properly developed audit committee charter.

The IIA stands ready to participate with the SEC in the establishment of rules to implement the provisions of the Sarbanes-Oxley Act.

The Institute's response to "Strengthening the Commission's Requirements Regarding Auditor Independence" can be viewed in its entirety under "Pronouncements and Commentaries" in the "Guidance" section of The IIA's Web site, <http://www.theiia.org/>. See "A Flurry of SEC Activity" for more information about the SEC's final independence rule.

Something to make you think . . .

"Many persons think that by hoarding money they are gaining safety for themselves. If money is your only hope for independence, you will never have it. The only real security that a person can have in this world is a reserve of knowledge, experience, and ability. Without these qualities, money is practically useless."

Henry Ford

NTU students' report on final year project

By Yilin, Paul and Joey, Nanyang Technological University

In partial fulfilment of a Bachelor of Accountancy degree from Nanyang Technological University, every student has to embark on a final year project that is related to his or her field of study. Our group decided on the topic: "The conflicts faced by an internal auditor in reporting a senior management fraud". We believe this topic is something close to our hearts and is very real in the corporate world of today.

Our journey through this project has been highly fulfilling. A hurdle we anticipated was a less than satisfactory response rate of our survey, especially since they were sent out during the midst of the Christmas festivities. It was a pleasant surprise to receive almost 90 responses, which is about 20% of those sent out. Furthermore, a number of respondents had wished us luck for our project,

which was indeed heart-warming. We are very grateful to all who have taken the time and effort to participate in this study, and would like to thank all for their invaluable help.

At the time of inscribing this article, we are unable to disclose the results of our study as yet. Stay tuned for the upcoming article in the next newsletter.

Editor's note: The Newsletter will publish selected project articles from the NTU students in the next issue.



What's new in the library

Several new items have just arrived in the library, including:

- Control Self-Assessment: A Guide to Facilitation-based Consulting
- Business Risk Assessment
- Integrated Risk Management: Techniques and Strategies for Managing Corporate Risk
- Designing and Writing Message-based Audit Reports.

A short description of two of the new items is listed below for your quick perusal.

Control Self-Assessment (by Richard P. Tritter) – This book gives you a chapter-by-chapter blueprint for setting up a CSA workshop and coaches auditors, consultants, and facilitators on the attitudes and skills needed to keep a workshop dynamic, constructive, and in focus.

Designing and Writing Message-based Audit Reports (by Sally F. Cutler) – Sally Cutler has developed a handbook that offers a wealth of resources for designing, writing, and delivering audit reports with essential messages. This book is based on Sally's work experience with auditors over a period of 10 years, helping them to write functional reports that meet the needs of their readers.

Lastly, we would like to thank all members who have given their continued support and for their suggestions on purchasing some of these new books. Your suggestions and feedback are very important in helping us better meet your information resource needs.

An interview with James Whitley

Divisional Vice-President (Internal Audit) of Singapore Airlines

Interviewed by Julian Tan

How many years have you been working in internal audit?

Like many internal auditors, I began my career in public accounting. I started working in internal audit with Occidental Petroleum Corp. and have been in and out of the profession for some 25 plus years. I've been lucky enough to have been on both sides of the process as the auditor as well as the auditee.

What was your background prior to working in internal audit?

I have degrees in economics and accounting, so like many graduates I started in public accounting. I worked for Ernst prior to internal audit.

What attracted you to Singapore?

I've spent half my career either living or working internationally. I have always enjoyed learning, understanding and working within different cultures - so when SIA offered me the opportunity to come to Singapore, I jumped at the chance. My past travels included Singapore on numerous occasions and so over the years I got to watch the country grow and prosper.

What do you like most about your job?

The people - I've really enjoyed getting to know my fellow employees at SIA and within the Singapore business community. Working for the world's number one airline has been both a pleasure and a challenge. When we first talked about the job - we talked about some changes that needed to be made. Management at SIA have been very supportive of those changes.

What do you like most about living in Singapore?

As a Westerner, the phrase "Singapore is Asia for beginners" has proven to be quite true. On the surface life is similar to what I have left in America, but upon closer observation, I have discovered that I have a lot to learn about the customs and culture here. The Singaporean people have been great introducing me to excellent food, wonderful golf and ushering me through this gateway to numerous cultures and adventures. My job with SIA has offered me the opportunity to travel the region - to

learn the history of various countries and peoples.

What are your key challenges that you face in your role?

I started with SIA just after Sept. 11. Enron and Worldcom were unfolding and the Code of Corporate Governance would take effect from January 2003. So it was against this backdrop that we began engineering our internal audit function for the future. Given this scenario it's not difficult to find challenges. Anytime when you initiate change there is a period of assimilation - my job is to make that period as short as possible and to engineer the right changes with acceptance by my colleagues and our management.

Do you see yourself moving on to a different role in the company?

I certainly hope so. One of the changes we have made within our internal audit function is to introduce a "nursery concept" - using internal audit as a training ground for our staff to then move them into operational roles. We have transferred into internal audit staff from operations and expect to transfer our staff out into the field. This concept should hold constant for all members of the IA function. I've spent about half my career in operational positions and look forward to doing so again.

Describe a typical working week?

There aren't any typical weeks - reporting to 3 audit committees, providing internal audit coverage to a number of operating companies and serving on numerous committees makes each week unique. A large portion of my time is spent in implementing the methodology to comply with good corporate governance from an internal control and risk management standpoint.

What do you think are the most critical skills needed for a successful career in internal audit?

Communication, communication, communication. A good internal auditor has to ask the question "if it were my station, department or company - what would I do to improve - what would I do different?" I think we often recommend without determining the

cost or operational difficulty that should also be weighed against our recommendation. We then need to be experts in communications - what, why, where, how and the so what.

What are the key messages for our readers?

The Board of Governors of IIA has just looked at the objectives of our organisation and how well we achieve those objectives. This has led to the formulation of a strategic plan that incorporates areas for improvement over the next few years. For example, we do a good job of providing education for our members but do we do as good a job of promoting the profession in the business community, of providing a forum for members to network, of taking a stance on high profile issues such as corporate governance? We as members of the National Institute need to look at what we want from this organisation, what it does well and what areas require additional effort, and is that reflected in the strategic plan. If we decide it is, and, if we as members decide that this plan is what IIA should be providing its membership, then we need to support the strategic plan not only with our voice but with our time as well.

Summary C.V. – James Whitley

Mr. Whitley, currently a Divisional Vice-President of Singapore Airlines responsible for Internal Audit, has over 25 years of international financial and operations experience. As a Partner with Ernst & Young, he has had responsibility for establishing the world energy center in Moscow, and developing the internal audit practice in Houston, Texas. He served as a Corporate Vice-President with Merrill Lynch in London and New York, responsible for back office and systems functions in market deregulation and as a Senior Vice President of American General Insurance Company. His career includes over 12 years with Occidental Petroleum as Director of Internal Audit and CFO of a major international joint venture. He is currently a member of the IIA, serving on the Boards of Governors of the Houston and Singapore Chapters and on the Board of the International Airline Internal Auditors Association.



New practice advisories available

(article sourced from Auditwire newsletter, IIA USA)

The IIA has released two new practice advisories that outline best practices for chief audit executive (CAE) reporting lines and audit committee relationships. Available in the “Guidance” section of The IIA’s Web site, <http://www.theiia.org/>, Practice Advisories are non-mandatory guidance designed to help practitioners interpret the Standards for the Professional Practice of Internal Auditing (Standards) or to apply the Standards to specific internal audit environments.

Practice Advisory 1110-2, “Chief Audit Executive Reporting Lines,” highlights The Institute’s stance that to achieve necessary independence, the CAE should report functionally to the audit committee or its equivalent. For administrative purposes, in most circumstances, the CAE should report directly to the organization’s chief executive officer. The guidance describes specific activities that should be included in functional and administrative reporting relationships and focuses on considerations for establishing or evaluating CAE reporting lines. Practice Advisory 2060-2, Relationship with the

Audit Committee,” provides specific advice regarding the internal audit activity’s core role in support of the audit committee. It outlines duties and responsibilities to help assure an effective working relationship. The guidance also states that the following activities are key to an effective relationship between the audit committee and internal audit function:

- Assisting the audit committee to ensure that its charter, activities, and processes are appropriate to fulfilling its responsibilities.
- Ensuring that the charter, role, and activities of internal auditing are clearly understood and responsive to the needs of the audit committee and the board.
- Maintaining open and effective communications with the audit committee and its chairperson.

(For more Practice Advisories on topics such as environmental issues, control self-assessment, information technology, and government auditing, visit: www.theiia.org)

2002/2003 IIA Board of Governors

President

Laval Wong
Tel : 6231-8723 Fax: 6532-3108
Email: laval.wong@sg.abnamro.com

Vice President - Senior Advisor and Membership - Admin

Lawrence Lee, CIA
Tel: 9668-8712 Fax: 6462-1085
Email: mc2llee@singnet.com.sg

Treasurer

Lilian Tay, CIA
Tel: 6228-5638 Fax: 6224-8651
Email: lilian.tay@ap.nxbp.com

Secretary

Richard Tan
Tel: 6878-4351 Fax: 6787-5896
Email: richardt@db.com

Governors

Abdul Hamid Bin Abdullah - **Education**
Tel: 6731-9414 Fax: 6734-7234 Pg: 9526-3060
Email: abdul_hamid@ago.gov.sg

Larry Lam - **Membership - Marketing**

Tel: 6539-4000 Fax: 6220-2026
Email: larry.lam@uobgroup.com

Uantchern Loh, CIA - **Communications/Social Events**

Tel: 6421-8260 Fax: 6223-4795
Email: uantchern.loh@sg.eyi.com

Siow Chee Keong, CIA - **Education, and CIA and CCSA Exam**

Tel: 6236-8668 Fax: 6557-2760
Email: cksiw@sgx.com

Julian Tan - **Editorial/Newsletter**

Tel: 6236-3272 Fax: 6236-3300
Email: julian.ck.tan@sg.pwcglobal.com

Jennifer Vayding - **Library/Directory**

Tel: 6826-6211 Fax: 6777-1711
Email: jennifer_vayding@a-star.edu.sg

James Whitley - **Public Relations**

Tel: 6541-4142 Fax: 6542 4739
Email: james_whitley@singaporeair.com.sg

Chng Seh Chong - **Immediate Past President**

Tel: 6384-8077 Fax: 6384-8382
Email: seh-chong.chng@shell.com

Administrator

Ms Ng Saw Peng
Tel: 6248-4647
Email: iiasg@singnet.com.sg

Editorial Board

Editorial Advisors

Lawrence Lee
James Whitley
Robyn Speed

Editor

Julian Tan

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Growing local interest in the internal audit profession

Many students from the local universities have expressed such a keen interest in the internal audit profession that they have chosen some topics relating to internal audit for their final year project. In the process, they have had to contact many of our members in person, by email or mail. We would like to thank all of you for helping these students. The help that you have given will promote our profession further. In return these students have agreed to share the results of their work with all of us. Stay tuned for articles from these enthusiastic students.

Appointment of new administration officer

Ms Ng Saw Peng is our new Administration Officer, following Ms Clarissa Tan's departure earlier this year. Many of you would have met Saw Peng already. Although she is new to IIA, she has settled down very fast and is ready to serve your membership needs.

Members Link is now available online

I would like to encourage all members to read Members Link online. The link to the website will provide you with news from IIA Global: <http://www.theiia.org/ia/go-to/pubs/ml0203.html>. If these direct links do not work, you can access the newsletter by visiting www.theiia.org and clicking on Publications, Newsletters. All you need to access Members Link is your membership number and password.

I look forward to your support and active participation in all the activities the Institute has lined up for you.

Best regards

Laval Wong

IIA newsletter advertisement rates

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Black & White		
Full Page (A4)	\$300	\$350
Half Page	\$200	\$250
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Full Page (A4)	\$400	\$450
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Advertisement rates are subject to revision from time to time. Please contact Mr Julian Tan at 6236-3272 or fax 6236-3300 or Email: julian.ck.tan@sg.pwcglobal.com if you are interested in placing your advertisement in the next issue.