



### Message from IIAS President

**Tan Peck Leng**

Dear Members

**Gong Xi Fa Cai! Xin Nian Kuai Le!**

I am sure all of us look forward to a refreshing and vibrant year of fulfilling our individual, family and business wishes for the best in the year of the Boar.

I picked up an interesting article which I would like to share with all, entitled: "Enterprise governance: getting the balance right". This article was published by the International Federation of Accountants (IFAC) and the Chartered Institute of Management Accountants (CIMA). It enriched me with the greater perspective of governance as it explored the emerging concept of enterprise governance.

The article defined "enterprise governance" as being "the set of responsibilities and practices exercised by the board and executive management with the goal of providing strategic direction, ensuring that objectives are achieved, ascertaining that risks are managed appropriately and verifying that the organization's resources are used responsibly". It constitutes the entire accountability framework of the organization; covering two dimensions namely, *conformance* and *performance* that need to be in balance.

*Conformance* is also called "corporate governance" which covers aspects such as board structures and roles, internal controls, audit and risk management. Codes and/or standards can generally address this dimension with compliance being subject to audit. The *Performance* dimension focuses on strategy and value creation. Companies need to address issues such as helping the board to make strategic decisions; understand its risk appetite and what drives its performance.

The case studies covered in the project found that four key corporate governance issues underpinned both success and failure namely, culture and tone at the top; the chief executive; the board of directors and internal controls (!) Similarly, four key strategic issues underlying success and failure were choice and clarity of strategy; strategy execution; ability to respond to abrupt changes and/or fast-moving market conditions and ability to undertake successful mergers and acquisitions.

Good corporate governance on its own cannot make a company successful but linking it strategically with performance management will enable companies to focus on the key drivers to move business forward. Striking a balance between the two dimensions is both a challenge and an opportunity.

*So... how can we, as internal auditors add value to harnessing enterprise governance for our organisations?*

#### Board of Governors 2006-07

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For contact and other info, please visit [www.iias.org.sg](http://www.iias.org.sg). You can also e-mail [iiasg@singnet.com.sg](mailto:iiasg@singnet.com.sg) or call the Secretariat at **6324 9029**.

#### **GONG XI FA CAI!**

⌘⌘ The Board would like to wish all members a prosperous Lunar New Year! ⌘⌘

#### **Make A Difference! Volunteer! ~ Sub-committees, roundtables!**

We need people on our sub-committees such the Education sub-committee, Editorial sub-committee, Membership sub-committee and the Annual Conference sub-committee!

We also need members to lead / participate in industry-specific roundtables e.g. Banking, Pharmaceuticals, Semiconductors, Manufacturing, Hospitality & Gaming etc.

*Please contact the Secretariat for more information!*

## EVENTS CALENDAR

### Upcoming Events!

**1~2 Mar 07**, Audit Report Writing  
**19~20 Mar 07**, Advanced Letter of Credit  
**22~23 Mar 07**, Adding Value Using Risk-based Auditing  
**28 Mar 07**, Proposed International Professional Practices Framework  
**10 Apr 07 (am)**, Reviewing Legal and Compliance Risk Management Framework  
**10 Apr 07 (pm)**, Organisation Ethics  
**14, 15 & 21 Apr**, CIA Review  
**16~18 Apr 07**, QAR Workshop  
**19~20 Apr 07**, Operational Efficiency - European Perspective

### Past Events (Dec ~ Feb 06)

**18, 19 Dec 06**, Trade Finance  
**8 Jan 07**, Seminar and Workshop on Audit Key Performance Indicators  
**18 Jan 07**, Membership Nite!  
**29 Jan 07**, Change Management  
**29 Jan 07**, Knowledge Management & Internal Audit  
**30, 31 Jan 07**, Business Process Innovation  
**8 Feb 07**, Auditing Oracle Databases  
**13 Feb 07**, Applying Management Concepts in Internal Audit Activity's Audit Plan

### From the Editor's Desk – The Nitty Gritty



One of the most difficult recommendations that I've struggled with as an auditor, is documentation of procedures. Having come from an IT support background, where we hardly document anything and everything is based on familiarity with job tasks, why do we need to document our operational procedures? It seems like the only people who refer to the operations manual are the auditors! So how do I then convince my audit clients that documentation is important when I have a hard time believing in it?

I finally figured it out. And I use it quite often in my explanations when audit clients give me an incredulous look, just stopping short of calling me a "nut case focusing on the nitty gritty" – Imagine you live in a world where people don't steal, where they know it's wrong to steal, then why do you need a law against stealing? The law is a documentation of sorts, isn't it? Governance. That's what I tell my audit clients. It's governance.

~ Winnie, Feb 07 Editor

(For newsletter contributions and comments, please e-mail me, [iias.newsletter@gmail.com](mailto:iias.newsletter@gmail.com).)

### CERTIFICATION EXAMS USING COMPUTER-BASED TESTING - COMMENCING IN FEBRUARY 2008

IIA Singapore will be implementing the following new fees structure for applications received for certification exams to be held from 1 Feb 2008 when application reopens after the last-pencil-and-paper exam on 14 and 15 Nov 2007:

Examination	Fee
<b>Certified Internal Auditor</b>	
Application Fee (one-time; non-refundable)	S\$115
Part I	S\$250
Part II	S\$250
Part III	S\$250
Part IV	S\$250
Professional Recognition Credit	S\$250

Examination	Fee
<b>IIA Specialty Exams</b>	
Application Fee (one-time; non-refundable)	S\$95
Certification in Control Self-Assessment	S\$465
Certified Government Auditing Professional	S\$465
Certified Financial Services Auditor	S\$465

*Note:* No deferral or cancellation charge if the candidate contacts the CBT service provider to arrange for cancellation or deferment of the exam appointment giving at least 24 hours notice prior to the scheduled appointment. If appropriate notice is not received, the candidate will forfeit the exam fee paid.

**MEMBERSHIP NITE!  
18 JAN 07, AMARA HOTEL**



*Above: Our lovely ladies helping out at the registration desk*



*Above: Laval, "confessing" about his past experience as IIAS President!*



*Above: Congratulations to one of our new CIAs, Nancy Bang!*



*Above: "Phil"-ing lucky, I see!*

## HIGHLIGHT – MEMBER’S PROFILE, DEBBIE GOH A PERSPECTIVE ON THE AUDIT PROFESSION



Debbie Goh  
Head, Internal Audit  
Fraser & Neave Group

The Internal Audit Profession has over the years risen from one that is perceived by some as a ‘boring and mundane’ job to one that has gained recognition and significance in many established organizations. As an internal auditor, I find the job refreshing (never a dull moment!) and not without the challenges experienced in my years as an external auditor and a consultant in risk management and outsourcing of internal audit services.

My view is that Internal Audit function in any organization can only be a successful partnership with Management if it gets an appropriate standing within the organization, ie, tone from the Top and support from the Audit Committee. In turn, as Internal Auditors, it is important for us to acquire business knowledge and understanding of the business environment that we audit, so as not to appear as “textbook auditors”. As an internal auditor, ‘Think Straight, Talk Straight’ continues to be my key guiding principle, a culture embraced by a former established public accounting/consulting firm that I once worked in.

Having been an external auditor for many years, my knowledge of accounting standards and ability to interpret financial statements were fundamentals that I felt enhanced my credibility when I embarked on an Internal Audit career. For eg, the ability to “link” financials to operational processes and vice versa helps me in convincing my auditees the importance of certain controls in their processes. Just to be candid, ‘Numbers’ sometimes speak louder than “Words”!

Personally, I did not have any difficulty in transitioning from an external auditor to an internal one as I had the opportunity to learn the job as an outsourced Internal Audit service provider, prior to moving into a commercial environment to lead an internal audit team some years ago. I found that interpersonal skills, ability to multi-task and work with tight deadlines are some of the positive traits of an external auditor that helped me make the transition to being an internal auditor much easier.

To the young aspiring internal auditors, persevere and accept the many challenges in the profession and you will realize that the experience is enriching, both personally and professionally.

Here’s wishing all a Happy, Healthy and Fraud- Free Year of the Pig!

### Events At A Glance!

International trade is the exchange of goods and services across international boundaries. Sales contracts will be signed between the sellers and buyers and there will be consequential flow of payments from buyers to sellers through various forms of trade financial instruments.

The purpose of this 18 Dec 06 seminar was to educate and highlight risks in trade financing. There was sharing of some cases and insights on possible dangers in trade financing and suggest measures to mitigate fraud/losses.



Above: Participants in Trade Finance Fraud seminar

## Events At A Glance!



*Above: Eric presenting a token of appreciation to presenter, Norbert Heydemann*

The 8 Jan 07 seminar concentrated on both, the theoretical background about Key Performance Indicators (KPI) for Internal Audit departments and the practical application in day-to-day audit management.

The course was about acquiring different skill sets in order to add value as internal auditors. It talked about requiring a process of change for the auditors as well as mindset change among senior management, process owners and other stakeholders. The journey of transformation for the IA professional is often fraught with challenges. It means moving out of their comfort zone. Auditors have to go through a change in mindset themselves first, in order to work alongside senior management and other stakeholders, to be able to apply change management techniques to deliver significant results.



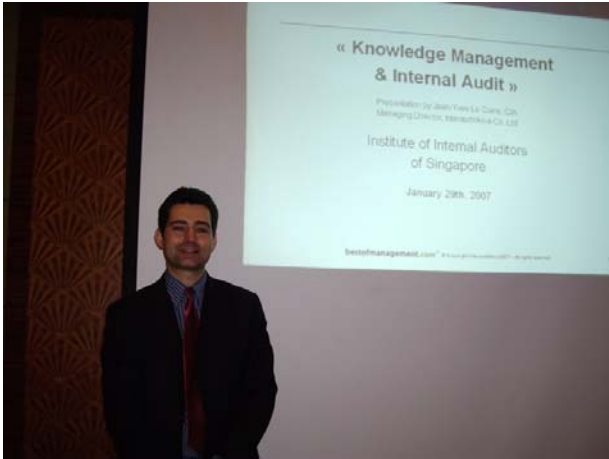
*Above: Participants in the Change Management workshop with trainers, Azam and Joyce*



*Above: Our very own Education governor, Eric conducting the course!*

The 13 Feb 07 seminar covered the management frameworks/concepts used in audit planning. It ran through the available management concepts and provide systematic approach to help participants to organize their thoughts and discover the risks/issues at a hand within the company, industry and environment. With adequate knowledge of the concepts, officers will be able to participate actively in raising challenging issues.

## Events At A Glance!



Above: Speaker Jean Yves Le Corre

The evening talk held on 29 Jan 07 covered the necessity to embrace knowledge management in the practice of internal auditing. Knowledge management has gained growing consideration in recent years as reflected in the standards: “The internal audit activity collectively should possess or obtain the knowledge, skills, and other competencies needed to perform its responsibilities” (IIA standard 1210).

The course was about auditors learning how to put on the hat of internal consultants and facilitators working with management, operations staff and other stakeholders to identify process issues, their root causes, and to design cost effective processes that enhance customer value propositions.



Above: Presenters Azam and Joyce for Business Process Innovation seminar



Above: Participants from Oracle Database Audit course

The Oracle database audit course conducted on 8 Feb 07, covered the basic Oracle terminology, database structure, objects and parameters to allow the auditor to gain an understanding before beginning an Oracle audit. It also covered a typical Oracle audit program, explaining the audit strategy and audit steps involved. Some basic SQL (Structured Query Language) commands were taught for auditors who would like to learn how to write a query script to extract the relevant audit data.

### On a lighter note...

How do you tell the difference between an external auditor and an internal one?

*One refers to his boss as his partner and the other refers to his partner as his boss!*

How can you identify an auditor in the dark?

*He's the one with the glowing highlighters.*



## CAREER OPPORTUNITIES!!!

### Career Opportunities @ Seagate Technology International



Seagate Technology is the worldwide leader in the design, manufacture and marketing of hard disc drives, providing products for a wide-range of Enterprise, Desktop, Mobile Computing and Consumer Electronics applications. Seagate's business model leverages technology leadership and world-class manufacturing to deliver industry-leading innovation and quality to its global customers, and to be the low cost producer in all markets in which it participates. The company is committed to providing award-winning products, customer support and reliability to meet the world's growing demand for information storage.

### Senior Internal Auditor

#### Responsibilities

Reporting to the Manager of Internal Audit, you will plan and execute audit assignment based on audit strategy. Audits will cover risks and compliance and Sarbanes Oxley requirements and any special audits requested by management. You will also be responsible to identify opportunities to increase the effectiveness of internal controls for the organizations that will be audited.

#### Requirements

- Bachelor Degree in Accountancy or equivalent with at least 3 years of audit experience in public accounting firm or internal audit function of a large multi-national manufacturing environment
- Proficient in Chinese reading and writing
- Required to travel about 20% of the time to Asia Pacific regions.

All interested applicants should apply at

[http://www.seagate.com/www/en-us/about/jobs\\_at\\_seagate](http://www.seagate.com/www/en-us/about/jobs_at_seagate)

**Closing date for applications: 30 March 07**

Only shortlisted candidates will be notified.





# KPMG Seminar Series

SINGAPORE

## Auditing SAP Security

How secure is your SAP implementation?

### Dates

Wednesday-Friday, 7-9 March 2007  
9.00am to 5.00pm

### Venue

KPMG, Marwick Room  
16 Raffles Quay  
#39-00  
Hong Leong Building  
Singapore 048581

### Seminar Fees

Client/KPMG Alumni/ IIA Member  
S\$1500.00 per participant

Non-client  
S\$1650.00 per participant

The fee is inclusive of GST at prevailing rate,  
seminar materials and refreshments.

### Registration

[kpmg.com.sg/seminar](http://kpmg.com.sg/seminar)

### Closing Date

Monday, 5 March 2007

### Enquiries

Serene Wan  
Telephone: +65 6213 2879  
Facsimile: +65 6324 2881  
[serenewan@kpmg.com.sg](mailto:serenewan@kpmg.com.sg)

If you are using SAP in your organisation and want to learn about its associated security risks and how to manage them, this seminar is for you.

The success of SAP in integrating data from various areas within an enterprise as well as externally with customers, vendors, and other partners has brought about its own risks. These include exposing financial data, intellectual property and confidential business processes to theft or sabotage by unauthorised individuals within or outside your organisation.

At KPMG, we are committed to providing assistance and risk advisory services that enable organisations like yours to manage risks while maximising value. Our Enterprise Resource Planning (ERP) Advisory Team will be conducting a seminar on analysing the potential security risks surrounding an SAP environment, and how your organisation can address them.

### Who Should Attend

Internal Auditors who wants to learn or expand their knowledge in auditing SAP (this seminar aims to equip participants with knowledge to empower them in undertaking security audits on SAP environments). This seminar is also recommended for Basis Administrators Information Technology Managers, Project Managers, Application Support Team members, Risk Consultants or IT Security Officers.

### Highlights

- Access to SAP Sandbox. You will experience an actual SAP environment through various exercises. This aims to aid the learning process.
- Comprehensive coverage. The workshop will focus on security risks inherent to any SAP implementation and the system controls available. Specific subjects to be covered include:
  - Authorisation concept,
  - Authentication process,
  - Security parameters,
  - Change management process,
  - Audit tools, audit trail logs & audit reports.
- In addition, there will be discussions and exercises on the proper approach to perform "Conflict of Duties" review covering both technical and business functionalities.

### Presenters

This seminar will be led by Roland Diano (CISA, Certified SAP Security Consultant), an Associate Director from KPMG's ERP Advisory Team. He will be assisted by a team of certified SAP consultants and ERP security practitioners.

## Registration Form

Fax to: +65 6324 2881

I am a:  KPMG Client/Alumni/IIA member  
 Non-client

Please make cheque payable to **KPMG Business Advisory pte. ltd.**, 16 Raffles Quay, #22-00 Hong Leong Building, Singapore 048581. KPMG Business Advisory pte. ltd. will provide a tax invoice upon clearance of your cheque. Please inform KPMG Business Advisory pte. ltd. of substitution(s) prior to the event date to avoid inconvenience. In circumstances beyond our control, we reserve the right to cancel the event, or make changes to the schedules, venue and speaker(s).

GST M2-0060081-9

## Auditing SAP Security

How secure is your SAP implementation?

Dietary Requirements:  Standard  Vegetarian

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Organization: \_\_\_\_\_

Address: \_\_\_\_\_

Contact No: \_\_\_\_\_ Fax No: \_\_\_\_\_

Email: \_\_\_\_\_