Meeting Audit Committee expectations through Internal Audit

Date: Wednesday, 14 March 2018
Time: 13:45 (registration) till 16:30.
Venue: Corinthia Palace Hotel, Attard
Price: EUR45 (Students EUR20)
CPE: 2 hours CPE (Corel Competency)
About MFIA

The Malta Forum for Internal Auditors is a not-for-profit organisation, set up by local professionals in the field to promote awareness about the role of internal auditing in the local business and non-business community, to support education about the profession and to provide appropriate networking opportunities for both peers and professionals in the field, students and executives.

For more information visit the MFIA website: http://www.fiamalta.org
Internal Audit and Strategy

The Audit Committee has always been a key stakeholder for the Internal Auditor. Direct communication and access to the Committee have been the hallmark for that independence that is so critical to our profession. Members of the Committee are however nowadays required to consider an ever-growing agenda of opportunities and threats. In this landscape, the Internal Auditor is key to assisting the Committee in focusing on what is important. In achieving this, the Internal Auditor must seek to optimise his communication with the Committee as well as assist the organisation in aligning its different control functions. These are the two themes of the first MFIA session for 2018.

Part I: What they want to hear.

What do the members of the Audit committee want to hear from the Chief Audit Executive ("CAE")? The members of the Audit Committee and the CAE sit together around the same boardroom table, but the profiles, attitudes and motivations are not alike. What does the audience think about the agenda of the meeting, the sensitivity of the topics, the knowns and unknowns around each topic? Is the Audit Committee likely to respond favourably or will it be sceptical, perhaps even hostile? What biases, concerns or fears should the CAE overcome to achieve his/her goal?

Audit Committee members are independent directors who meet the CAE only four times a year. Their main goal is to ensure that they discharge their responsibilities effectively. As such, they are conscious that they need information that is both understandable and put in its context.

Superimposed on this background is the CAE’s need to communicate both the results of audits as well as the process undertaken. Nowadays, the CAE must also be in a position of a “trusted advisor” balancing the path towards this status with ascertaining that “management over-ride” is adequately controlled.

What would be the conditions of a fruitful encounter around that boardroom table?

Part II: Reframe the many control functions in the organisation.

The practice of Corporate Governance has undergone significant change with newer control functions being established alongside the more traditional ones. Prompted by regulators and the needs of financial markets, modern organisations have had to set up functions focusing on managing risks arising from regulation, environmental standards, health and safety requirements, quality standards, in addition to the Risk Function and to the Internal Audit function.

These control functions have all developed their own reference framework, specific ratings scale, technical jargon as well as a distinct reporting system. Furthermore, the sensitive nature of the topics handled and the fact that the people carrying out these control functions are responsible for issuing alerts, have justified their direct link to Management and to the Audit Committee.

The fact that the various control functions work in parallel raises the spectre of overlap: leading to confusion and cost inefficiencies. The Audit Committee thus often feels that it needs to reframe these many control functions.

What should internal auditors do to make the life of board members easier?
Xavier Bedoret.

Xavier Bedoret is member of the Board of Directors and Audit Committee of VIOHALCO and CENERGY HOLDINGS. He is also Senior Advisor for the Executive Committee of ENGIE. He leads GOVERNEO, a consulting firm in corporate governance. VIOHALCO (€3 bn revenue) and CENERGY HOLDINGS are listed on Euronext and specialise in the manufacture of aluminum, copper, cables and steel pipes products across Europe. ENGIE, €66 bn revenue and listed on Euronext, is a worldwide leader in electricity, natural gas and energy services.

Xavier holds degrees in Law and Psychology from the University of Louvain, and is a Certified Public Accountant. After twelve years of financial auditing with KPMG in Brussels and two years in Stamford (US) in the industrial and financial sectors, he joined the Finance Division of ENGIE and later the Audit & Risks Division as Group Audit Director.

Xavier Bedoret, who has completed various training programs with INSEAD (Fontainebleau and Singapore) and in other schools, is the co-author of publications on audit and financial control and a frequent speaker in the fields of governance, risk and control. He teaches at the Executive Master of the Louvain School of Management as well as in the Executive Education program of Sciences in Paris.

A member of the board of directors of listed companies, Xavier is also a member of several professional associations including the Institute of Directors, the Institute of Internal Auditors, the Financial Executive Institute and the Association of Financial Analysts. He is a member of the Advisory Council of the Harvard Business Review.
Registration Form

Name: __________________________________

Company: __________________________________

Job Position: __________________________________

Email: __________________________________

Mobile No.: __________________________________

I am enclosing a payment of EUR45 (Students EUR20) to attend the Malta Forum for Internal Auditors training session ‘Meeting Audit Committee expectations through Internal Audit’.

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Signature Date

Ideally payments are made by bank transfer to IBAN no. MT67VALL2201300000040019433628, indicating your name and organisation in the payment details.

Cheque payments may also be made and are to be addressed to MFIA, PO Box 10, Birkirkara.
Payment is to reach MFIA by 6 March 2018. Email: info@fiamalta.org