Internal Controls

Submitted by the Internal Audit Department of the National Training Agency

Internal Control is defined as “a process, effected by an entity’s board of directors, management and other personnel, designed to provide reasonable assurance of the achievement of objectives in the following categories: Effectiveness and efficiency of operations, Reliability of financial reporting and Compliance with applicable laws and regulations”

In an “effective” internal control system, the following five components work to support the achievement of an entity’s mission, strategies and related business objectives:

- Control Environment - Organisation’s policies and procedures eg: Code of Conduct/Ethics, Human Resources Policies, Management Philosophy and Style.
- Risk Assessment - An interactive process for identifying and assessing those risks that may limit the achievement of enterprise objectives.
- Control Activities - Segregation of Duties, Authorisation and Approval, Reconciliations, Physical Security.
Internal Controls (cont’d)

- Information and Communication - Communication is the continual, iterative process of providing, sharing, and obtaining necessary information.

- Monitoring - Ongoing evaluations, built into business processes at different levels of the entity.

The purpose of control processes is to support the organization in the management of risks and the achievement of its established and communicated objectives. The control processes are expected to ensure, among other things, that:

- Financial and operational information is reliable and possesses integrity,
- Operations are performed efficiently,
- Assets are safeguarded, and
- Actions and decisions of the organization are in compliance with laws, regulations, and contracts.

The Internal Audit department assists management by providing reasonable assurance that the control environment is functioning effectively. This is achieved in part by designing appropriate audit work programs to evaluate the effectiveness and efficiency of controls such as separation of Duties, access controls, documentation procedures, reconciliations, and approvals/authorisation. However, it is important to note that senior management is responsible for oversight of the establishment, administration, and assessment of the control system. In addition, managers are generally responsible for implementing control mechanisms within their respective areas.

Source: The Committee of Sponsoring Organisations of the Treadway Commission (COSO)
3rd Chapter Meeting for 2019: “Conflict Management”

Submitted by Khyam Abdulah

The IIATT hosted its 3rd Chapter Meeting for 2019 on Wednesday 24th July 2019 at the Success Centre, Charlieville, Chaguana. The event was opened by the IIATT’s President, Ms. Daniella Williams who also shared the bio of the facilitator with the attendees.

The facilitator, Ms. Maxine Attong, Executive Coach and Author, presented the following topic.

Conflict Management:

Module 1: What is Conflict Management?
An examination of the importance of Conflict Management with the discussion focused on raising the awareness of the attendees who were invited to:

1. Examine what Conflict Management means to them
2. Identify their role in managing the potential conflict
3. State the reasons or conditions under which conflict arises and
4. Learn to identify the potential conflicts and plan for these circumstances.

Module 2: The Model
A model for Conflict Management was shared with the auditors which allowed them to have the experience of using the model and determine whether there were any challenges to assist them in obtaining more confidence when in front of an actual client.
Anniversary Week 2019
“Strategies for Success: Bringing Audit to the forefront”

Submitted by Khyam Abdulah

The IIA Trinidad and Tobago Chapter held its Anniversary Week 2019 during the period Monday 9th September 2019 to Friday 13th September 2019 at the Arthur Lok Jack GSB.

The event was opened by the Mayor of Port of Spain His Worship, Mr. Joel Martinez. The event was also graced with the presence of Mr. Eric Small - District Representative - East Caribbean.

The theme for the event, "Strategies for Success - Bringing audit to the Forefront", demonstrated the focus of the chapter in supporting its membership in their continued professional development.

The topics supported this focus as they contained both foundation elements and current topics within the audit universe. The topics and their facilitators included, Forensic Auditing presented by Mr Glenn Parmassar, Audit work Programs presented by Ms Karla Lewis, Equipping the Audit Manager - The requirements presented by Mr Larry Kowlessar and Organisation Culture presented by Ms Maxine Attong.

The facilitators, all of whom have extensive industry experience, were eager to share with the attendees through numerous team events which included think tank projects and presentations which lead to a very interactive week of sharing and continued development.
Anniversary Week 2019 Feedback

Forensic Auditing, facilitated by Mr. Glenn Parmassar

“The Forensic Auditing Course offered by IIA in September 2019 was truly exceptional in that it stimulated the mind to create awareness of fraud detection and prevention techniques. The incorporation of actual real-life scenarios added tremendous value to this 2-day course as it portrayed the direct effect on company’s financials and corporate image amongst other outcomes. The facilitator- Mr. Parmassar, an expert in his own right was indeed engaging with his extensive specialist knowledge and certainly increased attendees’ appetite of fraud awareness in our respective entities. The Forensic Auditing course was definitely in keeping with IIA’s 2019 Anniversary Week theme of ‘Strategies for Success: Bringing Audit to the forefront’...so thanks to the IIATT Team for another course offering well done!”

Rawley Mohamed
Audit Senior

Audit Work Programs, facilitated by Ms. Karla Lewis

“The Audit Work Program Seminar was presented with excellence. The presenter has a good depth of knowledge on the area and was very engaging. All training needs were met during this session. My recommendation would be that in the future this area should be coupled with or proceeded by an audit planning seminar, which would have been a solid complement.”

Keisha Griffith
IIA Barbados

“An introductory training course which gives great insight into the field of forensic accounting and auditing. The importance and type of work done by forensic accountants and auditors were explored through real life examples of past scandals and through interactive class discussions. The course facilitator, being an expert in the field, was able to deliver the learning outcomes in an exciting and productive way.”

Renée Camillo-Castillo
Internal Auditor
Anniversary Week 2019 Feedback (cont’d)

Equipping the Audit Manager - The Requirements, facilitated by Mr Larry Kowlessar:

“The seminar was packed with useful information on the audit manager’s role for various aspects of the internal audit function. Mr Kowlessar was as usual, a very interesting and effective facilitator, who provided real life examples that allowed for better understanding of the topic being presented.”

Reena Gangaram
Internal Auditor

“The training session I attended on the 12th September 2019 titled, 'Equipping the Audit Manager - The Requirements' provided me with a wide range of key tools that every Manager of Internal Audit should possess. While the information gathered was much more than I anticipated, I truly appreciated his practical experiences along with very detailed explanations. That was the clarity needed to better function in my existing role.”

Simone Rowley-Burgess
Internal Auditor

Organisational Culture and Audit, facilitated by Ms. Maxine Attong:

“I appreciated the mind mapping concept the presenter introduced to use as a tool when assessing the organisation’s culture. She was very engaging and explained various aspects of the subject matter thoroughly and comprehensively. Her use of a case study brought the material to life and enhanced its applicability. The role of internal audit in this area was clearly defined.”

Keisha Griffith
IIA Barbados
Humour to keep your stress level down

"Having audited your accounts, we can't find anything at all suspicious. Which makes us very suspicious."

Keep smiling - maybe the auditor will forget about those reports she asked for yesterday

WHEN THE AUDIT COMMITTEE TELLS YOU COMPLIANCE AND INTERNAL AUDIT WILL BE COMBINED

WHO SAID AUDITING IS STRESSFUL? I AM 35 AND I FEEL GREAT!
1. 4th Chapter Meeting for 2019: “DATA ANALYTICS”
   Thursday, November 19th, 2019
   (more details to follow soon)

2. Annual Christmas Cocktail
   December 2019
   (more details to follow soon)