



The Egyptian Banking Institute & the Hellenic Banking Institute  
present their New Specialized Seminar in Cairo

## *RISK-BASED INTERNAL AUDIT*

*April 11 to 13, 2016 – Nasr City*

### **OBJECTIVES**

According to the Basel Committee on Banking Supervision, internal auditors and supervisors should use risk-based approaches to determine their respective work plans and actions. Furthermore the International Standards for the professional practice of Internal Auditing (2010) indicate that the Internal Audit's Activity Plan of engagements must be based on a documented risk assessment, undertaken at least annually. The COSO – ERM Internal Control System is the most modern and dynamic framework to approach and assess a company's risks, and its adoption is a major challenge as a bank's risk profile is constantly evolving.

In addition, the audit approach has changed dramatically in the past decade so that, instead of auditing processes and systems, great emphasis is given to risk-based auditing approaches. To keep up with modern trends, internal auditors should adopt a risk-based engagement. All the more so, considering that companies rarely have excess audit capacity, available resources should be used effectively and efficiently.

Taking part in many case studies and group discussions, participants in the seminar will understand how to assess systematically all types of risks by using a globally accepted practice, and will realize their role in the risk assessment process, explore control self-assessment techniques and learn how to organize and execute risk-based auditing. At the end of the seminar participants will get a good understanding of the audit process used currently by world class internal audit units and will understand how to execute effectively risk-based audits.

### **LEARNING OUTCOMES**

Upon completion of this seminar participants will be able to:

- Understand the importance of Bank Risk Management
- Understand COSO-ERM components and their importance for the identification of risks
- Understand how to identify a company's strategic risks
- Identify key Internal Controls to downsize strategic risks
- Learn how to organize and perform a risk assessment
- Understand methods to identify operational risks
- Be able to create risk registers and risk mapping
- Select which risks to audit first based on risk assessment results
- Understand the role of Internal Audit during Control Self-Assessment Workshops
- Understand the steps for a participative audit

- Understand how to develop a risk-based annual audit plan by setting priorities in design and execution of audit programs
- Discover tools and techniques needed for risk-based approaches
- Understand how to plan a risk-based engagement

### **WHO SHOULD ATTEND?**

The seminar will be helpful to all officers and staff working in Internal Audit Units (chief audit executives, audit directors, audit managers, audit team leaders) who can bring ideas back to their units.

In addition, officers working in Compliance Units, External Auditors, Board and Audit Committee members, Security professionals, Risk Management staff, Line Managers and generally officers who are experienced in Internal Control Systems and want to explore or review risk-based approaches.

### **PREREQUISITES**

No advance preparation or prerequisites are necessary for this course.

**DATES:** Monday April 11th to Wednesday April 13th, 2016 (hours: 9:00-17:00)

**LOCATION:** EBI premises - Cairo, Nasr City

### **INSTRUCTOR of the HELLENIC BANKING INSTITUTE:**

Konstantinos Triantafyllidis, CIA, CFSA, CCSA, CFE

### **CPE CREDITS**

Participants who complete the course will receive 16 Continuous Professional Education (CPE) Credits as required of certificate holders to retain their professional certificates.

## TOPICS (Course Outline)

### Role of Internal Auditing

- The new definition of Internal Auditing
- International Standards (IPPF) for Risk-Based Audit
- The value added of Internal Auditing

### Risk and Control Frameworks

- Definition of Risks
- The COSO – ERM Internal Control Framework
- Comparison of COSO and COSO – ERM
- Definition of Internal Controls according to COSO
- Reasons that Internal Controls fail
- Roles and Responsibilities for Control activities
- Types of Internal Controls
- COSO – ERM components (Internal Environment, Objective Setting, Event Identification, Risk Assessment, Risk Response, Control Activities, Information & Communication, Monitoring)

### Risk Management

- Risk Categories
- Risk Identification methods
- Risk Assessment Factors (likelihood, impact, reputation)
- Gross and Net Risk
- Risk Appetite
- Risk Tolerance
- Applying COSO – ERM
- Success Factors
- The Internal Auditor's Role in COSO – ERM
- Risk Register

### Risk Assessment Techniques

- Basic principles of Internal Control Systems
- Control Self-Assessment (CSA) Techniques
- Case study on a real CSA Workshop
- The creation of the Risk Register and Risk Map
- Detailed risk score matrix

### Risk-Based Audit Engagement

- Formulation of Annual Audit Plan
- Risk-based audit execution
- The Internal Audit Report based on risks
- Traditional Audit and risk-based audit
- Advantages of risk-based audit
- The internal Auditor's skills for the execution of the Risk-Based Audit