Why assess the quality of your Internal Audit?
Internal Audit (IA) is an important pillar of a company’s effective corporate governance. With its mandate to provide assurance, IA is in the constant focus of various internal and external stakeholders, such as the board of directors, the audit committee, management or regulators. Apart from the question whether IA’s results meet stakeholder expectations, IA must also analyze again and again how its services are being rendered and whether they meet the national and international requirements made of an effective and efficient IA.

In view of all this, the following questions are of special relevance:
• What kind of added value does IA generate with its services?
• As an independent assurance function, how is IA positioned within the company’s corporate governance framework?
• How does the company’s IA compare with that of its peers or good practice?
• Does the IA practice meet the internal, national and international standards of the profession?

Our flexible and comprehensive IA quality assessment explicitly focuses on these questions and defines recommendations on how to close the gap between the current and the ideal situation.

Provisions for assuring the quality of IA
• IIA Standard (1312): “External assessments must be conducted at least once every five years by a qualified, independent reviewer or review team from outside the organization.”

You will receive the following added value through our independent quality assessment:
• An independent assessment to what degree your IA’s actions correspond to international standards (IIA Standards) for IA’s professional practice.
• An external, independent view provided by accredited IA specialists, which shows where there is room for improvement for your IA.
• Comparison of IA’s stakeholders opinions and expectations with IA’s self-image;
• Benchmarking to peers as well as good practice using our vast experience in assessing large national and international IA practices.
• Constructive, practical recommendations (including recommended remedial measures) based on our experience from various industries and good practice.
• Support of the external auditor when evaluating the adequacy of IA (SAS 610).

What is the focus of an IA quality assessment?
KPMG’s own assessment method “KSPRint” (KPMG Strategic Performance Review of IA) is successfully applied worldwide and forms the basis of the quality assessment of your IA. It is based on IIA Standards and far-reaching practical experience gathered during our activities at clients active nationally and internationally. KSPRint is modular and can be adjusted to a client’s needs and requirements. The method takes into consideration success factors and concentrates on the following aspects:
• Positioning of IA: Is IA positioned right from a strategic point of view and does it fulfill the requirements of independence as per the IIA Standards in order to be able to contribute to the company’s success?
• Employees: Does IA have the right strategy, personal resources and abilities to perform its mandate efficiently and effectively?
• Processes: Do IA processes take into consideration the company’s requirements and duties?
Specialist team and reference clients
We will put at your disposal a competent, well-coordinated and multidisciplinary team of specialists which disposes of in-depth experience in quality assessments of IA functions among various industries. The team members are well-versed in the use of our methodology and will assess your IA's quality in view of your needs and requirements. Upon request, we can gladly furnish a list of our credentials.

What is included in our reports?
Depending on the client's wish, our reports will include the following:
• Assessment of whether IAs' actions meet the applicable standards.
• Show IAs' strengths and identify areas which require improvement, including constructive and practical recommendations.
• Benchmark analysis with comparable companies.
• Evaluation of our web-based surveys regarding IA (containing input from audited business units, IA employees, the board of directors/audit committee or Management, etc.).
• A list of measures agreed upon with IA, including process owners and deadlines.

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