

Teaming for growth
Internal Audit



The effects of accounting scandals that destroyed global brands overnight mean that business leaders have to divert time from executing their strategy to the tactical defense of their corporate governance.

Why Internal audit?

Investors, analysts and regulators are applying pressure on executives over poor business performance and questionable decisions, while they have to deal with more competitive markets, less loyal customers and increased demands for on-line access to products and services.

Management must be in control of all aspects of the organization's operations - from finance and accounting, health and safety, environmental impact, IT, customer relationship management and dealings with suppliers. They need to be able to quickly spot areas of potential risk and deal with them before they materialize.

It's a tall order - but a professionally-run, vigorous internal audit function cannot only identify the risks, it can also uncover previously hidden opportunities that can make organizations more successful. Results include benchmarking against internal and external measures and recommendations for improvements leading to a more effective internal audit function with an enhanced image within your organization.

As the mission of internal audit has changed, so has the model for the IA function. In the past, IA was a routine and sequential performance of compliance audits with few quality considerations and concerned primarily with policy and procedure compliance. Now, IA is expected to be a valued advisor to management – dynamic, focused on identifying business risks, and communicating useful information about such risks as well as process improvement opportunities.

Many factors have driven this change: the advent of technologies that share information across enterprises

and departments, the recent media emphasis on controls and compliance, changes in Audit Committee emphasis, and the new roles and responsibilities required of people who increasingly work in diverse teams and across functions.

Today, internal auditors wear many hats and change them often. They need broad skill sets, the ability to discern where and how they can add the most value, and the flexibility to navigate the organizational environment unhindered. To enable them, they need leading-edge technology tools and a constantly updated arsenal of specialized skill sets, techniques and leading industry practices.

Internal audit – Romanian legislation

Requirements

According to the Law 31/1990 and Emergency Ordinance no. 75/1999, companies that have the financial statements subject to a financial audit must organize the internal audit in accordance with the norms issued by the Chamber of Financial Auditors from Romania.

Moreover, according to the stipulations of Emergency Ordinance no. 90 published on the Official Gazette no. 481/30.06.2008, Audit Committees of the public interest companies are required to monitor the effectiveness of the internal controls, internal audit and risk management systems.

Also, as per Order no. 3055 issued by the Ministry of Finance on 25th of October 2009, the Directors' Report must include a description of the main aspects concerning internal controls and risk management systems over the accounting and financial reporting systems.

Your benefits

Assurance

The board and management will have objective assurance that your company's risk management, internal control and corporate governance are both appropriate and effective.

Advice

You will have an objective and independent recommendations on how your risk assurance activities measure up to best practices and - if they fall short - how to improve them.

Our services

We can help you set up an internal audit function or extend the scope of your existing team so that it contributes much more to shareholders' value. At Deloitte, we have people ready to fill in the gaps when you need us, and we can benchmark your internal audit function and suggest improvements. Whatever the needs of your organization are, we can develop a customized offer to meet them.

Why Deloitte?

Because we can help you

Identify risks and opportunities

By carrying out a strategic risk assessment, we can work with your key stakeholders to identify and prioritize areas of potential risk and opportunity across your organization.

Find the right balance

We can help establish a new internal audit plan that provides an appropriate balance between compliance, risk management, and opportunity development. We can also carry out a review of your existing internal audit function, including infrastructure, staff experience and performance relative to your business goals, best practices, and applicable standards. Results include benchmarking against internal and external measures and recommendations for improvements leading to a more effective internal audit function.

Shape up to the task

Our re-engineering initiatives cover staff, supporting technology, policies, procedures, quality controls and training. We can help you fine tune or totally rebuild your internal audit function, regardless of its size and geographic spread. We can also support your internal audit function at any level from director to assistant, for any length of time and regardless of location.

Extend your team

We can provide people with considerable experience in specific areas such as information technology, fraud and forensics, supply chain, and many others as you need them, supplementing the capabilities of your own team.

Improve quality and streamline processes

We can offer a range of sourcing options, enabling you to expand scope, improve quality and streamline processes.

A co-sourcing arrangement provides you with additional staff and resources operating under your direct leadership if required. With full outsourcing, you can take a more strategic role while Deloitte handles day-to-day audit functions.

Whichever option meets your needs, you can leverage our people, processes, and technologies to make your internal audit function much more effective.

Efficiency

Your internal audit process will be much more efficient, with coverage, resources and reporting that meet the needs of your business. You will also have the assurance that the internal audit function is operating in line with best practices, or a detailed plan of how it needs to be improved.

Flexibility

You will gain much more flexibility in the way your internal auditing is resourced, with easy access to specialists when needed and a decrease of the fixed costs.



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