

Why do you need a quality review?

Constant regulatory changes have created an increased focus on effective governance and quality. Audit committees and executive management demand more from the internal audit function in order to fulfill corporate governance responsibilities. To be responsive to such stakeholder needs, internal audit functions must operate at the highest levels of quality, and should commit to continuous evaluation and improvement of internal audit effectiveness. As required by the Internal Auditors (IIA) the quality of your internal audit function must be assessed by an external party every five years.

Your company continuously evolves, and so does the internal audit function. Its quality must however keep pace as well. As the internal audit function reviews and assesses the work of others on a daily basis, there is no one within your organization who better understands the need for an independent, objective assessment of quality. Your internal audit function understands the great value a fresh, outside-in view can bring to the entire company.

A quality review of an internal audit function is an investment in time and money, which should pay-off as much as possible. How do you get the most added value out of such review? At least, a review should lead to an opinion on the conformance with the International Professional Practices Framework (IPPF) of the IIA. Ideally, the review leads to a road map to further improve the quality of the internal audit function. Let's make the next step together.



We offer the following services to assess your internal audit function (IAF):

| Type | Self assessment with independent validation | External Assessment | IAF Evaluator | Strategic assessment |
|-----------------------------|---|--|--|---|
| Description | <ul style="list-style-type: none"> IAF performs a self assessment which will be validated. During this validation the conformance with the IIA Standards is evaluated by PwC. | <ul style="list-style-type: none"> A full-scope, independent and objective assessment of conformance with the IPPF of the IIA. | <ul style="list-style-type: none"> The IAF is assessed based on PwC's leading practices for a high performing IAF. | <ul style="list-style-type: none"> Assessment of conformance with the IPPF, alignment with stakeholder expectations, and the adaptation of leading practices, including an in-depth content review of documents and internal audit files. |
| Type of work | <ul style="list-style-type: none"> Review of the comprehensive and fully documented self-assessment process Limited number of interviews with stakeholders and internal audit staff | <ul style="list-style-type: none"> Review of definition, code of ethics and conformance with Standards Review of internal audit policies, procedures and files Interviews with stakeholders and staff | <ul style="list-style-type: none"> Interview with chief audit executive Review of charter, policies and procedures | <ul style="list-style-type: none"> Review of definition, code of ethics and conformance with Standards Strategic analysis of the function In-depth review of documents and files Interviews with stakeholders and staff |
| Outcome | <ul style="list-style-type: none"> A independent validation report, to accompany the self-assessment report, including an evaluation per standard. | <ul style="list-style-type: none"> Report with a statement regarding the conformance with the IPPF, including an evaluation per standard. | <ul style="list-style-type: none"> Report, including benchmarks and hands-on action plan. | <ul style="list-style-type: none"> Report and action plan, also covering conformance with IIA standards. |
| Benefits | <ul style="list-style-type: none"> Relatively easy and cost efficient approach. Provides a development opportunity for internal audit staff and strengthens the awareness of quality assurance. | <ul style="list-style-type: none"> Professional validation by qualified, external reviewers of conformance. Straight-forward, actionable suggestions for improvement. | <ul style="list-style-type: none"> Relatively easy way to determine development potential and further actions for of the IAF. | <ul style="list-style-type: none"> Full assessment of the IPPF, best practices and benchmark data. Report may serve as a basis for a strategy plan for the IAF |
| Limitations | <ul style="list-style-type: none"> Conformance is assessed based on the self assessment; only limited benchmarking is performed. IAF needs to issue a self assessment file and report. | <ul style="list-style-type: none"> The conformance with the standards is assessed; only limited benchmarking is performed. | <ul style="list-style-type: none"> Conformance with IIA standards is not assessed. | <ul style="list-style-type: none"> Scope of the assessment may vary, based on specific client requests. |
| Estimated investment | 5-8 days | 10-25 days | 3-5 days | Depending on the scope of the assessment. |

Quality assessments and beyond

Our seasoned reviewers are fully qualified to perform external quality assessments. Moreover, we are able to provide you leading edge insights, based on our experiences gained in comparable industries you operate in. We are experienced in the execution of self assessments with independent review, quality assurance reviews, IAF Evaluator assessments and strategic assessments. Internal audit professionals, who perform audits themselves, will execute the assessments. Through the PwC network, you will benefit from our sector specialists and leverage our international network.

Our experiences and capabilities are broader than quality assessments only. We serve many companies with longer term internal audit co-/outsourcing engagements, have supported many clients in developing strategic plans, provide training courses to internal audit departments and have regular meetings with stakeholders. We will bring all these experiences to you, during the execution of a quality assessment, and provide you with actionable insights to further improve the quality and functioning of your internal audit function.

Our answers to your questions

Q: Is PwC allowed to perform internal audit quality reviews?

A: Yes, as per 2014 the IIA allows external parties who have trained quality reviewers to perform the external quality review of internal audit departments. PwC is fully qualified and has reviewers with a proven track record.

Q: Can PwC also perform the NBA (organization for chartered accountants) and NOREA (organization for IT auditors) review?

A: Yes, PwC can prepare these reviews for you and take care of the complete handling of a full scope review.

Q: My organization has parts of the audit department in other countries, can PwC cover this?

A: Yes, PwC has an international network of internal audit professionals, who have experience with executing quality reviews. As a global company, we are where you are.

Contacts



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Internal Audit
Assess the quality of your
internal audit function