

# Example internal audit plan

The proposed depth and breath of the internal audit plan, and in particular any restrictions placed on the scope of the plan, need to be fully discussed and debated by the audit committee before they are approved.

## The internal audit plan

### Progress on the 2009 internal audit plan

An internal audit plan that balanced risk based and compliance reviews was presented to and approved by the audit committee in 2008. An overview of the status of the internal audit work performed in terms of the internal audit plan for 2009 is presented below:

| Audit type        | Audit status |                          |             |           |           |
|-------------------|--------------|--------------------------|-------------|-----------|-----------|
|                   | Completed    | Report is being prepared | In progress | Total     | Planned   |
| Risk-based audits | 17           | 4                        | -           | 21        | 21        |
| Compliance audits | 31           | -                        | -           | 31        | 31        |
| Follow ups        | 33           | -                        | -           | 33        | 33        |
| <b>Total</b>      |              |                          |             | <b>85</b> | <b>85</b> |

Since the last audit committee meeting 15 risk based reviews, 14 compliance reviews and 22 follow-ups have been completed.

### Summary of findings

All the findings made during the reviews performed have been reported in detail to, and agreed with management. The table below summarises the total number of findings made during the reviews completed and agreed with the management.

| Audit findings    | Findings presented to: |            |                 | Number of findings |
|-------------------|------------------------|------------|-----------------|--------------------|
|                   | Audit Committee        | Management | Line management |                    |
| Control gap       | -                      | 58         | 68              | 126                |
| Control breakdown | -                      | 92         | 149             | 241                |
| <b>Total</b>      | <b>-</b>               | <b>150</b> | <b>217</b>      | <b>367</b>         |

In addition to each audit committee meeting, a 'newsletter' is drafted summarising the key findings made for circulation to the business units.

| Audit findings | Number of findings | Status     |                    |                      |            |
|----------------|--------------------|------------|--------------------|----------------------|------------|
|                |                    | Adjusted   | Partially adjusted | Partially unadjusted | Unadjusted |
| Significant    | 99                 | 58         | 20                 | 6                    | 15         |
| Housekeeping   | 161                | 98         | 30                 | 18                   | 15         |
| <b>Total</b>   | <b>260</b>         | <b>156</b> | <b>50</b>          | <b>24</b>            | <b>30</b>  |

The follow-up reviews performed since the last audit committee meeting indicates that significant progress is being made in addressing the findings made. That is, 78% of the significant findings have been addressed or partially addressed while 15% of the significant issues have not been addressed.

All the issues reported on but not fully addressed (including housekeeping findings) will continue to be monitored and followed up.



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This text is an unaccredited translation and adapted version of "Example internal audit plan" prepared by Audit Committee Institute sponsored by KPMG.

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