



## Internal Audit Services

With wildly fluctuating global markets, high profile bank failures and bail-outs, rating agency downgrades and increasing scrutiny from regulators, it has become essential for bank senior management and Boards of Directors to have assurance that their organisations possess strong systems of internal control with built-in checks and balances. Internal Audit Services from BankT&D Consulting can provide such assurance.

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## Why BankT&D Consulting?

BankT&D Consulting has a team of experienced bankers with professional Internal Auditing qualifications and credit risk expertise who are able to assist the Internal Audit function in your organisation to meet the needs and expectations of senior management and the Board of Directors.

It is often difficult for an in-house Internal Audit function to have and keep current the necessary skills to provide coverage of the diverse risks and complex product range of today's international banking environment. BankT&D Consulting has these skills built up over many years and in many international banking and finance markets.

## What BankT&D Consulting Can Do For You

We offer a full range of Internal Audit Services, including the following:

- Undertake a Quality Assessment Review of the Internal Audit function in your organisation to ensure that it meets International Standards, and is focused on adding value and assisting the organisation achieve its objectives.
- Plan, scope and perform Internal Audits, including in the more specialised and risk intensive areas such as Treasury, Capital Markets, Derivatives and IT Systems.
- Conduct a Credit Portfolio and Process Review, covering both portfolio quality and process rigor and efficiency .
- Identify areas where internal controls and operating procedures can be automated, eliminating duplication of process and effort, and ensuring cost effective and efficient controls.
- Document policies, procedures and guidelines for internal controls and internal audits.
- Provide training and skills transfer for your staff.



## Case Study

### Quality Assurance Review (QAR) of Internal Audit for a Major Islamic Bank

**Scope of Work:** BankT&D Consulting were tasked by the Audit and Risk Management Committee of a major Islamic Bank with assessing the performance of their Internal Audit function. The assignment covered not only their adherence to International Standards, but also as to whether the function added value to the organisation and assisted it in meeting its objectives. There was concern that while the Bank had experienced significant credit losses, Internal Audit did not appear to consider credit or market risk coverage in the scope of its audits.

The QAR methodology included interviewing senior management, Audit and Risk Management Committee members, the external auditor, as well as Internal Audit department management and staff, surveying personnel familiar with the internal Audit function, determining how audit activity was prioritised, scheduled and exercised, and reviewing recently completed internal Audit reports and working papers, departmental manuals and IT audit techniques and software utilised.

**Outcome:** Bank T&D Consulting's recommendation of moving to a co-sourced model for Internal Audit, whereby subject matter experts in credit and market risk support the more traditional operational skills of the in-house team, was accepted. Internal Audit scheduling was re-focused on the major risks to the organization and Internal Audit reporting was streamlined, both at the individual engagement level and when summarized to the Audit and Risk Management Committee. Bank T&D Consulting, at management's request, also assisted the Bank re-structure the department and provided advice on resourcing senior positions within the function.

## Our Credentials

The Internal Audit Services team is headed by David Lawler. David has had a career of over 28 years in internal audit and financial management, all in the banking and finance industry. He has worked for major Australian, American and British financial institutions (Commonwealth Bank of Australia, Citibank and NatWest Bank), living and working in Australia, Hong Kong, Brazil, Mexico, Switzerland, Italy, the Philippines and the United Kingdom.

As Group Auditor (Chief Internal Audit Executive) for the Commonwealth Bank of Australia, David was credited with modernising the group's internal audit function in the years following the Bank's privatisation.

Presently, David sits on the Audit Committees of the Defence Materiel Organisation, the Australian Office of Financial Management, the Australian Trade Commission, the Australian Agency for International Development, the Australian Sports Anti-Doping Authority, National ICT Australia, ALE Listed Property Trust and Australian Settlements Limited (ASL). He is also an independent director of ASL and two securitisation vehicles.

David is a past President of the Institute of Internal Auditors-Australia, and a member of the International Internal Auditing Standards Board.

*To learn more about how BankT&D Consulting can help your business with Internal Audit, please contact Aslam Aziz at [aslam.aziz@banktandd.com](mailto:aslam.aziz@banktandd.com)*