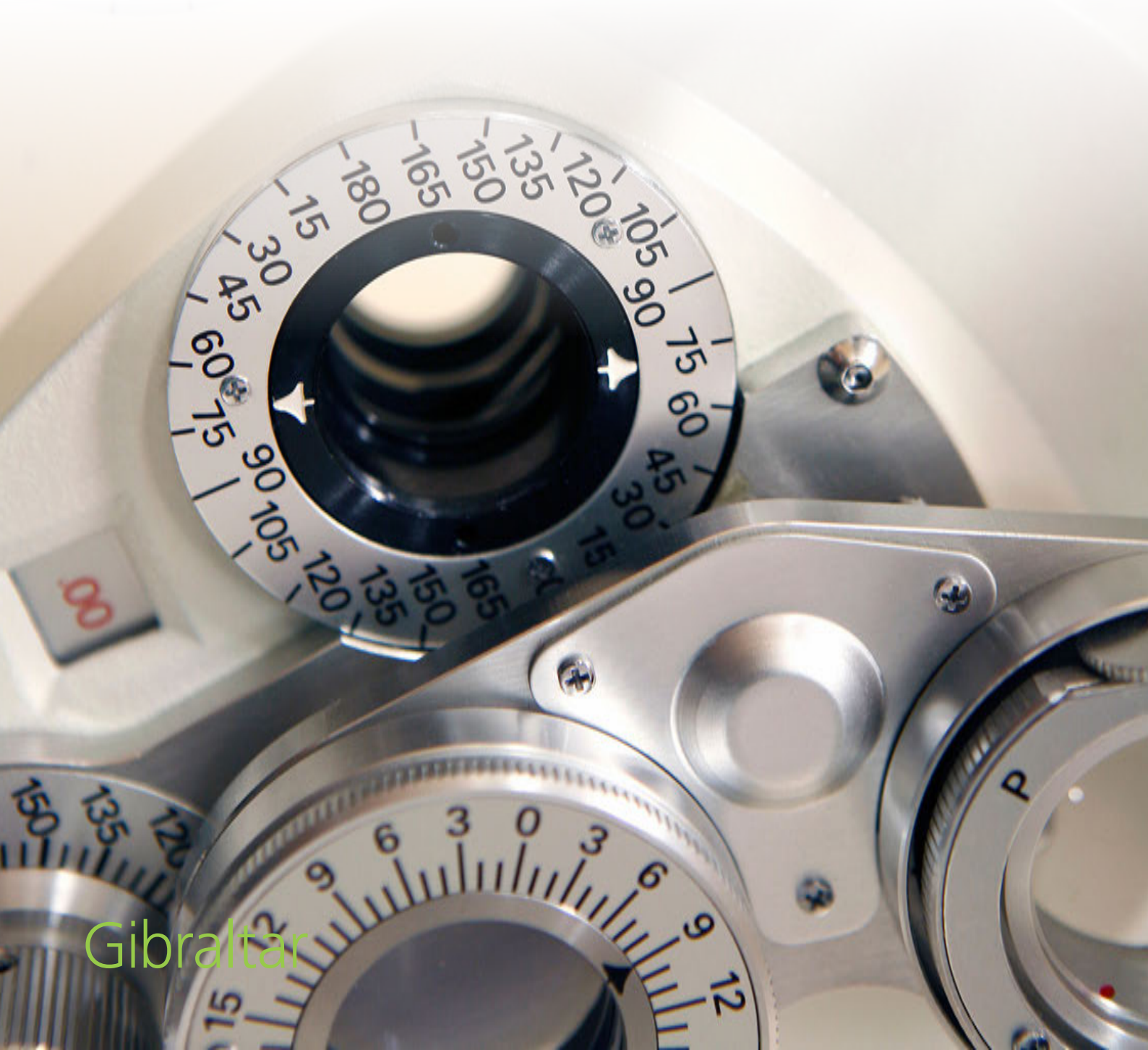


Deloitte.

Internal Audit Services
Take a closer look



Gibraltar

Unlike external auditors, internal auditors look beyond financial risks considering wider issues such as reputation, growth, impact on the environment and employees.

The Chartered Institute of Internal Auditor's (IIA) definition of internal audit:

"An independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes."

The role of internal audit

The role of the internal audit function is to:

- Evaluate risk exposures relating to the organisation's governance, operations and information systems, and financial reporting processes, including:
 - Effectiveness and efficiency of operations
 - Reliability and integrity of financial and operational information
 - Safeguarding of assets
 - Compliance with laws, regulations, and contracts
- Provide assurance to management and the audit committee that internal controls are effective and working as intended
- Provide recommendations for improvement where opportunities or deficiencies are identified.

The value of internal audit

Internal audit provides assurance on the organisation's governance, risk management and control processes to help the organisation achieve its strategic, operational, financial and compliance objectives.

Internal audit is a catalyst for improving an organisation's effectiveness and efficiency by providing insight and recommendations based on analyses and assessments of data and business processes.

With commitment to integrity and accountability, internal auditing provides value to governing bodies and senior management as an objective source of independent advice and counsel.

External vs. internal audit

An external auditor is an independent third-party that provides reasonable assurance that an organisation's financial statements have been prepared in accordance with accepted accounting standards.

Unlike external auditors, internal auditors look beyond financial risks and statements to consider wider issues such as the organisation's reputation, growth, its impact on the environment and the way it treats its employees.

External audit	Internal audit
Report to shareholders or members who are outside the organisation's governance structure	Report to the board and senior management who are within the organisation's governance structure
Add credibility and reliability to financial reports from the organisation to its stakeholders by giving opinion on the report	Evaluate and improve the effectiveness of governance, risk management and control processes. Provide members of the board and senior management with assurance that helps them fulfil their duties to the organisation and its stakeholders
Focus on financial reports, financial reporting risks	Focus on all categories of risk, their management, including reporting on them
No responsibility for improvement, only a duty to report problems	Focus on improvement by advising, coaching and facilitating in order to not undermine the responsibility of management

Governing bodies and senior management rely on internal audit for objective assurance and insight.

Internal Audit Outsourcing

In a full outsourcing arrangement, Deloitte serves as the Internal Audit function. Our experienced professionals, industry-leading practices and tools and capabilities provide internal audit outsourcing services to meet our clients' specific business needs. By leveraging our multi-disciplinary capabilities, Deloitte's Internal Audit professionals can help provide organisations with a greater level of assurance, as well as insights and recommendations on business strategy execution and redeploying valuable resources toward achieving strategic goals and objectives.

Internal Audit Co-sourcing

Co-sourcing is a flexible and collaborative approach to support existing internal audit organisations. Our practitioners assist clients in building on existing strengths while improving overall value. The client maintains control and responsibility for the function while Deloitte provides "on-demand" advice, leading practices and experienced professionals with industry and specialized business and/or technical capabilities.

Many organisations find that when they co-source the Internal Audit (IA) function, they can redeploy valuable resources toward business activities that allow them to more effectively execute their business strategy and achieve their strategic goals and objectives.

Internal Audit Loan Staffing

We understand that sometimes you may just need an extra hand. Our Loaned Staffed arrangements will provide you with skilled and experienced internal audit resources that are under your Management and direction.

Information Technology Internal Audit

Information Technology Internal Audit (IT IA) services help connect IT and IA to gain a greater understanding of the risks and opportunities that come with today's systems, applications and other technologies. Our focus on emerging IT audit, security, governance and risk issues - combined with our extensive industry experience - can better enable you to navigate IT challenges, manage organisation-wide risks, and elevate the role of IA.

Deloitte's IT IA services include:

- Delivering technical knowledge to the Internal Audit risk assessment and audit plan development
- Executing core IT internal audits, such as general computer controls, information security, pre- and post-implementation reviews, and database and network audits
- Performing IT audits of advanced and emerging technologies, such as cloud computing, social media, mobile devices and end user computing
- Elevating the value received from IT internal audits through more strategic roles

Internal Audit Effectiveness Reviews (QARs)

The Institute of Internal Auditors (IIA) International Standards for the Professional Practice of Internal Auditing requires companies to conduct an independent quality assessment of their IA function at least once every five years. In addition to fulfilling the requirements of the IIA quality assessment review, our services focus on whether your IA function is adding value to the organisation, as well as meeting the objectives and expectations of management and the audit committee.

The Deloitte Approach

Our internal audit approach is focused on providing world class internal audit support which is proactive in **responding to changes within your organisation as well as within your industry and local environment.**

Our approach **meets all relevant professional standards**, which include the Institute of Internal Auditors' standards for the professional practice of Internal Audit and Global Technology Audit Guide. Our methodology is designed to provide robust assurance that key risks are being effectively managed and to focus on providing **insight into improvement opportunities.**

We recognise that here in Gibraltar, many organisations are still establishing the foundations of governance, risk and control frameworks. **We consider it essential that we design our approach to be flexible and evolve alongside this process.**

Your Deloitte team



Daniel Delgado

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Daniel joined the Gibraltar member firm of Deloitte in 2001 and leads the audits of many of the firm's most significant clients, with a focus on insurance companies.

Daniel also has experience in the areas of tax, due diligence and corporate finance and has led investigations into insurance and other companies for the Gibraltar Financial Services Commission. He is a member of the Executive Committee of the Gibraltar Society of Accountants and a member of the Technical Committee of the Gibraltar Insurance Association.



Joe Montovio

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Joe oversees Deloitte's Business Process Outsourcing and Financial Advisory Services department and has been a Partner for over twenty years. Joe is a specialist in trouble shooting accounting system problems and implementing internal controls and has advised many clients on setting up effective and efficient management information systems.

Joe has extensive experience in the areas of regulatory compliance, taxation, due-diligence and payroll matters and has been widely involved in the Financial Services sector in Gibraltar.



Jennifer Przygodzinski

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Jennifer is a multi-discipline manager in Deloitte's Enterprise Risk Services practice in Gibraltar. Jennifer has 6 years of internal audit/risk and assurance, ICT audit, consulting and programme management risk services experience.

Jennifer has recently joined us in Gibraltar after working in the US and New Zealand.



Ian Clark

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After reading mathematics at Warwick University, Ian qualified as an accountant within the Audit department of Deloitte Gibraltar in the minimum time possible, obtaining high first time passes throughout.

Ian has been field manager on the audit of many of the firm's key clients and has taken a special interest in enterprise risk and corporate governance.

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