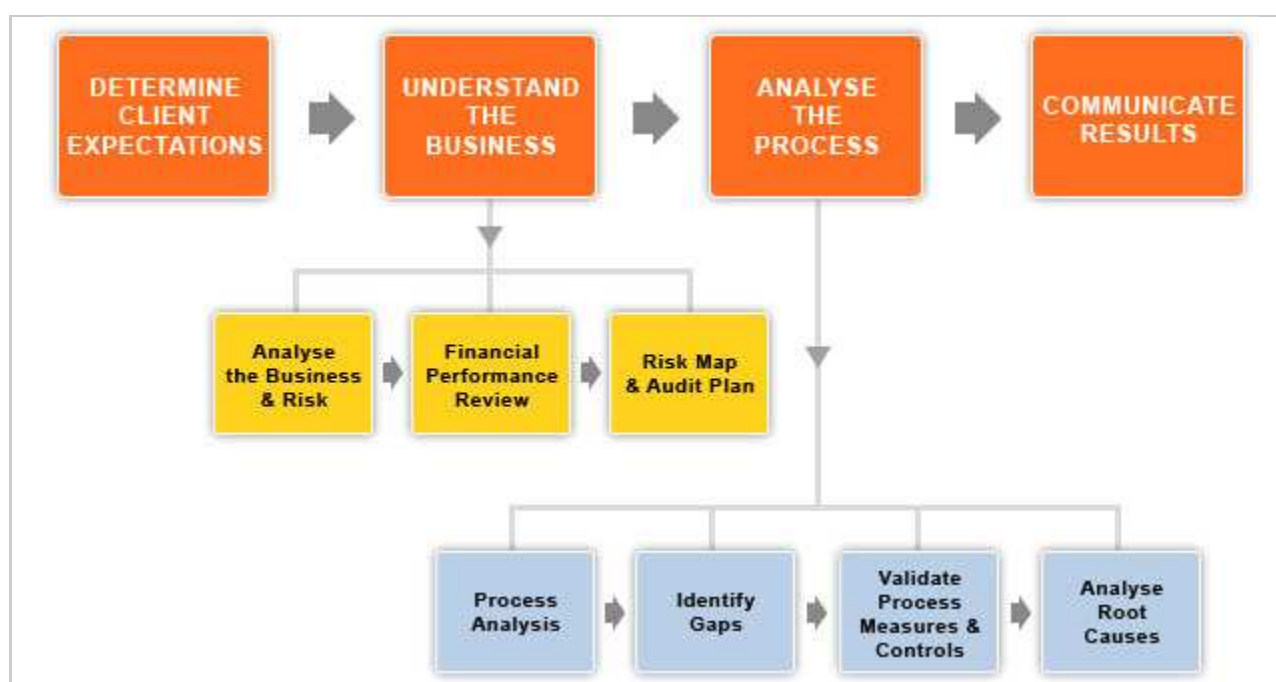


With a changing and more cost-competitive environment, many organisations prefer to have their internal audit function outsourced to an independent service provider in order to increase the value of the function. Our risk advisory offers a full spectrum of internal audit services, designed to maximise the assurance provided to the Board of Directors, the Audit Committee and Management, and minimising the threats in the organisation.

Our internal audit approach takes a broad perspective view of an organisation. It looks at how to improve the organisation's business processes, both to assure adequacy of controls that reduces the business risks to an acceptable level, and the organisation's effectiveness and efficiency. By definition, it is a combination of process evaluation, operational/efficiency auditing, systems and compliance auditing.

Diagrammatically, it is shown as follows:-



Under this full outsourcing arrangement, the audit plan can be used as a mean to direct and control the audit. This plan sets out the audit objectives, auditable areas, scope of coverage, and frequency of audit, resources required and duration of each assignment. To ensure objectivity and independence are adhered to, our professionals report directly to the Audit Committee.

In a co-sourcing arrangement, our internal audit approach is used in conjunction with the organisation's existing methodology. Our professionals add value to an organisation's existing internal audit function by bringing to the organisation audit expertise, industry knowledge, best practices and operational experience.

It is now mandatory for all public listed companies to set up an internal audit function. The entire process of setting up an internal audit function requires a lot of Senior

Management's time as careful consideration is required for a wide range of issues to ensure that the internal audit function works to the organisation's advantage. We can assist in establishing an internal audit function thereby allowing Management to devote their energy and talent to the core business of the organisation.

We also possess the resources, experience and expertise to provide continuous advisory support to Audit Committees that need to consult independent advisors on matters related to internal audit, risk management and corporate governance