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Control on financial reporting 2.0

Finance in control, the external auditor analyses

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Agenda

- + Issue
- + Solution
- + Lessons learned



Issue

- + Controls on financial reporting implemented in 2012
- + **Issues**
 - Implementation and execution not harmonized
 - Limited use by the external auditor
- + **Similar work was done 3, even 4 times**
 - As part of the Month-End-Close
 - For documentation of the risk control framework
 - For the external auditor
 - Evaluation and reperformance by the external auditor

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Financial risk
analysis



Scoping of
processes
and systems



Alignment
with external
audit



Control on
finance 2.0

**“HOW CAN ACTIVITIES PERFORMED BY THE EXTERNAL
AUDITOR, NOT BE RELEVANT FOR EXACT?”**

Real time insight in control execution

Report: Control Framework - CEC II - All ControlOwners

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Criteria

Due From: 01-08-2019 Due To: 31-08-2019 Version: 3.2

CEC's per owner for all owners

Control Owner	Description	Control Executor	Frequency	Created Date	Due Date	Open	Realized	Processed	Total of which ineffective
						0	0	0	0
						0	1	1	0
						0	0	1	0
						1	0	1	1
						0	0	3	0
						1	0	3	4
						0	0	1	1
						0	0	1	1
						0	0	14	14
						6	0	2	8
						0	0	28	28
						0	0	5	5
						0	0	1	1
						0	0	1	1
						2	0	6	8
						2	0	0	2
Total						12	0	68	80

- + Automatically generated tasks
- + Centralized repository of control documentation
- + Four-eyes-principle
- + Integrated control framework
 - Financial reporting
 - Information security
 - ISAE 3402

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Lessons learned

- + Buy-in within the organization
- + Understand the external audit approach
- + Buy-in on partner level of the external auditor
- + Implement a system to manage the controls
- + Assess effectiveness and quality of controls
- + Use auditing standards and industry's best practices

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A man with short dark hair and a light beard, wearing a white button-down shirt, is pointing his right index finger towards a patch on his left shoulder. The patch is white with four colored squares (yellow, red, blue, green) and a red cross. The background is a blurred image of a large indoor arena with red lighting and a complex metal structure. The quote is in large, bold, red capital letters.

**“THIS MODEL LEADS TO A HIGHLY EFFICIENT
AND EFFECTIVE AUDIT WITH A REDUCTION OF
THE BUDGETED AUDIT HOURS AND INCREASE
OF QUALITY”**