

Building Audit Committees for Tomorrow



Group 3

Date: October 11 - 12, 2010
Time: 9am – 5pm

Group 4

Date: October 14-15, 2010
Time: 9am – 5pm

OVERVIEW

The Audit Committee is one of the key functions in ensuring the integrity of financial controls and financial records, the proper identification and management of financial risks and the integrity of the reporting practices to appropriately reflect the financial condition of the company. As a committee of the board, it sets the tone-at-the-top for the rest of the organization and influences many other important aspects of the company.

The role of the Audit Committee has significantly expanded in recent years. Essentially, Audit Committees fulfill two roles on behalf of the board, and more broadly on behalf of the financial institution and its key stakeholders:

- **Financial reporting:** reviewing and recommending the interim and annual financial statements, including accounting choices and estimates, internal controls, internal and external audit, and disclosure parameters.
- **Financial oversight:** using the financial reports to monitor the performance of the financial institution and its management, including financial and non-financial performance indicators, benchmarking, scenario gap analysis, strategic initiatives, capital investments and projects, and most importantly risk governance.

This two day programme will update participants on best practices and current trends internationally in these areas, to better equip Audit Committee members to enhance their performance and contribution. The programme will be delivered using a combination of presentations, case studies and simulations.

PROGRAMME OUTLINE

Day One: The Audit Committee's Role in Financial Reporting

Current and emerging issues in accounting:

- IFRS choices and impacts
- Understanding assumptions and sensitivity analysis/scenarios
- Difficult financial statement presentation issues

Optimizing the audit "three legged stool":

- Assessing and selecting the external auditor: the when, why and how to change or stay
- Reporting and accountability among the Chief Risk Officer (CRO), the Chief Internal Auditor (CIA), the Chief Financial Officer (CFO), the Chief Executive Officer (CEO) and the Audit Committee, its Chair and the Board
- Optimizing internal audit: the third – and often under-resourced and under-utilized – leg of the stool

Resolving the disclosure dilemma:

- Current and emerging issues in public disclosure and regulatory disclosure
- Integrating the roles and reviews of the Audit Committee
- Actual disclosure examples and solutions in financial institutions including challenging issues and crisis situations

Day Two: The Audit Committee's Role in Financial Oversight

Risk Governance: effectively and practically overseeing risk in three ways:

- Risk Direction: linking risk tolerances and appetite to strategy
- Risk Control: the Audit Committee's role in overseeing and monitoring risk
- Risk Oversight: integrating the roles of committees that oversee credit, market, liquidity, foreign exchange, strategic and operational risk: seeing the forest without missing the trees

Best practices in performance measurement and monitoring:

- The Walker Report's implications for Audit Committees in aligning executive incentive compensation, performance measures, risk-based incentives, and overall long-term corporate strategy and risk
- Financial ratios and non-financial metrics, scenario gap analysis, benchmarking and financial analysis
- Relationships and communication with management

Audit Committee due diligence:

- Major capital projects, mergers & acquisitions, and strategic initiatives
- Corporate governance and regulatory reform and changes
- Roundtable on emerging audit committee issues and challenges

INSTRUCTOR



David A.H. Brown

Executive Director, Brown Governance

David Brown is the co-founder of the International Corporate Governance Centre in Montreal, the National Awards in Governance in Toronto, the Public Enterprise Governance Centre in Ottawa, and the Directors College in Niagara. David has a vast experience sitting on boards of various companies.

David is best known for articulating and championing principle-based governance, built on economic agency theory and deriving 18 core competencies of board members. The Principle-based governance framework which underpins all of his work has been adopted by organizations of diverse industry in Canada including one major Canadian bank, universities, health authorities, pension funds and military commands. David has been training directors and worked directly with the boards and CEOs of hundreds of leading corporations, from one-time evaluation, selection and strategy assignments, to ongoing intensive training and development, governance reviews and coaching.

David is the author of the Canadian chapter in *Corporate Governance Around the World* (Routledge: 2008), the international handbook of corporate governance. He is on the faculty of the University of Toronto's St. Michael's College and McMaster University's Directors College, where he teaches corporate governance, corporate social responsibility, finance and risk oversight. David currently serves as a member of Enbridge Inc.'s Expert Advisory Committee on corporate social responsibility, the Community Foundation of Ottawa's Vital Signs committee, and the Auditor General of Canada's Annual Report Awards adjudication panel.

Yes, please register me for the programme on : -

- 11 & 12 October 2010
 14 & 15 October 2010

Name:				
Designation:				
Financial Institution:				
Contact No:	(Company)	(Personal)	Fax No:	
E-mail Address:				
Secretary's Name:			Secretary's Contact No:	
Secretary's E-mail:				

Please fax the completed form to 03 – 2698 7981. Alternatively, you may drop us an email at fide@bnm.gov.my or call us at 03-2698 8044 (Wafi – ext 8909) / (Pn. Norasikin – ext 7611) / (Anna – ext 8719).

Thank you.