Our internal audit services division continues to experience an impressive rate of growth. In 2009 the demand for technical support more than doubled when compared to 2008 and the upward trend is set to continue into 2010 and beyond. We have also experienced a veritable explosion in the demand for consulting services. Our response was to expand our team of internal audit expert trainers and consultants.

This exceptional growth can be attributed to a number of factors. First, The Basel Committee and national supervisors are requiring internal audit functions to review their firms’ measurement and management of risks and the Internal Capital Adequacy Assessment Process (ICAAP) as an integral part of their ongoing audit plans. This means that internal auditors must have a sound appreciation of what regulatory and economic capital represents and how it is calculated which in turn may demand competency in new areas of audit concern such as model risk. These are areas where Risk Reward has earned a reputation as one of the world’s leading suppliers of top quality training, co-sourcing and technical consultancy.

Second, in today’s world audit approaches must be risk-based as evident in the Institute of Internal Auditor’s revised ‘International Professional Practices Framework’ that became effective on 1st January 2009. Risk Reward has been engaged to deliver, by banks, governments and accounting firms, Internal Audit Modernization Programs aimed at transforming internal audit functions from compliance and assurance based to risk-based.

Third, in the light of the financial crisis, Audit Committees are demanding higher standards of performance from their auditors but often the quality of the internal audit reports fails to adequately document the risk based work conducted. We have been engaged by a wide variety of banks to conduct assessments of their internal audit functions, benchmark their performance to industry best practice and recommend improvements. The added value is when our internal auditors continue to support the bank as needed on an adhoc basis.

At Risk Reward we recognise that growth, such as we have experienced in recent years, is not only a function of demand but also of the quality of the services we provide to our clients. We are immensely proud of our clients’ successes and of our contribution to those successes.

This brochure is designed to provide you with an overview of the services we offer. We welcome your enquiry and the opportunity to work with you.

Dennis Cox, Chief Executive

Risk Reward has grown rapidly since it was founded in 2002 and is now regarded as a leading independent provider of global training, consultancy, risk management and internal audit services. We have assisted over 250 banks and financial institutions, including many central banks and we operate throughout the globe.

Dennis Cox, Chief Executive

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www.riskrewardlimited.com
Established in 2002 Risk Reward is a leading supplier of technical advisory and tailored training services to the banking, financial and corporate sectors in developed and emerging markets. Our consulting and training services are delivered directly to banks and financial institutions by our own consultants, or we will supply the same consultants via intermediaries with whom we have developed close working relationships.

Our business offers a wide range of training and consultancy services delivered by a pool of over 600 consultants. Each of our consultants are experts in their fields with years of relevant industry experience, ensuring that our courses add value from day one and eliminate the usual consultant learning curve delays. In every case our consultants are able to make suggestions based on their own considerable experience of dealing successfully with similar challenges in their own careers.

We are the official training providers for:

- The Institute of Chartered Accountants in England & Wales (ICAEW)
- The Chartered Institute of Securities and Investment (CISI)
- The Chartered Insurance Institute (CII),

and conduct training to a wide variety of accredited and certified programmes and qualifications.

To date we have helped over 250 banks and financial institutions, including central banks, to train and improve the performance of their staff. Our expert trainers and courses are considered to be among the best in the industry and we have been recognised as finalists for the London Export Awards 2010, exemplifying our place as one of London’s premier international businesses.
Africa

African Banking Corporation
Banque Africaine de Développement Bank PHB (Nigeria)
Barclays Bank (South Africa)
Cavmont Capital Bank (Zambia)
Central Bank of Nigeria
ChaseBank (Kenya)
Citizens SME Agency (Botswana)
Commercial Bank (Zambia)
Development (Rwanda)
Eco Bank
Finance Bank (Zambia)
First Atlantic Merchant Bank
First Bank (Nigeria)
First Rand Bank (South Africa)
Guaranty Trust Bank (Nigeria)
HFC Bank (Ghana)
Housing Finance (Uganda)
Indenfund (Malawi)
Intercontinental Bank Plc (Nigeria)
Intermarket Banking (Nigeria)
Investment Banking & Trust
Investment Trust Bank (Zambia)
LEFISA Ventures (Lesotho)
National Bank (Malawi)
National Commercial Bank
National Investment Bank (Ghana)
Nedbank (South Africa)
Omnifinance (Cote D’Ivoire)
Prudential Bank (Nigeria)
Press Trust (Malawi)
RawBank (Congo)
Rokel Commercial (Sierra Leone)
Sierra Leone Commerce Bank
Standard Corp. & Merchant Bank
Trust Bank (Ghana)
Union Bank (Cameroun)
UBA (Nigeria)
UBA Capital (London)
Zenith Bank (Nigeria)

Americas

Bank of America
Central Bank of Brazil
Central Bank of Mexico
Citizen’s Bank
Comerica Inc
Enbridge Inc
Federal Reserve Bank of Dallas
First Citizen’s Bank
First Niagara Bank
Freddie Mac
Johnson Financial Group
Northern Trust
State Street

Asia

ABN-AMRO (Hong Kong, Singapore)
Banco Nacional Ultramarine (China)
Bank of Baroda
Bank of China
Bank TuranAlim (Kazakhstan)
Barclays Private Banking (Hong Kong)
Canara Bank
DFCC (Sri Lanka)
Dhaka Bank Ltd (Bangladesh)
Dutch Bangla Bank (Bangladesh)
Ethan Hathaway (Hong Kong)
ICBC (Hong Kong China)
L B Finance Ltd (Sri Lanka)
Mercantile Bank Ltd (Bangladesh)
Mitsubishi UFJ Securities International Plc
National Development Bank (Sri Lanka)
Norinchukin Bank (Japan)
Orient Financial Services (Sri Lanka)
Oriental Bank of Commerce (India)
Overseas Chinese Banking
Premier Bank (Bangladesh)
PT Bank BNI (Persero)
State Bank of Bikaner & Jaipur (India)
Swiss Reinsurance (Hong Kong)
Takaful Insurance (Bangladesh)

Middle East

Al-Ahli Bank (Kuwait)
Al-Mashreq Bank (Dubai)
Al Rajhi Bank (Saudi Arabia)
Arab Banking Corporation
Arab National Bank (Saudi Arabia)
Bank Audi
Banque Saradar (Lebanon)
Banque Saudi Fransi (Saudi Arabia)
Byblos Bank (Lebanon)
Commercial Bank of Kuwait
Commercial International Bank (Egypt)
EFG-Hermes Fund Management
Engro Polymer & Chemicals Limited
Enhance (Dubai)
Finance Al Ain International Group
Finance Gulf Takaful Insurance Co
Financial Control Guaranty Trust Assurance
First Gulf Bank (Dubai)
Fransbank (Lebanon)
Global Investment Bank (Kuwait)
Institute of Banking Studies (Kuwait)
Investments Emirates Int'l Investment Co
Israel Discount Bank Ltd
First Icelandic Bank (Iceland)
National Bank of Abu Dhabi
National Bank of Kuwait
National Commercial Bank (Kuwait)
Riyad Bank (Saudi Arabia)
Samba Financial Group

UK & Ireland/Europe

ACCA (UK)
Acctbank (Ireland)
ABN-AMRO Bouwfonds (Netherlands)
Alfa Bank (Ukraine)
Association of Cyprus Commercial Banks
Credit Agricole Asset Management
Banco de Sabadell
Banque Santander Totta
Bank of Bermuda (Luxembourg)
Bank of England (UK)
Bank Julius Baer & Co
Bank Mandiri (Cypriot)
Bank Saderat plc
Bank Sepah International plc
BNP Paribas
Brunel University (UK)
Christiania Bank (Norway)
City Speakers International (UK)
Chardan Bank (Switzerland)
Combined Insurance (UK)
Commerzbank AG
Co-operative Bank (UK)
Credit Suisse (Switzerland)
D C Gardner (UK)
DNB ASA (Norway)
DekaBank (UK)
Deutsche Postbank AG
Deza Bank Belgium London Branch
Eurononey (UK)
Eurocombank (Greece)
Eximbank (Romania)
Foris Bank (Netherlands)
Habib Bank (Switzerland)
Hrvatska Postanska (Hungary)
HSBC (UK)
HVB Bank (Czech Republic)
ICICI Bank
Im Bank (Russia)
ING Group (Netherlands)
International Development
International Moscow Bank (UK)
Investec (UK)
JP Morgan Chase (UK)
Kredietbank (Luxembourg)
Laiki Bank
Landbanksi (Iceland)
MKB Bank (Hungary)
Natixis
Nederlandse Waterschapsbank (Netherlands)
Nordea (Finland)
Nordic Investment Bank (Norway)
Rabobank (Netherlands)
Raiffeisen Bank (Russia)
Raiffeisen Zentralbank (Austria)
Royal Bank of Scotland (UK)
Russian Commercial Bank (Cyprus)
Securities and Investment Institute (UK)
Société Générale
Swedbank (Sweden)
Troika Dialog (Russia)
Unisys (UK)
YBS
Internal Audit: Overview

Risk Reward’s internal audit services are focused primarily on the banking and financial services industry and we travel worldwide to deliver them. We accommodate every client’s particular internal audit needs, whether they are in the form of large-scale consultancy and/or training programs or providing one-to-one training for an individual auditor in preparation for a particular audit assignment.

Risk Reward provides the best trainers and consultants in the business. Our technical and audit experts are professionally qualified and have at least 20 years of practitioner experience, in both developed and emerging markets, acquired through occupying relevant executive roles in their corporate and professional careers.

- Risk Reward work with our clients in the planning and execution of projects aimed at enhancing the quality and effectiveness of internal auditing. Such projects are invariably oriented towards transforming compliance based to risk-based audit approaches, achieving a corresponding up-skilling and reconfiguration of the audit function and implementing best practice risk-based auditing tools and up-to-date techniques.

- Risk Reward also provide experienced auditors on a co-sourcing basis to work under our clients’ management and direction to bring a particular technical expertise to the internal audit team, provide additional resources where these are lacking or undertake complete audits.

- Every training course delivered by Risk Reward is individually customised to meet the particular needs of our clients. Irrespective of the country where our services are provided, our team of researchers ensures that training materials correspond to local national laws and regulatory requirements.

- Training can be delivered either at the client’s own premises or in our training facilities in London. A list of our most popular training courses for internal audit appears later in this brochure.

- Risk Reward are proud to be a ‘partner in learning’ for the Institute of Chartered Accountants in England and Wales (ICAEW); we have been approved to offer Accredited training to the CFAB (Certificate in Finance, Accounting and Business) on their behalf including the Professional, Stage, Knowledge, Level and Advanced courses in Audit & Assurance.

- As most of our projects are delivered in emerging markets our costs are highly competitive and our commitment is to give our clients best value for money at all times.

‘Informative, ideal and valuable’

– T. M. Abdullah, Senior Auditor, Kuwait Finance House, Bahrain
Internal Audit Services

Expertise, Experience, Professionalism and Rapid Response

Internal Audit Modernisation

We have developed significant expertise in internal audit modernisations having worked with a number of banks that wanted to accelerate their progression to modern, risk-based auditing approaches. These are typically ‘root and branch’ transformations of internal audit functions and, consequently, require that our consultants interact at all levels of the enterprise, audit committee, executive management and internal audit management and staff.

Internal audit modernisation aims to optimise audit resource effectiveness through:

- **Definition of the skills requirements** relative to a modern risk-based internal audit function and subsequent staff assessment and selection
- **Reorganisation of the audit function** through the creation of multi-skilled audit teams to replace siloed structures that have one-dimensional specialisations (credit audit, branch audit, IT audit etc.)
- **Reconfiguration of the audit universe** (i.e. identifying areas to be audited) by grouping business functions within auditable units that represent, wherever feasible, end-to-end transaction and product processing cycles
- **Implementation of a risk assessment methodology** that measures the relative inherent risk of each auditable unit
- **The prioritisation of auditable units** according to their inherent risks and categorisation into high, medium and low risk auditable units as a basis for the 3 year audit plan
- **Design and implementation** of risk-based auditing tools and techniques
- **Development of an Audit Charter and Manual** that reflect risk-based audit approaches and prevailing standards promulgated by the Institute of Internal Auditors and the requirements of the Bank for International Settlements
- **Development of an in-house communications program** to promote the new image of auditing
- **Training and mentoring audit teams** through the early stages of applying the new risk-based audit approaches

Co-sourcing

In addition to our fulltime professional staff of trainers and consultants we have developed, over the years, an unparalleled network of expert auditors many of whom have particular technical specialisations encompassing, for example, IT, Treasury, Credit, Risk Management and Modelling, Stress testing and Scenario modelling and many other major areas.

For most financial institutions it is not economically viable to retain an audit function that possesses all the technical specialisations it requires over time to satisfy the needs of its audit plan. Similarly, internal audit functions often find themselves in circumstances where they do not have sufficient resources to staff their larger audits or resources are lacking due to absences or general staff shortages or as a consequence of assigning auditors to other tasks, such as investigations.

Many of our clients find co-sourcing using Risk Reward’s audit experts the optimal solution in such circumstances. Risk Reward will always be able to find precisely the right resource for any situation.
Training

Risk Reward has a reputation as one of the leading providers of top quality audit training in the world. We have successfully provided financial services audit training to more than 250 institutions including banks, insurance companies, central banks, external audit firms and national regulators.

We have a vast library of courses covering almost every aspect of financial services (details below). Each course is customised to the specific needs of our clients. We are ready to travel anywhere in the world to deliver training or, alternatively, we can host clients at our excellent training facilities in the heart of London.

Other Internal Audit Services

We also offer the services detailed below:

- **Audit Report Writing** – writing high quality audit reports in English on the basis of drafts (this service is of particular value to audit functions that are required to produce audit reports in English where this is not their first language)
- **Audit Program Reviews** – reviewing internal audit programs to ensure that they comply with best practice and consider all relevant key risk issues
- **Benchmarking** – assessing the internal audit function, benchmarking it against best practice and providing a diagnostic that highlights areas requiring improvement
- **International Branch Compliance** – undertaking the internal audit of branches or subsidiaries in the UK of overseas institutions to ensure that they comply with the UK regulations and global best practice

Internal Audit Courses

Risk Reward writes and delivers practical internal audit training, both in-house and public courses, for bank regulators and practitioners focusing on the following areas:

- Audit & Assurance (ICAEW Accredited)
- Auditing Asset Management
- Auditing Basel II Compliance and Risk Management
- Auditing Consumer Finance
- Auditing Corporate Credit Risk
- Auditing the Credit Department
- Auditing Derivatives
- Auditing Equities
- Auditing Financial Crime Regimes
- Auditing Fixed Income Instruments
- Auditing the ICAAP Submission
- Auditing Strategic Projects
- Auditing Investment Banking
- Auditing Islamic Banking and Finance
- Auditing for Insurers
- Auditing the IT Department
- Auditing Mergers, Acquisitions and Due Diligence
- Auditing Operational Risk
- Auditing the Risk Department
- Auditing the Treasury Function
- Auditing Value at Risk and Stress Testing
- Bank Internal Audit School (Retail, Commercial & Investment)
- Debt Finance for Auditors
- Modernising the Internal Audit Function
- Modern Risk and Capital Management for Auditors
- Risk Based Audit for Banks
- Writing Effective Audit Reports
- Auditing Corporate Governance and Board Effectiveness

We deliver audit training to regulators and banks globally via trusted and reputable affiliates including government training centres, training companies and directly on an in-house basis.

For more information, a prompt reply and competitive quote for internal audit training solutions please contact our Accounts Manager, Cariska Pieters on +44 (0) 20 7638 5559 or email CP@riskrewardlimited.com

"Thanks again for the course. I particularly liked how you brought the theoretical and real world practicalities together."
– J.B., ING Direct, Netherlands
Internal Audit Training Courses

**Audit and Assurance** accredited by the ICAEW  
CFAB3

Based on the Assurance syllabus published by The Institute of Chartered Accountants in England and Wales (ICAEW) Assurance for Professional Stage Knowledge Level.

**Learning Objectives**
The aim of the Audit Assurance module is to ensure that delegates understand the assurance process and fundamental principles of ethics and are able to contribute to the assessment of internal controls and gathering of evidence on an assurance engagement. Participating in this course will give delegates a sound understanding of:

- Concept of and need for assurance
- Process of assurance: obtaining an engagement
- Process of assurance: planning the assignment
- Process of assurance: evidence and reporting
- Introduction to internal control
- Revenue system
- Purchases system
- Employee costs
- Internal Audit
- Documentation
- Evidence and sampling
- Management representations
- Substantive procedures – key financial statement figures
- Codes of professional ethics
- Integrity, objectivity and independence
- Confidentiality

Available as a 5 or 10 Day Training Course

**Auditing Asset Management**  
IA011

A practical training programme to enable delegates to learn and understand the risks and management techniques that are used within asset management and how to audit them including:

- Front, middle and back office roles
- Controls over equity and fixed income investment
- How to audit performance measures
- The risk associated with portfolio management
- How to audit counterparty credit risk
- The risk associated with other non-traditional asset classes

**Learning Objectives**
This course is designed to provide the course participants with an understanding as to the key internal audit issues that exist within asset management. The programme will concentrate on the main asset types: equity (listed and unlisted), fixed income and property, whilst referring to other available asset types.

By the end of the course delegates will have been built a series of audit programmes suitable to enable them to audit an asset management operation and will have gained an increased awareness of the key issues and controls that are applied in practice.

Available as a 4 Day Training Course

**Auditing Basel II Compliance & Risk Management**  
IA004

This course concentrates on auditing risk management and the key issues that arise from the Basel Accord. In the light of the financial crisis there has been an increased focus on enterprise risk management to ensure that risk issues are addressed consistently within a firm. Basel II also raised operational risk to greater prominence and introduced a number of new ideas to the banking sector.

In this course the audit of all of the key elements of the Accord are addressed, identifying actions that should have been taken by a firm and the challenges that remain.

A series of audit programmes will be developed during the course to ensure that key lessons have been understood and that delegates have a thorough understanding of the internal audit work to be conducted in practice.

**Learning Objectives**
Participants to the course will understand the approach to adopt in respect of the audit of risk management and the Basel Accord. Addressing all major risk issues, participants will gain an appreciation of key risk topics and solutions.

Available as a 4 Day Training Course
Many banks have developed separate consumer finance departments to deal with personal or retail business. Their ever increasing level of sophistication and the demands from modern regulation and business practice, make it imperative that an adequate control environment is maintained.

This course looks at the audit of consumer finance and considers the approach that internal auditors should adopt when auditing this function, comparing the approach to that adopted in corporate credit.

**Learning Objectives**

To ensure that delegates understand the main techniques currently employed and how to put them into practice. Using a series of practical case studies, participants will be taken through the key approaches and will learn lessons to be applied within their own organisations. The following areas will be addressed and participants will develop the following audit programmes:

- Introduction to Consumer Credit Risk
- Planning the Audit of Consumer Finance
- Auditing Personal Credit Analysis
- Auditing Personal Collateral
- Auditing Credit Scoring and Modelling
- Regulatory requirements

**Available as a 2 Day Training Course**

This course will explain modern approaches to credit risk assessment and lending decisions and how to audit them. Delegates will gain an insight into aspects such as:

- Assessing the creditworthiness of a corporate borrower
- How the performance of a company is evaluated through quantitative analysis (ratios and cash-flow tools) to support a lending decision
- The relevance of market indicators, for example, ratings, equity indicators, bond and Credit Default Swap (CDS) spreads, to understand the refinancing risk and how the market views a credit
- Using cash-flow approaches to ascertain a borrower’s ability to service/refinance its debt as it comes due

**Learning Objectives**

The course will provide delegates with the basic knowledge necessary for them to be able to independently review, for audit purposes, credit assessment processes and related lending decisions.

**Available as a 3 Day Training Course**

Credit Departments within banks are constantly increasing in complexity, driven by the demands of regulation and business practice. This level of increase has accelerated in recent years as many banks have developed credit departments with ever increasing responsibilities.

Since the internal audit function needs to address all areas of a financial institution, including the credit department, auditors face additional challenges. This course looks at the credit function and considers the approach that internal auditors should adopt when auditing this function.

**Learning Objectives**

On completion of this course delegates will be able to appreciate the key issues relating to control within the credit department and understand its role within the banking sector. Using a series of practical case studies, participants will be taken through the key approaches and develop audit programmes in the following areas:

- Introduction to Credit Risk
- Auditing in a Basel framework
- Auditing Corporate Credit Analysis
- Auditing Credit Models
- Auditing the Application of the use Test
- Auditing Counterparty Credit Risk
- Auditing EAD, PD and LGD
- Auditing the use of Internal & External Ratings
- Model Risk and Credit Risk

**Available as a 3 Day Training Course**
Auditing Derivatives

This practical course will offer delegates the techniques that they need to understand derivative instruments and the related techniques to be adopted by internal audit. This course is designed to have a trading room focus.

Learning Objectives
At the end of the course participants will be able to:
- Understand the key risks involved in derivatives
- Appreciate the difference in approach between the banking and the trading book
- Develop audit programmes for ETD and OTC derivative instruments
- Understand the risks involved with forwards, futures, options and swaps
- Develop internal audit programmes for the audit of key instruments
- Understand the documentation requirements of derivative instruments and the approach to audit

Available as a 3 Day Training Course

Auditing Equities

This practical course will offer delegates the skills and techniques to understand equity instruments and the related techniques to be adopted by internal audit. The course has an end-to-end focus covering trading, purchasing, controlling, valuing and settling equity transactions.

Learning Objectives
At the end of the course participants will be able to:
- Plan an audit of equities
- Appreciate the difference between brokerage and trading businesses
- Appreciate the difference between proprietary and client business
- Understand the key risks involved
- Understand the use of derivatives in equity business
- Understand the various controls in equities processing and settlement
- Audit Programmes will be developed during the course to ensure practical implementation of the ideas discussed.

Available as a 2 or 3 Day Training Course

Auditing Financial Crime Regimes

The Financial Action Task Force (FATF) together with the Basel Committee, World Bank and the OECD has global standards to which all banks must demonstrate compliance. Firms which take a holistic approach to the management of their ever-expanding financial crime risks are best-placed to ensure their firms’ products and services are not misused for financial crime.

How can internal Audit add value to the review process? Where is the firm on the compliance curve? Can your firm’s regime stand up to an ARROW or equivalent review? These and other questions are now relevant as regulators are making judgements with the advantage of hindsight.

This course is designed to enable both internal auditors and MLROs to review systems and controls to prevent and deter financial crime. Case studies and exercises will be used throughout to draw out the key priority areas for review and report.

Learning Objectives
Participants taking this course will be able to:
- Acquire an appreciation of what currently constitutes ‘financial crime’
- Learn the principal legislative and regulatory requirements
- Apply the above to a review of their firm’s anti-financial crime regime
- Know what systems and controls are needed to combat financial crime, and
- Know how to test those systems and controls and give an opinion on whether or not they are ‘fit for purpose’
- To design and implement audit programmes for anti-financial crime areas

Available as a 5 Day Training Course
Auditing Fixed Income Instruments

This practical course will offer delegates the skills and techniques to understand fixed income instruments and the related techniques to be adopted by internal audit. The course has an end-to-end focus covering purchasing, controlling, valuing and settling fixed income transactions.

Learning Objectives
At the end of the course participants will be able to:
- Plan an audit of fixed income instruments
- Appreciate the difference between proprietary and client business
- Understand the role of Sales versus trading
- Understand the regulatory considerations for Know Your Customer
- Understand the difficulties in valuing illiquid instruments
- Understand the role of custodians in controlling trading and settlements
- Develop audit programmes for fixed income instruments
- Audit Programmes will be developed during the course to ensure practical implementation of the ideas discussed

Available as a 2 or 3 Day Training Course

Auditing the ICAAP Submission

The role of audit has taken on particular significance with respect to risks and the effectiveness of risk management as boards, executive management and regulators come to terms with the global financial crisis caused by failures to effectively identify, measure and manage all the risks a bank is exposed to. The ICAAP is the document that sets out a bank’s approach to risk management and determines whether the amount of capital set aside to cover all its risks is adequate. The regular independent review of the ICAAP by internal audit is a requirement in virtually all jurisdictions that have adopted Basel II.

Our internal audit and risk management (Basel II) specialists will review your bank’s ICAAP submission and prepare customised training materials that will focus on:
- The types of risks typically addressed in an ICAAP
- The requirements of Basel II
- Stress testing and scenario analysis
- Risk appetite
- The use of models and model risk
- The impact of IFRS on the ICAAP
- Capital and risk management best practices
- Capital summaries and the comparison of regulatory and economic capital to available capital resources

Learning Objectives
Delegates will be guided by a risk and audit expert through their bank’s own ICAAP submission and, in workshop mode, will evaluate its strengths and weaknesses with a view to developing an audit programme that is ready for application.

Available as a 3 Day Training Course

Auditing Strategic Projects

Internal audit is uniquely positioned to provide insightful perspectives on the status of major strategic projects, an attribute often under-utilised by audit departments. The ongoing focus of internal audit on internal controls and related risks can be invaluable when applied to the evaluation of project risks.

This course will explain project risks, how project management techniques mitigate such risks and the type of audit approach that is best suited given the particular status of a strategic project including:
- Project risk assessments to gauge likelihood of success
- Readiness assessments during key phases of the project or at the ‘Go’ / ‘No-Go’ decision point
- Post implementation reviews
- Audits of key project phases during the life of the project
- Overall project management methodology assessments

Learning Objectives
Delegates will learn how to plan and execute audits of major strategic projects with the aim of building proactive partnerships with project and senior management. The course is designed for both IT auditors and non-IT auditors to ensure that audit teams are properly integrated to ensure both functional and technical risks are addressed.

Available as a 2 Day Training Course
**Auditing Investment Banking**

Investment banks, whether operating as separate entities or part of a larger banking conglomerate, are quite distinct entities with a business model that differs markedly from other forms of banking in sophistication, complexity and the risks they manage. This course is designed to provide delegates with techniques to understand the various risks and controls associated with the operation of investment banking business. The course avoids dwelling on complicated mathematical formulations. Instead, various business and products are presented from a practitioners point of view to enable delegates to understand the operating risks and develop audit programmes suitable to their businesses.

**Learning Objectives**
Participants will learn how to develop audit plans leveraging the banks own internal market, credit and operational risk matrices. By the end of the course participants will gain a thorough understanding of key Investment banking risk, controls and regulatory issues and learn important techniques to audit each of the following business areas:

- Equities and fixed income businesses
- Derivatives - including interest rate swaps, options and futures
- Securitisation and structured products
- New bond issues and equity issues
- Audit Programmes will be developed during the course to ensure practical implementation of the ideas discussed

Participants will also learn about the relevance of credit, market and operational risk to Investment banking and develop appropriate audit approached within a Basel framework.

**Available as a 4 Day Training Course**

**Auditing Islamic Banking & Finance**

This training event is designed to provide an understanding of the audit techniques appropriate risks within Islamic Banking and how these should be applied in practice.

This course covers Islamic finance from both a technical and Sharia’a perspective, reviewing the risks applying and the controls operating within Islamic finance. Aimed at new and existing internal auditors within Sharia’a compliant finance, trade, investment and insurance, this course considers the nature of the risks that are specific to this industry and the internal audit tests which are appropriate.

**Learning Objectives**

- To equip candidates with a practical understanding of the risks and controls inherent within Islamic finance
- To provide candidates with an understanding of the audit techniques appropriate to address the risks within Islamic finance
- To develop a series of internal audit programmes to address the key risks within both the Islamic finance and Takaful (Islamic Insurance) industries.

**Available as a 4 Day Training Course**

**Auditing for Insurers**

This practical course will offer to provide delegates with the techniques that they need to understand the risks presented in the operation of an insurance company.

**Learning Objectives**

- Understand the operations of an insurance company
- Understand the role of internal audit in the regulatory framework
- Develop audit programmes plans for insurance functions
- Understand the risks of insurance payment processing
- Design audit programmes for marketing and product development in insurance

**Available as a 3 Day Training Course**
Auditing the IT Department

IT Departments within banks have become increasingly complex driven by the demands of regulation and business practice. This level of increase in sophistication has accelerated in recent years, as has the availability of internet and home banking. This means that exposure to IT risks are greater than ever and require strong controls and security.

**Learning Objectives**
Completion of this course will leave delegates able to appreciate the key issues relating to control within the IT function and understand its role within the business. Using a series of practical case studies also, participants will be taken through the key internal audit approaches and develop audit programmes in the following areas:
- IT Governance
- General Computer Controls
- Business Continuity Plans
- Systems Development
- IT Security
- Application controls
- Delivery and Support
- PKI
- Internet Banking
- Electronic Funds Transfer

Available as a 5 Day Training Course

Audit Mergers, Acquisitions and Due Diligence

This 3 day training event is designed to explain the audit approach to be adopted in respect of mergers, acquisitions and due diligence.
- Overview of mergers & acquisitions
- The Risk Based Approach in Operation
- Valuing the acquisition candidate
- Auditing Due Diligence
- The Problems of Financing the Acquisition
- Auditing the Integration Process

**Learning Objectives**
Delegates will be able to understand on completion of this course the risks of mergers and acquisitions and will have the ability to develop audit programmes, to ensure that relevant issues can be efficiently and effectively addressed.

Available as a 3 Day Training Course

Auditing Operational Risk

Under the Basel Accord a much greater focus has been provided to operational risk, with a series of new techniques being introduced for operational risk management. Whilst there are detailed requirements within the Accord, there are a range of practical issues that emerge in practice. This course considers the internal audit approach that would need to be adopted to ensure that the model has been adequately validated and is compliant with Basel requirements.

**Learning Objectives**
Delegates will obtain a detailed understanding of the Basel Accord and the relevant audit approaches, including the internal audit approach in respect of:
- Risk Register and Risk Appetite
- Internal loss data
- External loss data
- Risk and control self assessment
- Business process modelling
- Key Risk Indicators
- Stress and scenario modelling

Available as a 3 Day Training Course
**Auditing the Risk Department**

**Learning Objectives**
- To enable attendees to appreciate the key issues relating to control within the risk function and to understand its role with the business.
- To ensure that attendees understand what are the main techniques currently employed and key approaches to this developing subject.
- Using a series of practical case studies, participants will be taken though the key approaches and will learn lessons to be applied within their own organisations.

Available as a 2 Day Training Course

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**Auditing the Treasury Function**

**Learning Objectives**
- The role and structure of treasury in the corporation/bank
- The audit of interest rate & foreign exchange risk management
- The audit of asset and liability management
- The audit of liquidity risk management
- The audit approach for sophisticated instruments
- Auditing the measurement of interest rate and currency exposure
- Auditing and analysing different kinds of risk
- Understanding and auditing different risk management instruments
- Understanding and auditing controls operation in the treasury environment

Available as a 4 Day Training Course

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**Auditing Value at Risk and Stress Testing**

**Learning Objectives**
- Effective audit of market risk necessitates a firm grounding in the concepts and techniques of VaR calculation and the resulting trading and stop loss limits set for controlling risk taking on the trading floor. Participants will learn the various ways in which models are implemented starting with the traditional method to the development of Covariance, Historical and Monte Carlo models for VaR production in the context both of managing market risk and the regulatory requirements. The purpose of back testing and stress testing of models will also be covered. Participants will gain an insight into the various control issues and ‘model risk’ pitfalls which will enable them to construct an audit programme appropriate to their organisations VaR implementation. Knowledge of mathematical and quantitative techniques would be useful but is not a prerequisite.

Available as 4 or 5 Day training course
### Bank Internal Audit School

**Learning Objectives**

Course delegates will obtain a general appreciation of the banking industry and the internal audit approaches that are suitable. Specifically they will consider the auditing approaches within:

- Retail banking
- Corporate banking
- Private banking
- Trade finance
- Financial instruments

Available as a 5 Day Training Course at either introductory/intermediate or advanced level

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### Debt Finance for Auditors

The internal audit function will also need to audit their leveraged finance function, with an appropriate understanding of the products and risks involved. This internal audit course will consider the nature of this business and the audit techniques appropriate.

**Learning Objectives**

Delegates attending this workshop should leave knowing the fundamentals of the different types of leveraged finance and debt structuring, its origins, players, challenges and opportunities. The internal audit approach in respect of the following will be addressed:

- Nature of Debt Products
- Creation of Special Purpose Vehicles
- Control Processes and Monitoring
- Actual Debt Structures
- Book Management
- Risk Management
- Risk Based Regulation
- Regulatory Visits – Internal Audit

Available as a 2 Day Training Course

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### Modernising the Internal Audit Function

This course is designed for heads of audit, audit managers and supervisors, audit committee members and executives who are anticipating a need to enhance the effectiveness of the internal audit function. The course will provide a route map to modern auditing with a focus on techniques aimed at achieving:

- Risk-based approaches to auditing
- An updated audit charter reflecting risk-based approaches and current Institute of Internal Auditors (IIA) standards
- Cross-enterprise assessment of risks as a basis for the development of the 3 year audit plan
- Introduction, where feasible, of an end-to-end approach to auditing (complete processing cycles) thereby reducing the overall number of auditable units but enhancing content and executive accountability for audit reports
- Risk-based audit reports
- Reconfiguration of the audit department to create integrated audit teams to replace ‘silo’ based structures (IT Audit, Credit Audit, Branch Audit etc)
- Audit staff assessment, selection and upskilling

**Learning Objectives**

Delegates will learn how to plan and execute an audit modernisation programme and not only understand the potential benefits but also gain an appreciation of the likely inhibitors and how to overcome them.

Available as a 2 Day Training Course
Modern Risk and Capital Management for Auditors  

The risk landscape in banking has altered irreversibly and banking, as we knew it, will never be the same again. We have witnessed a veritable ‘risk management revolution’ driven by technological innovation, business consolidation through mergers and acquisitions, deregulation and more sophisticated forms of risk intermediation. The global financial crisis provides evidence that not all banks have successfully adapted to these massive changes in their risk profiles.

This course is designed for auditors who are not mathematicians or statisticians. It explains all the major risk types including credit, market, operational and liquidity risks, the focus and impact of the regulatory agenda and how risk based information is applied in modern risk-adjusted performance and capital management.

Learning Objectives

Auditors will expand their knowledge of the different types of risk in banking and world class approaches to risk management. They will better understand the status of their own organisation relative to modern risk and capital management practices and enable them to more objectively assess the role of internal audit. Areas that will be covered include:

- The evolving role of risk management in modern banking
- Creating and implementing a risk-adjusted performance framework (economic profit and capital)
- The regulatory framework (Basel II)
- Risk management methods and techniques
- Selecting the right risk management approach
- Imperfections in modern risk management... their implications and how to overcome them

Available as a 3 Day Training Course

Risk Based Audit for Banks  

This 5-day course is designed as a practical workshop to ensure a mastery of up-to-date risk and audit techniques. Audit functions that are able to focus their efforts towards the significant risk in their organisations are able to concentrate their limited resources on the issues, which drive business goals and aspirations. Audit plans are automatically directed at the issues, which really matter. Moreover, a participative approach whereby auditors and managers work together to identify, assess and control business risks significantly enhances the level of assurance and reduces the chances of surprises.

Learning Objectives

Participants will gain knowledge, know-how and real life experience from the expert/trainer who will ensure that delegates leaving the course will:

- Understand new and emerging internal auditing techniques such as risk based internal audit
- Be able to plan an individual audit assignment to focus on the key issues
- Carry out an effective audit assignment planning through to completion of fieldwork
- Focus your audit work on monitoring controls and other monitoring activities of line management
- Ensure that change happens as a result
- Understand the ‘softer’ skills needed to lead/manage a team appropriately and effectively
- Develop and manage good relationships with clients

Available as a 5 Day Training Course

*I never imagined the great impact of the operational risk on the business as a whole before attending this course...I got a lot of ideas to implement in my department / bank.*

– J.G., Head of Internal Audit, Banco Nacional Ultramarino, Macau
Writing Effective Audit Reports  IA029

Professional auditors understand that the evidence of excellent auditing is to be found in audit files and working papers whereas the majority of an audit function’s key stakeholders (the management of the area being audited, senior management, regulators, external auditors and the audit committee) never see the working papers. But they do see audit reports which make them arguably the most important aspect of the entire audit process. This course puts the audit report in its rightful context as the most important output of an audit that not only presents audit results but also informs stakeholders on audit quality.

Delegates will be guided on how to structure and write effective audit reports. Extensive use will be made of sample audit reports and findings that delegates critique and reformulate to experience how structure and style can turn an ordinary or confused audit report into a highly effective and action oriented one.

Learning Objectives
This course provides the delegates with the skills and knowledge to write highly effective audit reports. By the end of the course delegates will be able to:

- Design reporting processes that ensure audit fieldwork, findings, management responses and audit reports are linked within a framework that ensures reporting completeness and quality
- Optimally structure reports that direct readers to the material issues starting with the auditor’s opinion supported by prioritized and logically organised audit observations
- Differentiate between the material and immaterial to determine what belongs ‘in’ and ‘out’ of an audit report
- Use clear and concise language eliminating unnecessary jargon, abbreviations, irrelevant data etc.
- Apply self-review and critiquing techniques to ensure high quality and business oriented audit reports

Available as a 2 Day Training Course

Auditing Corporate Governance and Board Effectiveness  IA031

This course is an internal audit course designed to explain to delegates the importance of corporate governance and the role of the Board. These are areas where many auditors feel less than comfortable, yet are of great significance to the Audit Committee and the regulators. This course will consider the approaches to be adopted and develop solutions to the issues raised.

Learning Objectives
Participants to the course will be enabled to appreciate the key issues and practical solutions within corporate governance and the Board. Addressing all major issues, participants will gain an appreciation of key risk topics and solutions, together with the audit issues which may result.

Available as a 2 Day Training Course

‘This is to put on record the wonderful time we shared together during the recently concluded Banks Internal Audit School in London …. We have started putting to good use some of the skills that we acquired during that training. This goes very far to emphasise the fact that there is no end to continuous learning.’

- O.M., Regional Control Manager - South East, FirstBankNigeria Plc
For your consideration

Additional Risk Reward services

Consulting Services
Risk Reward provides independent, impartial and highly professional consultancy services across nearly all disciplines in the financial and banking sectors. We operate in most parts of the world, specialising in emerging markets and operate mainly within Europe, the Middle East, Africa, and Asia. Our services include introducing risk controls, procedures and processes, credit market and operational risk, Basel II implementation and compliance, analysis, valuation for mergers and acquisitions and general advice. We have over 450 specialist consultants available to assist your needs. For more information please contact Lisette Mermod at LM@riskrewardlimited.com or ring +44 (0)20 7638 5558.

Training Services
At Risk Reward we offer a vast range of training programmes covering almost every aspect of risk management, corporate governance, banking, treasury, investment banking and a variety of other subjects. The key to our clients’ success is that we find out from the client exactly what their training needs are beforehand and then engage our expert trainers to design and write course materials to order. For more information please contact Cariska Pieters at CP@riskrewardlimited.com or ring +44 (0)20 7638 5559.

Additional brochures available
- Risk Management
- Banking and Finance
- Islamic Banking and Finance
- Financial Crime
- Training Course Catalogue 2010

If you would like to be sent a copy of any of the brochures, please contact us at any time with your request or alternatively visit our website for downloadable versions.

Please visit our website www.riskrewardlimited.com for more detailed information.

“A very useful overview of internal audit techniques for banking made interesting by a good lecturer...kept the sessions lively with interesting real life experiences brought into the lecturing”
— D. A., Internal Auditor, Svenska Handelsbanker
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