

# Trends and Innovations in Internal Audit automation

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**LSEG**

# Business Backdrop

Internal Audit must continue to provide assurance across an increasingly dynamic environment:

## **Business growth aspirations leads to:**



New markets with different cultures, different ways-of-working and regulations



New services, increasingly introduced through start-up acquisitions.



New ways of doing business with an increasingly tech-savvy client base

1+ Billion  
transactions  
annually

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# Money Laundering and Terrorist Financing by using crypto currency

ENGLISH TURKISH MALAY FRANÇAIS INDONESIA РУССКИЙ

كِتَابُ الشَّهِيدِ عَزَّ الدِّينُ الْقَسَطَرُ  
EZZEEDEN ALQASSAM BRIGADES

﴿اَقْرَءُوا حَتَّى تَمُوتُوا وَنُحَاجِدُوا بِأَمْرِ الْعَبْدِ وَالْقَسَدِ فِي سَبِيلِ اللَّهِ ذِكْرًا لَكُمْ أَنْ كُنْتُمْ تَعْلَمُونَ﴾  
قال رسول الله (ﷺ): "مَنْ جَهَّزَ غَازِيًا فِي سَبِيلِ اللَّهِ مُقَدِّمًا، وَمَنْ خَافَ غَازِيًا فِي أَهْلِهِ بِخَيْرٍ مُقَدِّمًا" حديث صحيح

كيف تدعم المقاومة  
بعملة البيتكوين

0:00 / 2:19

لأنه الأقصى جزء لا يتجزأ من عقيدتنا وآية في كتاب ربنا .. ولأنها فلسطين قبلة الأحرار ومهوى الأفئدة وقضية الأمة العادلة ومحط أنظار أحرار العالم، بات إلزاماً على كل حي وغيور أن يكون له سهم في الجهاد ونصرة المظلومين .  
أصبح بإمكانكم الآن أن توصلوا دعمكم المالي بشكل مباشر للمقاومة بعملة "البيتكوين" من خلال عنوان المحفظة الذي سيظهر لك بعد إجراء التحقق.

3HUXfwBxaBq9wjj5qrXjc5rqBgVcPE1q8c

اضغط للنسخ

AL SADAQAH

SUPPORTING THE MUJAHIDIN IN SYRIA WITH WEAPONS, FINANCIAL AID AND OTHER PROJECTS ASSISTING THE JIHAD.  
دعم المجاهدين في سوريا بالأسلحة والمساعدات المالية وغيرها من المشاريع التي تدعم الجهاد

Donate safely and securely with Bitcoin  
تبرع بسلام وبشكل آمن مع بيتكوين

15K9Zj1AU2hjT3ebZMtWqDsMv3fFxTNwpf

AL SADAQAH

@alsadaqahsyria  
+963 935 740 232

Donate anonymously with Cryptocurrency  
Bitcoin: 15K9Zj1AU2hjT3ebZMtWqDsMv3fFxTNwpf

alsadaqah@protonmail.com

<https://fund.alqassam.ps/mid/>

<https://www.wired.com/story/isis-allegedly-ran-a-covid-19-ppe-scam-site/>

# Not only phishing emails...

## Information required for system audit



IT Department <helpdesk@itdept.online>

To ● Kan, Eduard

[↩ Reply](#) [↩ Reply All](#) [→ Forward](#) [...](#)

Cp 15.09.2021 17:22

[i](#) If there are problems with how this message is displayed, click here to view it in a web browser.

\*\*\* EXTERNAL EMAIL \*\*\*

## Helpdesk request

Hello,

Your password is required in order to complete a systems audit.

[Click here to enter your password](#)

Thank you,

Helpdesk

*The email I received today from phishing email account*

...but also fake  
voice/ video calls,  
recordings ...

## ВАЖНОЕ ЗАЯВЛЕНИЕ

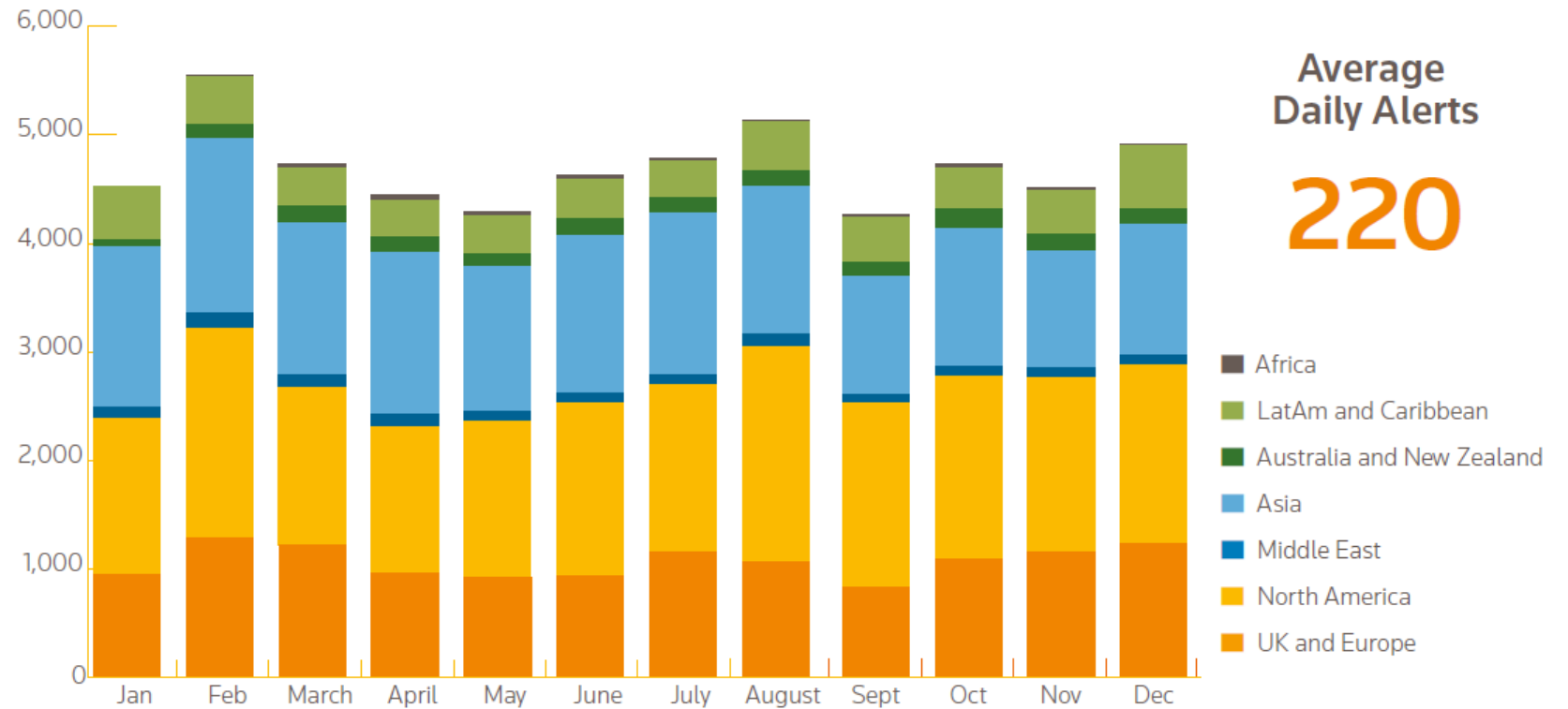
от Олега Тинькова



▼ Узнать Подробнее ▼



New regulation requirement appears every 5 min



# Business Backdrop

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## Business growth aspirations leads to:



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New services, increasingly introduced through start-up acquisitions.



New ways of doing business with an increasingly tech-savvy client base

Does your IA function truly have the:



- Skills



- Capacity



- Reach

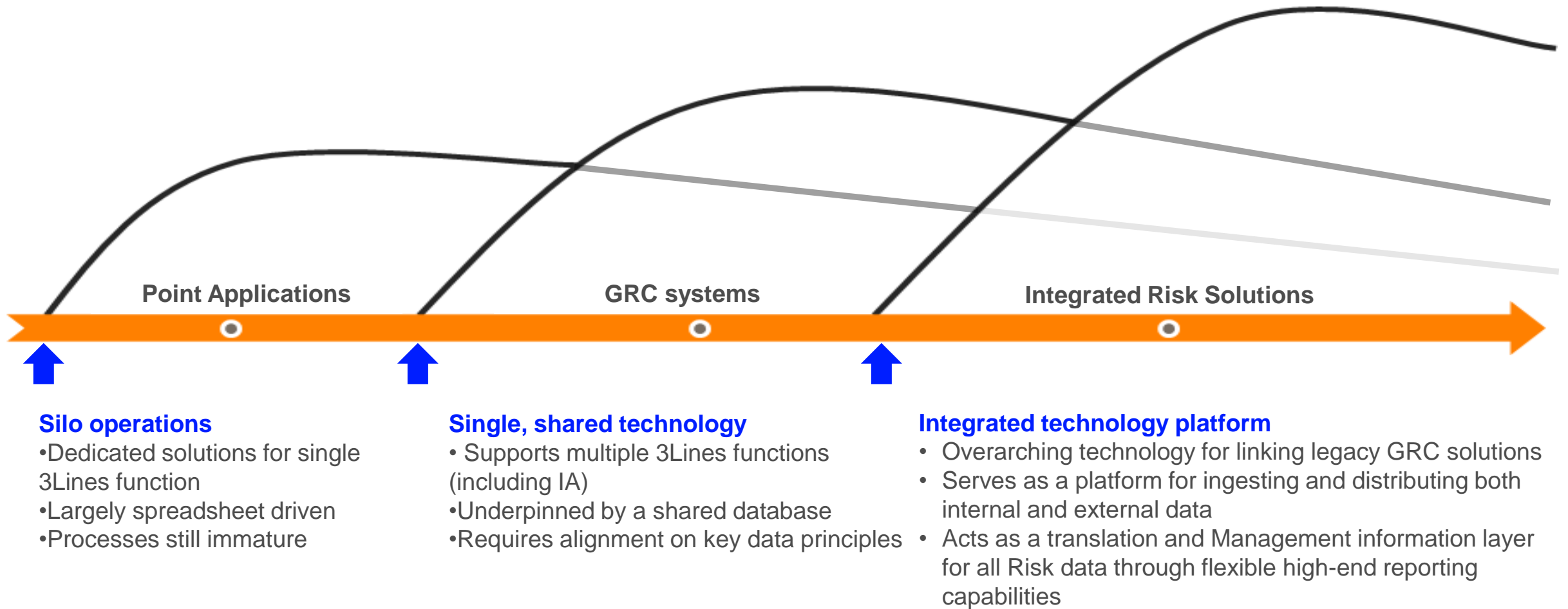
to provide assurance against this changing backdrop?

Supporting Technologies



# Evolution of GRC solutions

GRC technologies are changing rapidly – Refinitiv is following these changes



Source: Internal Refinitiv Research



# Point Applications



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# Business Case

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Comply with IIA standards and replace existing MS Office documents



# Summary

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- “Out Of The” box IT system
- Simple and user-friendly interface
- Quick implementation (up to 1 month), availability of cloud solution
- Low Total Costs of Ownership (TCO)

## **Internal Audit advantages**

- Compliance with IIA standards
- Enhanced Information Security and Data Privacy
- Reduced manual routine operations
- Reduced time for reports creation

## **Disadvantages and Challenges**

- Limited customization and functionality of Internal Audit,
- No scalability to other GRC area

# How to Calculate Business Case?

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**20%**

Saving up to 20% for generating of audit report

**25%**

Saving up to 25% for issues tracking executed by management

**25%**

Saving up to 25% for generating reports to Board and Audit Committee meetings.

*Source: Internal Refinitiv research*



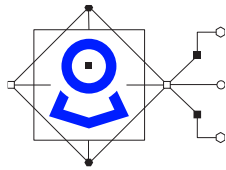
# GRC Applications



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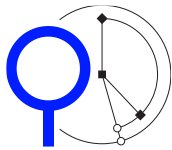
# Business Case

How to manage Risks effectively?



## Identity Risks

- Transparency
- Source of wealth



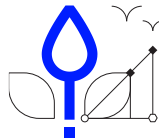
## Integrity Risks

- Corruption and bribery
- Serious and organized crime
- Terror and related matters
- Anti-competitive behavior
- Government connections
- Fraud
- Money laundering
- Tax non-compliance
- Sanctions and restrictions



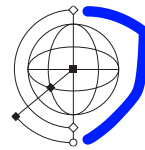
## Financial Risks

- Financial stability
- Financial irregularities



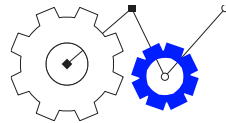
## ESG Risks

- Environmental degradation
- Animal welfare
- Sales and marketing practices
- Health and safety
- Human rights
- Modern slavery
- Employment practices
- Governance and management
- Regulatory enforcement



## Data and Cyber Risks

- Intellectual property
- Personal data privacy
- Data security



## Operational and Quality Risks

- Industry presence
- Product and service quality
- Operational quality
- Business continuity

# Summary

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- Scalability and Three Lines coverage
- Implementation 2-6 months, primarily cloud based solution
- High TCO

## **Advantages**

- Increase of overall compliance/ risk culture of the company,
- Economy up to 30%\* FTE who running controlling function.

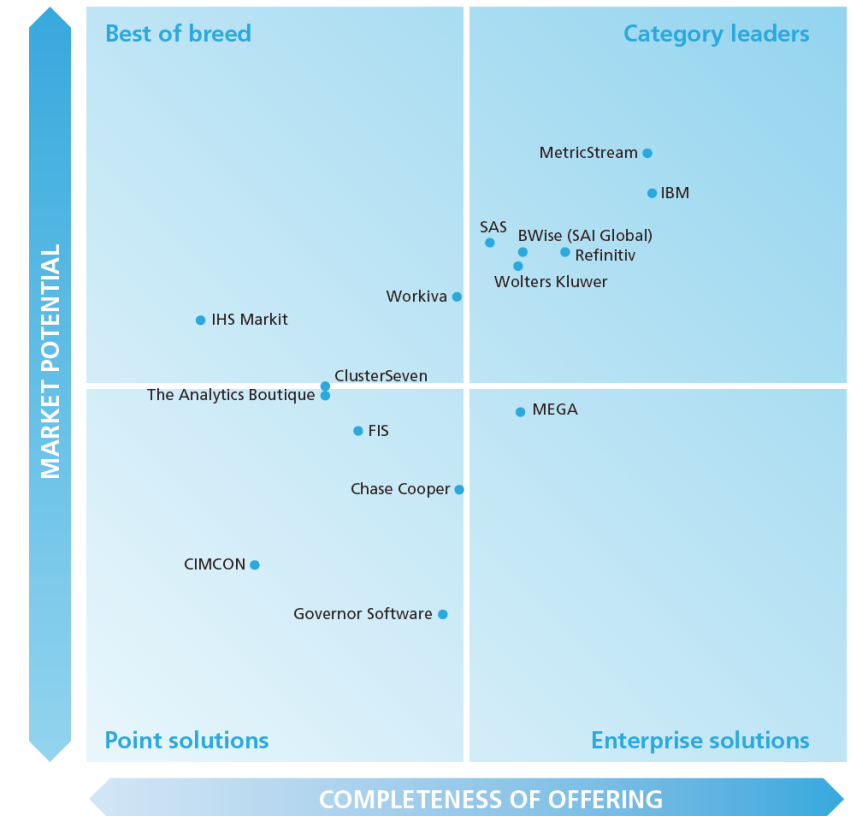
## **Disadvantages and Challenges**

- High TCO
- High expectations for unused/ misused functionality

# Different GRC vendors



RiskTech Quadrant® for enterprise GRC solutions, 2019



<https://www.metricstream.com/pressNews/pr-947-Chartis-Risktech-Quadrant-EGRC-solutions-2019.html>

<https://www.spoc.eu/blog-podcasts-news/it-risk-management-servicenow-grc-2020-magic-quadrant/>

# Integrated Risk Solutions



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# Summary

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- User Experience (UX) is core!
- No code approach
- High flexibility with Integration of Internal and External Data
- Continuous Monitoring and Auditing
- Deep analysis of connections and interdependencies

## **Disadvantages and Challenges**

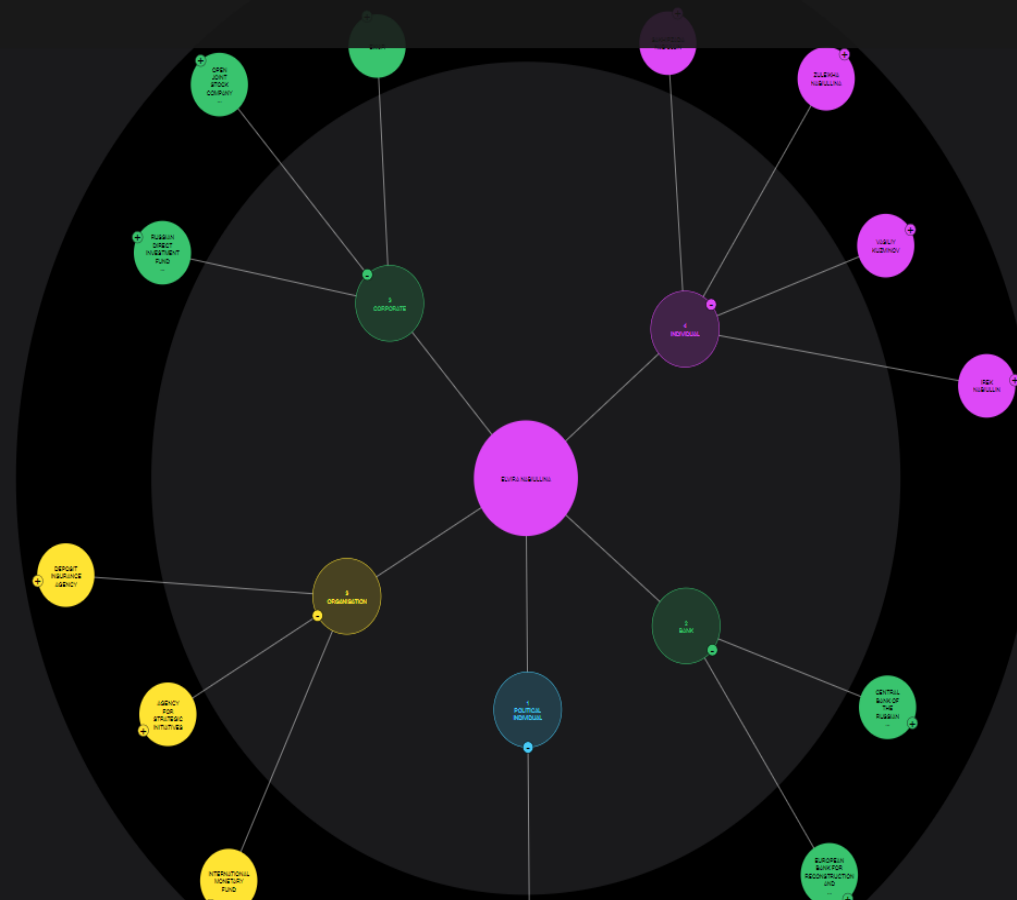
- High TCO





→ СВЯЗИ ДЛЯ: ELVIRA NABIULLINA

► Ключевая категория



- +  
☒ отобразить не прямые связи

# Thank you!

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