



Internal Audit of the Future: Three Areas Defining the Profession in the Next Five Years

A SPECIAL REPORT FROM BDO RISK ADVISORY SERVICES LEADERS
THROUGHOUT THE WORLD

Foreword

The internal audit function has gone through significant expansion and transformation over the past few years. New advancements in everything from technology and cyber risk to supply chain transformation have moved the profession forward quickly in a short period of time.

This rapid pace of change is set to continue — or even accelerate.

In this report, we look at what the next five years hold for the internal audit profession. With actionable insights from our internal audit leaders from countries across the globe, we explore evolving trends that will impact the work we perform every day.

As with everything we do at BDO, the goal of this report is to help you, members of our internal audit community, thrive — today and in the future.



CHERRY CROMARTY
Digital & Risk Advisory
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Introduction

In recent years, the internal audit (IA) function has significantly matured. What was historically a highly manual, time-consuming and siloed process within an organization is changing into an increasingly data-driven and holistic operation touching virtually every aspect of a business. The purpose of IA, which has always included risk assessment and controls, will increasingly play a more strategic role in driving new added value throughout an entire organization.

Amid this shift, the risk landscape continues to broaden and grow increasingly complex. From the COVID-19 pandemic and the rising adoption of hybrid work models, to the Russia-Ukraine war and supply chain disruptions as well as the emergence of climate-related risks and new artificial intelligence (AI) technologies, these and other changes demand fluidity in the approach to IA. This flexibility can better prepare organizations for risks and set them up to gain competitive advantages and even reduce costs in the long term.

And finally, the global IIA standards are changing — another reminder of the need for IA to reflect and evolve its focus, approach, and skillset to ensure that they discharge their responsibilities.

This special report, ***Internal Audit of the Future: Three Areas Defining the Profession Over the Next Five Years***, guides you through the following topics:

- ▶ The top three areas driving the evolution of IA in the years ahead
- ▶ How each of these trends can drive value for an entire organization
- ▶ IA's responsibility to better anticipate and assess risks and help organizations navigate them in the future
- ▶ How embracing digital transformation and change to manage risk can improve business outcomes
- ▶ How organizations can implement best practices to take their IA function into the future



In the future, auditing — which from Latin means to hear or listen — will be considered in the wider sense. Auditors will need to have a more comprehensive skillset and be more adaptable to understand the broader spectrum of risks that businesses face.



NIGEL BURBIDGE

Partner and Global Leader, Risk Advisory Services, BDO UK



The velocity of change for risk is continuously increasing. The way internal audit operated in the past won't work for the future — companies will need internal auditors who are always evolving their understanding of risk and their ability to audit those key risks.



VICKY GREGORCYK

Assurance Managing Partner, Risk Advisory Services, BDO USA

The Technologies Driving the Profession Forward

DATA ANALYTICS

Traditionally, data analytics tools have mainly been applied to more transactional and finance-focused areas — for example, revenue testing — but there is a growing appetite and opportunity to integrate analytics into other areas of the IA function.



In the future, organizations will invest more in predictive data analytics to improve risk analysis and identify trends that might indicate control issues.



CHERRY CROMARTY

Digital & Risk Advisory Services Partner, BDO UK

Digital analytics tools, machine learning, natural language processing and AI technology have the potential to transform the way IA is conducted, as well as the assurance agenda more broadly. Analyzing data quickly and accurately, while identifying patterns and anomalies, will lead to more valuable insights for executive leadership and enable quicker fixes of control issues. Thanks to predictive analytics improving efficiencies in areas such as payroll expenses, vendor management, order and sales activity, and error identification in accounts payable processes, auditors will also be able to focus more on high-risk areas, therefore providing more value to the organization.



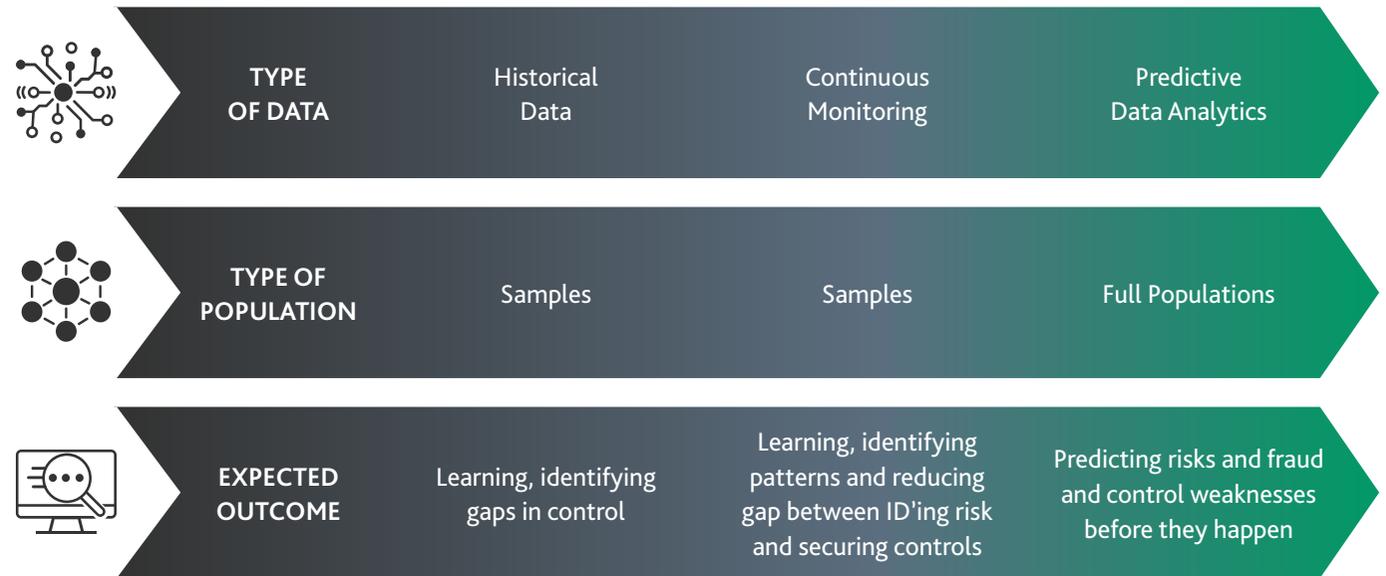
Internal auditors are now being tasked with playing a more active role in guiding executive decision-making, leveraging data to identify anomalies and vulnerabilities as well as opportunities to optimize operations across the organization.



SAVVAS GEORGOPOULOS

Risk Advisory Services Managing Director, BDO USA

Over the next five years, as data analytics evolve from a look at samples of historical data to a fully predictive view of data, internal auditors will have an opportunity to collaborate with others across the assurance landscape — and more broadly, to harness the data and technology in place — to drive better use of risk and controls, forecasting risks and breakdowns before they happen.



As the use of data analytics continues to broaden across the IA function, internal auditors will prioritize real-time exception testing rather than traditional historical sampling.



We are moving away from the idea of auditing only once a year, to a practice of continuous risk monitoring and control.



MARK SMITH
Senior Data Analytics Manager, BDO UK

Imagine a world where we pressed a button and it told us immediately how many contracts were past their renewal date.

You could also find out how many invoices had been approved by someone outside of authority, how many wrong prescriptions had been issued by a pharmacist at a particular store – and you could see this year on year, compared to other locations.

It's easy to see how you can start to apply this outside of accounting and act quickly where there is a true exposure to the organization.

This is the internal audit of the future.



VIRTUAL REALITY AND AUGMENTED REALITY

Virtual reality (VR) and augmented reality (AR) communication tools have also been introduced to the IA function and are expected to become more integrated into IA processes and reporting in the years ahead. For example, the interactivity of VR and AR will allow opportunities to drill deeply into data, enabling senior management and board members to make better informed decisions. Dashboards will be capable of combining VR and AR to provide immersive, informative presentations of all IA reports. Additionally, auditors could use VR to “walk through” a facility without physically being there or use AR to overlay data onto a physical space.

“ It is possible that these tools can be used to simulate different scenarios and test controls in a virtual environment or to simplify the performance of remote audits in general. They could also be used to train internal auditors on new technologies and processes.



RICHARD WALKER
Advisory Director,
BDO South Africa

AUTOMATION

As the application of technology becomes more commonplace in the IA function, some of the true compliance functions could also be automated to improve operational efficiencies. The increased use of automation to drive business growth will influence regulatory shifts, especially those related to cybersecurity, AI, and the broader privacy landscape. Therefore, internal auditors will need to be adept at responding.



As companies move toward digital transformation and automation such as AI, business intelligence and machine learning, implementing and testing internal controls to validate the accuracy and completeness of that automation is critical.



JAMEY LOUPE

Data Risk and Controls Market Leader, Risk Advisory Services, BDO USA



Automation will also allow the IA function to focus more on emerging risks, fraud trends, root cause analysis and providing problem-solving solutions to address risk areas in a more preventative and timely manner.



SHANA MCGEE

Risk Advisory Services Director, BDO USA



Cybersecurity, privacy, and fraud-related regulations will continue to have an impact on the internal audit space. As we have noticed, as a result of the pandemic and the war in Ukraine, supply chain risks and regulations may also play an important role.



KOEN CLAESSENS AND WIM VERBELEN

Risk Advisory Services Partners, BDO Belgium

As AI technologies continue to increase in sophistication and capabilities, its uses will be endless.

Training & Development

Create different AI personas — a tough client, the audit committee chair — for training purposes for junior internal audit professionals.



Fraud Scenario Planning

Using AI, create different fraud scenarios to sharpen the analytical skills of internal auditors in different ways.



“

Internal auditors will need to be acutely aware of the misuse of AI and its impact on fraud — for example, with deep fake technology, audio/video alteration, biometric fraud, manipulation of large data sets and AI algorithms, and cyberattacks initiated by AI.



ZIAD AKKAOUI

Risk Advisory Services Partner, BDO Canada

“

Processes, interconnectedness with partners/customers/suppliers, decision-making and data reliability (deep fakes, AI) will have an impact on the way we do business. Companies and IA will have to keep pace with the risk and opportunities involved.



EMANUEL VAN ZANDVOORT

Risk Advisory Services Partner, BDO Netherlands

“

AI and machine learning will have a dramatic impact on IA in the next five to 10 years, not only in terms of how auditors will use such tools to deliver better assurance, but specialists will need to have a deep understanding of how their businesses will use this technology and the threats they might pose.



TIM FOSTER

Risk Advisory Services Partner & National Practice Leader, BDO UK

“

AI and machine learning will undoubtedly play a leading role in internal audit. From an audit plan based fundamentally on historical data, different AI models will oversee developing and executing the audit tests, making conclusions on the results, and proposing action plans to remediate control deficiencies. Likewise, the auditor will be able to ask questions and request that additional tests be executed.



CARLOS ROZEN

Governance, Risk & Compliance Partner, BDO Argentina

In the next five years, these technologies could play a significant role in transforming the IA landscape by enabling auditors to analyze vast amounts of data more efficiently and effectively, as well as identify trends and anomalies that may otherwise have gone unnoticed.

While the opportunities are endless, the risks associated with AI and machine learning technologies are substantial. Governance around these new technologies will be vital.

Business leaders and policymakers will need to stay on top of risks associated with implementation in order to ensure that technologies are used responsibly and with integrity.

While the full impact of these new methodologies and technologies — predictive data analytics, AI, VR and AR, to name a few — remain to be seen, if they continue to progress at their current rate, the amount of value generated for internal auditors and their stakeholders will be immense.

The Technologies Driving the Profession Forward

A CASE STUDY OF THE FUTURE*

A global oil and gas company used predictive data analytics to identify, anticipate and address risks ahead of an investment in a facility in a new international market. BDO created an alert management system for the oil and gas company's facilities. The predictive analytics in the system use first- and third-party data — for instance, what type of scenarios will trigger an alert when the company needs to intervene based on certain criteria, such as weather conditions — to better manage risks. The outcome is better predictive capabilities to prevent threats before they happen.

*The above case study is representative of the future and is illustrative in nature.



Considerations Related to Technology and Internal Audit of the Future

- ▶ Have you developed a strategy to implement automation and process improvement technologies to optimize your internal audit procedures?
- ▶ Have you developed a roadmap for implementing and integrating new technologies into your internal audit function over the next few years?
- ▶ Are you actively exploring and preparing for the implementation of predictive data analytics and AI in your internal audit function?
- ▶ Have you identified the risks and challenges associated with incorporating new technologies into your internal audit processes, and developed a plan to mitigate these risks?
- ▶ Are you collaborating with other functions in your organization, such as IT and cybersecurity, to leverage their expertise and ensure alignment with overall technology strategy?
- ▶ Are you staying informed about the latest technological advancements and trends in the internal audit industry, and considering how these may impact your future plans?

Navigating the New ESG Agenda

Environmental, social and governance (ESG) programming has been climbing to the top of boardroom agendas which will continue to impact the IA function in the next few years.

With stakeholders continually demanding ESG programs, those in internal audit functions will need to be aware of new guidance specific to ESG, including: SEC-proposed rules for climate-related disclosures, the European Commission's issuance of several ESG regulations, and standards proposed by the [International Sustainability Standards Board](#) (ISSB), a global committee established "to deliver a baseline of sustainability standards and disclosures" taking effect in 2024. ESG holds profound implications for the IA function.

The ISSB, which was established under IFRS to define international ESG standards, is anticipated to be a key driver of mandating standards in non-financial information reporting which will necessitate internal auditors to gain experience in ESG. Further, ESG functions may be managed entirely by a director-level internal auditor.

IA's breadth of knowledge and experience in a company or organization's operations as well as IA's partnership with leadership across functional areas will be critically important to a successful ESG program. The new [international COSO guidance](#), *Achieving Effective Internal Control Over Sustainability Reporting (ICSR): Building Trust and Confidence through the COSO Internal Control—Integrated Framework* indicates that "with sustainability and ESG reporting now having become a top area of focus for CEOs, senior management, boards, investors, regulators, customers and other stakeholders, we find that many more companies are now in various stages of implementing controls and governance processes over the collection, review, and reporting of sustainability information, including creating multifunctional teams that bring together a company's sustainability, finance and accounting, risk management, legal, and internal audit professionals."



Internal auditors will need to possess a strong understanding of new regulations and their impact on the organization, as well as have the ability to provide valuable insights to management.



MARC SOLLBERGER
Senior Performance
Advisory Services Manager,
BDO Switzerland



In the future, internal auditors will serve as the first source of information for management to interpret ESG and provide assurance.



PIERRE TAILLEFER
National Sustainability & ESG Leader, BDO Canada



In the U.S., ESG regulations are the biggest pending changes in the IA function.



JANET SMITH
Assurance Market Leader, Risk Advisory Services, BDO USA



Internal auditors should get familiar with ESG frameworks and issues such as climate change, carbon emissions and green finance such that would facilitate themselves in evaluating the relating risks and controls.



RICKY CHENG
Head of Risk Advisory, BDO Hong Kong

Additionally, in the U.S., the Securities and Exchange Commission (SEC) [proposed a regulation](#) for “registrants to standardize certain climate-related disclosures in their registration statements and periodic reports, including information about climate-related risks that are likely to have a material impact on their business.” Internal auditors will need to ensure that the organization’s ESG reporting is accurate and complete as the demand for transparency continues to grow. Thorough reporting will be critical to organizations preparing for external audits, which underscores the increased reliance on internal auditors and the value they provide.

Global regulations and trends will also prompt organizations to integrate ESG further in the IA function. In January 2023, the [Corporate Sustainability Reporting Directive](#) (CSRD) was passed in the European Union (EU). It makes it mandatory for large, small, and medium (SMEs), and to non-EU companies with significant operations in the EU to disclose sustainability information in their financial reports. The new directive requires affected companies to disclose information on what they see as the risks and opportunities arising from social and environmental issues, and on the impact of their activities on people and the environment. The EU, which has historically adopted more rigorous ESG guidelines in comparison to those currently in the U.S., will likely require more comprehensive risk assessments from U.S. businesses with a footprint in its markets.

The [Sarbanes–Oxley Act](#), a U.S. federal securities law that was passed in 2002 “requiring publicly traded companies to implement and report internal accounting controls to the SEC for compliance,” significantly enhanced transparency and consistency in the IA function in the US. The results of the legislation have inspired more stringent and standardized reporting requirements in other key global markets — such as UK SOX, the unofficial name of an expected new corporate governance regime that would place substantial reporting requirements on publicly traded companies in the UK. Major changes from UK SOX include the creation of a regulator for corporate governance regime, the Audit, Reporting and Governance Authority (ARGA) — which will replace the Financial Reporting Council (FRC) — and new requirements for public disclosures by the directors of a company.

The [Financial Stability Board’s Task Force on Climate-Related Financial Disclosures](#) (TCFD) was created in 2015 and provides a set of climate-related financial disclosure recommendations designed to help companies provide better information to support informed capital allocation. The UK is one of the countries that adopted the TCFD framework and is asking companies to provide information aligned with the recommendations. This is another example of guidance and changes working to establish assurance over ESG external reporting. As shareholders demand more transparency and accountability, reporting requirements are continuing to extend beyond the traditional confines of auditing. Non-financial information, such as climate-related initiatives (e.g., climate credits, carbon emissions, green finance, etc.) and diversity, equity and inclusion are becoming increasingly regulated areas that will impact the scope of the IA function. Internal auditors will be relied on to anticipate these types of regulations and prepare their organizations accordingly.

In the next five years, ESG criteria will need to be embedded throughout the organization to work more synergistically with IA. ESG-specific regulations will be adopted in different jurisdictions and there will be more standardization across jurisdictions, as evidenced by the ISSB. We may also see a convergence in ESG frameworks and/or a continuation of current ESG regulation patterns. Internal auditors should equip themselves with the capabilities to use tech tools for analytics, coding for data extraction, climate scenario analysis and more.

Through ESG, regulations are anticipated to grow in volume and complexity. Standards for reporting will continue to expand past financial-related information, presenting a new set of responsibilities, challenges, and opportunities for internal auditors. Ultimately, reporting integrity will be enhanced and internal auditors will act as catalysts for change.

ESG TOPICS



Environmental

- ▶ Biodiversity
- ▶ Climate change
- ▶ Deforestation
- ▶ Energy use
- ▶ Extreme weather
- ▶ GHG emissions
- ▶ Landfill
- ▶ Oceans
- ▶ Recycling
- ▶ Soil health
- ▶ Transportation
- ▶ Water management



Social

- ▶ Community relations
- ▶ Data privacy
- ▶ Education and training
- ▶ Employee compensation and benefits
- ▶ Employee engagement
- ▶ Health and safety, product use
- ▶ Health and safety, production
- ▶ Human rights
- ▶ Modern slavery
- ▶ Opportunities for meaningful work
- ▶ Union rights



Governance

- ▶ Anti-bribery and anti-corruption
- ▶ Anti-fraud
- ▶ Corporate board, structure
- ▶ Data protection
- ▶ Executive compensation policies
- ▶ Regulatory compliance
- ▶ Shareholder rights and engagement
- ▶ Transparency, disclosure
- ▶ Whistleblower policy

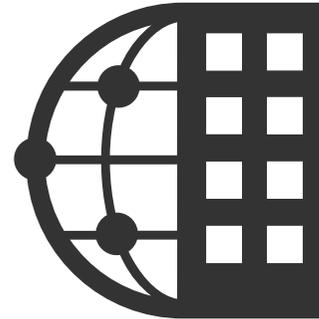
Source: International COSO guidance (copyright 2023) 'Achieving Effective Internal Control over Sustainability Reporting (ICSR): Building Trust and Confidence through the COSO Internal Control—Integrated Framework'

Navigating the New ESG Agenda

A CASE STUDY OF THE FUTURE*

A global real estate firm partnered with BDO to expand into a new market. BDO conducted an audit on the firm's proposed new locations for their real estate properties. Using predictive analytics, BDO forecasted climate risks and discovered that several of the firm's properties had a 70% chance of flooding within a 10-year period. The real estate company decided to institute controls and work with the local government to mitigate the properties' flooding risk.

*The above case study is representative of the future and is illustrative in nature.



We need to understand the evolution of the IA role, whether it is part of a publicly traded or privately held company. ESG regulations will greatly impact public companies from a compliance perspective in jurisdictions around the world. For privately held companies, on the other hand, the IA function will benefit these firms from a data perspective to ensure data is complete and accurate.



AURORA BARDONESCHI

Director of ESG & Sustainability, Risk Advisory Services, BDO USA

Considerations Related to Navigating the New ESG Agenda

- ▶ Have you developed a strategy for incorporating ESG considerations into your audit planning process and audit testing procedures?
- ▶ Are you considering how ESG risks and opportunities may impact your organization's financial reporting and internal controls, and developing plans to address any identified risks?
- ▶ Are you collaborating with other functions in your organization, such as sustainability or corporate social responsibility teams, to gain a deeper understanding of ESG risks and opportunities?
- ▶ Have you identified the data and metrics needed to assess ESG risks and opportunities, and developed plans to collect and analyze this information effectively?
- ▶ Are you considering how ESG risks may impact other risk areas within your organization, such as reputational risk, and integrating this into your audit planning and risk assessment process?

Building the IA Team of the Future

A greater emphasis on IA team selection and upskilling has recently been in the spotlight for organizations. This shift was catalyzed by the COVID-19 pandemic, which introduced new ways of working for organizations across the globe and prompted businesses to closely examine the value that IA teams deliver across their organizations.

Team selection will continue to grow in importance over the coming years. To keep pace with market changes and competitors, organizations will need to strengthen their methods and criteria for sourcing IA talent. Hiring standards for internal auditors will be raised, as more assurance functions will be sought through data-driven technology and system-embedded controls. Internal auditors will also be increasingly assessed by their soft skills and ability to serve as a strategic partner of the organization driving value.



As internal auditors we can view our purpose through multiple lenses. We may understand our own worth and place within the organization, but others may see it differently. We know that internal audit can be seen as a compulsory function and that some perceive us as box-checkers or a nuisance while others take a different view — one that sees us as providers of assurance and protectors of organizational value.



ALEJANDRO ANIEVAS
Risk Advisory Services Director, BDO USA

The talent landscape for IA will continue to transform as businesses evolve and implement new technologies. Knowledge and understanding of specialist areas such as the metaverse, data science, analytics, IT, cybersecurity, ESG and privacy will become imperative for the IA function. In order to attract and retain talent, businesses will need to invest in training initiatives while encouraging internal auditors to get cross-functional experience. Organizations will seek to hire a combination of internal auditors with operational and in-house experience to bring a more rounded approach to their IA function and introduce new ways of thinking.

“ *With the current applicants that we are interviewing at the university and experienced levels, we are seeing a strong desire for IA careers that provide a breadth of experiences, strong culture and meaningful opportunities for development, often with the option to traverse multiple service lines.*



STEVEN GIN

Risk Advisory Services Managing Director, BDO USA

“ *Businesses will prioritize hiring IA professionals who are flexible, adaptable, and possess strong growth potential, while simultaneously investing more resources in training and upskilling existing IA talent.*



ERIN SELLS

Risk Advisory Services Managing Director, BDO USA

“ *In a rapidly changing environment, self-development is key. Internal auditors should read, watch videos, and listen to podcasts on new technology developments and its impact on businesses to expand skills beyond traditional areas like accounting, compliance, fraud, and finance.*



ARJUN MEHTA

Risk Advisory Services Partner, BDO India

In response to these changes, internal auditors will obtain higher education credentials and expand their skillsets to stay competitive among a growing and dynamic pool of talent. Certifications and backgrounds in technical skills or ESG training, for instance, will prove especially valuable as internal auditors will be expected to work cross-functionally with IT and related departments.

“ *Organizations should focus on diversifying their talent pool and specifically look to recruit from STEM backgrounds. The internal auditor of the future needs more focus on understanding ‘why’ they are reporting on the ‘what.’*



DAMON GREBER
Risk Advisory Services Director, BDO Jersey

There will also be increased collaboration in IA with other business functions to ensure greater focus on emerging risks. As part of this shift, the IA function will likely include data scientists and sustainability experts on audit teams.

“ *Collaboration with other functions, such as HR, Finance, Marketing, and Strategy is essential to create value and build a strong internal audit function that understands and addresses the culture, customer expectations, and reporting standards of the organization.*

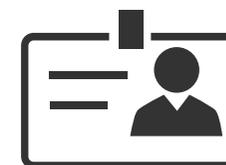


ZSOLT SZELECKI
People Advisory Services Leader, BDO UK

IA job descriptions will become more holistic and dynamic in the years ahead, demanding not only robust technical skillsets, but soft skills such as agility and flexibility.

Building the IA Team of the Future

A JOB DESCRIPTION OF THE FUTURE*



Key aspects of the role in the future:

I. Responsibilities

- ▶ Work with C-suite executives and board members to develop new auditing guidelines based on organizational risk factors, new technology integrations and market.
- ▶ Work cross-functionally with IT and analyst teams.
- ▶ Use predictive analytics to better anticipate and mitigate potential risks.
- ▶ Understanding and assuring the reporting requirements for ESG.

II. Requirements

- ▶ Experience in predictive analytics, AI, and machine learning.
- ▶ Fluency in ESG changing landscape and reporting requirements.
- ▶ Familiarity with VR tools.
- ▶ Familiarity with AR tools - for use in auditing as well as delivering audit work
- ▶ Broad understanding of other key non-financial reporting requirements
- ▶ Due to the advisory and collaborative nature of the work, soft skills such as business communication, leadership, creativity and problem solving are preferred.

Ultimately, organizations need to focus on promoting IA as providing a broad career with impact and influence across the entire business.

*The above case study is representative of the future and is illustrative in nature.

Considerations Related to Building the IA Team of the Future

- ▶ Are you actively fostering a culture of collaboration, continuous learning, and accountability within your internal audit team?
- ▶ Have you identified the necessary skills and competencies for each member of your internal audit team, and developed plans to support their ongoing professional development?

Conclusion

Organizations will need to stay abreast of these emerging trends, risks, and regulatory changes as they face increased scrutiny from stakeholders — and will increasingly rely on internal auditors to navigate through them. Internal auditors should prepare to expand their role beyond assurance and compliance to serve as dynamic advisors and strategic partners to their organization. The profession will require continuous development of technical experience in data analytics, machine learning, cybersecurity, VR/AR, and AI as well as soft skills such as interpersonal communication, agility, and the ability to work cross-functionally across departments.

IA will work more closely with other risk assurance functions, external auditors and those responsible for corporate governance to document and assess controls, and ultimately provide additional comfort. For this to work, internal auditors will need to grow accustomed to greater flexibility, which will place more responsibility on organization boards to seek assurance from IA on audit reform, market and regulatory demands and unforeseen challenges.

The internal auditor of the future will need to continuously adapt and evolve in order to effectively perform their role and help their organization navigate risks in a rapidly changing business landscape. This shift will require auditors to take a giant leap outside their comfort zone as they become the advisors of choice for their organizations.



There will be a greater emphasis on adding value to businesses by providing insights and recommendations beyond the traditional audit scope. Internal auditors will need to be agile and adaptable to changing business environments.



BRÍAN GARTLAN

Risk Advisory Services Partner, BDO Ireland



The world is changing every day, and this has an impact on business and related risks. Internal auditors will need to stay informed, embrace technology, focus on value addition, and continue to develop themselves.



CHARLES TUNGWARARA

Head of Business Process & Sustainability, BDO UAE

Closing Remarks

The future of the internal audit function is bright for teams that take advantage of the opportunities in front of them.

To do that, internal auditors will require a greater level of collaboration and alignment with other areas of the business — to gain deeper insight, understand risks more clearly, and ultimately generate more value for the organization.

It will require developing both technical and soft skills to meet the demands of an evolving risk landscape and an expanded set of stakeholders. It'll mean thinking about how to use data more efficiently and effectively to support their work. It'll mean looking up and out, staying constantly informed about emerging trends and best practices, both within and outside their organization.

We don't yet know exactly what the next five years will bring, but we can be sure it will bring change, evolution, and opportunity for internal auditors to demonstrate even more value to their organizations than ever before.



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About BDO's Global Risk Advisory Services (RAS) Practice

As the fifth largest accountancy network in the world, our strong international team members enable us to deliver a team with the right experience for your organization — wherever you are. BDO's tailored approach is applied consistently across the network through the use of the BDO Internal Audit Manual, a core technical document that complies fully with international internal auditing standards. Each member firm will add relevant guidance to address national professional requirements.

BDO has helped numerous clients carry out their SOX and internal audit functions. A key element of our service success is continuous communication throughout the engagement with both the external auditors and organization management to ensure that deadlines are met and workflow stays on schedule. Communication begins during the planning phase of the engagement and continues throughout the engagement. This focus on a coordinated effort with a company's external auditors has resulted in firms, including Big Four and other national, regional, or local accounting firms placing great reliance on our work.

Many of our Risk Advisory Services professionals began their career as auditors or external auditors for various companies. That experience has enabled them to be very knowledgeable of auditing standards and generally acceptable accounting principles and have a clear understanding of how a company's operations translate into their financial statements.

GLOBAL REVENUE

Total
\$12.8b

RAS
\$293m+

GLOBAL EMPLOYEES

Total
111,000+

RAS
3,100+



BDO has Risk Advisory Services operations in the following countries and regions:

- ▶ Argentina
- ▶ Armenia
- ▶ Australia
- ▶ Austria
- ▶ Belgium
- ▶ Botswana
- ▶ Brazil
- ▶ Canada
- ▶ Cayman Islands
- ▶ Chile
- ▶ China
- ▶ Colombia
- ▶ Costa Rica
- ▶ Cyprus
- ▶ Czech Republic
- ▶ Denmark & Faroe Islands
- ▶ Dominican Republic
- ▶ Ecuador
- ▶ Ethiopia
- ▶ Finland
- ▶ France
- ▶ Georgia
- ▶ Germany
- ▶ Gibraltar
- ▶ Guatemala
- ▶ Honduras
- ▶ Hong Kong & Macao
- ▶ India
- ▶ Indonesia
- ▶ Ireland
- ▶ Israel
- ▶ Italy
- ▶ Japan
- ▶ Jersey
- ▶ Jordan
- ▶ Kenya
- ▶ Korea
- ▶ Kuwait
- ▶ Luxembourg
- ▶ Malaysia
- ▶ Mauritius
- ▶ Mexico
- ▶ New Zealand
- ▶ Norway
- ▶ Panama
- ▶ Pakistan
- ▶ Paraguay
- ▶ Peru
- ▶ Poland
- ▶ Saudi Arabia
- ▶ Serbia
- ▶ Singapore
- ▶ Slovenia
- ▶ South Africa
- ▶ Spain
- ▶ Sri Lanka
- ▶ St. Vincent & The Grenadines
- ▶ Suriname
- ▶ Sweden
- ▶ Switzerland
- ▶ Tanzania
- ▶ The Netherlands
- ▶ Uganda
- ▶ Ukraine
- ▶ United Arab Emirates
- ▶ United Kingdom
- ▶ United States
- ▶ Uruguay
- ▶ Vietnam
- ▶ Zambia

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