

Dear Q&A

I am currently trying to develop an approach to auditing corporate governance and wondering how I might go about this?

Answer

The Institute of Internal Auditors defines governance as ‘the combination of processes and structures implemented by the board to inform, direct, manage and monitor the activities of the organisation toward achievement of its objectives.’

A focus of corporate governance is often on committees. This sets a sound foundation, however corporate governance comprises a much wider focus. While many corporate governance frameworks include commentary on other governance processes and structures such as internal audit, external audit and compliance, a more holistic approach that clearly defines the universe of corporate governance elements, inter-relationships and owners should be considered.

The IIA-Australia has issued a number of publications relating to corporate governance that would potentially assist an internal auditor planning an internal audit engagement on Corporate Governance.

IIA-Australia Factsheet ‘Corporate Governance’

IIA-Australia Factsheet ‘Corporate Governance Responsibility Assignment Matrix’

IIA-Australia Factsheet ‘ICT Governance and Assurance’

<https://www.iaa.org.au/technical-resources/fact-sheets>

IIA-Australia 20 Critical Questions Series ‘What Directors should ask of Corporate Governance’

IIA-Australia 20 Critical Questions Series ‘What Directors should ask about Project Governance and Assurance’

<https://www.iaa.org.au/technical-resources/20-critical-questions-series>