

Meeting: Internal Audit Sector Panel
Location: Virtual meeting
Date: 19 November 2024 – 10.30 AM

PRESENT

Lee Glover (Chair), Claire Pretty (Vice Chair), Tim Ahlborn, Zara Ambartsumova, Fadeke Ayoola, Sophie Corbett, Neville de Spretter, Annabel Faulkner, Rebecca Hamilton, Sue Hibbert, Kiryl Katushkin, Si Mathavan, Natalie Schopen, Sonia Shah, John Webb and Shamsul Zaman.

APOLOGIES

Stephanie Hume and Brooke Love.

IN ATTENDANCE

Gemma Gathercole (Strategic Engagement Lead, ACCA) and Pat Delbridge (Sectors & Communities Manager, ACCA UK).

1 NOTES OF PREVIOUS MEETING

The notes of the last meeting were agreed.

2 PANEL PURPOSE

The Panel was happy to keep its agreed purposes unchanged:

- Act as advocates for ACCA and share insight into the support that ACCA members working in Internal Audit would benefit from. ACCA will then seek to provide what support it can either with its own resources or in partnership with other organisations or professional bodies.
- As an Internal Audit panel within an accountancy body, this panel is uniquely placed to not only provide information and education to other members working in internal audit, but also members working in other sectors whose knowledge and understanding of Internal Audit may be limited. Discourse on shared experiences of internal auditors and future challenges provide a symbiotic environment to improve good governance and successful businesses.

3 ACCA STRATEGIC ENGAGEMENT

Gemma Gathercole – ACCA's Strategic Engagement Lead for England – joined the meeting to brief the panel on the work of ACCA's Strategic Engagement team over the past quarter. Much of the work in the past quarter has been taken up with new Government engagement and the Budget – both submitting representations ahead of the Budget and then responding to the Budget itself. Those representations and responses can be seen on [ACCA's Budget Hub](#). ACCA expects a number of consultations over the next few months ahead of the report on the Spending Review (which is expected in March or April) in addition to the many HMRC

consultations currently underway. The biggest consultation out at the moment is the Government's new Industrial Strategy consultation which does call out accountancy in the professional and business services sectors as being an area of importance. Once the consultation closes, the Government will be developing sector plans.

The Panel discussed bribery and corruption and the absence of a professional oversight body in the UK that provides a vehicle for members to disclose information about nefarious deeds that they encounter in their organisations.

4 SUPPORT FOR INTERNAL AUDITORS

INTERNAL AUDIT LENS PODCASTS

The Panel suggested the following podcasts to form part of the Internal Audit Lens podcast series:

- A series on AI taking a more detailed look at how Internal Audit can use AI:
 - Using AI to write internal audit reports – is information too confidential to put into any sort of AI? There are contradictory views out there on this issue one of which is that data confidentiality is no longer a significant risk.
 - Audit in AI
 - Using AI in audit.

ACCA's work in the AI arena is led by Alistair Brisbane - ACCA's Head of Technology - and his most recent reports can be downloaded from [ACCA's website](#). The Panel agreed that by all means internal auditors should use AI but they must remember that doing so does not diminish their own accountability one iota – in fact it may result in a greater duty of care if the work has been outsourced to AI.

E-BULLETIN

The copy deadline for the April 2025 Internal Audit e-bulletin is 4 April.

The following articles are currently planned:

- *Head of Audit annual planning*
- *Equipping Internal Audit with the tools needed for the 21st Century – Technology*
- *Root Cause Analysis.*

WEBINARS

The panel noted that a webinar in partnership with Chartered IIA will take place on 20 November on the new Global Internal Audit Standards. [Registration link](#).

5 MARKET INTELLIGENCE

- A [CIPFA consultation](#) on a Code of Practice for the governance of Internal Audit that will align with the upcoming Global Internal Audit Standards is underway with responses required by 5pm on 28 November. The new code will be effective from 25 April 2025
- In regulations and standards, the role of internal auditors is growing in terms of what they are expected to do alongside external auditors
- The Economic Crime and Corporate Transparency Act is very much on the radar because of the new offence on failure to prevent fraud which comes into effect in late 2025 and will impact on many firms. Fraud risk assessments, whistleblowing

procedures, fraud prevention processes, and policies and procedures are being discussed with multiple clients. The internal controls of any related parties and even greenwashing will come into scope – the legislation is broad

- Cyber security continues to be a major concern for businesses
- Some risk registers seen by panel members only have a single line for cyber security and it's an area that is not well understood in many organisations. With UK SOX coming in, all businesses need to better understand what their fraud risks are aligned to each control. This is something that internal auditors always keep a look out for but it is gathering momentum in the second line of assurance now, and even the first line.

6 NEXT MEETING

Dates for the 2025 panel meetings will be circulated in the New Year.

7 CLOSE.