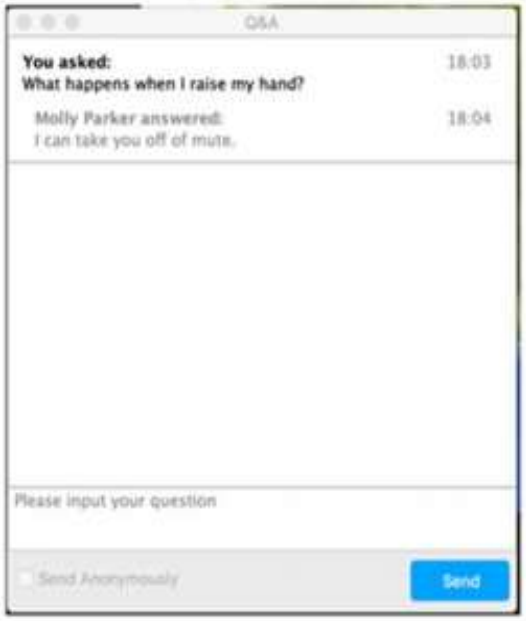
Using data and technology to drive innovation in internal audit

20 June 2025

Ask a question



To ask a question

Click on the **Q&A** button in the bottom toolbar to open the submit question prompt.

Type your question and click send

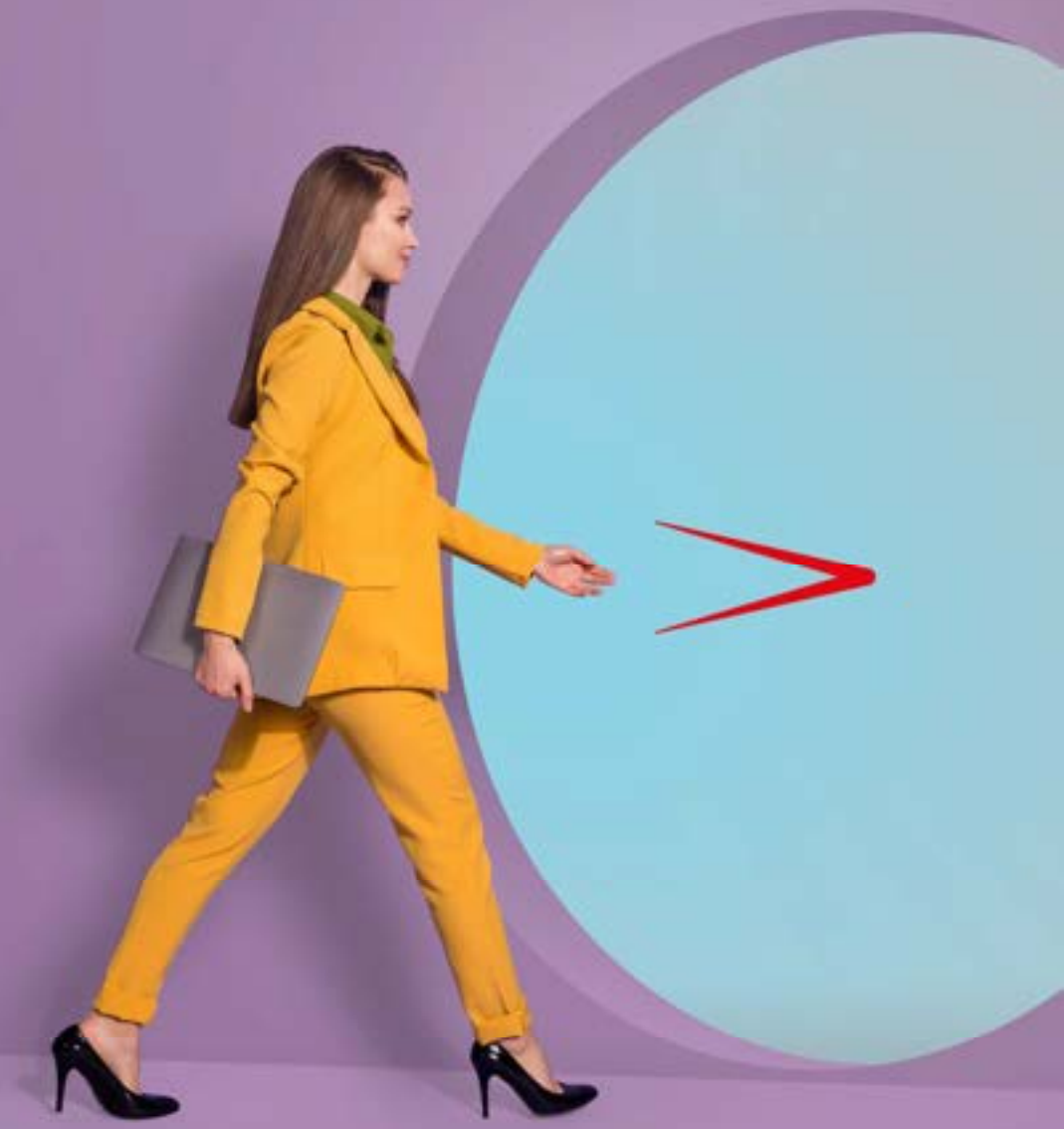
NOTE: If you wish to ask your question anonymously check the **send anonymously** box shown on the illustration.

Did you know?

ICAEW's revised Continuing Professional Development (CPD) Regulations brought in new CPD requirements, including a minimum number of hours and an ethics requirement.

This webinar could contribute to up to 1 hour of verifiable CPD, so long as you can demonstrate that the content is relevant to your role.

Find out more about how these changes affect you at icaew.com/cpdchanges.



Today's speakers

Carolyn Clarke
BRAVE

Riaan Thiart, Prelude Business Solutions

Dr Iain McGregor, GIAA

Aaron Altrock, Wise

Peter Tansley, BBC

Data, Technology, Innovation.

Carolyn Clarke
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ideas
strategy
global
analysis
communication
people
growth
market
future
creative
professional
innovation
new
decision
concepts
concept
development
brainstorm
searching
steps
imagination
process
technology
business
performance
vision
experiment
solutions
inspiration
planning
invention
success
motivation
change
profit

Data Analytics & AI in IA

Developing an Internal Audit Strategy

#IA&AI

Prelude Business Solutions

Riaan Thiart
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How to create a DA/AI Strategy

Just Ask ChatGPT to write one!

INTERNAL AUDIT STRAATEGIC PLAN

Vision Position Internal Audit as a forward-looking, technology-enabled assurancee function that enhances stakeholder confidence through advanced date analytics and responsible use of AI.

Topic 1: Optimising the Use of Data Analytical Techniques

Strategic Objective Establish data analytics as core enabler of audit coverage, insight generation, and risk responsiveness

KRA 1: Embed Data Analyticiss into the Audit Lifecycle
KPI 1.1 % of audits incorporating data analytics techniques
KPI 1.2 Reduction in average time to complete fieldwork du to analytics use
KRA 2: Enhance Auditor Copability and Confidence in Data Tools
KPI 2.1 % of audit staff trained and certified in data analytics tools
KPI 2.2 Auditor self-assessment scores on data proficiency
KRA 3: Develop Reusable Analytics Assets and Infrastructure
KPI 3.1 Number of reusable analytics scripts/modules in library
KPI 4 Improve Data Quality and Access Across the Function

Topic 2: Using AI in the Audit Process

Strategic Objective Utilise AI to enhance audit effectrenes, efficiency, and insights while maintaining trust, governance, and transparency
KRA 1: identity and Pilot High-Impact AI Use Cases
KPI 1.1 Number of AI tools/use cases piloted
KPI 1.2 Audit efficiency improvement (hours save oedl from pilots

Topic 2: Using AI in the Audit Process
Strategic Objective Utilise AI to enhance, efficienens. efficiency, and insights while maintaining trust. governance, and transparency
KPA 1: Establish Audit-Coverage of Enterprise AI Use
KPI 1.1 % critical AI/ML systems mapped and risk-ralli---rated
KPI 1.2 % business units with AI coverage in audit universe

Topic 3: Auditing the Use of AI by the Business
Strategic Objective Provide robust assurance overe governance, risk, and control environment surrouiö-ng AI use across the enterprise
KPA 1: Establish Audit-Coverage of Enterprise AI Use
KPI 1.1 % critical AI/ML systems mapped and risk-raterated
KPI 1.2 % business units with AI coverage in audit universe
KRA 3 Review Ethical, Regulatory and Privacy Dimensions of
KPI 3.1 % d AI systems reviewed for GDPR and fairness risks
KPI 4.2 Number of AI audit findings linked to ethical or comptpliance gaps

ChatGPT 4o

Vision

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KPI 2.1: % of audit staff trained and ce, ↓ d in data analytics tools
KPI 2.2: Auditor self-assessment scores on data proficiency

Ask anything

KPI 3.2: % of audit engagements leveraging existing scripts

A Strategy is as much about hearts and minds as it is about technical objectives

Hearts & Minds

Vision

Compelling, convincing, exciting

Buy-in

Audit Committee, Exco, Team

Communication

Creating the critical mass

Technical

Objectives

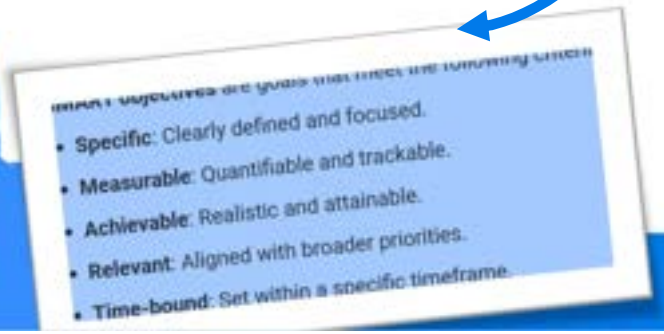
SMART Objectives, Outcomes, End-in-mind

Key Result Areas

Milestones, Targets, Deliverables

Key Result Areas

Leading (are we getting there), Lagging (did we get there)



Did we miss the Data Analytics Bus?

If you are still developing a Data Analytics Strategy for Internal Audit, you are not alone!

But is it too late? Should you not be running to catch the AI Bus?

Most Common Barriers:

- Poor quality / accessibility of data
- Lack of skills / champions

Use Cases: Data Analytics

- Internal Audit Planning & Risk Assessment
  - Risk-based prioritization
  - Trend Analysis
  - Real time monitoring
  - Predictive modelling
- Fieldwork
  - Scoping
  - Stratification
  - Process mining
  - Anomaly detection
  - Full population testing
  - Continuous Auditing/ Monitoring
- Reporting
  - Interactive dashboards
  - Visual storytelling
  - Quantification of the impact

Getting on the AI Bus

Strategic Questions to Ask?

1. What are the barriers to using AI in your organisation?
2. How can we use AI to the benefit of the internal audit process? (Efficiency / Insight / Foresight)
3. Which guardrails will we need to implement?
4. What skills will we need and where will we get these?
5. How will we audit the business' use of AI?

Use Cases: AI in IA

Unchartered waters, but here are some thoughts

- Research for planning audits
- Risk and control drafting (prompt)
- Drafting audit programmes / risk control matrices
- Quality assurance
- Drafting reports
- Visualization of reports
- Checking software code
- Developing DA script
- Developing your IA Strategy!
- Analysis of audit reports for themes / common root causes
- Searching organisational information assets
- Analysis of timesheets

- **Page 2: Attrition & Tenure**

Visual Type	Data	Filters
Line Chart	Terminations by Month	Year
Gauge	Average Tenure	–
Matrix	Employee Name, Start/End Dates, Tenure	–

DAX:

```
Tenure (Years) =
DATEDIFF(
    'EmployeeData'[Employee Start Date],
    COALESCE('EmployeeData'[Employee End Date], TODAY()),
    MONTH
) / 12
```

sky news · 12d · on MSN

Did ChatGPT lie?

Prelude
Business Solutions

Government Internal Audit Agency

AI in Internal Audit

Dr Iain McGregor

Government Internal Audit Agency

June 25

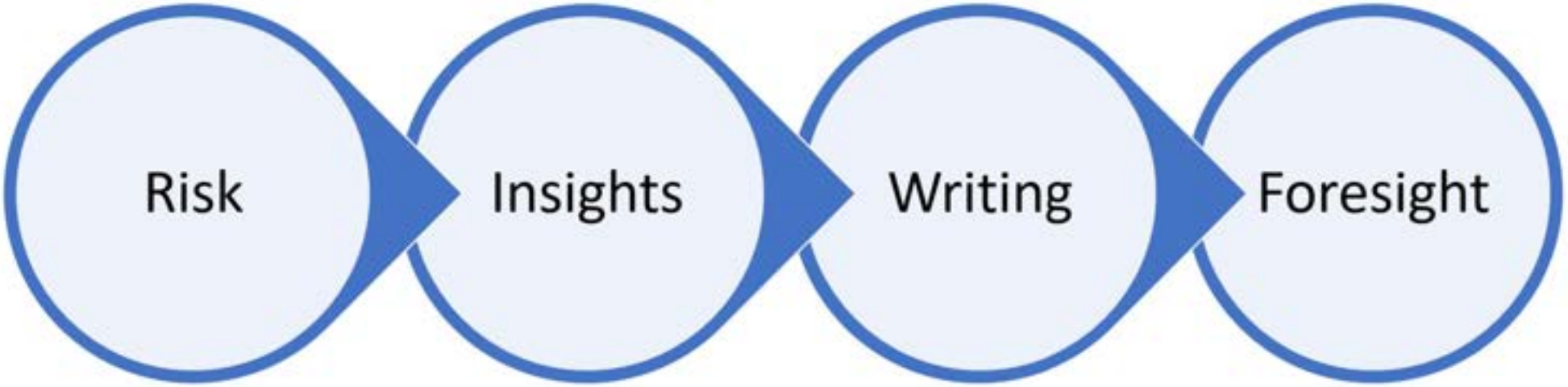
Government Internal Audit Agency

- Internal Audit and Counter Fraud and Investigation
- 500 staff
- 15 of 17 Central Government Departments
- 130 other Government Organisations

Uses of AI in Internal Audit

- Writing emails, reports, policies
- Communications including image generation
- Analysis of text for insights
- Q&A
- Risk articulation
- Analysis of numbers

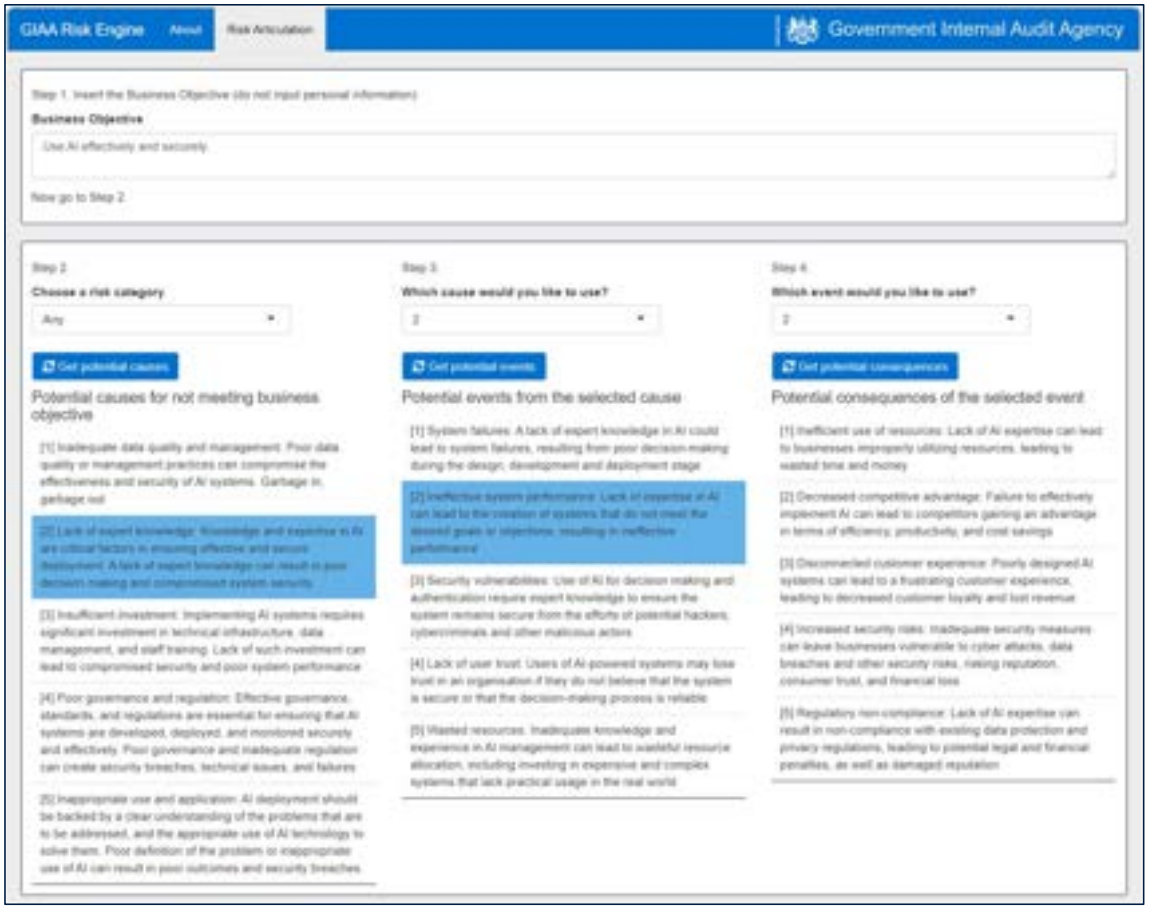
GIAA Efficiency Engines



Implementation

- Security
  - AI hosted in the UK
  - No sharing of data
- Engagement with staff
- Benefits

GIAA Risk Engine



Government Internal Audit Agency

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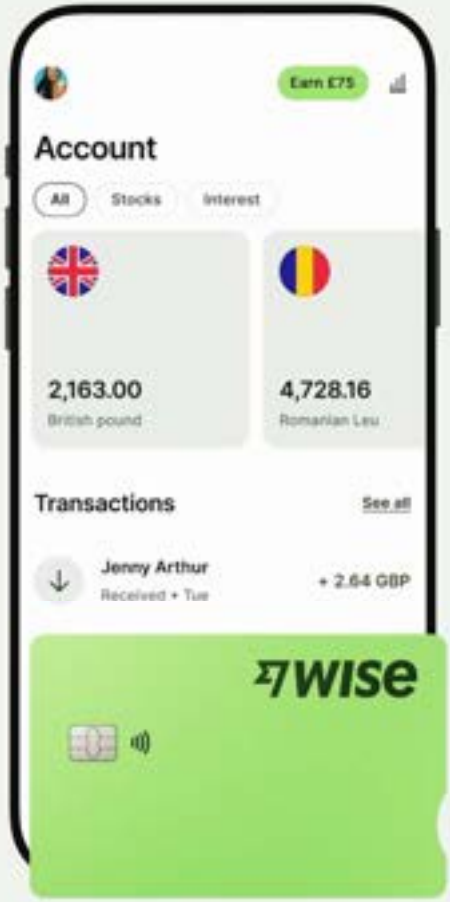
INNOVATION IN INTERNAL AUDIT IN FINANCIAL SERVICES

OPPORTUNITIES AND CHALLENGES

Aaron Altrock, Head of IT Audit



Wise Account

Wise Business

Wise Platform

Provide independent, objective and timely assurance, insight and advice to Wise's Boards and Leadership Team, enabling 'money without borders' by supporting effective risk management, growth and scalability.

Financial services are inherently complex in general

Range of products and services

- Wide range of financial products and services
- Diverse corporate and retail customers
- Global integrations

Extensive regulatory landscape

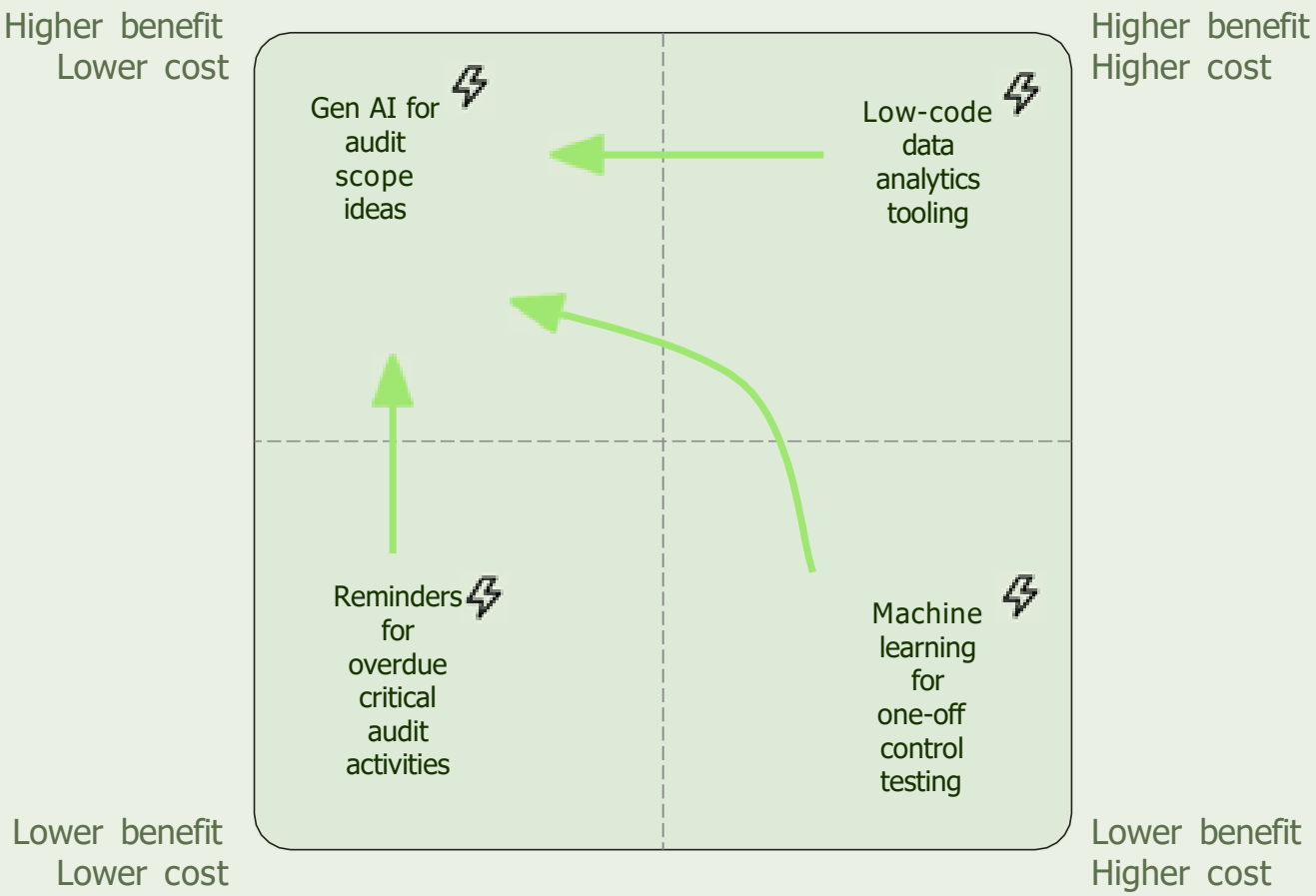
- Highly regulated
- Varying international and local regulatory requirements
- Ever changing

Highly interconnected

- Wide range of channels
- Increasing scale and volume
- More real-time than ever before

Not all use cases are equal.

- Unique for each organisation
- Focus on outcomes
- Find newly opportunities to unlock
- Direct and indirect benefits and costs
- Strategic vs tactical

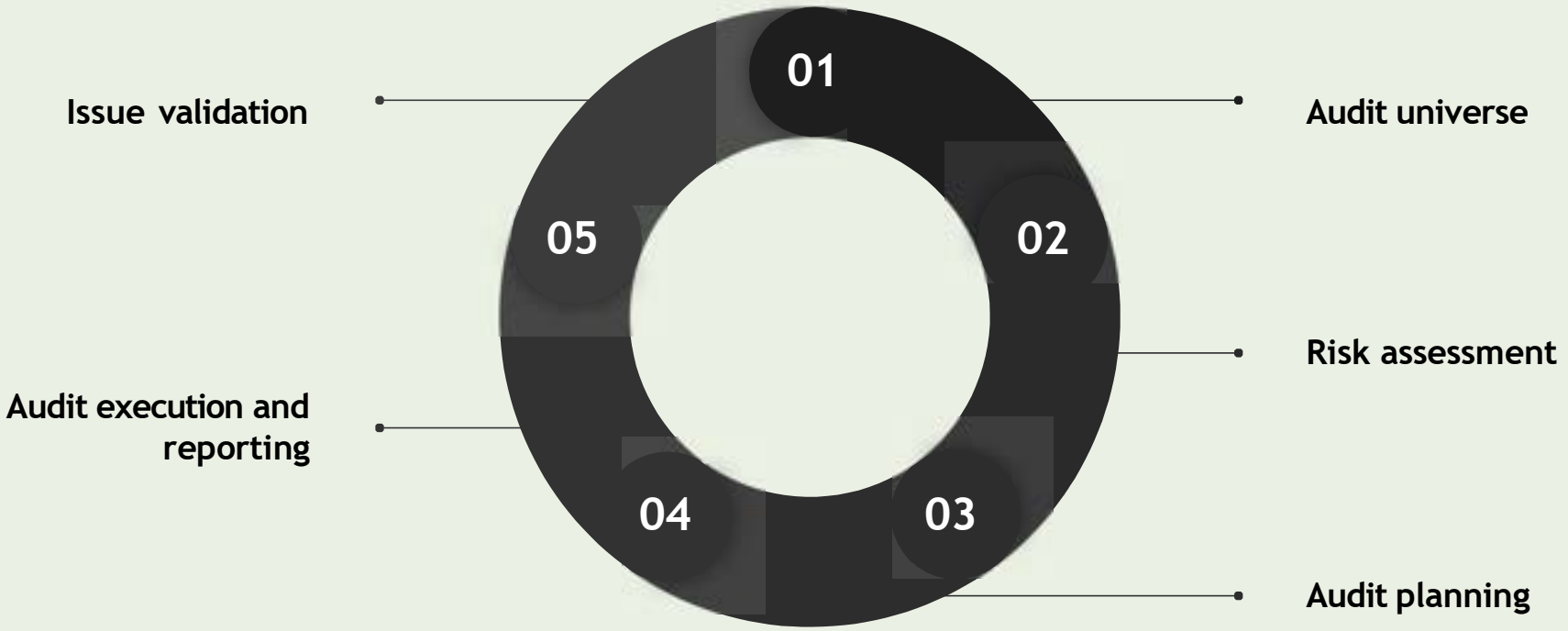


Internal audit-wide

More breath focused: Benefits likely across the whole function.

Portfolio specific

More depth focused: Benefits to specific audit portfolios.



Challenges to overcome, generally in internal audit.

Often, the biggest challenges aren't technical ones.

People

- **Not empowered** → named owners and senior sponsors
- **Fear of unknown** → clear roadmap and engagement
- **Fear of failure** → training, support and psychological safety
- **Personal impact** → focus innovation on user experience and not functions

Process

- **Unclear scope** → define outcomes and success at the outset
- **Delay** → agile approach to bring value early iteratively
- **Non-compliance** → early engagement for clarity and unblock obstacles
- **Not fit for purpose** → consider integration with current processes in design

Technology

- **Poor data** → reduce scope vs hold-off and treat first
- **Unknown benefit and cost** → proof of concepts
- **Barrier of entry** → collaborate with others to onboard new capabilities

THANKS

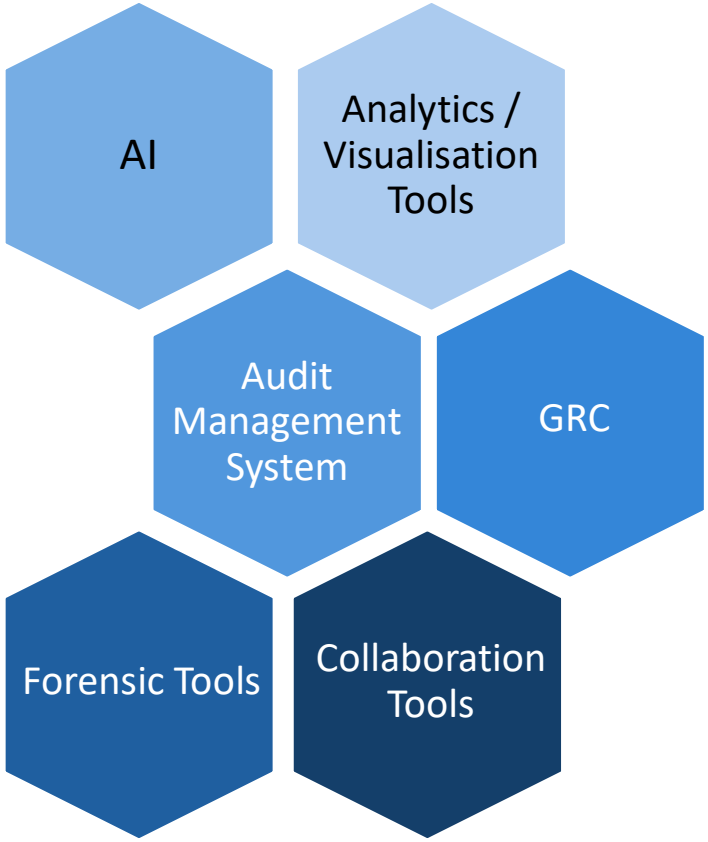
Techniques and tips for internal audit uptake including visualisation

Peter Tansley

BBC Internal Audit

BBC Internal Audit

- Our Technology v the EQA
- Quick update on AI audit approach



IIA Standard: The chief audit executive must strive to ensure that:

- *Internal audit has technology to support the internal audit process.*
- *Technology requirements and usage are regularly evaluated, and opportunities to improve effectiveness are pursued.*
- *Appropriate training is implemented for internal auditors in the effective use of technology.*
- *The IA strategy considers and incorporates technology requirements.*

EQA Opinion: Use of Technology – "Good":

- *"There is still potential to adopt more of a 'digital-first' mindset across the Function; which would demonstrate how the team is staying in lockstep with the organisation. This means thinking digital proactively in every stage of the life cycle"*

- *"….showcasing technology and innovation is important to demonstrate the forward thinking of the function. Stakeholders interviewed commented they haven't seen innovation in the way that audits are delivered and reported"*

- *….an overdependence on co-source for analytics and forensic work…..*

Technology Suite

AI

Microsoft Co-pilot and Chat GPT. Access (and training) to a secure version of Co-pilot where content is not added to large language models. Used for all parts of audit cycle, including translation

Audit Builder – AI tool using the **Mistral LLM**. Based on prompts the tool will create a generate work programme that can be tailored for BBC. Working to roll out for use from 2025.

Analytics/ Visualisation

SQL – We currently utilise a secure server which is running SQL. This is used for reviews requiring analysis of large data sets. Examples have included working capital management, sickness and absence, and editorial reviews.

Visualisation and Reporting – continued development of **Tableau** used in conjunction with the output of SQL to visualise review findings.

AI – smaller data sets interpreted using co-pilot/ chat GPT

Work flow tools

Teammate – Cloud based system implemented since 2022, mandated usage by staff and partners.

Offshoring – Action tracking and routine assurance outsourced to TCS/ Chennai (using **Teammate**)

Nearshoring – FRC testing and routine assurance to PWC Belfast using **Workiva**

Technology Suite

Collaboration tools

Dropbox – overdependency and issues around data quality, version control and sharing with partners.
Egress – for secure sharing of documents
Multiple collaboration tools, add to control risk
Teams and Teammate – now mandated tools
Canva – used for reporting, communications etc

Forensics

Social and public media scraping – we use tools to review editorial usage and impartiality risk, often in conjunction with Big 4

Axiom - email interrogation software, used to support on approved investigations, very easy to use.

Analytics – prefer dedicated tools rather than gen AI given sensitivity

GRC

Exploring options

BBC IA – Auditing AI

Our Involvement

- Auditing AI has been an established part of our plan since 2020
- Focus was on internally developed ML, procured AI was expensive, and less common, limited end user input. Focus on R&D and use case.
- Now - cheaper to procure and functionality much more common; Gen AI has accelerated end user challenges
- Shift from central governance and set standards, to controlled usage and adoption.
- Key BBC risk is an editorial one

Audit Activity

- AI Development – controls around R&D cases
- AI Procurement – risk assessment and concurrence for acquired AI, e.g. for recruitment
- AI Usage – editorial tools used by journalists to produce copy or content and verify assertions and data
- AI local development – proliferation of AI initiatives, both a control, VfM and opportunity risk.

Questions?