



# THE TREASURY INTERNAL AUDIT

## OVERVIEW

Treasury internal auditors have traditionally walked in for a Treasury Audit armed with suitcases of voluminous reports on the treasury transactions they want to test. Auditors still need to be well-armed with accurate reports to carry out an effective Treasury audit.

The last thing that the internal auditors need is to rely on the treasury personnel to provide the reports they require for the Treasury audit.

The participant will learn to systematically and in a disciplined manner identify and deal with major hidden risks such as:

- Treasurers who delay or even deny the internal auditors the system-generated reports they need to identify and test the transactions.
  - A treasury function which has sole control over the system's servers.
- Improper installation of the Treasury system leading to a dysfunctional Treasury function.
- The failure to incorporate the liquidity management function into the treasury function.
  - Failure of a proper Front-Middle-and Back office structure.
  - Ineffective governance in the Treasury function.

Compliance risks form part of the governance and risk management risks and the recent hefty fines by regulators levied on the major banks have made regulatory risks rise to the forefront of every risk management exercise. This course covers the relevant risk management requirements in a consistent, comprehensive and practical approach which allows alignment between the various internal control sub-units.



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### OBJECTIVES

At the end of this course, the participant will be able to:

- Identify the significant treasury risks;
- Identify and effectively assess the controls required towards these significant risks;
- Assess the appropriateness of the risk appetite policies and procedures for the Treasury function;
- Identify the risks of fraud vis-à-vis the controls and hence, the probability of fraud;
- Identify and assess the appropriateness of the various available hedging strategies;

The above approach applies the principles of the COSO Internal Control Integrated Framework to give all interested parties a risk-based, end-to-end assessment whether the Treasury process and results will meet the financial institution's Treasury objectives.

### OUTLINE

At the end of this chapter, you will be able to use the COSO Internal Control Integrated Framework to:

- Explain comprehensively the governance, risk management and control processes in the Treasury functions.
- Explain whether the Treasury Management System is optimal towards achieving the Treasury's objectives;
- Consistently and systematically assess if the IT-based Treasury System is properly implemented and controlled; and
- Present the assessment to the Board in a systematic and risk-based manner that the Audit Committee can understand and assess against the established Treasury objectives.

### TARGET AUDIENCE

LEVEL I-III

### ADMINISTRATIVE DETAILS

#### DATE

24-25 FEBRUARY 2020

#### COURSE CODE

KL60

#### LOCATION

KUALA LUMPUR

#### MEMBER'S FEE

RM2,600.00

#### NON MEMBER'S FEE

RM3,100.00

#### FEES

*(Early Bird Fee: 10% discount for registration with full payment received one (1) month prior to respective workshop dates)*

#### Time:

9.00am – 5.00pm  
(Registration on Day 1 at 8:30am)

#### CPD Points:

16

#### Trainer:

David Leong  
CMIIA, CIA (US), ACIB (UK), BCA(NZ),  
CA(M), MBA (Henley, UK)



## THE TREASURY INTERNAL AUDIT

### ABOUT THE TRAINER

#### **DAVID LEONG @ LEONG SZE KHIONG**

CMIIA, CIA (US), ACIB (UK), BCA(NZ), CA(M), MBA (Henley, UK)

David Leong served 24 years of his 35 years with one of the largest international banks, holding leadership roles in operations, trade finance, marketing, credit management, risk management, strategic planning, Sarbanes-Oxley and finally in internal audit, from 1980 to 2005.

David is the author of the two new textbooks used by the Asian Institute of Chartered Bankers, Malaysia, (AICB) for their certification examinations of the Certified Bank Auditor qualification, which every bank auditor in Malaysia had to acquire by the year 2023. He is also an examiner of the AICB's Bank Risk Management certification examinations.

Known for turning things around and as a change agent in his career, he rewrote the lending guidelines of his employer-bank which stopped the red ink flowing in the bank's P & L in Asian Financial Crisis of 1998-9. He was the strategic planner in the subsequent successful turnaround strategy in 2000-2001 and was appointed the Chief Internal Auditor in 2001. During his employment, David also passed the Associate Chartered Institute of Bankers (UK) examinations and was top student in Malaysia for the Henley MBA (UK) in 1997. He passed the IIA's CIA examinations in 2003. He was trained as a Chartered Accountant and formerly an associate of the Institute of Chartered Accountants in New Zealand. He is currently a member of the well-respected Malaysian Institute of Accountants (MIA).

David became the Chief Internal Auditor, of a large Middle east Islamic financial services institution from 2005 to 2011 and of Bank Islam Malaysia Bhd. between 2012 and 2014. David presents issues clearly and holistically as well as bringing a unique strategic dimension to internal auditing. He has trained many internal auditors who are now Chief Internal Auditors of financial institutions. He actively promotes the new COSO 17 Principles Integrated Framework (2013) and the use collaborative auditing. He has also conducted financial analysis training for listed companies in Malaysia and Vietnam. David currently conducts internal audit/ enterprise risk management (ERM) training and also works as an ERM consultant for companies.

David's tested practical approach is based on the concepts, frameworks and principles mandated and given as guidance by the Institute of Internal Auditors, Inc. He is also very well-versed in bank management, lending operations and presents an integrated framework on bank management, governance, risk management and control activities so as to ensure the achievement of strategic objectives. He actively demonstrates the systematic and disciplined application of the internationally recognized COSO Internal Control Integrated Framework model.

His MBA dissertation was on the use of information in credit lending operations in banks which examined the heuristic decision-making methods in lending, common human biases, and the failure to recognize the poor-quality information in credit operations. He also has an error-free lending record during his seven years as credit manager and branch manager in which his then innovative management of loans helped his branch made remarkable profits.

David has been conducting training classes and public seminars organized by his employers and the central bank authorities since 1990. He teaches what he has learned first-hand from working in five financial institution types ranging from a financial start-up, to a leading global financial institution, to a national credit guarantee corporation and a national development bank.

He was a champion in a public-speaking competition in 1996 as well as a past president of a Toastmasters club in East Malaysia.

He served as one of the governors of the Institute of Internal Auditors, Malaysia, (IIAM) from 2014 to 2017.

## ENQUIRY & REGISTRATION

1-17-07, Menara Bangkok Bank, Berjaya Central Park, 105 Jalan Ampang, 50450, Kuala Lumpur, Malaysia  
Tel: +603 2181 8008 ext 210/213/212 Fax: +603 2181 1717 Email: training@iiam.com.my Website: www.iiam.com.my

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## COURSE DETAIL

Course Title \_\_\_\_\_

Course Code \_\_\_\_\_

Course Date(s) \_\_\_\_\_

## DELEGATE 1

\*Full Name (as per IC) \_\_\_\_\_

\*Designation \_\_\_\_\_

\*Mobile No. \_\_\_\_\_

\*Email Address \_\_\_\_\_

Member  Non-Member "Membership No. (only applicable for members)" \_\_\_\_\_

Dietery Preferences  Vegetarian  Non-Vegetarian

## DELEGATE 2

\*Full Name (as per IC) \_\_\_\_\_

\*Designation \_\_\_\_\_

\*Mobile No. \_\_\_\_\_

\*Email Address \_\_\_\_\_

Member  Non-Member "Membership No. (only applicable for members)" \_\_\_\_\_

Dietery Preferences  Vegetarian  Non-Vegetarian

## DELEGATE 3

\*Full Name (as per IC) \_\_\_\_\_

\*Designation \_\_\_\_\_

\*Mobile No. \_\_\_\_\_

\*Email Address \_\_\_\_\_

Member  Non-Member "Membership No. (only applicable for members)" \_\_\_\_\_

Dietery Preferences  Vegetarian  Non-Vegetarian

## CORPORATE DETAILS (only applicable for corporations)

Corporate Member Corporate Membership No: \_\_\_\_\_

Corporate Non-Member

## CONTACT DETAILS

Organisation Name \_\_\_\_\_

Mailing Address \_\_\_\_\_

Contact Person \_\_\_\_\_

Designation \_\_\_\_\_

Telephone \_\_\_\_\_

Fax \_\_\_\_\_

Email Address \_\_\_\_\_

## BILLING DETAILS

please tick if billing details are the same as contact details.

Contact Person \_\_\_\_\_

Designation \_\_\_\_\_

Billing Address \_\_\_\_\_

Telephone \_\_\_\_\_

Fax \_\_\_\_\_

Email Address \_\_\_\_\_

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## PAYMENT DETAILS

Payment Details	Member Rate (per person) for KL-code related courses	Non-Member (per person)	6% SST	Total with SST
Fee (per pax) RM				
No. of pax				
Subtotal				

All registrations **MUST** be accompanied with full payment. Upon receipt of your registration, you are deemed to have read and understood the registration procedures and accepted the terms and conditions contained therein. (Please tick (✓) the chosen method)

Enclosed is a cheque/bank draft no. \_\_\_\_\_ for the sum of RM \_\_\_\_\_ payable to **THE INSTITUTE OF INTERNAL AUDITORS MALAYSIA**

**LOCAL PAYMENTS BY CHEQUE / INTERBANK GIRO**

All payments should be crossed and made payable to **THE INSTITUTE OF INTERNAL AUDITORS MALAYSIA**

Bank Details: United Overseas Bank (M) Bhd. USJ Taipan Branch, No.7, Jalan USJ 10-1, USJ Taipan Triangle, 47620 UEP Subang Jaya, Selangor

Account No.: 165-301-514-9 Bank Swift Code: UOVBMYYL

**OVERSEAS PAYMENTS BY WIRE TRANSFER (USD only)**

Beneficiary: **THE INSTITUTE OF INTERNAL AUDITORS MALAYSIA**

Address: 1-17-07, Menara Bangkok Bank, Berjaya Central Park, 105 Jalan Ampang, 50450 Kuala Lumpur, Malaysia

Beneficiary's Bank: STANDARD CHARTERED BANK MALAYSIA BERHAD

Beneficiary's Bank Address: Level 18, Menara Standard Chartered, No.30 Jalan Sultan Ismail, 50250 Kuala Lumpur

Account No.: 312-170-024-235 Bank Swift Code: SCBLM-YK-XXXX

All wire transfer payments should include USD\$30.00 (overseas) and RM25.00 (local) for wire transfer processing fee. For GIRO, please include RM1.00 as bank charges. (Please fax the bank-in slip to +603 2181 1717 or email to training@iiam.com.my)

**CREDIT CARD**

I hereby authorise **THE INSTITUTE OF INTERNAL AUDITORS MALAYSIA** to charge to my credit card. to the value of

RM \_\_\_\_\_ Card Type:  VISA  MASTER

Card Number:

Expiry Date: \_\_\_\_\_ Cardholder's Name \_\_\_\_\_

I understand that any amount drawn from my credit card will first be cleared with the credit card authorisation facility.

Signature (As per credit card) \_\_\_\_\_ Date \_\_\_\_\_

## TERMS & CONDITIONS

### FEE

- Fee is payable to "THE INSTITUTE OF INTERNAL AUDITORS MALAYSIA". Please state your name, payment advice number, phone number and Workshop Code number at the back of the cheque/bank-in slip. Admittance will only be permitted upon receipt of full payment
- The fee covers the hard copy course material, lunches, refreshment and Certificate of Attendance.
- Full payment is to be made before the date of the course. Fee is subject to 6% SST.
- Walk-in delegates will only be allowed if full payment is made, subject to the availability of the seat.

### CANCELLATION

- Upon registering, participant(s) are considered successfully enrolled in the course. Should participant(s) decide to cancel/transfer their registration, a cancellation/transfer policy shall be applied as follows.
  - a) Written cancellations should be received by 14 working days before the workshop date to get the refund.
  - b) Written cancellations should be received by 7 working days before the workshop date to get a partial refund after deduction of 50% administrative charge. Unpaid registrations will also be liable for 50% administrative charge.
  - c) Written cancellations/no-show on the day of the workshop.
    - No refund will be entertained.
    - Unpaid registrations will also be liable to full payment of the registrations fee.
    - Partial cancellation is not allowed.
  - d) You can substitute an alternate delegate(s) if you wish to avoid cancellation charges. Any differences in fees will be charged accordingly.

### RESERVATION

- The Institute reserves the right to make changes to the venue, date, topic, speaker including cancellation if warranted by circumstances beyond its control.
- The Institute is not responsible for the action, advise or representations of the trainer / speaker.
- Registration will be on first-come, first-serve basis.
- Upon signing this form, you have deemed to have read and understand the registration term and condition and therefore have accepted the terms contained herein.
- Certificates of Attendance will be issued an "E-certificate" via email. For this purpose, it is COMPULSORY to fill in the email address clearly. Certificate will only be given to participant who attended the session in full.

### DATA PROTECTION

Personal Data is gathered in accordance with the Personal Data Protection Act 2010 (Act 709). The Institute of Internal Auditors Malaysia (IIA Malaysia) hereby inform you that your personal data will be processed, retained and used by IIA Malaysia in relation to this Workshop. Your personal data may also be retained and used by IIA Malaysia to market and promote other training programmes conducted by IIA Malaysia.

### DISCLAIMER

The Institute of Internal Auditors Malaysia (IIA Malaysia) reserves the right to change the speaker(s), date(s) or to cancel the Workshop should circumstances beyond its control arise. IIA Malaysia also reserves the right to make alternative arrangements without prior notice should it be necessary to do so. Upon signing the registration form, you are deemed to have read and accepted the terms and conditions.