

Internal Audit



You can count on us.

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Internal Audit

What is Internal Audit?

Internal audit has evolved.

What used to be a financial compliance function, relevant to large corporate and public-sector entities, is now a highly adaptable tool for businesses of all types and sizes.

A contemporary internal audit can deliver a range of benefits to your business, including:

- > helping you meet your business' objectives;
- > identifying opportunities to improve efficiencies and reduce waste;
- > promoting continuous improvement and innovation;
- > facilitating better processes;
- > benchmarking against recognised industry standards;
- > reducing the opportunity for fraud and errors;
- > building a culture that values ethics and honesty;
- > responding directly to the concerns and objectives of directors; and
- > providing directors with more detailed insights into complex business activities.

Synectic's team of internal audit specialists focus on more than just your business's financial aspects. We delve into the broader operations of your business, applying our analytical minds to any aspect of your business activities.

Our approach is adapted to respond to your needs. Exploration might include:

- > adequacy of internal processes, in the context of associated business risks;
- > compliance with externally-imposed laws and regulations; or
- > benchmarking against established best practice guidelines.

Why Synectic?

- > Locally owned and managed business. Our local team take your work personally, and we understand the environment in which you operate.
- > Highly qualified and experienced team. Ability to think strategically and apply analytical and audit skills in diverse ways.
- > Focus on delivering a standard of service and technical excellence second to none, without compromising value.
- > Established and proven audit methodology, supported by best practice software and technology.
- > Efficient firm structure, with low overheads. You receive a flexible, responsive and excellent value-for-money service.
- > Diverse governance and management expertise. We understand the directors' role and their expectations of audit.
- > Proven commitment to high levels of service, as demonstrated by strong client loyalty.

Our Approach

Our Internal Audit Approach

Audit Technology

We invest in the latest technology to provide our staff with tools that maximise efficiencies and ensure all relevant aspects of your audit are comprehensively addressed.

With the support of these tools we can focus our efforts on adding value to your business.

Where appropriate, we use the latest technology, including:

- > specialist data analytics and document integrity validation tools;
- > sophisticated digital audit working paper templates; and
- > accessible and secure communication systems.

We take audit seriously and have invested a lot of thought into establishing a technically sound and sensible approach.

Our methodology has been developed with reference to the COSO publication, Internal Control - Integrated Framework. This authoritative guidance is internationally recognised as the leading reference on internal control. It forms the basis for the concepts of internal control embodied in both International Standards on Auditing (ISA) and International Standards for the Professional Practice of Internal Auditing.

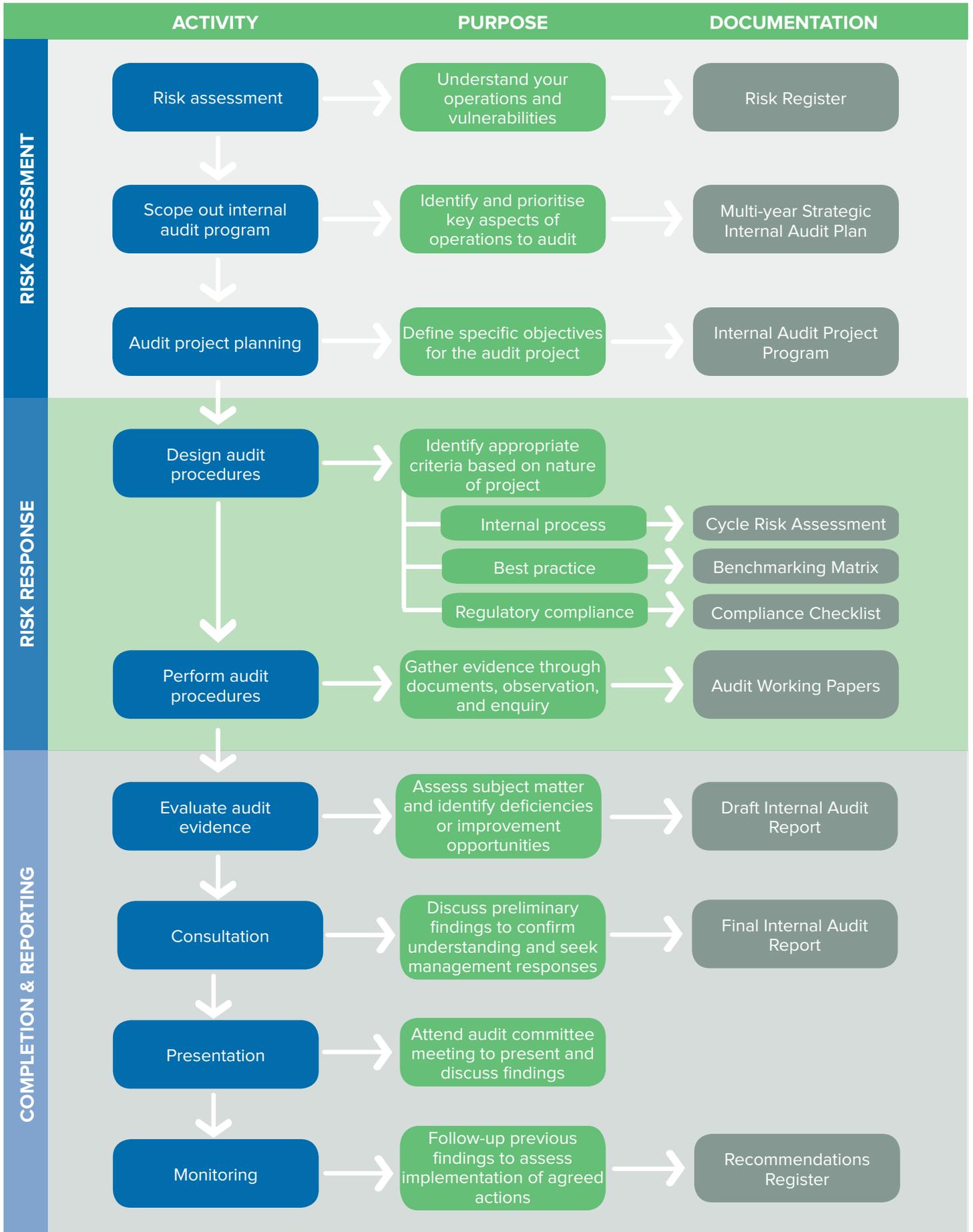
When we start your audit, we work with your audit committee to make sure we are clear about your priorities and time-frames. We then develop a multiple-year strategic internal audit plan, setting out the priorities and scope of areas to be audited.

We liaise with your external auditor to ensure that the areas we cover are aligned with their program and capture areas that they believe are important. This liaison prevents duplication of work between internal and external auditors and supports the two audit functions to jointly provide the best outcomes for you.

From the multi-year strategic internal audit plan, we develop an annual work plan at the commencement of each year. The annual plan provides more detail of the scope and specific areas of focus in each individual audit project. Before each review area is started the objective and scope is again provided to your audit committee for their comment to ensure it remains appropriate.

By keeping in touch with your audit committee we make sure that our internal audit approach remains fluid and that we continue to adapt to your needs.

The following page shows an indicative audit overview. However, we adjust our approach for every audit. This ensures that both the process and the final outcomes are suitable for yourself and any other stakeholders, for example, your audit committee, management, and external auditor.



Reporting

Clear and timely communication is critical to an effective audit and forms the foundation of our relationship with you.

We know businesses operate in extremely complex environments, so we give you pragmatic advice that makes the complex simple. This includes making sure that documentation and recommendations are concise and practical.

At the end of your project, we provide a report to your Audit Panel. The report - delivered to fit in with your meeting cycle - includes:

- > detailed findings in relation to each control gap or weakness identified;
- > explanation of potential implications, along with pragmatic suggestions for improvement;
- > audit findings, rated by level of importance (critical, high, moderate or low); and
- > a summary of the status of previous internal audit recommendations, including our assessment of management's efforts at implementing improvements.

A draft version of the report is first provided to management. This allows management time to clarify any factual errors or omissions and to provide comments on the findings. Management is also involved in determining the risk rating of findings. Any agreed actions arising from management's review are incorporated into the final report.

“Any issues raised by the audit process are communicated to management in a helpful manner along with suggestions that allow us to improve our systems.”

(TasHerd Pty Ltd)

Our Expertise

Synectic Firm Profile

Synectic has offered confidence and stability to our clients as a firm of Chartered Accountants and business advisers for over 35 years; indeed the firm traces its origins on the North-West Coast back to the 1930s. Proudly Tasmanian, we stand firmly on a foundation of core values – trust, integrity, reliability, objectivity, progressiveness and superior competence – that stand the test of time.

We provide highly professional business, audit, accounting, taxation and advisory services, with a particular objective to build relationships which add value and enhance our clients' ability to achieve their goals. We pride ourselves on high standards of ethical conduct and professionalism, together with our determination to excel in the provision of proactive and tailored services.

The firm's three directors are supported by 30 staff with a significant level of experience and professional qualifications. Our offices are located in Devonport, Hobart and Launceston, enabling us to deliver our full range of services across the state. Our audit clients are located around Tasmania, from Smithton to St Helens, and from Flinders Island to Huonville.

Audit Credentials

The strength of the Synectic audit team lies in the qualifications and experience of its people.

Directors Ben Coull and Gareth Atkins are both Registered Company Auditors (RCA) and each has over 25 years' continuous experience in auditing a wide range of commercial and not-for profit organisations.

As a locally owned and operated firm, all decisions and sign-offs in respect to your audit are done here by our directors. There are no delays caused by referrals to other offices or waiting for additional layers of file reviews. And you deal directly with the person in charge.

Audit Clients

Our current audit clients include some of Tasmania's largest private companies in the construction and manufacturing industries, local government councils, numerous schools and colleges, various real estate trust accounts and not-for-profit organisations.

We also currently provide audit services to the Tasmanian Auditor General and are on the Auditor General's list of approved auditors.

“Very happy with the performance and result ... continued to build upon an excellent business relationship”

(Yolla Producers Co-operative)

Nature of Projects

Our team have extensive experience with a broad range of clients and projects. Recent internal audit projects, conducted across various industries, include:

- > Credit card usage
- > Suspense/clearing account reconciliation and functionality
- > Leave entitlements process and controls analysis
- > Asset management
- > Budgeting and financial management
- > Revenue and billing systems
- > Fraud risk assessment
- > HR management, recruiting and WHS systems
- > Change management
- > Indirect taxes compliance
- > Information and communications systems security
- > Investment governance
- > Outsourcing
- > Payroll and superannuation
- > Pecuniary interests and conflicts of interest
- > Superannuation pensions and benefit payments
- > Privacy compliance and risk management
- > Purchasing and payments
- > Risk management
- > Strategic decision making
- > Receipting and cash handling
- > Billing and debtor management
- > Business continuity and disaster recovery planning
- > Working with vulnerable people compliance
- > Excursions, events & transport
- > Treasury and liquidity management

The breadth and substance of these projects show the adaptability of our team. Ultimately, how your business can benefit from internal audit is only limited by your imagination.

Your Audit Team



Ben Coull Engagement Director

- > Chartered Accountant (FCA)
- > Registered Company Auditor (RCA)
- > Registered Tax Agent (RTA)
- > Over 25 years' experience in audit of commercial and not-for-profit organisations

Ben has a passion for excellence in client service and the benefits that come from a high quality audit. He believes in pragmatic, relevant advice that helps clients improve their operations, governance and internal controls.

Ben holds qualifications as a Registered Company Auditor and Registered SMSF Auditor, and chairs a number of audit panels in the local government sector. He is a past Tasmanian Regional Chairman for Chartered Accountants Australia New Zealand (CAANZ), and has strong links to the not-for-profit sector through his directorship of St Giles Society and involvement with TasCOSS.



Gareth Atkins Director

- > Chartered Accountant (CA)
- > Registered Company Auditor (RCA)
- > Registered Tax Agent (RTA)
- > Over 25 years' experience in public practice across audit, superannuation, accounting and business advisory services.



Kristy Sutton Manager

- > Chartered Accountant (Provisional Member)
- > 9 years' experience in audit
- > Strong skills in financial reporting and accounting standards
- > Experience in governance roles.



Scott Mason Auditor

- > Chartered Accountant
- > 5 years' experience in audit
- > Diverse experience in community, local government and commercial sectors.

For more detailed staff profiles visit our website: www.synecticgroup.com.au/team



Accountants. Auditors. Advisers.

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