



SPEECH

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Relaunch of MIND's Audit Programme
Management Institute for National Development
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Salutations...

Efficacy of data is critical for the audit function. It is also important to the economic growth agenda, as the policies and programmes developed to support it, are based on evidenced based data.

To underscore this point, policy makers and technocrats alike, rely on the audit function to challenge the status quo and with professional skepticism, assess the economy and the effectiveness and efficacy of management's stewardship in the use of the resources of government. Auditors are therefore pivotal to the practice of good governance.

Jamaica's economy is on an upward trajectory. To continue this path we have to improve specific functions within the public sector, and importantly, enhance the talent pool as the business processes are realigned to remove bottlenecks and improve efficiencies. As such government has a duty to present statistics that are

credible and can be used by the private sector to make good investment decisions.

This relaunch of the Audit programme, which represents an upgrade of the previous Audit programme to that of a **Diploma in Audit**; is indicative of the seriousness with which the Ministry of Finance and the Public Service deems the role and function of Audit.

Research has shown that audit quality is higher for client companies located in countries with a more developed economy; as such, the upgrade of the curriculum for the audit programme represents an important step for the audit profession in the public sector as well as the private sector, as auditors from wherever they are engaged can access the programme.

It therefore makes sense, that we place emphasis on strengthening the human talent which is not only relegated to the audit cadre; but to all citizens who work and contribute to nation building. It behooves government to ensure that educational opportunities that are relevant and current are available, particularly to the youth population.

In the same vein, government has a responsibility given the reeve on public sector transformation, to ensure the talent pool has the requisite competencies to continue to improve efficiencies and that the citizen benefits from a higher standard of service delivery. This strengthening of the audit pool and the human capital is without a doubt necessary to stimulate the necessary growth within our economy, and importantly sustaining that growth.

The government is committed to being fiscally prudent and will continue to take steps to ensure that the nation's affairs are managed consistent with fiscal rules. Public Sector Transformation is a critical component as it redounds to good governance. We must make sound decisions based on evidence and the data that is available. We need to trust the data and as such the role of the auditor is critical in data mining and the production of reports. Good governance also requires that an auditor commits to ensuring greater adherence of the public officers to the rules, policies and procedures. Consequently, the monitoring and coordination of various public sector organisations and departments is critical to public sector transformation and to the auditor have an important role to play in the process. It therefore stands to reason that throughout public sector transformation, auditors will be required to integrate performance improvement audits into the audit approach and make recommendations regarding risk management, control processes and governance. It is therefore imperative that we equip the auditors with the requisite knowledge, skills and competencies to support the Public Sector Transformation and the economic growth initiative.

Further, with globalization, international cooperation and capital flows currently underway in Jamaica, having an effective audit function will ultimately increase investors' confidence in nation's commitment to improve accountability and transparency and increase efficiency in public financial management.

To build on this increase of capital inflows and the increase in the business and consumer confidence; the production procedures, service procedures and capital

movement require the proper regulating and monitoring system which a quality internal audit can provide. In tandem, just as the country's policy objectives are geared towards sustainable development and growth, it is necessary to enhance the Internal Audit Function to support that initiative.

It is clear that there are a number of benefits to be gained from the upgrade of the Audit programme, which is supported by research. And you will note that I reference research quite a bit, as we are talking audit, which is about empirical evidence and accurate and credible data analysis. So what else does the research say, research has shown that nations that properly audit its economy, organizations and institutions, have a relatively advantageous positions contrary to the other nations in crisis periods.

So, good audit procedures and practices aid the government in predictability and the ability to, with a higher degree of accuracy, forecast and plan against shifts that may occur on the global economy. Monitoring management's stewardship through consistent and quality audit service is critical to improving efficiency advantageous to growing our economy.

Let us do a fact check, as I want you to appreciate the link between the role of the auditor, the sustainability of the economic programme and public sector transformation, here are some facts:

Sound audit practice protects shareholders of companies in that the auditing of business protects the right of the shareholders away from the business.

Good audit practices also allows for effective control on business. In essence, in order to control business effectively, the auditor must prepare information for various management levels. The information in turn aids managers in decision making process which could determine the level of investment that an organization makes and as such the level of employment. The efficacy of the data presented by the auditor is an imperative.

In the preparation of budgets, audit plays a vital role. It would be near impossible to forecast with any degree of accuracy and I dare say credibility, without the help of the auditors. In fact when a post mortem is done on the Budget Debate, there is always the inclusion of an auditor in the process to assess the figures and the projections. .

Auditors are also critical to identifying solutions of financial problems. There is large number of financial matters which management and the government faces in business. Through auditing solution can be provided by the auditor, as the auditor is able to take a forensic approach when assessing situations.

The Diploma programme is therefore timely as it facilitates training in audit principles and the forensic approach to assessing data.

“Taking the profit out of Crime” is the commitment of the Ministry of Finance’s Financial Investigation Division and the Revenue Protection Division is equally committed to protecting the nation’s revenue. The auditor is a key component in

this regard, as it is through their effort and forensics that several cases of fraud are detected.

Therefore, I must reiterate that the role of auditors in any organisation is critical to good governance.

In closing I am pleased to be participating in the proceedings today, and I know that the first cadre of auditors who will enroll in the Diploma in Audit programme may, having heard the high level of expectation of the audit professional, be daunted by the level of responsibility that lies with the profession. Don't be. Enroll and give the programme everything you have to ensure your successful completion, professional development is a win for the individual and the organisation; it is a good partnership.

So, congratulations to the curriculum designers at MIND and congratulations to the Internal Audit group for embarking on this bold step of your own professional transformation. I look forward to being invited to the graduation exercise of the first graduates of the Diploma in Audit programme.

Thank you!