

A green dart with a white flight is shown in mid-air, having just hit a red bullseye on a target. The target is partially visible in the bottom right corner, showing concentric rings and numbers like 8 and 9. The background is a blurred green and yellow bokeh.

Global Internal Audit Standards

Early actions for
audit committees

Thinking **Audit**



New internal auditing standards

On 9 January 2024 the Global Institute of Internal Auditors published the **Global Internal Audit Standards**. These will come in to effect in January 2025. Internal auditors have 12 months to transition from the current standards to the Global Internal Audit Standards.

The Global Internal Audit Standards contain some requirements that will need more explicit input and involvement from the board or audit committee than previously. This guide helps audit committees focus on actions they can take now.

Why are the Standards important for audit committees?

Robust internal audit is important to the quality of assurance within the organisation, and therefore supports the effectiveness of the audit committee.

Being involved and engaged with the internal audit team as it implements the new standards will:

- Give the committee assurance that you have an internal audit function that meets the global benchmark for internal auditing.
- Help meet the committee's terms of reference regarding oversight of internal audit.
- Ensure your Head of Internal Audit and their team meet their professional obligations.
- Set the right culture and tone at the top within the organisation to engage with and use assurance proactively.

Start taking action now

Here are some early actions that audit committees can implement in 2024 to help internal auditors as they work towards conformance with the Global Internal Audit Standards that come in to force in early 2025. Although there is more that boards and audit committees will need to do, these provide a useful starting point.



Schedule **regular private meetings** with the head of internal audit as part of the committee's calendar or workplan

This is widely regarded as good practice, but is still not in place for all audit committees. These meetings should take place in addition to informal dialogue and communications between internal audit and the audit committee / chair between committee meetings.



Review internal audit's **mandate and charter**

The internal audit function should already have a charter. This will need updating, with a more explicit mandate set out. Consider this internal audit's license to operate. Take time to discuss internal audit's mandate, remit and the scope of their work.



Ensure that the committee is involved in agreeing the scope and timing of the internal audit function's **external quality assessments**

This is a core element of internal audit's quality assurance and improvement programme and as such it is vital that the committee has input to the scope and frequency of external quality assessments, including who will deliver the review.



Challenge and understand not only the internal audit plan, but the **resources** required

This should include financial budgets, headcount, use of any external assurance specialists, and the skills and capabilities required to deliver. If there is disparity between the assurance needed and what is set out in the plan, this should be clearly explained.



Agree a **protocol for escalation**

Ensure that there is a clear protocol agreed between internal audit, senior management and the audit committee to deal with any disagreements on risk acceptance or internal audit findings / recommendations. Risk appetite will likely be a key element of these considerations.



Allow time for **wider discussions** about internal audit

As well as regular reporting on the content and delivery of the internal audit plan, ensure there is agenda time for discussion around internal audit performance, resourcing and internal audit's longer term strategy to support the organisation's assurance needs. In 2024 this will also mean time to understand progress made in meeting the Global Internal Audit Standards.

The Global Internal Audit Standards can be found on the [Global IIA website](#). Domain III sets out requirements for governing the internal audit function, including detailed guidance on the role of the audit committee.

ThinkingAudit

The **considered, collaborative** approach



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