

Bringing expert global and local knowledge to your environment



## PROVIDING COMFORT TO SERVICE ORGANISATIONS AND THEIR CLIENTS

### EXPERTISE IN FINANCIAL SERVICES

Our professionals work closely with nearly 2,000 financial institutions of all sizes and complexity globally. Whether you have a single location or interests that cross state or international borders, you deserve the attention of professionals who understand your industry and the challenging environment in which you operate every day. At RSM, we get it, because we specialise in serving financial institutions like yours.







Our firm's size and volume of work enable us to provide you with industry specialists rather than generalists. You won't have to train our professionals on your business model. RSM clients value the depth and breadth of our professionals' experience —experience gained as financial institution executives, banking regulators, internal auditors, information technology specialists and accounting professionals.

Over the years, we've developed a solid reputation as trusted advisors and thought leaders by consistently delivering proven professionals who understand your operating environment and offer timely and constructive solutions to your most pressing business needs. Did we mention our clients also give us high marks in responsiveness and client service?

RSM's experts respond quickly to your present, and future, needs and challenges by being experienced, professional, adaptive and forward thinking. We'll take the time to understand your unique operations, strategic directions and objectives and take a longer-term view in developing key relationships to objectively assess your strategic opportunities.

Through our knowledge, experience and trusted relationships developed with our clients, we are able to support growth, improve quality and help businesses achieve their strategic goals.

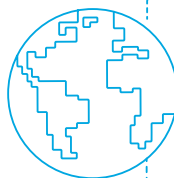
### KEY CAPABILITIES

-  Internal audit
-  Regulatory compliance and AML/CTF
-  Governance, risk and compliance
-  Fraud control
-  IT assurance
-  I/ASAE 3402 and GS007 audits

### ABOUT RSM

The RSM global network is represented in 120 countries, enabling us to access best practice insights and local expertise in the financial services industry to assist your business, no matter where in the world you are operating.

It is our strong, collaborative approach that differentiates us. We will strive to truly understand you, your strategies and your aspirations and endeavour to be considered the adviser of choice to your business. By sharing the ideas and insights of our most senior professionals, we bring our expert local and global knowledge and resources to your environment, so you feel understood and empowered to move forward with confidence. This is the power of being understood. This is the RSM experience.



- 6th largest global audit, tax and consulting network
- Firms in 120 countries and are in each of the top 40 major worldwide business centres
- Over 38,000 staff in 760 offices
- Clients from growth-focused entrepreneurial businesses through to leading multi-national, cross border organisations

THE POWER OF BEING UNDERSTOOD  
AUDIT | TAX | CONSULTING

[rsm.com.au](http://rsm.com.au)

Liability limited by a scheme approved under professional standards legislation



## INTERNAL CONTROL AUDITS

As business process outsourcing becomes more popular, there is an increased focus on risk management and the need for organisations to provide comfort over their controls to both new and existing customers.

While formal reporting on controls has historically been restricted to large organisations providing investment management services, the demand from small and boutique providers is growing as it becomes a pivotal tool to those seeking to attract new clients and grow funds under management.

### What is I/ASAE3402 and an Internal Controls Audit?

3402 is a standard issued by the International (I) and Australian (A) Auditing Standards Board which prescribes the requirements on the internal controls of a service organisation which are likely to be relevant to the user entity it provides a service to. It also contains guidance on the preparation of controls reports and how they can be used.

For an audit to occur, management is firstly required to prepare a report accurately describing the organisation's control objectives and controls to meet each objective before mapping it to the minimum requirements of the standard.

The controls audit looks at the accuracy of this description and at the design of controls within the service organisation by delivering a Type 1 or 2 Controls Report.

**Type 1** – provides an opinion on the design and implementation of controls at the service organisation based on management's description.

**Type 2** – provides an opinion on the design and implementation of controls as well as on their operating effectiveness within the service organisation. This includes testing the described controls against requirements for effectiveness and to identify areas for improvement.

### Benefits of an audit?

- Becoming an expectation of governments, regulators, institutions, boards and other users of financial statements;

- Fast becoming a must have for growing investment management service providers; and
- Provide existing, and prospective clients, with a level of comfort over the risk management and controls culture of the organisation.

### Who can benefit from an audit?

Internal control audits can benefit service organisations providing one or more of the following services in the asset management industry:

- Custody
- Asset Management
- Property Management
- Superannuation Member Administration
- Investment Administration
- Registry

### Your responsibilities

Management, or those charged with governance, are responsible for the completeness, accuracy, validity and method of presentation of the description of control objectives and controls. The description of controls includes controls that may be relevant to user entities. We can assist you in preparing the description; however, the representations in the description are the responsibility of management, or those charged with governance.

## OUR CLIENTS

RSM is committed to helping companies like yours improve at every turn. Whatever the challenge, we strive to understand your business and deliver objective advice and high quality, customised services that help you make more confident business decisions.

Our global clients include several large and well known institutions, including MetLife, Lloyds of London, Merrill Lynch, American Express and State Bank of India.

## Service Organisation Controls Reporting Framework

