Audit Masters
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Communicating Audit Results Effectively

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Introduction

Professional Experience

- ❖ Chief Audit Executive. Patria Investments. Cayman Islands. 2025-Present.
- ❖ Chief Audit Executive. Calavo, Inc. Los Angeles, USA. 2022-2024.
- ❖ Chief Audit Executive. Darigold, Inc. Washington, USA. 2016-2022.
- ❖ Chief Audit Executive. Driscoll's, Inc. California, USA. 2010-2016.
- ❖ Manager Internal Audit. Hewlett-Packard. TX, USA & GDL, Mexico. 2003-2010.
- ❖ Financial Analyst. Citigroup. Dublin, Ireland. 2003.
- ❖ Accountant. Megino S.L. Madrid, Spain. 2001-2002.
- ❖ External Auditor. Accounting Firm MP&A. Córdoba, Argentina. 2000-2001.
- ❖ Internal Auditor. Ministry of Economics. Córdoba, Argentina. 2000-2001.

Professional Development

- ❖ Master's Degree in Int'l Business Administration. UPM, Spain. 2001-2003.
- ❖ Bachelor of Science Degree in Computer Science. UTN, Argentina. 1996-2000.
- ❖ Bachelor of Science Degree in Accounting. UNC FCE, Argentina. 1995-2000.
- ❖ Certified COSO Enterprise Risk Management. The IIA's, USA. 2009.
- ❖ Certified Int'l ISO 9001:2000 Auditor. Bureau Veritas, Mexico. 2005.

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Mission of Internal Audit

To enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.

Audit Deliverables

SCOPING	PLANNING	FIELDWORK	REPORTING	FOLLOW-UP
✓ Audit Notification Letter ✓ Risk-based Process Walkthroughs	✓ Scoping & Planning Memo ✓ Engagement Letter ✓ Audit Program ✓ Data Request	✓ Opening Meeting ✓ Testing ✓ Management Updates ✓ Findings & Recommendations ✓ Closing Meeting	✓ Workpapers ✓ Draft Report ✓ **Audit Report** ✓ Project Survey ✓ AC Presentation ✓ Retrospective	✓ Action Plans Follow-up

* Audit projects are formally approved by the Audit Committee (AC) as per the most recent Risk Assessment complete or emerging risks.

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Report Purpose

❖ Clearly communicate the findings to relevant stakeholders

❖ Address the key questions that triggered the project (objectives)

❖ Convey essential messages and their relevance to the organization

❖ Highlight residual risks and their alignment with the risk tolerance

❖ Enable positive changes and continuous improvements

❖ Recognize commendable performance and best practices

❖ Rectify significant prior errors or omissions, if necessary

Report Structure

❖ Dates: specify the audit's start & end dates, and the date of the report

❖ Distribution List: identify recipients of the report

❖ Background: provide essential context to understand audit objectives

❖ Scope: define areas covered by the audit and limitations (if any)

❖ Conclusions: answer the critical questions: Why? and So what?

❖ Observations: present symptoms, root causes, and potential impacts

❖ Recommendations & Action Plans: actionable steps for improvement

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Recommendations & Plans

❖ Ensure recommendations are practical and reasonable

❖ Use a directive tone, avoiding vague suggestions or 'recipes'

❖ Emphasize the importance of action plans as the core of the report

❖ Assist management in developing "SMART" remediation plans

❖ Provide constructive feedback to management on proposed plans

❖ If plans are inadequate, engage in further discussions

❖ Notify the AC if management accepts an excessive level of risk

Use of Ratings

- Ratings reflect the auditor's opinion on residual risk

- Provide context in terms of the risk's importance and urgency

- Combine objective criteria with professional judgment

- Understand the positive impact that rating systems have on reports

- Common rating systems for reports

- Deciding whether to use a rating is at your discretion

Writing Strategies

❖ Know your audience, their understanding level and possible reactions

❖ Include only essential information

❖ Strike the right balance (the 'Goldilocks' principle)

❖ Ensure details logically support the readers' perspective

❖ For complex issues, limit technical details for less-experienced readers

❖ Use different sections of the report to manage the depth of detail

Agile Reports

- Maintain a clear timeline and foster continuous communication

- Avoid the "Pandora's Box" approach

- Address high-risk findings promptly

- Use interim reports for long-term or complex projects

- Tailor the tone to the risk level; be mindful of word connotations

- Write with precision and neutrality; avoid inflammatory language

- Acknowledge good practices and satisfactory performance

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Summary

- Focus on the audience - write the report with their needs in mind

- Less is more - strike the right balance between too much and too little

- Present conclusions in a complete, objective, and actionable way

- Present details in a way that supports readers' understanding

- Align the tone with the severity of the issues; choose words carefully

- Highlight good practices and areas where controls can be relaxed

- Consider how the report would stand up in a courtroom

Questions & Answers

[Edgar Alifano](#)

[Career Tips](#)   [What happened to my train?](#)   [The sandwich](#)   [Choices & Decisions](#)