



MOORE STEPHENS

Enhancing performance  
through governance, risk  
and internal audit

Governance, risk & internal audit

PRECISE. PROVEN. PERFORMANCE.

# Enhancing performance through governance, risk and internal audit

Robust governance and effective risk management is no longer a matter of pure regulatory compliance. Businesses increasingly recognise the potential to maximise performance through applying best practice and gaining additional assurance.

The management of risk and implementation of robust corporate governance has become an increasingly important aspect of global business. Many companies are required by law, regulations or stakeholders to adopt governance processes and procedures, but even more choose to do so as part of a successful business strategy. Our Governance, Risk & Internal Audit (GRI) team offers a range of services designed to support boards in maintaining robust governance and assurance frameworks and managing risks effectively.

## Corporate governance

Organisations are increasingly required to demonstrate effective corporate governance to meet the high expectations of all their stakeholders and comply with best practices such as the Hong Kong Exchanges and Clearing Limited's (HKEx's) Corporate Governance Code.

Good corporate governance ensures that transparency, accountability and fairness are embedded in the decision making process of your organisation. To achieve this, our team will work in partnership with you to help **develop an effective corporate structure with strong procedures**, leveraging our knowledge of best practice in similar businesses. Once in place, we then assist in the maintenance and monitoring of your governance framework and procedures to ensure they continue to meet your and your stakeholders' goals.

Effective governance is fundamental to the performance of a business.

## GRI Training

We provide bespoke training courses to enable your people to develop a clear and practical understanding of governance, risk management, control and assurance in the context of your organisation.

Our courses are designed for board and committees, senior management, staff and auditors. They are delivered by experienced senior professionals with a background of both working in businesses and advising clients on enhancing performance through governance, risk and internal audit.

## ESG advisory and reporting

HKEx has upgraded the disclosure obligation of the Environmental, Social and Governance (ESG) Reporting Guide in its Listing Rules. HKEx amended the Listing Rules to require issuers to state in their annual reports or ESG reports whether they have followed the "comply or explain" provisions set out in the ESG Reporting Guide for the relevant financial year. Moore Stephens can help you to:

- establish your ESG governance framework;
- facilitate in determining the aspects and KPI to be included in the ESG reporting and how to collect the respective data;
- draft the ESG report;
- facilitate to implement international standards within your organisation such

as GRI G4 for sustainability reporting and ISO 14064 to quantify, monitor, report and verify Green House Gas (GHG) emissions.

## Internal audit

A critical element of good corporate governance is ensuring that procedures and controls are operating effectively across all operations. Internal audit **provides such assurance and also identifies areas of improvement** within key operations of the business, thus empowering management to enhance performance.

An effective internal audit consists of a systematic review of all the important processes in an organisation, including finance, HR, IT, sales, purchasing and other operational departments. Internal audit evaluates policies, procedures and controls, to ensure they address:

- the achievement of objectives;
- the management of risk;
- the effective and efficient use of resources;
- compliance with external laws and regulations;
- the safeguarding of assets from fraud, irregularity or corruption;
- the integrity and reliability of information.

As well as providing both fully outsourced and co-sourced internal audit, the Moore Stephens team can assess the effectiveness of your existing internal audit function, help



you to establish your own function or perform an audit of any area of your business.

Certain internal audits require assurance to be given. Our internal controls assurance services include:

- assurance reports on internal controls of service organisations made available to third parties (ISAE 3402 and SSAE 16);
- regulatory compliance advice and implementation assistance covering Sarbanes-Oxley, and Basel III.

### IT advisory and assurance

In today's competitive environment, businesses increasingly depend upon technology systems. But the risks of failure can be high and the ever-increasing challenge is to **harness the power of IT whilst avoiding the risks**. Whatever your needs, our experience and expertise can help you meet these and countless other IT challenges, and ensure that your IT is helping not hindering your business.

As part of Moore Stephens GRI Group, our IT advisory and assurance team provides clients with access to a specialised group of professional resources experienced in a range of programme and project-related activities:

- governance structure and setup;
- quality management systems;
- cyber and IT security;
- change/risk management;
- project lifecycle management;

- project and delivery frameworks;
- sector-specific products;
- IT strategy.

### Rhiza

Embedding risk management procedures into day-to-day business activities is vital – but can seem a daunting task. Risk management systems can either be too simplistic and lack the sophistication you require, or can be excessively complex and expensive to implement, use and maintain. There is an alternative. Rhiza, a risk management software from Moore Stephens.

Rhiza is a practical, low cost, easy to use tool that complies with best practice and avoids unnecessary complications. It enables you to:

- capture and grade your key risks and controls;
- manage and monitor risks intelligently and systematically;
- provide clear, concise reports;
- monitor how effectively risks are being controlled;
- embed risk management in daily activities.

Rhiza complements Moore Stephens' extensive risk management offering, including risk management reviews, workshops and training we currently provide to clients.

### Risk management

It is impossible to eliminate risk from your business completely - but you can manage it. Strong risk management will help protect your business against the unexpected.

The management of risk should not just be viewed as the responsibility of a separate function. The pressure on the Board, therefore, is not only to develop effective structures and systems to manage risks, but to ensure those systems are aligned with business objectives, strategies and internal functions, and embedded into every part of your organisation.

At Moore Stephens, our sector-specific approach guarantees that we help you identify and fully understand the risks that affect your business, and then implement the right controls to address them.

Our risk management software Rhiza, complements your existing function and enables effective and accurate **risk identification, recording and reporting, evaluation and planning**. Rhiza goes to the root of the risk management challenge by enabling organisations to communicate their risks and mitigating actions effectively – ensuring that risk management becomes embedded into everyday business activities.

## Moore Stephens in Hong Kong

Moore Stephens Hong Kong is a member firm of Moore Stephens International Limited.

Established in Hong Kong in 1975, our success stems from our industry focus, enabling us to provide an innovative and personal service to our clients.

Our objective is simple: to be viewed by clients as the first point-of-contact for all their financial, advisory, compliance needs. We achieve this by providing sensible advice and tailored solutions to help clients achieve their business goals.

Moore Stephens delivers personal attention, international perspective and local market knowledge in providing assurance, accounting, secretarial, tax and advisory services.

## Moore Stephens globally

Moore Stephens is a top ten accounting and consulting network with offices and member firms across the globe.

Moore Stephens member firms share common values: integrity, personal service, quality, knowledge and a global view.

By combining local expertise and experience with the breadth of our worldwide network, clients can be confident that, whatever their requirement, Moore Stephens will provide the right solution to their local, national and international needs.

## Contact information

If you would like further information on any item within this brochure, or information on our services, please contact:



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