



# Insurance Internal Audit Group

Dear Colleague

August 2009

## IIAG seminar Friday 25<sup>th</sup> September 2009 Deloitte, 2 New Street Square, London EC4A 3TR

We have pleasure in enclosing your agenda for our 3<sup>rd</sup> quarter seminar in September. Inevitably, the topics of our discussion continue to be influenced by the events of the past 18 months. In particular, we look forward to hearing from the FSA's Risk Department of the 'dawning of the new regulatory order' and the response of the rating agencies in the new order. With the help of our IIAG colleagues, we will also examine the role of internal audit in key risk processes such as whistle-blowing and credit and market operational controls in light of the financial crisis.

### ❖ **The Evolving Regulatory Environment**

Joe Traynor, Manager - Risk Department - Strategy & Risk, FSA

Joe will discuss the direction that the FSA's supervisory approach is taking – recent changes and further evolution – and will highlight some specific areas of regulatory focus, including firms' oversight and governance and financial soundness. The discussion will include relevant public policy developments, such as the Turner and Walker reviews, as well as the effects of current market conditions, and the FSA's responses. This should provide auditors with some ideas of potential areas where focus may be beneficial in their own work.

### ❖ **Whistling in the Wind**

Stephen Moore, Internal Audit Manager, Kiln Insurance Services

Whistle-blowing is a phrase associated with high-profile and highly publicised events. But what does it mean for the Internal Audit profession? Is this a topic that should find a place within the audit plan? Should Internal Audit act as a facilitator for disclosure? Or perhaps it is a closed book to the profession? These points have been addressed in a survey which Stephen has conducted and the results of that research will form part of his talk. Stephen will also aim to provoke discussion on other matters including:

- The law, the regulator and whistle-blowing
- What becomes of whistle-blowers?
- Third party agencies' role.

### ❖ **The Future of Rating Agencies**

Peter Hughes, Vice President of the Corporate & Governance Practice, Standard & Poor's

Peter will explore the performance of ratings and what they mean, particularly in difficult periods; how ratings transition given market sentiment and when other indicators move substantially away from fundamental analysis. He will also outline the changes S&P have made and will be making following recent events.

### ❖ **A reflection on the influences experienced by Credit & Market operational controls**

Paul Jarvis, Risk Manager, Royal London Asset Management.

Paul will consider the key challenges and stresses (non statistical) to operational controls that were faced during the credit crisis and market volatility of the last 18 months, and how this might influence your approach to risk based audit and future controls testing.

We hope you can join us, and we look forward to your participation at the seminar on these topical areas of development. PS Don't forget to use our website/Contact Us to let us know your queries for the Open Forum.

Kind regards,

Vicky Kubitscheck  
Chair, IIAG Committee

[www.iiag.org.uk](http://www.iiag.org.uk)



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## AGENDA

**Meeting Date** Friday 25<sup>th</sup> September 2009  
**Venue** Deloitte, 2 New Street Square, London EC4A 3TR  
**Registration** 09:30

09:50 Welcome from the Chair  
[Vicky Kubitscheck](#)

10:00 **The Evolving Regulatory Environment**  
[Joe Traynor, Manager, Risk Department -Strategy & Risk, FSA](#)

Joe spent the first nine years of his career at Deloitte, and qualified as a Chartered Accountant. He worked in their Financial Services Practice as an auditor and then regulatory consultant (specialising in banking and securities), before transferring to their risk management function.

Joe then moved to the FSA, initially working in the risk function for the Major Financial Groups Division. For the following 2 years he led the FSA ARROW Project. Since then, he has been heavily involved in the work to improve the FSA's supervisory approach. Joe currently runs a team in the FSA's central Risk Management function. This area is responsible not only for the ARROW framework and other external risk management, but also for the management of the FSA's own internal operational risks.

10:45 **Whistling in the Wind.**  
[Stephen Moore. Internal Audit Manager, Kiln Insurance Services](#)

Stephen recently joined the audit team of Kiln Insurance Services in the City of London. He has been involved with internal audit for the past 17 years, and prior to joining Kiln, was heading up the audit functions of Thomas Miller (insurance and investments) and the Medical Defence Union. He has experience of several sectors including government, banking and insurance. Stephen is active within the IIA Eastern Counties District Committee as well as being a new committee member of the IIAG.

11:30 **Coffee break**

11:50 **The Future of Rating Agencies**  
[Peter Hughes, Vice President of the Corporate & Governance Practice, Standard & Poor's](#)

Peter has responsibility for a number of the business operations for the corporate, financial institutions, governments and insurance practices, including the development of insurer financial strength ratings, Insurance Linked Securitisation, the "European Risk Learning Institute", and the Ratings Evaluation Service. Peter joined S&P in 1998.

Prior to joining S&P, Peter worked for twenty years in the International Reinsurance markets, latterly as a business producer, broker and account executive. From 1978 to 1997 he worked for Sedgwick Group, most recently as Senior Partner responsible for new business production and Director in charge of Europe for Sedgwick Re.

12:30 **A reflection on the influences experienced by Credit & Market operational controls**  
[Paul Jarvis, Risk Manager, Royal London Asset Management](#)

Paul has over 20 years in Audit and Risk, 15 of these in Blue Chip Companies, and, lectured at University for 5 years, during which he contributed to text and professional journals. He has managed major change, outsourcing and accreditation projects and, prior to moving to Royal London, performed a Group Risk role at Aviva where he led the requirements definition and selection for a new Group ERM tool. His first role at Royal London was to develop, promote and enhance risk practice and capability across the Group and following a secondment to RLAM has taken up a permanent role in the Funds Management Risk Team.

Paul is a qualified accountant, committee member of the ACCA UK Control and Risk Self Assessment Group (CRSA) and member of the Institute of Operational Risk.

13:00 **OPEN FORUM**

13:15 **LUNCH**



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## IIAG September 2009 Seminar Invoice and Booking Form

You can register on-line but if you are paying by cheque, please submit your registration with this completed form

Seminar date                      Friday 25<sup>th</sup> September 2009  
 Venue                                Deloitte, 2 New Street Square, London EC4A 3TR

I wish to register \_\_\_\_\_ delegate(s) for the above IIAG seminar.

Contact Name & Title			
Name of Company			
Full address			
Telephone		Fax	
E-mail			

NB: We are waiving membership fees this period. Based on your payment method, fees per person are payable in advance, as follows:

Please state your method of payment:

£ 75.00 if paid by direct transfer to: **Insurance Internal Audit Group** account at **Barclays Bank**  
 Sort Code: 20-68-79                      Account No: 20842028  
 Reference: **<Your company name> and re September meeting**

£ 80.00 if paid by cheque. Make your cheque payable to the **Insurance Internal Audit Group**.  
 Please check you are using the **right IIAG address** as shown below.

	Name of Delegate(s)	Member (Y/N)	Fee £
1.			
2.			
3.			
4.			
			£

I confirm my remittance for £ \_\_\_\_\_ (cheque enclosed). Payment must be received prior to the conference to secure a booking.

Signed \_\_\_\_\_ Date \_\_\_\_\_

Please let us know what you think about the site:

Please either submit this booking online or return the booking form together with the cheque to:

**Graham Ayre, IIAG Financial Oversight,  
 c/o Internal Audit Department,  
 Lincoln Financial Group,  
 Barnett Way, Barnwood, Gloucester. GL4 3RZ**

Tel: 01452 637004, e-mail: [bookings@iiag.org.uk](mailto:bookings@iiag.org.uk)

Refunds of 80% will be made if written notice (including email) is received by the iiag at least seven days before the event. Beyond that time no refunds are allowed but a nominee is always acceptable. We reserve the right to alter published programmes, speakers, fees or venues without prior notice. We also reserve the right to cancel programmes at our discretion in which case our liability shall be restricted to a refund of any fees paid to us. Delegates are encouraged to pay early so that the numbers can be verified for lunch. Delegates arriving without having paid will be asked to pay or a commitment to pay on the day.