

## Internal development and audit

In order to perform the internal audit work in line with the principles of governance and transparency, HRDF focuses on improving the skills of the department's team through intensive training programmes.

This programme was designed to improve the services and the communication mechanism and to enhance the efficiency of the internal audit units. HRDF has implemented the principles of corporate governance at the Senior Management level through the activation of the role of the Internal Audit Department with its financial, operational and information technology sections. The Fund has also identified members of an Audit Committee that is affiliated to the Board of Directors of the Fund, in accordance with a specific charter approved by the General Directorate of Internal Audit as well as a charter for the Audit Committee.

In order to perform the internal audit work in line with the principles of governance and transparency, HRDF focuses on improving the skills of the Department's team through intensive training programmes under the supervision of the Saudi Association of Internal Auditors in line with the International Standards on Internal Auditing (IIA).

Aimed at Saudi Vision 2030's objective of better management of public expenditure, using resources efficiently and reducing resources waste, the Fund launched a project to develop HRDF's governance structure. This structure will include the related institutions of HRDF and will serve to streamline communication between entities while contributing to activating Internal Audit Units and assist in the preparation of documentation related to the establishment of Internal Audit Units in HRDF's related institutions.

### Inspection audit report

HRDF monitors all programmes and agreements according to the policies and systems in place through field visits and through the compilation of achievement reports.

This supervision is conducted during and after the contracting phase with various bodies to ensure the proper implementation of the programmes and to eliminate the challenges faced by the beneficiaries of the programmes.

The table below shows HRDF's inspection visits in all regions of KSA in 2018 and their observations:

### Inspection visits in 2018

Visit type	Number of visits
Periodic	19,049
Small enterprise owners	1,037
Environmental inspection	562
<b>Total</b>	<b>20,648</b>

Table: 41

### Statement of violations and observations in 2018

Programme type	Total violations and observations discovered	Number of violations	Number of observations
Training to employment	594	329	265
Direct employment	2,325	545	1,780
Small enterprise owners	87	78	9
Environmental inspection	19	18	1
<b>Total</b>	<b>3,025</b>	<b>970</b>	<b>2,055</b>

Table: 42