



Communication Letter for the Top Management:

High-Impact Risks trigger wider crisis.

At present, worldwide business environment is characterized by the primacy of stiff instability indices with increasingly risky and unforeseeable scenarios.

Under the COSO control-integrated framework, risk is defined as “the possibility of an event occurring that will be a downside in the achievement of objectives”.

Risk Assessment is a dynamic and interactive process, aimed at identifying, analyzing and managing risks in order to ensure the achievement of business objectives.

As such, this represents one of the greatest challenges for businesses, regardless of their size, structure, nature or industry in which they operate.

The Organizations' Management first priority must be Risk Assessment in order to avoid triggering a crisis that could jeopardize the operation and continued presence of their businesses.

Risks, regardless of whether they are operational, strategic, information (financial) or compliance (legal) risks, may be mitigated through the Internal Audit Function performed either by a highly-qualified professional dependent on the company, or by an Independent Registered Public Accounting Firm rendering such service, always being aware of the likelihood of fraud.

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