

**Specification of Competency Standards for the Retail Industry  
Units of Competency for 'Strategic and ESG Management'**

1. Title	Audit loss prevention policies
2. Code	111224L4
3. Range	This unit of competency (UoC) is applicable to internal audit staff in the retail industry. Practitioners have the ability to assess the effectiveness of the loss prevention policies of the organisation, and put forward recommendations for improvement.
4. Level	4
5. Credit	6 (for reference only)
6. Competency	<p>Performance Requirements</p> <p>6.1 understand the knowledge of audit</p> <ul style="list-style-type: none"> <li>◆ Master the business strategy of the organisation</li> <li>◆ Know the internal regulatory system and procedures of the organisation</li> <li>◆ Master the internal audit criteria</li> <li>◆ Understand retail-related laws and regulations</li> <li>◆ Master risk management methods and techniques</li> <li>◆ Master the loss prevention policies and procedures of the organisation</li> </ul> <p>6.2 Audit loss prevention policies</p> <ul style="list-style-type: none"> <li>◆ Implement audit plan, including: <ul style="list-style-type: none"> <li>• Analysing the loss prevention policies and procedures in detail</li> <li>• Confirming the best auditing method (e.g. by observation, random check)</li> <li>• Confirming resources and manpower needed for audit</li> <li>• Completion schedule for the audit</li> <li>• Finding out procedures in which problems may occur</li> <li>• Assessing the loss and its impact on business, and recommend remedies</li> </ul> </li> <li>◆ Formulate audit training programme for staff</li> <li>◆ Report the audit result with comments and recommendations (e.g. strengthening the monitoring procedure)</li> </ul> <p>6.3 Exhibit professionalism</p> <ul style="list-style-type: none"> <li>◆ Ensure that the audit is carried out independently, objectively and professionally</li> <li>◆ Ensure the information in the audit report is accurate</li> <li>◆ Prevent misappropriation of corporate assets and acts of theft</li> </ul>
7. Assessment Criteria	<p>The integrated outcome requirements of this UoC are the abilities to:</p> <ul style="list-style-type: none"> <li>◆ Audit loss prevention policies for the retail or distribution business of the organisation; and</li> <li>◆ Submit audit report with recommendations for improvement.</li> </ul>
8. Remark	This UoC is adopted from 105022L4.