SHARIAH AUDIT AND REVIEW
FOR ISLAMIC FINANCIAL INSTITUTION

1 - 2 May 2017

www.cibfmbrunei.com
Introduction

Shariah compliance is the backbone of Islamic finance institutions (IFI) in which they operate. Therefore, ensuring Shari’ah compliant aspect is paramount to maintain the confident level and public at large. Inadequate attention to the whole process of Shari’ah compliant aspect triggers negative repercussion to the IFIs, such as massive withdrawal and financial loss. In this regard it is essential to have a comprehensive, robust and well-functioning Shariah control mechanism to ensure the beginning-to-end Shari’ah compliant in the day-to-day business operations. As such, a sound Shari’ah audit and review have to be in place to assess the level of Shari’ah compliance aspect on a regular basis, to identify any potential Shari’ah compliant incidences as to provide with the proper rectification mechanism. This two-days training is therefore designed to provide the participants with the comprehensive and practical knowledge on Shari’ah compliant audit and review for Islamic banking and finance.

Objectives

After completing this session, participants should be able to:

- Understand the importance of Shari’ah compliance and Shari’ah governance in Islamic banking
- Comprehend the scope, procedures and potential issues in developing Shariah audit program
- Analyze key Shari’ah review and audit area in Islamic banking
- Prepare Shari’ah audit program for different banking

Target of Participants

- Board of Directors
- Shari’ah Department
- Shari’ah Audit Department
- Shari’ah Review Department
- Shari’ah Supervisory boards
- Managers and Officers
- Internal Auditors
- Advocates and Solicitors
- Lecturers and Students
Course Outline

Day 1:

Shariah Compliance Framework for Islamic Banking and finance
Shariah as the Backbone of IFIs
Shari’ah Principles in IFIs
The Need for Shari’ah Compliance
Salient Features of Shari’ah Compliance
Shari’ah Compliant Process
Shari’ah Non-Compliant Risk
Determinants of Shari’ah Non-Compliant Risk
Impact of Shari’ah Non-Compliant Risk
Shariah Compliance framework

Shari’ah Audit and Review for Islamic Banks
The Need for Shari’ah Audit and Review
Objectives of Shari’ah Audit and Review
Phases of Shari’ah Audit
Components of Shari’ah Audit Report
Sample of Shari’ah Audit Report
Escalation Process
Scope of Shari’ah Audit and Review
Sample of Shari’ah Audit and Review Finding
Case Study
Key Audit and Review Areas in Islamic Banking
– Deposit Mobilization
  Islamic Banking Operation
  Types of Deposit Products

Day 2

Key Audit and Review Areas in Islamic Banking – Financing
Islamic Banking Main Financing Products
Key Audit and Review Areas in BBA Home Financing
Key Audit and Review Areas in Tawarruq Personal Financing
Key Audit and Review Areas in Istisna’ Property Financing
Key Audit and Review Areas in AITAB Car Financing
Key Audit and Review Area in Ujah Credit Card
Key Audit and Review Areas in MM Financing
Preparing Shari’ah Audit Checklist
Case Study
Dealing with Shari’ah Non-Compliant Finding
Treatment of Shari’ah Non-Compliant Events
Handling Shari’ah non-Compliant Finding
Different Approach to Deal with Shari’ah Non-Compliant Income
SNC Income Management
Sample Scenarios
Case Study
DR MOHAMMAD MAHBUBI ALI

Dr Mohammad Mahbubi Ali is a research fellow at the International Institute of Advanced Islamic Studies (IAIS) Malaysia. He also serves as a Shariah committee member of Affin Islamic Bank, Shariah consultant for ZICO Shariah Advisory Bhd and Roosdiono & Partners. Previously, he was a researcher at the International Shari’ah Research Academy for Islamic Finance (ISRA). During his stint at ISRA, he had contributed to numerous ISRA’s research publications, mainly involving in Central Bank of Malaysia’s Shari’ah Standards. He was a lecturer at the University of Kuala Lumpur and Unitar International University. In his young age, he has managed to contribute extensively to Islamic finance through his regular writings featured in the Islamic Finance News (IFN), Business Islamica, The General Council for Islamic Banks and Financial Institutions (CIBAFI), Epicentre and many others.

He has published numerous articles in international and local referred academic journals, written several book chapters and presented a number of papers in various international conferences. His paper entitled: “A Framework of Income Purification for Islamic Financial Institutions,” co-authored with Dato’ Dr. Asyraf Wajdi Dusuki and Lokmanulhakim Hussain, was conferred best paper presentation in Sharia Economics Conference, University of Hannover, Germany, 2013. He received a bachelor degree in Shari’ah Business and Financial Management from Islamic Business School, Tazkia Indonesia, Chartered Islamic Finance Professional (CIFP) from INCEIF, The Global University in Islamic Finance, Malaysia and PhD in Islamic Banking and Finance from the IIUM Institute of Islamic Banking and Finance, Malaysia.
PARTICIPATION FEE

REGISTRATION FEE

B$900.00 per participant
(For Stakeholders only)*

B$1200.00 per participant
For Non-Stakeholders and Public

Stakeholders are AMBD and all domestic banks in Brunei Darussalam.

Your fee includes a workshop manual, practical sessions, refreshments and certificate of attendance (for full participation). Payment must be made prior to the commencement of the programme.

Cancellation:

* No refund upon cancellation, but substitute/s are welcome.
* No Show - No refund and full payment still applies.
* CIBFM reserves the right to postpone/cancel the programme should number of 10 participants are not met.

PLEASE SUBMIT YOUR REGISTRATION BY 14 APRIL 2017

VENUE OF TRAINING:
CIBFM, ILIA BUILDING, UBD CAMPUS, UBD, TUNGKU-LINK HIGHWAY, BRUNEI DARUSSALAM
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## REGISTRATION FORM

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## APPROVING OFFICER

| Name: |
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About CIBFM

Centre For Islamic Banking, Finance And Management (CIBFM) is the learning arm under Autoriti Monetari Brunei Darussalam (AMBD). Established in 2010 as the Centre of Excellence for Brunei Darussalam’s finance industry. CIBFM is accredited by Brunei Darussalam National Accreditation Council (BDNAC) as a Training Institution in the field of Banking, Finance and Management; and all its training programmes are recognised as Value Added Qualifications.

In addition to providing executive education, CIBFM also organizes high profile and international events in partnership with renowned institutions.