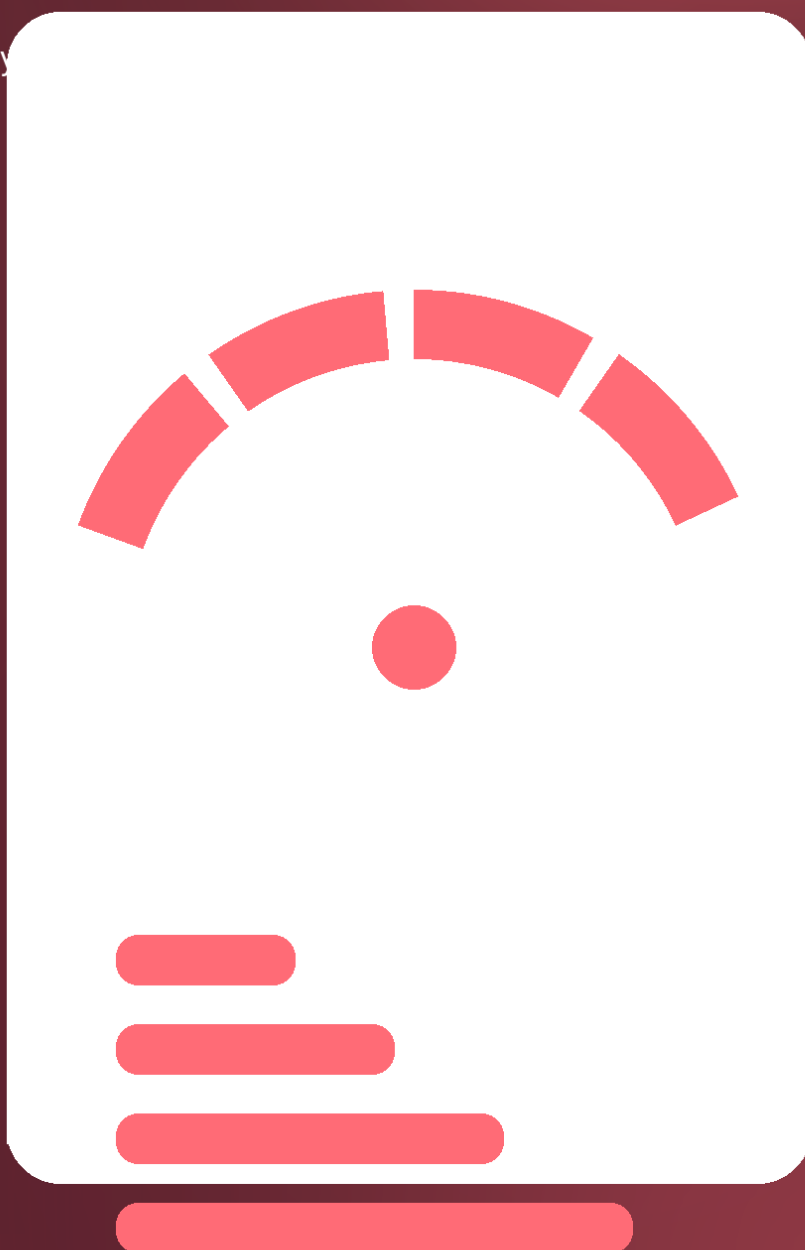


Finding Significance Tool

Rate issues consistently using impact, exposure, control breakdown and urgency



PRACTICAL • WORKABLE • READY TO USE

1. Purpose & When to Use It

Use this tool to support consistent issue rating across audits. It combines consequence, exposure, control failure, recurrence and urgency.

The tool should complement - not replace - your organization's approved rating methodology. If your company already has rating definitions, map the factors to them.

How to use this tool

1. Define the audit question or decision you need to support.
2. Complete the inputs using evidence available at the time - do not wait for perfect information.
3. Apply the scoring or decision logic on the next page.
4. Record the rationale behind important judgments.
5. Update the tool when new evidence changes the risk or conclusion.

Core Inputs

1. Finding title	
2. Risk / consequence	
3. Financial or operational exposure	
4. Population affected	
5. Regulatory / compliance impact	
6. Control breakdown level	
7. Recurrence / duration	
8. Speed of potential impact	
9. Management awareness	
10. Compensating controls	

2. Decision / Scoring Matrix

Use the matrix as a disciplined prompt for judgment. Adapt thresholds to your organization where necessary.

Factor	1	2	3
Impact	Limited	Material	Severe
Exposure	Isolated	Multiple cases / moderate population	Broad / systemic
Control breakdown	Minor gap	Key control weakness	Control absent / ineffective
Recurrence	One-off	Repeated	Persistent / long-standing
Urgency	Can wait	Near-term action	Immediate action required

Judgment Notes

3. Working Sheet

Complete this page during planning, fieldwork or issue validation. Keep entries brief and evidence-based.

Finding title	
Risk / consequence	
Financial or operational exposure	
Population affected	
Regulatory / compliance impact	
Control breakdown level	
Recurrence / duration	
Speed of potential impact	

4. Worked Example

The example below shows the level of detail the tool is designed for. Replace it with your own engagement information.

Finding	101 users can modify key sales pricing condition
Impact	3
Exposure	3
Control breakdown	3
Recurrence	2
Urgency	3
Interpretation	High significance; broad access creates material unauthorized-pricing risk even if no misuse is yet identified.

Auditor Reflection

What conclusion would you draw from this example? What evidence would you request next?

5. Quick Reference

Five reminders to keep the tool practical and audit-ready.

- 1 Rate the risk, not the embarrassment.
- 2 Separate control weakness from confirmed loss.
- 3 Use population data whenever available.
- 4 Consider compensating controls explicitly.
- 5 Keep rating language consistent across reports.

Use & Share

This resource is provided free for professional use. You may use it in your audit work and share the original PDF with colleagues. Please retain the attribution to Salih Ahmed Islam and the Internal Audit Resource Library.

More free tools, checklists, templates and guides: visit the Resources section of Salih Ahmed Islam's website.