

FREE PRACTICAL GUIDE

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AUDIT REPORTING

How to Write High-Impact Audit Findings

A practical guide to turning audit evidence into concise, decision-useful findings

Why this guide matters

How to Write High-Impact Audit Findings

This guide is designed for internal auditors who need a concise, practical way to apply write high-impact audit findings in real engagements. It focuses on decisions, evidence and common failure points rather than theory.

THE OUTCOME YOU WANT

A practical guide to turning audit evidence into concise, decision-useful findings.

The six-step approach

- 1 State the condition: what is happening now.
- 2 Define the criteria: what should happen instead.
- 3 Explain the risk or consequence in business terms.
- 4 Identify the root cause rather than stopping at the symptom.
- 5 Quantify or illustrate the exposure where evidence allows.
- 6 Write a recommendation or management action that addresses the cause.

Steps 1-3: Build the foundation

How to Write High-Impact Audit Findings

1

State the condition: what is happening now.

Define the decision, risk or process question before collecting evidence. Write down what a good outcome would look like.

2

Define the criteria: what should happen instead.

Use actual transactions, system evidence, data and accountable owners to confirm how the process operates in practice.

3

Explain the risk or consequence in business terms.

Record assumptions, exceptions and boundaries early so later testing remains focused and reproducible.

AUDITOR PROMPT

Ask: "What evidence would convince another experienced auditor that this conclusion is reasonable?" If the answer is unclear, strengthen the planned work before moving on.

Steps 4-6: Turn work into assurance

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4

Identify the root cause rather than stopping at the symptom.

Match the depth of work to the severity of the risk. High-risk conclusions need stronger evidence and clearer documentation.

5

Quantify or illustrate the exposure where evidence allows.

Challenge exceptions for frequency, impact, root cause and management awareness before deciding what they mean.

6

Write a recommendation or management action that addresses the cause.

Finish with an explicit conclusion and next action: no issue, improvement opportunity, finding, escalation or follow-up.

QUALITY CHECK

Before you finalize, ask whether the work directly answers the original audit question, whether evidence is sufficient, and whether a reader can understand the reasoning without being in the audit team.

CONDITION

27% of sampled supplier bank changes lacked evidence of independent verification.

RISK

Fraudulent bank changes may redirect payments.

ROOT CAUSE

Ownership of verification is unclear and the ERP workflow does not require proof before release.

ACTION

Assign accountable ownership and require verification evidence before the master-data change becomes effective.

What makes the example useful?

- It starts from a specific risk or audit question.
- It connects evidence and testing to a conclusion.
- It avoids treating process description as proof of control effectiveness.
- It leaves a clear path for management action or follow-up.

Quick reference - use this on your next audit

How to Write High-Impact Audit Findings

Five practical reminders

- A finding should help management make a decision, not simply prove the auditor found an error.
- Lead with the issue and risk; avoid long background paragraphs.
- Use neutral language and evidence. Strong findings do not need dramatic wording.

Mini self-check

- ☐ Have I linked the work to a clear audit objective or business risk?
- ☐ Is the evidence strong enough for the importance of the conclusion?
- ☐ Have I distinguished facts, explanations and assumptions?
- ☐ Have I considered root cause and recurrence, not only the immediate exception?
- ☐ Can management understand what decision or action is required?

RESOURCE NOTE

This is a practical learning resource, not formal professional guidance. Adapt the approach to your organization, applicable standards, regulation and audit methodology.