

Finance Audit Findings and Reporting

Finding Types

- Control Design Gap: missing or incomplete control.
- Control Operating Failure: control not performed or ineffective.
- Compliance Issue: policy or regulatory breach.
- Data Integrity Issue: inaccurate or incomplete records.

Severity Definitions

Severity	Definition	Target Remediation
High	Material misstatement risk or regulatory breach	30 days
Medium	Process weakness with moderate impact	60 days
Low	Minor deviation or documentation gap	90 days

Root Cause Categories

- Policy: unclear or outdated guidance.
- People: training gaps or resource constraints.
- Process: missing checkpoints or handoffs.
- Technology: system limitations or access issues.

Finding Log Template

ID	Process	Finding Summary	Severity	Owner	Due Date
F-001	AP	Invoice approvals missing for 3 of 25 samples	Medium	AP Manager	2026-03-15
F-002	GL	Late review of JE for quarter close	Low	Controller	2026-04-01
F-003	Treasury	Bank reconciliations not completed on time	High	Treasury Lead	2026-02-28

Reporting Package

- Executive summary with key themes and overall opinion.
- Detailed findings with criteria, condition, cause, effect, and recommendation.
- Management Action Plan (MAP) with owners and due dates.

Management Action Plan Metrics

Completion Rate = (Closed actions / total actions) x 100. Past Due % = (Past due actions / total actions) x 100.

Distribution

Recipient	Frequency	Format
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Audit Committee	Quarterly	PDF + presentation
CFO	Per audit	PDF
Process Owners	Per audit	PDF + action tracker

Report Structure

- Scope and objectives
- Summary of results and overall opinion
- Detailed findings and recommendations
- Management action plan and timelines
- Appendices: sampling details and evidence list

Management Response Requirements

- Each finding must include owner, root cause, and corrective action.
- Target dates should reflect realistic remediation timelines.
- High-severity findings require interim controls where applicable.

Report Quality Checklist

- Findings reference criteria and evidence.
- Severity ratings align to impact definitions.
- Recommendations are actionable and measurable.

Escalation Triggers

Trigger	Action
Overdue High finding	Escalate to CFO and Audit Committee
Repeat finding	Perform targeted review and expand scope
Regulatory issue	Notify Compliance within 24 hours