

# How to Build an Internal Audit System for Your Nigerian Business

An internal audit system helps you stay in control of your business, especially when you start delegating tasks, hiring staff, or handling more money. It is not just for big companies; even small and growing businesses in Nigeria can benefit from having basic checks in place.

Here is how to build an internal audit system that improves accountability, reduces fraud, and strengthens your operations:

## Start with Clear Financial Records

You can not audit what you do not record. Before anything else, ensure your income, expenses, invoices, and receipts are properly documented and stored; whether through a spreadsheet, accounting software, or manual records.

Tip: Services like **FunnelFit** can help you set up structured bookkeeping and routine financial checks.

## Define Who Reviews What

Separate responsibilities to avoid errors or manipulation:

- One person prepares payments
- Another reviews and approves them
- A third person (or you) audits the reports monthly

Even in small teams, role separation builds trust and control.

## Use Checklists and Schedules

Set a simple monthly or quarterly audit schedule. Use a checklist to review:

- Cash and bank balances
- Sales and expense records
- Staff reimbursements and inventory (if applicable)

This keeps everyone alert and accountable, not just reactive when something goes wrong.

## Review, Report, and Act

An audit is only useful if it leads to action. After each review, write a short report on:

- Any irregularities spotted
- Missed receipts or duplicate payments
- Recommendations for improvement

Take action quickly and track if issues are resolved.

## Final Thought

Internal audits aren't about catching people, they're about protecting your business. With simple tools and regular checks, you'll avoid costly mistakes, reduce fraud risk, and build a more trustworthy operation.