

OUTLIERS INTERNAL CONTROL CENTRE™

Internal Audit Readiness Toolkit™

Be ready for internal and external audit

Management / Internal Audit / Audit Committee · Flagship Edition 2026

Outliers Professionals Ltd — Internal Control Centre Resource Library

1. Executive Overview

This toolkit prepares the organisation for effective internal and external audit — documented controls, retrievable evidence, and tracked issues and actions.

This toolkit is part of the Outliers Internal Control Centre™ and is anchored to COSO, the IIA Standards and the Three Lines Model (by name). It gives boards, management and assurance providers an applied, end-to-end kit to design, operate, test and report controls in this domain.

2. Objectives

The control objectives this toolkit helps you achieve:

- Align the control universe to the audit universe
- Document controls and key processes
- Make control evidence readily available
- Track audit issues and actions
- Close audit actions on time

3. Governance

Audit readiness is prepared by management, assessed by internal audit and overseen by the audit committee:

Line	Role
Board / Audit Committee	Oversees the control environment and assurance
First line (management)	Owns and operates controls
Second line (risk/compliance)	Sets policy, monitors and supports
Third line (internal audit)	Provides independent assurance

4. Control Framework

The framework aligns the control universe to the audit universe, ensures documentation and evidence readiness, and tracks audit issues and actions to closure — aligned to the IIA Standards (by name).

Maturity model

L1 Initial	L2 Developing	L3 Defined	L4 Managed	L5 Optimised
Informal / unreliable	Basic, inconsistent	Documented & standardised	Monitored & tested	Automated & value-creating

5. Roles & Responsibilities

Role	Responsibility
Management	Prepares documentation and evidence
Control owners	Retain and provide control evidence
Internal audit	Assesses readiness; tests controls
Risk & compliance	Supports documentation and tracking
Audit committee	Oversees readiness and issue closure

6. Risk-Control Matrix (sample)

Illustrative risk-control matrix. The full working version ships as an editable XLSX with risk owner, control owner, frequency, type, design & operating effectiveness, status, due date and RAG.

Ref	Risk	Control Activity	Owner	Freq	Type
AR-01	Control universe	Maintain	Internal Audit	Annually	Preventive

	undocumented	documented control universe			
AR-02	Documentation stale	Keep SOPs and RACMs current	Process Owners	Quarterly	Preventive
AR-03	Evidence not retrievable	Retain and index control evidence	Control Owners	Continuous	Detective
AR-04	Issues not tracked	Maintain audit issue & action tracker	Management	Monthly	Detective

7. Sample Controls

- Documented control universe mapped to risks
- Current SOPs and risk & control matrices
- Retained, retrievable control evidence
- Audit issue and action tracker
- Action closure with evidence

8. Control Testing Approach

Test design first (is the control capable of mitigating the risk?), then operating effectiveness (did it operate over the period?). Use the assessment scale: Effective / Partially effective / Ineffective.

Control	Test procedure	Sample basis	Frequency
Documentation	Inspect SOPs and RACMs for currency	Sample	Quarterly
Evidence	Request and retrieve evidence for a sample of controls	Sample	Quarterly
Issue management	Review the issue tracker and closure evidence	Full population	Quarterly

Record results in the Control Testing Workpaper and log gaps in the Control Deficiency Tracker (both ship as editable files).

9. Implementation Roadmap

Phase	Focus	Outcome
Phase 1	Document control universe and map to risks	Control universe
Phase 2	Bring SOPs and RACMs current	Current documentation
Phase 3	Index and retain evidence	Retrievable evidence
Phase 4	Track and close audit actions	Audit-ready organisation

10. Templates

This toolkit is supported by the following editable templates and working files in the Resource Library:

- Internal Audit Readiness Checklist
- Control Testing Workpaper Template
- Audit Evidence Pack Template
- Audit Issue & Action Tracker
- Deficiency & Remediation Log (XLSX)

11. Checklists

- Control universe documented and mapped
- SOPs current for key processes

- Risk & control matrices maintained
- Control evidence retained and retrievable
- Sampling populations available
- Prior audit issues tracked
- Actions have owners and due dates
- Closed actions evidenced

12. Board Reporting Examples

Standard control report: executive summary · control effectiveness (RAG) · key metrics · deficiencies & remediation · decisions sought.

Metric	Current	Target	RAG	Action
Readiness index	65	≥80	Amber	Close gaps
Documentation current	80%	100%	Amber	Update RACMs
Evidence retrievable	85%	≥95%	Amber	Index evidence
Actions closed in SLA	78%	≥90%	Amber	Accelerate closure

13. Audit Committee Reporting

Illustrative one-page summary for the audit committee (replace with live data):

Item	Status	Commentary
Audit readiness	Amber	Established; advancing toward Strategic
Documentation	Amber	Being brought current
Issue closure	Amber	Improving
Decisions sought	—	Note readiness; approve resourcing

14. RAG Examples

How to read the RAG status used across this toolkit and its workbooks:

RAG	Meaning	Control interpretation	Action
Green	Effective	Design and operating effectiveness both effective	Maintain and monitor
Amber	Partially effective	Design or operating effectiveness only partially effective	Improve and re-test
Red	Ineffective	Design or operating effectiveness ineffective; or critical deficiency	Escalate and remediate

Notes & Disclaimer

This resource is a professional internal-control template, not assurance, audit, legal or regulatory advice. It is anchored to COSO, COSO ERM, the IIA Standards, the Three Lines Model, ISO 31000, ISO 37301, ISO 9001 and COBIT, and to FRCN, NCCG 2018, SEC, CBN and NAICOM requirements — referenced by name only, with no copyrighted framework content reproduced. Calibrate control objectives, controls, owners, frequencies and thresholds to your organisation and confirm requirements against the current standards and applicable regulation. Bracketed fields [like this] and sample entries are editable, illustrative placeholders.