

Audit Committee Pack Quality Checklist

Board-Grade Reporting — What Separates a Governance Instrument from a Status Update

Majid Mumtaz · CIA · ACA · FCCA | Director of Internal Audit | 20+ Years GCC

Developed from direct experience preparing and presenting to Board Audit Committees across GCC organisations including a JSC holding group with 20+ subsidiaries (Al-Faisaliah Group, KSA) and a pre-IPO tech company under active Big 4 scrutiny. A board-grade audit pack is not a longer status update. It is a decision instrument: every item should drive a governance decision, not just inform.

SECTION 1 — EXECUTIVE SUMMARY

- ☐ **Executive summary fits on one page — if it doesn't, the pack needs editing, not expansion**

- ☐ **Key message stated in the first sentence: what is the overall assurance conclusion?**
Board members read the summary, scan the appendices — the summary must stand alone

- ☐ **Three to five critical issues maximum in executive summary — more = dilution of signal**

- ☐ **Trend statement included: is the overall control environment improving, stable, or deteriorating?**

- ☐ **Actions required from the Board or Audit Committee explicitly labelled — not embedded in narrative**

- ☐ **Pack pre-read issued minimum 5 business days before meeting**

SECTION 2 — FINDINGS PRESENTATION

- ☐ **Findings classified by severity with consistent, pre-agreed criteria: Critical / High / Medium / Low**

- ☐ **Each finding includes: observation, root cause, risk to the organisation, recommendation**
Root cause, not just symptom: "insufficient segregation of duties" is a symptom — why does it exist?

- ☐ **Management response attached to each finding — commitment, owner, and target date**

- ☐ **Repeat findings flagged explicitly — same finding from prior period = escalating risk, not routine status**

☐

Finding age tracked: how long has each open finding been outstanding? Flag anything over 90 days

☐

No management-drafted findings in the audit report — CAE owns the findings, not management

SECTION 3 — RISK UNIVERSE & AUDIT PLAN COVERAGE

☐

Risk heat map or summary shows current risk landscape — not just what was audited

☐

Audit plan progress shown: completed, in-progress, deferred, cancelled — with reasons for deviations

☐

Coverage gap analysis: high-risk areas not covered in the period — Audit Committee must acknowledge these

Audit committee should see what is NOT being covered and why

☐

Emerging risks flagged: regulatory changes, market shifts, new business activities not yet in audit plan

☐

Resource constraints disclosed: if plan is incomplete due to budget or staffing, state it clearly

- ☐ Open finding register with aging: issue date, original due date, revised due date, current status
-
- ☐ Closure verification process described: are closures validated by IA or accepted on management assertion?
-
- ☐ Critical and high findings overdue beyond target date escalated to Audit Committee immediately
Any finding open beyond 180 days without escalation is a governance failure, not an audit failure
-
- ☐ Trend analysis on closure rates: is management closing findings faster or slower over time?
-
- ☐ Root cause re-occurrence tracking: same root cause appearing in multiple findings = systemic issue
-

SECTION 5 — INDEPENDENCE & QUALITY

- ☐ CAE declaration of independence included: no conflicts in the period
-
- ☐ QAIP summary included: quality metrics, any peer review findings, CPE compliance
-
- ☐ External quality assessment status disclosed: date of last assessment and rating received
-
- ☐ Co-source / outsource relationships disclosed: which audit areas rely on external providers?
-
- ☐ Budget utilisation shown: budget vs. actual — material variances explained
-

SECTION 6 — BOARD COMMUNICATION QUALITY

- ☐ No audit jargon without explanation: “control deficiency”, “substantive testing”, “walkthrough” defined if used
-
- ☐ Visual aids used appropriately: heat maps, trend charts, closure dashboards — not decorative
-
- ☐ Pack length appropriate to audience: 15–25 pages is a governance instrument; 60+ pages is a filing cabinet
-
- ☐ Anticipated questions documented by CAE before meeting — with prepared responses
Prepare for: “Why wasn’t this caught earlier?” / “What are we doing about it?” / “Is this an isolated issue?”
-



From Practice: The most common failure is the executive summary that buries the lead. Board members have 10 minutes with your pack before the meeting. If the most important finding is in Section 4, Appendix B — they will not find it. The summary must contain the verdict. Everything else is evidence.