Internal audit procedure

Manual | 12 steps | 3 roles | Created Sep 2, 2026 | Updated Sep 2, 2026 | v1

How internal audits are scheduled, conducted independently, evidenced, and closed out with findings.

TRIGGER

On the scheduled audit date from the annual audit programme, or when triggered by a recurring problem.

12 STEPS

1. **Quality Manager prepares an annual audit programme covering every area, weighted by risk and by past findings.**

   Annually, before the year starts

   Risk-weighted, not evenly spread. Auditing the well-run area as often as the troubled one wastes the programme's capacity.

2. **Quality Manager assigns a Lead Auditor who is independent of the area being audited.**

   Independence is the point. Someone auditing their own area will not find what they have stopped noticing, however honest they are.

   Independent auditor available: Go to step 3: Lead Auditor confirms the scope, the criteria being audited against, and the date with the Auditee in advance.
   No independent auditor: Go to step 11: Quality Manager arranges an external or cross-site auditor for that area, or documents why independence cannot be achieved and what compensates for it.

3. **Lead Auditor confirms the scope, the criteria being audited against, and the date with the Auditee in advance.**

   Named criteria, not "a general audit". An audit with no stated criteria produces opinions rather than findings.

4. **Lead Auditor reviews the documented procedure for the area before observing anything.**

   Read first, so you are comparing practice against the document rather than against your own assumptions about how it should work.

5. **Lead Auditor observes the process being performed and interviews the people who perform it.**

   Observe the work, do not only read records. Records show what was written down; observation shows what happens.

6. **Lead Auditor collects objective evidence for anything they intend to raise: a record, a photograph, a specific instance with a date.**

   Evidence, not impression. A finding without evidence will be argued away, and rightly so.

7. **Lead Auditor classifies each finding as a major nonconformity, a minor nonconformity, or an opportunity for improvement.**

   Minor or improvement: Go to step 8: Lead Auditor presents findings to the Auditee at a closing meeting, confirming each is factually correct before it is recorded.
   Major nonconformity: Go to step 10: Lead Auditor notifies the Quality Manager immediately of any major nonconformity rather than waiting for the report.

8. **Lead Auditor presents findings to the Auditee at a closing meeting, confirming each is factually correct before it is recorded.**

   Confirm the facts, not the conclusion. A finding the auditee disputes on facts is usually the auditor having misunderstood the process.

9. **Auditee agrees a corrective action and a date for each nonconformity, and owns it.**

   The auditee owns the action, not the auditor. An action owned by the person who found it never gets done.

   Actions agreed: Go to step 12: Quality Manager verifies each corrective action was completed and was effective, and closes the finding only then.

10. **Lead Auditor notifies the Quality Manager immediately of any major nonconformity rather than waiting for the report.**

    Major means something is materially wrong now. Holding it until a report is circulated next week wastes the time that matters.

    Escalated: Go to step 8: Lead Auditor presents findings to the Auditee at a closing meeting, confirming each is factually correct before it is recorded.

11. **Quality Manager arranges an external or cross-site auditor for that area, or documents why independence cannot be achieved and what compensates for it.**

    In a small organisation full independence is sometimes impossible. Say so in writing and state the compensating control; do not quietly ignore it.

    Resolved: Go to step 3: Lead Auditor confirms the scope, the criteria being audited against, and the date with the Auditee in advance.

12. **Quality Manager verifies each corrective action was completed and was effective, and closes the finding only then.**

    After the agreed action date

    Closed on evidence of effectiveness, not on the action being marked done. A finding closed on a promise reappears at the next audit.

    Effective, closed: Ends the procedure
    Not effective: Go to step 9: Auditee agrees a corrective action and a date for each nonconformity, and owns it.

ROLES INVOLVED

Lead Auditor | Auditee | Quality Manager

REVIEW CADENCE

Annually, and before any external audit. Also review if internal audits have stopped producing findings, which usually means the process has become a formality rather than that everything is fine.

Name the person accountable for this procedure before you put it into use.

CHANGE THESE BEFORE YOU USE IT

- Define your major and minor nonconformity criteria concretely. Left to judgment, everything becomes minor.
- Set who can audit which areas, given your size, and record the compensating control where independence is genuinely impossible.
- Name the standard or criteria you audit against, and reference the specific clauses if you are certified.
- Set the verification interval in step 12 long enough that recurrence would actually have had a chance to happen.
- This is a starting point, not certification advice. Have it reviewed by whoever is accountable for your management system.