Lynceus Management Consulting

Internal Audit Services

Supporting Internal Audit Functions that are ready to meet emerging business challenges

2026

The role of Internal Audit

Internal Audit Function (IAF) has become an integral part of good corporate governance and an instrument for the Board to enable effective risk management and internal control systems and enhance operational performance.

Internal Audit is an indispensable but highly underutilised function within an organisation and largely overlooked by medium and small businesses. However, it can be a valuable business partner for the Board and management in addressing existing and emerging business challenges.



The internal audit function provides assurance to the business by looking at systems and processes that help their organisation manage risks and achieve strategic objectives.



IAF is an advisor to the business, having in-depth understanding and knowledge of the way the organisation works, its business-processes and risks, IAF can provide invaluable advice to enhance and improve risk management and operational effectiveness.



IAF is an independent agent within the organisation, combining an unbiased view with extensive business acumen. IAF helps the Board and management obtain a unique perspective of the organisation and its operations.



An internal audit engagement is based on business process risk profile and covers areas which are most critical to the organisation. This also means that internal audit looks not only at the financials but at ethics, economy, efficiency, health and safety, fraud and performance.



The forward-looking nature of internal audit which works with risks and controls, can protect the organisation from potential geopolitical, environmental and macroeconomic events that may pose risks to the business by recommending the most suitable mitigations.



IAF can help the organisation meet the challenges of emerging technologies and trends such as AI and sustainability by assessing the feasibility and risks of adopting new tech solutions or sustainability practices and advising the business on how to best manage the risks through comprehensive internal control coverage.

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The Three Lines Model

The Three Lines Model developed by the Institute of Internal Auditors, defines how roles and responsibilities should be allocated within the organisation in order to ensure effective risk management and internal controls.

Other key stakeholders

Governing body.

The governing body of an organisation such as the Board of Directors and the Audit Committee ensure overall leadership, integrity and transparency of all risk management and internal control processes.

This oversight function is crucial in ensuring accountability before stakeholders and trust and confidence from staff, customers, investors and regulators. Good governance can protect the organisation from excessive risk, manage compliance burden and instil customer loyalty.

External audit

The external auditor provides another layer of assurance contributing to the trust stakeholders have in the organisation and supporting accountability and transparency.

Reliance of external auditors on the effective functioning of the three lines can significantly reduce the external audit costs and time.

First Line includes the roles across core organisational functions involved in product or service delivery. These roles are at the forefront of identification and management of risks and execution of internal controls.
E.g. production, sales, procurement teams, marketing and sales departments.

Second Line are roles which provide support to first line functions and coordinate risk management and internal control activities. These supporting functions provide expertise and challenge the existing risk management practices.
E.g. compliance team, internal control and risk management unit, legal department.

Third Line is the independent and objective assurance function within the organisation that provides verification, validation, assurance and advisory support on all risk and control-related matters including assessment of effectiveness of risk mitigation.
E.g. internal audit function.



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Challenges facing internal audit functions

The modern Internal Audit Function (IAF) faces a number of challenges that can impact its effectiveness and value to the business. Many IAFs are under-resourced and with continuously expanding audit scope and complexity, there is a greater need for specialist skills and expertise.

Building competencies of the internal audit team is just one of the challenges that the Board and chief audit executives face. IAFs have their own risks to manage alongside providing assurance and advisory support to the business in risk management.

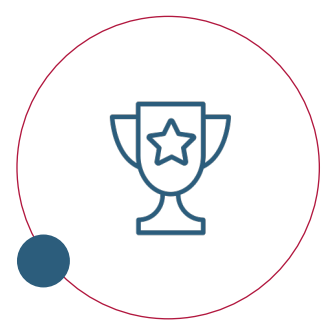
Challenges may come from inside the function such as maintaining independence, resource pressures, keeping pace with business-process evolution. They may also come from the outside such corporate initiatives, corporate culture, management approach.

Regardless of the risk source, businesses need an IAF that is effective in executing its mandate and is responsive to organisational needs. LMC can help IAFs continuously evolve and develop and provide experience and expertise to fill the capacity and skills gaps.

How can LMC help



Internal audit outsourcing and co-sourcing



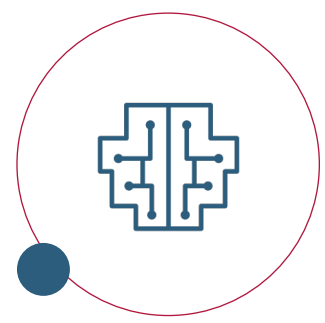
Internal audit function quality assessment



Internal audit governance and oversight



Enhancement of internal audit effectiveness



Internal audit of AI-enabled business processes



Methodological support



Building internal audit function capacity and skills

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Outsourcing and co-sourcing of internal audit

Outsourcing and co-sourcing of the Internal Audit Function can be useful to a dynamic and growing company when there are resource constraints in maintaining a full internal audit function or the existing skills profile is not sufficient to cover the variety and specific nature of business-processes.

To help businesses conduct high quality risk-based internal audits, outsourcing or co-sourcing the function to LMC is the right solution.

Outsourcing or co-sourcing of the Internal Audit Function can help the company:

- fulfil the annual internal audit plan.
- ensure sufficient number of internal auditors on the team to complete the planned audits.
- ensure that relevant and appropriate skills are available to address the specific business processes and internal control areas.
- access innovative approaches and best international practice in conducting internal audits.
- Increase effectiveness and efficiency of internal audits.
- enable knowledge transfer and building of internal capacity of company’s internal audit team.

Our approach

- Development of internal audit plan aligned to company risk profile and business-processes.
- Full outsourcing of recurring or one-off internal audit engagements in line with internal audit plan or on request from Board or management.
- Co-sourcing of recurring or add-hoc internal audit engagements in both project management and project team capacity.
- Support of in-house internal audit team through mentoring and knowledge transfer workshops.

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Internal audit function quality assessment

Internal Audit Functions (IAF) are coming under increased pressure as regulatory scrutiny increases, AI and emerging technologies are embedded into business-processes and complexity and uncertainty are rising. As internal audit scope expands, internal auditors require a wider range of skills and the Internal Audit Function must adapt its resourcing, risk assessment, audit planning and execution and reporting approach to meet the challenges.

Company Board and management need to understand the level of maturity of the Internal Audit Function and establish pathways to developing and improving its effectiveness and efficiency. External quality assessment of the IAF at regular intervals is a requirement of the Global Internal Audit Standards. Many internal audit functions also face national regulatory requirements in addition to international standards that they must meet.

An IAF quality assessment:

- Provides an independent view of the effectiveness of the IAF and its approach to performing internal audits.
- Evaluates the impact of internal audit on business strategy and risk management practices.
- Supports optimisation of resource allocation and maximisation of business value.
- Allows for better management of internal stakeholder expectations from internal audit.

Our approach

- Analysis of existing internal audit policies, regulations and manuals.
- Interviews and workshops with internal audit stakeholders.
- Application of assessment questionnaires and surveys aligned with Global Internal Audit Standards across key components such as people, processes, governance, communication.
- Evaluation of IAF and audit processes against the Global Internal Audit Standards and key performance indicators.
- Benchmarking against regional and international best practices and regulator reviews.
- Development of recommendations and an IAF growth action plan.
- Establishing a performance framework for the IAF.

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Governance and methodological support

The critical factor in internal audit value addition to an organisation is its independence. Maintaining independence of internal audit within the organisation and ensuring that it is structured in a most cost-effective and operationally feasible way will define the value the organisation extracts from internal audit activities.

The Internal Audit Function (IAF) must comply with the Global Internal Audit Standards and demonstrate ethical and professional approach to service delivery. An internal audit charter and strategy, a robust audit approach and comprehensive work programmes enable high-quality performance.

Good governance and quality internal audit documentation may seem like something that automatically exists but it requires careful thought and good understanding of the organisational strategy, objectives and stakeholder needs.

We help businesses large and small to establish Internal Audit Functions and viable governance structures that meet organisational needs. We can support in development of governance documentation, instructional manuals and technical application templates and guidelines that meet international requirements and are suited to the particular work style of the IAF.

Our approach

- Analysis of existing internal audit governance arrangements to identify inefficiencies and misalignment to global standards.
- Development of recommendations on improving existing governance structure to ensure internal audit efficiency, effectiveness and independence.
- Implementation support in establishing an IAF within an organisation and governance enhancement.
- Development of internal audit charter, policies, manuals and templates.
- Mentoring and consultations on engagement delivery and documentation.

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Why LMC?

Technical expertise.
LMC team has extensive and successful track record in delivering internal audit support services to large companies and SMEs. Our team of experts have international experience across sectors, ready to share their insights and best practices with our clients.

Working in partnership.
We listen to our clients' needs and understand the challenges they are facing. Our aim is to work in collaboration to design and implement solutions that answer to specific business context and align with company strategy and capacity.

Agility and flexibility.
LMC is well positioned to deliver tailored and contextualised solutions to our clients with agility and flexibility catering to the dynamic and challenging environments companies operate in. We adapt to changing priorities because we understand that the business environment and risks are not static.

Bespoke solutions.
Drawing from our experience, diverse expertise internal technical libraries and taxonomies, we develop structures, processes, and capacity-building programmes for each client on a case-by-case basis because every company and function is different and unique.

Contacts.

Olga Akimova
Managing Partner
E: oakimova@lynceusconsulting.com

General enquiries
E: lmc@lynceusconsulting.com

Find out more
www.lynceconsulting.com

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