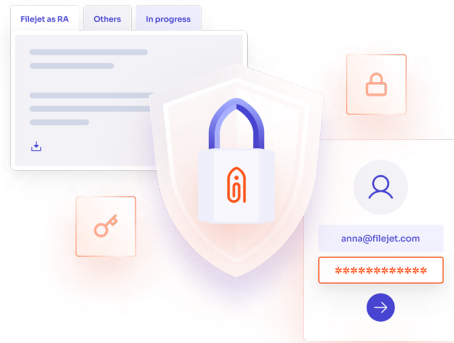




# The Audit-Ready GC: A 10-Step Entity Compliance Check

How to Know if Your Entity Management Will Hold Up Under Scrutiny



## Most Entity Compliance Programs Fail Under Pressure

Entity compliance rarely fails during routine operations. It fails when it's tested.

An audit. A financing event. A board request. A transaction.

In these moments, gaps surface quickly—missing documentation, unclear ownership, inconsistent data. What felt “under control” suddenly becomes reactive and uncertain.

The issue isn't effort. Most legal teams are working hard to keep up.

**The issue is visibility and control.**




This guide is designed to help you quickly assess whether your entity compliance program is truly defensible—or whether hidden gaps could expose your organization when it matters most.

## How to Use This Checklist

This 10-step check evaluates your entity compliance program across three critical areas:

- **Visibility** — Do you have a clear, complete view of your entities?
- **Control** — Are responsibilities, processes, and obligations consistently managed?
- **Defensibility** — Can you confidently demonstrate compliance under scrutiny?

For each checkpoint, score your organization:

 <b>Yes</b> Fully in place and reliable	 <b>Partial</b> Inconsistent or dependent on individuals	 <b>No</b> Not in place or unclear
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**If you have more than 3 yellow or red responses, your program is unlikely to hold up under audit, diligence, or board-level scrutiny.**

## THE 10-STEP AUDIT-READY CHECKLIST

### 1 Do You Have a True Single Source of Truth?

Your organization maintains one centralized, reliable system that reflects:

- All legal entities
- Jurisdictions
- Current compliance status

Information is not fragmented across spreadsheets, inboxes, or external partners.

**Why it matters:** Conflicting or incomplete data is one of the most common—and most visible—failure points during audits.

**Risk if not in place:** Inconsistent reporting, delayed responses, loss of credibility

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### 2 Is Ownership Clearly Defined?

Every entity and compliance obligation has a clearly assigned internal owner. There is no ambiguity between legal, finance, tax, or local teams about who is responsible for:

- Filings
- Updates
- Ongoing oversight

**Why it matters:** Unclear ownership leads directly to missed obligations and duplicated effort.

**Risk if not in place:** Missed deadlines, accountability gaps, internal friction

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### 3 Are All Filing Obligations Tracked

All recurring and event-driven obligations are tracked in one place, including:

- Annual reports
- State registrations
- Renewals and amendments

Deadlines are proactively managed—not discovered at the last minute.

**Why it matters:** Decentralized tracking creates blind spots that often go unnoticed until penalties occur.

**Risk if not in place:** Late filings, penalties, silent non-compliance

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### 4 Can You Instantly Produce Entity Documentation?

You can quickly access and produce:

- Formation documents
- Amendments
- Ownership records
- Certificates and filings

Without relying on manual searches across folders, emails, or third parties.

**Why it matters:** Speed and accuracy during audits directly impact credibility.

**Risk if not in place:** Delays, incomplete responses, reputational damage

## 5 Do You Have Full Visibility Across All Subsidiaries?

You maintain a complete and current view of:

- Domestic and international entities
- Active and inactive entities
- Ownership structures

There are no “unknown” or poorly documented entities.

**Why it matters:** Gaps in visibility create exposure that leadership often doesn’t realize exists.

**Risk if not in place:** Hidden liabilities, governance risk

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## 6 Are Jurisdictional Requirements Consistently Managed?

State and country-specific requirements are:

- Clearly documented
- Systematically tracked
- Consistently applied

Your process does not rely on individual knowledge or external reminders.

**Why it matters:** Jurisdictional complexity is a primary source of compliance failure.

**Risk if not in place:** Inconsistent compliance, unnoticed gaps

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## 7 Can You Generate Reliable Reports on Demand?

You can quickly produce accurate reports for:

- Executive leadership
- Board members
- Auditors

Reports reflect real-time data and do not require manual consolidation.

**Why it matters:** Leadership expects confidence and clarity—not uncertainty.

**Risk if not in place:** Loss of trust, delayed decision-making

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## 8 Are Entity Changes Properly Tracked and Logged?

All changes are recorded in real time, including:

- Officer and director updates
- Structural changes
- Jurisdictional changes

A clear historical record is maintained.

**Why it matters:** Incomplete change tracking undermines the integrity of your entire entity record.

**Risk if not in place:** Inaccurate records, audit exposure

## 9 Are External Partners Fully Aligned?

Outside counsel, registered agents, and service providers:

- Operate from the same information
- Are coordinated with internal teams
- Do not maintain isolated or conflicting records

**Why it matters:** Fragmentation between internal and external stakeholders creates systemic risk.

**Risk if not in place:** Miscommunication, missed updates, duplicated work

## 10 Do You Have Real-Time Visibility Into Compliance Status?

At any moment, you can confidently answer:

**“Are we fully compliant across all entities right now?”**

Status is not inferred from deadlines alone—it reflects actual, current standing.

**Why it matters:** Audit readiness requires real-time confidence, not retrospective validation.

**Risk if not in place:** Reactive fire drills, uncertainty under pressure

# Your Score: Are You Actually Audit-Ready?

### 8–10 “Yes” responses

Your program is strong, controlled, and defensible

### 5–7 “Yes” responses

Moderate risk—gaps are likely to surface under scrutiny

### Fewer than 5 “Yes” responses

High risk—your program is not audit-ready

**Reality check:** Most organizations fall in the middle—and don’t realize it until they are tested.

## What Audit-Ready Actually Looks Like

Audit-ready organizations don’t rely on effort alone. They operate with structure and clarity.

They have moved from:

- Fragmented › **Centralized**
- Reactive › **Proactive**
- Opaque › **Visible**
- Effort-driven › **System-driven**

At a minimum, this means:

- A single system of record
- Clear ownership across teams
- Centralized tracking of obligations
- Real-time visibility into status
- Immediate access to documentation

# Confidence Comes From Control

Audit readiness is not about working harder or reacting faster.

It's about having a system you can stand behind—with confidence.

When visibility is clear and control is established, compliance becomes:

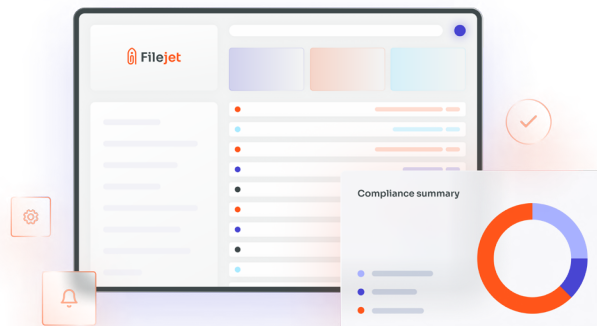
- Defensible
- Scalable
- Reliable under pressure

## Next Step

If this checklist surfaced gaps, the next step is simple:

**Take a deeper look at your entity compliance program—and what it would take to make it audit-ready.**

A centralized approach to entity management can eliminate blind spots, reduce risk, and give your team the confidence to respond instantly—no matter the situation.



## About Filejet

Filejet helps legal and compliance teams move from reactive to audit-ready with a single, centralized system for entity management.

Instead of juggling spreadsheets, emails, and outside providers, Filejet brings everything into one place—your entities, filings, documents, and compliance status—so you always have a clear, real-time view of where you stand. Automated workflows, built-in tracking, and integrated filing services ensure nothing falls through the cracks, while giving you instant access to the information you need under pressure.

**The result:** stronger control, full visibility, and a compliance program you can confidently stand behind—whether you're facing an audit, transaction, or board request.

**Ready to see where your program stands—and how to fix the gaps?**

**Request a demo.**

