FREE RETAIL LOSS PREVENTION TEMPLATE

Loss Prevention Audit Template

Use this 60-point template to audit physical security, CCTV, cash handling, POS exceptions, inventory accuracy, receiving, merchandise protection, employee controls, incident reporting, corrective actions, and recurring shrink risks.

Store / location	Audit date	Auditor	LP / store owner

1. Audit setup, store risk profile, loss history, scope, and ownership

1 Confirm the location, audit date, auditor, store manager, loss-prevention owner, operating format, opening hours, staffing profile, and areas included in the audit.

LOSS PREVENTION

NAME Enter | DATE / TIME Enter | SIGN-OFF Sign

Execution tip: Use recent loss data to focus the audit. High-risk products, transaction types, access points, and recurring variances deserve deeper sampling than low-risk areas.

2 **Review recent shrink, theft incidents, cash variances, refund or discount anomalies, stock adjustments, receiving discrepancies, damaged goods, write-offs, and open loss-prevention actions.** CRITICAL

LOSS PREVENTION

Control / Area	Current	Evidence	Owner	Action

Execution tip: Use recent loss data to focus the audit. High-risk products, transaction types, access points, and recurring variances deserve deeper sampling than low-risk areas.

3 **Identify high-risk merchandise, high-value stock, vulnerable service points, cash-handling areas, stockrooms, receiving zones, customer exits, blind spots, and other location-specific exposure points.** CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Use recent loss data to focus the audit. High-risk products, transaction types, access points, and recurring variances deserve deeper sampling than low-risk areas.

4 **Confirm the audit uses the current loss-prevention standards, store procedures, escalation rules, evidence requirements, critical-failure criteria, and corrective-action process.** CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Use recent loss data to focus the audit. High-risk products, transaction types, access points, and recurring variances deserve deeper sampling than low-risk areas.

5 Review recent operational changes such as layout changes, new POS processes, staffing changes, new suppliers, new product categories, extended trading hours, or temporary storage that may affect loss risk.

LOSS PREVENTION

Controlled | Needs action | Critical | EVIDENCE Add

Execution tip: Use recent loss data to focus the audit. High-risk products, transaction types, access points, and recurring variances deserve deeper sampling than low-risk areas.

6 Assign ownership for cash controls, POS exceptions, inventory accuracy, receiving, stockroom security, access control, CCTV or alarm issues, incident reporting, investigations, and corrective-action closure.

LOSS PREVENTION

Control / Area	Current	Evidence	Owner	Action

Execution tip: Use recent loss data to focus the audit. High-risk products, transaction types, access points, and recurring variances deserve deeper sampling than low-risk areas.

2. Store access, keys, restricted areas, opening, closing, and physical security

7 **Verify employee, contractor, delivery, visitor, and after-hours access to restricted areas is controlled according to the location's approved access rules.** CRITICAL

LOSS PREVENTION

Controlled | Needs action | Critical | EVIDENCE Add

Execution tip: Physical security works only when access accountability is clear. Sample keys, codes, doors, and opening or closing practice, not just the written procedure.

8 **Check keys, access cards, codes, lockers, security devices, office access, stockroom access, and restricted doors are assigned, protected, and accounted for.** CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Physical security works only when access accountability is clear. Sample keys, codes, doors, and opening or closing practice, not just the written procedure.

9 **Confirm opening and closing routines include required checks for doors, shutters, stockrooms, cash areas, alarms, emergency exits, high-risk merchandise, and unauthorized persons.** CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Physical security works only when access accountability is clear. Sample keys, codes, doors, and opening or closing practice, not just the written procedure.

10 **Inspect customer entrances, staff entrances, delivery doors, stockroom doors, emergency exits, windows, shutters, locks, hinges, latches, and barriers for damage or weak security condition.** CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Physical security works only when access accountability is clear. Sample keys, codes, doors, and opening or closing practice, not just the written procedure.

11 **Verify restricted doors and emergency exits are not being used as uncontrolled shortcuts for stock movement, waste removal, employee breaks, or unauthorized access.** CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Physical security works only when access accountability is clear. Sample keys, codes, doors, and opening or closing practice, not just the written procedure.

12 **Record missing keys, shared credentials, unsecured restricted areas, damaged locks, propped doors, uncontrolled access, or other physical-security gaps requiring immediate action.** CRITICAL

LOSS PREVENTION

Controlled | Needs action | Critical | EVIDENCE Add

Execution tip: Physical security works only when access accountability is clear. Sample keys, codes, doors, and opening or closing practice, not just the written procedure.

3. CCTV, alarms, monitoring coverage, incident evidence, and security equipment

13 **Verify CCTV cameras, recording systems, monitors, alarm devices, panic or duress systems, intrusion sensors, and other loss-prevention equipment are operational where provided.** CRITICAL

LOSS PREVENTION

Controlled | Needs action | Critical | EVIDENCE Add

Execution tip: Check security equipment from the viewpoint of actual evidence retrieval. A camera that records but cannot provide usable incident footage is still a control gap.

14 **Check camera views cover designated high-risk areas such as entrances, exits, checkout zones, cash points, stockrooms, receiving, high-value merchandise, and other approved areas.** CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Check security equipment from the viewpoint of actual evidence retrieval. A camera that records but cannot provide usable incident footage is still a control gap.

15 **Confirm camera views are not unnecessarily blocked by displays, fixtures, promotional material, stock, dirt, lighting glare, or layout changes.** CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Check security equipment from the viewpoint of actual evidence retrieval. A camera that records but cannot provide usable incident footage is still a control gap.

16 **Verify date and time settings, recording retention, access permissions, incident retrieval, export or evidence procedures, and fault reporting are controlled by authorized personnel.** CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Check security equipment from the viewpoint of actual evidence retrieval. A camera that records but cannot provide usable incident footage is still a control gap.

17 Check alarm opening, closing, arming, disarming, alert, escalation, and response responsibilities are understood by designated employees.

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Check security equipment from the viewpoint of actual evidence retrieval. A camera that records but cannot provide usable incident footage is still a control gap.

18 **Record failed cameras, missing coverage, offline recording, blocked views, alarm faults, unauthorized access to footage, or unresolved security-equipment defects.** CRITICAL

LOSS PREVENTION

Controlled | Needs action | Critical | EVIDENCE Add

Execution tip: Check security equipment from the viewpoint of actual evidence retrieval. A camera that records but cannot provide usable incident footage is still a control gap.

4. Cash handling, tills, safes, deposits, float control, and reconciliation

19 **Verify opening floats, cash drawers, tills, cash offices, deposit bags, safes, and cash-transfer processes follow the approved store procedure.**

CRITICAL

LOSS PREVENTION

Control / Area	Current	Evidence	Owner	Action

Execution tip: Sample cash controls across more than one till or shift where possible. Repeated small variances can be more informative than one large isolated difference.

20 **Check cash drawers are assigned or controlled appropriately and are not left open, unattended, shared without accountability, or accessible to unauthorized employees.**

CRITICAL

LOSS PREVENTION

ACTUAL / COUNT Enter | EXPECTED Enter | VARIANCE Record

Execution tip: Sample cash controls across more than one till or shift where possible. Repeated small variances can be more informative than one large isolated difference.

21 **Confirm safe access, cash-room access, deposit preparation, cash counts, dual-control requirements, transfer timing, and deposit custody are followed where required by store policy.**

CRITICAL

LOSS PREVENTION

ACTUAL / COUNT Enter | EXPECTED Enter | VARIANCE Record

Execution tip: Sample cash controls across more than one till or shift where possible. Repeated small variances can be more informative than one large isolated difference.

22 **Review recent till shortages, overages, cash discrepancies, deposit variances, missing receipts, late deposits, and repeated reconciliation issues for unexplained patterns.**

CRITICAL

LOSS PREVENTION

ACTUAL / COUNT Enter | EXPECTED Enter | VARIANCE Record

Execution tip: Sample cash controls across more than one till or shift where possible. Repeated small variances can be more informative than one large isolated difference.

23 **Verify voided transactions, cash removals, paid-outs, no-sale openings, cash refunds, till resets, and other cash-sensitive actions have the required authorization and traceable records.**

CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Sample cash controls across more than one till or shift where possible. Repeated small variances can be more informative than one large isolated difference.

24 **Record unsecured cash, uncontrolled till access, unexplained variances, weak reconciliation, missing documentation, delayed deposit handling, or repeated exceptions requiring investigation.**

CRITICAL

LOSS PREVENTION

Control / Area	Current	Evidence	Owner	Action

Execution tip: Sample cash controls across more than one till or shift where possible. Repeated small variances can be more informative than one large isolated difference.

5. POS exceptions, refunds, discounts, voids, returns, overrides, and loyalty controls

25 **Review refund, return, void, discount, markdown, price override, manual entry, gift card, loyalty, coupon, voucher, and manager-override activity for unusual or repeated exceptions.**

CRITICAL

LOSS PREVENTION

Control / Area	Current	Evidence	Owner	Action

Execution tip: Review exception patterns, not only individual transactions. Repeated refunds, voids, discounts, or overrides by the same user, till, or period can reveal weak controls.

26 **Verify exception transactions require the approved level of authorization and retain enough information to identify the transaction, employee, reason, amount, and supporting evidence.**

CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Review exception patterns, not only individual transactions. Repeated refunds, voids, discounts, or overrides by the same user, till, or period can reveal weak controls.

27 **Check returned merchandise is physically verified, correctly classified, returned to stock or dispositioned appropriately, and not used to create false inventory or cash adjustments.**

CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Review exception patterns, not only individual transactions. Repeated refunds, voids, discounts, or overrides by the same user, till, or period can reveal weak controls.

28 **Confirm employee purchases, staff discounts, friends-and-family discounts, promotional exceptions, price matches, and similar benefits follow the location's documented rules.**

CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Review exception patterns, not only individual transactions. Repeated refunds, voids, discounts, or overrides by the same user, till, or period can reveal weak controls.

29 **Review repeated exception activity by employee, till, shift, product, time period, or transaction type to identify patterns requiring management or loss-prevention review.**

CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Review exception patterns, not only individual transactions. Repeated refunds, voids, discounts, or overrides by the same user, till, or period can reveal weak controls.

30 **Record unsupported refunds, excessive overrides, repeated voids, missing return merchandise, shared approval credentials, or other transaction-control weaknesses.**

CRITICAL

LOSS PREVENTION

Control / Area	Current	Evidence	Owner	Action

Execution tip: Review exception patterns, not only individual transactions. Repeated refunds, voids, discounts, or overrides by the same user, till, or period can reveal weak controls.

6. Inventory accuracy, high-risk merchandise, stock adjustments, cycle counts, and shrink controls

31 **Verify high-value, high-shrink, easily concealed, restricted, serialized, or otherwise sensitive merchandise is identified and managed using the location's required controls.**
CRITICAL
LOSS PREVENTION

Control / Area	Current	Evidence	Owner	Action

Execution tip: Trace one high-risk SKU from system stock to shelf, back room, adjustments, transfers, damaged stock, and recent counts to test inventory accountability end to end.

32 **Check stock on hand, back-room quantities, shelf quantities, system quantities, serial or batch information, and location records for selected high-risk items.**
CRITICAL
LOSS PREVENTION

ACTUAL / COUNT Enter | EXPECTED Enter | VARIANCE Record

Execution tip: Trace one high-risk SKU from system stock to shelf, back room, adjustments, transfers, damaged stock, and recent counts to test inventory accountability end to end.

33 **Review recent stock adjustments, write-offs, damage adjustments, transfers, negative inventory, unexplained gains or losses, and repeated item-level variances.**
CRITICAL
LOSS PREVENTION

ACTUAL / COUNT Enter | EXPECTED Enter | VARIANCE Record

Execution tip: Trace one high-risk SKU from system stock to shelf, back room, adjustments, transfers, damaged stock, and recent counts to test inventory accountability end to end.

34 **Confirm cycle counts, spot checks, stocktakes, recounts, variance review, approval, and adjustment posting are completed according to the approved process.**
CRITICAL
LOSS PREVENTION

ACTUAL / COUNT Enter | EXPECTED Enter | VARIANCE Record

Execution tip: Trace one high-risk SKU from system stock to shelf, back room, adjustments, transfers, damaged stock, and recent counts to test inventory accountability end to end.

35 **Inspect damaged, returned, defective, display, tester, sample, promotional, or quarantine stock to confirm status is clear and inventory treatment is controlled.**
CRITICAL
LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Trace one high-risk SKU from system stock to shelf, back room, adjustments, transfers, damaged stock, and recent counts to test inventory accountability end to end.

36 **Record unexplained shrink, repeated high-risk SKU variance, missing serialized items, inaccurate stock status, weak adjustment approval, or poor inventory segregation.**
CRITICAL
LOSS PREVENTION

Control / Area	Current	Evidence	Owner	Action

Execution tip: Trace one high-risk SKU from system stock to shelf, back room, adjustments, transfers, damaged stock, and recent counts to test inventory accountability end to end.

7. Receiving, deliveries, supplier handoff, transfers, stockroom, and back-of-house controls

37 **Verify deliveries and transfers are received in designated areas and checked against approved purchase orders, transfer documents, quantities, product identity, and visible package condition.** CRITICAL

LOSS PREVENTION

Controlled | Needs action | Critical | EVIDENCE Add

Execution tip: Observe a real delivery or transfer where possible. Receiving controls are strongest when discrepancies are identified before stock is accepted into the store.

38 **Check shortages, overages, damaged cartons, broken seals, incorrect items, duplicate deliveries, missing documents, or other receiving discrepancies are recorded before acceptance is completed.** CRITICAL

LOSS PREVENTION

ACTUAL / COUNT Enter | EXPECTED Enter | VARIANCE Record

Execution tip: Observe a real delivery or transfer where possible. Receiving controls are strongest when discrepancies are identified before stock is accepted into the store.

39 **Confirm delivery drivers, vendors, service providers, and contractors remain within approved areas and do not have uncontrolled access to stockrooms, offices, cash areas, or employee-only zones.** CRITICAL

LOSS PREVENTION

ACTUAL / COUNT Enter | EXPECTED Enter | VARIANCE Record

Execution tip: Observe a real delivery or transfer where possible. Receiving controls are strongest when discrepancies are identified before stock is accepted into the store.

40 **Verify stock transfers, inter-store movements, returns to vendor, damaged-goods movement, and other stock exits have approved documentation and traceable handoff.** CRITICAL

LOSS PREVENTION

ACTUAL / COUNT Enter | EXPECTED Enter | VARIANCE Record

Execution tip: Observe a real delivery or transfer where possible. Receiving controls are strongest when discrepancies are identified before stock is accepted into the store.

41 **Inspect stockrooms, cages, high-value storage, receiving bays, back corridors, loading areas, waste zones, and temporary storage for organization, access control, and unexplained loose stock.** CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Observe a real delivery or transfer where possible. Receiving controls are strongest when discrepancies are identified before stock is accepted into the store.

42 **Record unattended deliveries, unsigned transfers, uncontrolled vendor access, stock left in unsecured areas, recurring receiving variance, or weak back-of-house accountability.** CRITICAL

LOSS PREVENTION

Controlled | Needs action | Critical | EVIDENCE Add

Execution tip: Observe a real delivery or transfer where possible. Receiving controls are strongest when discrepancies are identified before stock is accepted into the store.

8. Merchandise protection, fitting rooms, displays, exits, packaging, and customer-area controls

43 **Verify merchandise-protection controls required by the store are applied correctly to designated high-risk products without unnecessarily disrupting the customer experience.** CRITICAL

LOSS PREVENTION

Controlled | Needs action | Critical | EVIDENCE Add

Execution tip: Protect high-risk merchandise without making the store difficult to shop. Audit both shrink exposure and whether the control is actually used as designed.

44 **Check security tags, locked displays, tethering, cabinets, secure fixtures, display quantities, packaging controls, and other approved protective methods are in good condition where used.** CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Protect high-risk merchandise without making the store difficult to shop. Audit both shrink exposure and whether the control is actually used as designed.

45 **Inspect fitting rooms, changing areas, demo areas, pickup points, self-service zones, collection counters, and other customer areas that require additional loss-prevention attention.** CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Protect high-risk merchandise without making the store difficult to shop. Audit both shrink exposure and whether the control is actually used as designed.

46 **Verify discarded packaging, removed tags, empty boxes, concealed merchandise, damaged security devices, or suspicious product movement are reported and investigated according to store procedure.** CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Protect high-risk merchandise without making the store difficult to shop. Audit both shrink exposure and whether the control is actually used as designed.

47 **Check exits, customer pathways, queue areas, checkout visibility, merchandise placement, and promotional fixtures do not create avoidable blind spots or uncontrolled stock movement routes.** CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Protect high-risk merchandise without making the store difficult to shop. Audit both shrink exposure and whether the control is actually used as designed.

48 **Record failed protection devices, unsecured high-risk merchandise, poor fitting-room control, suspicious packaging evidence, exit-control gaps, or layout conditions increasing shrink risk.** CRITICAL

LOSS PREVENTION

Controlled | Needs action | Critical | EVIDENCE Add

Execution tip: Protect high-risk merchandise without making the store difficult to shop. Audit both shrink exposure and whether the control is actually used as designed.

9. Employee controls, contractors, belongings, waste, incidents, and reporting discipline

49 **Verify employees understand loss-prevention expectations, incident-reporting channels, cash and stock responsibilities, access rules, exception approvals, and escalation requirements relevant to their role.**

CRITICAL

LOSS PREVENTION

Controlled | Needs action | Critical | EVIDENCE Add

Execution tip: Use employee and contractor controls consistently and according to company policy. Loss prevention should rely on clear process, accountability, and evidence rather than assumptions.

50 **Confirm employee lockers, personal belongings, bags, uniforms, break areas, staff purchases, and other employee controls follow the organization's approved policy without inconsistent local practices.**

CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Use employee and contractor controls consistently and according to company policy. Loss prevention should rely on clear process, accountability, and evidence rather than assumptions.

51 **Check contractor, temporary-worker, cleaner, merchandiser, security, maintenance, and vendor activity is supervised or controlled according to access and stock-exposure risk.**

CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Use employee and contractor controls consistently and according to company policy. Loss prevention should rely on clear process, accountability, and evidence rather than assumptions.

52 **Inspect waste, cartons, damaged stock, disposal areas, compactors, recycling, returns, and back-door removal processes for approved checks and traceable disposal where required.**

CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Use employee and contractor controls consistently and according to company policy. Loss prevention should rely on clear process, accountability, and evidence rather than assumptions.

53 **Verify theft, suspicious behaviour, cash variance, stock loss, security fault, access issue, fraud concern, or significant policy breach can be reported promptly with useful evidence.**

CRITICAL

LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Use employee and contractor controls consistently and according to company policy. Loss prevention should rely on clear process, accountability, and evidence rather than assumptions.

54 **Record unreported incidents, repeated policy bypasses, uncontrolled contractor activity, weak waste checks, shared credentials, or patterns requiring management investigation.**

CRITICAL

LOSS PREVENTION

Controlled | Needs action | Critical | EVIDENCE Add

Execution tip: Use employee and contractor controls consistently and according to company policy. Loss prevention should rely on clear process, accountability, and evidence rather than assumptions.

10. Findings, investigation triggers, corrective action, verification, trends, and sign-off

55 **Record every loss-prevention finding with the exact area, observed condition, supporting evidence, potential loss exposure, immediate control, and responsible owner.**
CRITICAL
LOSS PREVENTION

Control / Area	Current	Evidence	Owner	Action

Execution tip: Convert findings into measurable closure. The audit is useful only when repeated loss drivers are corrected, verified, and tracked over time.

56 **Classify findings consistently using the approved critical, high, medium, low, observation, or equivalent method and escalate serious cash, stock, access, or security failures promptly.**
CRITICAL
LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Convert findings into measurable closure. The audit is useful only when repeated loss drivers are corrected, verified, and tracked over time.

57 **Assign each failed check to a named owner with priority, due date, temporary control, evidence requirement, escalation route, and verification responsibility.**
CRITICAL
LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Convert findings into measurable closure. The audit is useful only when repeated loss drivers are corrected, verified, and tracked over time.

58 **Verify closure using repeat inspection, transaction evidence, reconciliation records, access records, inventory recounts, equipment repair proof, photos, or other objective evidence.**
CRITICAL
LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Convert findings into measurable closure. The audit is useful only when repeated loss drivers are corrected, verified, and tracked over time.

59 **Review repeated shrink drivers, cash exceptions, refund patterns, inventory losses, receiving discrepancies, security faults, access issues, waste concerns, and overdue actions for systemic improvement.**
CRITICAL
LOSS PREVENTION

Controlled | Partial | Gap | N/A

Execution tip: Convert findings into measurable closure. The audit is useful only when repeated loss drivers are corrected, verified, and tracked over time.

60 **Record the final audit score, unresolved critical findings, investigation referrals, corrective-action status, next audit date, auditor, store manager, loss-prevention owner, approver, date, time, and sign-off.**
CRITICAL
LOSS PREVENTION

NAME Enter | DATE / TIME Enter | SIGN-OFF Sign

Execution tip: Convert findings into measurable closure. The audit is useful only when repeated loss drivers are corrected, verified, and tracked over time.