

Internal Audit Report: Financial Controls Q3 2024

Executive Summary

This audit assessed the effectiveness of financial controls across three divisions: operations, sales, and corporate finance. Our testing covered 847 transactions totaling \$12.4 million in expenditures.

Key Findings

1. Segregation of duties: Adequate controls in place for approval workflows. 2. Invoice processing: Identified 23 invoices processed without proper documentation. 3. Expense reimbursement: Policy compliance rate of 94%, up from 87% in Q2. 4. Reconciliation procedures: Monthly bank reconciliations completed timely in 11/12 accounts.

Recommendations

Implement automated controls for invoice documentation validation. Enhance training for expense policy compliance. Review reconciliation process for the one outlier account.