

# **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.