

Detailed Audit Observations

Audit Title:
Financial Controls Audit FY 2023

Department:
Finance Department

Date of Report:
2024-05-30

Lead Auditor:
Alex Morgan

Reviewed By:
Jamie Lee

Audit Observations Table

No.	Observation Area	Observation Details	Implications/Risk	Recommendations	Responsible Party	Target Date
1	Petty Cash Handling	Petty cash transactions lack supporting receipts in 7 of 30 reviewed cases.	Increased risk of unauthorized spending and untraceable disbursement.	Enforce strict documentation for all cash transactions with proper receipts.	Finance Officer	2024-07-01
2	Invoice Approval	Several invoices (April-May 2023) approved post-payment.	Poor control over expenditure, possible policy override.	Require approval prior to payment; automate invoice workflow.	Accounts Payable Lead	2024-06-15
3	Asset Register	Asset register not updated for recent IT equipment purchases.	Loss of asset control; inaccurate records affecting depreciation.	Update register monthly and cross-check with purchase records.	Asset Manager	2024-06-10

Important Notes

- This template should be customized for the specific audit scope and organization requirements.
- All observations should be supported by objective evidence documented during the audit process.
- Recommendations should be actionable, clear, and assigned to a responsible party with a target date.
- Periodic review of implementation status is critical to ensure corrective actions are taken.
- Confidentiality of audit findings must be maintained as per internal policies.