

Audit Summary: Key Audit Findings

Audit Title: Financial Statements Audit 2023

Entity Audited: Acme Corporation Ltd.

Audit Period: 01 January 2023 – 31 December 2023

Report Date: 20 March 2024

Key Audit Findings

No.	Observation	Implication	Auditor’s Recommendation	Management Response
1	Revenue recognition policies were inconsistently applied across subsidiaries.	Potential misstatement of revenue and financial results.	Standardize revenue recognition processes and provide additional staff training.	Management will update policies to ensure consistency by end Q2 2024.
2	Delay in monthly bank reconciliations for two business units.	Increased risk of undetected errors or fraud.	Implement centralized schedule and periodic monitoring.	The process will be automated effective April 2024.
3	Outdated user access rights for former employees found in IT system.	Potential unauthorized access to sensitive data.	Review and update access rights quarterly.	Immediate action taken and policy revised.

Conclusion

The audit identified areas requiring improvement in the entity’s internal controls and compliance with established procedures. Management has committed to implementing the recommended actions within specified timeframes.

Important Notes

- This document highlights the most significant audit findings and recommendations.
- It is intended for senior management, the board, and relevant stakeholders.
- Management’s responses are included for transparency and accountability.
- Follow-up procedures may be performed to assess the implementation of corrective actions.
- Confidential; to be used only for internal purposes.