

# Exception Audit Report: Expense Irregularities

**Report Reference:** EA-EXP-2024-07

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**Department:** Finance Department

## 1. Executive Summary

During the routine audit of expense records for Q2 2024, multiple irregularities were identified regarding employee expense reimbursements. This report summarizes the nature, findings, and recommended actions.

## 2. Details of Exceptions

#	Employee Name	Date	Expense Type	Irregularity Detected	Amount	Remarks
1	John Smith	2024-05-12	Travel	Duplicate Claim	\$320	Claimed twice for same trip.
2	Linda Chung	2024-06-04	Meal	Unapproved Vendor	\$55	Receipt from non-approved restaurant.
3	Amit Patel	2024-05-27	Accommodation	Exceeds Limit	\$410	Exceeds nightly lodging limit by \$110.

## 3. Investigation & Findings

Each exception listed was examined. Documentary evidence was reviewed and concerned employees were interviewed. All listed expenses have been confirmed as irregular, either due to procedural violations or lack of sufficient documentation.

## 4. Recommendations

- Seek reimbursement from employees for disallowed expenses.
- Conduct refresher training on expense policies.
- Implement automated checks in the expense system to flag duplicates and over-limit claims.
- Introduce mandatory documentation for all expense claims.

## 5. Conclusion

The audit identified three primary exceptions in expense reimbursements for Q2 2024. Corrective steps are recommended to prevent recurrence and ensure compliance.

## Important Notes

- Exception Audit Reports should be factual and based on verifiable evidence.
- Maintain confidentiality of employee details in public or widely circulated reports.
- Reports must be reviewed and approved by relevant supervisors before circulation.
- Document retention policies should be followed for audit materials and findings.