

Audit Compliance Verification Report

Report Date	2024-06-14
Audited Entity	Acme Corporation
Audit Period	2023-01-01 to 2023-12-31
Audit Team Lead	Jane Smith
Scope of Audit	Financial Operations & Compliance with Regulatory Requirements

1. Introduction

This narrative report presents the results of the compliance verification audit conducted at Acme Corporation. The objective of the audit was to assess adherence to applicable internal policies and regulatory requirements for the fiscal year 2023.

2. Methodology

The audit team performed a review of relevant documentation, conducted interviews with key personnel, and carried out sample testing of selected transactions. The audit covered processes related to financial operations, recordkeeping, and internal controls.

3. Findings

The following summarizes key findings observed during the audit:

- Most financial operations were conducted in compliance with documented procedures and external regulations.
- Documentation gaps were identified in vendor contract files, with 2 out of 20 reviewed records missing required approval signatures.
- Instances of delayed expense report submissions were noted, suggesting a need for periodic staff training.
- No evidence was found of intentional non-compliance or fraudulent activity.

4. Recommendations

- Implement periodic reviews of contract documentation to ensure completeness and proper authorization.
- Conduct refresher training for staff on timely expense reporting and documentation standards.
- Enhance internal monitoring controls for sensitive transactions.

5. Conclusion

Overall, Acme Corporation demonstrates a satisfactory level of compliance with applicable policies and regulations. The identified issues are minor and do not represent systemic weaknesses. Management's commitment to implementing the above recommendations will further strengthen compliance controls.

6. Acknowledgements

The audit team appreciates the cooperation and transparency provided by management and staff during this engagement.

Important Notes:

- This narrative report provides an overview; detailed working papers are available upon request.

- Recommendations are intended for process improvement, not as indications of deliberate non-compliance.
- Periodic audits should be scheduled to ensure ongoing compliance.
- Management response to the findings must be documented and tracked.