

Observation and Recommendation Table for Audit Compliance

| No. | Observation | Implication / Risk | Recommendation | Management Response | Responsible Person | Target Date |
|-----|---|---|---|--|---------------------|-------------|
| 1 | Certain expense claims not supported by receipts. | May result in unauthorized or fraudulent expenses being reimbursed. | Implement mandatory receipt submission for all claims. | Will update expense policy by next month and conduct staff training. | Finance Manager | 30/07/2024 |
| 2 | Delayed bank reconciliations noted for Q2. | Delays could mask errors or irregularities in transactions. | Ensure monthly reconciliations are completed within the first week following month-end. | Additional resource to be allocated for reconciliation process. | Accounts Supervisor | 15/08/2024 |
| 3 | Access rights not regularly reviewed for key systems. | Potential unauthorized access to sensitive data. | Conduct quarterly review and maintenance of access rights. | Access review schedule will be implemented immediately. | IT Department | 01/09/2024 |

Important Notes:

- This table serves as a record of audit findings and tracks the implementation of recommended actions.
- Clear assignment of responsibility and target dates is essential for accountability and timely remediation.
- Management responses should address the recommendation and outline intended corrective actions.
- Regular updates are advised to ensure ongoing audit compliance and effective follow-up.