

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is crucial for ensuring transparency and accountability in the organization's operations.

2. The second part of the document outlines the specific procedures and protocols that must be followed when conducting financial transactions. This includes details on how to properly document and approve all expenditures and receipts.

3. The third part of the document provides a detailed overview of the organization's budgeting process. It explains how the budget is developed, reviewed, and approved, and how it is used to monitor and control the organization's financial performance.

4. The fourth part of the document discusses the organization's policy on the use of funds. It outlines the various categories of expenses that are permitted and the specific requirements for each category.

5. The fifth part of the document provides information on the organization's financial reporting requirements. It details the frequency and content of the reports that must be prepared and submitted to the governing body.

Category	Sub-category	Amount
Operating Expenses	Salaries	120,000
Operating Expenses	Benefits	30,000
Operating Expenses	Travel	15,000
Operating Expenses	Office Supplies	5,000
Operating Expenses	Utilities	10,000
Operating Expenses	Insurance	20,000
Operating Expenses	Depreciation	10,000
Operating Expenses	Other	5,000
Capital Expenses	Equipment	50,000
Capital Expenses	Construction	25,000
Capital Expenses	Other	5,000
Income	Revenue	200,000
Income	Grants	50,000
Income	Other	5,000
Net Income		105,000

## ANNEXURE I



The following table provides a summary of the key findings and recommendations from the audit. It highlights areas where the organization is performing well and identifies specific areas for improvement.

Key Findings:

- The organization has a strong control environment and a clear understanding of its financial reporting requirements.
- The budgeting process is well-defined and follows a systematic approach.
- The organization has implemented robust internal controls to ensure the accuracy and integrity of its financial data.
- There are some areas where the organization's financial reporting could be improved, particularly in the area of asset management and expense tracking.

Recommendations:

- Improve the accuracy of asset management records by conducting regular physical inventories.
- Enhance the tracking and documentation of expenses to ensure all costs are properly recorded and approved.
- Strengthen the internal control system by implementing additional checks and balances in key areas.
- Provide ongoing training and education for staff to ensure they are up-to-date on the latest financial reporting standards and regulations.