

Something is not right about your collection?

Many businesses focus on sales, but safeguarding your assets including cash depends on your internal control.

Talk to us about how to safeguard your assets and how we can improve your internal control.

Call us at **6438 6133**
or email us at enquiry@ytkmgt.com.sg

Case Study – Financial Internal Control

A business owner of a retail shop selling apparels uses the following system of internal control for cash sales. Sales staff will enter all pre-numbered customer bills into the Point-of-Sale (POS) system. At the end of the day, the sales staff will print out the daily sales report, list the sales transactions on a deposit slip and deposit the money into the bank. The business owner will then tally the total on the deposit slip with the daily sales report.

However, the business owner did not realise that the sales staff has been skimming a portion of the shop's cash receipts by omitting some cash sales and pocketing the corresponding amounts on a daily basis. The business owner eventually uncovered the fraud when he became suspicious of the low cash taking recorded on a good cash sales day. Through further investigation, the business owner realises that the sales staff has been doctoring the accounts for over a period of three months, which amounts to a total loss of over \$50,000.

Are you prepared to loss \$50,000 or more for your confidence in your internal control?



YTK's capabilities in Financial Management

How YTK Management Consultants can help you

We can help you to understand your current financial control level in your business and most importantly to be able to assist your business to establish a firm foundation in your financial control, minimizing the chances of collusion in fraud due to weak financial control. Our services include:

Training and Awareness

Financial control is not only the responsibility of the accountant or management. Everyone in the organization has to have a clear focus on the goal and understand how they personally contribute to the achievement of that objective.

We can help to create an awareness programme, which includes advice and training for your employees to create a culture of high awareness in financial control. More importantly, does your company have the courage to make the change happen?

Readiness Assessment

Beyond creating awareness, your business needs to identify and understand the gap between the current and expected level of financial control.

We assist businesses in conducting readiness assessments to identify their current level of compliance with respect to the required level of financial control. We will extensively review and analyse your existing policies and processes from all angles, and compile our observations into a concise management report. In the report, we will make recommendations and guide your business to close any gaps that are identified.

Financial Control Framework and Manual Development

Based on our experience, we find that a financial control system will only be optimal for businesses if it can run with minimal human intervention and is based on a well-documented process. To do so, we can share our expertise with you on how to establish clear financial control processes, policies and procedures. Through collaboration, your company can have a control system that produces consistent results and ensures continuity at the same time.

