

Transport of food to famine relief camps

Introduction

This audit is the first follow-up to the report issued on March 8, 20X0. Since the audit was carried out, the transport of food has been contracted out to three local companies. At the time of this audit, these companies had not been required to deliver any food, and are therefore untried.

Conclusions

Objective:		
Establish a supply chain to ensure prompt delivery of food to the highest priority area		
	Original audit	Follow-up
Significance of the objective to the organization	HIGH	HIGH
Conclusions:		
Has management established a proper internal control framework? That is, has management: specified their objectives, identified the risks threatening these objectives and established controls which should reduce the risks to acceptable levels?	NO	YES
Are these controls sufficient and operating to bring the risks to below the risk appetite and ensure the achievement of the related objective?	NO	Exceptions
Is action being taken which will bring the risks to below the risk appetite and ensure the achievement of the objective?	YES	YES
Overall conclusion: Are the risks to the organization's objectives being managed to acceptable levels?	NO	Exceptions

We have been assured that satisfactory action has been taken on all issues. Although we have not been able to visit DR Congo to confirm the suitability of the contractors, we have contacted some of the other charities using them, and received satisfactory reports.

Follow-up

Our overall conclusion is 'Yes, with exceptions' because the contractors have not yet been required to deliver food and the system for monitoring their performance is therefore untried. A further follow-up audit, to confirm that monitoring is working, will take place in December 20X0.

The summary of action taken is shown below.

Summary of action taken

Deficiency	Action promised	Action taken to date	Grade
Staff are unaware of their objectives	All staff in DROC will have job descriptions and targets by the end of March 20X0, written by the Country Manager.	Job descriptions written and checked by auditors	
	All staff will be appraised at the end of September 20X0 by the Country Manager.	To be done	
	Training will be arranged by the Country Manager as part of the move to contract transport.	Training, including that for decision making, has taken place	
	The Country Director will monitor that all staff have job descriptions, targets and appraisals from April 1, 20X0.	Director has checked job descriptions are written and targets have been set	
Risks have not been identified	Internal Audit has been charged, by the Audit Committee, to ensure the risks register is kept up-to-date for all processes and that this is confirmed to them at each quarter's meeting.	Risks identified Internal Audit are keeping the risks register	
The full fleet of lorries is not available for the transport of food	The Logistics and Country Director (DR Congo) will appoint a contractor by the end of March.	Three contractors appointed but not tried. Monitoring not therefore confirmed.	
There are no controls at HQ to ensure that instructions to distribute food are sent on time	The Country Director to immediately assume responsibility for formally notifying the country office	Action complete	
HQ plans routes to famine relief areas but these are not used	The local office to plan routes, with immediate effect	Action complete	