To: [Recipient Name/Department]

From: [Internal Audit Department Name]

Date: [Insert Date]

Subject: Internal Audit Report: Billing Cycle Error Discovery

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1. Executive Summary

This report outlines the findings regarding a systemic error identified within the billing cycle for the period of [Start Date] to [End Date]. The audit was initiated following [reason for audit, e.g., routine check/discrepancy report].

2. Findings

The audit team identified the following discrepancy: [Provide brief description of error, e.g., duplicated invoices, incorrect tax application, or late processing].

- **Root Cause:** [Identify cause, e.g., software glitch, manual entry error, or outdated policy].
- **Scope:** [Number of accounts affected] accounts were impacted.
- **Financial Impact:** The total estimated variance is [Amount].

3. Corrective Actions Taken

Immediate steps were taken to mitigate the issue:

- [Action 1, e.g., Pausing current billing run]
- [Action 2, e.g., Issuing credit notes to affected clients]

4. Recommendations

To prevent recurrence, the Internal Audit Department recommends:

1. [Recommendation 1, e.g., Implementation of automated reconciliation tools]
2. [Recommendation 2, e.g., Additional staff training on billing software]

5. Conclusion

We require a formal response from the Billing Department by [Date] outlining the timeline for implementing the recommended changes.

Sincerely,

[Name of Lead Auditor]
[Title]
[Internal Audit Department]