

Internal Control Checklist for Community and Voluntary Organisations

This guidance document is designed to assist community and voluntary organisations evaluate their performance against internal control recommendations by answering a simple set of questions below. If you answer “No” to many of the questions it may be advisable to re-evaluate procedures within the organisation.

This checklist only provides a general indication and is not an exhaustive list, but should cover most aspects of good practice.

SECTION A: GOVERNANCE

A1 Organisation Strategic Plan

Does the organisation have a written, agreed and communicated Strategic Plan?

Yes No

A2 Organisation Structure

Does the organisation have a defined plan containing the organisation’s structure?

Yes No

Is the organisation structure communicated to all staff, laying down all possible lines of authority?

Yes No

A3 Budgeting

Are annual budgets covering all income and expenditure prepared and approved by the organisation?

Yes No

Are the budgets approved by the Trustees/Board?

Yes No

Where necessary, can the budget categories be adjusted to any changes during the year?

Yes No

Are actual income and expenditure figures compared against budgets at regular and frequent intervals?

Yes No

Are cash flow forecasts prepared for the year, indicating when receipts and payments will occur and updated at regular and frequent intervals?

Yes No

SECTION B: INCOME

B1 Income Received by Post

Is all incoming post opened at the earliest opportunity and in the presence of two authorised people?

Yes No

Are all incoming cheques and cash donations recorded immediately and entries verified by a person other than the recorder?

Yes No

Are all donations acknowledged by a written receipt?

Yes No

Is the security of unopened mail maintained to ensure that the post box cannot be interfered with?

Yes No

B2 Fundraising

Does the organisation have a Fundraising Protocol in place and operational?

Yes No

Has the Fundraising Protocol been recently updated to conform to current best practice?

Yes No

Has the Fundraising Protocol been communicated and explained to all involved in Fundraising, both staff and volunteers?

Yes No

Are there clearly defined and documented roles and responsibilities for fundraising activities?

Yes No

Is there appropriate insurance cover in place for all fundraising activities?

Yes No

B3 Public Collections

Are all public collections (including branch activities) approved in advance by the organisation?

Yes No

Are the relevant legal permits obtained and retained for each public collection?

Yes No

Are all collection boxes individually numbered and are there documented controls in place for their allocation and return?

Are all collection boxes sealed?

Yes No

Are all static boxes regularly opened and contents counted in the presence of two authorised people, who have not been involved in the collection?

Yes No

Is all collection money paid directly into the organisation's bank account?

Yes No

Where the collection has been undertaken by a branch or similar, is all the collection money immediately remitted to the HQ bank account or immediately advised to HQ?

Yes No

B4 Fundraising Events

Are all fundraising activities (including branch activities) approved in advance by the organisation?

Yes No

Are records kept for each fundraising event in sufficient detail to show gross receipts and costs incurred?

Yes No

For events for which there is ticket income:

- Are all tickets pre-numbered?

Yes No

- Is a records kept of all ticket sellers and their allocated ticket numbers?

Yes No

- Is a record kept of all tickets sold?

Yes No

- Is a reconciliation of receipts against tickets sold done?

Yes No

Is all fundraising money paid directly into the organisation's bank account?

Yes No

Where the event has been organised by a branch or similar, is the entire fundraising event surplus (*or the previously agreed proportion*) immediately remitted to the HQ bank account or immediately advised to HQ?

Yes No

B5 Grants/Funding

Are regular reconciliations done against amounts received to amounts due from the relevant government and/or statutory authority?

Yes No

Are all grants received, whether from government/statutory agencies or other funders, recorded in an open and transparent manner?

Yes No

Can all expenditure of grants be tracked in the financial accounts in an open and transparent manner?

Yes No

Are all grants used expressly for the purpose for which they have been granted?

Yes No

Are records kept for each grant in sufficient detail to show gross receipts and costs incurred, by individual grant?

Yes No

Are regular reports issued to all funders?

Yes No

SECTION C: EXPENDITURE

C1 Policy

Is there a written policy in place which sets out who can authorise expenditure and to what level, and is this policy available to all staff?

Yes No

C2 Purchases

Are sequentially, pre-numbered purchase order books used for the purchase of all goods and services?

Yes No

Are invoices checked against purchase orders and delivery dockets?

Yes No

Are all invoices only paid after ensuring that the goods or services have been received and are in good order?

Yes No

Are there authority levels in place for placing orders over a certain amount?

Yes No

C3 Payments

Is a payment requisition form completed when a payment is due for which there is not an invoice?

Yes No

Is a payment requisition form completed when an invoice is due for payment?

Yes No

Are there at least two signatories on the payment requisition form?

Yes No

Are the original invoices available as backup, when a payment is being requisitioned or authorised?

Yes No

Is there a policy of never signing blank cheques?

Yes No

Are all documents stamped "paid" to ensure that payment cannot be made twice on the same document?

Yes No

Are minor expenses paid out of petty cash?

Yes No

Are all non-petty cash payments recorded in the payments book/system, noting the relevant payment details, such as cheque numbers, credit transfer reference, Internet Banking reference, direct debit Reference, etc.?

Yes No

Is a written policy and practice covering payment procedures available to all staff?

Yes No

Are most payments made by cheque or credit transfer, and are cash payments kept to a minimum?

Yes No

C4 Petty Cash

Are all payments made from a fixed float?

Yes No

Do all payments have supporting documentation and are filed safely?

Yes No

Are all payments entered in a petty cash book/system?

Yes No

Is the amount of the petty cash float set and any amount exceeding this limit paid by cheque?

Yes No

Is all cash in the office kept in a locked cash box or safe?

Yes No

Is the Petty Cash counted and reconciled every month?

Yes No

C5 Bank Accounts/Banking

Is a register kept of all bank accounts operating within the organisation?

Yes No

Are all bank accounts held in the name of the organisation and not in the names of individuals?

Yes No

Is the opening and closing of accounts properly authorised by the Trustees/Board?

Yes No

Are monthly bank reconciliations carried out for every bank account (irrespective of the number of transactions, if any)?

Yes No

Are all bank reconciliations verified and signed by an authorised person, other than the reconciler?

Yes No

Are all bank accounts and bank statements regularly inspected, for example by the CEO and/or Treasurer?

Yes No

Are all incoming receipts banked regularly and as soon as possible?

Yes No

-Is there a pool of authorised signatories available to sign/authorise cheques/payments?

Yes No

Is the safety of getting money to the bank ensured?

Yes No

Is the lodgement book kept and maintained by authorised individuals?

Yes No

Are all banking procedures made available to all staff?

Yes No

C6 Fixed Assets

Is an overall fixed asset schedule kept and updated regularly, including any assets donated for use by the organisation?

Yes No

Are all properties that are rented, leased or owned vested solely in the name of the organisation, and not in the name of an individual or entity?

Yes No

Are all fixed assets checked at regular intervals to ensure they remain in good repair and continue to be of use to the charity?

Yes No

Is the use of the fixed assets reviewed annually?

Yes No

Has consideration been given to the need for insurance cover for fixed assets?

Yes No

Is the depreciation charge calculated and reviewed by the organisation prior to the annual audit?

Yes No

Is there an authorisation policy in place relating to the purchase of capital expenditure?

Yes No

C7 Staff/Payroll

Do all staff have an Employment Contract and a current Job Description?

Yes No

Are all staff policies and procedures, including a Grievance Procedure and a Sick Pay Procedure, in place and up-to-date?

Yes No

Are personnel files kept for all employees and kept separately from wages records?

Yes No

Are all staff paid by cheque or credit transfer and cash payments avoided?

Yes No

Are all wages/salary increases properly authorised?

Yes No

Are regular and frequent checks made on all wages/PAYE records to ensure no discrepancies?

Yes No

Are all salary/wages complying with PAYE regulations?

Yes No

Are staff provided with the training and support they need to carry out their individual jobs?

Yes No

Are all monthly/quarterly/annual returns made to the Revenue Commissioners on a timely basis?

Are PAYE/PRSI payments remitted to the Revenue Commissioners on a timely basis?

Yes No

Are the Wages, PAYE/PRSI and Pension Control Accounts analysed on a monthly basis?

Yes No

Do all staff receive a payslip with each salary payment?

Yes No

Do all staff receive a P60 annually?

Yes No

Have all staff been advised of their rights in relation to Pension/PRSA?

Yes No

SECTION D: REPORTING

D1 Financial Reporting

Are proper books and records kept for all transactions (including all branch activities, if applicable)?

Yes No

Are monthly/quarterly financial reports detailing income and expenditure reviewed and approved?

Yes No

Are monthly/quarterly summary financial reports provided to the Trustees/Board and reviewed?

Yes No

D2 Annual Accounts/Audit (where applicable)

Are all the activities of the organisation (including all branch activities) included in the annual financial statements (and the audit, where applicable)?

Yes No

Are annual financial statements formally reviewed and approved by the Trustees/Board prior to the annual audit?

Yes No

Do annual accounts comply with the latest accounting standards and in compliance with the latest charity or company legislation?

Yes No

Are the annual accounts available for inspection at any time during the year by the Trustees/Board?

Yes No

Is the external auditor appointed (where applicable) by the Trustees/Board for the annual audit of accounts?

Yes No

D3 Record Keeping

Are all documentation related to all items of income and expenditure (including branch activities) kept for a minimum of six years?

Yes No

Where accounts are computerised, are safeguards in place in respect of hardware and offsite backups in place in respect of software and data?

Yes No