

# Internal Audit Checklist for Financial Processes

An **internal audit checklist** for financial processes ensures thorough examination and compliance with regulatory standards. It helps identify discrepancies, improve accuracy, and strengthen financial controls. Using a standardized checklist enhances transparency and supports effective risk management.

## Checklist

- 1. Policies & Procedures**
  - Are accounting policies documented and up to date?
  - Are financial roles and responsibilities clearly defined?
- 2. Authorization & Approval**
  - Are all transactions properly authorized and approved?
  - Are approval limits in place and enforced?
- 3. Record Keeping**
  - Are all financial records accurate, complete, and retained according to policy?
  - Are adjustments and corrections tracked and documented?
- 4. Reconciliation**
  - Are bank and general ledger accounts regularly reconciled?
  - Are discrepancies investigated and resolved promptly?
- 5. Segregation of Duties**
  - Is there adequate segregation of duties among staff handling financial processes?
  - Are controls in place to detect conflicts of interest?
- 6. Financial Reporting**
  - Are financial statements prepared in accordance with applicable accounting standards?
  - Are reports reviewed and approved by management?
- 7. Compliance**
  - Are financial processes compliant with relevant laws and regulations?
  - Is there ongoing training and awareness on compliance requirements?
- 8. Risk Management**
  - Are risks to financial processes identified and assessed regularly?
  - Are mitigation measures documented and implemented?
- 9. IT Controls**
  - Are financial systems access controls sufficient and regularly reviewed?
  - Are data backup and recovery processes effective?

## Notes

- Document all findings and action items.
- Assign responsibilities for follow-ups.
- Ensure continuous monitoring and periodic review.