

AbaF

Financial management checklist

1. Does the Board member with qualifications and experience in finance advise the Board on financial matters, and in particular, the monitoring of financial reports?
2. Does the person attend all Board meetings?
3. Does the person responsible for preparing the financial statements for the Board attend that part of a Board meeting at which finance is discussed?
4. Does the CEO personally check all financial reports before they are distributed to the Board?
5. Is the person who prepares the financial statements free to discuss with the Board any matters relating to the accounts?
6. Is a standard format used for all financial reports?
7. Does the Board receive:
 - a) monthly financial statements prepared on an accrual basis of accounting?
 - b) monthly or quarterly cash flow statements?
 - c) all reports on a timely basis?
8. Does the Board receive a regular written report from the administrator highlighting any exceptional items in the financial statements?
9. Is a regular comparison made of budgeted income and expenditure with actual income and expenditure?
10. Does the Board ensure that revised estimates are prepared at the half-year point for the balance of the year (to reflect actual income and expenditure to date)?
11. Are detailed budgets prepared for all activities covered by the full estimates?
12. Does the Board insist that:
 - a) detailed budgets, including cost benefit assumptions, are prepared for all substantial capital expenditure?
 - b) feasibility studies are carried out and circulated to the Board showing how all capital expenditure will be paid for before any final decisions are taken?
 - c) at least three quotations are obtained from potential suppliers before considering any major capital expenditure?
13. Does the Board ensure that actual capital expenditure is compared with budgeted capital expenditure on a regular basis?
14. Are detailed working papers prepared and kept by staff to support figures in all financial statements prepared for the Board?
15. Are all questions asked at a Board meeting properly answered or, if not, deferred to the next meeting?
16. Does the Board ensure that the investment of company funds at call or otherwise with an institution is in line with company policy?
17. Does the Board ensure that the company has an adequate system of internal control over all financial transactions?

18. Does the Chair meet the company's auditors at least once a year?
19. Does the Board review all management letters from the external auditor?
20. Is the Board satisfied with the quality of financial information provided for all Board meetings?

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