

Congregation Audit Form

In order to perform the audit, the auditor should have access to:

All accounting records including receipts, deposit slips, bank statements and canceled checks, invoices, bills and other documentation and correspondence that is relevant to the finances of the congregation.

Steps to follow:

1. Count any petty cash on hand.
2. Bank Statement Reconciliation
 - a. Are written bank reconciliation's prepared on a timely basis?
 - b. Test the reconciliation for the last month in the year the audit covers.
 - c. Are there checks that have been outstanding over three months and if so do any need to be written off?
 - d. Obtain the last bank statement (unopened) and perform the reconciliation.
3. Trace checks and deposits from bank statement to the Financial Officers books.
4. Check to see that disbursements are supported by proper invoices.
 - a. Match EFT withdrawals for contributions to emails received.(If FO is receiving emails)
5. Compare actual income and expenses with the approved budget.
6. Verify that contributor statements are produced and distributed in a timely manner.
 - a. Select one month of offerings and trace amounts from envelopes to either the SC-112's or printout from Shelby and compare to bank statement.
7. Compare any loan balance on books with statements.
8. Verify any investment balances with statements. Make sure all earnings have been posted to the books.
9. Review journal entries for appropriate documentation.
10. Review business meeting minutes for the period since the last audit noting items related to finances.

It is not necessary to check every single entry in the books, but the auditor should test enough of the transactions to be satisfied as to the reasonable correctness of the accounts.

A sampling of the transactions would include:

1. Trace every disbursement over \$500.00.
2. Select three or four months and trace every receipt and disbursement.
3. For the other ten months select random receipts and disbursements to verify.