Fixed Assets Audit Internal Controls Checklist

General Information:
[ ] Audit Date: ____________________
[ ] Audit Team Members: ____________________

Asset Documentation and Records:

Asset Register:
[ ] Verify the existence of an up-to-date asset register.
[ ] Confirm that asset details in the register match physical assets.
[ ] Ensure proper authorization for changes to the asset register.

Acquisition Records:
[ ] Review purchase orders and invoices for asset acquisitions.
[ ] Check for evidence of proper approvals and receipts.

Disposal Records:
[ ] Verify documentation for asset disposals, including sales and write-offs.
[ ] Confirm proper approvals and supporting documents.

Depreciation Records:
[ ] Review depreciation schedules and calculations.
[ ] Ensure compliance with accounting standards.

Asset Physical Verification:

Asset Tags and Labels:
[ ] Confirm that assets are labeled with identification tags.
[ ] Ensure tags are securely attached and include necessary information.

Asset Location:
[ ] Physically locate and inspect assets in their assigned locations.
[ ] Verify that assets are in their documented places.

Condition Assessment:
[ ] Assess the condition of assets, noting any damage or wear.
[ ] Document assets that appear obsolete or no longer in use.
Asset Ownership and Responsibility:

Ownership Assignment:
[ ] Verify that each asset is assigned to the appropriate department or individual.
[ ] Ensure documentation supports ownership assignments.

Asset Transfers:
[ ] Review records of asset transfers between departments or locations.
[ ] Confirm proper approvals and documentation for transfers.

Asset Disposal and Write-Off Controls:

Disposal Authorization:
[ ] Confirm that disposals are authorized by relevant personnel.
[ ] Review documentation supporting disposal decisions.

Write-Off Procedures:
[ ] Verify that write-offs are based on valid reasons and properly documented.
[ ] Ensure that write-offs are approved by authorized personnel.

Depreciation Control:

Depreciation Calculation:
[ ] Review depreciation calculations and methods used.
[ ] Ensure consistency with accounting standards.

Approval for Depreciation Changes:
[ ] Confirm that any changes in depreciation methods or rates are properly authorized.
[ ] Review documentation supporting changes.

Asset Reconciliation:

Reconciliation Process:
[ ] Verify the existence of a periodic reconciliation process between the asset register and financial records.
[ ] Ensure reconciliation discrepancies are investigated and resolved.
Segregation of Duties:

Authorization and Custody:

[ ] Confirm segregation of duties between those responsible for asset authorization and custody.

Record Keeping and Asset Handling:

[ ] Ensure separation of responsibilities for maintaining records and handling physical assets.

Audit Findings and Recommendations:

[ ] Summarize audit findings related to internal controls.
[ ] Provide recommendations for strengthening internal controls and addressing any control weaknesses.

Signatures:

[ ] Lead Auditor: ___________________________ Date: ______________
[ ] Audit Team Member: ______________________ Date: ______________
[ ] Reviewed by (if applicable): ______________ Date: ______________

The Fixed Assets Audit Internal Controls Checklist outlines key control measures to ensure the accuracy and security of fixed asset data.