



ea Education
Authority

Financial Verification Visit Guidance for Voluntary Youth Organisations

**For all Youth Organisations in receipt of
EA Youth Service Funding**



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Contents

01	Introduction to the Verification Vist	Page 4
02	Objectives of Verification Visit	Page 4
03	Verification Visit Responsibilities	Page 4
04	Verification Process	Page 5
05	Areas to be Review and Purpose	Page 6
06	Documentation Reviewed as Part of Verification	Page 6
07	Support and Information	Page 7

Introduction to the Verification Visit

The purpose of financial verification is to ensure that adequate financial arrangements are in place for expenditure incurred by Voluntary Youth Organisations (Regional and Local) from funds directly controlled by EA Youth Service.

Verification visits apply to organisations who are in receipt annually across all schemes of £30,000 or more in funding. The Education Authority will require adequate working space for the visiting verification officer(s) during their visit to complete the review

Objectives of Verification Visit

1

To carry out an independent review of the financial systems of control operating in Voluntary Youth Organisations and report any areas of concern that may come to light as a result of the Verification process.

2

Verification Visits will, where practicable, include a range of sample compliance tests on EA Youth Service funding to ensure that acceptable procedures are in place and, where applicable, relevant financial regulations are being adhered to.

3

Such activities are intended to give the Head of Youth Services (Regional and Local Services) confirmation that funding received from EA is being properly accounted for.

Verification Visit Responsibilities

Authority

The scope of Verification Visit activity is authorised by the Head of Youth Services (Regional and Local Services), approved by the Assistant Director (Youth Service). Verification Officer(s) has a right of access to all financial records, assets funded directly by EA and has the authority to obtain such information as they consider necessary to fulfil their responsibilities.

Responsibility

It is the responsibility of Verification Officer(s) to ensuring that they review all EA Youth Service financial expenditure and appropriate financial controls in order to:

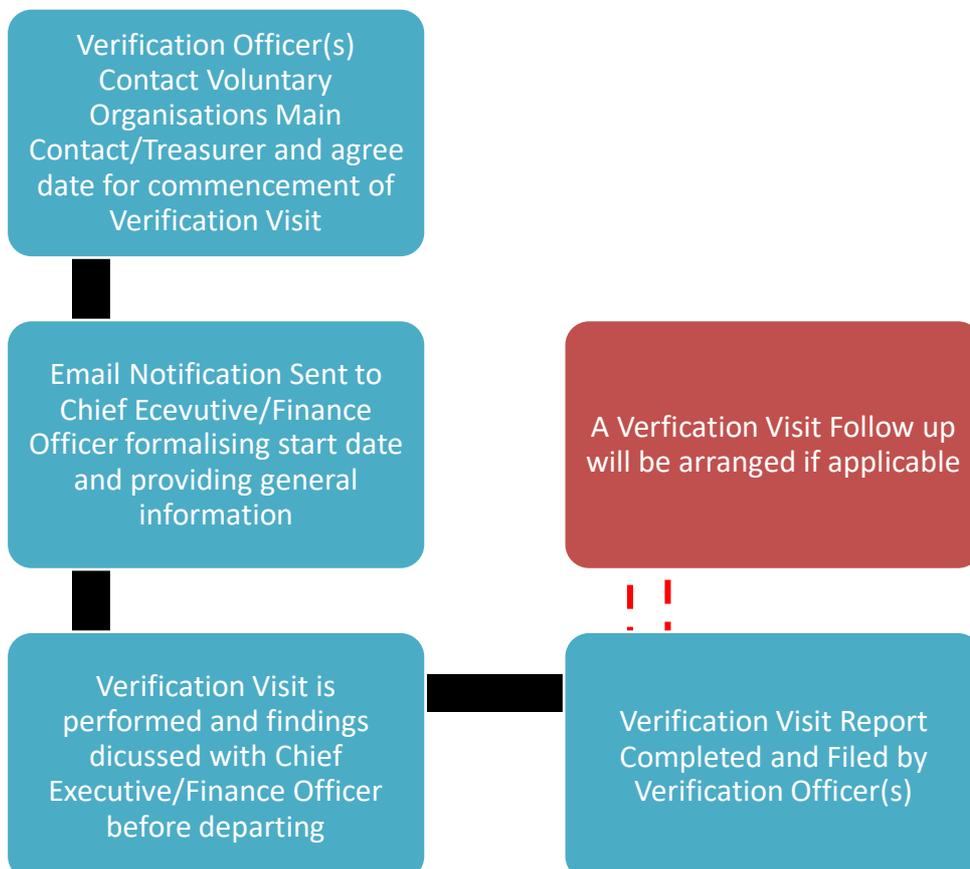
- monitor the financial activities of EA funded organisations;
- ensure the economical, effective and efficient use of EA Youth Service resources;
- ensure compliance with established financial policies, procedures, laws and regulations;
- safeguard the EA’s assets and interests from losses of all kinds including those arising from fraud, irregularity or corruption;
- ensure the integrity and reliability of financial information, accounts and data including internal and external reporting and accountability processes;
- ensure that controls offer adequate protection against error, fraud and loss of all kinds and that the process aligns with the EA’s overall strategic aims.

Responsibilities in Respect of Fraud

Verification Officer(s) do not have overall responsibility for the prevention or detection of fraud. However, Verification Officer(s) will be alert in all their work-based visits to potential financial risks and will report any such risks that could allow fraud to the Head of Youth Services (Regional or Local Services) in the first instance and the Education Authority Head of Internal Audit.

Verification Process

Outlined below is the Verification visit, delivery and reporting process



Areas to be Reviewed and Purpose

Outlined below are the area the verification officer(s) will review and purpose

Area	Purpose
Financial Management	<i>To ensure that adequate systems exist to create, control, and monitor EA Youth Service budgets, report variances and initiate corrective action.</i>
Procurement	<i>To ensure that orders are properly authorised, payments are only authorised for goods actually received, and prices paid reflect the minimum necessary prices taking account of all relevant factors including the availability of centrally negotiated contracts, if applicable.</i>
Alternative/Additional Funding	<i>To assess if adequate systems of control in are in place to mitigate the risk of loss through inefficiency, waste or fraud of any alternative EA Youth Service funding.</i>
Miscellaneous	<i>Transactions or failing to comply with financial procedures worthy of noting and bringing to the attention of the Head of Youth Service (Regional or Local Services).</i>

Documentation Reviewed as Part of Verification

Outlined below is a list of documents by area that will be reviewed by the visiting Verification Officer(s)

Governance

- Letter of Offer or e-mail to show that organisation received funding from EA;
- Minutes of Relevant Finance Meetings (if applicable);
- Authorised year-end Financial Statements or
- Authorised year-end Income and Expenditure Reports.

Financial Management

- Salary File for EA Funded Employees including P45's, P60's, Month End Payment Summaries, Year End Summaries;
- List of Nominal Accounts;
- Budget and Expenditure Report;
- Transaction Listings (if applicable);
- Year End Trial Balance (if applicable);
- Petty cash records (previous 6 months) and current float (if applicable).

Procurement

- Order Requisition Forms;
- Copy Orders;
- Delivery Notes;
- Copy Invoices;

Additional Funding (if applicable)

- Evidence of expenditure incurred under these additional funding headings and any other relevant documentation, if appropriate.

Miscellaneous

- Access may be required to other information not stated above but relevant to the various topics covered in the audit programme.

Support and Information

Please visit the Education Authority Youth Service Support Section for more information and guidance at

www.eanifunding.org.uk

Email: youthfunding@eani.org.uk

