



J Cassidy Business Focus Limited

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[COMPANY NAME]

Fraud Risk Assessment

Control Function: [Board - Operational Risk - Fraud management]

	YES	NO	N/A
Is ongoing anti-fraud training provided to all employees of the organisation?			
Do employees understand what constitutes fraud?			
Have the costs of fraud to the company and everyone in it — including lost profits, adverse publicity, job loss and decreased morale and productivity — been made clear to employees?			
Do employees know where to seek advice when faced with uncertain ethical decisions, and do they believe that they can speak freely?			
Has a policy of zero-tolerance for fraud been communicated to employees through words and actions?			
Is an effective fraud reporting mechanism in place?			
Have employees been taught how to communicate concerns about known or potential wrongdoing?			
Is there an anonymous reporting channel available to employees, such as a third-party hotline? Whistleblowing Policy?			
Do employees trust that they can report suspicious activity anonymously and/or confidentially and without fear of reprisal?			
Has it been made clear to employees that reports of suspicious activity will be promptly and thoroughly evaluated?			
Do reporting policies and mechanisms extend to vendors, customers and other outside parties?			
Is possible fraudulent conduct aggressively sought out, rather than dealt with passively?			
Does the organisation send the message that it actively seeks out fraudulent conduct through fraud assessment questioning by auditors?			
Are surprise fraud audits performed in addition to regularly scheduled audits?			
Is continuous auditing software used to detect fraud and, if so, has the use of such software been made known throughout the organisation?			
Is the management climate/tone at the top one of honesty and integrity?			
Are employees surveyed to determine the extent to which they believe management acts with honesty and integrity?			
Are performance goals realistic?			
Have fraud prevention goals been incorporated into the performance measures against which managers are evaluated and which are used to determine performance-related compensation?			
Has the organisation established, implemented and tested a process for oversight of fraud risks by the board of directors or others charged with governance (e.g., the audit committee)?			
Are fraud risk assessments performed to proactively identify and mitigate the company's vulnerabilities to internal and external fraud?			

	YES	NO	N/A
<i>Are strong anti-fraud controls in place and operating effectively, including the following?</i>			
Proper separation of duties			
Use of authorisations			
Physical safeguards			
Job rotations			
Mandatory vacations			
Does the internal audit department, if one exists, have adequate resources and authority to operate effectively and without undue influence from senior management?			
<i>Does the hiring policy include the following (where permitted by law)?</i>			
Past employment verification			
Criminal background checks			
Credit checks			
Pre-employment medical screening			
Education verification			
References check			
Are employee support programs in place to assist employees struggling with addictions, mental/ emotional health, family or financial problems?			
Is an open-door policy in place that allows employees to speak freely about pressures, providing management the opportunity to alleviate such pressures before they become acute?			
Are anonymous surveys conducted to assess employee morale?			
Completion			
Name and Signature of Risk Manager or Compliance Manager			