**Unit 7: Internal Controls and Financial Analysis**

**Activity 2: Cash Control**

1. As \_\_\_\_\_\_\_\_\_\_\_\_\_ is so easily stolen or embezzled, it is important to have internal controls in place to protect \_\_\_\_\_\_\_\_\_\_\_.

The following internal controls are for the purpose of protecting cash. Please describe each:

1. **Separation of duties.**
2. **Cash received in the mail.**
3. **Deposit cash daily.**
4. **Make all payments by cheque.**
5. **Endorse all cheques received “For Deposit Only”.**
6. **Prepare deposit slips in duplicate.**
7. **Use cash registers in retail stores.**
8. **Reconcile bank accounts monthly.**

#### did you knowDid you know?

On average, \_\_\_\_\_\_\_\_\_\_% of all inventory shrinkage is due to employee \_\_\_\_\_\_\_\_\_\_\_\_\_\_ *1.*