

FINANCIAL RISK ASSESSMENT AND MANAGEMENT

For the period 1st April 2023 – 31st March 2024

1 Income

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action	Internal Audit Checks (Every)
VAT reclaim	Not submitted	M	Dates identified after 31 st Mar & 31 st Oct	Diary	12 months
	Not paid by HMRC	L	Check & Report to Parish Council		12 months
Precept	Not submitted	L	Full PC Minute – RFO follow up	Diary	12 months
	Not paid by DC	L	Check & Report To PC.	Diary	12 months
	Adequacy of precept	H	Monthly review of budget to actual	Diary	12 months
Grants – Lottery	Claims procedure	NA	Clerk/RFO check quarterly		12 months
	Receipt of grant when due	NA	Check & Report to PC.	Diary	12 months
Grants – District	Claims procedure	L	Clerk/RFO check quarterly		12 months
	Receipt of grant when due	M	Check & Report to PC.	Diary	12 months
Investment Income	Receipt when due	NA		Diary	12 months
	Investment Policy	NA	Review policy annually	Diary	12 months
	Surplus funds	NA	Review policy annually		12 months

2 Expenditure

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action	Internal Audit Checks (Every)
Salaries	Wrong salary paid	M	Check to minute	Member verify	12 months
	Wrong hours paid	M	Check to timesheet/contract	Member verify	12 months
	Wrong rate of pay	M	Check to contract	Member verify	12 months
	False employee	L	Check to PAYE Records & lists	Member verify	12 months
	Wrong deductions – NI	M	Check to PAYE Calcs	Member verify	12 months
	Wrong deductions – Income tax	M	Check to PAYE Calcs	Member verify	12 months

12 October 2023

23.Financial Risk Assessment And Management

Page 1 of 3

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action	Internal Audit Checks (Every)
	Self employed status challenged	M	Agree with Inland Revenue self employed status	Obtain letter from Inland Revenue and keep on file	12 months
Direct Costs and overhead expenses	Goods not supplied	M	Order system	Approval check	12 months
	Invoice incorrectly calculated	L	Check arithmetic	Approval check	12 months
	Cheque/BACS payable is excessive	M	Signatory or invoice sent to Council	Member verify	6 months
	Cheque/BACS payable to wrong party	M	Signatory or invoice sent to Council	Member verify	6 months
	Stock loss	H	Point of sale info and control	Reconcile to Stock	6 months
Cllrs Allowances	Cllr overpaid	M	Claim form & minute	RFO verify	6 months
	Income tax deduction	M	Check to PAYE Records & lists	RFO verify	6 months
Grants & support	Power to pay	M	Minute power	Member verify	12 months
	Agreement of Council to pay	L	Minute	Member verify	12 months
	Conditions agreed	L	Use reasonable condition	RFO check	12 months
	Cheque & voucher	M	Signatory initials etc Stub & Voucher	Member verify	12 months
	Follow up verification	M	RFO check and consider budget	RFO verify	12 months
Election Costs	Invoice at agreed rate	L	RFO check and consider budget	RFO verify	Whenever

3 Review of the policy.

This policy was accepted by the Parish Council at its meeting on 12 October 2023 and will be reviewed annually.

Signed:



J Donahue (Chair)