

LILFORD WIGSTHORPE THORPE ACHURCH PARISH COUNCIL

Financial Risk Assessments

The Council need to complete appropriate risk assessments and this paper aims to address the action to be taken. The Council is expected to carry out an annual assessment of the financial risks it is exposed to and identify any actions it considers necessary to minimise these risks. The following table attempts to identify the risks involved and recommends the necessary actions. The list is not exhaustive and the Council may wish to consider other risks not identified.

Area	Risk	Control Measures	Recommendation	Residual Risk
Precept	Illegal Expenditure	a) All expenditure is presented to Council at bi-monthly meetings b) Accounts are checked by Internal Auditor for comment prior to the completion of the Annual Return	Continue with current control measures	LOW
	Inadequate monitoring of performance	a) Council presents a Budget Assessment on a bi-monthly basis b) Council to satisfy themselves sufficient funds are available prior to making unbudgeted expenditure	Continue with current control measures	LOW
	Annual precept not the result of proper detailed consideration	a) Proposed budget presented to Council with explanatory notes	Continue with current control measures	LOW
Accounting	Non-standard and/or non-compliant records kept	a) All expenditure is presented to Council at bi-monthly meetings b) Accounts are checked by Internal Auditor for comment prior to the completion of the Annual Return	Continue with current control measures	LOW
Accounting	Non-compliance with audit requirements	a) Accounts are checked by Internal Auditor for comment prior to the completion of the Annual Return b) Reports from Internal and External Auditors are analysed, and appropriate action taken	Continue with current control measures	LOW

Area	Risk	Control Measures	Recommendation	Residual Risk
Administration	Payment arrangements	a) Clerk presents Payment Schedule at bi-monthly meetings b) Two Councillors (signatories) sign cheques and cross check against the payment schedule c) Clerk to set up any on-line payment/bank transfer with one Councillor needed to authorise any such payments.	Continue with current control measures	LOW
	Reconciliation	a) Bank reconciliation carried out on receipt of each statement and on monthly basis and initialled by Chairman at bi-monthly meeting	Continue with current control measures	LOW
	Petty Cash	a) No petty cash scheme currently used	Continue with current control measures	LOW
	Agency advice	a) Membership of NCALC	Continue with current control measures	LOW
	Cash Handling	a) Cash receipts issued when money received.	Discourage cash payments when possible.	LOW
Payroll	Incorrect calculations	a) All expenditure is presented to Council on Payment Schedule	Continue with current control measures	LOW
	Loss of service of employees	a) Immediately advertise any vacancy (if permanent loss) b) Administrative Assistant to provide cover during period of absence of RFO	Continue with current control measures	LOW

Area	Risk	Control Measures	Recommendation	Residual Risk
Insurance	Inadequate cover	a) Insurance cover reviewed annually by clerk and presented to Council	Continue with existing cover	LOW
	Legal liability as consequence of asset ownership	a) Assets inspected annually, and condition noted b) Portable electrical equipment tested annually c) Tree inspection to be carried out by specialist contractor at appropriate intervals	Continue with existing cover	LOW
Assets	Protection of physical assets	a) Value increased annually by insurance company b) Reviewed annually c) Assets Register updated regularly	Continue with current control measures	LOW

Approved at a meeting of the Parish Council

Date: 12-09-2023

Signed: