

PARISH COUNCIL AREAS OF RESPONSIBILITY FINANCIAL RISK ASSESSMENT

ASSESSMENT COMPLETED BY:
Burton in Lonsdale Parish Council

DATE: 13 April 2023

LOCATION: BURTON IN LONSDALE, LA6 3LG

Risks are calculated as ***Low, Medium or High***, and the nature of the risk identified.

1. Insurance
2. Internal audit systems

<u>Identified Hazard</u>	<u>Notes and review dates</u>	<u>Level of risk</u>	<u>Preventive & Protective measures (controls)</u>
Insurance			
Insurance Cover is adequate	Review April/May 2023	L	<p>There is a risk of the insurance cover being inadequate; however it is considered Low Risk due to preventative measures in place.</p> <p>Insurance is renewed each year and checked by RFO and nominated councillor.</p> <p>RFO to report any changes or potential issues for council to make decisions as to what action needs to be taken.</p>
Internal audit systems			
Accounts reviews are adequate	Half year review: October Annual Review March/April	L	<p>There is a risk that the account review process is inadequate; however it is considered Low Risk due to preventative measures in place.</p> <ul style="list-style-type: none"> • RFO prepares annual accounts in good time for internal audit & presentation to full council before submitting to external audit (Annual Return) • RFO prepares half-yearly accounts for review; finance committee to review and present to full council. • Monthly receipts and payments table to be prepared for each council meeting and to be a standing item on every agenda
Errors occur in payments and receipt methods and remain undetected		L	<ul style="list-style-type: none"> • RFO to prepare outgoing invoices/number; all receipts to be banked, including cash; receipts to be issued. • Ensure all cheques and bank payments are verified and that cheque stubs/bank payment lists are initialled by two authorized councillors. • RFO to prepare payments; finance committee to verify payments against invoices/authorized expenditure at the monthly meeting • All councillors to be aware of financial regulations and these to be reviewed regularly. • Invoices to be presented with cheques/ bank payment lists and initialled by two authorized signatories.