

STILLINGFLEET PARISH COUNCIL

Financial Risk Assessment

The purpose of risk assessment is to enable the Council to manage and minimise the risk as far as it is reasonably able to do so. Risk management of the Council's finances goes much deeper than just having the financial risk assessment. Regulations and policies are in place by virtue of the Accounts, the Audit Regulations and the Council's system of internal control. However the Council has looked at the financial risks that it must deal with and comments as follows:

1. **Handling Cash**
The parish council does not handle cash. The only regular income is precept, grants from the Rural Payments Agency and Northern Powergrid, bank interest and annual VAT return. All of these are paid directly into the parish council's bank account.
2. **Employers liability**
The Council employs a clerk and its insurance policy with Zurich Municipal provides employers liability cover.
3. **Public liability**
The Council has public liability cover to £10 million under its policy with Zurich Municipal.
4. **Fidelity guarantee**
The council has fidelity guarantee cover to £25,000.
5. **Contracts and tendering**
The council has a standing order in place for contract, which is mandatory. (See council's standing orders on business).
6. **Banking arrangements**
Three councillors are cheque signatories. Two councillor signatures are required by the bank and in law. Cheques are only signed after approval by full council.
7. **Bank reconciliation**
The council receives a quarterly budget against spend statement, including bank balances.
8. **Receipts and Expenditure records**
The receipts and expenditure records are kept on Excel datasheet and is updated following each meeting.
9. **Internal audit**
The Council has appointed YLCA as its independent internal auditor. An audit was carried out on 4 May 2020 with the 2021 internal audit scheduled for April 2021.
10. **Internal control**
The Council has established a system of internal control and set criteria for the appointed councillors to work to. Two councillors are appointed at the annual meeting to undertake the internal control checks throughout the year as agreed in the Council's policy (see Financial Regulations).

Financial Risk Assessment reviewed at a meeting of Stillingfleet Parish Council held on 1 April 2021

Chairman

Responsible Financial Officer