

STILLINGFLEET PARISH COUNCIL

Financial Risk Assessment – 31 March 2023

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 the precept, grants from the Rural Payments Agency, from Northern Powergrid and VAT refunds. 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. **Budget comparison and bank reconciliation**

The council receives a 4 monthly spend against budget statement and its Internal Controllers undertake a bank reconciliation every 4 months.

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 appointed YLCA as its independent internal auditor for year ending 31 March 2022. The audit was carried out on 23 April 2022. The 2023 internal audit will be completed by Carrie Pillow of elkerlodgebookkeeping and is scheduled for 25 April 2023.

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 6 April 2023

Chairman

Responsible Financial Officer