

Acton Burnell, Frodesley, Pitchford, Ruckley & Langley Parish Council

FINANCIAL RISK ASSESSMENT

Activity	Risk	Impact	Control Measures	Risk Level
Preparing the Precept	Precept could be over stated	Low	Parish Council consider estimated expenditure against known expenditure	Low
Preparing Precept	Precept could be understated and the Parish Council not have enough money to operate	High	Parish Council consider estimated expenditure against known expenditure	Low
Precept	Precept not received from Shropshire Council	Med	Parish Council maintains general reserves of at least 6 months costs in order to cover overheads if precept payment is delayed.	Low
Payments of Accounts	Council does not receive anticipated additional funds such as Lightsource, CiL funding, VAT reclaim, interest	Med	Parish Council prepares budgets and work plan for larger projects based on existing funds rather than speculative future funds. Nothing is ordered unless Council has received full quotation and has sufficient funds to cover invoice.	Low
Payments of Accounts	Unauthorised payments are made	Med	All invoices are presented at Parish Council meetings, payments are listed and agreed. Bank reconciliation is presented showing balance after payments made. Bank reconciliation is checked and agreed. All electronic payments over £500 must be authorised by two members.	Low
Payment of Accounts	Payments made for goods or services either not procured or not received by the Parish Council	Med	Ensure invoices are addressed to the Council and the receipt of goods or services are verified prior to authorisation and payment.	Low

Acton Burnell, Frodesley, Pitchford, Ruckley & Langley Parish Council

Payment of Accounts	Not enough signatories attending Parish Council meeting for cheques to be signed	Low	Ensure enough members of the Council are authorised signatories. Clerk may make electronic payments up to £500.	Low
Payment of Accounts	Councillors and clerk could be collaborating to defraud Parish Council of funds	High	Council should vary who signs the cheques and not always have the same members to sign. Members ensure verification of Bank Reconciliation. Annual internal audit to identify any discrepancies missed.	Low
Payment of Accounts	Insufficient funds to cover projects due to funds being in inaccessible savings bonds	Med	Council plans which projects will be undertaken in next financial year during the budget process and ensures that sufficient funds remain accessible. Savings bonds are limited to one year bonds so funds are not inaccessible for long periods.	Low
Bank Account	Money could be withdrawn which has not been authorised	High	Cheque withdrawal requires two authorised signatures. Bank Reconciliation is verified at each meeting. Members have access to check bank balance.	Med
Cash Balances at the Year End	The Parish Council accumulates high cash balances at year end	Med	The reason for any cash balance at the year-end is investigated and the reason reported to the Parish Council. Any surplus balance is taken into account when calculating the precept for the following year.	Low
Excess Savings	Council's assets are higher than those covered by Financial Services Compensation Scheme.	Med	Council investment strategy is to invest excess funds in savings bond(s), spreading the Council's assets across more than one institution to reduce risk from bank failure.	Low
Annual Accounts	Parish Councillors do not see copies of the Annual Accounts	Med	Annual Accounts are produced at the May meeting each year and circulated to all members. Accounts are prepared against all	Low

**Acton Burnell, Frodesley, Pitchford, Ruckley & Langley
Parish Council**

			expenditure recorded in the cash book and as reported at each Parish Council meeting, agreed, minuted and signed by the Chairman.	
Annual Accounts	Council does not meet AGAR submission deadline	Med	A date is given by the External Auditor for the Annual Return. AGAR is agreed, minuted and signed at the May meeting for submission to the External Auditor by the end of July. RFO copies electronic submission of AGAR to appropriate Members.	Low
Annual Accounts	Requirements for public access to documents is not met.	High	RFO keeps members advised of statutory notices and publishing of accounts.	Low

This Risk Assessment was considered by Council at Agenda item: 24.5.33 14 May 2024 and will be reviewed again in 12 months.

Signed: **Chairman**

Date: