

Sawallowcliffe Parish Council
Financial Risk Assessment
May 2024

Item	Detail	Assessment	Action
Bookkeeping	Record of council's income and expenditure	Inaccurate or failure to maintain records properly could lead to loss of income, overcharging by suppliers or misappropriation of council funds.	Act within Financial Regulations
Purchase orders	Goods, services and works acquired on behalf of the council	Failure to observe standing orders and Financial Regulations could lead to overpayment, improper acquisitions or breach of Code of Conduct.	Act within Financial Regulations
Purchase payments	For goods, services and works on behalf of the council	Potential for overpayment and inappropriate payments	Act within Financial Regulations
Annual budget	Statement of council's estimated income and expenditure for each year	Risk of failure to provide for services to be provide, over/under statement of precept	Act within Financial Regulations
Income	Precept and other income received by the council	Lack of controls could result in loss of income, misappropriation of cash.	Act within Financial Regulations
Petty cash	Minor operating expenses of the council	No risk. PC does not operate petty cash.	N/A
Payroll	Payment of wages and salaries to council employees.	Risk of over / under payment payment.	Appoint competent Internal Auditor.
Asset control	Record of council's assets and investments	Failure to maintain or review could result in under or over valuing e.g.insurance	Review Asset Register annually.

Bank reconciliation	Record of the council's transaction in respect of income and expenditure	Failure to undertake bi-monthly reconciliation could result in loss of income, inappropriate payments or misappropriation of funds	Appoint a member to check and sign.
Yearend accounts	Statement of financial activity of the council for each year.	Failure to provide an accurate statement of the council's financial transactions for each year	Appoint competent Internal Auditor.
Insurance	Insurance cover provided for council's financial and other activities	Inadequate cover could lead to financial loss and legal claims against the council	Review insurance schedule annually.
Financial records	Record of council's financial transactions.	Failure to ensure safekeeping and updating of records	Store information on a cloud file.
Internal audit	Review of systems and controls implemented by the council.	Failure to secure independent internal audit and record audit results	The Council has a duty to appoint a competent Internal Auditor
External audit	Completion of the Audit Commission process	Failure to comply with statutory requirements for completion and publication of audit	Appoint a competent RFO
Bank and banking	Inadequate checks Bank mistakes	The council has financial requirements which set out the requirements for banking. All payments are reported to the formal council meetings (normally 5 per year). Bank reconciliations checked and sign by a member appointed by the council, who is not the Chairperson. Bank statement checked by Chairperson when received in the post at his home for any unusual activity	Appoint a member to check and sign.

Adopted Thursday 23rd May 2024