

# **BURFORD PARISH COUNCIL**

## **FINANCIAL RISK ASSESSMENT DOCUMENT**

This document is produced to enable the Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise the risks. This will enable the Parish Council to make the required declaration in its return to the internal and external auditors. The Risk Assessment document to be reviewed annually.

### **Finances**

Risk: Accounting errors due to lack of financial control.

#### **Procedures to address risk:**

1. All financial documents to be held by the Parish Clerk, i.e. cheque book, paying-in book, invoices, receipts, bank statements, VAT reclaim papers and electronic accounting system.
2. Back-up of computerised records on external hard drive and cloud.
3. Cheques to be written and entered into the accounting system.
4. Cheque numbers to be written on invoices when paid.
5. Invoices to be numbered and filed sequentially.
6. Cheques to be entered into the computerised system upon receipt and banked as soon as reasonably practicable.
7. Bank statements to be reconciled monthly.
8. VAT to be reclaimed every three months.

Risk: Budget over spend.

#### **Procedures to address risk:**

1. Budget to be prepared by the RFO annually in October/November to determine the budget for the following financial year and to be discussed by the Parish Council to determine the precept.
2. Budget to actual income and expenditure to be reviewed regularly.
3. All invoices to be scrutinised to ensure payment is as quotation provided.
4. Clerk to seek competitive quotations for all major purchases and works in line with Best Value Practice and as set out in the Financial Regulations and Standing Orders.

Risk: Loss of funds due to misappropriation of public money.

#### **Procedures to address risk:**

1. All accounts for payment to be authorised at a Parish Council meeting and noted in the minutes unless the expenditure relates to addressing an urgent health, safety or security risk, such expenditure being delegated to the Clerk under Standing Orders.
2. All expenditure to be ratified at each Parish Council meeting and recorded in the minutes.
3. All cheques to be signed by two Councillors authorised by bank mandate and cheque stubs to be initialled by those two Councillors.

Reviewed 15 May 2025