

Financial risk assessment and management for period 2021/22

Receipts

Topic	Risk Identification	H/M/L	Management of Risk	Action	Int. Audit Freq.
Precept	Not Submitted	L	Full PC minute –clerk follow up	Diary	1 / a year
	Not paid by DC	L	RFO and report to PC	Diary	2 / a year
	Adequacy of precept	M	Bimonthly review of budget to actual	Diary	6 / a year
Village Hall	Hire charges	L	Check village hall receipts to bank statement	Reconcile to bookings	Monthly
	Cash sales	M	Zettle record of sales– cash reconciliation by RFO	Reconcile	Bi-Monthly
	Cash banking	M	Paying in book check to bank statement	Reconcile	Monthly
	Damage to Hall or theft from Hall	M	Insurance cover and hiring conditions	Inspection of premises	After event
Grants - others	Claims procedure	L	RFO check monthly	Diary	1 / a year
	Receipt of grant when due	L	Check and report to PC bimonthly	Diary	

Payments

Topic	Risk Identification	H/M/L	Management of Risk	Action	Int. Audit Freq.
Salary- clerk	Wrong salary paid	M	Check to minute	Member verify	4 / a year
Direct Costs and overhead expenses	Goods not supplied to PC	M	Order system	Approval check	12 / a year
	Invoice incorrectly calculated	L	Check arithmetic	Approval check	12 / a year
	Cheque or online payable is excessive or to wrong party	L	Signatory initials on Stub of Cheque or dual online authorisation of payment,	Check against invoice Member verify.	2 / yearly
	Stock loss	H	Point of sale info and control	Reconcile to stock	12 / a year
	Power to pay	L	Minute power	Member verify	12 / a year
Grants and supports	Agreement of PC to pay	L	Minute	Member verify	12 / a year
	Conditions agreed	L	Use reasonable conditions	Clerk check	12 / a year
	Cheque	M	Signatory initials etc Stub	Member verify	12 / a year
	Invoice at agreed rate	L	Clerk check	Clerk verify	Whenever
Election costs	Invoice at agreed rate	L	Clerk check	Clerk verify	Whenever

VAT irrecoverable	VAT analysis	M	All items in accounts	RFO verify	2 / yearly
	Charged on sales	M	Consider annually	RFO verify	1 / a year
	Charges on purchases	M	Consider all items in accounts	RFO verify	1 / a year
	Claimed within time limit	M	RFO check	RFO verify	1 / a year
Reserves	Adequacy	M	Consider at budget setting	RFO opinion	1 / a year
Reserves – earmarked	Adequacy	M	Consider at budget and financial review	RFO opinion	1 / a year
	Earmarked or contingent liability	M	Review minutes with chairman	RFO opinion	1 / a year
Assets	Loss, Damage etc	M	Annual inspection, update insurance and asset register	Clerk/Members/VH secretary	1 / a year
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability insurance	Clerk/Members/VH secretary	1 / a year
Staff	Loss of Clerk	M	Sickness/ departure/training	Members/clerk	1 / a year
	Fraud	L	Fidelity Guarantee value, insurance conditions met?	Council	1 / a year
Loss	Consequential loss due to critical damage or third party performance	L	Insurance cover review adequacy	Diary/renewal of insurance cover	1 / a year
Cash	Loss through theft or dishonesty	M	Insurance cover review ensure adequacy of Fidelity Guarantee insurance	Diary/renewal of insurance cover	1 / a year
Maintenance	Village hall fabric effect on hiring	M	Annual maintenance inspection	Diary	1 / a year
	Condition of assets and amenities	M	Annual maintenance inspection	Diary	1 / a year
Borrow/lending	Adequacy of finances to be able to repay loans	L	Financial review and cash flow forecasting bimonthly	Diary	1 / a year
Legal Powers	Illegal activities or payments	M	Educate Council as to their legal powers	Diary / Training	Every 2 years
Financial records	Inadequate records	L	Clerk check quarterly + regular internal audit diary	Diary	1 / a year
Minutes	Accurate and legal	L	Review at following meeting	Diary	1 / a year
Members interests	Conflict of interest	L	Update declarations of interest	Diary	1 / a year