

Aberford and District Parish Council: Financial Risk Assessment

The Parish Council has reviewed the financial risks that it deals with and resolved to adopt the following policy.

1. Handling Cash

The parish council does not handle cash on a daily basis.

Cheques and cash received for Leeds Festival tickets and hanging basket sponsorship are banked as soon as practicable and, in any event, within 30 days of receipt. Any other monies that are received from time to time will be dealt with in the same manner.

The only regular income streams are precept, council tax support grant, Paths Partnership project grant, bank interest and VAT reclaims. All are paid directly into the parish council's bank account.

2. Employers liability

The council employs a clerk.

Its insurance policy with AXA Insurance UK PLC provides employers liability cover.

3. Public liability

The council has public liability cover to £10 million under its policy with AXA Insurance UK PLC.

4. Fidelity guarantee

The council has fidelity guarantee/employee dishonesty cover to £150,000.

5. Contracts and tendering

The council has a standing order in place for contracts. This is mandatory.

6. Banking arrangements

The council presently banks with HSBC Group. The bank mandate has been set up so that four councillors are cheque signatories. Two councillor signatures are required on each cheque by the bank and in law. Cheques are signed at meetings of the council.

Exceptionally cheques may be signed between meetings when there is a business need and the expenditure concerned is part of the annual budget approved by the council. Authorisation of such expenditure will be requested at the next meeting.

The council will also make payments by electronic transfer where appropriate.

The clerk has access to internet banking and is empowered to create secondary users who are authorised to make electronic payments. These secondary users will be limited to those councillors on the bank mandate and no electronic payment shall be made unless previously authorised by another councillor on the bank mandate.

7. Bank reconciliation

The Clerk will prepare bank reconciliation statements and balances for review at each council meeting. A budget against actual spend statement will be prepared for review at the council meeting on a quarterly basis

A monthly reconciliation of expenditure and payments is received for approval by the council.

8. Cash book records

A cashbook kept on an Excel spreadsheet is updated each month as receipts and payments are received and made. This is reconciled to the bank account on a monthly basis.

9. Internal audit

The council will appoint an independent internal auditor on an annual basis. An audit is carried out every financial year end and the report produced will be reviewed by the council at its Annual Meeting or at such other monthly meeting as is appropriate.

10. Internal control

The council has adopted Financial Regulations and sets an annual budget which forms the basis for financial control during the year. The council appoints two councillors to undertake

internal control checks to agreed criteria throughout the year. The council conducts an annual review of risk.

Financial Risk Assessment adopted at the Parish Council meeting held on 18 May 2021

Chairman: D Howson

Clerk/Responsible Financial Officer: P Wigglesworth