

Shimpling Parish Council

Internal Control Report - Risk Assessment and Financial Management – Financial Year 2021 - 2022

ANNUAL TASKS							
Topic	Risk Identified	Risk	Mgmt of risk	Staff Action	Evidence / Minuted	Notes / issues	Date
Precept	Not submitted by 31 st January	L	Full minute – RFO follow up	Diarise for Nov and Jan meetings Ensure budgetary discussions held in Autumn/Winter	Minuted Nov Meeting		
	Not paid by DC	L	Confirm receipt	Preserve email receipt	Received		
Salaries	Wrong salary / hours / rate / <u>person</u> paid	L	Check salary, hours and rate <u>and names</u>	Confirm correct salary rate	Checked and approved at meetings	Now outsourced to SALC as independent check	
	Wrong pension deductions	L	Check pension arrangements and reporting procedures	Diarise for Nov – pension to take effect in February	N/A	None required	
	Wrong deductions NI and Tax	L	Check to PAYE calculations and correct tax code etc	Diarise for EOY	Monitored		
<u>Bank transactions</u>	<u>Incorrect invoice paid/person paid/amount</u>	<u>L</u>	<u>Two signatories for each payment</u>	<u>Ensure two signatories other than Clerk are appointed</u>	<u>Via bank</u>		
	<u>Fraud by staff/Chair/Signatories</u>	<u>L</u>	<u>Minimum of three signatories</u>	<u>Minutes and discussion around finances at every meeting</u>	<u>Annual audit Minutes of meetings</u>		
VAT	VAT analysis	L	All items in cash book lists	Diarise for EOY Produce report			
	Charged on purchases	L	Consider all items per cash book lists	Each purchase			
	Claimed within time limits	L	Agree returns submitted Diarise at least 6 monthly VAT refund claims	Minute whether VAT reclaimable for each purchase and document in bank recs receipts of refunds			

Assets	Loss, damage etc	M	Annual inspection, update insurance and asset registers	Diarise early review of assets prior to EOY Liaison with VHC from Jan onwards			
	Risk or damage to third party property or individuals	M	Review adequacy of public liability insurance	Diarise for EOY and also autumn renewal of PLI			
Staff	Fraud by staff	L	Fidelity guarantee value appropriately set	Diarise for EOY and also autumn renewal of PLI		Minutes of meetings Signatures on bank reconciliation Control measures followed Audit every year Scribe accounting software with remote access possible for Chair and Vice Chair.	
Loss	Consequential loss due to critical damage or third party performance	L	Review adequacy of insurance cover	Diarise for EOY and also autumn renewal of PLI			
Maintenance	Reduced value of assets or amenities – loss of income or performance	L	Annual maintenance inspection Regular play area inspections Ensure recommendations from previous report carried out	Diarise playground inspection for autumn to take place in early spring			
Legal powers	Illegal activity or payment	L	Council educated as to their legal powers Financial Report also includes powers under which monies spent	Training/refresher training Use of SALC for note of powers Active reminders to Cllrs on extent of powers		PC powers now noted on agendas to show legal grounds for decisions and payments.	