

STORRINGTON & SULLINGTON PARISH COUNCIL

FINANCIAL MANAGEMENT RISK ASSESSMENT May 2025

To ensure no potential non-compliance with laws, regulations and codes of practice.

Topic / Area	Risk Details	Control Measures	Comments
Internal Audit	To reduce the risk of embezzlement, fraud etc.	<p>The Internal Auditor currently carries out half yearly checks to review the various accounting procedures and carry out detailed substantive testing including:</p> <ul style="list-style-type: none"> • Agreeing the reconciliation of the cash book balance with the bank account and ensuring that the accounts are reconciled regularly. • Counting petty cash held in the office. • Checking the validity of payments • Testing a sample of credits received for validity and proper processing, • Checking vat payments and claims • Agreeing employers' returns to HMRC • Checking for adequate insurance and risk management • Reviewing the compilation of the budget and determination of precept. • Checking the Asset Register • Checking calculations and payment of staff salaries. • Reviewing and agreeing entries in section 1 of the council's annual audit return 	<p>Intermediate and End of Year Audit reports received – Presented and noted at the Parish Council meeting on 4th June '25</p> <p>Notice of Audit to be displayed from Date TBA</p> <p>Intermediate Audit to take place Date TBA</p> <p>End of year employer returns completed April 2025</p> <p>Budget and Precept approved January 2025</p> <p>Asset Register to be updated March '26</p>
External Audit	To comply with the law. To account for public funds.	<ul style="list-style-type: none"> • Completion of end of year audit return • Completing end of year financial processes and balancing accounts. • Presenting end of year summary to the Parish Council for review • Publishing end of year summary. 	<p>Accounts reconciled, prepared for Audit, agreed by Internal Auditor, approved by the Parish Council at its meeting on 4th June and published Date TBA</p>

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Payments and Receipts	To reduce the risk of embezzlement, fraud etc. To account for public funds.	<ul style="list-style-type: none"> All payments presented to the council for approval at the Finance & Budget AND/OR Full Council meeting and expenditure amount recorded in minutes Cheques and BACS payment list to be approved and signed by 2 councillors Bank Reconciliations and Petty Cash reconciliations presented at Finance & Budget AND/OR Parish Council meeting monthly & witnessed by a councillor at least quarterly. S137 expenditure to be recorded separately in the cash book. Regular visits from internal auditor to check receipts against invoices raised. 	<p>Separate budget heading for s137</p> <p>Half yearly checks by Internal Auditor</p>
Standing Orders and Financial Regulations	To ensure compliance with the law To ensure still relevant and sufficient safeguards in place. To ensure business continuity in cases of emergency.	<ul style="list-style-type: none"> Standing orders and Financial Regulations presented to the council for review annually. Amendments made as and when law changes. Implementation of special and exceptional measures to be approved by the Council 	To be reviewed by Parish Council 7th May 2025
Insurance & Risk Management	To protect public funds To protect assets Compliance with the law	<ul style="list-style-type: none"> Fixed Asset register kept up to date with any items purchase / disposed of to ensure sufficient cover Regular review of insurance cover by Parish Council Statutory cover in place ie. Public liability, Employers liability, Staff fidelity. Annual risk assessments financial and non-financial completed and reviewed by Parish Council and Internal Auditor 	<p>Fixed Asset Register updated to include new equipment purchase</p> <p>New insurance cover 3 year LTA agreed September 2022</p> <p>Risk Assessments completed and reviewed annually.</p>
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Budget Procedures	To ensure sufficient budgetary controls	<ul style="list-style-type: none"> Budget adopted by Full Council each year in order that the precept may be set. Regular reviews of budget at Committee and Full Council meetings. Any revised budgets recorded correctly. 	Budget agreed annually in January
Salaries	To ensure compliance with the law	<ul style="list-style-type: none"> Staff salaries reviewed in line with budgeting process and agreed by Full Council. HMRC Basic Paye tools used to calculate correct NI and PAYE payments. 	Staff salaries reviewed at least annually – Clerk and Asst Clerk – November '25

	To ensure necessary NI and PAYE contributions are paid	<ul style="list-style-type: none"> • Year end employers' returns completed in line with HMRC deadlines • Salaries paid by BACS – Payments list signed by 2 Councillors and approved at Finance & Budget AND/OR Full Council meetings. 	Completed April
VAT	To ensure compliance with HMRC rules To ensure correct amounts are reclaimed	<ul style="list-style-type: none"> • All invoices for payment checked for correct level of VAT • All VAT elements recorded separately on electronic finance system • Quarterly VAT returns completed and checked by Internal Auditor. 	
DATA Security	To reduce risk of loss / corruption of financial and other data	<ul style="list-style-type: none"> • Controlled access to computer systems. • Password security • Virus protection • Self – balancing accounting system • IT Support and Management in place with Data protection agreements. • Back up systems to cloud • Data Protection Officer appointed 	<p>NOD32 virus protection</p> <p>Phoenix Small Business Support agreement in place.</p> <p>Parish Clerk appointed as Data Protection Officer</p>

Prepared by Rebecca Luckin Date: May 2025

Reviewed and Approved by Full Council Date: 7th May 2025

Clerk and Responsible Financial Officer