

BARTESTREE with LUGWARDINE GROUP PARISH COUNCIL

Financial Controls and Risk Assessment – 2018/19 Adopted 8th May 2018

Introduction

Bartestree with Lugwardine Group Parish Council (BwLGPC) operate two bank accounts, a current and a deposit account. BwLGPC have no investments, trust funds or liabilities, the assets they have are listed in the Asset Register and covered by insurance. The persons involved with the financial transactions are the four cheque signatories, the Clerk to the Council, who is also the Responsible Financial Officer (RFO). All expenditure is currently made by cheque; no electronic payments are currently made. There is no petty cash system in operation.

Internal Controls

1. Cheques.
 - 1.1 All cheques require two signatories
 - 1.2 Cheques are never pre-signed
 - 1.3 Payee details and amounts on the cheques are always written out prior to the cheques being signed.
 - 1.4 Cheques are only written where there is adequate evidence to justify the payment e.g. invoice.
 - 1.5 The cheque counterfoil is always completed and initialled by the signatories.
 - 1.6 The chequebook is held at all times by the Clerk/RFO.
2. Where possible the cheques are authorised in a meeting of BwLGPC
3. All payments made by BwLGPC are adequately supported by an invoice or other documentation. A receipted letter or other appropriate evidence supports the payment where an invoice is not available.
4. Bank transactions are recorded accurately in a cashbook. The cashbook balance is reconciled/agreed to the bank statement on a regular basis.
5. The precept is decided by councillors in a PC meeting and is based on the assessment of expected expenditure for the forth-coming year by the Finance Working Group, taking into account the level of reserves in the deposit account.
6. Important documents are stored in a metal cabinet in the Parish Office at Bartestree Village Hall

The integrity of these financial controls is examined annually by an independent internal auditor and also by an external auditor.

Risk Assessment

Assuming the internal controls above are carried out, the assessment of the risk of financial loss, irregularity or defalcation is considered by the Councillors to be low.