

**Risk assessment and management (financial) for the period 1 April 2022 to 31 March 2023**  
**Carlton Colville Town Council**

**The internal control audit of the below was carried out by Councillor Rachael Arnott on 6th December 2022 - her comments are noted in the boxes below**

<b>Income</b>						
<b>Topic</b>	<b>Risk Identified</b>	<b>Risk Level</b> H/M/L	<b>Management of Risk</b>	<b>Staff action</b>	<b>Internal Audit Checks (Every)</b>	<b>Comments</b>
Precept	Not submitted	L	Full TC Minute – RFO follow up	Diary	12months	May 2022 item 12 and October 22 item 7 amounts received stated
	Not paid by DC	L	Check & Report To Fin Comm.	Diary	12 months	N/A
	Adequacy of precept	H	Quarterly review of budget to actual	Diary	12 months	Monthly budgets are handed out at each Town Council meeting - Precept is adequate
Other Income	Cash Handling	L	Cash handling is avoided, but where necessary – appropriate controls are in place.	Annual review of documented controls	12 months	Zero cash handling
	Cash banking	L	Segregate duties. Check to bank statements. Regular bank reconciliations	Member to verify reconciliations taking place	12 months	No Cash banking has taken place
Grants	From Allotments	M	Check allotment register to invoices	Member to verify	12 months	Receipts issued annually for bank transfers received kept in allotments file
	Claims procedure	M	Clerk/RFO check quarterly		12 months	CIL monies received kept up to date and a return submitted and recorded on website for 2021/2022
	Receipt of grant when due	M	Check & Report to Fin Comm.	Diary	12 months	East Suffolk Council automatically send money when due
	Receipt when due	L		Diary	12 months	Santander interest annually



Investment Income	Investment Policy	L	Review policy annually +	Diary		N/A
	Surplus funds	L	Review policy annually +		24 months	Earmarked and reserves discussed at Finance and Budget meeting annually along with Reserves

#### Expenditure

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff action	Internal Audit Checks (Every)	
Salaries	Wrong salary/hours/rate paid	M	Check to minute, check hours and rate to contract	Member verify	12 months	Clerks salary in line with National scale as discussed at Finance and Personnel meeting annually
	Wrong deductions – NI and Income tax	M	Check to PAYE Calculations	Member verify	12 months	Salary advice and P30 produced by SALC clerk sends payments to HMRC quarterly
Direct Costs and overhead expenses	Goods not supplied to TC	M	Follow up on all orders	Approval check	12 months	N/A
	Invoice incorrectly calculated or recorded	L	Check arithmetic on invoices and perform bank reconciliation's on monthly basis	Member verify	12 months	All payments brought to full Town Council meeting and signed off by 2 members of the Council
	Cheque payable is excessive or to wrong party	M	Signatory initials etc Stub & Voucher	Member verify		No cheques issued all Bank Transfers which are dually signed and authorised.
Grants & support	Power to pay or no evidence of agreement of Council to pay	M	Minute council agreement to authorize the payment	Member verify	12 months	Section 137 monies kept on a separate line on the budget
	Conditions agreed	L	Agree and document any reasonable conditions	RFO check	12 months	Accounts to be checked from anybody who requests a donation



Election Costs	Invoice at agreed rate	L	RFO check and consider budget	RFO verify	Whenever	No election costs incurred
VAT	VAT analysis	M	All items in cash book lists	RFO verify	12 months	Clerk using SCRIBE for VAT returns
	Charged on sales	M	Consider annually	RFO verify	12 months	N/A
	Charged on purchases	L	Consider all items per cash book lists	RFO verify	12 months	Where applicable
	Claimed within time limits	M	Agree returns submitted	RFO verify	12 months	Clerk claiming each quarter
Reserves - General	Adequacy	L	Consider at Budget setting	RFO opinion 3 year plan	12 months	Discussed at Budget setting still adequate and trying to keep equivalent of 1 years precept
Reserves - Earmarked	Adequacy	L	Consider at Budget and Final accounts	RFO opinion	12 months	Ear marked discussed at Finance meeting Nov 2022
	Unidentified Earmarked or Contingent liability	L	Review minutes	RFO/member view	12 months	Discussed at Budget setting still adequate and trying to keep equivalent of 1 years precept
Assets	Loss, Damage etc	M	Annual inspection, update insurance and asset registers	Diary	24 months	Asset Register maintained as EXCEL and SCRIBE
	Risk or damage to third party property or individuals	M	Review adequacy of Public Liability Insurance	Diary	12 months	Insurance policy up to date with any new assets or liabilities added just entered a 3 year deal with Ansvar Insurance via Community Action Suffolk
Staff	Loss of key personnel (Clerk)	L	Hours, health, stress, training, long term sick, early departure – risk monitored and managed as appropriate.	RFO/member view	12 months	No sickness by clerk, clerk manages hours which have a degree of flexibility



	Fraud by staff	L	Fidelity Guarantee value appropriately met	Council to review annually	12 months	Insurance in place for this
Loss	Consequential loss due to critical damage or third party performance	L	Insurance cover review adequacy	Diary	12 months	Insurance up to date
Maintenance	Poor performance of assets or amenities loss of income or performance	M	Annual maintenance inspection	Diary	12 months	Councillors to check on assets such as bins, benches etc. Clerk monitors any incidents reported
Legal Powers	Illegal activity or payment	H	Educate Council as to their legal powers	Diary	24 months	Powers of council issued to all new councillors and any proposed spending has a power noted
Financial Records	Inadequate records	L	RFO/clerk check quarterly + regular internal audit	Diary	12 months	Budget and Bank Reconciliations are presented at each Full Town Council meeting monthly and signed off
Minutes	Accurate and legal	L	Review at following meeting	Diary	12 months	Agenda item on each meeting
Members interests	Conflict of interest	M	Update declarations of interest	Diary	12 months	Recorded with East Suffolk Council

Audit Complete .....  Date 6/12/2022