



DORMINGTON & MORDIFORD GROUP PARISH COUNCIL



Financial Controls and Risk Assessment (Reviewed March 2019)

Introduction

Dormington and Mordiford Group Parish Council operates two bank accounts, a current and a deposit account. The Council 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 and the clerk to the council who is also the Responsible Financial Officer (RFO). All expenditure is made by electronic payment or by cheque. 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 cheque 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. an invoice
- 1.5 The cheque counterfoil is always initialled by the signatories after completion.
- 1.6 The cheque book is held at all times by the clerk
- 1.7 Where possible all cheques are authorised in a meeting of Dormington and Mordiford Group Parish Council.

2. Electronic Payments

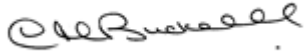
- 2.1 All electronic payments shall be authorised by the Group Parish Council either before, at or after the point of payment.
- 2.2 Electronic payments are only made where there is adequate evidence to justify the payment e.g. an invoice
- 2.3 All electronic payments shall be supported by a mandate showing the payee details, together with the amount and reason for payment.
- 2.4 Where possible all electronic payments are authorised in a meeting of Dormington and Mordiford Group Parish Council.

3. The Chairman monitors and initials all invoices for payment and reviews bank statements.
4. A Finance Working Group has been appointed to consider all aspects of financial budgeting and control, making representations and proposals to the Group Parish Council as appropriate.
5. All payments made by Dormington and Mordiford Group Parish Council are adequately supported by an invoice or other documentation. A receipted letter or other appropriate evidence would support the payment where an invoice is not available.
6. The bank transactions are recorded accurately in the cashbook. The cashbook balance is reconciled/agreed to the bank statement monthly by the Clerk/RFO.
7. The precept is decided by councillors in a Group Parish Council meeting and is based on the assessment of expected expenditure for the forthcoming year by the Finance Working Group, taking into account the level of reserves in the deposit account.

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.



Chris Bucknell (Parish Clerk)

20th March 2019

Date