

# COMPTON ABBAS PARISH COUNCIL

## Annual Financial Risk Assessment for Completion of Accounts for the period 1<sup>st</sup> April 2025 to 31<sup>st</sup> March 2026

Area	Risk	Controls
Financial Management Precept	No budget set Precept not submitted or not received Inadequate precept	RFO prepares annual budget for Council approval (minuted) Monthly budget monitoring reports issued to councillors RFO submits precept request to Dorset Council and confirms receipt RFO provides Band D equivalent information to councillors and public
Investment Income	Income not received or incorrectly	RFO verifies interest/investment income and records it in monthly
Grants	Incorrect claims or payments No legal power or no council approval	Grants awarded in accordance with the Council's Grants Policy All grant decisions minuted with reference to the relevant power RFO/Clerk/Member/Internal Auditor verify compliance
Direct Costs & Overhead Expenses	Goods not supplied Incorrect invoices Payments made to wrong party	Orders followed up by Clerk/RFO Monthly bank reconciliation Invoices checked and retained with payment schedule Councillors receive invoices and payment schedule for approval Cheques (if used) require two signatories
Grants & Support	No power to pay or no evidence of agreement of Council to pay.	Minute council agreement with the power to authorise payment.
Election Costs	Unexpected or incorrect charges	RFO checks invoice and ensures budget provision or earmarked reserve
Assets	Loss, damage, vandalism Third Party liability	Annual inspection of assets Annual review of insurance cover Asset register updated annually

Area	Risk	Controls
VAT	Incorrect VAT accounting Late claims	VAT recorded in cashbook Annual VAT return prepared and it is checked by internal auditor
Reserves-general	Inadequate level of reserves	Considered during budget setting RFO provides 3 year financial view to ensure reserves are not used for routine expenditure
Reserves-earmarked	Insufficient provision for known commitments	Reviewed at budget setting and year end Council allocates funds to build appropriate earmarked reserves
Legal Powers	Illegal activity or payment	Reviewed at budget setting and year end Council allocates funds to build appropriate earmarked reserves
Financial Records	Inadequate or incorrect records	Regular Clerk/RFO checks Monthly payment schedules and bank reconciliations provided to councillors Independent internal audit annually Electronic payments authorised by two councillors
Members Interests	Conflict of interest	Declarations recorded and minuted Councillors required to update Register of Interests Clerk maintains and monitors compliance
Covid 19 / Public Health Risk	Transmission, sickness, disruption to operations	Council follows current Government and NHS guidance Adjustments to meetings and facilities made as required Clerk monitors emerging public health risks