Buxted Parish Council Financial Risk Assessment

No.	Internal Control Tests	Info
1	**Proper Bookkeeping**	
1.1	Is the cashbook maintained and up to date? Format used?	Accounts maintained via Rialtas Business Solutions (RBS) software on a receipts and payments basis, which is input on a monthly basis.
1.2	Is the cashbook arithmetically correct?	Accounts are reconciled on a monthly basis (after receipt of the bank statement). They are presented to a Cllr (who is not a signatory) for checking and signing at the next monthly meeting.
1.3	Is the cashbook regularly balanced?	The cashbook balance is reconciled to each bank account monthly, it is an agenda item and minuted at the monthly full council meeting.
2a	**Standing Orders and Financial Regulations**	
2.1	Has the Council formally adopted standing orders and financial regulations, &dates approved?	NALC versions of Standing Orders and Financial Regulations are used by Buxted parish council and were last reviewed at full council in October 2025. Financial Regulations Policy: BPC Financial Regulations Standing Orders: BPC_Standing-Orders-England_Adopted 13 May 2025_Reviewed Oct 2025.pdf
2.2	Has an RFO been appointed with specific duties noted in both contract & Fin. Regs?	Yes (Claudine Feltham).
2.3	Have items or services above a de minimis amount been competitively purchased?	• clerks should strive to obtain quotes between £2500 and £5000 • but MUST obtain three quotes for any expenditure over £5000 • the council for all items over £5,000 • the Clerk, in conjunction with Chairman of Council or Chairman of the appropriate
2b	**Payments Controls**	

2.4	Are payments in the cashbook supported by invoices, authorised and minuted?	Expenditure is authorised by 2 x Cllrs. All expenditure is supported by copies of invoices or email requests, which are printed for signing by 2 x Cllrs. They are checked for accuracy and cross referenced with the RBS payment list (or Excel spreadsheet). The RBS payment list or spreadsheet are also initialled by one of the Cllrs. Payments are usually made by bank transfer or direct debit. The list of payments is minuted.
2.5	Has VAT on payments been identified, recorded and reclaimed? Frequency, &refunds into which A/c?	VAT is recorded through the RBS system and reclaimed on an annual basis.
2.6	Is s137 expenditure separately recorded and within statutory limits?	Section 137 payments (when utilised) are coded separately in the RBS cashbook (code 4510), with details shown in Year-end accounts. £10.81 per elector is the maximum amount for 2024-2025.
3	**Risk Management Arrangements**	
3.1	Internal auditor scans the minutes to identify any unusual financial activity, projects, event etc.	
3.2	Do the minutes record the Council carrying out any annual risk assessments? Play areas/BMX/Skateparks regularity of checks & documentation?	The play equipment is checked fortnightly by out maintenance contractor and annually by RoSPA Play Safety Ltd. The parish council utilises the services of Arborist to carry out inspections of the trees on land owned/maintained by the parish council every 2 years. Buxted Football Club (lease holders) are responsible for carrying out electrical and fire assessments on the Pavilion. They are currently in the process of doing this for 2025. Records are kept by the Parish Council.
3.3	Is insurance cover appropriate and adequate? Policy nos. & broker/company?	The parish council is insured with: Hiscox Insurance Company Ltd Policy: Client Reference Number: 4181373 Continuous cover from 01/06/2025 until the policy is cancelled Public liability cover: £10 million

		Fidelity cover: £750,000
3.4	Are internal financial controls documented and reviewed regularly?	Yes. The last review was October 2025.
3.5	Funds	Deposits to be made only with recognised banks and licenced deposit takers – with approval by full council
4	**Budgetary Controls**	
4.1	Has the Council prepared an annual budget in support of its precept? Council minute & date?	Yes. The council prepares an annual budget through the finance committee which then goes to full council for consideration and decision. The last budget and precept request was proposed by the finance committee in November 2024 (BUXTED PARISH COUNCIL) and then approved at full council in December 2024 (link to December 2025 minutes: PC meeting agenda 6 June 2000) and then next budget and precept is being prepared for full council in November 2025.
4.2	Is actual expenditure against the budget regularly reported to the Council & minuted?	On a monthly basis, at full council, the following RBS reports are circulated to all Cllrs – this is an agenda item which is minuted: Receipts and payment, Ear Marked Reserves, Cash and Investment Reconciliation, Trial Balance. The receipts and payments report show the amount in budget v the actual expenditure (or income).
4.3	Are there any significant and unexplained variances on budget?	The RFO would liaise with the Chair of Finance or Chair of the parish council to report any significant variances.
5	**Income Controls**	
5.1	Is income properly recorded and promptly banked? Yearly review of scale of fees?	Income is usually in the form of BACS payments, and the occasional cheque. There is no local bank for the RFO to use, however, deposits can be made via the Post Office. Cheques are usually deposited within two weeks of receipt, and recorded on RBS. Due to the closure of the Reading Room there has not been a yearly review of

		fees as we do not have a building to let out.
5.2	Does the precept recorded in the cashbook agree to the DC's notification?	The precept is usually received in April and October and is recorded on RBS under code 1100. The RFO is aware not to include any other income within this code.
5.3	Are security controls over cash adequate and effective?	We do not use petty cash or receive cash.
6	**Payroll Controls**	
6.1	Do staff salaries/wages paid agree with those approved & minuted by the Council & what is review frequency?	Salaries are increased with NALC guidelines on an annual basis.
6.2	Are other payments to the Clerk reasonable and approved by the Council?	The Clerks/RFO are in receipt of Home Office Allowance, which is recorded on RBS separately from the salary. Expenses for mileage and stationery are also claimed. This is approved by 2 x Cllrs.
6.3	Have PAYE/NIC/Pensions been properly operated by Council as an employer? Payment frequencies/method?	The parish council outsource the payroll services to Mulberry & Co who deal with the calculation of all salaries includingPAYE/NIC/Pension Contributions. Salary payments are then authorised by 2 x Cllrs and made by bank transfer. Pension contributions are made by BACS HMRC payments are made by BACS
7	**Assets Controls**	
7.1	Does Council keep an asset register of all assets owned incl. Serial nos.? Annual physical check noted?	A full asset register is maintained showing location, cost, date bought, date disposed.

7.2	Are the Asset/Investments registers up to date incl. disposals? Note all Investments held with a/c nos.	Asset register is maintained on a regular basis for purchases and disposals. Insurance updated at renewal unless large items require immediate cover.
7.3	Do asset insurance valuations agree with those in the asset register?	Insurance valuations are prepared on an individual equipment basis (where applicable) and grouped for inclusion within the statement of accounts each year.
8	**Bank Reconciliation**	
8.1	Is there a Bank reconciliation for each account held?.	Bank reconciliations are carried out by the RFO on a monthly basis, where a statement has been received from the bank. If there is no activity on an account then the bank does not usually send a statement. The reconciliations are emailed to all Cllrs prior to the full council meeting and the papers copies are checked/signed by one of the Cllrs at the full council meeting.
8.2	Are Bank reconciliations conducted on receipt of statements & with what frequency?	Yes, as above.
8.3	Are there any unexplained balancing entries in any reconciliation?	No. However, very occasionally there will be an unexplained difference, which would then be subject to enquiry by the RFO – and sometimes requires further enquiries with RBS/the bank. This is usually down to an input error on RBS.
9	**Year-end Procedures**	
9.1	Are Year-end, final accounts prepared on a Receipts and Payments or Income and Expenditure basis?	Buxted is on a receipts and payments system. The Clerk/RFO is aware that if receipts/payments exceed £200,000 for three consecutive years then they would need to change to income and expenditure based accounts. In 2023-2024 they did not exceed £200,000, however, in 2024-2025 they did due to the sale of the Reading Room.

		The Clerks/RFO will need to monitor this level when conducting the year end accounts for 2025-2026.
9.2	Do the accounts agree with the cashbook codings?	Yes, the final accounts for the last year end (31.3.2025) were fully agreed with the analysed cashbook and TrialBalance confirming balances held.
9.3	Is there an audit trail from underlying financial records to the accounts, for both receipts & payments?	Yes – via the RBS system and reports that can be saved/printed.
9.4	Where appropriate, have debtors and creditors been properly recorded? Are year-end, General & Earmarked reserves held at reasonable levels?	N/A Reserves: yes – we are aware to keep general reserves at between 3-12 months. We do have some high EMRs due to saving for a new hall and CIL income.

11.	Review	
11.1	Is there an established process for the review of this document	It will be recommended to full council that this risk assessment is reviewed annually alongside the Financial Regulations and Standing Orders.

This document was initially prepared by Claudine Feltham in advance of the internal audit due December 2023, and is reviewed on an annual basis.