

MINUTES OF THE CHINEHAM PARISH COUNCIL FINANCE COMMITTEE

DATE: 14 June 2021

TIME: 7pm

PLACE: Committee Room, Chineham Village Hall

PRESENT: Cllr. Les Fryer (Chairman)
Cllr. Andy Clarke
Cllr. Luke Williams
Sally Jackson (Clerk)

1. To elect a Chair and Vice-Chair.

Cllr. Andy Clarke proposed and Cllr. Luke Williams seconded a motion that Cllr. Les Fryer be nominated for the position of Chairman and Cllr. Fryer was duly elected. Cllr. Les Fryer proposed and Cllr. Luke Williams seconded a motion that Cllr. Andy Clarke be nominated for the position of Vice-Chair and Cllr. Clarke was duly elected.

2. To receive and accept apologies for absence.

No apologies were received.

3. To sign as a correct record the minutes of the meeting held on 11 January 2021.

The minutes of the meeting held on 11 January 2021 were signed as a correct record.

4. To receive declarations of interest relevant to items on this agenda

No declarations of interest were received.

5. To review the effectiveness of the Parish Council's system of internal controls.

A discussion took place and it was agreed to recommend to the Full Council that the Parish Council's system of internal control is effective.

6. To discuss the internal audit report for the year ended 31 March 2021.

A discussion took place and the recommendations made in the internal audit report were noted (Appendix A). It was acknowledged that any minor VAT issues arising from purchases made by the Clerks on behalf of the Parish Council would be removed once a Parish Council debit card was in use. It was further acknowledged that this had not yet been actioned due to Covid restrictions and difficulties getting into the local bank branch.

ACTION POINT: FINANCE COMMITTEE TO REVIEW VAT ISSUES IN MORE DETAIL/CLERK TO ARRANGE DEBIT CARD

7. To discuss the Annual Governance and Accountability Return for the year ended 31 March 2021 including the governance and accounting statements.

A discussion took place and it was agreed to recommend to the Full Council that they approve the Annual Governance and Accountability Return for the year ended 31 March 2021.

8. To discuss an amendment to the bank mandate removing one authorised signatory and adding Cllr. Williams as an authorised signatory on the Parish Council’s bank accounts.

A discussion took place and Cllr. Williams completed his section of the bank mandate form. It was agreed to recommend to the Full Council that this amended bank mandate be approved.

The meeting closed at 7.30pm

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Chairman

Appendix A

Chineham Parish Council
PO Box 6275
Basingstoke
RG22 4WJ

Date: 11 June 2021

Ref: Chineham Parish Council - Internal Audit 2020/21

Further to my audit of the council's affairs for the 2020/21 financial year, which I found, generally, to be in good order, I have the following comment:

Comment:

1. There are a number of issues relating to the administration of VAT, primarily on items reimbursed via expense claims. These relate mostly to the validity of evidence of VAT charged on supplies, resulting in some items not appropriately being accounted for. On-line orders from non-UK sources are a particular problem.

Recommendations:

1. A procedure should be instigated to qualify all receipts/invoices, at time of presentation for reimbursement, to determine their validity for VAT accounting and reclaim purposes, and to ensure they are properly accounted for.
2. The need for valid VAT invoices to be obtained should be stressed.
3. Where it is possible to obtain a VAT invoice, but one has not been obtained, the person presenting the item to be asked to attempt to obtain one, where practicable, and where the amount involved is not trivial. For instance, with Amazon UK this involves clicking on the orange "View Order Details" box in the order acknowledgement email.
4. A number of these issues could be avoided if the Council itself contracted for the supply. However, especially for on-line purchases, only card payment may be possible. It is noted that the Council discussed this matter at its September meeting and agreed an action to pursue getting a debit card for this purpose. However, there is no minuted record of the outcome of this attempt, nor subsequent evidence of use of such.

Yours,
John Long
Internal Auditor