

**MARCHWIEL COMMUNITY COUNCIL MEETING
MINUTES OF MEETING HELD ON FRIDAY 26th JUNE 2019
TO DISCUSS THE 2018/19 AUDIT**

The Clerk reported collecting the internal Audit from JDH Services. The report was read and the six recommendations and Guidance Note were Noted. The actions were agreed. The Clerk and Chairman signed the 2018/19 Annual Return. The Clerk reported that she will prepare the documents requested by the External Auditor along with a statement of differences and post by recorded or special delivery to Grant Thornton in Cardiff.

Action Plan Recommendations

1a. The balances entered on the annual return for 2017/18 for boxes 9,11 and 12 are incorrect.

- The Clerk informed Members that the figures had been carried over from the wrong column. Implemented

1b. The 18/19 annual return had not been completed for audit. The draft staff costs balance did not include £99.96 payment to AVOW in respect of 2017/18 payroll. This does not appear to be an administration charge so should be included within the staff costs.

- AVOW's system had a calculation error which meant an underpayment of Tax /NI for 3 months Oct, Nov and Dec 2017 resulted in invoice for £99.96. It is not salary to the Clerk

2. The bank reconciliation provided for audit was out of balance by £10. A review of the statements against the accounts found that an unrepresented cheque in 17/18 (cq 428) for £231.94 was presented in 18/19 for £221.94. Payments in the cash book should therefore be adjusted for this error.

- The Clerk informed Members that she had amended the bank reconciliation. Implemented.

3. The minutes approve payments vis reference to a payments schedule. The total amounts of payments is recorded in the minutes each month. A review of the schedules found they had not been signed by the Chair when they were approved by Council.

The schedule for the month of March did not agree with the minutes: 13/3/19 minutes record total expenditure as £11,494,80 The schedule shows total expenditure as £11,509.80

- Members stated that all payment reports are approved and signed at each meeting. The Clerk was not sure why the March report was not signed. She reported that Members approved an additional payment at the meeting for £15.00 to pay for additional photocopying. It was written into the sheet and new total written in and Members approving the Minutes and Agenda. When the Clerk wrote the minutes she used the original Financial Report by mistake instead of adding the £15.00.
- This error will not happen again as additional payments are not added to the report submitted at the meeting but added to the following months Financial Report to stop this happening again.

4. Testing of sample payments found there was no supporting receipt/invoice on file for the following reimbursement of expenses to the Clerk: 24/10/18 CQ 2557

Mrs V Jones £53.98

- The Clerk provided the 2 Amazon invoices to the Internal Auditor
- £29.85 HP940XL Black Ink & £24.13 Voice Recorder to use at meetings following their County Councillor breaking the code of conduct by shouting and his aggressive behavior towards the Clerk and Chairman. It was decided to purchase a recorder for future meetings. As currently there is no petty cash the Clerk used her own money and required reimbursement.

5. The Council have carried out an annual risk assessment which is dated 13/3/19. The 18/19 minutes do not record approval of the risk assessment.

- The Clerk reported that it was an oversight that it had been missed out of the minutes somehow. The Minutes clearly show 190a and 190c but 190b is missing?. The Clerk wrote at the bottom of the minutes 190b had been carried out but not showing in the typed text. The Chairman was happy and signed the minutes as they had carried out the procedure the previous month. This is an unexplained error.

6. We have seen no evidence that three quotes were received before the following contracts were awarded in 18/19: Leon Hughes & Steve Morris

The financial regulations require that contracts over £1000: *The clerk or RFO shall obtain 3 quotations (priced descriptions of the proposed supply)*

- *The Clerk reported that Members had previously set their Financial Regulations for contracts over £10,000 should obtain quotations and not £1,000.*
- *The Clerk agreed that it had been an oversight that the Financial Regulations had not been amended to show this correctly and that they will update their Financial Regulations to show the correct Resolved figure of £10,000. This has been discussed with the internal Auditor at previous Audits to check it was correct.*
- *The Clerk will amend and present to Members to approve in the September 2019 Meeting.*

Members thanked the Clerk for the work involved in completing the Audit and said it has been a difficult year but they appreciate all the work she has carried out.

PRESIDING CHAIRMAN - COUNCILLOR MR TERRY EDWARDS
