

Christchurch Council Under Fire for Serious Accounting Failures

July 15, 2025

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Christchurch Town Council has come under scrutiny after admitting to major financial errors, including a failure to register for Value Added Tax (VAT), raising concerns about oversight and accountability.

A series of discrepancies emerged when council officers discovered the mistakes, which dated back over a year. The council did not register for Value Added Tax (VAT) in February of

the previous year, a critical lapse given the need to manage VAT on leasing its town centre car park to the grocery chain Waitrose. This oversight means the council was unable to reclaim taxes on transactions and may now face significant administrative work to correct records.

In addition to the VAT issue, officials revealed receipts had been incorrectly recorded and that prior-year accounts were improperly closed. Perhaps most notably, the asset register required a substantial adjustment of approximately £300,000. These revelations were quietly included in documents published on the Christchurch Town Council website only hours before a resources committee meeting, limiting the opportunity for residents to scrutinise the findings or pose questions to elected representatives.

A Christchurch resident who spoke with the Advertiser and Times voiced frustration about the lack of transparency, saying, “It is very odd and quite worrying. The report about the errors was only put online the morning of the meeting. It felt like everything was being done to hide it as much as possible.”

The resident added that the topic was “hardly discussed” during the committee session on June 17 and received minimal attention at the subsequent full council meeting. While the individual stopped short of alleging deliberate wrongdoing, they questioned how such a serious failure could have gone unnoticed for so long, especially since the Waitrose lease had been on the agenda repeatedly.

A financial officer’s statement confirmed the council has now registered for Value Added Tax (VAT), retroactive to February 2, 2025. However, the process has created “significant additional work” as months of transactions must be reviewed and amended. Several VAT claims were never submitted, compounding the problem.

This episode underscores why taxpayers expect local authorities to maintain rigorous financial standards and transparency, particularly when public funds and assets are involved. Christchurch Town Council will likely face continued scrutiny as it works to resolve these costly mistakes.