

ALLITHWAITE AND CARTMEL PARISH COUNCIL

MINUTES OF ALLITHWAITE AND CARTMEL PARISH COUNCIL FINANCE COMMITTEE MEETING,

HELD AT CARTMEL VILLAGE HALL ON THURSDAY 11th APRIL 2024,
immediately after the full council meeting at 7.00 pm.

Present: Cllrs Donally (Chair), Dean, Johnson and Lamb. The Clerk Christine Downey.

- F28 **Apologies:** To note apologies for absence given in advance of the meeting.
Apologies received from Cllrs Barrett and Sim.
- F29 **Declaration of interest:** To note declarations of interest not already declared under members Code of Conduct or members register of Discretionary Pecuniary Interests
None.
- F30 **To receive comments & Concerns:** To hear matters raised by members of the public or Cllrs with an interest (that are allowed to speak) either on agenda items or for future consideration: **None.**
- F31 To confirm the **Minutes** of the Finance Committee Meeting on 4th January 2024.
(Paper F2024/20)
RESOLVED: That the minutes of the meeting of 4th January 2024 are agreed and signed.
- F32 To conduct the **Quarterly Internal Control checks** for the three months to 31st March 2024.
- 32.1 Payments and Receipts. (Papers F2024/21 and 22)
RESOLVED: That the sample of payments and receipts checked were correct.
- 32.2 Bank Reconciliation. (Papers F2024/23, 24 and 25)
The bank reconciliation was checked against the receipts and payments lists and the bank statements.
RESOLVED: That the accounts reconcile with the March 2024 statements.
- 32.3 VAT return. (Paper F2024/26)
RESOLVED: That the VAT repayment claim for the three months to March 2024 is correct and can be submitted by the clerk.
- 32.4 Performance against budget. (Paper F2024/27)
RESOLVED: Performance against budget was reviewed and approved.
- 32.5 To complete the Parish Council Internal Control checklist. (Paper F2024/28)
RESOLVED: Completed and signed by Cllrs Donnally and Johnson.
- F33 **Reserves:-**
- 33.1 Review the position of **Allocated and Unallocated Reserves.** (paper F2024/10)
Reviewed.
- 33.2 Agree **recommendations to be made to full council** regarding which earmarked (allocated) reserves can be safely transferred to the general (unallocated) reserves, if any.

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RESOLVED: Not to make any recommendations to full council regarding the transfer of earmarked reserves to the general reserves at this time.

F34

To consider a transfer to or from the savings account and to agree a way forward:-

As at 31/03/2024	Bank statement balance	Add Outstanding receipts	Less Outstanding payments	Balance as per cash book
Community Account	121,956.32	0.00	478.25	121,478.07
Reserve Account	25,492.89	0.00	0.00	25,492.89
Unity Trust Account	471.18	0.30	0.00	471.18
Total	147,920.39	0.00	478.25	147,442.14

RESOLVED: Not to transfer funds between the community bank account and the reserve bank account at this time.

RESOLVED: To consider if a transfer between bank accounts is necessary, after both bank accounts have been transferred to the Unity Trust Bank, after the completion of the Fish Slabs and Pinnacle project which involves National Lottery Heritage Funds.

F35

To consider VAT repayment claim principles for parish councils and related matters.

There was a thorough discussion of the VAT principles for parish councils, the main points were:-

- The VAT rules for Councils and Charities are not the same. The VAT regime for Parish Councils are more generous.
- A local council cannot use its right to a refund of VAT to benefit other bodies by acting as their agent, or vice versa. (See NALC Legal Topic Note 32)
- It is an unlawful evasion of VAT for a council to purchase something on behalf of a charitable village hall committee, claim the VAT and obtain reimbursement from the committee, whether before or after the purchase. (See NALC Legal Topic Note 32)
- NALC advise that a charity (such as a charitable village hall committee) has no general power to make a gift of money to a local authority. Any cash paid over from a charity to a council must, therefore, be considered to be for the supply of goods and is not a donation or a gift of money. (See NALC Legal Topic Note 32)
- The Parish Council has the power to make grants to a voluntary organisation such as a village hall charity. There is no limit to the amount that may be given. (See NALC Legal Topic Note 21)
- A local council which purchases equipment or building materials or pays for building work for a village hall may reclaim VAT under Section 33 of the VAT Act 1994, provided that ALL the following conditions are met:-
 - The goods and services are ordered by and supplied to the council in its own name (with the VAT invoice made out in the name of the council).

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- The goods and services are **paid for out of the council's own funds** or those of another local authority or central government.
- The council gives or loans the goods or services to the village hall and **does not recover any of its costs from the village hall committee** or from a private individual or another voluntary body that obtains any direct benefit from the use of those goods and services.
- Where a project is part funded by the village hall, the council **contracts** to carry out a specified part of the work or to purchase specified materials **BEFORE** the project commences. (See NALC Legal Topic Note 21)
- Requests for the Parish council to reclaim VAT for the benefit of other bodies appear to be a relatively recent development and should be discouraged because such requests cannot be lawfully accommodated.

RESOLVED: That in accordance with current legislation, and all the available current guidance, the Parish Council cannot use its right to a refund of VAT to benefit other bodies and will not submit VAT repayment claims for items purchased by other bodies, including Charities and Village Hall Committees.

RESOLVED: That other organisations will be advised to pursue any VAT repayment that they consider to be due under the legislation which applies to their own organisation, as it cannot be reclaimed on their behalf under the legislation and regime applying to the Parish Council.

RESOLVED: That Cartmel Village Society will be asked to submit an invoice to the PC for the final item of Medieval Cartmel expenditure; the costs of advertising the Traffic Regulation Order for the event.

F36 To consider the Year End report for the APM. (Papers F2024/30 and 31)

RESOLVED: Reviewed and approved.

F37 To review the Asset Register and agree any amendments necessary. (Paper F2024/32)

RESOLVED: To add the acquisition of a bench costing £550 in 2023/24.

RESOLVED: To amend the following items on the asset register as at 31st March 2024:-

Item	Cost as at 31/03/2023	Cost as at 31/03/2024	Reason for amendment
Line 26: Fencing / gates: Quarry / Orchard and Meadow	3,500.00	0.00	Duplicated entry. Already on asset register at line 11.
Line 27: Playground equipment, KGV Playground, Allithwaite.	45,000.00	0.00	Entry previously made in error. The expenditure on playground equipment was on the pump track at Allithwaite Playing Field not

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			KGV, and the cost was eventually in excess of £45K. See item for line 34 below.
Line 31: Fish Slabs and Market Cross.	1.00	53,531.00	To include the actual cost of the Fish Slab and Pinnacle restoration project to date.
Line 34: Pump Track, Allithwaite Playing Fields.	0.00	57,250.00	Omitted previously in error. £57,250.00 (net) spent on pump track between Nov 2022 and February 2023.
NBB Recycled Furniture. Picnic bench.	0.00	550.00	Bought for KGV but wrong bench, so used elsewhere.
Total of asset register	311,070.00	373,900.00	311,070.00 (3,500.00) (45,000.00) 53,530.00 57,250.00 <u>550.00</u> 373,900.00

F38 To review the Policies and Procedures Review Timetable and agree any actions. (Paper F2024/33)

RESOLVED: Carry forward to next agenda.

F39 **Minor items** for information only, and items for **next agenda**.
None.

F40 Date of next Finance Committee meeting.
11th July 2024 at Cartmel Village Hall, after the full council meeting on that date.

As there was no further business the meeting closed at 9.10 pm.