



Annual Governance and Accountability Return (AGAR) 2019/20

Explanatory Note to accompany Annual Governance Statement

Box 9 – Trust Funds (including charitable)

Weakness identified:

Within the 2019/2020 financial year, the Clerk questioned whether Bramley Parish Council is the sole trustee of the Bramley Village Hall Charity (charity number 200127). The deeds for Bramley Village Hall have been lost for some time.

The Clerk sought legal advice from the local Association of Local Councils who confirmed that Bramley Parish Council is in fact sole trustee of the Bramley Village Hall Charity. This has not been disclosed in previous annual governance statements, and the Council has not operated the Village Hall Charity separately, as required by the Practitioners' Guide published by the Joint Panel in Accountability and Governance. This is because:

- Transactions relating to the Village Hall Charity have not been recorded in a separate bank account
- Meetings of the Council when acting as the trustee of the Village Hall Charity have not taken place as separate meetings, with separate minutes.

Steps to address the weakness:

In order to address this weakness, during the 2020/21 financial year the Council will carry out the following actions:

- Financials
 - Set up a separate bank account for the Village Hall Charity.
 - Set up the Charity as a separate company within the Council's accounting software.
 - Separate the Parish Council assets between the Village Hall Charity and the Parish Council. This will include cash as well as Fixed Assets and reserves.
 - The practice of passing income and expenditure relating to the Village Hall Charity through the books of the parish council will cease. If the Village Hall Charity needs financial support from the Parish Council, this will be by way of a grant awarded at a Parish Council meeting.
 - Separate VAT registration for the two entities.
- Administration
 - Separate meetings will be held for Village Hall Charity, where Council acts as a Managing Trustee. All business relating to Village Hall Charity will be recorded in these meetings.
 - Charity governing documents will be reviewed to ensure that the Charity only follows governing objects.
 - A Village Hall Charity management committee will be established.



- Parish Clerk’s job description will be reviewed to assess whether clerking the Village Hall Charity should be added.

- Cost sharing
 - A detailed review of how costs are allocated and charged will be completed to ensure they are correctly assigned to the Village Hall Charity and the Parish Council.

Further advice will be sought from the local Association of Local Councils to confirm all appropriate steps have been actioned in order to resolve this weakness.

Prepared by: Kathy Victor, Parish Clerk

Date: 30th July 2020