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# SERVICES

## PROCEEDING AND WHICH ROUTE TO TAKE

The area of VAT is very complex. Just because you may be a charity, does not mean you are VAT exempt. This is a general guide to communities as to whether they can have their defibrillator equipment VAT exempt. Please refer to the HMRC website for the definitive guidelines.

The HMRC is required to collect VAT on any commercial transaction. This includes any goods or services supplied to a business or other organisation except where these organisations are themselves VAT exempt or zero-rated. For an organisation to be zero-rated or exempt they have to comply with the test as laid out by HMRC. Please refer to the HMRC website for a detailed list of exemption criteria. Just because you are a charity does not automatically mean you are VAT exempt, nor if you are a business does this mean you cannot claim some items as being VAT exempt. You will need to satisfy the HMRC criteria first. If you fail to meet these criteria, you may become liable for VAT at a later date.

CHT is classed as an organisation that can buy VAT exempt as we meet the criteria. However, we cannot supply to you VAT exempt unless the 'end user' also meets this criterion. Therefore, if there is a chain of people the goods will pass through, we cannot buy VAT exempt unless we know the 'end user' is also eligible for VAT exemption. This is where a VAT exemption certificate from you is very helpful.

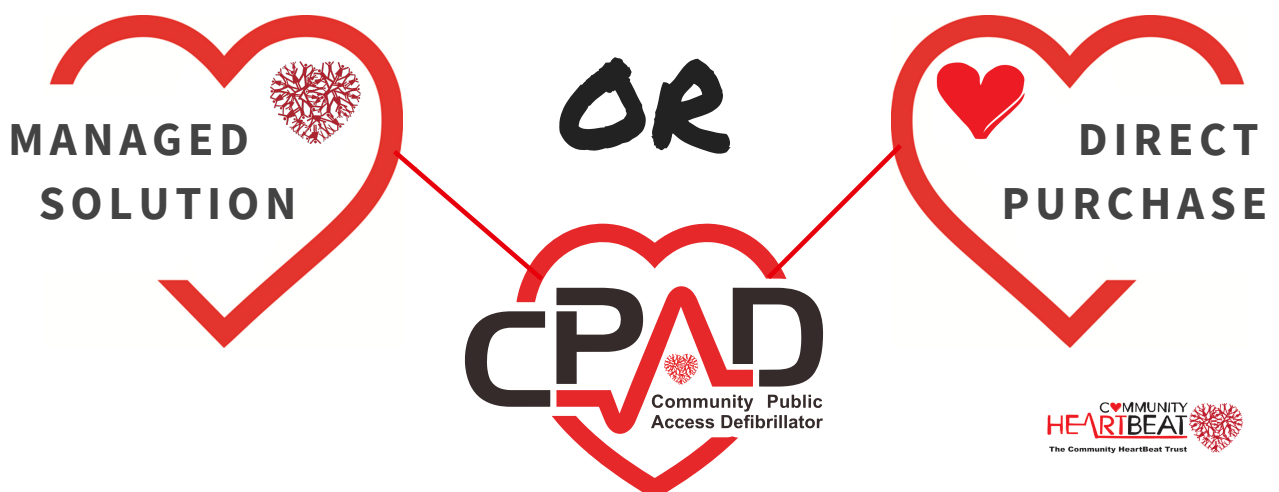
Therefore there are 2 categories where we can supply goods for you to meet these VAT criteria:

**Option 1** – You fundraise by various means and then donate monies to CHT, or CHT holds and runs a reserve account for your fundraising. CHT then supplies the equipment, but CHT retains ownership of this equipment. CHT addresses the VAT. The 'end user' is CHT. This is referred to as a **Managed Solution**. Which can be very beneficial to communities who fundraise as CHT will cover both public liability and theft and damage insurances (Subject to conditions) on behalf of the community.

**Option 2** – You buy the goods from CHT, but these are delivered and invoiced through a VAT registered company that CHT owns – CHT Solutions Limited. This means you have to pay VAT, but are able to claim this back if you are VAT registered yourself. CHT will normally supply through CHT Solutions in this instance, but may be another authorised seller, or may be via the original manufacturer themselves. Such a solution may be beneficial for Parish Councils or Companies who are able to reclaim VAT and may also have access to their own insurances.

We will work within whichever solution best fits your needs, and meets the HMRC criteria. Please note that if you are a registered charity, you are not automatically VAT exempt.

Please refer to the HMRC website for more detailed information.



# MANAGED SOLUTION

## EMPOWERING COMMUNITY ACTION

A CHT Managed solution offers a cost-effective method of implementing a quality community defibrillator project that addresses the many potential liabilities.

The advantages of this approach are...

- CHT becomes the "owner" in law and therefore accepts the main liabilities
- CHT has Public Liability insurances
- CHT takes control of policies and procedures and the site becomes "Accredited"
- CHT has theft and damage insurances
- CHT addresses VAT in line with HMRC guidance.
- CHT will make sure if the equipment is out of service for any reason, you will have replacement equipment for the community
- CHT provides a counselling service as part of "duty of care"
- CHT extends warranties on equipment from 8 to 10 years
- CHT arranges hosting and other agreements with the proposed site
- CHT arranges an annual check on your equipment - defibrillator and cabinet
- The community receives top-tier equipment for untrained-users.

The Community still has the following obligations:

- The community will carry out regular weekly (recommended) and monthly (minimum) checks on the equipment, reporting this via the WebNos governance system
- Any replacement or additional equipment is acquired through CHT, or via a separate annual support agreement is taken out with CHT
- Installation costs are met by the community

Managed Solutions are a much easier way for the community to get higher quality equipment, looked after, cheaper and liabilities addressed. The Managed Solution runs for a minimum period of 4 years. At the end of this period, the community can buy and take over the equipment for £1, or ask CHT to continue provision. If the community takes over the equipment, CHT will require the various Governance aspects to be addressed, or continued. The cost of a Managed Solution is the same as a purchase but has savings including insurance costs.

For a copy of the Managed Solution Agreement get in touch with us using the contact page at the end of this guide.



**WHILST SOME FACILITIES ARE ONLY AVAILABLE THROUGH A MANAGED SOLUTION - IF PURCHASING DIRECTLY CHT STILL PROVIDES GOVERNANCE, POST-RESCUE COUNSELLING AND ADVICE ON POLICY AND PROCEDURES, AS WELL AS ON-GOING SUPPORT FOR SITES.**