

DITTISHAM PARISH COUNCIL

Incorporating the Hamlet of Capton and the Manors of Bozomzeal and Coombe

DRAFT Minutes of the Meeting of the Finance Working Group of Dittisham Parish Council at 12 noon 27 October 2026 at Lyon Cob House, Lower Street, Dittisham

Present: Cllrs Bond, J.Green, Unitt (Working Group Chair)

Apologies: Cllr Pope

Clerk: Cat Radford

1. Apologies were received as above.
2. Minutes
 - 2.1. Minutes of the meeting held on 28 July were approved as an accurate record.
 - 2.2. There were no actions outstanding that were not included on the agenda.
3. Receive and review end of Quarter 2 reports
 - 3.1. 2026/27 end of Quarter 2 budget report Members reviewed the income and expenditure within the quarter. The following observations were made:
 - The budget for 'office expenses' is close to being exhausted. **ACTION: The clerk** to look at the figures in this cost code for an explanation, comparing with expenditure in the prior year.
 - The 'Professional Fees' earmarked reserve has been exceeded. This line is used for all expenditure relating to progression of the new burial ground and car park project. Community partners (St George's Church, Dittisham Village Hall and Red Lion Pub) have not yet contributed to costs. Receipts from contributing partners will replenish this line.
 - The Parish Lengthsman budget line remains unspent. The clerk is seeking to progress recruitment of a lengthsman before the end of the financial year.
 - 3.2. 2026/27 Quarter 2 bank reconciliation the bank reconciliation prepared by the Clerk was reviewed by the Working Group, checking balances and bank statements matched. The bank reconciliation showed the parish council accounts has a balance of £107,403.91, which includes reserves of £67,272.29. The bank reconciliation was signed by Cllr J. Green.
 - 3.3. 2026/27 Quarter 2 VAT return Cllrs reviewed the VAT 100 due for submission to HMRC, noting that the net VAT due to Customs is £3,115.96. **ACTION: The Clerk** will submit the return.
4. New Car Park and Burial Ground Project *For the finance committee to make a recommendation to Full Council on whether it is providing an onward supply of services, and therefore if VAT should be prepared for all partners.*

The clerk provided an overview of the advice received from a VAT advisor. Following discussion, **it was AGREED** to accept the advisor's advice and recommend to Full Council that:

- The Parish Council charge VAT on invoices to St George's Church as the parish council is making an onward taxable supply. *Rationale: the church is incurring costs, via the council, for its own purposes, i.e. to acquire land for a burial ground.*
- Contributions from Dittisham Village Hall and The Red Lion Pub be considered donations and therefore outside the scope of VAT. *Rationale: Neither organisation is receiving any rights to any services.*
- The parish council calculate the amount each partner contributes to the project based on the net amount of supplier invoices (i.e. excluding VAT). It is noted that St George's Church can be reclaim any VAT paid on invoices from HMRC. The VAT received by the parish council on invoices raised to St George's Church will be paid to HMRC.

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5. Village Hall Members reviewed documents provided by the Village Hall Management Committee. This included the Annual Premises Report, Roof Condition survey and year end accounts. It was noted that the £4000 grant application submitted for consideration by the parish council lists the annual maintenance works that the grant would support in the 2027/28 financial year.

ACTION: Cllr Unitt to summarise figures and circulate to other members of the working group.

ACTION: Members to review this and forward any questions to Cllr Unitt to raise with the Village Hall Management Committee.

6. Banking arrangements *Consider actions related to online banking, and updating clerk's details*
- 6.1. Online banking with NatWest All chosen signatories have signed the relevant forms to establish online banking for the NatWest accounts, making it possible for all members of the Finance Committee and the Clerk to access account information online. This will help the clerk update accounting records much more easily than waiting for paper bank statements to arrive. NatWest bank has confirmed that further information on how to access online banking will be sent automatically. There will be an option to log in with a card and card reader, but access will also be possible through a phone app, using a biometric passkey.
- 6.2. Updating the correspondence address with NatWest It had been confirmed that the clerk will be able to update the name on the correspondence address through the online banking app when access has been established. The alternative is for two digital signatories to complete an online form. The clerk has been sent the relevant forms to complete, but updating via the online app is a simpler process.
- 6.3. Bank account rationalisation The parish council has three accounts with NatWest bank (a current account, a 35-day notice liquidity account and a 95-day notice liquidity account) and two accounts with Lloyds Bank (a current account and a Commercial Instant Access savings account).

There was a discussion during which members considered the balance of keeping funds readily available, whilst maximising opportunities to earn interest. **It was AGREED** to recommend to Full Council:

- Transfer £12,000 from the NatWest Current Account to Lloyds Commercial account.
- Transfer £20,000 from the Lloyds Current Account to the Lloyds Commercial account.
- Close the NatWest 35-day notice liquidity account, transferring all funds into the NatWest 95-day account notice liquidity account.

7. Clerk's hours *Review of Clerk's hours in relation to budgeting*
The Clerk had run a report of hours worked in the quarter. No overtime had been undertaken. It was noted that the outcome of the clerk's annual appraisal would not make a significant impact on the budget.
8. Opportunity to ask questions No questions were asked on accounting systems, processes or procedures
9. Next meeting *Agree dates for next meetings, looking ahead to grant deadlines and budgeting for the 2027/28 financial year.*

9:30am Tuesday 9 December 2026 to draft the budget. **ACTIONS: The clerk** to produce a forecast to circulate with papers ahead of this meeting. To ask Full Council for comments on projects that may require consideration in the budget at the monthly meeting of 2 December 2026.