

MINUTES OF THE EXTRA ORDINARY FINANCE & POLICY COMMITTEE MEETING HELD ON 29th MARCH 2022 IN THE GARDEN ROOM OF THE COMMUNITY CENTRE AT 7.00PM.

PRESENT: Cllrs. Spackman (Chair), Hill, R Lewin, Williams & Wogan

APOLOGIES: Cllrs. Josephson, McNally and Moore

NOT PRESENT: Cllrs. T Lewin and Waters

IN ATTENDANCE: The Clerk and Asst. Clerk. Cllrs Pritchitt and Summers as members of the public

18/22 PUBLIC QUESTIONS

None

19/22 APOLOGIES FOR ABSENCE

Apologies were given and accepted from Cllrs. Josephson (ill health), McNally (ill health) and Moore (family)

20/22 TO DECLARE ANY INTERESTS OR REQUEST DISPENSATION PERTAINING TO THE ITEMS BELOW

Name	Min. No.	Category of Interest	Reason
Cllr. R Lewin	24/22	Personal	Sponsor to refugees.

21/22 MINUTES OF THE MEETING HELD ON 15TH MARCH 2022

Cllr. Spackman proposed that consideration of the minutes of the meeting held on 15th March 2022 be deferred until the next ordinary meeting. This was seconded by Cllr. Williams and AGREED.

22/22 CLARIFICATION OF (NON-CONFIDENTIAL) ACTIONS FROM LAST MEETING

Cllr. Spackman proposed that clarification of actions from the meeting of 15th March 2022 be deferred until the next ordinary meeting. This was seconded by Cllr. Williams and AGREED.

23/22 TO RATIFY THE AGREED TERMS OF THE PROPOSED LOAN AGREEMENT BETWEEN FOREST ROW PARISH COUNCIL AND FROWRESOURCE CIC.

The Clerk read out the proposed Terms for the Loan – copy attached to these minutes.

Cllr. R Lewin proposed that these be ratified. This was seconded by Cllr. Williams and AGREED.

Cllr. T Lewin joined the meeting at 7.20pm.

24/22 TO CONSIDER A GRANT APPLICATION BY FOREST ROW COMMUNITY FRIDGE CIC

The Community Fridge CIC had applied for a grant of £ 5,000 to provide goods in kind for the benefit of Ukrainian refugees either directly or through their registered sponsors. After discussion, Cllr. Wogan proposed that a grant of £ 1000 be given.

Cllr. Hill counter proposed that a grant of £ 2000 be given. Also that they are told they could re-apply again if and when necessary. This was seconded by Cllr. Wogan and AGREED (Cllr. R Lewin did not vote).

Cllr. Wogan withdrew her original proposal.

25/22 CORRESPONDENCE

Cllr. Spackman proposed that this matter be deferred until the next ordinary meeting. This was seconded by Cllr. Wogan and AGREED.

26/22 TO NOTE ITEMS TO BE REFERRED TO COMMITTEE OR FULL COUNCIL

Cllr. Spackman proposed that this matter be deferred until the next ordinary meeting. This was seconded by Cllr. Wogan and AGREED.

The meeting closed at 7.27pm.

SIGNED:..... DATE.....

(Chairman)

Proposed terms for a loan to FRR

General

1. The loan amount is £9.5k, to be paid immediately on loan signature.
2. The maximum maturity is 2.5 years, the target is 2 years.
3. Repayment shall be made in four equal semi-annual instalments of £2,375 (+ interest) commencing six months after the date of the loan agreement.
4. FRR shall have the right to defer the first repayment by six months such that the four repayment instalments shall commence on the anniversary of loan signing.
5. The interest rate shall be 0.2% per annum and will be paid six-monthly in arrears calculated on the balance outstanding prior to a due repayment. Interest may not be deferred.
6. The loan (outstanding principal with any accrued interest from the previous payment date) may be pre-paid at any time without penalty

General covenants

For the duration of the loan:

1. FRR shall provide quarterly (unaudited) financial statements within 4 weeks of the quarter end and annual independently reviewed accounts within 2 months of their year-end.
2. These statements to be accompanied by an explanatory report.
3. FRR shall provide six-monthly budget forecasts with a full explanation
4. Subject to the following heading, no assets or rights may be transferred without the Council's approval, not to be unreasonably withheld.
5. Once the loan has been repaid (but not before) FRPC shall have a right (but not an obligation) to appoint a Trustee to the Charity

Restrictive Covenants

To include that without the express prior approval of the Council:

1. No grants or other distributions may be made that are not allowed under the Objectives of the CIC or future Charity
2. If a repayment has been deferred, no grant or other distribution may be made until reversion to the original repayment schedule
3. No disposal or transfer of assets (excluding trading assets)
4. No change of constitution
5. No voluntary winding up order
6. No payment to any Trustee other than for legitimate expenses

Covenants regarding transfer from CIC to Charity (CIO)

Loan to be transferred at creation of charity organisation, with FRPC to be satisfied that its constitution adequately transfers the objects & obligations of the CIC

Default

Immediate repayment and transfer of assets, but not obligations.

Security

No personal guarantees, but the corporate organisation to offer a creditor's lien on its assets.