

Money Matters

Parish Finances

January 2012



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Following the oversubscribed Gift Aid training sessions held in November a third session is planned for 29th Feb. Details are given at the end of the newsletter.

Annual Accounts

The parish resources website now has updated and simplified guidance on preparing Receipts and Payments Accounts.

<http://www.parishresources.org.uk/treasurers/treasurers.htm>

<http://www.parishresources.org.uk/acc/top.htm>

A flowchart preparing and agreeing the Annual Accounts was provided in last month's Money Matters, available at

<http://communications.london.anglican.org/ministrymatters/wp-content/uploads/2011/12/Money-Matters-December-2011.pdf>

THE LONDON DIOCESAN FUND

The London Diocesan Fund is registered in England as a company limited by guarantee, number 150856.
Charity number 241083. Registered office 36 Causton Street, London, SW1P 4AU.

Statutory Fees

In Church of England parishes fees must be charged for weddings, funerals and some other church services and activities. A table of these fees is provided each year and should be publicly displayed in church. A copy is available from Elaine Saunders, the Finance Support Officer or from www.churchofengland.org/weddings-baptisms-funerals/fees.aspx

The clergy element of the fees forms part of the cleric's stipend, i.e. his/her pay. Clergy may either **declare** their fees or **assign** them. Fees which are **declared** are deducted from the following year's stipend. Fees which are **assigned** are passed to the Diocese. Therefore, in both cases the overall diocesan stipend bill is supported.

Fees are only payable to those of Incumbent status. Assistant clergy, Self Supporting Ministers and Readers act on behalf of the Incumbent and therefore must pass fees to the Incumbent. Associate Vicars may receive fees with the Bishop's permission.

Whilst it remains the responsibility of the cleric to account for the fees, parish treasurers and administrators are often involved in the charging, collection and remittance of fees.

Best Practice for all those involved is to

- * Provide an invoice detailing statutory fees and other costs
- * Request that payment is made by cheque and not in cash
- * Provide a receipt for fees received
- * Keep a separate record of services taken and fees charged
- * Send assigned fees to the Diocese on a quarterly basis* using the attached form
- * If no fees have been charged in a particular quarter send a "Nil return" to the Diocese
- * Reconcile fees and services provided on an annual basis so that any further remittance of assigned fees not yet passed on to the diocese can be made.

Note: when a PCC is involved in collected and remitting the statutory fees the cleric's fees do not form part of the PCC's income; the PCC is simply acting as an agent on behalf of the Diocese in collecting the fees. Any PCC element for services does form part of the PCC income.

* Quarterly returns

Clergy also have to make a quarterly return to the local authority registrar, detailing the weddings that they have taken; this can act as a helpful reminder to make the quarterly fees return to the Diocese.

Further information is available at:

<http://www.london.anglican.org/Regulations/fees-occasional-offices.html>

A previous edition of Money Matters also referred to Assigned fees:

<http://communications.london.anglican.org/ministrymatters/wp-content/uploads/2011/08/Money-Matters-08-August-2011.pdf>

If you have any questions please contact either the Finance Support Officer, Elaine Saunders, or your Area Finance Adviser.

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If your PCC hasn't registered with the Charity Commission

and has annual income of over £100,000 you could lose out on Gift Aid (and other benefits) if you don't register now. Contact your Area Finance Adviser for guidance on this very simple process. There is the possibility that the Charity Commission may impose other sanctions on parishes that should have registered but have not yet done so; if this applies to your PCC please do not delay registration.

Charity Shops: A Warning about pitfalls in opening temporary Charity shops

Some unscrupulous retailers, landlords and property agents are using charities to save on Business Rates relief on empty properties that they are finding hard to let.

Full business rates are due on empty commercial properties that remain unoccupied after three months, including lower value properties such as small shops. However, as charities occupying such property qualify for 80% mandatory relief on business rates, provided the property is used wholly or mainly for charitable purposes (and, at local authority discretion, relief for the remaining 20%) charities are being approached to enter into tenancy agreements solely to relieve the landlords of their requirement to pay full business rates.

Whilst a genuine let in these circumstances can be advantageous for charities in that they may obtain accommodation for low or nominal rents, the Charity Commission are warning trustees to follow a proper and reasonable decision-making process before entering into such agreements. Charities should physically occupy the premises. Failure to do so may lead local authorities to conclude that they are engaged in a business rates avoidance scheme.

For further detail on the steps the Commission expect trustees to undertake before entering into a tenancy agreement, click [here](#).

Association of Church Accountants and Treasurers, ACAT

Treasurers are reminded that each PCC has membership of ACAT since the Diocese of London has taken out block membership. ACAT's website, which includes their handbook and a wealth of information, including newsletters, is password protected; as a temporary measure you can access the site using

User name **June to August**

Password **Proverbs 28:6**

but in due course you should go on-line and go through the registration process, signing up as one of a block membership and getting your own password.

Charities Act 2011 - coming in March 2012

The new Charities Act will come into force on 14th March 2012. It does not change the law as such, but brings together in one place most of the provisions of the Charities Acts of 1993 and 2006 and a large number of other charity related provisions.

However, the Government had already launched a review of the operation of Charities Act 2006 and this is due to report in the Summer. Amendments to the law may follow that review. We will keep you informed of any impact this will have on PCCs.

A date for your diary 11 May 2012 CRE
Christian Resources Exhibition [cre.creonline.co.uk]

Contact details for Area Finance Advisers:

Mary Spredbury for Charing Cross and Kensington
Tel 020 7932 1245
Email mary.spredbury@london.anglican.org

Kevin Ogilvie for Willesden
Tel 020 7932 1279
Email kevin.ogilvie@london.anglican.org

Theresa Moses for Stepney and Edmonton
Tel 020 7932 1247
Email theresa.moses@london.anglican.org

Mail for all three to LDF,
36 Causton Street, London, SW1P 4AU

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Gift Aid Training

Wednesday 29th February, 6pm - 8pm

London Diocesan House
36 Causton Street, London, SW1P 4AU

The Diocese of London's Financial Advisers, Mary Spredbury, Kevin Ogilvie and Theresa Moses will be leading this event which is identical to those held last year. Refreshments will be available from 5.30pm.

Topics will include:

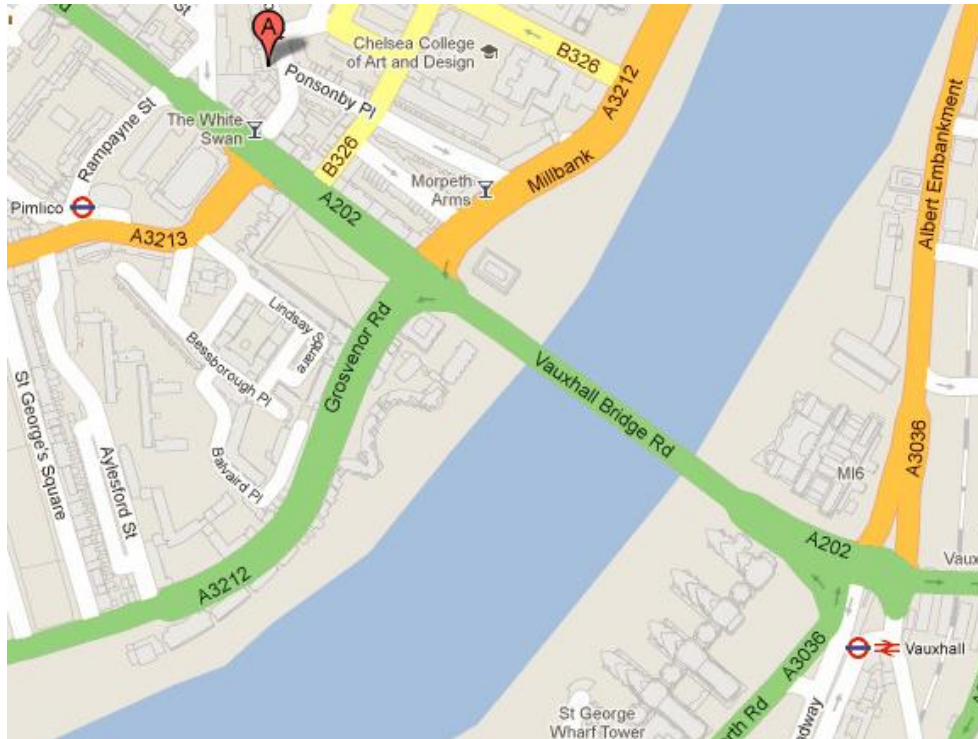
- record keeping and claiming
- HMRC website
- software
- what is changing

and there will be a time for questions at the end.

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DIRECTIONS



The nearest tubes are Pimlico and Vauxhall

REGISTRATION

Although there is no charge to attend this event, booking is essential and places are limited to two per parish. In order to avoid disappointment, please confirm your attendance by completing the details below **no later than Wednesday 22nd February 2012.**

You may send your registration by email to mary.spredbury@london.anglican.org

Name:

Parish:

Email address:

Tel:



Parochial Fees Assigned to the Diocese- Quarterly return
Returns are required even if Nil, please just email.

Parish Ref:
 Stipend Ref: LDF will complete Church Commissioners #

The Rev. _____

Period Covered: _____

		Number	Minister's fee per service	Total payable to the Diocese
		A	B	= A x B
Baptisms	Certificate issued at time of Baptism			
	Short certificate of baptism given under section 2, Baptismal Register's Measure 1961			
Marriages	Publication of Banns of Marriage			
	Certificate of banns issued at time of publication			
	Marriage Service			
Funerals and Burials Service in Church	Funeral service in church			
	Burial of body in churchyard on separate occasion			
	Burial of cremated remains in churchyard on separate occasion			
	Burial in cemetery on separate occasion			
No Service in Church	Service in crematorium or cemetery			
	Burial of body in churchyard			
	Burial of cremated remains in churchyard			
Other – Please state	Please use this line if retired clergy have taken weddings or funerals			
	As retired clergy may retain 2/3 of the clergy fee only 1/3 is due to the Diocese		x 1/3	
TOTAL				

Please return to Elaine Saunders, Finance & Support Officer
 London Diocesan Fund, 36 Causton Street, London, SW1P 4AU.
Cheques should be made payable to the London Diocesan Fund

Signature: _____

Date: _____

Charity Registration Number: 150856