

Money Matters

Parish Finances

September 2011



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Please remember that your Common Fund offers should be given to your Area Finance Adviser as soon as possible so that the budget for 2012 can be established using as up to date information as possible.

Employers Liability Insurance

A reminder that if the PCC has any employees it must have employers' liability insurance and the certificate from the insurance company must be displayed in the place of work.

National Minimum Wage from October 1st 2011

From 1 October 2011 the National Minimum Wage rates will be:

- the main rate for workers aged 21 and over will increase to £6.08
- the 18-20 rate will increase to £4.98
- the 16-17 rate for workers above school leaving age but under 18 will increase to £3.68

Remember: if you pay a 'volunteer' it is very likely that they will have become entitled to the National Minimum Wage for all the hours they work plus other employment rights.

Association of Church Accountants and Treasures (ACAT)

Treasurers are reminded that each PCC has membership of ACAT. The Association aims to have its Handbook on line so that updates can be more easily available. The membership site is password protected. Information about this can be found in the June issue of Money Matters. The ACAT quarterly newsletter can be found in the membership site.

Bishop of London's Mission Fund (BLMF):

Next deadline date for applications 5th November 2011

GIFT AID 2011: WHAT YOU NEED TO KNOW

1. For claims on donations received during 2011,

you will need to clearly separate donations received on or before 5th April 2011, from donations received on 6th April or after. HM Revenue & Customs (HMRC) will only add Gift Aid Transitional Relief to the tax claimed on gifts received on or before 5th April. If donations are not clearly separated in this way HMRC cannot pay the additional Transitional Relief due to you. If you make your claims on the old paper form, you must complete two separate schedules, one for each period.

2. The new R68i form

makes this simpler as it produces separate schedules for you for each period that needs to be identified separately. This “intelligent” form has to be downloaded from <http://www.hmrc.gov.uk/charities/r68-claim.pdf> Guidance notes on how to complete this can be found at <http://www.hmrc.gov.uk/charities/complete-form-r68i.htm>

Parishes with large numbers of donors (more than 50 or so) can complete and attach a separate schedule, but the format of the schedule must follow that laid out in the guidance notes.

Over the next couple of years HMRC will encourage and then insist that all charities parishes use this new form, because it significantly reduces the numbers of errors made by parishes, it speeds up the processing and payment of claims by HMRC, and enable HMRC to maintain levels of service in the face of budget cuts. Parishes are recommended to make their claims using this new form. If a Parish does not have anyone who can access the Internet to download the new form then, HMRC will continue to accept claims made on the old claim forms for the time being. A paper version of the claim form can only be obtained by phoning HMRC’s Charities & VAT helpline on 08453 02 02 03 and select option 3.

3. When any parish details change you must inform HMRC

The guidance notes to the R68i claim form also remind parishes that when details of a parish change HRMC now need to be told a month before a repayment claim is made. This is to avoid fraud, and should be done on the ChV1 form; downloaded from <http://www.hmrc.gov.uk/charities/chv1.pdf>

The time delay is needed to allow time for the changes to be made to HMRC records.

4. Fit and Proper Persons

Last year’s Finance Act introduced the requirement for Charities to take steps to ensure that their trustees and those within the charity with significant responsibility (including those who make Gift Aid claims) are “fit and proper persons”. The Church of England has agreed a simple procedure to comply with this, which many parishes will be doing currently anyway. Guidance on this can be downloaded at

<http://www.parishresources.org.uk/giftaid/GA7FitandProperPersons.pdf>

5. Small Donations Gift Aid Scheme

From April 2013 parishes that receive small donations of £10 or less will be able to apply for a Gift Aid style repayment without the need to obtain Gift Aid declarations for those donations. The amount of small donations on which the new repayment can be claimed will be limited to £5000 per annum.

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