



Martin Bishop

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April 2013

Dear Treasurer,

Enclosed (Paper version only):

- 1 Parish Share Statement of account to 17th April 2013 and also SEE Round statement where applicable.
- 2 "Paying People" - an extract from the Parish Resources website (3 pages)
- 3 "Employed or Self-employed" - HMRC Guidance sheet (1 page)
- 4 Guide to PAYE/NIC for Local Religious Centres (LRC) 2011/12 version (2 pages)
- 5 Gift Aid in Practice 9:
Small Donations Scheme (4 pages including notes on completion of a Vestry Record Sheet)

Previous Newsletters

Can be found on the Diocesan website at:

<http://www.stalbans.anglican.org/finance/letters-to-treasurers/>

Items included below, for potential or immediate action, are indicated by side lines

Current Status of the Parish Share Account

I enclose an updated statement for your parish, showing the position as at the close of business on Wednesday 17th April 2013. This includes all remittances received up to this date and also a debit in respect of the parish share for the current quarter ending 30th June 2013. Where applicable, a separate statement is included/will be emailed to you with respect to SEE ROUND.

I would like to thank all those of you who pay parish share monthly by Direct Debit or Standing Order. This helps the diocesan common fund cash-flow, particularly with the monthly payment of clergy stipends. It also helps to keep our bank charges to a minimum by receiving payments electronically rather than by cheque. Currently we receive just over 70% of the monthly parish share in this way.

For those of you who pay parish share by cheque, I would be grateful if you could consider making future payments to the DBF's bank account electronically. If your bank currently charges you for making cheque payments from your account then it is likely that their charges for making electronic payments will be at a lower rate. If this is something which you are able to do, I have included for your reference the DBF's bank details on your parish share statement. Please quote the relevant parish share reference number with your payment.

Real Time Information and PAYE

The new régime

Pay As You Earn (PAYE) is changing, and all UK employers will be required to notify HMRC of the details of payments to employees at the time or before they pay them. HMRC are calling this Real Time Information (RTI). Although the change is introduced from 6th April 2013, churches with fewer than 50 employees, have until 5th October to start sending their information in real time

using payroll software. A guide to what churches need to do is available at:

<http://www.parishresources.org.uk/people/payel/>

Some things will remain...

For those of you immersed in the finer nuances of this, the provision for 'Local Religious Centres' *appears to be staying* and the HMRC guide at is being updated. For current reference I enclose the existing guidance:

(http://www.hmrc.gov.uk/manuals/pommanual/attachments/lrc_guide_2011_12.doc)

I also enclose a note of HMRC's guidance as to who they would regard as having employed status and who would be deemed as having self-employed status. (<http://www.hmrc.gov.uk/employment-status/index.htm#1>) For online readers of this newsletter, there is also an employment Status Indicator tool available at: <http://www.hmrc.gov.uk/calcs/esi-01.htm>

Gift Aid Small Donations Scheme

The National Stewardship Advisor has asked us to forward the following update to you...

Although donations start becoming eligible for the scheme on 6th April, HMRC have not yet produced full guidance. What you need to do now is to check the right record keeping is in place. It's not demanding - and a simple guide on how to do this is available on the Parish Resources website at <http://www.parishresources.org.uk/giftaid/small donations/> (A paper version is enclosed for those of you receiving this Newsletter in the post).

This has been developed in consultation with HRMC. Information on claiming will come later. This scheme is extremely good news for parishes, and will enable most churches to claim an additional £1,250 Gift-Aid style payment on cash donations received without a Gift Aid declaration.

Annual Return of Finance and Annual Accounts for 2012

Annual Return of Finance

Thank you to those of you who are already using the new online facility for submitting the Annual Finance Return. The online collection of data is enabling us to collate the figures more rapidly, both for our own database and also for passing the data through to the Church Commissioners, who issue the form each year.

In case you are just about to register with the parish info site to submit your return and need a reminder of its address, it is: www.stalbans.anglican.org/statistics

(This is a dedicated link customised for our specific diocese)

The instructions on how to set up your account for the first time can be found on the diocesan website at:

http://www.stalbans.anglican.org/assets/downloads/finance/Return_of_Parish_Finance_Letter2013.pdf

Annual Accounts

In addition to the annual return of finance, please make sure that your independently examined/audited accounts are submitted within four weeks after the date of your APCM, and in any case no later than **Friday 31st May**. This can be sent either as a paper copy in the conventional post, or as a pdf attachment, whichever is the most convenient method for you.

Thank you also to many of you who are now sending in their annual accounts by email attachment. Some of you have mentioned that it would be helpful if the accounts could also be submitted via the "parish info" website, and we will be looking into this facility for next year.

I am noticing that some accounts for 2012, already received, contain references to the 1993 Charities Act in the Examiner's Report.

For **future** reference, there is now an updated wording for the Examiner's Report to reflect the introduction of the Charities Act 2011, which came into effect on 14 March 2012. The 2011 Act consolidates previous charity legislation into a single comprehensive Act but **does not change pre-existing legislation** under the previous Charities Acts. Whilst the essential substance of the Examiners Report *has not* changed, inevitably the references to respective statutory provisions *have* changed. More details, and a suggested proforma for future use can be found on the diocesan website at:

<http://www.stalbans.anglican.org/finance/annual-statutory-reporting/>

PCC and The Charities Act – 4th Edition

A useful guide for PCC Treasurers, "PCC Accountability: The Charities Act 2011 and the PCC - 4th Edition", has recently been published by Church House. This book provides essential and up to date guidance for all PCCs in the preparation and scrutiny of their annual financial statements and reports. This new edition is fully updated with regard to the Charities Act 2011 and the Charity SORP.

It includes guidance on:

- Technical compliance issues for larger PCCs aligned with current best practice
- Correlation with the current annual Return of Parish Finance
- Restructuring to clarify in clear and accessible language what smaller PCCs need to know

Additional features include:

- A complete guide to Receipts and Payment accounting
- Reworked specimen Annual Report & Accounts for small and large PCCs.

The Diocesan Office has pre-ordered a limited quantity of the new edition at a discounted price of £5.50 (Normal price £10.99). If you would like to purchase a copy, then please write to me at the Diocesan Office, enclosing your cheque, payable to St Albans DBF, for £7.00 per book (£5.50 + £1.50 to cover postage and admin)

For those of you who prefer online reference material, the parish resources website also contains guidance on annual reporting at:

<http://www.pariahresources.org.uk/resources-for-treasurers/accounting-and-reporting/>