



April 2015

Martin Bishop
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Dear Treasurer,

Enclosed (Paper version only):

- [1] Parish Share Statement of account to 31st March 2015 and also SEE Round statement where applicable.
- [2] Return of Parish Finance, incorporating guidance notes
- [3] Briefing Paper – Auto Enrolment

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, [1] showing the position as at the close of operations on 31st March 2015. 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 2015. Where applicable, a separate statement is included/will be emailed to you with respect to SEE ROUND.

Annual Return of Parish Finance for 2014 and Annual Reporting

My thanks to those of you who have already responded to my earlier newsletter. For those of you who have yet to hold their APCM, here is a gentle reminder...

For those of you with internet access, this return and copies of your parish's accounts can be filed online through our **new** portal at: <https://myd.io/stalbans/annualreturn/finance/>

[NB The former web portal at www.parishinfo.org is no longer in use and, unfortunately, your "parish info password" will not be recognised by the new portal].

Before you use this portal for the first time, you will need to need to register with the website. To help with this, we have compiled some step-by-step instructions ("Guidance notes on first use"), which you can download from this page on our website:

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

Once you have completed the Finance Return to your satisfaction, please scroll up to the top right-hand corner of the page, and click the button: 

For those who do not have access to the internet, and therefore receiving this letter in the post, please find enclosed proforma [2] for the annual Return of Parish Finance incorporating guidance notes. We would be grateful if this form could be submitted to us no later than **Monday 25th May 2015** in order that the data can be compiled and transmitted to Church House by the end of that month.

In addition to the annual return, please make sure that your independently examined/audited accounts are submitted within 28 days after the APCM, and in any case no later than **Friday 25th May 2015**.

Thank you, in anticipation of your help with this exercise.

Auto Enrolment

Auto-enrolment requires all UK employers, including churches and charities, to provide their staff with a pension scheme that meets the Government standard. This applies even if there is only one member of staff on the payroll.

The date by which you have to comply with this legislation is called your 'staging date' and this date will depend on the size of your PAYE payroll at April 2012. Your staging date will be between now and 2018.

I have prepared a separate briefing paper [3] on this topic, which can also be downloaded from the diocesan website at: <http://www.stalbans.anglican.org/finance/briefing-notes/>

Help for (New) Treasurers

Those of you who have been serving your parishes as Treasurer for a number of years, may not be aware of this briefing paper which summarises various sources of guidance available online and can be found at: <http://www.stalbans.anglican.org/finance/briefing-notes/>

Announcements in the Chancellor's 2015 Budget Statement

Listed places of worship, Church Roof Repair Fund

The Chancellor announced an additional £40 million for the Listed Places of Worship Roof Repair Fund: the original scheme was heavily over-subscribed, with 1,900 applications. Our understanding is that the money will go from HM Treasury to the scheme's administrators, the National Heritage Memorial Fund – which means that those denominations with a principled objection to funding from the National Lottery will be able to apply to the Roof Repair Fund in good conscience.

A total of 502 places of worship will receive between £10,000 to £100,000 to meet the costs of urgent repairs to roofs and rainwater disposal systems in the first round of the Listed Places of Worship Roof Repair Fund. Money is also being provided for structural investigations, specialist reports and bat surveys.

The home page for the scheme can be found at: <http://www.lpowroof.org.uk/>

A full list of successful applications is available from: <http://www.lpowroof.org.uk/sites/default/files/LPOWgrants.pdf>

Gift Aid Small Donations Scheme (GASDS)

The Government has announced an increase in the maximum amount which can be claimed under the Gift Aid Small Donations Scheme, which allows charities to claim Gift Aid style repayments on cash donations of £20 or less without requiring a Gift Aid declaration.

With effect from 6th April 2016, the maximum donations **per year** on which repayments can be claimed under this scheme will be increasing from £5,000 to £8,000, providing up to £750 extra cash for each claim. This will be particularly effective for charities with separate community buildings, as an extra £750 can potentially be claimed for each building if enough small donations are collected in the year.

More information about how the scheme works can be found at: <http://www.parishresources.org.uk/giftaid/smalldonations/>

GASDS – PCCs as connected charities

HMRC have stated that they consider PCCs in a diocese to be connected as they are controlled by their respective Diocesan Bishop. The National Church body is continuing to challenge this position.

A specimen PCC has submitted their claim, and Archbishops' Council are waiting to hear from HMRC as to whether they wish to challenge it. There is still no proposed timeframe in which the matter will be resolved, and the default interim advice to PCCs is to claim only on the Community Buildings element of the scheme.

Inheritance Tax and Deeds of Variation

In the course of his Budget speech the Chancellor announced that there would be a review of Deeds of Variation. A Deed of Variation enables beneficiaries to vary their entitlement under a deceased's estate whether the deceased died with a will or Intestate. The review is potentially very significant for charities: there was a proposal to abolish Deeds of Variation some twenty years ago which was strongly resisted by the charity sector because their abolition would have had a massive impact on the legacy income of charities.

Charity audit and independent examination: update

The Cabinet Office has published the Government's response to the consultation on charity audit and independent examination, which ran from 9 December 2014 to 27 January 2015. The Government plans to go ahead with proposals that include increasing the following thresholds from £500,000 to £1 million:

- income threshold at which a charity should have its accounts audited
- aggregate group income threshold at which parent charities should have group accounts audited
- preparation threshold for group accounts

The Government has also stated the following, regarding implementation dates:

"In light of a number of requests regarding the implementation date, we have decided to bring forward the date at which these proposals become 'live' to **31 March 2015**, meaning that charities who fall below the thresholds and whose accounting years **end** on or after 31 March can benefit immediately." [Source: Cabinet Office 18 February 2015]

Protection of Charities Bill: the Government's response to the Joint Committee

The Government has published its [response](#) to the report of the Joint Committee on the draft Protection of Charities Bill. On the issue likely to be of most concern to members of CLAS – the proposal that excepted and exempt charities "should be brought within the requirement to register with the Commission in the next substantial review of charity law" the response is somewhat equivocal:

"The Government's view is that all charities should be subject to appropriate regulation as charities. Excepted charities are already subject to the Charity Commission's regulatory jurisdiction, and following the Charities Act 2006, most groups of formerly exempt charities are either now registered with the Charity Commission or remain exempt with a principal regulator, the Commission being regulator in the last resort. Requiring all charities to be registered with the Charity Commission would have resource implications for the regulator and would subject some groups of charities to disproportionate regulation. We accept the Committee's recommendation that the position of excepted and exempt charities should, however, be reviewed in any substantial future review of charity law." [Cabinet Office – 27 March]

Our suspicion is that the issue is unlikely to be addressed in the very near future because, given its present resources, it is difficult to see how the Charity Commission could cope with a sudden rush of registrations be previously-excepted charities. Our hope is that at some point the Commission will announce a programme of phased registration. [Churches' Legislation Advisory Service Circular 2015/07]