



November 2015

Martin Bishop  
Financial Secretary  
Tel: 01727 818111

[mbishop@stalbans.anglican.org](mailto:mbishop@stalbans.anglican.org)

Dear Treasurer,

Enclosed (Paper version only):

- [1] Updated Guide 3 on Gift Aid Declarations (v4a: 29<sup>th</sup> October 2015 )
- [2] Updated Guide 12a on the Gift Aid Small Donations Scheme (v4a: October 2015)
- [3] Gift Aid Checklist 2015

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

### Parish Share 2015

As in previous years, there will be a period of time after the 31st December for parishes to make cheque payments in respect of the 2015 Parish Share before any shortfall is determined. The cut-off date for this will be **Friday 8th January 2016**. However it would be greatly appreciated if you could do what you can to ensure that any outstanding payment for 2015, or earlier, is sent to the Diocesan Office in time for the end of December.

### Gift Aid Declarations and GASDS changes

From: John Preston  
National Stewardship and Resources Officer, Church of England

Gift Aid Changes - Action needed. HMRC originally required the new Gift Aid declaration wording to be used from **April 6th next year**, *however* thanks to a successful campaign by affected parties, the following message was received from HMRC by Church House last week:

*From: andrew.kayley@hmrc.gsi.gov.uk [mailto:andrew.kayley@hmrc.gsi.gov.uk]  
Sent: 05 November 2015 10:34*

*Following approaches made to HMRC by various charities and churches that hold stocks of pre-printed Gift Aid donation envelopes that were ordered and printed just before the new Gift Aid declarations were published on our website, it has been agreed that charities, churches, cathedrals, parishes etc. can use up their current stock of pre-printed Gift Aid collection envelopes beyond April 2016.*

*Our guidance will continue to recommend that charities introduce the new wording by April 2016, because we want to reduce the numbers of non-taxpayers that currently complete Gift Aid declarations.*

*The Gift Aid legislation has not changed and consequently previous versions of the Gift Aid declaration and Gift Aid envelopes used by donors after 6 April 2016 will still be valid and can be accepted by charities and churches.*

Andrew Kayley  
 HM Revenue & Customs  
 Technical team: Charities, Savings & International  
 PO Box 205, Bootle L69 9AZ  
 Tel: 03000 547362

There are also improvements to how many parishes can use the Small Donations Scheme following HMRC's agreement that parishes are not connected under the scheme - and there are different implications for single church parishes and parishes with multiple churches.

PCCs with a single church can now claim on the top-up element of the scheme and do not need to worry about numbers attending, and can include wall safe donations, those received outside the building etc. PCCs with multiple churches will continue to use the Community Buildings part unless they are small and the aggregate of their eligible donations is less than £5k rising to £8k when they can also use the top-up element.

For fuller guidance and a checklist of actions, please refer to the following links on the Parish resources website:

[www.parishresources.org.uk/giftaid](http://www.parishresources.org.uk/giftaid)

[http://www.parishresources.org.uk/wp-content/uploads/GA\\_Checklist.pdf](http://www.parishresources.org.uk/wp-content/uploads/GA_Checklist.pdf)

<http://www.parishresources.org.uk/wp-content/uploads/3-Gift-Aid-Gift-Aid-Declarations1.pdf>

<http://www.parishresources.org.uk/wp-content/uploads/12a-GASDS-single-church-parishes.pdf>

A number of questions have arisen from the initial announcement by HMRC on these changes, so I thought it would be helpful to provide a fuller perspective on a couple of issues. At its heart, the scheme is simple, but round the margins there are some complex areas.

a) Gift Aid declaration change to wording.

This only applies to newly signed declarations. Existing enduring declarations do not need to be renewed. I've updated the Parish Resources website page ([www.parishresources.org.uk/giftaid/](http://www.parishresources.org.uk/giftaid/)) and also the Guide to Declarations and Envelopes to make this clearer.

b) GASDS transition for Single Church Parishes within the current year:

I've amended Section 4 of the guide for single church parishes: 'If you have already claimed for some of your GASDS donations for the current tax year using the Community Buildings element, you can use the Top Up for the remaining donations, but the total of eligible donations claimed should be no greater than £5,000.'

c) Can parishes make back claims?

Again, I've amended Section 4 of the guide for Single Church parishes to read: If you weren't able to claim the full amount in previous years because of the Community Buildings restriction, you can now make a back claim for previous tax years under the 'Top Up' element for donations received during services with fewer than 10 people, in wall safes and outside of the church

building, providing that you have records

- i) separating these donations from those claimed under the Community Buildings element and
- ii) demonstrating that the money is eligible for GASDS (i.e. cheques and any donations known to be in excess of £20 have been excluded).

and for multi-church parishes, Section 8 has had added on the end:

'You could claim on the Top Up element retrospectively for 2013/14 and 2014/15 if you have appropriate records in place for these periods.'

d) GASDS - is it only good practice for parishes not to claim on both parts of the scheme?

I've expanded section 8 of the guide for parishes with a single church to add the second paragraph below:

It is the Government's policy intention for churches to be able to claim on £5,000, rising to £8,000, and we would strongly encourage parishes to only claim on this amount which can be done using the Top Up element of the scheme to avoid the government and HMRC deciding to impose an Order connecting parishes, or amending or scrapping the scheme because it is too expensive.

In any event, the law[\*] does not allow you to claim on both the Core and Community Buildings parts of the scheme for donations received in services with more than 10 people present – which is the vast majority of eligible donations received by parishes. Whilst there might be a way to use both parts of the scheme to claim some additional donations such as donations from wall safes and from services with fewer than 10 people; the additional record keeping and complexity to ensure that you have claimed the right donations on the right part of the scheme is unlikely to be worthwhile.

[\*] For those of you who like chapter and verse: it's the Small Charitable Donations Act 2012 s.6(5)

John Preston

National Stewardship and Resources Officer, Church of England

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Abundant free resources for parishes at [www.parishresources.org.uk](http://www.parishresources.org.uk)

(Subscribe for Email newsletters) and save time and money at [www.parishbuying.org.uk](http://www.parishbuying.org.uk)

## Harvest Appeal 2015

Any cheques for the donations made for this appeal through the parish, should be made out to "St Albans Diocesan Board of Finance" and sent to the Diocesan Office, and marked for the attention of Carol Chisnall. *This is a departure from the procedure in prior years.*



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## ACAT (Association of Church Accountants and Treasurers)

*[All PCC Treasurers are automatically members of this Association. For login details for the ACAT website please contact either Tony Boon or Martin Bishop]*

The Autumn Newsletter is now available on the ACAT Website.  
(<http://acat.uk.com/membership/oct15.php> )

### Newsletter

The October Newsletter is now available on the ACAT Website. You can view and print it from here: <http://acat.uk.com/membership/newsletter.php> . Note: you will need to be logged on to the Members' Area to view this document. Some of the subjects covered this issue are:

- measures announced in the July Budget;
- a new ACAS guide on staff pay;
- updated HMRC guidance on GASDS.

### Conference

We have just held our annual Conference in London, all the papers from the day are now available to members. Please visit <http://acat.uk.com/conference.html> to download them.

### Training

Our final training courses for 2015 are to be held in Southwell, Nottinghamshire on 7th and 21st November. More details at <http://acat.uk.com/training.html>. We are actively developing our programme for 2016 and will publish this in the Winter.

### Occasional Paper on Corporation Tax

We have created a new Occasional Paper on Making an Online Corporation Tax Return. Please visit <http://acat.uk.com/membership/occasional.php> to view and print it. This title joins our existing papers on Mortgages; Ministers' Taxation and Churches and Non-Charitable Expenditure. Others will continue to be added to the website. We hope these papers prove useful to you.

### Trustees, Trainers and Volunteers

The work ACAT does is only made possible by the hours of work generously given by our trustees, trainers and volunteers. If you feel you have skills and experience that could help ACAT develop then please contact our Administrator, Dan Russell at [dan@acat.uk.com](mailto:dan@acat.uk.com) .

## Finally...HSBC

We have been received a number of calls from concerned parishes who are customers of HSBC, after received a letter requesting confirmation of tax status, in compliance with the Foreign Account Tax Compliance Act (FATCA). The letter states that failure to comply with the request to provide information, *may* result in the customer not being able to open new accounts or the possibility of the bank closing existing accounts, where this is permitted by law.

We understand, from our own bankers, Barclays, that the actions taken by HSBC are in accordance with “current best practice”, *however* we feel that HSBC have been heavy-handed in the way they have sought to carry out their obligations in this specific regard. In particular the bank appear not to have taken into account, when writing to our parishes, that PCCs have either deemed charity status or are separately registered with the Charity Commission, and have therefore failed to adapt their approach given the default tax status of recognised charities.

We consulted ACAT for advice as to how best to deal with this. Their suggested course of action is as follows:

*As you can imagine this has been raised by other members of ACAT. I think the problem arises with HSBC in that accounts are either business or personal; they do not have a category for charities and voluntary organisations. The only suggestion I have at present is to write to HSBC and suggest that the form should not apply to churches.*

*I apologise that this does not take us very far.*

With kind permission of one of our treasurers, who has recently responded to HSBC, we offer the text below which you may like to adapt to your own situation.

*I have returned the above various forms to your FATCA Remediation Department which my Assistant Treasurer recently received as he is the named addressee on the accounts for our Church. These forms have been completed as far as is possible.*

*However I am astounded that you feel it appropriate to send such forms and accompanying threats of seizure of funds to a small Parish Church who are a non tax paying registered UK Charity with absolutely no US connections. I have made enquiries of our Diocese who advise that several Churches in our area have been recipients of the same correspondence which has caused great stress and upset to all concerned. I can only assume that your systems have no way of filtering out UK based Church Charities and this has been a bulk posting to all accounts you class as Business. Enquiries have been made of other banks who are undertaking the same exercise and they seem to have managed to stream out their Church Charities and avoid the worry and stress your correspondence has caused.*

*Can you please acknowledge this letter in the first instance and review and confirm to us that no funds will be seized out of our accounts or we and many other Churches like us, may be forced to move banks as, I am informed, some have already done.*