



Martin Bishop

Financial Secretary

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April 2014

Dear Treasurer,

Enclosed (Paper version only):

- 1 Parish Share Statement of account to 31st March 2014 and also SEE Round statement where applicable.
- 2 Employment Status - a short guide prepared by the Archbishops' Council

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 operations on 31st March 2014. 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 2014. Where applicable, a separate statement is included/will be emailed to you with respect to SEE ROUND.

I would like to thank those of you, (nearly 80% of all parishes), 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.

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.

Polite request: Please tell us where you are from!

Most of the enquiries that we receive from parishes arrive via email. This is our preferred medium, and we are grateful to those who communicate in this way. On a just few occasions, enquiries arrive from an email address that does not obviously indicate the sender's usual name and does not indicate the name of the parish concerned, or includes a partial parish name e.g. "St Mary's PCC". It is helpful to know the context of the enquiry, so we respectfully ask you to include your name and full parish name in all of your correspondence. Thank you.

Annual Return of Parish Finance and Annual Accounts for 2013

Annual Return of Finance

Thank you to those of you who have already submitted the parish finance return, particularly those who have done so via www.stalbans.anglican.org/statistics.

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.

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/finance/annual-returns-finance/>

Annual Accounts

In addition to the annual Return of Parish 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 30th 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.

Just to remind you, or in case that you did not already know, there is now an updated wording for the Examiner's Report to reflect the introduction of the Charities Act 2011. 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 Examiner's Report has not changed, the references to respective statutory provisions have, inevitably, 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/>

Employment matters

Operating Pay As You Earn

If you pay anyone above the Lower Earnings Limit, or you employ someone who has another job or pension, ALL employees must be processed through the payroll, and you will need to register as an employer. You can register as an employer online (at <http://www.hmrc.gov.uk/newemployers/>) or by contacting the New Employer Helpline on 0300 200 3211.

However, if ALL of your employees are paid below the Lower Earnings Limit, AND they do not have another job or receive a pension, it is the employee's responsibility to declare their own earnings. You should keep a record of the name, address and National Insurance Number, and the amount paid each year from 6th April to 5th April. This should be kept for three years.

Incidentally this does not include your parish stipendiary clergy. They are office holders, and arrangements for reporting under PAYE is managed by Church House, Westminster.

Employed and Self Employed status

A guide to what churches need to consider in distinguishing between these two categories of employee is available at:

<http://stalbans.anglican.org/finance/briefing-notes/>

PCC Registration

I am pleased to confirm that the exception whereby PCCs with an income of £100,000 or less, are not obliged to register with the Charity Commission has been extended until **31 March 2021**.

The [Charities \(Exception from Registration\) \(Amendment\) Regulations 2014](#) were made on 5 February and laid on 13 February. They come into force on 31 March, when the current exception was due to end.

It seems probable however, that no further extension beyond 2021 will be subsequently granted. Presumably the Charity Commission will introduce some kind of phased voluntary registration in anticipation of an end to the present exception on 31 March 2021.

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/>