



The
United
Reformed
Church

Help and Advice

Northern Synod Office, 4 College Lane, Newcastle upon Tyne NE1 8JJ (0191-232 1168)

Bulletin 71: FINANCIAL UPDATE

The Help & Advice Group was set up by Synod in 2009, to support local churches in being informed and effective in their life and mission. The group was disbanded in 2014, as part of a simplification of Synod committees, and its work continues through the Trust Officer, under the oversight of the Trust's Property Subgroup. We are willing to try to provide specific advice on particular topics. Please get in touch if you have questions or suggestions.

This article is part of a series giving an overview of particular subjects of interest for local churches. We also circulate general updates from time to time. Bulletins will also be posted on the website <http://urc-northernsynod.org/help-advice-bulletins>, with direct links to other websites.

Where readers are directed to web-based resources, the Synod Office is willing to respond to reasonable requests for printed out information for readers without web access, although they may find it more satisfactory to follow up their interest through their local library's web access.

Independent Examination of Accounts

The Charity Commission has simplified its guidance for charities on how to appoint an independent examiner, and how to prepare for the annual examination of your accounts.

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/840307/20190828 - CC31 master.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/840307/20190828_-_CC31_master.pdf)

There is also rather more detailed guidance for independent examiners themselves, setting out the requirements for different types of accounts, what they should look for, and providing sample reports. Not all items listed will be relevant to every set of accounts.

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/672779/CC32 - Independent examination of charity accounts.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/672779/CC32_-_Independent_examination_of_charity_accounts.pdf)

Annual Reports

The Charity Commission's guidance on how to produce a trustees' annual report can be read at: <https://www.gov.uk/guidance/prepare-a-charity-trustees-annual-report>. This includes an example report for a local Anglican church. This may be particularly helpful for those churches with registered charities that need to file a copy with the Commission. The United Reformed Church has produced its own example at:

<https://urc.org.uk/church-accounts-under-sorp-2005.html>.

Gift Aid

HMRC provides guidance on when you can and cannot claim Gift Aid on donations. Note for example that payment for goods or services or attending events cannot be Gift Aided. The guidance also explains that if your church collects money for another charity, you can only claim Gift Aid on donation if you set up a restricted fund within your own accounts, rather than simply passing the money on.

<https://www.gov.uk/guidance/gift-aid-what-donations-charities-and-cascs-can-claim-on>

Employers' Calculations

HMRC provides guidance and tools to help you to calculate various payments that you may need to make if your church employs staff (such as organists, caretakers or cleaners).

- Maternity, paternity and adoption: <https://www.gov.uk/maternity-paternity-calculator>
- Statutory sick pay: <https://www.gov.uk/calculate-statutory-sick-pay>
- Minimum wage: <https://www.gov.uk/minimum-wage-calculator-employers>, although churches are urged to pay the *real* living wage: <https://www.livingwage.org.uk/>
- Redundancy pay: <https://www.gov.uk/calculate-employee-redundancy-pay>
- Holiday pay: <https://www.gov.uk/government/publications/calculating-holiday-pay-for-workers-without-fixed-hours-or-pay>

Managing your Charity

The Charity Commission has gathered together guidance for charity trustees:

<https://www.gov.uk/government/collections/managing-your-charity-guidance>

Some items are financial, others cover legal, governance and property matters, which would be for your trustees, in particular if you have any registered charities connected with your church.

andrew.atkinson@urc-northernsynod.org: 2 January 2020