



The
United
Reformed
Church

Help and Advice Group

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

Bulletin 19: 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 is made up of four members of local churches, together with administrative support from the Trust Officer. We are willing to try to provide specific advice or organise training days on particular topics. Please get in touch if you have questions or wish to suggest a training or discussion event.

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 members' area of the website 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.

VAT

The Churches' Legislation Advisory Service has produced a guide on VAT for churches, with clickable links to HMRC and other official webpages:

www.churcheslegislation.org.uk/files/publications/CLAS_VAT_guide_Nov_2012.pdf

Gift Aid

Church Treasurers should already be aware that from April 2013, the system for Gift Aid claims has changed. HMRC's preference is for churches to apply online, but a new paper form ChR1 can be used instead if this is not practicable.

For the paper method, a new form must be ordered each time, as HMRC's scanning equipment can only cope with original documents.

In either case, you will need to ensure that you have all the information required in the correct format before a claim can be made.

Further information on how to sign up and enrol for Charities Online and make claims using this system is available at: www.hmrc.gov.uk/charities/online/index.htm.

Small Donations Scheme

Churches can now reclaim tax on small cash donations of up to £20 as though it were Gift Aided. Those churches that satisfy the eligibility criteria will be able to claim up to £1,250 on the first £5,000 of small donations. See HMRC's website for more detailed guidance: www.hmrc.gov.uk/charities/gasds/basics.htm

PAYE RTI

Church Treasurers should already be aware that from 6 April 2013, all employers have to submit Pay As You Earn details to HMRC using Real Time Information. This only affects churches that have employees.

To this, you will need to be registered with HMRC online. Thereafter, employers are required to report payments to employees when or before they are paid, rather than after the end of the financial year. There is a concession until 5 October for “small businesses”, allowing later reporting for certain non-standard payments, as long as reporting is still before the 5th day of the tax month. Further guidance is available online at:

www.hmrc.gov.uk/payee/intro/register.htm

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