

Money Matters Finance Newsletter

June 2019

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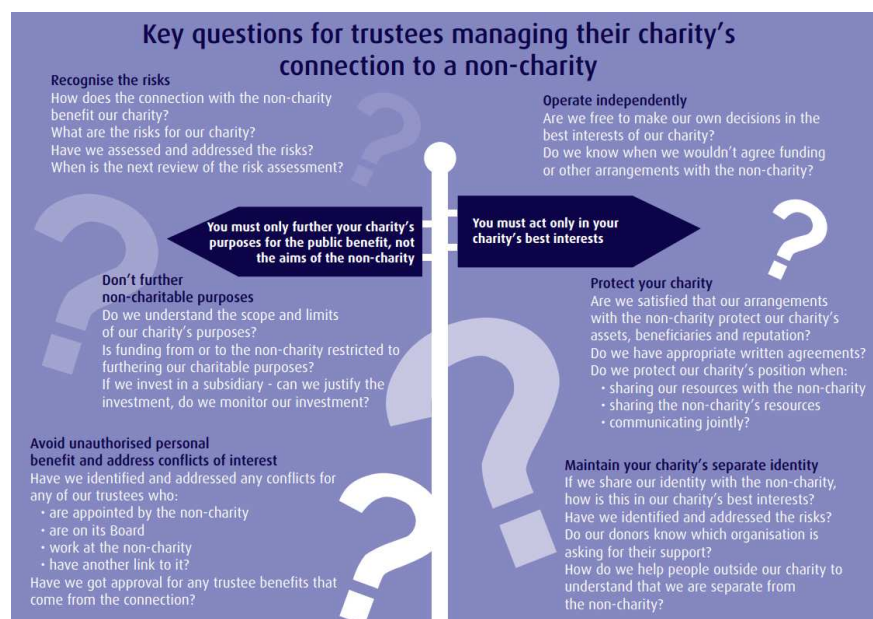
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New Charity Commission Guidance on Connections with Non-Charities

[New guidance](#) has been released by the Charity Commission which covers the governance related to working in any capacity, with non-charities. It is also useful governance for working relationships with other charities, especially non-Church of England charities.

It includes:

- ✓ Rules for working with non-charities
- ✓ Identifying and managing risks
- ✓ Addressing conflicts of interest
- ✓ Maintaining your missional and governance independence



Key questions for trustees managing their charity's connection to a non-charity

Recognise the risks
How does the connection with the non-charity benefit our charity?
What are the risks for our charity?
Have we assessed and addressed the risks?
When is the next review of the risk assessment?

Operate independently
Are we free to make our own decisions in the best interests of our charity?
Do we know when we wouldn't agree funding or other arrangements with the non-charity?

You must only further your charity's purposes for the public benefit, not the aims of the non-charity

You must act only in your charity's best interests

Don't further non-charitable purposes
Do we understand the scope and limits of our charity's purposes?
Is funding from or to the non-charity restricted to furthering our charitable purposes?
If we invest in a subsidiary - can we justify the investment, do we monitor our investment?

Protect your charity
Are we satisfied that our arrangements with the non-charity protect our charity's assets, beneficiaries and reputation?
Do we have appropriate written agreements?
Do we protect our charity's position when:
- sharing our resources with the non-charity
- sharing the non-charity's resources
- communicating jointly?

Avoid unauthorised personal benefit and address conflicts of interest
Have we identified and addressed any conflicts for any of our trustees who:
- are appointed by the non-charity
- are on its Board
- work at the non-charity
- have another link to it?
Have we got approval for any trustee benefits that come from the connection?

Maintain your charity's separate identity
If we share our identity with the non-charity, how is this in our charity's best interests?
Have we identified and addressed the risks?
Do our donors know which organisation is asking for their support?
How do we help people outside our charity to understand that we are separate from the non-charity?

Charity Commission Registration

As you will now have finished or be finishing the process of producing your 2018 End of Year statutory accounts this is a reminder that any PCCs whose entire income was £100,000 or more in 2018 must be registered with the Charity Commission. If your income reached £100,000 for the first time in 2018 you will need to register with the Charity Commission as soon as possible. You can find a how-to guide [here](#).

Some notes:

- Registered charities will have a charity number. The number will appear on the public register of charities which can be searched [here](#). This is **not the same** as your HMRC number which begins with X.
- Charities with an income under £100,000 are excepted from registering with the Charity Commission but are still regulated by the Charity Commission and governed by all charity law (as well as relevant canon law).
- If your income reached £100,000 for the first time in 2018 due to some unusual income, e.g. a one-off grant or legacy, then you may be able to apply for permission not to register (called a 'determination'). This is only likely to be given if you expect your 2019 income to fall below c£80,000. You can find more detail [here](#).
- Please use the guide provided and in particular the sample responses as the National Church have ensured that these will be acceptable to the Charity Commission

Common Fund 2020

Thank you to all those who attended events for the 2020 Common Fund. If you would like any more resources you can find the video and booklet on our [website](#) and can also ask for hard copies to be posted to you via the Area Finance Advisers.

Annual Return of Statutory Accounts and Finance Statistics

Thank you to all of those who submitted their statutory annual accounts and finance returns via the [online portal](#) by the deadline of 31st May. If you have not yet completed this please would you do so as soon as possible. The [portal](#) will remain open until 30th June to accept any late submissions.

Card Readers

If you have not yet got a card reader for your church there is information on the Parish buying website [here](#). If you are not already registered you will need to do so to see the information.

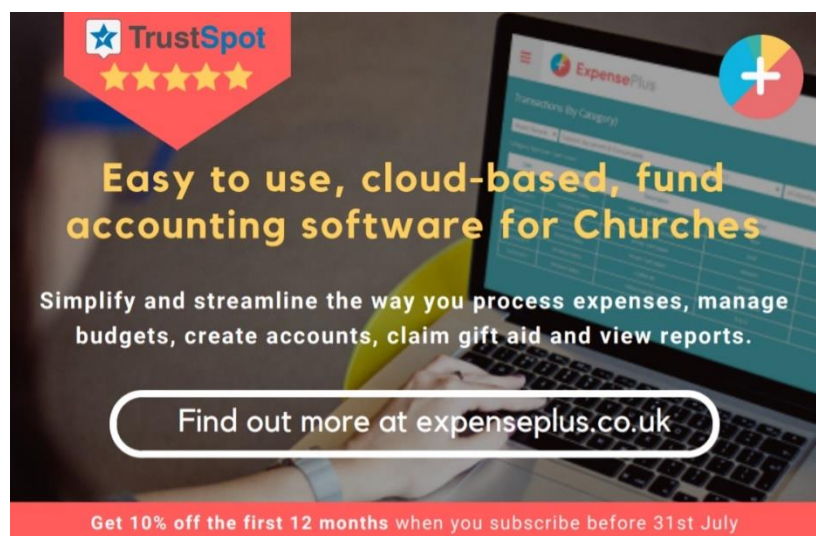
Recently Christian Aid offered card readers to churches for collection funds for Christian Aid week with the option to buy the unit for church use afterwards. A church who took part in this commented

“ We had a fantastic response to the trial Goodbox that we were given by Christian Aid. Our hunch was that much of this was money that wouldn’t otherwise have been donated, particularly at the Sunday services (the amount was much higher than we usually take when just using CA envelopes).

This has persuaded us to purchase the Goodbox for permanent use, setting it up with our church account, and having it available at all services, as well as events.”

Expense Plus Online Finance & Bookkeeping Software

As part of our regular updates on the availability of online church management programs we are committed to keeping you up to date with offers that come through from online finance and bookkeeping companies. This month we have been sent the below offer [from Expense Plus](#) who are offering 10% off the first 12 months of membership.



The advertisement features a background image of a person's hands typing on a laptop. The laptop screen displays the Expense Plus software interface, which includes a navigation menu and a table of transactions. In the top left corner, there is a TrustSpot badge with a star icon and five stars. In the top right corner, there is a circular logo with a plus sign. The main text is in yellow and white, and the bottom of the ad has a red banner with white text.

TrustSpot
★★★★★

Easy to use, cloud-based, fund accounting software for Churches

Simplify and streamline the way you process expenses, manage budgets, create accounts, claim gift aid and view reports.

Find out more at expenseplus.co.uk

Get 10% off the first 12 months when you subscribe before 31st July

Clergy Tax Scam Alert

We have been made aware of fraudulent attempts to elicit confidential financial details from clergy. Scammers have used a number that begins 0300* which mirrors the HMRC dialling code. They are then telling clergy that they are the subject of a tax fraud investigation and need to provide them with some personal details (a process known as phishing).

A reminder to all ordained and lay colleagues that HMRC will never contact you via email, text or phone about a tax rebate or penalty, nor will they use these methods to request any personal details. If someone attempts to contact you via these methods please do not respond and inform HMRC. You can inform HMRC either by email to phishing@hmrc.gov.uk or text.

Please forward any suspicious emails to the above address. Please note the telephone number, date and content of any suspicious phone calls and send the details via email to the above address. Please forward suspicious texts to 60599.

You can also report issues to the [Action Fraud](#) police website.

*The number used in this case is 0300 200 0314

Note: Business Rates on PCC Buildings

Last month we released this note:

“Recently some Local Authorities have been seeking to charge churches business rates on their buildings. Church’s liability to pay business rates is a complex legal issue and we intend to release more formal guidance next month. In the meantime, if your Local Authority approaches you seeking to charge business rates, please contact your Archdeacon.”

We apologise that this formal guidance has been delayed to next month’s Money Matters. In the meantime please continue to contact your Archdeacon if you have any issues.

Contact Details for the Area Finance Advisers

Mary Spredbury	020 7932 1245	for Kensington and Two Cities
Theresa Moses	020 7932 1247	for Stepney
Julie Churchyard	020 3837 5015	for Edmonton
Joshua Townson	020 3837 5014	for Willesden

email: *firstname.lastname@london.anglican.org*