Guidance notes for Gift Aid and Connexional Funds Secretaries

Record keeping

1. When entering donations to your FWO register/ spreadsheet a column should be completed for each Sunday and donations should be recorded against the date they were received. (NB: Where more than one envelope for the same donor is received on an individual Sunday the amounts from each envelope should be added together and the total recorded as one donation against the date the donation was received.) Each column should have the date recorded at the top and each page should have a title. The grid lines on spreadsheets should also be shown. Each donor must have their title, full initials and surname recorded. In the case of husbands and wives the donations should be recorded against the donor who has completed the Gift Aid Declaration form.

2. Separate spreadsheets/ lists should be kept for each special collection or Connexional fund e.g. Harvest, Gift Day, 1% Appeal, Home Mission etc.

3. All spreadsheets/ register pages should have their columns and rows totalled i.e.: downwards and across the page.

4. Bank lodgement stubs should show a breakdown of what the money was for i.e. FWO, Gift Day, Harvest, 1% Appeal etc. or the breakdown should be recorded separately.

5. Records are required to be kept for a period of six years, including Bank statements, Lodgement stubs and Connexional fund envelopes. All records should be kept with the exception of FWO envelopes and in this case one month’s supply of recorded envelopes should be kept for each year. (Both Gift Aid and non-gift aid.)

Making returns to the Trustees Office

1. When totalling donations for the Donations Received Report please include only those donations received during the period specified at the top of the report.

2. If a donor’s name does not appear on the Donations Received Report then a Gift Aid Declaration form should be completed and sent with the report otherwise the donation cannot be claimed. We will process the Gift Aid Declaration form and the donors name will appear on the next Donations Received Report for your Church. Please ensure you are using the most recent Gift Aid Declaration form. ( If unsure contact us.)

3. Deceased donors, listed on the Donations Received Report, should have their names annotated accordingly so that their names can be removed from the next list and our database updated.

4. Similarly donors who have left the Church, moved to another Church or no longer pay Tax, should have a note placed beside their name in order that their name can be removed from the next Donations Received Report. Should any of these donors return to the Church or begin to pay Tax again then they can be reinstated by simply informing this office.

5. Gift Aid Secretaries should advise us if any of the donors have changed their surname or address.

6. Donations should always be recorded against the date on which they were received. Any ‘year-end’ donations must be recorded against the date received and claimed in the correct Tax period.

7. It would be helpful if you could advise us if there is a ‘nil’ return.
8. When the claim has been processed and the tax refund paid to us by HMRC you will receive your refund – normally by automated bank transfer directly into your church bank account or occasionally by cheque.

9. At the same time you will receive, by post, a Tax Paid Report which will list the donors’ names and the amounts claimed. This list should be checked carefully against your records and any errors reported to this office to ensure that HMRC are advised promptly and any donations claimed in error repaid.

10. If an existing donor decides to sign a Gift Aid Declaration form and indicates that previous donations can be claimed (i.e. ticks option 3 on the form) then donations should be totalled for each calendar year i.e. 1st January to 31st December. Gift Aid tax donations can be backdated for 4 years.

11. Periodically your church should be advising all Gift Aid donors that they are paying enough tax to cover all their donations and it is their responsibility to repay the difference back to HMRC should they have paid insufficient tax.

**Connexional Funds**

A. When you receive the Connexional fund envelopes from the congregation the money in each envelope should be counted and the total written on the envelope by the counters.

B. The money should be lodged to the Church bank account and a clear note should be made on the lodgement stub listing what the money was for. A cheque should then be forwarded to the relevant Connexional fund Treasurer. **NB: Please note that cheques should not be sent to this office.**

C. The envelopes which are not signed for Gift Aid can be filed and retained for 6 years.

D. The envelopes, which have been signed for Gift Aid purposes, should be forwarded to our office

E. When we have processed the donations and the Tax Refund has been received from HMRC we will forward a cheque on behalf of your Church to the Connexional fund treasurer. At this time a printout of the details regarding the donations will be returned to your Church. The above procedure should always be followed and the relevant records kept maintaining a clear audit trail as required by HMRC.

**MWI Donations**

1. When you receive the MWI Easter Offering envelopes the money in each envelope should be counted and the total written on the envelope by the counters. Similarly, Missionary boxes should be opened and the contents counted but a list should be made detailing the donor, the amount received and the date the donations were received.

2. The money should be lodged to the Church bank account and a clear note should be made on the lodgement stub listing what the money was for. A cheque should then be forwarded to the MWI Treasurer. **NB: Please note that cheques should not be sent to this office.**

3. The signed Easter Offering envelopes should be forwarded to this office.

4. A list should be prepared for the Missionary Box donations, (alphabetically by surname) giving the title, initials, surname, Gift Aid Reference number, amount of donation and date of donation. **NB: These donors must complete or have already completed a Gift Aid Declaration.**

5. The list and the relevant envelopes should be forwarded to this office for processing. Copies of these lists should be retained by your Church.

6. When we have processed the donations and the Tax Refund has been received from HMRC we will forward a cheque on behalf of your Church to the MWI treasurer. At this time a printout of the details regarding the donations will be returned to your Church. The above procedure should always be followed and the relevant records kept maintaining a clear audit trail as required by HMRC.
Sponsored events

HMRC also allows for Gift Aid to be reclaimed on sponsored events however claims for sponsored events should be made separately.

If someone wants to do a sponsored event in aid of Church funds then a sponsorship form can be requested from us.

The sponsorship form must include the following:

a. The name of your church
b. The sponsor’s full name
c. The sponsor’s home address including postcode
d. A Gift Aid declaration
e. A column containing a checkbox for the donor to tick, indicating that they want their donation to be treated as a Gift Aid donation and that they understand what the Gift Aid declaration means.
f. A note explaining that the sponsors must pay a sufficient amount of tax at least equal to the amount that all the charities will claim.

Donations that do not qualify for Gift Aid

You can’t claim on donations:

- from limited companies
- made through Payroll Giving
- that are a payment for goods or services or made because your charity or CASC bought goods and services
- that started as loans, but no longer need to be repaid
- where the donor gets a ‘benefit’ over a certain limit
- of shares
- from charity cards or of vouchers, for example Charities Aid Foundation (CAF) vouchers
- of membership fees to CASCs
- you got before you were a recognised charity or CASC

Any Gift Aid queries should be directed to Mrs Donna Ahrens/Mrs Carol Gilmore (giftaid@irishmethodist.org) or 028 90324554

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