

## DIGITAL GIVING TRIALS SUCCESS

The two digital giving trials being run by the Gift Aid Lite team are proving successful for those churches involved.

**Trial 1** using a Payter device (for Contactless donations only) is being operated at six churches. Examples of amounts reclaimed include St James, Didsbury (£625); Holy Trinity, Bardsley (£240); and William Temple, Wythenshawe (£148).

**Trial 2** using a SumUp device and mobile phone, (Contactless and Chip and PIN payments and donations) is being trialled at four Churches.



St James, Didsbury, above



Current successes include St Clement, Chorlton—they used their SumUp over the three days of a Beer Festival held in their Church Hall when almost £5,000 of payments was received. Also, St Andrew, Radcliffe received £800 and St John, Hopwood, £170 - both from a mixture of donations and payments.

As the two trials come to an end devices may become available if the churches decide not to keep them in the future. However, if your church is keen to get underway and start using a donations/payments device in the near future please get in touch for help and advice.

## PREPARING YOUR ANNUAL THANK YOU LETTERS

Now is the time to prepare your church's annual thank you letters to acknowledge the generous support you received from your congregation in the last tax year.

Gift Aid Lite has recently sent out the figures to enable you to do this, but it is also possible to create your own thank you letter and table of donations, showing (if a tax payer) the amount of tax reclaimed from HMRC in My Giving Online.

This is covered in the GAL19 user guide, but additional help can be provided on request.



Please ask if you haven't received the guide or last year's report of donations received by your church.

# FOCUSING ON - DIRECT DEBITS

## HOW CAN DIRECT DEBITS HELP?

Through Gift Aid Lite it is now possible for donors to set up a Direct Debit mandate to make regular donations to their church. This represents a major change for churches, as Direct Debits can be a significant breakthrough in tackling static giving.

With a Direct Debit, donors set up their regular payment but also opt to increase this gift annually by an agreed amount. This can make a significant difference to church income and help combat a problem faced by all charities, when inflation affects costs but is not always reflected in increased giving levels.

Those who do not wish to increment should be left on their existing Standing Order (due to the transaction fee), but efforts should be made to convert envelope users to Direct Debit as this will reduce the church's costs.

## HELPING TO EASE ADMINISTRATION

It is not only church income that can benefit – Direct Debits can make life easier for Treasurers and Gift Aid secretaries.

The diocesan scheme is managed through GoCardless, a well-established and reputable company who handle Direct Debit administration for thousands of businesses, sports clubs, and charities. GoCardless will directly notify donors of their setup, details and time of donation, and also contact them at around 14 days in advance of any

changes to payment date, frequency or amount. They also handle the process of donors changing address, or cancelling payments. No extra work is required to process payments as donations appear automatically in your Gift Aid Lite records – which also doubles as an audit trail.

## IS IT SAFE?

Organisations using the Direct Debit scheme have to pass a careful vetting process, and are closely monitored by the banking industry. Direct Debit payments come with a guarantee so donors are automatically protected by three important safeguards: 1) an immediate money back guarantee from their bank in the event of an error in the payment of a Direct Debit, 2) advance notice if the date or amount changes, and 3) the right to cancel at any time.

## HOW DOES IT WORK?

This table below demonstrates the difference that a donor's gift, incremented annually by inflation, can make to church income, compared with a static Standing Order. Don't forget that where a donor is eligible for Gift Aid, then this can also be claimed on these gifts.

## INTERESTED?

You can take part in our pilot trial this Autumn - if you are interested let us know. Direct Debits will be launched across the Diocese in Spring 2020. A great opportunity to get ahead of the game!

Monthly Donation £	Annual Donation £	Standing Orders		Direct Debit**		Incremental Direct Debit**		
		Monthly Charge *	PCC Annual Income	Monthly Charge	PCC Annual Income	Monthly Charge	Annual Incremental Amount	PCC Annual Income***
5.00	60.00	0.00	<b>60.00</b>	0.05	<b>59.40</b>	0.05	1.50	<b>60.90</b>
10.00	120.00	0.00	<b>120.00</b>	0.10	<b>118.80</b>	0.10	3.00	<b>121.80</b>
20.00	240.00	0.00	<b>240.00</b>	0.20	<b>237.60</b>	0.20	6.00	<b>243.60</b>
30.00	360.00	0.00	<b>360.00</b>	0.30	<b>356.40</b>	0.30	9.00	<b>365.40</b>
40.00	480.00	0.00	<b>480.00</b>	0.40	<b>475.20</b>	0.40	12.00	<b>487.20</b>
50.00	600.00	0.00	<b>600.00</b>	0.50	<b>594.00</b>	0.50	15.00	<b>609.00</b>
60.00	720.00	0.00	<b>720.00</b>	0.60	<b>712.80</b>	0.60	18.00	<b>730.80</b>
70.00	840.00	0.00	<b>840.00</b>	0.70	<b>831.60</b>	0.70	21.00	<b>852.60</b>
80.00	960.00	0.00	<b>960.00</b>	0.80	<b>950.40</b>	0.80	24.00	<b>974.40</b>
90.00	1080.00	0.00	<b>1080.00</b>	0.90	<b>1069.20</b>	0.90	27.00	<b>1096.20</b>
100.00	1200.00	0.00	<b>1200.00</b>	1.00	<b>1188.00</b>	1.00	30.00	<b>1218.00</b>
200.00	2400.00	0.00	<b>2400.00</b>	2.00	<b>2376.00</b>	2.00	60.00	<b>2436.00</b>

\* This assumes a PCC is not being charged by their bank for Standing Orders.

\*\* There is a maximum 1%, or £2 (whichever is least) charged monthly on Direct Debit processing by GoCardless.

\*\*\* Illustration assumes an annual increment of 2.5% in line with Consumer Price Index February 2018 - percentage can be set at the Parish's own discretion.

# BITS AND BOBS

## QUARTER END DATES

This year's quarter end dates are:



- Sun 30th June 2019
- Mon 30th Sept 2019
- Tues 31st Dec 2019
- Sun 5th Apr 2020

## TRAINING DATES

Upcoming dates for 'drop in' training sessions at Church House between 10am and 4pm. Please book in advance, if possible, via phone or email. Due to the limited availability we will be looking to have more than one church attending on each date, as follows:

- Tues 3rd Sept
- Thurs 12th Sept
- Tues 17th Sept
- Thurs 26th Sept
- Tues 1st Oct
- Thurs 10th Oct
- Tues 15th Oct
- Thurs 24th Oct
- Tues 29th Oct
- Thurs 7th Nov
- Tues 12th Nov
- Thurs 21st Nov
- Tues 26th Nov
- Thurs 5th Dec
- Tues 10th Dec
- Thurs 19th Dec

## GASDS AND AGGREGATE DONATION LIMITS

As of 6th April 2019 the upper limit for a GASDS (Gift Aid Small Donations Scheme) eligible donation increased to £30 per donation date. However, please note the eligible upper limit for donations to be treated as aggregates stayed at £20.

## HMRC TAX TO COVER CHECKS



# HM Revenue & Customs

who have not paid sufficient tax to cover the Gift Aid being claimed by a charity or charities.

HMRC expects the individuals to make a payment to cover this difference. Gift Aid Lite can also make a refund to rectify this, but only if directed by a Gift Aid Secretary. Please alleviate this by being

The Gift Aid Lite team are hearing numerous reports that HMRC are sending letters to individuals

proactive with your thank you letters. Contact Sue Warren, Gift Aid Advisor, if this is an issue for one of your church's donors.

If you experience a delay in your claim being paid by HMRC after its submission to Gift Aid Lite then a variety of HMRC checks will be the cause. This can cause a delay of up to a 6-8 week to the payment being released.

## ENSURING YOUR CHURCH IS UP TO DATE WITH ITS CLAIMS

Gift Aid Lite is mostly up to date with its claims. Therefore, it is most concerning that almost 50 churches have not submitted their April 2019 claim for inputting and/or claiming. If your church is one of those experiencing difficulties please contact us for assistance.

## UP TO DATE GIFT AID DECLARATIONS

Please ensure your church's Gift Aid declarations contain the latest recommended HMRC wording. The latest version was issued by Gift Aid Lite in May 2018 (and appeared as a footer in the Word document we circulated). Please contact us if you require a copy of it.

## 'HOMEMADE' ENVELOPES

To reduce costs of purchasing pre-printed envelope we are aware that a number of churches print their own. However, a number of the examples we have seen recently are not valid (e.g. church name missing, incorrect Gift Aid declaration etc.). Please send a copy of your 'homemade' envelopes to us to ensure they are fit for purpose before you print large quantities of them.

Please don't forget to follow us on social media:



@manchesterdiocesegiftaid



@giftaid



@mancdiocese\_giftaid

# ENSURING YOU HAVE RECONCILED

Regardless of whether your Church is inputting directly into My Giving Online or submitting paper returns to claim Gift Aid and GASDS, it is vital your giving figures are reconciled each time you submit a claim.

In simple terms this means checking the monies sent to the Gift Aid Lite team for claiming matches exactly what you have received at your church during the same time period.

For My Giving Online users, this can be achieved easily by using the template spreadsheet we have created (see below) to enable you to reconcile your Church's giving against your vestry sheets on a weekly basis.

The software produces a 'Donations excluded from claim' report to highlight any donations where there are issues with Gift Aid declaration dates. Also, the 'Audit Trail' report produces a document

listing any non-claimable donations which could be edited to become claimable via Gift Aid or GASDS.

If your church is continuing to use the paper returns to enable the Gift Aid Lite team to input your donations into My Giving Online, please ensure the quarter's giving figures entered into the claim documentation exactly match the monies you have received in church.

For example, we have recently worked with churches where GASDS eligible envelopes have not been claimed and Standing Order donation amounts have not been kept up to date. This can result in substantial backdated claims being made (GASDS for current tax year and the previous one, Gift Aid for previous four years).

If you would like a copy of the spreadsheet please let us know.

Control Sheet for Reconciling Donation Payments													
Date	Event (if needed)	Gift Aid			GASDS			Weekly Totals	Agreed to Vestry Sheet ✓	Gift Aid S/Os	Non GA S/Os	Automated Direct entries Contactless etc	Totals
		Envs.	One offs	Cheques	Open Plate	Envs.	Wallboxes						
07/04/2019								0					0
14/04/2019								0					0
21/04/2019								0					0
28/04/2019								0					0
05/05/2019								0					0
12/04/2019								0					0
19/04/2019								0					0
26/04/2019								0					0
02/06/2019								0					0
09/06/2019								0					0
16/06/2019								0					0
23/06/2019								0					0
30/06/2019								0					0
<b>C/F total</b>								0			<b>Sub total</b>	0	
<b>Notes:</b>												<b>B/F total</b>	0
C/F total - the total of the weekly giving in your Church (Gift Aid and GASDS)												(Non claimable donations	0
Sub total - the total amount of Gift Aid S/Os, Non GA S/Os and automated direct entries, Contactless etc.												<b>CLAIM TOTAL</b>	0
B/F total - the C/F total restated													
Non claimable donations - the total of any Non Gift Aid Standing Orders													
Claim total - this adds the sub total and B/F total and minuses the non claimable donations to reach this figure													



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