

TO: St. Hilda's, Warley Woods PCC
FROM: Chris Gibbens
DATE: 11 November 2010
TITLE: Gift Aid Update
PAPER: Decision

PURPOSE

To outline to St. Hilda's, Warley Woods PCC key points with regard to the Gift Aid repayment claim process and recommend proposals for the future.

KEY POINTS

1. The Gift Aid repayment claim for the period ending September 2010 totals £5,242 (including transitional relief, please see point 2).
2. A summary of the amount that can be reclaimed on a donation is outlined below:

Timeframe	Gift Aid Claim ¹
6 April 2008 – 5 April 2011	28p can be reclaimed on every £1 donated (comprising: 25p can be reclaimed on every £1 donated from HM Revenues & Customs (HMRC), and 3p transitional relief paid on every £1 donated by the Government. This transitional relief does not affect the donor's personal tax position)
6 April 2011 onwards	25p can be reclaimed on every £1 donated

As such from 6 April 2011 when the transitional relief ceases a cash reduction of c.11% will be seen in Gift Aid repayment claims.

This will need to be factored into the Strategic Financial Planning for future years. For example, based on the latest claim for the period ending September 2010 c.£560 less would have been received.

3. To date Gift Aid repayment claims have been made annually. In future, to aid cash flow, it is proposed that Gift Aid repayment claims will be made quarterly for periods ending March, June, September and December.
4. It is proposed that donors to St. Hilda's, Warley Woods are asked to complete a Gift Aid Declaration, page 2. This will ensure that the Gift Aid records are up to date and allow any donors who currently do not declare their donations for Gift Aid the opportunity to do so. HMRC doesn't require an official Gift Aid declaration form to be used, however an example form is detailed on the HMRC website, which has been used as the basis for the form on page 2. In future only donors who have completed this new declaration will form part of Gift Aid repayment claims.
5. Gift Aid records are currently held on an IT system called 'Donations Co-ordinator' that is developed and maintained by Data Developments. Support and upgrade fees are payable on this system annually.
From 1 October 2010 a new system of maintaining the Gift Aid records will be used, which will not require any fees to be payable and hence provide a reduction in costs.

PROPOSALS

St. Hilda's, Warley Woods PCC is asked to approve (and minute) the:

1. appointment of Chris Gibbens as a nominee to allow Gift Aid repayment claims to be made to HMRC from 1 October 2010,
2. Gift Aid repayment claim timetable,
3. Gift Aid Declaration form, page 2, and to ask donors to St. Hilda's, Warley Woods to complete the form.

¹ This is based upon the tax guidance prevailing at the date of this paper and is subject to change.

GIFT AID DECLARATION

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THE PARISH OF ST. HILDA'S, WARLEY WOODS

Please treat:

The enclosed gift of £ _____ as a Gift Aid donation; **OR**

All gifts of money that I make today and in the future as Gift Aid donations; **OR**

All gifts of money that I have made in the past 6 years and all future gifts of money that I make from the date of this declaration as Gift Aid donations.

(Please tick the appropriate box)

You must pay an amount of Income Tax and/or Capital Gains Tax for each tax year (6 April one year to 5 April the next) that is at least equal to the amount of tax that The Parish of St. Hilda's, Warley Woods will reclaim on your gifts for that tax year.

Donor's details:

Title		Initial(s)	
Forename(s)			
Surname			
Home Address			
Postcode			

Signature

Date

NOTES:

1) Please notify The Parish of St. Hilda's, Warley Woods if you:

- want to cancel this declaration,
- change your name or home address,
- no longer pay sufficient tax on your income and/or capital gains

2) The Parish of St. Hilda's, Warley Woods will reclaim 28p of tax on every £1 you gave up to 5 April 2008 and 25p of tax on every £1 you give on or after 6 April 2008. The Government will pay transitional relief to The Parish of St. Hilda's, Warley Woods which is an additional 3p on every £1 you give between 6 April 2008 and 5 April 2011. This transitional relief does not affect your personal tax position.

3) If you pay income tax at the higher rate, you must include all your Gift Aid donations on your Self Assessment tax return if you want to receive the additional tax relief due to you.