

GIFT AID SMALL DONATIONS SCHEME (GASDS) – (UPDATED APRIL 2016)**INTRODUCTION**

This second revision of the note complies with the latest guidance from HMRC. HMRC will not accept the loose plate collection being calculated by deducting the GA envelope cash from the total cash collected. The loose plate cash must be counted and recorded separately from the cash in envelopes. The section on “Envelopes” is completely rewritten. In some ways the recording is simpler with the separation of cash and enveloping counting.

GASDS is a grant scheme on cash collections taken from 6 April 2013 onwards. Essentially, the Diocese will be able to claim 25% grant on cash collections up to a maximum of £5,000pa to 5 April 2016 and £8,000pa from 6 April 2016 for every church used by parishes. Maximum grant £2,000 per church from 6 April 2016. This would include churches belonging to Orders or other denominations where the parish retains the monies.

Although the new scheme is welcome, it is important that it is seen as a helpful adjunct to the main Gift Aid (GA) and planned giving schemes run throughout the Diocese. The new scheme will bring in a maximum of £180,000pa in contrast to the main GA scheme which accrues £1.2 million! So parishes must continue to encourage parishioners to plan their giving and to Gift Aid it. Indeed, the name of the scheme is misleading as it is a Government grant and not a tax rebate. For us, GASDS becomes essentially a cash recording exercise. For this reason, it may be confusing to promote GASDS in parishes particularly with so little to be gained.

OPERATION OF SCHEME

The new scheme covers cash up to £20 notes in “loose plate” collections only, and is limited to £8,000 per church. Other forms of donations are excluded. No recording of the donor or their donation is necessary, and as the scheme is outside the main GA scheme, no GA Declarations are completed.

Also there must be a minimum of ten (10) persons present at each and every weekend Mass when collections are taken; this number includes officiating clergy and altar servers. The approximate number present at each Mass must be noted on the counters sheet.

It is a requirement that the loose cash is separately recorded to other forms of income in the parish books of account. In this note, “accounts” refers only to bookkeeping accounts not bank accounts. There will be two types of account for each of offertory and second collections – parish main account and church cash account:

- **parish main account** for recording transfers, standing orders, cheques, cash in GA envelopes and £50 notes(!) for the whole parish from all its churches in a single account. Also cash exceeding £20 in a non-GA envelope (the gift exceeds the maximum permissible).

- **church cash account** for recording all other loose cash (£20 notes and below) received in each church separately. Cash in a non-GA envelope may be included but not exceeding £20. This account is essential in order to justify a grant claim on cash received of up to £8,000 in each church.

So a parish with three churches would have four accounts - one account for the main offertory and three accounts for offertory cash at each church. A parish with one church would have two accounts – one for main offertory and one for offertory cash.

Similar accounts are set up for second collections. Second collections are only for internal parish uses (Christmas/Easter offerings, maintenance, flowers, etc) or Diocesan purposes (retired priests, training of priests, Arundel Cathedral maintenance, Diocesan missionary endeavour). Third party collections (CAFOD, Missions, Sea Sunday, hospices, homeless charities etc) are excluded from GASDS. The rules for eligibility for GASDS are the same as for the main GA system.

For parishes with more than one church, the loose cash collected in each must be carefully segregated and counted. Cash in GA envelopes must only be included in the parish main account and not in the church cash account. Once counted, all cash received from all the parish's churches may be accumulated and banked as one single item. There is no need for separate bankings. The Counters and Cashslip sheets below separate out the monies received into eligible and ineligible cash for GASDS.

ENVELOPES

The following applies to each church separately. The loose plate cash is counted and recorded. The GA and planned giving envelopes are opened and the amount written on the front, just as is done at present. The cash in envelopes is also counted and recorded separately from the loose cash. Planned giving cash is eligible for GASDS. So the parish needs to consider whether it is necessary to record the cash in planned giving and GA envelopes. The separation of the two types of envelopes should be done at the same time as the counting and recording. Counters are not responsible for calculating what cash is eligible for GASDS.

COUNTERS AND CASHSLIPS SHEETS

The attached Counters and Cashslip Sheets are our suggestions for processing the requisite data. One Counters Sheet is required for each church to record the eligible cash collected. The ineligible funds may be recorded on one sheet for the whole parish; there is no need to record for each church separately. A master copy in excel format is available for your use.

The GASDS collection columns are for all eligible cash from 1p to £20 notes. The non-GASDS collection columns include all cash in GA envelopes, £50 notes and cheques. The amounts for offertory and second collections are posted directly from the Counters sheets. The amounts are carried to the Cashslip and the other income items are added to check against the total amount banked. NB The total is recorded in the accounts not the cash breakdown. It is essential to record the amount received in GA envelopes in the non-GASDS column, otherwise none of the collection can be classified as eligible.

The approximate number of persons attending each Mass, including celebrants and altar servers, must be included eg "over 50", "over 110" etc. In the unlikely event that numbers fall below 10 then that cash collection is ineligible and should be added to the parish main collection. The parish priest will be signing a declaration at year end that the GASDS claim is for only eligible collections where at least 10 persons were present.

FINANCE CO-ORDINATOR USERS

New accounts need to be created in 2013. But once the new accounts are set up, no additional reporting is necessary as the Diocesan Finance Office will be able to extract the requisite data from the electronic file submitted at year end. Yet another advantage to using FC!

You need to create new accounts for church cash – one for each church in your parish – for offertory and internal second collections. The existing accounts will be designated the parish main account. If you only have one church, you only need to create one church cash account.

610010 – Offertory parish main
610010A – Offertory church A cash
610010B – Offertory church B cash
610010C – Offertory church C cash Etc

610011 – second collections parish main
610011A – second collections church A cash
610011B – second collections church B cash
610011C – second collections church C cash Etc

In "accounts assistant" go to "nominal accounts" and "income". Click "new" icon on top bar to create new accounts. You may use the church names rather than A, B etc if you prefer in the description. You must complete the "SOFA/R&P" by selecting "offertory & collections" for the offertory and second collections accounts. You may also edit the main accounts if you want to add "parish main" to description. The accounts are saved by clicking the "save" icon.

Do not cancel the Donations cash accounts in FC created earlier. But there is no need to continue using them.

Agency collections. In FC the Diocesan collections (retired priests, training of priests, Arundel Cathedral maintenance, Diocesan missionary endeavour) are recorded and processed through the agency collection account 6699. So it is not possible to separate cash and non-cash for GASDS. In the case where a church's cash collections fall below £5,000, the parish should email to the Finance Office the relevant Counters Sheets showing the Diocesan collections apportioned between cash and non-cash. The Finance Office will add the Diocesan collection to the parish's GASDS claim.

PARISHES USING BESPOKE ACCOUNTING SYSTEMS

Parishes using their own bespoke accounting systems will need to set up procedures such that cash received can be reported to the Diocese A) from 1 January to 5 April and B) from 6 April to 31 December each year. We will issue the appropriate return forms before the relevant year end.

	GASDS ELIGIBLE		GASDS INELIGIBLE								TOTAL			
	Offertory GASDS	Second coll GASDS	Offertory non-GASDS	Second coll non-GASDS	Donations	Mass Stipends	Wall Box:	Third Party Collections	Votive Candles	Repository		Wall Box: Newspapers	Hall Lettings	
	A	B	C	D										
FC a/c no	610010A	610011A	610010	610011	610020	610020			6699	610052	610080	610081	610100	
£50														
£20														
£10														
£5														
£2														
£1														
50p														
20p														
10p														
5p														
2p														
1p														
sub-total £														
cheques £														
TOTAL £														

NOTES

- Use "GASDS Eligible" section for each church separately
- "GASDS ineligible" section can be used for the aggregate of all churches in parish
- Cols A & B. GASDS collections comprise all eligible cash from 1p to £20 notes, including the same in Planned Giving envelopes £20 or below.
- Cols C & D. Non-GASDS collections include £50 notes, cheques and cash in GA envelopes.
- Second collections are for internal parish use only - Christmas/Easter offerings, flowers, property, parish charity, etc
- Third party collections are for external charities, beneficiaries etc - CAFOD, missions, hospices, homeless, Bishops collections, etc
- an approximate number of persons attending each mass is needed - "above 20", "above 100" etc
- if a mass attendance including clergy and altar servers falls below 10, then that collection is ineligible, and is included in the non-GASDS column

	GASDS ELIGIBLE		GASDS INELIGIBLE									TOTAL		
	Offertory GASDS	Second coll GASDS	Offertory non-GASDS	Second coll non-GASDS	Donations	Mass Stipends	Wall Box:	Third Party Collections	Votive Candles	Repository	Wall Box: Newspapers		Hall Lettings	
	A	B	C	D										
FC a/c no	610010B	610011B	610010	610011	610020	610020			6699	610052	610080	610081	610100	
£50														
£20														
£10														
£5														
£2														
£1														
50p														
20p														
10p														
5p														
2p														
1p														
sub-total £														
cheques £														
TOTAL £														

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FC a/c no	GASDS ELIGIBLE		GASDS INELIGIBLE								TOTAL		
	Offertory GASDS	Second coll GASDS	Offertory non-GASDS	Second coll non-GASDS	Donations	Mass Stipends	Wall Box:	Third Party Collections	Votive Candles	Repository		Wall Box: Newspapers	Hall Lettings
	A	B	C	D									
	610010C	610011C	610010	610011	610020	610020		6699	610052	610080	610081	610100	
£50													
£20													
£10													
£5													
£2													
£1													
50p													
20p													
10p													
5p													
2p													
1p													
sub-total £													
cheques £													
TOTAL £													

- NOTES**
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 - if a mass attendance including clergy and altar servers falls below 10, then that collection is ineligible, and is included in the non-GASDS column

DIOCESE OF ARUNDEL & BRIGHTON - PARISH CASHSLIP

PARISH	TOWN		
YEAR	CASHSLIP NO	DATE RECEIVED	DATE BANKED

SINGLE RECEIPT CASH TRANSACTION	AMOUNT	BANK A/C	INCOME	FUND	DESCRIPTION
Offertory Gross (cols A + C)					
Cash Retained deducted (-ve)		634011	610010	General	CASH OFFERTORY
ENTER Cash retained		634010	610010	General	CASH RETAINED

MULTIPLE RECEIPT BANK TRANSCRIPT	AMOUNT	BANK A/C	INCOME	FUND	DESCRIPTION
Offertory Banked - net of cash					
Parish Collection (cols B + D)					
Donations		634011	610020		
Legacies		634011	610030		
Fundraising Gross Receipts		634011	610050		
Fundraising Gross Receipts		634011	610050		
Fundraising Gross Receipts		634011	610052	General	VOTIVE CANDLES
Repository -Shop		634011	610080	General	
Repository -News/Mags		634011	610081	General	
Repository -Traidcraft		634011	610082	General	
Rent		634011	610100	General	
Rent		634011	610100	General	
Asset Sales		634011	610110	General	
Diocesan Grants		634011	610120	General	
Trusts Grants Received		634011	610130		

POSTBOXES	BANK A/C	POSTBOX	AGENCY COLLECTION
Bishops Collections	634011	6699	43
Bishops Collections	634011	6699	43
Diocesan Coll - Diocesan Missions	634011	6699	Diocesan Missionary End
-Educ Future Priests	634011	6699	Educ Future Priests
-Seminary Fund	634011	6699	Seminary Fund
-Retired Priests	634011	6699	Retired Priests
-Cathedral	634011	6699	Cathedral
Third Party Collection	634011	6699	
Third Party Collection	634011	6699	

Difference: Actual minus Cashslip

TOTAL PAID INTO BANK		ACTUAL BANKING		
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Signed by Counters: (1) _____ (2) _____

Cash Withdrawal confirmed used for petty cash and/or housekeeping Signed by Treasurer: _____

ADJUSTMENTS FOR ERRORS:		634011	610010	General	Difference +ve CR offertory
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DIOCESE OF ARUNDEL & BRIGHTON

YEAR _____

GA SMALL DONATIONS SCHEME

1 January to 31 December

for users of Finance Co-ordinator only

	Name:	Town:
Church A		
Church B		
Church C		

DECLARATION

I confirm that when collections were taken in church -

A) there were at least **ten** people present at every Mass or service, and

B) there were at least **six** Masses or services held in each church during the year.

Parish Name: _____

Town: _____

Signed by parish priest: _____

(or Chairman of PFC)

Name _____

Date: _____

Notes:

- Please submit to the Diocesan Finance Office after the FC return has been sent in.
- For guidance on GASDS see PAM section 3 Appendix 3K.

Table A - 1 January to 5 April

Category	Main	ELIGIBLE CASH			TOTAL
		Church A	Church B	Church C	
General - Offertory					
Restricted - Collections					
TOTAL COLLECTIONS					

Table B - 6 April to 31 December

Category	Main	ELIGIBLE CASH			TOTAL
		Church A	Church B	Church C	
General - Offertory					
Restricted - Collections					
TOTAL COLLECTIONS					

TOTAL TABLES A & B					
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	Name:	Town:
Church A		
Church B		
Church C		

DECLARATION

I confirm that when collections were taken in church

A) there were at least **ten** people present at every Mass or service, and

B) there were at least **six** Masses or services held in each church during the year.

Parish Name: _____

Town: _____

Signed by parish priest: _____

Name _____

Date: _____

Notes:

- Please return with your Parish Finance Return. But users of Finance Co-ordinator do NOT submit this paper return.
- Categories. Main - cheques, standing orders, £50 notes, all cash/cheques in GA envelopes.
- Categories. Eligible cash - up to and including £20 notes in loose plate cash and cash in non-GA envelopes
- For detailed guidance on the constituent parts see PAM section 3 Appendix 3K.
- Total Tables A & B should equal the amount on the Parish Financial Return