



guide

operating your
giving account



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Welcome & introduction

Thank you for opening a **stewardship account** - we welcome you as a new account member. We hope that you will find your account an effective and efficient way of organising your charitable giving.

We consider you a member and partner in recognition of our shared purpose of advancing the Kingdom of God through effectively managing funds for Christian work. We trust you will discover, as you receive news of our activities, the extent to which **Stewardship** is much more than an administrative facility. We have a mission to serve the Body of Christ in this country and beyond, to assist the funding of Christian workers as well as helping churches and Christian charities towards better legal and financial administration.

Our aim is to bring together givers with those that need support, to build relationships, to increase the joy of giving and develop systems that better facilitate this.

Your membership brings you all the facilities of your account (as set out in this guide) and you will also receive *Share*, our magazine. In addition, our publications may from time to time be offered at special rates.

The purpose of this booklet is to explain in some detail how your account operates. It aims to cover the most common questions that arise, to help you make the best use of your account. Please feel free to contact one of our giving services team if you have a question which is not answered by this guide. The contents are accurate as at February 2010, though we will notify you of any significant changes to the operation of your account.

Making gifts into your account

2.1 REGULAR PAYMENTS

A regular payment, directly from your bank account, is the simplest way of funding your **stewardship account**. The minimum amounts are £10 monthly, £25 quarterly and £100 annually.

We use Direct Debits to receive your regular payments. These are more convenient for account members than Standing Orders and help **Stewardship** to be more efficient. We recognise that some people have reservations about Direct Debits, but the following should provide reassurance:

- You always stay in control of the amount debited. We only take the amount that you specify. Any changes are initiated by you.
- You can choose any date in the month, to suit your circumstances.
- In the unlikely event of a problem with your Direct Debit arrangement, there is a robust guarantee. (The terms of this are published with our Direct Debit mandate).

2.2 SINGLE PAYMENTS

You can make a one-off payment from £30 upwards. Although there is no minimum amount necessary to qualify for Gift Aid, this is the figure we have set as a realistic minimum, which we will keep under review.

Payments into your account can be made in two ways:

- By cheque using the payment slips included in your voucher book (just ask if you need more). If you send a cheque without a slip, please make sure that you write your **stewardship account** number on the back and let us know your intentions for the gift.
- By giving us instructions by telephone (on 08452 26 26 27). Provided we hold a Direct Debit instruction, we can arrange for a payment directly from your bank, and will give you written confirmation.

It should be remembered that the funds in your **stewardship account** belong to Stewardship and we retain discretion in relation to any donation that you request to be made.

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Requesting donations out of your account

3.1 USING VOUCHERS

All account members are entitled to receive a book of vouchers. They represent requests to us to pay funds to recipients. If you use a voucher book you will need to ensure that you have enough funds in your stewardship account.

Instructions on using vouchers are provided in the voucher book. Some points to note:

- The minimum voucher donation is £10.
- Please make sure you write the name of the recipient in full - it is amazing how many charities have the same initials!
- See different procedures for making donations anonymously (3.3(a)) and to overseas recipients (4.3).
- You can keep a record of donations made by voucher using the counterfoils or the record table on the inside back cover. The recipient completes the reverse of the voucher and sends it to us for it to be 'cleared'. We then process the voucher and make the donation to the recipient, usually by making payment direct to the recipient's bank account. Whilst we aim to make payment in a short space of time, delays can occur occasionally, eg if we require details of the recipient's charitable status or if the bank details provided differ from those on our records.

3.2 REGULAR DONATIONS

- Regular donation requests can be made in writing at any time. Slips for this purpose are included in your voucher book (just let us know if you need more). Alternatively you can contact us and we will set up the new regular donation and give you written confirmation.

- Donations can be made monthly, quarterly, half-yearly or annually.
- The minimum amount is £10.
- You need to provide us with the full name and address of the recipient, the amount, the frequency, the start date and any end date.
- If we have never made a payment to a particular recipient before, we will need to verify their charitable status and approve them as appropriate to receive funding from us. This can sometimes lead to a delayed start to the new regular donation.

3.3 GIVING ANONYMOUSLY

We take all reasonable steps to protect any information you provide us in accordance with the Data Protection Act 1998. If you do not wish us to provide recipients with your name and address you can request your donations to be anonymous. If you wish to do this, simply contact us using the details at the back of this booklet.

(a) By voucher

Special anonymous voucher books are available on request. These work like a normal voucher but do not include detail that would identify you to the recipient.

(b) By regular donation

You should notify us clearly if any new regular donation is to be made anonymously. The regular donation form contains an anonymous option box.

3.4 FOR GIVING TO AN OVERSEAS RECIPIENT *see* 4.3

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Who can receive donations?

4.1 GENERALLY

We can provide funding to churches, Christian charities, full-time Christian workers and Bible College students, provided that in each case we can satisfy ourselves as to their charitable status and set up a fund for them. Limitations apply to gifts to individuals and overseas organizations, as set out below.

Whilst the vast majority of giving from **stewardship accounts** supports Christian work, gifts can be made to any recognised charity whose objects and activities are not inconsistent with our primary evangelical Christian charitable purposes.

Please note that all distributions are made at the sole discretion of Stewardship and that we reserve the right to refuse to make payment to a particular recipient if we deem it undesirable to do so.

4.2 CHRISTIAN WORKERS

To satisfy our own charitable objectives and those of our regulators, we have had to set limits in assessing the charitable status of Christian workers. The following are our guidelines:

- (a) To qualify to receive payments, a worker must be in full-time (or substantially full-time) Christian work.
- (b) **Non-UK Nationals.** Regrettably, due to HM Revenue & Customs requirements, we are not normally able to make donations to non-UK nationals who have no connection to an organisation with a UK office/base.
- (c) **Short Term and Trainee Workers.** Christians in service for less than 6 months and those on training courses, even if combined with field trips/missions in the course of the training, cannot be recognised as being eligible to receive donations from **stewardship accounts**.
- (d) If a worker ceases to be in full-time Christian service, we should be notified immediately and payments to that person cease.
- (e) **Bible College Students.** It is possible for donations to be made to Bible College students towards the cost of fees or maintenance, subject to the following limitations (as agreed with HM Revenue & Customs):
- Neither the student nor his/her spouse should be a close relative of the giver (*See (f) below for the definition of a close relative*).
 - The student must be on a full-time course with a recognised UK Bible College and the course should be for at least one academic year.
- (f) **Donations to Close Relatives.** Special rules apply where you wish to support a Christian worker who is a close relative of you or your spouse ('close relative' means child, grandchild, parent, grandparent, brother, sister, or the spouse of any of these).
The present position, which may change in the future, is as follows:
- You can only request donations which benefit a close relative Christian worker/missionary if the donation is to be used for ministry expenses rather than living costs.
 - 'Ministry expenses' are the cost of equipment, training, materials and other facilities relating to the actual work.
 - 'Living costs' are basic accommodation, food and other general living expenses of the worker.
 - It is difficult for us to advise exactly where the line is drawn but it is important to monitor the overall income received from close relatives by **Stewardship** in relation to the beneficiary's total ministry expenses.

NB This restriction does not apply to relatives more distant than the close relative definition. In these cases, it does not matter whether the support is for ministry expenses or living costs.

4.3 OVERSEAS CHURCHES AND CHARITIES

We have to check documentation of the overseas church or charity in question, to see if it establishes charitable status under UK law. This can take some time if the documentation is overseas or in another language. Unclear cases may be referred to the HM Revenue & Customs for approval.

Payment methods. The preferred method is payment to a UK bank account in the name of the charity.

If the gift is for a large amount, payment by sterling credit transfer may be possible, in which case additional bank charges will apply.

Account member certifying for overseas recipients. Rather than sending a voucher to a recipient abroad with the obvious consequential time delay, these can be sent directly to us for processing. Please note that in these circumstances:

- sections A and C on the reverse of the voucher must be completed in addition to the front, and
- please make it clear, either on the voucher or with a covering note, that the beneficiary is abroad.

4.4 BENEFITS IN RETURN FOR GIFTS

Funds in a **stewardship account** cannot be used to buy any goods or services from a charity. It is possible to receive some small benefits in return, provided these do not exceed the amounts in the following table:

Amount of gift	Value of benefits
£0-100	25% of the gift
£100-1,000	£25
£1,001+	5% of the gift

A magazine or newsletter that promotes the charity's purposes, and which is not otherwise sold, is not counted as a benefit for these purposes.

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Tax recovery

5.1 ON PAYMENTS

If you have completed a Gift Aid declaration form tax will be recovered and added to your account each time you make a gift to Stewardship. The tax will show as 'uncleared' pending actual receipt.

5.2 YOUR GIFT AID DECLARATION & CHANGE IN YOUR TAX LIABILITY

Here are some important points you need to bear in mind about the Gift Aid Declaration:

- You should pay enough tax in any one tax year to cover the amount reclaimed by **Stewardship**, (and any other organisation receiving Gift Aid donations from you), on your giving. Relevant tax is any income tax (at whatever rate) or capital gains tax.
- If you cease to be a tax payer, or to pay sufficient tax, you should notify **Stewardship**. If too much tax is recovered on your giving, you will be liable to refund HM Revenue & Customs.
- Your gifts should **not** be based on the tax paid by another person (eg husband or wife) but by you personally. So if you cease to have a tax liability, but your spouse pays tax, you cannot simply rely on the tax they have paid. They will need to open their own account with us and sign their own Gift Aid Declaration.
- You are entitled to cancel your declaration at any time. Simply notify us, preferably in writing, if you wish to do so. Unless and until you cancel your declaration, we will continue to reclaim tax on all your giving.

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Statements

6.1 FREQUENCY OF STATEMENTS

Statements will be sent three times per year. Additional statements can be requested at any time, or you can request to receive statements monthly or annually.

6.2 DATES SHOWN ON STATEMENTS

The dates for entries shown on your statement correspond to the date the information was entered on our accounting records. The date of donations to recipients will be the date that the recipient's account with us is credited. Recipients choose the frequency with which the balance on their account with us is drawn down to their bank account.

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Overdrawn accounts

- 7.1 Overdraft facilities are not available on a **stewardship account**. If your account does become overdrawn we will notify you and ask you to make a payment to put it into credit.
- 7.2 If there are insufficient funds in your **stewardship account** to meet a regular donation, we will not be able to make that payment. Instead, the donation will be made when we have received sufficient funds. If this situation arises, you may need to re-arrange the frequency of your regular gift.

Distributing reclaimed tax

- 8.1 You may request that the reclaimed tax is added to the amount donated.
In this case the tax reclaimed on the gift will be allocated to the recipient's account (subject to our normal approvals) when it has been received from HM Revenue & Customs.
- 8.2 If you like to keep a balance on your Stewardship account, we can simply add the reclaimed tax to your account. This will then become available to be given to recipients at your request, subject to the normal discretion we have over donations. Initially this will show as an 'uncleared' balance until we actually receive the monies from HM Revenue & Customs.
- 8.3 A further option allows account members to combine the above so that reclaimed tax can be apportioned when giving to more than one recipient. Contact us for more details.

Higher rate tax payers

If you pay tax at the higher rate you will be entitled to relief on the difference between the basic rate and the higher rate on the Gift Aid donations you have made. This is claimed via your tax return and **Stewardship** can provide you with detail to help in this. Our certificate of total gift aid payments made in the tax year means that you don't have to work it out yourself (unless you have made other charitable gifts via other routes). Just ask if you would like this.

Membership retention

- 10.1 A sum equivalent to 3% of the gross funds credited to your account (including tax recovery) will be retained by **Stewardship** for our general purpose funds. Part of this represents the cost of donation administration and is subject to VAT. The remainder contributes towards the costs of servicing your membership with us (including the provision of the magazine and this guide). The retention will be taken from the tax recovery and not from the initial payment(s). It is shown clearly on your statement.

- 10.2 Minimum and maximum levels apply to the **Stewardship** retention in respect of single, one-off and regular Gift Aid payments. These are as follows:-
- The minimum amount retained will be £5 (for one-off).
 - The maximum amount retained by Stewardship per transaction is £400, whatever the size of the gift.
 - Between these two amounts, the standard level of retention will remain at 3% of the gross gift, i.e. the initial donation plus recovered tax.
- 10.3 The amount of the retention is subject to change, if felt necessary. We will always write to you in advance of any change.
- 10.4 Like a bank current account, no interest is payable on credit balances. Funds paid into a **stewardship account** and awaiting distribution may be invested by us and any resulting income will be the general fund income of **Stewardship**.

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Joint accounts?

We cannot offer joint accounts in the conventional sense, as HM Revenue & Customs regard each person as an individual for tax purposes, regardless of their marital status. For tax recovery purposes the account must be in the name of a single taxpayer, the one who signed the original Gift Aid Declaration. However it is possible to show 'Mr & Mrs' on vouchers and write to you in this way in our correspondence.

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Closing your account

You are free to close your account at any time. Simply let us know and we will cancel any Direct Debit collections. Please note that any funds in your account will need to be donated, and cannot be returned to you. It may be necessary to contact you subsequently to notify you of any balance as a result of reclaimed tax added to your account.

If, despite reasonable efforts, we are unable to make contact with you, the remaining funds will be used at our discretion, which may include our general funds.

Contacting us

If you have further questions please do not hesitate to telephone our **giving services team** on 020 8502 8560 in normal office hours.

Stewardship

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We trust your account will be of blessing and service to you and those you support through your giving.

stewardship[®]

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