

# Gift Aid Small Donations Scheme: a practical guide (for donations received after 5 April 2017)

April 2017



## Stewardship Briefing Paper

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## 1 Introduction

The Gift Aid Small Donations Scheme, perhaps better known as GASDS has been with us since 6 April 2013. Although widely welcomed at the time, the take-up by charities has been far below what the government intended. For example, the 2014/15 tax year saw £27 million of GASDS top-up claimed which may sound significant but is some 70% below the original estimate of £135 million set by the government.

The findings of a survey undertaken in 2016<sup>1</sup> suggested that a significant number of charities remained unaware of the Scheme, and that for others the eligibility criteria was considered to be restrictive and was a barrier and a burden. Stewardship continue to urge churches to make use of the scheme, even more so since 6 April 2016 when the limit for GASDS claims was increased from the original £5,000 donation limit per annum to an £8,000 donation limit per annum. This means that under the GASDS, churches can claim up to £2,000 each year (even more if they meet in more than one location); real money that can make a real difference.

For those of you that are conversant with the scheme, and indeed for those who are not, the rules have changed for donations received after 5 April 2017; changes that are proposed to make the scheme easier for churches and other charities to operate and as a result increase the amount paid out to the charity sector. Although not Gift Aid, for most practical purposes the characteristics of GASDS are such that it looks and feels much like it.

This paper is designed to be a practical guide written predominantly with churches in mind and applicable to donations received after 5 April 2017. Please refer to our [original paper](#) for the rules which apply to donations received before this date, and remember that it is the 'donation received date' that is important and not the 'claim date'. This paper explains the main rules, covering the types of circumstances that most churches and charities operate in. A more [comprehensive guide](#) is available on our website at: [stewardship.org.uk/resources/briefing-papers](http://stewardship.org.uk/resources/briefing-papers) and we would suggest that you reference this paper for a more comprehensive review of the scheme and where more detail is required than is provided in this guide.

### 1.1 Key points to be aware of

The central idea behind the scheme is quite straightforward, and for most churches making a successful claim will not prove too difficult. However, there are certain key points that must be adhered to so that claims remain valid and can be processed efficiently. These are:

- The eligibility of the receiving charity (see section 2) – amended by the new rules
- The eligibility of the donation (see section 3) – amended by the new rules
- How much can be claimed (see section 4) – increased for donations after 5 April 2016
- The matching principle (see section 4.1) – no change
- Community buildings (see section 4.2) – amended by the new rules

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<sup>1</sup> Undertaken on behalf of the Institute of Fundraising, NCVO & CFG

- Record keeping (see section 5) – augmented by the new rules
- Time limits (see section 6) – no change
- Claims process (see section 7) – no change

Each of these areas is covered below, with a flow chart provided in Appendix 1, a simple case study in Appendix 2 with a couple of more comprehensive examples in Appendix 3.

## 1.2 The basic scheme

Apart from the increase in the annual allowance (actually amended for donations after 5 April 2016), the basic scheme remains the same; charities are able to claim a top-up payment equivalent to Gift Aid on cash donations of £20 or less (subject to an overall limit per charity) without the need for the donor to complete any paperwork, or the requirement for the donor to be a taxpayer. This is good news for churches, meaning that with the increased allowance most churches will be able to claim up to an additional £2,000 p.a. from HMRC without the need for much additional work, relying largely on paperwork that will already be in place.

Claims will be limited to a basic allowance of £8,000 per charity per annum, resulting in a maximum top-up payment of £2,000 ( $£8,000 \times 25\%$  - whilst basic rate income tax is 20%) which can be received by the charity each tax year. In certain cases, where charities operate from community buildings (see section 4.2), the limit may be higher. However, there is also a matching principle (see section 4.1) which may in some cases restrict what may be claimed, but is only really likely to apply to smaller churches.

GASDS Claims will be made alongside Gift Aid claims using the Charities Online template provided by HMRC. An individual donation can only be eligible for one type of claim. It is either eligible under Gift Aid or the GASDS but not both. Donations that are eligible for Gift Aid cannot be eligible under the GASDS.



### Action point

Because limits apply for the GASDS and because of the matching principle (see 4.1), it is sensible that wherever possible churches seek to bring cash donations within a Gift Aid claim (using numbered envelopes or other schemes to identify donors as required), rather than relying on using the GASDS.

The benefit of encouraging donors to give under the Gift Aid scheme can be clearly seen in the following example.

### Example

*Church A receives £8,800 in a tax year in eligible cash donations, none of which are given under the Gift Aid scheme. The church is unable to claim either under Gift Aid, or the GASDS as they fall foul of the matching principle.*

*However, in the event that the church contacts some of its donors (providing donations of £800) who agree to make Gift Aid declarations to cover donations already given in that tax year, the church has now received Gift Aid donations of £800 and small cash donations of £8,000.*

*Although the total amount received by the church is the same, the church can now make claims on all of its donations; £800 under the Gift Aid scheme, and £8,000 under the GASDS because the matching principle (see section 4.1) allows for a GASDS claim of ten times that of the Gift Aid claim for donations received in the same tax year.*

## 2 Eligibility: the charity

The rules relating to the eligibility of the charity have been significantly changed and simplified for donations received after 5 April 2017. There is only a single condition to meet, and so to be eligible to submit a claim under the GASDS: a charity must **not have** received a penalty under Schedule 24 of the Finance Act 2007 in the year of claim or the preceding year.

The need for new charities to have completed a two year 'start-up period' (that is after being accepted by HMRC as a 'tax charity') has been removed, as has the need to have made successful Gift Aid claims in at least two of the past four years. Whilst we would strongly encourage churches to regularly complete Gift Aid claims (especially as these claims enable the GASDS matching rule to be met), we see both these changes as welcome.

The new eligibility rules open the way, for newly formed churches (and this includes churches converting to another legal structure e.g. CIO) and church plants which are charities in their own right, to become eligible for the Scheme from the outset.

### 2.1 Qualifying as a tax charity

Because of the matching rule (see 4.1), churches will still need to be recognised by HMRC as a charity for tax purposes, and this involves a separate verification process from registration with the Charities Commission. More detail can be found in our Stewardship Briefing Note 2015/1, available from our website at: [stewardship.org.uk/resources/briefing-notes](http://stewardship.org.uk/resources/briefing-notes) and by reference to the [HMRC Application Form ChA1](#) and the associated [Guidance Notes](#).



#### Action point

If your church or charity does not make or receive Gift Aid claims, then you should investigate whether you are indeed registered with HMRC at all. If not, registration is essential should you wish to make GASDS claims and probably advisable even if this is not the case.

The good news is that the HMRC will backdate 'tax charity' status to the time that the charity first fulfilled all of their requirements. Whilst you cannot apply to HMRC for recognition until you have registered with the Charities Commission, HMRC should be prepared to backdate tax charity status to the formation of the charity so long as nothing has changed between formation and registration.

### 2.2. Recent Gift Aid claims



#### Action point

Although the requirement for a historic and 'clean' Gift Aid claim record no longer applies, we do still advise churches to make regular Gift Aid claims (at least once a year) if only to aid cash flow.

### 3 Eligibility: the donation

For a donation to be eligible for the Scheme it must be:

- Made by an individual;
- Made in the UK;
- Made in cash<sup>2</sup> or as a contactless donation from a card, mobile phone or other device and be £20 or less (this includes notes and coins of any currency). In cases where it is reasonable to assume that a gift exceeds £20 (e.g. two £20 notes folded together), such a gift cannot be included in a claim;
- Received in the UK by, or on behalf of, the charity;
- Deposited in a UK bank or financial institution;
- Used for charitable purposes.

To qualify, the gift must be one for which no Gift Aid declaration has been received, regardless of whether a Gift Aid claim is made or not. For most loose cash offerings this is unlikely to be a problem as it is normally not possible to identify the donor and gifts will, as a result, remain anonymous.



#### Action points

1. Offering sheets should be completed for each location where the church meets, clearly recording non Gift Aided cash donations (see Appendix 4). These sheets should be retained to support any claims made.
2. All cash donations received should be banked intact with a UK financial institution before any expenses are paid out. Expenses should be settled subsequently from the church's accounts.
3. Clear procedures should be put in place ensuring that those counting the offering are aware of the £20 donation limit providing guidance where it is likely that the £20 limit might have been exceeded (e.g. notes folded together etc.).

### 4 How much can be claimed?

The basic calculations for GASDS claims work in the same way as for Gift Aid. For each £1 of eligible cash donation, the charity will be able to claim a top-up of 25p from HMRC (whilst current basic rate income tax rates remain at 20%).

Other than the amount of donations themselves, there are three factors which work together to determine the size of claim that can be made.

- The basic allowance of £8,000 p.a. (worth £2,000 to a church in top-up payments). For churches, this basic allowance covers small eligible cash (or contactless) donations collected from an individual anywhere in the UK.

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<sup>2</sup> Cash refers only to notes and coins and specifically excludes cheques. 'Contactless' donations does not extend to include other forms of debit or credit card transactions.

- The Gift Aid matching principle (see 4.1 below).
- The use of 'community buildings' (see 4.2 below).

## 4.1 Matching principle

The maximum amount of the GASDS top up that a charity can claim is limited to ten times the amount of Gift Aid claimed on **donations made in that same tax year** under the Gift Aid scheme. So in order to be able to claim top-up on the full £8,000 under the GASDS, your church would have to be claiming Gift Aid on donations made during the same tax year of at least £800 (£8,000/10). It does not matter if the Gift Aid claim itself is delayed, provided that the claim is made to HMRC before the GASDS two year time limit expires; it is the donation date that is important.

For most churches that make use of Gift Aid, this restriction is unlikely to become an issue. However, be aware of the time limits for making a claim (see section 5) as the rules for Gift Aid and GASDS are different.

## 4.2 Community buildings

This is the section of the rules which has undoubtedly seen the most changes but which as a result has been considerably simplified. For donations received before 6 April 2017, charities that operated out of a community building could make a claim using a combination of the basic or 'core' allowance and the community buildings allowance.

Although the basic eligibility criteria of a community building have not changed (see below), the possibilities open to the charity which operates from community buildings has. For donations received after 5 April 2017, there is no longer any interaction between the basic allowance and the community buildings allowance. The important issue now for charities is the number of eligible buildings from which they operate, as the answer to that question will determine which of two available routes they will follow.

First, for any charity with less than two community buildings the maximum donation limit is £8,000 of eligible donations in any tax year collected anywhere in the UK.

Second, where charities operate from more than one community building (see below) the charity now has a choice to make. It can either claim:

- Up to £8,000 of eligible small donations per community building<sup>3</sup>; or if more
- A single allowance of £8,000 per charity for eligible small donations collected anywhere in the UK.

Community building limits operate on a building by building basis and donations received in one building cannot be "passed across" to another community building which may still have some unused capacity.

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<sup>3</sup> Donations which can be included in a community building now extend to include those donations made anywhere in the same Local Authority Area in which the building resides. In England this will normally be a district council or a London borough; in Wales a county council or county borough council; in Scotland a council constituted under S3 of the Local Government (Scotland) Act 1994; in Northern Ireland a district council constituted under S1 of the Local Government Act (Northern Ireland) 1972





However, where a charity has two or more community buildings in the same Local Authority Area, and receives donations in that Area (but outside of the community buildings themselves) the charity can choose which community building it allocates those donations to, thereby allowing the charity to make the best use of the allowance for each building.

As a result of the extended scope of community buildings, now allowing donations made in the same Local Authority Area as the building to be added to donations collected in the building itself, it is hard to see many situations in which a church might be better off opting for the single allowance, but see examples later.

A community building is one to which the public (or a section of the public) has access at some or all of the time. Most churches will operate from at least one community building, with many churches operating from more than one. The church does not need to own a building for it to qualify; rented space is also eligible.

Certain buildings, those which are primarily used for residential or commercial purposes, are generally excluded from being community buildings. However, in certain cases where the charity has exclusive use of a commercial building or a segregated part of it, the building may still qualify. For more detail on this, please refer to Section 5 of our [comprehensive Gift Aid Small Donations Scheme Briefing Paper](#) available on our website at: [stewardship.org.uk/resources/briefing-papers](http://stewardship.org.uk/resources/briefing-papers).

So, for example, meetings held in schools, or where cinemas or hotel meeting rooms are rented, and the charity has exclusive use of the building or part of it can qualify as a community building. Meetings in private homes or in cafes, where there is no exclusive use or where café sales are made, will not qualify. But if the church has a qualifying community building in the same Local Authority Area as these venues, eligible donations can be claimed as part of the Local Authority Area boundary extension. They will not qualify directly because residential premises and those used primarily for the sale of goods cannot qualify as community buildings other than as set out above.

Where a church holds a freehold or leasehold interest in land on which more than one building is erected, most typically a church hall next to another church building, all buildings will be treated as if they are one, and one community building limit will cover them all.

#### **4.2.1 Relevant conditions**

Once the basic requirement for community buildings is satisfied, there are other conditions which may apply for very small or infrequent meetings or for unusual events such as ticketed performances. For full details on these conditions, please refer to section 5 of our more [comprehensive guide](#) available on our website at: [stewardship.org.uk/resources/briefing-papers](http://stewardship.org.uk/resources/briefing-papers).

## **5 Record keeping**

Nothing here has really changed, so neither has our basic advice to keep good records so that you can easily confirm and evidence:

- The guidelines provided to those people counting or administering cash donations;
- The numbers of people attending services and other charitable activities in cases where numbers in some community buildings may be close to the 10 minimum;
- That donations have been banked in a UK bank or building society;
- The address of the community building in which the donation was received;
- The date that the donation was received;

There is, however, one new requirement:

- For donations received outside of a community building, the location (including postcode) where the donations were received should be recorded. This is important so as to demonstrate that the donations were actually received in the relevant Local Authority Area.

Appendix 4 provides an Offering Record Template that can be used for this purpose.

## 6 Time limit

All claims under GASDS must be made within two years of the end of the tax year in which the donation was collected. Remember that it is the tax year that counts, and not your accounting year end (where this is different). Money donated in the year to 5 April 2018 can only be claimed up until 5 April 2020.



### Action points

- Waiting for the church's financial year to be completed and signed off may mean that there is little time to complete the GASDS claim. Completing an interim Gift Aid claim including a GASDS top up will help to ease the pressure at the end of the year.
- Because of the matching rule (Paragraph 4.1), sufficient Gift Aid claims should be made within two years of the end of the tax year, to support the related GASDS claims, notwithstanding the Gift Aid claim time limit of four years.

## 7 Claims process

GASDS is claimed as part of a church or charity's Gift Aid claim using Charities Online, making use of a template to record individual gifts and donations. For more information visit [stewardship.org.uk/resources](https://stewardship.org.uk/resources) to view our briefing note *Charities online: A guide to Gift Aid claims from April 2013*. To claim, visit Charities Online at [gov.uk/claim-gift-aid-online](https://gov.uk/claim-gift-aid-online).

Where the template is used, eligible small donations will be included on a separate line from Gift Aid donations or submitted as a separate claim. Where a claim relates to a community building, each building must be entered separately giving both the address of the building and the amount collected within it.



## 8 Connected charities

There are special rules that apply to connected charities. Charities are connected if at any time during the tax year the same person (or connected persons) has control over them and the charities have the same or very similar purpose.

As we do not see this applying to many churches, we have not covered this scenario in any detail in this paper, but have covered it within the more [comprehensive guide](#) available on our website at: [stewardship.org.uk/resources/briefing-papers](http://stewardship.org.uk/resources/briefing-papers).

## 9 Further help

### 9.1 From Stewardship

Any questions arising from this Briefing Paper should be addressed to Kevin Russell, Technical Director at Stewardship at [kevin.russell@stewardship.org.uk](mailto:kevin.russell@stewardship.org.uk).

For more detailed help and advice, Stewardship runs a Consultancy Helpline service. Details can be found by visiting at [stewardship.org.uk/support-services](http://stewardship.org.uk/support-services).

Stewardship may be able to help you with your charity registration process. Please see [stewardship.org.uk/support-services](http://stewardship.org.uk/support-services).

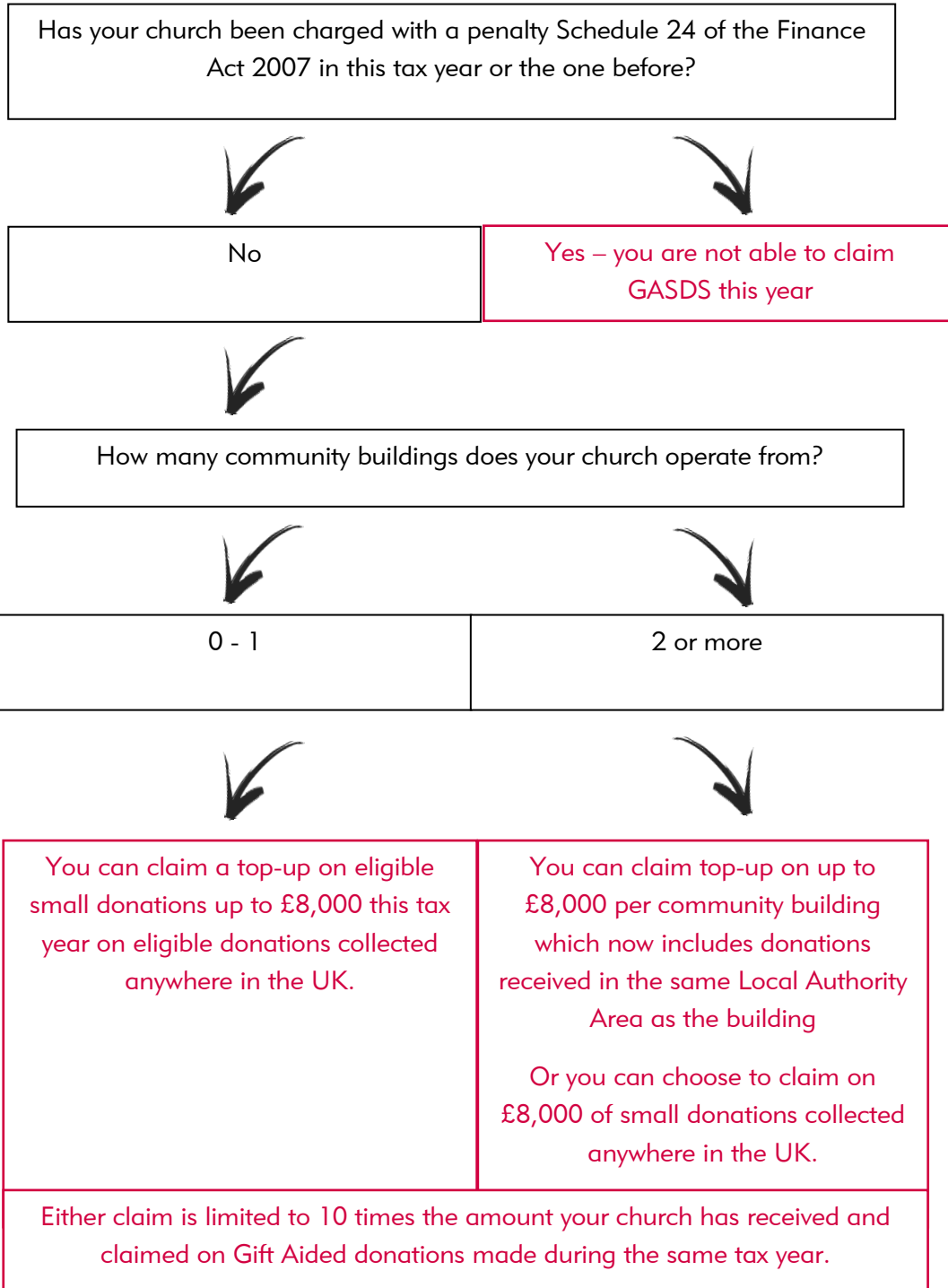
### 9.2 From HMRC

HMRC have published their own Guidance covering donations made after 5 April 2017<sup>4</sup>.

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<sup>4</sup> <https://www.gov.uk/government/publications/charities-detailed-guidance-notes/chapter-8-the-gift-aid-small-donations-scheme>

*Appendix 1: unconnected church GASDS decision flow chart*





## *Appendix 2: simple example*

### **Scenario**

Church M is a very small established church constituted under trust (meaning a year end of 5 April, the same as the tax year end) which has made annual Gift Aid claims for the last five years. It meets in its own building with a regular congregation of about seventy people.

Annual net gifts claimed under Gift Aid amount to approximately £2,000 p.a. and loose cash in the offering for year ended 5 April 2018 was £2,171 in notes and coins, including four £50 notes. No other cash gifts were received and all offerings are banked each week into a UK bank.

The church seeks to maximise the amount of top-up repayment that it can claim under the GASDS.

### **Calculation process**

#### ***Step 1: HMRC registration***

The church is already recognised by HMRC as a tax charity.

#### ***Step 2: Eligibility of donations***

All the donated cash (notes and coins) is received in the in UK in UK denominated notes and coins and is banked into a UK financial institution, but as there are four £50 notes (exceeding the maximum of £20), these cannot be included in a GASDS claim.

#### ***Step 3: calculation***

1. The charity has less than two community buildings.

The maximum claim is therefore limited to donations of up to £8,000 in the tax year. The total claim is therefore £2,171 less £200 (4 x £50) = £1,971.

#### ***Step 4: the matching principle***

The matching principle means that in order to be able to reclaim the top-up in full, Gift Aid donations received in the same tax year must be at least one tenth of the claim under GASDS. With net gifts on which Gift Aid is claimed running at an average £2,000 per annum, this will not restrict the claim. £2,000 x 10 = £20,000 far in excess of the claim of £1,971.

#### ***Step 5: Time limits and claim***

All claims under GASDS must be made within two years of the end of the tax year in which the donation was collected. For donations received during the 2017/18 tax year, the deadline for a claim is 5 April 2020.

## *Appendix 3: more than one community building*

Church C has two congregations (each numbering around 100 people) meeting in different venues in the town. The church encourages its congregation to make donations via direct debit and under Gift Aid and such cash offerings in building 1 amounted to £1,250 for the tax year 2017/18 and £2,200 in building 2. All cash offerings are banked, and the church is not aware of any ineligible gifts within the cash received. It also claims Gift Aid on donations received in 2017/18 of £20,000.

During the year, the church choir sung at a number of shopping centres in the county and received small cash donations of £4,750. Of this, £3,750 was received from events held within the same Local Authority Area as the buildings in which the church meets, with the remainder collected from events further afield and in another Local Authority Area.

### **Calculation process**

#### ***Step 1: HMRC registration***

The church is already recognised by HMRC as a tax charity.

#### ***Step 2: Eligibility of donations***

All the donated cash (notes and coins) is received in the UK in UK denominated notes and coins and is banked into a UK financial institution. All donations appear to be eligible under the Scheme.

#### ***Step 3: the matching principle***

Church C will not be restricted by the Gift Aid restriction receiving donations under the Gift Aid scheme of £20,000.

#### ***Step 4: calculation***

As the church operates out of more than one community building, it does have a decision to make. It can either claim a maximum of £8,000 per community building, or opt for the single allowance of £8,000 for all eligible donations collected anywhere in the UK.

#### ***Community building route***

If the church opts for the community building route, then it will be able to claim the £1,250 and £2,200 donated in each building and can add to that the £3,750 received from the choir events held within the Local Authority Area. This means that in total a top-up repayment can be claimed on donations of £7,200 making a total top-up repayment of £1,800 ( $£7,200 \times 0.25$ ).

#### ***Single allowance route***

However, if the church was to opt for the single allowance, it could include donations received from outside the Local Authority Area (so long as they are received in the UK) and so its only limitation would be the £8,000 allowance, enabling a top-up repayment claim of £2,000.

By choosing the single core allowance option, church C could claim an extra £200 in GASDS repayment top-up. However, we would only imagine this type of situation would apply very rarely, and as such would normally expect the community buildings route to be the preferred route in almost all cases.

## Comprehensive example

### Scenario

Church N has been in existence for ten years and has been registered with HMRC as a tax charity making regular quarterly Gift Aid claims for six years. They are formed as a company which has a 31 December year end. The church meets in four locations. Its primary location is a building that it owns outright and uses for its larger family service gatherings supported by evening meetings in the adjacent church hall, and it has two local congregational plants in the town.

The first of these plants rents a school hall in a different Local Authority Area from the church and is well established with an average congregation of around sixty attending each week. The second is a newer plant which meets on a monthly basis in a local café in the same Local Authority Area as the church. Attendances at the café congregation vary sometimes as low as eight to ten people, at other times as high as 20 to 30. This plant started in September 2016, meeting on the last Sunday of the month.

During the period between 1 Jan 2017 and 31 March 2018 the church claimed Gift Aid as follows on donations received in each quarter as follows:

3 months to 31 March 2017:	£725 claimed on net gifts of £2,900
3 months to 30 June 2017:	£645 claimed on net gifts of £2,580
3 months to 30 September 2017:	£983 claimed on net gifts of £3,932
3 months to 31 December 2017:	£441 claimed on net gifts of £1,764
3 months to 31 March 2018:	£266 claimed on net gifts of £1,064

The amounts claimed under Gift Aid are made up of donations by cheque, by bankers' standing order and cash gifts made using the church's Gift Aid envelope offering scheme.

During that same period, the church also received the following cash donations, all in UK denominated notes and coins of £20 or less:

Period	Main building	Church hall	School	Café
3 months to 31 March 2017	£1,536	£126	£189	£62
3 months to 30 June 2017	£1,849	£245	£238	£87
3 months to 30 September 2017	£2,236	£97	£177	£58
3 months to 31 December 2017	£2,424	£215	£345	£65
3 months to 31 March 2018	£2,199	£147	£296	£40

Of the amount donated in the school, £100 per quarter is used to reimburse someone for buying refreshments. This money is taken directly out of the offerings before they are banked. All other donations are banked in full into a UK financial institution.

The church seeks to maximise the amount of top-up repayment that it can claim under the GASDS.

## Calculation process

### *Step 1: HMRC registration*

The church is already recognised by HMRC as a tax charity.

### *Step 2: Eligibility of donations*

- All the donated cash is received from individuals and in the UK, in UK denominated notes and coins of £20 or less with no obvious donations exceeding the £20 limit.
- However, some money from the meetings at the school is never banked (being used to reimburse expenses) and as such must be excluded from any claim. This excluded amount is £100 per quarter or £400 for the tax year in total.

### *Step 3: calculation*

1. The church meets in two or more community buildings and so has to make a decision on which route to follow. Although the café is highly unlikely to be a community building in its own right (see below), the donations received in it may be able to be added to one of the community buildings which the church operates from so long as these buildings are located in the same Local Authority Area as the café.
2. Because the main building and the church hall are on the same premises, they are treated as a single building for the purposes of the Scheme.
3. The school qualifies as a community building, passing the necessary criteria. However;
4. The café is unlikely to qualify as a community building:
  - a. First, because any non-exclusive use by the church, or the sale or supply of goods and services during services will disqualify it; and
  - b. Second, because the number of meetings held, and the number of people attending those meetings may not be sufficient to meet the necessary minimum requirements.

For churches where it is unclear whether the minimum meeting requirements are met, a log should be maintained of the number of attendees and the amount of cash donated at each meeting (the pro forma offering record sheet contained in Appendix 4 can be used for this purpose). Remember, any cash donated at a meeting in a building that has not qualified as a community building can only be claimed if collected within the Local Authority area of another building that does not qualify.

The maximum potential claim for church N under the Scheme is therefore the greater of £8,000 donated anywhere in the UK, or £8,000 per community building (this church operates from two, the church and church hall combined and the school). Given that no donations were received from outside the Local





Authority Area, the community building option will provide the best outcome within the following limitations:

- £8,000 for donations received in the main building and the church hall combined plus donations received outside of the building but within the same Local Authority Area.
- £8,000 for donations received in the school plus donations received outside of the building but within the same Local Authority Area.
- The church concludes that the café does not qualify as a community building in its own right. However because the café is situated in the same Local Authority Area as the church, donations can be added to those received in the church (combined church and church hall) up to a maximum of £8,000 per tax year.

This makes a total potential claim of £16,000.

1. As the café is not a community building in its own right, donations received there can only be claimed if they can be added to a community building in the same Local Authority Area and if there is sufficient capacity. Because the school is situated in a different Local Authority Area to the café, donations received in the café can't be added to that even though there may be capacity. For the tax year 2017/18, donations received in the café amounted to £250.
2. Donations received in the main church building and church hall combined during the tax year 2017/18 were £9,412. As this exceeds the maximum amount per community building, this part of the claim is restricted to the maximum of £8,000.
3. As there is no remaining capacity for the church and church hall, the donations received in the café although situated in the same Local Authority Areas can't be added to it.
4. Donations received at meetings in the school amounted to £1,056, well inside the £8,000 limit. However, £400 of this amount was never banked into a UK financial institution and as such the total claim for that building is limited to £656.

Although it would be nice to 'transfer' the excess cash donations collected from the main building to the school so as to utilise the unused allowance from donations collected at the school, this is not permitted by the scheme. Similarly because the café is in a different Local Authority Area to the school, the donations collected in the café can't be added to those received in the school.

So the total cash which (subject to the matching principle) can be claimed for the tax year 2017/18 is £8,000 from the church building plus £656 from the meetings in the school = £8,656.

#### ***Step 5: the matching principle***

The matching principle means that in order to be able to reclaim the top-up in full, Gift Aid donations received in the same tax year must be at least one tenth of the claim under GASDS. The maximum GASDS claim calculated in step 4 is £8,656 so, in order to claim the whole amount, net gifts on which Gift Aid has been claimed must be at least £866.

With net gifts made during the 2017/18 tax year of £9,340, the matching principle will not restrict the claim.

## ***Step 6: Time limits and claim***

All claims under the GASDS must be made within two years of the end of the tax year in which the donation was collected. This is the case regardless of the way that the church is constituted. In this case that means that money donated up to 5 April 2018 can only be reclaimed until 5 April 2020.

This is so even though the donations that form this claim will be included in the church's accounts drawn up for the year ended 31 December 2017, and for the year ended 31 December 2018.



## Appendix 4: pro forma offering record template

### Pro Forma offering record template

#### [Enter name of church] – offering record template

Meeting location:

Number of attendees:  (estimated)

Date:

Offerings Gift Aided	Denomination	Offerings Not Gift Aided ineligible for GASDS	Offerings Not Gift Aided eligible for GASDS
Gifts greater than £20 are not eligible for GASDS			

(A)	(B)	(C)
<input type="text"/>	Cheques (1)	<input type="text"/>
<input type="text"/>	£50	NIL
<input type="text"/>	£20	<input type="text"/>
<input type="text"/>	£10	<input type="text"/>
<input type="text"/>	£5	<input type="text"/>
<input type="text"/>	£2	<input type="text"/>
<input type="text"/>	£1	<input type="text"/>
<input type="text"/>	50p, 20p, 10p, 5p	<input type="text"/>
<input type="text"/>	2p, 1p	<input type="text"/>
<input type="text"/>	Total cash (2)	<input type="text"/>
<input type="text"/>	<b>Total offering (1)+(2)</b>	<input type="text"/>

Must be banked to claim GASDS

(A) + (B):

Cash retained for church expenditure:

Offering to bank:

Counted by:

Signed:

Countersigned:

*Please note: all envelopes to be opened with contents recorded in the appropriate column. Where such gifts qualify for Gift Aid, the envelope should be retained with the amount of the offering clearly recorded.*