# Guidance for Registering Churches and Circuits with the Charity Commission – Part 2

# Stage 6 – Property 6.1 Property

d GOV.UK Apply to register a charity: Property BETA This is a new service – your <u>feedback</u> will help us to improve it. Telephone Assistance ■ Back Spell Check Print a copy Sign out **Property** Page 18 of 31 Does the organisation use premises owned by a trustee or someone related to a trustee? Contact info Who owns the property and what is their relationship with the organisation? Declaration Please explain the basis upon which the organisation uses the premises. is there a lease or other formal agreement in place? Please provide a copy of the minutes of the meeting where it was decided it is in the Attach Continue Save & exit Charity Commission's <u>privacy and data management notice</u> OGL. All content is available under the Open Government Licence v3.0, except where other

In most situations the Church Council or Circuit Meeting will be the managing trustees for Local Property or Circuit Property. Only if no property is managed be the Church Council or Circuit Meeting should the answer "No" be selected. All churches and circuits which manage property should answer "Yes".

Churches – In the first box state:

The [name] Church Council act as managing trustees for the church building [address]. The church building is held on Model Trusts and the custodian trustees, holding legal title for the property are the Trustees for Methodist Church Purposes (TMCP). If any other properties are managed by the church council adapt the passage accordingly.

The [name] Church Council act as managing trustees for the property [address] which is the caretakers' cottage for the [name] Methodist Church. The property is held on Model Trusts and the custodian trustees, holding legal title for the property are TMCP.

Circuits – Using the recommended template answer (below) detail each property managed by the circuit meeting.

The [Name] Circuit manages [No.] Properties, each of which is held on the Model Trusts. The Trustees for Methodist Church Purposes (TMCP) are the custodian trustee holding the legal title to all properties.

Property 1: The manse [address]

Property 2: The manse [address]...

Property 5: The church building [name and address] which is held as an investment, worship no longer takes place in this building.

In the second box, explain in your own words each of the purposes for which each building is used.

In response to the question "Is there a lease or other formal agreement in place" answer yes or no as appropriate for your church or circuit.

If an agreement or lease is in place attach a copy of the lease using the box provided. If you do not have a copy of the lease or sharing agreement contact the other parties to the lease or agreement. If contacting other parties does not provide a copy of the document, contact TMCP to acquire a copy. TMCP may be contacted by email using the address <a href="mailto:legal@tmcp.methodistchurch.org.uk">legal@tmcp.methodistchurch.org.uk</a> or by telephone at 0161 235 6770.

Answer "Are the premises used for any other purposes" as appropriate for your church council or circuit. If any part of the property is licenced to any other organisation (for example Scouts leasing the church hall two evenings per week) detail the arrangements and attach a copy of the most recent agreement.

# Stage 7 – Contact Info

# 7.1 - Contact for this Application

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Generally the person making the application will be a trustee of the charity, though in certain circumstances an employee of the church council or circuit meeting may be the person submitting the registration, tick as appropriate.

Either an individual may register on behalf of the Church Council or Circuit Meeting or the Church Council or Circuit Meeting my register in its own right. Select either "Individual" or "Organisation" as your church or circuit agrees.

If registering as an individual place your contact details into the corresponding boxes. Where there is an agreed office for the church council or circuit meeting insert the postal address for the office, otherwise insert your personal address. If you have access to an email address associated with your position on the church council or circuit meeting please use that email address, alternatively use a personal email address.

#### 7.2 Organisation Contact

The next page is identical to the page detailed at 7.1.

If the main contact for the charity is the same person as the person making the registration, provide the same contact details. If the main contact is a different person insert their details.

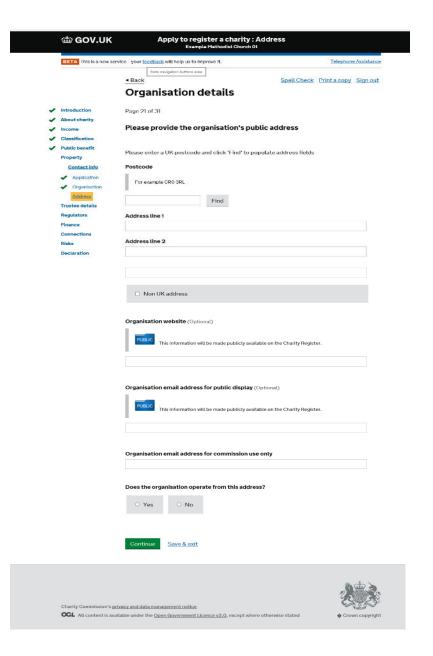
#### 7.3 Organisation Details

This step may be skipped if you have inserted the contact details for the organisation during stage 7.1 or 7.2.

Insert the contact details for your charity. This will usually be the address of the church building or the circuit office.

If your local church or circuit has a website, you should place a link to that website in the corresponding box.

You may use one email address for public display and one email address which shall be used by the Charity Commission or you may enter the same email address for both purposes. These email accounts must be checked regularly and should be accessible by more than one trustee.



# Stage 8 - Trustee Details

#### 8.1 – Trustee Type

∰ GOV.UK	Apply to register a charity: Trustee type  Example Methodist Church 01		
BETA This is a new ser	BETA This is a new service – your <u>feedback</u> will help us to improve it.		
	<u>■ Back</u> <u>Spell Ch</u>	neck Print a copy Sign out	
	Trustee numbers		
<b>✓</b> Introduction	Page 22 of 31		
<ul><li>✓ About charity</li><li>✓ Income</li><li>✓ Classification</li></ul>	How many trustees does the organisation currently have? (total	al)	
✓ Classification ✓ Public benefit Property			
Contact info  Trustee details  Trustee type  Regulators	What is the minimum number of trustees the organisation's god it must have?	verning document says	
Finance Connections Risks	Continue Save & exit		
Declaration			

In the first box state how many persons are presently are members of Church Council or the Circuit Meeting. This number cannot be smaller than 7.

The minimum number of trustees for a church council is 7 (Standing Order 612), there is no prescribed minimum for Circuit Meetings as they are constituted in accordance with section 61 of Standing Orders.

Single Church Circuits must also have not less than seven members of the circuit meeting.

#### **EITHER**

Circuit meetings should place the number 7 as the minimum as there is no prescribed minimum

## <mark>OR</mark>

The circuit must decide how many persons is the minimum number of persons to adequately represent the life of the circuit, giving consideration to age, sex and ethic origin. This agreed minimum number should be recorded in the minutes of the circuit meeting and entered on to the registration form.

#### OR

Circuits constituted in accordance with standing order 510 must calculate the total number of persons required to meet the minimum membership quota.

• Every Minister, probationer and trainee minister in the circuit

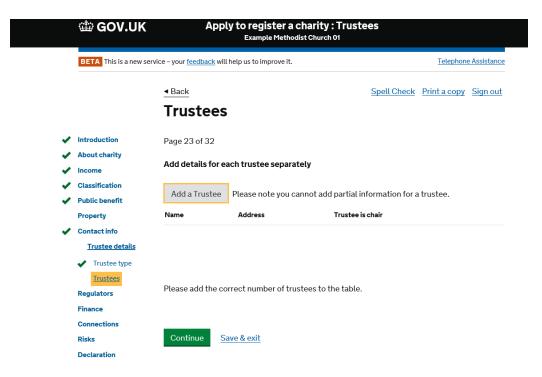
- Every person authorised to serve who is not a Methodist Minister
- Every other person stationed within the circuit
- The secretary of the Circuit Meeting
- One Church Steward per church
- One Church Treasurer per church
- The number of elected representatives from each church

Example: In a circuit consisting of five churches, each church has a minister, one of whom is also the district chair, every church has agreed to elect one additional representative. There are no supernumeraries or trainee ministers. One minister from another denomination is permitted to serve. The smallest the circuit meeting should be is 21 persons.

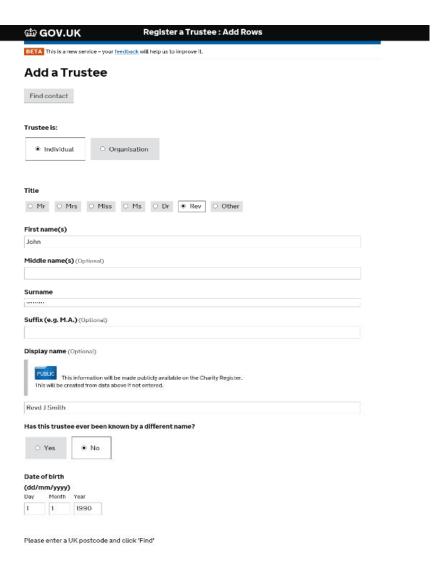
Ministers	5 (Including Superintendent)
Church Treasurers	5
Church Steward	5
Elected Representatives	5
Minister from other denomination with permission to serve	1
Minimum number of persons	21

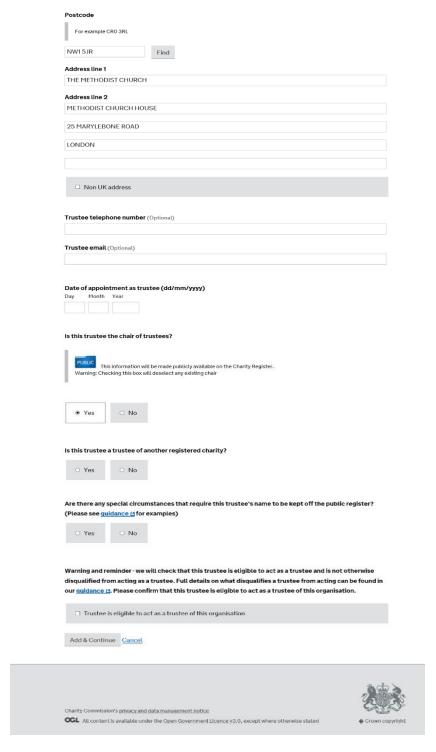
#### 8.2 – Trustees

Use the "Add a Trustee" button to bring up a new menu.



Using the menu below insert the details of the first trustee.

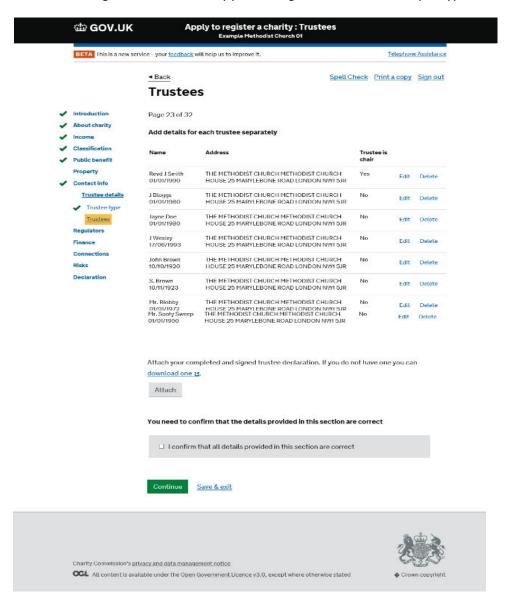




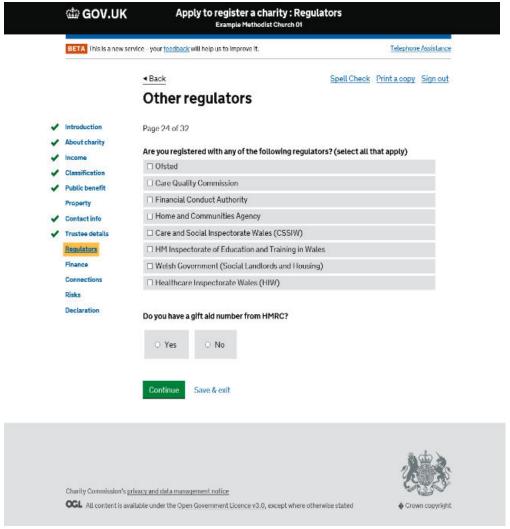
You will need to repeat this process until all of the number of trustees declared at stage 7.1 have been added have been properly added (for the purpose of this example 8 times). You will need to reenter the details of trustees provided in stage 6 of the process.

It is necessary for every trustee to provide their full name and date of birth.

Once you have added the details for each trustee you will be prompted to upload a trustee declaration form. You may find trustee declaration forms at the <u>Charity Registration website</u>, or if there are 8 or less trustees you may use the one provided. Print a copy of a declaration form, every trustee must sign it. Then scan a copy of the signed declaration as a pdf type file and upload it.



Stage 9 – Other Regulators

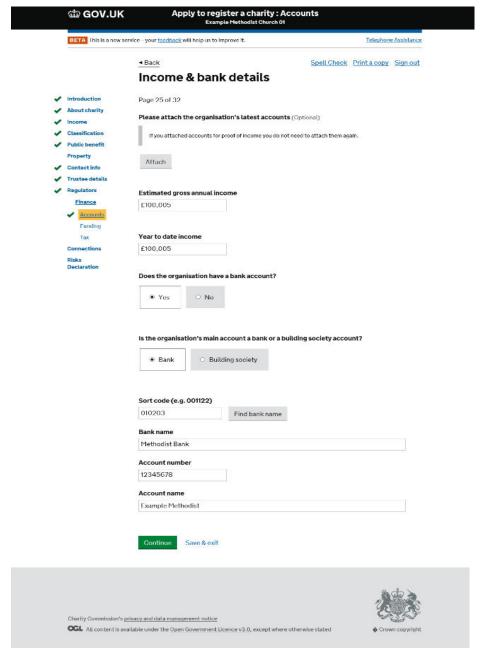


If your church or circuit is registered with any of the following regulators, tick the corresponding box and provide the reference number.

If your charity has an HMRC Gift Aid number select "Yes" and insert the gift aid number in the box provided. If our charity does not have a gift aid number click "No".

# Stage 10 - Finances

# 10.1 - Accounts



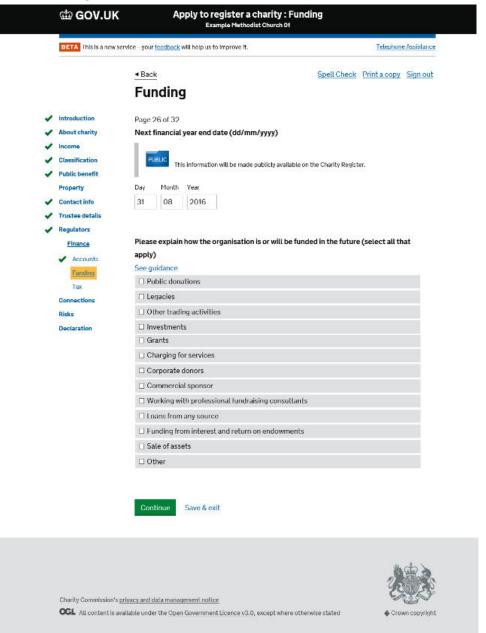
Insert the estimated gross annual income for your charity into the corresponding box and insert the income to date. Both numbers should be rounded up to the next whole pound. The one exception is if rounding up to the next whole pound would place your charity above the £100,000 threshold (gross annual income is between £99,999.01 and £99,999.99) in which case round down to £99,999.

The Methodist Financial Year mirrors the Connexional Year, running from 1<sup>st</sup> September until the following 31<sup>st</sup> August. Note: If the estimated annual income is not greater than £100,000 there is currently no need to proceed with the registration.

Attach a pdf copy of the most recent annual accounts for your charity. This step is only necessary if you have not already attached a pdf copy of the charity accounts during Stage 3.

If your charity has a either a bank account or building society account select the option "Yes" and then insert the details of the charity's bank or building society account.

10.2 - Funding



The next financial year will end on the next 31<sup>st</sup> August. Enter into the date section 31/08/20XX where XX is either the current year or the next year as appropriate. For example if you are registering your charity on 1<sup>st</sup> October 2015, the date on which the current financial year ends shall be 31<sup>st</sup> August 2016.

Tick as many of the forms of fundraising as apply to your charity. Most Methodist Charities will raise money from:

- Public Donations
- Legacies
- Grants
- Charging for Services

Some charities may perform "other trading activities" such as operating a café or shop. Few local churches or circuits should be using the services of professional fundraising consultants.

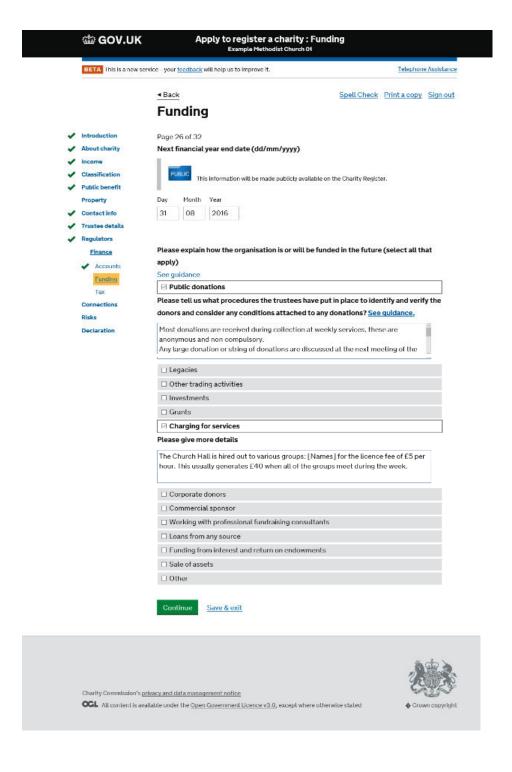
Ticking an of the options will bring up a dialogue box in which you are requested to explain what measures are in place to ensure that the monies are properly obtained and scrutinised, other information may also be asked for and a guidance document will appear for each, you should read the associated guidance and prepare an answer in your own words.

# Example answer for public donations:

Most donations are received during collection at weekly services, these are anonymous and non-compulsory.

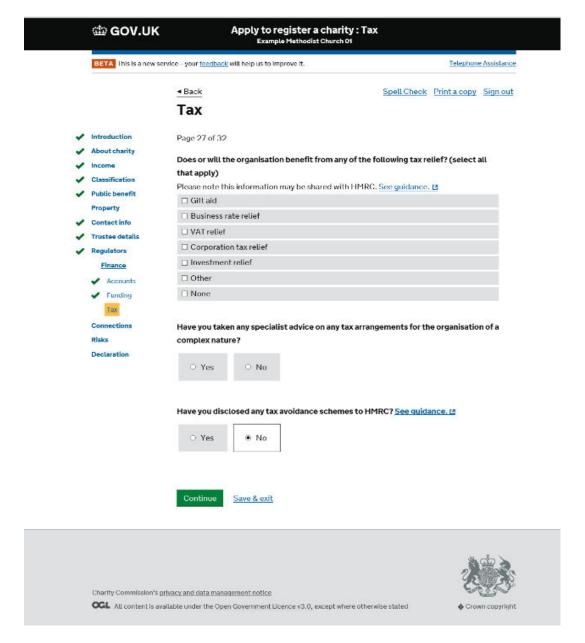
Any large donation or string of donations are discussed at the next meeting of the Church Council, the Circuit Treasurer and a member of the District Policy Committee is invited to attend the meeting and advice may be sought from the District Policy Committee.

Other fundraising activities include the Christmas Fete and... donations are provided at these events, if any irregularity appears in the donated sums the irregularity is discussed at the next meeting of the Church Council, advice may be sought.



#### 10.3 - Tax

Select as many of the forms of tax relief as apply to your charity.

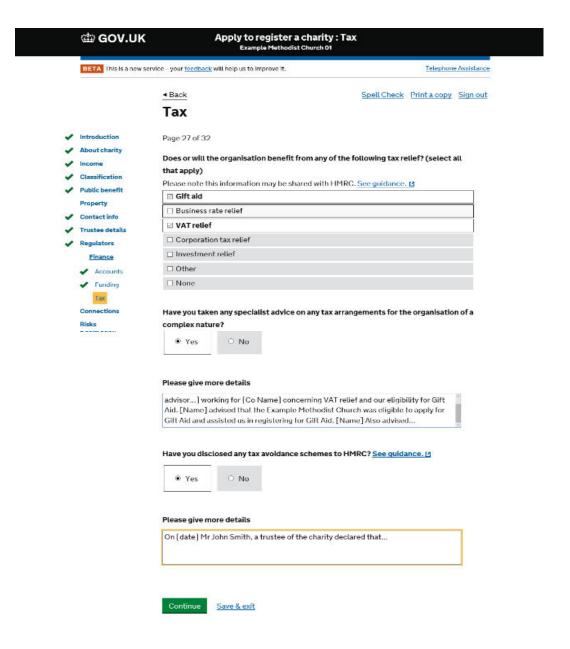


If your charity has taken specialist financial advice on any matter select "Yes" to the first question and a dialogue box will appear. In this box provide details of the person or organisation that provided the advice, when this advice was provided and explain what matters advice as sought on.

#### Example answer:

In [Month and Year] The Church sought advice from [Name] a [solicitor, financial advisor...] working for [Co Name] concerning VAT relief and the [charity name]'s eligibility for Gift Aid. [Name] advised that the Example Methodist Church was eligible to apply for Gift Aid and assisted us in registering for Gift Aid. [Name] Also advised...

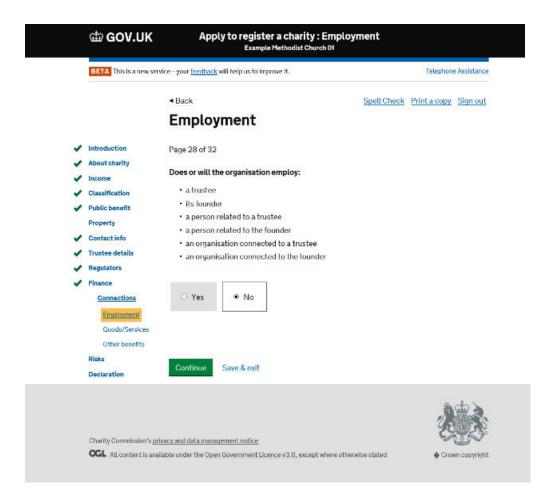
If your charity has disclosed any tax avoidance schemes select yes and provide details in the dialogue box, you are encouraged to read the corresponding guidance note. Otherwise select No.



#### 10.4 - Employment

# 10.4.1 – No Connected Employees

If your charity does not employ any person in any way connected to a trustee select "No" and proceed to 10.5.

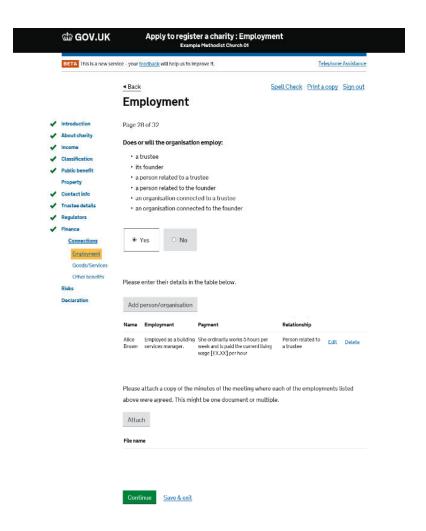


#### 10.4.2 – Connected Employees

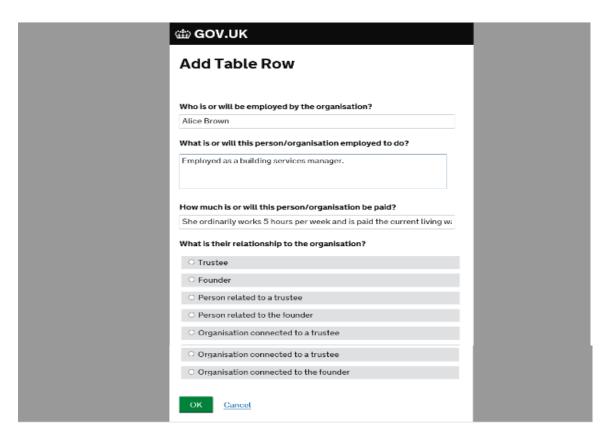
Many Charites will not employ any person related to a trustee or directly related to the charity. If no such person is employed, simply select "No".

A person who is employed by the charity and is also a member of the local church or one of the churches in the circuit is connected to the charity for the purposes of charity registation.

If your charity does employ a person or organisation that is in some way connected with the charity or a trustee select "Yes", you will be asked to provide details.



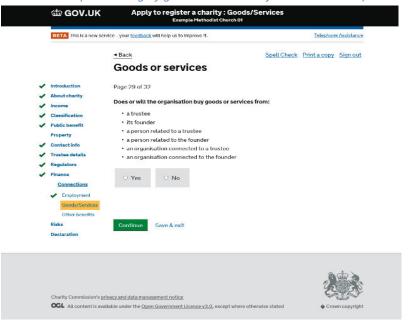
Click on the "Add Person or Organisation" button and insert the details of the employed person or organisation using the table provided.



You will need to attach a pdf copy of the minutes of the meeting in which it was decided to employ this person or these persons.

#### 10.5 - Goods or Services

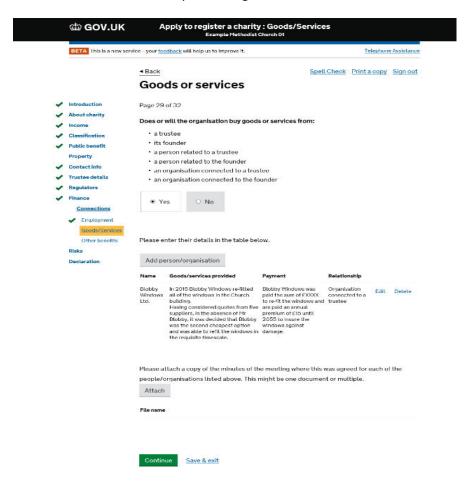
10.5.1 – Non-purchasing of goods or services from connected persons



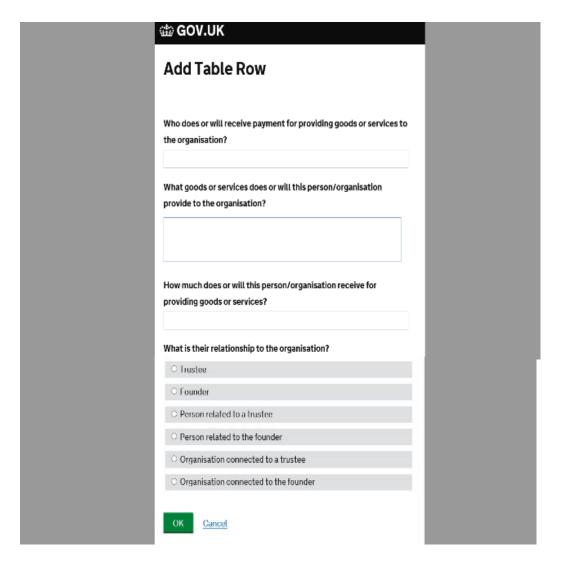
If your charity does purchase goods and/or services from any of the listed persons or organisations select "No" and proceed to step 10.6.

# 10.5.2. – Purchasing Goods or Services from connected persons

If your charity does purchase goods and/or services from one of the listed persons or organisations select "Yes". Press the "Add person/organisation button".



Using the table insert the details of the company or person.

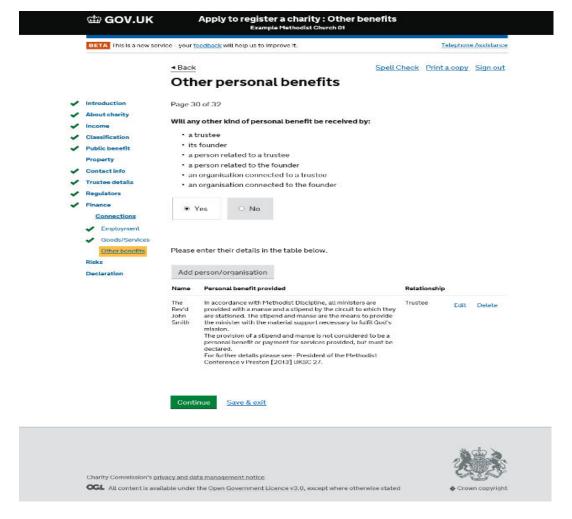


You will also need to attach a copy of the minutes in which it was decided that the charity should purchase goods or services from the company or person connected with the charity.

# 10.6. Other Personal Benefits

Answer Yes, that a person may receive a personal benefit. It is necessary to declare that Ministers receive a stipend and manse, although these are not considered to be a public benefit.

You will need to use the "add person/organisation" button twice.



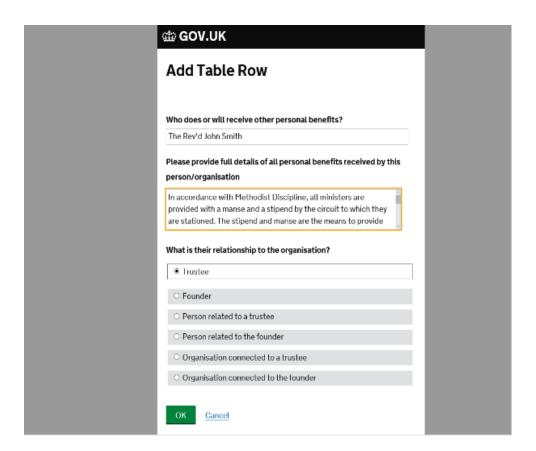
#### 10.6.1 – Declaration of Stipend

Using the table insert the name of the Minister for your church and in the second section copy the following passage.

In accordance with Methodist Discipline, all ministers are provided with a manse and a stipend by the circuit to which they are stationed. The stipend and manse are the means to provide the minister with the material support necessary to fulfil God's mission.

The provision of a stipend and manse is not considered to be a personal benefit or payment for services provided, but must be declared. For further details please see - President of the Methodist Conference v Preston [2013] UKSC 27.

State that the minister is a trustee.



10.6.2 – Declaration of any other benefit

No person should derive a personal benefit, however it is possible for a trustee to derive a personal benefit if the SO 919 procedures are properly followed.

#### In the first box state:

No trustee should derive a personal benefit from the [Name] Methodist Church/Circuit, it is possible to derive a personal benefit if the procedures of Standing order 919 have been followed.

In the second box copy and paste SO 919, a copy of SO 919 (below)

#### 919 Conflicts of Interest.

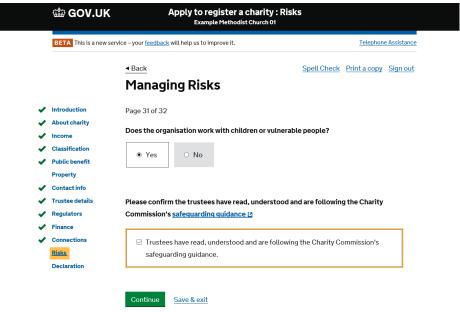
- (1) A managing trustee of model trust property who has a financial interest in any question falling to be considered by the managing trustees as such shall, if present, disclose that interest to the other trustees present before the discussion of that question opens, if it is on the agenda or, if not, as soon as it is raised, and shall not preside over any discussion or vote on any resolution relating to that question. Such a trustee shall withdraw from the meeting while the question is discussed and any resolutions voted upon unless, after disclosure of interest:
- (i) a majority of the other managing trustees present approves that trustee's remaining and contributing to the discussion; or
- (ii) a majority of the other managing trustees present approves that trustee's remaining on terms that he or she shall not contribute to the discussion unless asked by the person

presiding over the discussion to comment on a particular point or points, in which event his or her contribution shall be limited accordingly.

- (2) For the purposes of this Standing Order a managing trustee has a financial interest in a question if it involves or may involve a decision whether or not the managing trustees as such shall:
- (i) enter into any contract with that trustee; or
- (ii) do anything which will or may lead to the receipt of any remuneration or other benefit in money or money's worth or the incurring of any liability by that trustee or to the loss of or a release from or a change in any such remuneration, benefit or liability; or
- (iii) sell trust property to or buy property from that trustee; whether, in any of those cases, the trustee in question acts alone or jointly with one or more other persons.
- (3) A managing trustee shall not be liable to account to the trust for any benefit received (whether directly or indirectly) from such a financial interest if the liability would have arisen solely from the existence of that interest and he or she:
- (i) is not present at the meeting of the managing trustees at which the relevant decision is made and has not sought to influence that decision; or
- (ii) is present at the relevant meeting and has complied with clause (1) above.

Stage 11 - Risks

# 11.1 – Managing Risks



Churches provide pastoral support and work in some way with children and young people. Some circuits operate youth outreach schemes or schemes to help vulnerable persons.

Unless you are a trustee for a circuit which does not work in any way with children and/or vulnerable people select "Yes", and ensure that all members of the Church Council or Circuit Meeting have read the guidance document. (See 0.2.2 for further details)

Once all trustees have read the guidance document tick the box confirming that "Trustees have read and understood and are following the Charity Commission's safeguarding advice."

## Stage 12 – Declaration

Select "Yes" to the question "Do you want to attach any supplementary documentation?" Attach a copy of CPD Vol. 1. You can find a downloadable pdf copy of CPD Vol. 1 here.

You may attach any other supplementary documents as appear necessary to the application for your charity.

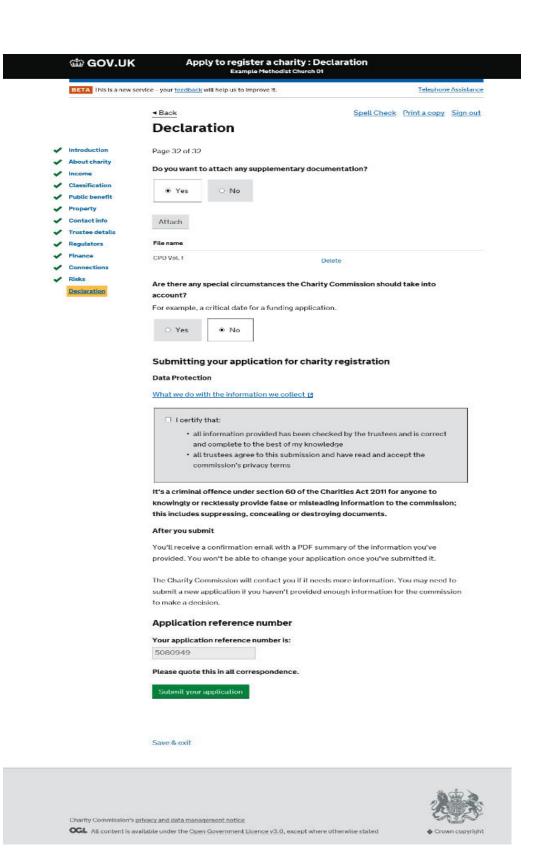
If there are any special circumstances for the application of your charity, select "Yes" and explain the special circumstances in the box provided.

Ensure that all of the trustees read the Data Protection Statement and that all trustees are happy with the information that has been provided.

It is important to make a note of your application reference number as you may need to quote this in future correspondence.

Once satisfied that all of the information in the application is both full and correct tick the box to certify that all of the data has been checked and that all trustees have read and accepted the commission's privacy terms.

Finally using the green button submit your application.



# Stage 12 – After Submitting the Application

You should receive a confirmation email within two hours. The Charity Commission will consider your application, it may take up to 28 days for the Commission to get back to you.

The Commission may accept your registration, ask for further information or refuse to accept the registration.

# **Additional Information**

If you have any further questions concerning the contents of this guidance document, or any questions about the process for registering as a charity please contact the Conference Office by phone on 020 7467 5278 or email at <a href="mailto:conferenceoffice@methodistchurch.org.uk">conferenceoffice@methodistchurch.org.uk</a>