

A Guide to the Registration of PCCs with the Charity Commission

This guide to Registration takes you through the process of registering your PCC with the Charity Commission using the CC5a Form for Registration. A similar guide is available if you want to use the Charity Commission's on-line Registration process, OLAR.

You can download the form via a link from the Parish Resources website www.pariahresources.org.uk/registration.htm or direct from the Charity Commission site www.charitycommission.gov.uk

Overview of what you will need to do

In order to register your PCC you will need to :

- 1) Complete the CC5a form using these notes, and the notes provided by the Commission (CC5b). In order to do this you will need to know the gross income of your PCC for the last financial year from your last set of accounts. **If this income is less than £100,000 you will not need to register your PCC with the Charity Commission and you should go no further.**
- 2) Collect a copy of the page of Trustee Details for each member of the PCC. This is the back page of the CC5a application form, but is also available as a separate pdf from the Parish Resources website to make it easier to circulate to PCC members.
- 3) Complete the Trustee Declaration form which can also be downloaded from the Parish Resources website. This form will need to be signed by every member of the PCC.

Please check the Registration page of the Parish Resources site for any latest news or guidance on the process for registering PCCs. This can be found at : www.pariahresources.org.uk/registration.htm

The Office of the Third Sector have not yet made a Commencement Order for the part of the 2006 Charities Act which deals with the registration of PCCs. This is expected to be made during September 2008 for registration from October 2008 onwards. PCCs cannot register until this Commencement Order has been made.

This guidance is in three sections :

- 1) Completing the CC5a application for registration form (pages 3 to 8)
- 2) Completing the Trustee Details page. (page 9)
- 3) Completing the Trustee Declaration (page 10)

FREQUENTLY ASKED QUESTIONS

Before providing detailed guidance on the application form, the following may be helpful.

Q. Are all members of the PCC Charity Trustees?

A. Yes. All members of the PCC, whether co-opted, ex-officio or directly elected are Charity Trustees. This is nothing new, and members of all PCCs are trustees, whether or not their PCC is required to register with the Charity Commission. The Church of England, together with the Charity Commission, has produced a short booklet titled "Trusteeship - An Introduction for PCC Members".

Q. My PCC's income was over £100,000 last year, but it is normally much less than that. Do we have to register?

A. The Charities Act does require you to register, but you can apply to the Charity Commission for a determination that you need not do so (formally, that the basis year for determining whether you should register will be 2006 rather than 2007). The Commission has said that it is sympathetic to receiving such requests, and you can download a sample letter from the Parish Resources website. Your request is more likely to be granted if you can show the three previous years was less than £80,000 in each of these years, and explain why your income in the previous year was exceptional - usually as a result of receiving a legacy or a large grant.

Q. What constitutes income for the purposes of the threshold for registration?

A. Gross income is that presented in your last set of accounts. For accounts prepared on a receipts and payments basis gross income is the total receipts from all sources excluding the receipt of any endowment. For accounts prepared on an accruals basis gross income is the total incoming resources excluding the receipt of any endowment and including any amount transferred to income funds during the year from endowment funds in order to be available for spending.

Q. Our Church is an LEP. Can we use this process?

A. You will need to use the CC5a form or the Online equivalent to register, but the Approved Governing Documents will not apply to you if you are an LEP in Categories 1 (Single Congregations) or 2 (Covenanted Partnerships). The priority is to register the largest PCCs, and we will provide further guidance in due course. The Charity Commission is supportive of this approach.

Q. What will we need to do differently ongoing?

A. Once a year you will need to return an Annual Information Return to the Charity Commission. You will need to add the fact that you are a registered charity to your letterhead, and you should send a copy of your registered charity status to your bank once you have received confirmation from the Commission.

Q. Where can we find guidance on this?

A. The Parish Resources website has a section titled "PCC as Charity". This provides specific resources to support PCCs as charities, both on the process for registration, and on a number of other issues.

Q. If I have difficulties during the registration process, where can I get help?

A. The first port of call should be your Diocesan Adviser on the registration of PCCs. If you have specific queries relating to other areas, you may need to consult your Diocesan Registrar.

PART ONE : COMPLETING THE CC5a FORM

STEP A : About the Organisation seeking registration

Question A1 : What is your organisation's name?

The **Main Name** should be "The Parochial Church Council of the Ecclesiastical Parish of" You should fill in the name of the ecclesiastical parish, and not the benefice. This will normally be dedication and geographical location e.g. The Parochial Church Council of the Ecclesiastical Parish of St Emilion, Anytown. If there is likely to be confusion over uniqueness you should enter the Diocese name at the end of the name. You should check with Crockfords to see if this is likely to be the case, bearing in mind that PCCs of parishes in the Church in Wales will also need to register.

If you are unclear as to the correct name for your parish, you should contact your Diocesan Office, asking to speak to the Secretary to the Pastoral and Mission Committee.

You are also advised to enter a shorter or **working name/acronym** for the PCC. The working name of the PCC should still differentiate it from the PCCs of other parishes with the same dedication, such that the PCC can be identified uniquely; for example "St Emilion's PCC, Anytown" Again, if there is likely to be confusion over uniqueness you should enter the Diocese name at the end of the name.

Question A2 : Contact for the purpose of this application

Details for the contact for the registration process should be entered here. This contact is only for the duration of the application, details of an ongoing contact will be entered later.

Question A3 : Assessing eligibility for registration

PCCs who are registering should answer **YES** to the following questions :

- **YES.** PCCs should have incomes over £100,000 per year if they are registering with the Charity Commission.
- **YES** PCCs with incomes over £100,000 were previously excepted from the requirement to register, but now need to do so.
If your income is less than £100,000 you are still excepted from the requirement to register with the Commission. In this case you are not able to register with the Commission at this time and should not continue with your application.
- **YES** PCCs are governed by the laws of England and Wales.

The box at the top of page 2 should therefore be left blank.

Question A4 : Operating in Scotland?

PCCs should tick "no" to boxes A and C and leave the other boxes blank.

Question A5 : Finance and Funding

- a) You should put the gross income from your latest set of accounts into the box provided.
- b) Both parts of section A5b should be left blank
- c) Since all PCCs have an accounting year end date of 31st December, you should enter 31 12 followed by the latest year for which you have accounts. For most PCCs registering with the Commission in the initial phase this will therefore be 31 12 2007.
- d) In this section you should briefly describe how the PCC is funded. For many PCCs this will be something like : *'The primary source of funding is the giving of Church members, which together with Gift Aid recovered accounts for around two thirds of income. This is either through planned giving, collections in church or other donations. Additional sources of income are fees for weddings and funerals, fundraising events, and interest on reserves. Although there no current large repair projects, the PCC would be likely to seek grant funding and specific donations for such projects.'*
- e) If you intend to use professional fundraising consultants, tick "Yes", otherwise tick "No".

Question A6 : Special circumstances

Most PCCs should leave this box blank.

STEP B : Governing Document

Question B1 : Governing Document

Charities can be governed by a range of documents. Charitable companies have a Memorandum and Articles, Charitable Trusts have a Trust Deed, Community Associations will have a Constitution and so on.

PCCs have two Approved Governing Documents :

- the Parochial Church Councils (Powers) Measure 1956 as amended
- the Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969 as amended)

These are both Church of England Measures (pieces of legislation), and therefore you should click "Other" and specify these as 'Church of England Measures'.

Date Governing Document came into effect :

If your parish has been formed since 1957, you should enter the date that your parish was formed.

Otherwise, you should enter the date that the PCC Powers Measure came into effect : 2nd January 1957, entered as 02 01 1957. This has been agreed with the Charity Commission.

Question B2 : Complete ONLY if you have set up.....

This section should be left BLANK.

Question B3 : Approved governing document

- a) The two Approved Governing Documents apply automatically to all PCCs as they are legislation, and therefore your PCC needs to do nothing to adopt these as their governing documents.

You should tick “YES”, and enter “The Church of England” as the name of the body that issued the approved governing document.

- b) You should tick “YES” to confirm that you have permission to use this governing document.
- c) You should tick “YES” to confirm that you are using exactly the same wording as the approved governing document. Since the governing documents are pieces of legislation approved by General Synod, there is no possibility of individual PCCs amending the wording of any of this.
- d) Box d) should be left blank.

STEP C : Assessing the organisation’s public benefit

Question C1 : Object 1

Please enter in the top box “Promoting in the parish the whole mission of the Church.”

Ways of carrying out Object 1

These should be its charitable activities, rather than fundraising ones.

Some of the activities quoted might include :

- Regular public worship open to all.
- The provision of sacred space for personal prayer and contemplation.
- Pastoral work, including visiting the sick and the bereaved.
- Teaching of Christianity through sermons, courses and small groups
- Taking of religious assemblies in schools.
- The provision of a youth club with a Christian ethos.
- Promotion of Christianity through the staging of events and meetings, and the distribution of literature.
- Promoting the whole mission of the Church through provision of activities for senior citizens, parents and toddlers and other special need groups.
- Supporting other charities in the UK and overseas.

There will clearly be much variation locally as to the activities that your PCC engages in. However, you should be confident in the public benefit provided by traditional activities that PCCs have engaged in, such as the provision of public worship, teaching, evangelism and pastoral work.

It is recommended that you select from the above statements as they apply to your church. The Commission has confirmed that a combination of these will be sufficient to demonstrate public benefit in the way that the law requires.

What constitutes charitable status (and public benefit in particular) is a complex area of the law and has developed from decisions of the courts and the Commission. We recommend that you do not unnecessarily add to the list of activities unless you are engaged in a major sphere of activity that is not covered by the above.

If your church is engaged in a major area of activity that you do not feel is covered in the above list then please:

- read in full the material on the Commission's web-site relating to guidance on the public benefit requirement for charities that advance religion; and
- discuss the matter with your Diocesan Registrar.

NOTE : There is only one object being used for the Registration process, so you should leave the following two pages blank.

STEP D : Vulnerable People

Question D1 : Vulnerable People

This section relates to whether the PCC works with children and vulnerable adults. Before completing it, you should read the guidance provided in the Charity Commission's guidance notes, CC5b. When you have done so, you should tick the box.

Question D2 : Working with children

Most PCCs will work with children, and should complete this section.

- a) A Child Protection Policy. Every parish is required, under the House of Bishops Policy 'Protecting All God's Children' to 'adopt and implement a child protection policy and procedures, accepting as a minimum the House of Bishops' Policy on Child Protection but informed by additional diocesan procedures and recommended good practice whilst being responsive to local parish requirements' (paragraph 3.4). So the 'yes' box should be ticked - unless for any reason the PCC has not adopted such a policy, **in which case you should do so before proceeding with registration.**
- b) and c) To the next two questions, you should tick "no".
- At present there is no legal requirement to carry out CRB checks on trustees, so the 'no' box should be ticked.
 - CRB checks may be carried out on trustees of 'children's charities' as defined in the Criminal Justice and Court Services Act 2000. Our understanding is that PCCs do not fall within that definition, and hence are not allowed to carry out CRB checks on all of their trustees.

You will then need to enter a statement in the box provided in section (e). We recommend that this statement is along the lines of :

The organisation is not a children's charity as defined in s36 of the Criminal Justice and Court Services Act 2000.

Our child protection policy means that the PCC carries out CRB checks on all those who work with children. This may include some who also happen to be trustees.

Question D3 : Vulnerable Adults

The vulnerable adults question is aimed at those charities that provide care services to vulnerable adults, as that term is fairly narrowly defined in the Care Standards Act 2000. A PCC would not normally fall within the scope of this section, and you should leave the whole of this section blank unless exceptionally you are running, for example, a drugs rehabilitation project within the PCC. Note that this needs to be within the PCC, as many churches would establish a separate structural organisation to run such a project.

STEP E : Private Benefit

Question E1 : Conflict of interests policy

If the PCC has adopted a conflict of interests policy it should tick “yes”, otherwise you should tick “no”.

A sample policy is available on the Parish Resources website.

Question E2 : Connected persons

You should read the guidance in the Charity Commission’s notes on this question to understand the definition of “connected person” and also “benefit that has financial value”.

The Commission is aware of the way in which clergy are remunerated, and does not need to know about their remuneration as they are not directly remunerated from the PCC.

If any of your PCC members are in this situation, you should tick “Yes”. Otherwise tick “No”.

For each person in the situation you should complete boxes a to e, copying this page as required. The example below should help :

- a) **Name of Connected Person** : Shaun Grass
- b) **Relationship between the connected person and the organisation** : Shaun Grass is the spouse of trustee Belinda Grass.
- c) **Benefit and value** : Mr Grass receives £250 per year for cutting the grass in the churchyard.
- d) **How will the award of the benefit contribute to the organisation achieving its purposes?** This is a low cost solution to maintaining the churchyard in an appropriate state.
- e) **How will other trustees manage the conflict of interest?** Belinda Grass will not be present at discussions concerning the remuneration of Mr Grass.

STEP F : Information required for the Register of Charities

Question F1 : Contact

You now need to add a contact for Charity Commission to use when contacting the PCC on things other than the registration process. It will also be used by members of the public who look up details of the church on the public register on the Charity Commission’s website. The contact can be a named person, (using Section a) or the PCC itself. You could also describe someone by their position e.g. The PCC Secretary, St Emilion’s PCC, Anytown. (in either of the latter cases, you should complete Section b.)

Question F2 : Organisation's Address

The PCC needs to provide a public address, so that members of the public, interested parties and the Charity Commission may contact the organisation.

The address needs to be one with a valid post code, and the facility to receive mail! This will exclude some church buildings.

A parish office is probably the ideal address where one exists. If there is no parish office, then the address of the incumbent or PCC Secretary should be provided.

Finally answer the question as to whether this is the address from which the organisation operates ("yes" in the case of the Parish Office, and "no" in the case of the PCC Secretary. If you have provided the incumbent's address there either "yes" or "no" could be justified.)

If the address provided is not an operating address, you should provide the address of the Church irrespective of whether it has the facility to receive mail or a postcode.

The box at the top of the next page should be left blank.

(c) to (g) : You should enter details as appropriate for your PCC.

Question F3 : Classification

This section forms no part of the approval process, but is simply used for website searches.

a) You are advised to tick "Religious Activities" only.

b) You should tick "The general public/mankind"

c) You should tick some or all of "Makes grants to organisations" (assuming that the PCC will from time to time make donations to other charities), "Provides services", "Provides buildings/facilities/open space" and "Other" and describe the activities of the PCC.

Question F4 : Where you work

a) You should leave section (a) blank.

b) You should provide details of the Local Authority area(s) covered by your parish. Only use the ones listed in the Charity Commission guidance CC5b.

c) You should leave this blank.

Question F5 : Trustee Details

PCCs are not administered by a corporate trustee, and you should leave this section blank.

We recommend that the final page of the form is photocopied, and given to each PCC member, along with the following page of notes.

FORM F5 : Trustee Details - some notes for PCC members

You are being asked to complete this form as a member of a PCC which is required to register with the Charity Commission. As a PCC member you are a charity trustee of your PCC, and the Commission requires details of all trustees at registration.

Firstly, would you please read the paragraph in the box below, and check that you are eligible to become a trustee. If you are not eligible, please contact the person who is processing your registration with the Charity Commission.

Some people are disqualified by law from acting as charity trustees or nominees, including:

- anyone who has been convicted of an offence involving deception or dishonesty, unless the conviction is spent;
- anyone who is an undischarged bankrupt;
- anyone who has previously been removed from trusteeship of a charity by the Court or the Commissioners for misconduct or mismanagement; and
- anyone who is under a disqualification order under the Company Directors Disqualification Act 1986.

Please would you complete the form and return it to the person who is managing the registration process for your PCC.

NOTES :

The Commission requires a full set of details for each trustee (PCC member), which consists of:

- all of your personal names (also known as first or given names);
- all of your family names (also known as surnames);
- your date of birth; and
- your home address and postcode.

The Commission would also find it helpful if you can supply a telephone number and email **although this is not a requirement**.

You may enter honours or qualifications that you would like to appear after your name, eg BA, OBE.

You have the opportunity to enter a preferred name for the trustee, for example, Rob Clarkin instead of Mr Robert James Clarkin. This will be the name displayed on the Commission's website. If a preferred name is not given the title (if supplied), full name and honours and qualifications (if supplied) will be used in that order.

Please note that unless a dispensation is granted, the trustees' names will appear on the public register of charities, which can be viewed on the Commission's website. Trustees' addresses and other personal details will **not** be made public.

Other names

The Charity Commission need to know all previous and other current names that this person has or does use. This is required for the purposes of the checks the Commission make on trustees. They will not keep a permanent record of 'other names' and they will not be displayed to the public.

PART TWO : COMPLETING THE TRUSTEE DECLARATION

Confirmation of trustee eligibility and responsibilities.

PCCs do not have corporate Trustees and you should leave the first box blank.

Working with Vulnerable People

1. Working with Children : You should tick box B.

2. Working with Vulnerable Adults

You should not tick any of these boxes, as PCCs do not work with vulnerable adults.

Private Benefit

You should insert the total number of trustees in the box.

You should make a list of Trustees, printing their names and then getting each one to sign their name next to the printed name.

If you have completed :

- Form CC5a
 - copies of the F5 Trustee Details section for every PCC member
- and
- the Trustee Declaration, signed by every PCC member

you are now ready to send your application into the Charity Commission.

You should send in form CC5a with the Trustee Details attached together with the Trustee Declaration. You do **NOT** need to send in sets of accounts or copies of the Approved Governing Documents. You are recommended to take a copy of these forms before sending them to the Commission.

The forms should be sent to :
Charity Commission Direct
PO Box 1227
LIVERPOOL
L69 3UG