

FOR CHURCH LEADERS AND OFFICERS TO PULL OUT AND KEEP

From the Baptist Union Corporation (BUC)

Charitable Incorporated Organisation (CIO) Precedent Constitution

We have worked with our solicitors to agree a precedent constitution for Baptist churches that want to convert to the new CIO structure. This is available free of cost to our churches from our solicitors Anthony Collins LLP. Please contact Jenny Smith (jenny.smith@anthonycollins.com or 0121 214 3540). Further information can be found in BUC guideline leaflet *C11 Churches, Charities and Incorporation*.

We are pleased to say that our precedent document for churches was submitted to the Charity Commission and they have agreed to give it Approved Governing Document status. This means that the registration of Baptist church CIOs will be much more straightforward when the approved document is adopted by the church.

Pre-schools as CIOs

We have updated our guideline leaflet *L02 Pre-schools* to reflect the availability of the new CIO structure. In the past, pre-schools have tended to operate as unincorporated associations but we would recommend that new pre-schools are established as CIOs to take advantage of the protection that this structure offers against personal liability.

We would also recommend that existing pre-schools consider converting to the CIO structure. This is in line with guidance issued by The Pre-school Learning Alliance which says:

It is important to choose the most suitable charitable structure, either for new charities or existing

ones which wish to convert. As the unincorporated association structure leaves the trustees and members personally liable for any costs that the charity is unable to meet, we would strongly recommend that the other options are considered. The Charitable Incorporated Organisation is likely to be preferred by most providers.

We have worked with our solicitors to produce a precedent CIO constitution that is suitable for Baptist church pre-schools. This is available free of cost to our churches from our solicitors Anthony Collins LLP (contact details above). Further information can be found in the leaflet *L02 Pre-schools* which is on the Baptists Together website. The Pre-school Learning Alliance also publishes detailed guidance for its members on the CIO structure.

Registered charities – annual filing requirements

We have previously reminded churches that are responsible for a registered charity that they must provide the Charity Commission with the annual information that they request at the end of each financial year. The Commission is taking an increasingly hard line against charities who persistently fail to meet the filing deadlines. They have written to us with a list of Baptist churches who they say are 'in default' and asked us to 'take action'. At the present time we are in discussion with them about exactly what role they envisage for us. We may not be able to meet their expectations and have not yet contacted the churches concerned.

Nevertheless, churches should be aware that the Commission is increasingly likely to ask questions and intervene in charities that are not meeting their legal obligations on filing. This applies both to churches that are registered charities, and unregistered churches that are responsible for

separately registered charities that relate to special projects, trust funds, or property. If you are in any doubt about whether your filing is up to date please check your registration record on the Commission's website. Overdue items are flagged in red!

Church websites and breach of copyright

Churches are reminded that they must not post anything on their website without the express permission of the copyright owner; this includes images as well as text. A Baptist church has found itself subject to legal action due to posting a copy of the poem 'The Dash' on its website without permission. Such situations are best avoided!

Charity trustees and BUC guideline leaflets

We publish a comprehensive range of guideline leaflets on legal, charity and property issues. There are about 80 leaflets in total and these are all available on the Baptists Together website, in the Resources section. Charity trustees, and people considering becoming a charity trustee, will find lots of useful information in these leaflets. They are prepared to help meet the needs of Baptist churches and to explain the responsibilities of individuals who have been appointed to leadership positions and are the charity trustees.

We would particularly recommend that potential charity trustees are directed to the 'Charities' section in our leaflets. Leaflets in this section all have a reference number beginning 'C'. The information that this section offers covers the requirements of charity law, charity governance, the expectations of the Charity Commission and the responsibilities of a charity trustee role.

Listed Building Applications

Churches that need to make an application to the Listed Buildings Advisory Committee should refer to the BUC guideline leaflet *LB02: Applying to the Listed Buildings Advisory Committee* where the application stages are outlined.

Key to any successful church application are the first two stages of the application process:

- Stage One** – Pre-Application Considerations and Consultations
- Stage Two** – Draft Application and Validation

which when followed will ensure that the church presents its proposals in a clear and well documented way so that the Consultees and the Committee can reach a decision on the proposed changes as soon as possible.

From the Support Services Team

Taxation Topics

Fees paid to ministers and others:

Fees paid to visiting preachers or speakers do not have to be put through the PAYE system but the recipient should account for these in his or her personal tax return, less any attributable expenses. Wedding

and funeral fees received directly by a minister should also be included in the recipient's return, but if such fees are received by the church and then paid to the minister they will need to go through the PAYE system as additional pay. The same applies to fees paid to an employed caretaker or organist.

Computer etc purchased by minister

If a minister purchases a computer or other office equipment for church business use the cost can be claimed (in box 21) as a capital allowance in the year of purchase – possibly with some disallowance if there is more than incidental personal use.

Rented manse accommodation

Where a minister resides in rented accommodation it is absolutely essential for the lease or tenancy agreement to be in the name of the church if payment by the church of rent, council tax and water charges is not to trigger a taxable benefit.

Gift to incoming minister

A gift to an incoming minister – or a 'golden hello' as such payments are known – is treated as taxable remuneration. However, a church may be able to assist a minister through the payment or reimbursement of non-taxable 'qualifying relocation expenses' – which include removal expenses, agency and legal costs (including stamp duty) if the move involves a minister's own property,

and the renewal of any household furnishings rendered necessary by the move. Relief is limited to specific items of expense (not exceeding £8,000 in total) and cannot be paid in the form of a round-sum allowance. Any excess over £8,000 gives rise to a taxable benefit reportable on form P11D.

Ministerial clothing

A minister may claim a tax deduction for the repair, replacement or cleaning of ministerial clothing, including gowns, clerical shirts and collars etc but not normal personal clothing such as a suit.

Manse accommodation provided for part-time ministers

HMRC regards the exemption from tax in respect of the benefit arising from the provision of manse accommodation for the better performance of a minister's duties as applying only in full-time situations, but has been known to extend the exemption to ministers not in receipt of a full stipend if there is a requirement for the minister to be available at all times to respond to the needs of a congregation. This requirement should form part of a minister's terms of appointment.

Please read this in conjunction with the full text in the Treasurers Area on the Baptists Together website on www.baptist.org.uk/treasurers

Queries to philipjcooke@aol.com






Making it Possible!

- ✓ If you need information and guidance on legal issues [we can help](#)
- ✓ If you need to understand how charity law affects your church [we can help](#)
- ✓ If you need to update your constitution [we can help](#)
- ✓ If you need to register with the Charity Commission [we can help](#)

The Baptist Union Corporation staff have considerable experience in answering legal queries. They produce and update a wide range of guideline leaflets specifically for Baptist churches.

For more information visit www.baptist.org.uk/bucguidelineleaflets

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2015 Home Mission Stipend

Stipend for 2015 is £21,700, an increase of 2.36 per cent on the 2014 Stipend.

Subscriptions 2014

A gentle reminder for those who are still to pay that subscriptions are all due and your earliest payment will be appreciated.

Please pay by standing order or bank transfer to the Home Mission account, quoting your Church Number as reference wherever possible.

From Baptist Insurance

Trustee indemnity insurance

Although not a legal requirement, trustee indemnity insurance is often considered essential by charities when seeking to recruit high calibre trustees. It gives you as a church and your trustees peace of mind that if a trustee makes an honest mistake, trustee insurance is there to protect them. A claim could arise as a result of improper investment of the church's funds. For example, if a trustee unintentionally invests funds in an organisation that subsequently goes into liquidation and as a result all of the church's investment was lost. All Baptist Insurance Church Insurance policies include Trustee Indemnity Insurance as standard. www.baptist-insurance.co.uk/church-insurance

From the Faith and Society Team

Support in a Media Crisis

We always hope that we are never in the position where we have to face the media in a negative way. Sadly, sometimes things go wrong in the local church - there could be a difficult issue, a local disaster or a tragedy. At times like this the local church can feel very vulnerable and does not always know how to cope with crisis media attention and potential negative publicity.

Whatever the reason for such a situation, we are here to help and support. Some key points are

- 1 Don't panic.** Do not let the media drive you, focus on the ministry and your key message. Do not be bounced into making a response until you are ready. It is better to make a statement rather than be forced into saying something you later find unhelpful.
- 2 Get support.** Your Baptist family are here to give support, both through the Association and also the media support at Baptist House. We are here to

be a friend who will help you create statements and in some circumstances to act as your press spokesperson to help support the church.

- 3 Keep focused on the main things.** The media may cause us to be distracted from our main tasks. The fact is the church needs to concentrate on its pastoral care and other ministries, and not on telling the story or reputation protection.
- 4 Never say 'no comment'!** The press will have a field day filling in the gaps or telling the story from a biased angle. Whenever you find yourself facing the press, control the pace, but make sure you get back to them with a statement that gives your side of the story. Be aware though, that what you say in public has possible legal consequences, so check out any statement in advance of releasing it.

For media support contact us on 01235 517709 or email ibunce@baptist.org.uk

For more details see the crisis media guidance at: www.baptist.org.uk/mediasupport



Visit our website for useful resources providing practical insurance guidance for your church www.baptist-insurance.co.uk

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From the Ministries Team

Ministerial Recognition Rules

At the March 2014 Council the revised Ministerial Recognition Rules were adopted and these now apply, replacing the previous revision from 2005. The full text can be found at www.baptist.org.uk/minrecrules

Let me outline in brief the key changes that have been made in this latest version.

- » The preamble which explains the purpose of the Rules has been recast to express the covenantal nature of accreditation, one of ‘mutual submission to one another as sisters and brothers in Christ.’ (p2).
- » The requirements for enrolment on the Register are fewer, reflecting the previous decisions of Council to remove the necessity for both a medical and an appropriate level of life assurance to be in place. The latter’s removal does not reflect any reduction in its value, nor its importance, but rather that we choose to strongly recommend that it be in place, rather than make it an absolute obligation. There is, for the first time, the explicit requirement that a minister achieve the appropriate academic qualification (currently a Level 5 award, or University validated Diploma in Higher Education, although in practice most leave college with a Level 6 award, a first degree in theology.)
- » In removing names, we have included the following circumstances as warranting this action: breach of the Declaration of Principle; failure to demonstrate adequate covenantal relationship with the Baptist Union (such as failure to be a member of a Baptist church); and significantly, a ‘minister has been found to lack sufficient capability to be able to commend them to churches as provided for in Appendix 2’ (p8) This is not a cover to remove those who become seriously ill, or disabled, or through age and infirmity can no longer practise ministry, but rather those whose competence is gravely inadequate, and who could not be commended to our churches as competent practitioners of ministry.
- » The Capability Procedures are outlined in Appendix 2, and greater detail is provided for in other documents that are waiting to be finally approved by the Baptist Steering Group. In essence, these provide for a clear way in which the gravely incompetent minister might be removed with all due care. Thankfully there are very few of these, but until now there has been no mechanism for their dismissal beyond a ‘vote of no confidence’ in Church Meeting. This has led to some competent ministers being very vulnerable, and some churches deeply frustrated that an inadequate minister is difficult to dismiss.
- » The Disciplinary Procedures are outlined in Appendix 3, which are essentially unchanged from their previous draft, with two exceptions. First, incorporated into these is an outline of the investigation procedure that we have adopted; and second, the old Appendix 2 that included ‘Ministers are expected not to advocate homosexual or lesbian genital relationships as acceptable alternatives to male/female partnership in marriage’ has been replaced. The guidance about

‘homosexual genital practice’ on the part of ministers has been incorporated into the body of the Disciplinary Procedures. I wrote at some length about this in the April 2013 edition of *Transform*, but in essence, while that clause has been removed, the prohibition for ministers of any sexual behaviour outside of male/female marriage relationships remains intact.

Human Sexuality Guidance for Ministers

Guidance for ministers and churches in relation to same-sex marriage has been given elsewhere, both at Assembly and on the BUGB website: www.baptist.org.uk/Articles/402889/The_Marriage_same.aspx

Suffice it here to say that behind the clarification in the guidance offered lies a commitment to be true to our Baptist principle of congregational government, as stated in our Declaration of Principle, and confirm the liberty of a local church to discern the mind of Christ. So, where a church believes that it can offer some form of blessing upon same-sex relationships (and I suspect that the number who do so will be relatively few), and it requires its minister to officiate in such a blessing or ceremony, and (most importantly) the minister’s conscience allows them to do so, then there will be no disciplinary consequences for that minister. After Ministerial Recognition Committee has met in November I will outline for *Baptists Together* the implications of this for a whole range of ministers we accredit.

Paul Goodliff

Team Leader of the Ministries Team

These notes are offered to provide general information for Baptist churches. We hope they will be helpful in highlighting new guidance and providing reminders about other important matters relating to the life of a local Baptist church. Although every effort is made to ensure that the information is correct at the time of publication, we make no representations, warranties or guarantees (whether express or implied) that the information is accurate, complete or up-to-date. Further, these summary notes are not intended to amount to advice on which you should rely and cannot be a substitute for formal professional or specialist advice. We do not assume and will not be liable to any party (who has either taken or refrained from taking action in reliance on these notes) for any loss or damage caused by errors or omissions, whether resulting from negligence or any other cause. If you want to ask detailed follow-up questions, please contact us through the Baptist Union website.



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