



WATCH TOWER

BIBLE AND TRACT SOCIETY OF BRITAIN

THE RIDGEWAY LONDON NW7 1RN

TELEPHONE 020 8906 2211

TAD October 2, 2018

TO ALL BODIES OF ELDERS IN ENGLAND AND WALES

Re: Charity Commission Annual Return Guidance

Dear Brothers:

This letter replaces the previous letter dated TAA:TAD May 8, 2018, Re: Charity Commission Annual Return Guidance, which should be removed from the congregation file of letters relating to accounts and charity matters. The Charity Commission has released an updated annual return which necessitates this update.

The following guidance is only applicable to congregations that are registered as charities with the Charity Commission (the Commission). Please ensure that all mandatory requests for information are provided.

All congregations should have their annual general meeting immediately following the closing prayer at the end of one of the midweek meetings during June each year. The Trustees' Annual Report and the Annual Accounts for the year ending March 31, should be read to the congregation by an elder.

Annual Accounts

All congregations must prepare annual accounts, however, only those with annual income over £25,000 need to submit these accounts to the Commission. To assist with the preparation of these accounts, please review the letter dated July 23, 2012, regarding this matter.

The guidance is based on charities preparing receipts and payments accounts only. We would not expect any congregation to prepare accruals accounts, but please contact the Accounting Department if that is your congregation's intention.

Trustees' Annual Report

Congregations must also prepare an annual trustees' report. Relevant direction on this matter is provided in the letter dated TAB November 5, 2008, to all congregation secretaries. This direction is based on a charity preparing receipts and payments accounts.

Annual Return

Congregations must complete an annual return each year. If your congregation's annual income is under £10,000, you will only need to update certain details. In all other cases, you will need to answer a number of questions and provide additional information.

If your annual income is over £25,000, please contact the Accounting Department using your jw.org inbox before completing or submitting your annual return. The purpose of this is to confirm that the congregation does not need to provide extra information before submitting their

return, and other documents as referenced in the July 23, 2012, letter. The confirmation that the congregation can proceed may take some time, so this request should be made as soon as possible.

Information regarding what should be included when calculating these annual income figures can be found in the later paragraph entitled "Income/Spending."

You have ten months from the end of your financial year to complete and submit the return. As your financial year end will be March 31, the return must be submitted by January 31 of the following year.

We are pleased to provide the following comments to assist you in completing this year's return:

Contact:

Because these details are made public, our recommendation is to name the congregation itself (an organisation) as the contact, and provide the Kingdom Hall address and telephone number, if mail can be received there. Otherwise, we suggest that the address and telephone number of the coordinator of the body of elders be used.

Commission Use Email Address:

We suggest that an email address for the coordinator of the body of elders be provided.

Public Email Address/Website:

We suggest that you leave these entries blank. If you wish, you may use the same email address as that supplied for Charity Commission use.

Trustees:

Confirm or update the list of trustees and their details as at March 31. The coordinator of the body of elders should be shown as 'Chair of the charity.' Please ensure that all mandatory information is provided. The Charity Commission request these details for their own purposes and they are not disclosed publicly.

Classification:

You will probably find this completed already, showing "Religious activities" under "What," "Other charities or voluntary bodies" and "The general public/mankind" under "Who," and "Provides human resources," "Provides buildings/facilities/open space," and "Provides services" under "How." If not, correct as necessary.

Activities:

We suggest that you use the following wording: "Arranging meetings for public worship, which includes Bible education and training in Christian living. Preaching the Christian message to the public within the congregation area. Distributing Bibles and other religious literature. All of these services and facilities are provided without charge."

Bank/Building Society Account:

Enter or update the details of your congregation bank account.

Company Number:

Your congregation is not registered as a company.

Financial Period:

This runs from April 1 to March 31 of the following year.

Income/Spending:

Please note that this section is not requesting the total money coming in, and the total money paid out that may have been summarised on your receipts and payments accounts. For the purpose of the annual return, your income should exclude the following:

- Money collected in the contribution box for the worldwide work or the box for the branch relocation project.
- Loans or loan repayments made to the congregation.
- Proceeds from selling an asset (e.g. a Kingdom Hall/old sound or video equipment).

For the purpose of the annual return, your expenditure should exclude the following:

- Money forwarded to the branch office from the contribution box for the worldwide work or the branch relocation project.
- Loans made from congregation funds, or loan repayments made.
- Payments for buying an asset.

Where Your Charity Operates:

Your congregation does not operate outside of England and Wales.

Volunteers:

Enter the peak number of publishers during the financial year ended March 31, less the number of elders who served as trustees. (See letter LEB March 20, 2014, Re: Elders' duties as trustees of a charity.)

Land and Buildings:

If your congregation is the title-holding congregation, or if it leases the property used as a Kingdom Hall, answer, "Yes." Also, confirm that your land and buildings are used for charitable purposes.

Linked Charities:

Your congregation does not have any linked charities associated with it.

Policies:

Confirm that your congregation DOES have a written policy in the area of safeguarding vulnerable beneficiaries. Your congregation does not have written policies in the other areas listed.

Financial Controls:

Your congregation has reviewed its financial controls during the reporting year if it has followed the direction on auditing in paragraph 40 of *Instructions for Congregation Accounting* (S-27-E).

Regulators:

Your congregation has no other regulators.

Government Funding:

Your congregation will not have received government funding or any grants, so please enter zero '0' where required.

Income From Outside of the UK:

It would be unlikely that the charity had received such income. If it has, please complete the return with the information requested.

Overseas Expenditure:

Again this is unlikely. This year the question is optional, therefore if the charity has overseas expenditure, please contact the Accounting Department via jw.org to inform them before you complete the return.

Questions Regarding Employment:

The charity has no employees and pays no salaries.

Safeguarding:

The charity did not work with or provide services to children or adults at risk.

Fundraising:

Your congregation does not raise funds from the public.

Gift Aid:

Most, if not all, congregations that are registered as charities with the Commission will also be recognised as charities by HM Revenue and Customs and will submit Gift Aid claims.

Trading:

Your congregation does not have a trading subsidiary.

Grant-making Activities:

Grant making is not the main way your charity carries out its purposes.

Trustee Payments:

Your congregation does not pay trustees for acting as trustees of the charity.

We trust these brief comments are of assistance to you. Be assured that we appreciate your diligence in complying with these necessary legal requirements.

Please be assured of our warm Christian love and best wishes.

Your brothers,

Watch Tower B. & J. Society
OF BRITAIN