

St Bride's - Covenant Scheme

What is the covenant scheme? – the covenant scheme is an arrangement where the church can claim back money from the government that represents tax at the basic rate (20%) already paid on money contributed by parishioners in the Scheme. Any registered charity can make use of a covenant scheme, which is Gift Aid.

How does it work? – There are a number of features.

First, you have to be a taxpayer to join the Scheme.

Then, you complete a (simple) registration form, giving your name, address and National Insurance Number stating that you are a taxpayer. This is kept by the Diocese. The contributions you make over the tax year are noted, so that we know how much the parish has contributed. We then submit details through the Diocese and the Inland Revenue send us a back money equal to one quarter of the covenanted amount. This means that for every £4 in contributions through the Covenant Scheme, the parish gets an additional £1.

How much does the parish get from the Inland Revenue? - Purely from the weekly collections at Sabbath Masses, the parish currently gets about £12,000 back in a year from the Inland Revenue. This is a huge addition to the income of the parish. But we could do better than this, if more people joined the Covenant Scheme. We could probably increase the amount we receive each year by an additional £8,000 if we could sign up many more parishioners into the scheme.

How many parishioners are in the Scheme? – Currently, there are 140 people in the Scheme. Many of these, have been in the Scheme for many years. But, people move house and leave the parish and unfortunately some parishioners have died, so the number drops by about 7-8 each year. So, fewer people are in the Scheme today than there were. We need to keep getting new joiners to maintain the benefits to the Parish. Only four people have asked for details so far. We need many more.

How do I contribute? – Remember that we need a record of contributions. So, there are two ways to contribute that allow records to be kept. Some people set up a standing order with their bank, so that an amount is paid each month direct into the parish bank account, which provides a record. Others use the numbered Offertory Collection envelopes each week. If you choose this method, you get a book of envelopes dated weekly and put your collection amount (cash or cheque, whichever you prefer) in the envelope, seal it, write the amount on the front, and put it into the collection. The envelopes are numbered to maintain privacy, but to allow the parish to provide a record of contributions to the Inland Revenue. The details linking the payments to the contributors (by either method) remain largely private.

How should I work out what to contribute? – It is in the parish's interest to make good use of the scheme.

If you plan to pay by monthly standing order, you should work out what you pay weekly, any Christmas or Easter Collection amount and any second collection amount you may wish included, add this together and divide by 12. There are about 12 special second collections each year (for Education Sunday, the Missions, Vocation Sunday, SCIAF etc.) so that means there are 40 secondary collections that go towards parish funds.

If you plan to use envelopes, there are envelopes included for Christmas and Easter Collections but you may want to add your second collection amount to the envelope.

Further questions: Please ask if you need more information about any aspect.