

## RECEIPTS AND PAYMENTS

### RECEIPTS

#### MISSION & MINISTRY RECEIPTS

##### **I-1 General Offerings**

Offerings from church services in loose form, pledged envelopes, electronic funds transfer and direct debit.

BAS Excluded where these are 'gifts' for the purposes of the GST Act (i.e. donor is not obliged to make the offering, the donor does not receive a material benefit and UCA is not contractually obliged to use the offering in a specific way).

##### **I-2 Retiring Offerings / Appeals**

Appeals outside the congregation or arms-length groups which are organised by entities other than the Congregation e.g. Christmas Bowl, Frontier Services.

Appeals organised by the congregation or arms-length groups which are for the benefit of the Congregation or aid the mission of the congregation e.g. Manse Appeal, Flood Disaster Relief Fund, Flying Padre. **Related expenses in E-19**

Where these are funds that the congregation collects on behalf of someone else, this can be BAS excluded.

##### **I-3 Income from UCA Organisations - Combined Presbytery Mission Pool grants**

Combined Presbytery Mission Pool grants, including Core funding grants (Presbyteries only), Strategic Project Funding Grants, Particular Function grants and In Solidarity grants.

BAS Excluded to the extent these are supplies between GST religious group members, or 'gifts' between UCA organisations that are not part of the GST religious group, otherwise individual supplies need to be considered.

##### **I-4 Income from UCA Organisations - Other UCA**

Funding received from other Congregations to support ministry e.g. Twinning Arrangements, Support from other Congregations.

BAS Excluded to the extent these are supplies between GST religious group members.

##### **I-5a Government Grants – Federal/State/Local**

Grants received from Federal/State/Local government departments where there is a spending approval attached.

##### **I-5b Non Government Grants / Rebates**

Any other Grants or Rebates

This will depend on the specific grant. The documentation received from government will normally include the appropriate GST treatment.

**I- 6 Income from other Non UCA Sources**

All other income from other community groups not church related e.g. Sponsorships and donations.

BAS Excluded where these are 'gifts' for the purposes of the GST Act (i.e. donor is not obliged to make the offering, the donor does not receive a material benefit and UCA is not contractually obliged to use the offering in a specific way). Otherwise, it will be taxable (unless it qualifies for GST-free treatment).

Broadly, donations will be BAS excluded, and sponsorships will be taxable (on the basis that UCA will be required to do something in return for the sponsorship).

**I- 7 Income from Ministerial Service**

Funds received where a Ministerial agent or Congregation member/s renders a service for a fee e.g. funerals, weddings, community outreach programs, school education, chaplaincy services, missionary, appeals, interaction with multi-cultural community groups.

Will qualify for GST-free treatment where the supply is of a religious service that is integral to the practice of the religion.

**FINANCING RECEIPTS**

**I- 8 Interest Income – Other Financial Institutions (Banks etc)**

Interest income received from funds invested with other financial institutions.

It will be a financial supply, and Input Taxed for GST purposes.

**I- 9 Interest Income - UCIS**

Interest income received from funds invested with UCIS e.g. interest income from Cash Investment account and Fixed Term account.

BAS Excluded to the extent these are supplies between GST religious group members or intracompany distributions.

**I-10 Interest Income / Drawdown of accrued interest from MDF (Mission Development Fund) Accounts**

Drawdown of accrued interest on **MDF** accounts (Presbytery endorsed). Include Interest income that is capitalised into MDF accounts if you show the MDF amounts in your balance sheet.

BAS Excluded to the extent these are supplies between GST religious group members or intracompany distributions.

**I-11 Distributions from Other UCA Accounts e.g. UC Foundation distribution**

BAS Excluded to the extent these are supplies between GST religious group members or intracompany distributions.

## PROPERTY RECEIPTS

### I-12 Property Income from Manse

Rental income received from a designated Manse.

Income will be GST-free where accommodation is provided at less than 75% of market value, otherwise Input Taxed income.

### I-13 Other Property Income

Rental income from hall hires, residential and other properties held by the Congregation. Include any contribution from Government regulated activities such as childcare centres or family day care operations.

Taxable if at market value.

GST-free if provided at 50% or less of market value.

## OTHER INCOME

### I-14 Bequests Received

Bequests received identifying the Congregation as the beneficiary.

BAS Excluded where these are 'gifts' for the purposes of the GST Act (i.e. donor is not obliged to make the offering, the donor does not receive a material benefit and UCA is not contractually obliged to use the offering in a specific way). Otherwise, it will be taxable (unless it qualifies for GST-free treatment).

### I-15 Special Purpose Fund Income (Presbytery Approved)

Special Purpose Funds raised through appeals e.g. Building Fund, Organ Fund, etc. Presbytery approval must be sought to exclude this income from Combined Presbytery Mission Pool Calculation.

BAS excluded if they are 'gifts' for GST purposes (i.e. the payment is made voluntarily, and the donor does not receive a material benefit in return).

If the payments are not for religious services or for gifts, it is likely that they will be taxable (GST on income).

### I-16 Receipts for Congregation Sub-entities

Receipts for committees or groups in the life of the Congregation, need to be classified as a Not-for-Profit sub entity by a minute e.g. Adult Fellowship, Ladies Guild, Property committee.

**Related expenses go to E-37.** If no minute has been made or if your church is not registered for GST – Do Not Use. Not applicable to Government Regulated activities that have their own ABN's.

Committees or groups run by the congregation - Income will be Taxable, unless it is a Religious Service - Income will be GST Free.

However, if the sub-entity is a separate organisation with its own ABN Income will be coded BAS Excluded.

**I-17 Transfer from Mission Development Fund (MDF) (Presbytery endorsed)**

Drawdown of MDF capital for the use of the Congregation. Only applicable for use by churches that use cash accounting or have not shown MDF accounts in their balance sheets.

BAS Excluded to the extent it is merely a drawdown of funds.

**I-18 Mission Activity receipts**

All other income sources for mission activities run by the church for the church, from time to time (excluding Surplus Generating Activity Receipt activities) e.g. youth groups, fellowship groups, brigades, playgroups, collections for bus tours/concerts/dinners, pie and chocolate drives and fetes. Related expenses to E-23.

For religious services the code is GST-free.

For a non-religious service, will be taxable, unless the price charged for the supply is less than 75% of the cost or 50% less of the GST inclusive market value it will be GST Free Income.

**SURPLUS GENERATING ACTIVITY RECEIPTS**

**I-19 Surplus Generating/Business Activity Receipts**

All income obtained for goods sold/services delivered relating to fundraising and/or business activities designed to generate ongoing Income, example could be an Opportunity/thrift shop. These use the congregation ABN and public liability insurance. **These are intended to generate a surplus for the Church. Related expenses to E-42.**

Do not include income re government regulated activities such as childcare centres, family day care operations.

Refer to GST Supplementary Manual Decision Tree 5 for treatment of GST.

## OPERATING PAYMENTS / EXPENSES

### MINISTRY/STAFF COSTS

#### E-1 – Ministerial Agent Stipend Payments

Gross stipends, annual leave, long service leave, beneficiary and other superannuation fund payments to Ministers, Deacons, Deaconesses, Lay Pastors and Accredited Youth Workers in Approved Placement, Workcover and Travel Allowance. (Housing Allowance is excluded for this item but included in E-2).

Please note that if your Congregation is a **Linked Congregation** for costs of shared ministry, the following applies:

- If you are reporting as one group, the total Ministers' stipend expenses should be recorded on your return
- If you are reporting as separate Congregations the portion of stipend paid by your Congregation should be recorded on your return
- If you reimburse another Congregation for your share of the ministry costs (which pays the full salary to the Minister), your payment should be included in E-8.

#### E-2 – Housing Allowance

Housing allowances paid as part of a Ministers stipend in lieu of supplying a manse. Also includes any rent paid to provide a Manse.

#### E-3 – Travel Allowance has been moved up to E-1

Travel allowances paid as part of a Ministers stipend or any expenses incurred in providing a motor vehicle to ministerial agent in lieu of providing an allowance.

#### E-4 – Lay Staff Salaries including Travel Allowance

Part time and casual staff, and regular honorariums including payments made to lay staff included in PAYG Payment. E.g. choir master, organist, secretarial assistance, cleaners, etc. Staff paid under the SACS award. Superannuation expenses attributed to staff should be categorised under E-5.

If a part time and or casual staff member works for an Income Generating Activity only, please code to E-42 for reporting purposes.

#### E-5 – Lay Staff Superannuation

Superannuation contributions paid for all Lay employees.

#### E-6 – Other Employment Related Expenses

Including annual Worker Cover insurance

#### E-7 – Honorarium

Payments to volunteers (cleaners, organists, etc.) without the giver recognising the obligation, that are not included on a PAYG Payment Summary (Group Certificate) e.g. travel expense reimbursement.

**E-8 – Shared Ministry Costs**

Reimburse of another Congregation (which is paying the gross stipend of the minister) for the proportional costs for shared services of a minister e.g. Linked Congregations

All Ministry / Staff Costs – BAS Excluded.

**PROPERTY RELATED COSTS**

**E-9 – Consultants/Contractors (Non-employees)**

Engagement of casual contractors or consultants for building development works. This item covers “one off” payments (on the issue of an invoice) where the Congregation is seeking professional advice or services rather than incurring physical construction costs.

GST on expenses, unless the consultants / contractors are engaged in relation to residential premises that are being leased above 75% of the GST inclusive market value the you cannot claim GST – GST Free Expenses.

**E-10 – Rent Paid**

Rent paid on any property to carry out the mission of the Congregation e.g. office accommodation, storage space, hall rental.

Where this is rent paid on residential premises, the purchase will not be subject to GST.  
Where this is commercial rent, the purchase will be subject to GST.

**E-11 – Repairs and Maintenance**

**Day-to-day repairs and maintenance to property of a non-capital nature** e.g. repairs to chipped tiles, broken fence, plumber’s services, installation of handrails, etc. Generally, this work does not increase the market value of the property. The cost of capital work should be recorded at CP-3 or CP-4 if you are using cash accounting.

**Repairs and maintenance of non-property costs should be recorded at in E-34.**

If the Manse for which the acquisition relates is rented at or below 75% of the market rate, GST can be recovered. If the Manse is not rented, GST cannot be recovered unless it is a manse that is typically/or intended to be rented at 75% or less of the market rate.

If it is Repairs and Maintenance for the Manse and the Manse is rented at market rate, then GST is non credible and cannot be recovered.

Repairs and Maintenance to the Church and Hall, GST can be recovered.

**E-12 – Insurance premium - Buildings and Contents**

Annual building and contents insurance premiums. Insurance premiums for motor vehicles and non-property assets are included in E-29.

On the basis these are costs are the on charges from the Synod to the congregation, these are intra-GST religious group supplies and BAS excluded.

**E-13 – Electricity and Gas**

Energy costs.

Electricity and Gas (Residential Premises at Market Rate) then GST is non-creditable and cannot be recovered.

Electricity and Gas (non-residential premises) - GST on Expenses.

**E-14 – Rates and Taxes**

Water and Local Council rates, Land Tax

Local Council Rates and Land Tax – BAS Excluded.

Water Rates – GST Free.

**E-15 – Property Management**

Agent commission, property valuation fees, and real estate agent costs.

The acquisition will be non-creditable (GST Free) where it relates to input-taxed residential premises (premises rented at market rate).

If the premises is rented below market value, then this will be GST on Expenses.

**E-16 – Other Property Related Costs**

Any other costs incurred that relate to property held by the congregation.

Other Property Related Costs (Residential Premises at market rate) – GST Free Expenses

Other Property Related Costs (non-residential premises) - GST on Expenses.

**MISSION RELATED COSTS**

**E-17 – Synod Redress Abuse Recovery Scheme**

Payment to scheme for Redress for Abuse.

BAS excluded where these are intra-GST religious group transactions.

**E-18 – CPMP**

**Congregation Combined Presbytery Mission Pool (CPMP) contributions**

BAS excluded where these are intra-GST religious group transactions.

**E-19a – Payment of Appeals / Retiring Offerings monies collected (local / domestic)**

Payment of amounts received in I-2. It applies where the Congregation is facilitating the receipt and distribution of the donations to specified organisations. **Related income in I-2**

Special offerings – gift or donation

**E-19b – Payment of Appeals / Retiring Offerings monies collected (International)**

Payment of amounts received in I-2. It applies where the Congregation is facilitating the receipt and distribution of the donations to specified international organisations. **Related**

**income in I-2 Special offerings – gift or donation**

Where these are funds that the congregation pays on behalf of someone else, this can be BAS excluded.

**E-20 – Local mission support**

Costs incurred in any activity aimed at developing connections between the congregation and its members or local community. E.g. **RE in schools, community outreach, programs for youth/families/seniors, publicity costs relating to a special worship event**, printing or hospitality expenses relating to some form of witness, equipment for volunteers engaging in acts of community service. **Funeral Costs**

If GST is incurred, it should be coded as such and GST should be recoverable. If no GST, it should be coded as such.

**E-21 – Overseas Mission Support**

Travel or accommodation subsidies for congregational members **involved in overseas mission**, as well as resources or training costs associated with congregational members on or planning an overseas mission trip.

Any expenses relating to If GST is incurred, it should be coded as such and GST should be recoverable. If no GST, it should be coded as such.

**E-22 – Mission Education Costs – moved to E-40 Training Expenses**

This covers investment in the people who are preparing to undertake mission activities of the congregation. It could involve library resources or courses and includes training and planning expenses.

If GST is incurred, it should be coded as such and GST should be recoverable. There may be instances where receipt of education services are not subject to GST and are GST-free.

**E-23 – Mission Activity Costs**

This includes costs associated with mission related costs re activities that you want to keep separate from general church activities. **Includes costs related to I-18.**

If GST is incurred, it should be coded as such and GST should be recoverable. If no GST, it should be coded as such.

**ADMINISTRATION / OTHER**

**E-24 – Audit / Review Fees**

Fees charged by an external auditor engaged to check your Congregation's financial records.

If GST is incurred, it should be coded as such and GST should be recoverable. If no GST, it should be coded as such.

**E-25 – Accounting/ Bookkeeping/ Legal Professional Fees**

Fees charged by an accountant or Bookkeeper for their professional services for your Congregations accounts.

If GST is incurred, it should be coded as such and GST should be recoverable. If no GST, it should be coded as such. Bookkeeping offered by Synod is BAS excluded where these are intra-GST religious group transactions.

**E-26, E-27 and E-28 have moved to go under E-34 Other Administrative Costs**

**E-26 – Bank charges**

Charges by Banking Institutions for managing bank accounts  
Bank Charges are GST Free however Merchant charges are GST on expenses.

**E-27 – Repairs and Maintenance - Non-property Assets**

Repairs to Congregation assets e.g. furniture, photocopiers, cars, fax machines, other equipment.

GST on Expenses unless it is for input-taxed residential premises the acquisition will be non-creditable.

**E-28 – Motor Vehicle Expenses**

Expenses incurred in operating a vehicle e.g. vehicle registration, fuel, servicing.  
Any costs incurred in providing a vehicle to a Ministerial agent should be recorded at E3.

GST on Expenses.

**E-29 – Insurance Premium - Non-property Assets**

Insurance covers for motor vehicles, church bus, machinery, public liability, etc. Insurance premiums for buildings and contents are included under E-12.

BAS excluded to the extent these are intra-GST religious group on charges.

**E-30, E-31, E-32 and E-33 are all now under E-34 Other Administrative Costs**

**E-30– Stationery and Printing**

E.g. letterhead, offering and postage envelopes, paper, printing, photocopying.

**E-31 – Telecommunication and internet**

Cost of equipment (mobile phones, desk/hand set phones), phone usage charges, internet connection fees, and fax charges.

**E-32 Computer and Software Costs**

Cost of software and licences and other computer costs (hardware that is not capitalised)

**E-33 – Postage and Courier**

Mailing costs, freight, overnight express, and stamps.

**E-34 – Other Miscellaneous Costs**

Any expenses not specifically described above  
This is to include total of E-26 Bank Charges, E-27 Repairs & Maintenance – non property assets, E-28 Motor Vehicle Expenses, E-30 Stationery and Printing, E-31 Telecommunications & Internet, E-32 Computer & Software, E-33 Postage & Courier, General Advertising and other general administration expenses.

If GST is incurred, it should be coded as such, and GST should be recoverable. If no GST, it should be coded as such.

## FINANCING COSTS

### **E-35 – Interest Expense - Other Financial Institution Borrowings**

Interest charged on a loan/s with other financial institutions.

### **E-36 – Interest Expense – UCIS Borrowings**

Interest charged on a loan/s with UCIS.

BAS excluded if these these are intra-GST religious group on charges.

## CONGREGATION/CHURCH SERVICE COSTS

### **E-37 – Congregation Sub-Entities**

Cost in running church group and/or sub-entity activities e.g. **fellowships, youth groups. Related income in I-16.** Do Not Use if you don't understand how this works and have not deliberately minuted the intent to create not for profit sub entities.

### **E-38 – Congregation Life**

Music licenses, worship expenses, advertising of church services, social activities, refreshments, Christmas/Easter letter box drop, etc. Gifts for staff, books, communion cups.

### **E-39– Meetings / Conferences, Committee Costs**

All food and administration costs **related to monthly and annual meetings** of Church Councils, management committees, Presbytery or Synod meetings, or any meeting between **members of the Congregation.**

### **E-40 –Training Expenses**

Any training or conferences attended by members or volunteers of the Church.

### **E-41 – Other worship costs**

All other worship costs.

### **E-42 – INCOME GENERATING ACTIVITIES COSTS**

Costs incurred in the generating of income recorded at I-19 e.g. fundraising activities and business activities.

### **For codes E-38 to E42**

If GST is incurred, it should be coded as such, and GST should be recoverable. If no GST, it should be coded as such.

## Non Operating Income

### CAPITAL CASH RECEIPTS

#### **CR-1 – Proceeds from sale of land and building**

Contracted sale price from the sale of land, buildings and property (excluding any GST component). Only use if you have adopted cash accounting and have not recorded land and buildings in your balance sheet.

These assets are owned by the Property Trust and the Property Trust handles the GST obligations.

#### **CR-2 – Proceeds from sale of other assets**

This is the sale price of all other assets e.g. motor vehicles, furniture, office equipment. Only use if you have adopted cash accounting and have not recorded the assets sold in your balance sheet.

Proceeds from the sale of assets will generally be taxable unless it is an intra GST group supply or it is sold for less than 50% of the GST inclusive market value.

#### **CR-3 – Draw Down of Property Loan**

Funds received from a financial lender for property development or purchases. Only use if you have adopted cash accounting.

Non GST-bearing account.

#### **CR-4 – Other Receipts**

This includes all other receipts of a capital nature.

Generally, income will be taxable where there is payment for a supply (i.e. not a gift). However, it may be BAS excluded if it's an intra GST group supply or it is sold for less than 50% of the GST inclusive market value.

### Non-Operating PAYMENTS

#### **CP-1 – Purchase of land and Buildings**

The purchase of land and buildings (churches, halls, manses, shops, etc). approved by the Queensland Synod Property Trust. Only use if you have adopted cash accounting – otherwise capitalise into the balance sheet

#### **CP-2 – Construction of Buildings**

The cost of construction of new buildings

These assets are owned by the Property Trust and the Property Trust handles the GST obligations

**CP-3 – Property refurbishment**

All significant cash payments for the **refurbishment of buildings** e.g. installing a new kitchen or bathroom, replacing a roof, extending rooms. Only use if you have adopted cash accounting – otherwise capitalise into the balance sheet.

**CP-4 – Other Capital Payments**

This includes all other payments of a capital nature. E.g. Agent commission payments, Loan principal payments, purchase of other assets etc. Only use if you have adopted cash accounting – otherwise capitalise into the balance sheet

Generally, GST on expenses unless capital payments relating to residential rental at market rate. However, Loan Principal Payments will be BAS Excluded.

**FUNDS AND LOANS BALANCES – Balance Sheet items – If you have these items – use the Balance Sheet to account for them**

**INVESTMENTS**

F-1- UCIS Accounts

Closing balances of all deposit accounts held with UCIS.

F-2- Other Financial Institution Accounts

Closing balances of all deposit accounts held with other financial institutions.

F-3- Special Purpose Funds

Closing balances of all special purpose funds held on behalf of the Congregation. Include name of fund and also indicate the financial institute where the fund is held.

F-4- UC Foundation

Closing balances of any UC Foundation bequest accounts held with UCA financial institutions.

F-5- Mission Development Funds (MDF)

Closing balances of all MDF accounts (property sale proceeds) held with Synod.

**LOANS – Balance Sheet items – If you have these items – use the Balance Sheet to account for them**

L-1 – UCIS Loans

Closing balance of any loans held with a UCIS.

L-2 – Other Synod/Presbytery Loans

Closing balance of any other loans held with Synod/Presbyter.

L-3 – Other Financial Institution Loans

Closing balance of any loans held with other Financial Institutions.