

# EVANGELICAL ALLIANCE IRELAND

## Guideline No.10:

### Application Process for Registration of Churches with the Charities Regulatory Authority.

#### Contents

- 1.0 Overview
- 2.0 Application for Registration
  - 2.1 Legal format of the Church
  - 2.2 Churches with pre-existing CHY numbers
  - 2.3 Churches without pre-existing CHY numbers and New churches
  - 2.4 The Church Constitution
  - 2.5 Essential information in the constitution
    - 2.5.1 Main & Subsidiary Objects
    - 2.5.2 Members and Members Rights
    - 2.5.3 Standard Clauses
  - 2.6 Questions asked during the registration application process
  - 2.7 Additional Information Required
- 3.0 Additional Resources

#### 1.0 Overview

EAI Guideline No. 05 (Fundraising and the Tax treatment of Charitable Donations) deals with the registration of churches as charities with the Revenue Commissioners and the subsequent obtaining of a Revenue CHY Registration number. This CHY number allows for the reclamation of tax on specified donations. This guideline deals with the quite separate registration of the church with the Charities Regulatory Authority. The two registration processes are separate and should not be confused.

By Law, all churches who wish to have charity status must be registered with the Charities Regulator. In order to be granted registration as a charity the Regulator must first be satisfied that the organisation is a bone-fide church and that it meets various statutory requirements.

Information requested by the Charities Regulator should be seen in the light of the above necessity. Some of this information may seem strange or obvious to most Church leaders but you should bear in mind that the information requested applies to all religions, not just to Christians, and so the application process asked must be general enough to apply across the board.

This guideline sets out the process of applying for registration with the Charity Regulator and seeks to provide guidance on the provision of the information requested.



## 2.0 Application for Registration

Application for registration is done on-line at <https://www.charitiesregulatoryauthority.ie> and the following is relevant:-

### 2.1 Legal format of your Church:

Churches can exist in a number of formats (see our Guideline No. 01 on Legal structures), for example, as a Company limited by Guarantee, as an unincorporated body, or as a trust. It is our recommendation that churches be constituted as Companies Limited by Guarantee (CLGs), however, regardless of the structure chosen, your church must be registered with the Charity Regulator as a charity.

### 2.2 Churches with pre-existing CHY numbers.

Churches which were registered with the Revenue Commissioners prior to October 2014 and who had a CHY number will be automatically listed with the Charity Regulator. These churches will be contacted by the Charity Regulator and given access codes to use to complete their registration application details on the regulators website

### 2.3 Churches without pre-existing CHY numbers and newly established churches.

Such churches must log onto the above website and request registration. They will then be given similar access to the registration application process, which is then the same for both groups.

### 2.4 Church Constitution:

A central document in the application process is the constitution of the church. This must be lodged with the Charity Regulator as part of the process. For churches formed as companies this document is made up of the Memorandum of Association and Articles of Association of the company, only now it is simply referred to as the Constitution. For unincorporated bodies it is the constitution or rules of the club. For Trusts it is the Deed of Trust. For the remainder of this Guideline any reference to the constitution document can also be taken to refer to the rules or the Trust Deed, as appropriate.

The constitution of the church governs many areas including the Objects of the Church, the Governance of the church and the dissolution of the church. The constitution is a legal document and should be treated with respect. Once this document has been lodged with the Regulator it cannot be changed without the permission of the Regulator (see below).

### 2.5 Essential Information in the Constitution:

Churches may draw up their own constitution or may already have one. The Charity Regulator publishes a Model Constitution for both Incorporated and unincorporated bodies (see Sec 4.0 below) and this can be used in its entirety or as a template. Some important clauses are as follows: -



### **2.5.1.1 Main and Subsidiary Objects:**

The **Main Object** and the **Subsidiary Objects** clauses are important and you will be requested to copy them into your charity application form on-line.

**Main Objects:** This paragraph sets out the principle objects of your church, i.e. the “charitable purpose”. The main object clause should make it clear what your church is set up to achieve, e.g. the advancement of the Christian religion; How it will achieve this, Who will benefit and where it will operate. The main Object should be reasonably general in nature so as not to exclude any future activity but it must be clearly associated with the advancement of the Christian religion.

**Subsidiary Objects:** Subsidiary objects expand on the main object. It will cover the activities of your church and might contain references to activities such as to community outreach programmes, teaching, acts of evangelism or fund raising. It is important that these activities support your Main Object and “provide a benefit to the public”. Note that the general advancement of religion, the care for church members and for the general public, and the advancement of community relationships are all “of benefit to the public”.

**2.5.2 Members and the Rights of Members:** The constitution makes reference to members and the rights of members. This does not refer to ordinary members of the church or the congregation but to the legal “members” of the company or Trust who will become the Charity trustees. In most cases this will equate to the Directors of the company or the Trustees of the Trust.

A charity must have a minimum of three trustees who must not be related to each other and who must be independent of each other.

It is forbidden for any paid member of staff to act as a trustee. In practice this means that senior ministers or pastors of the church who receive a salary for their role in the church cannot act as trustees of the church.

The regulator will also seek information on general members of the church and this is dealt with separately below in Sec. 2.7

### **2.5.3 Standard (Common) Clauses:**

There are some clauses that are standard and these must be included in the standard format with no changes. The wording of these clauses has been set out by the Charity Regulator. These clauses are numbers 6, 7 and 8, in the model document and they deal with the issues of

- a. Income and Property
- b. Additions Alterations and Amendments
- c. Winding-up

A link to the exact wording of these clauses is included in Sec. 3.0., below



## 2.6 Questions asked during the Registration Application Process

The on-line process involves completing a form and answering a number of questions. The following are some of those along with guidelines for answering each one.

Charitable Purpose? “The Advancement of Religion” is sufficient.

Activities? A short description of your activities is sufficient and could include the holding of worship services, teaching scripture, community outreach programmes, running programmes for young people etc.

What is your fee Structure? For most churches there is no fee structure. Any giving is voluntary and is not tied to the provision of services in any way.

Has your church signed up to various codes of contact? These refer to a number of recognised codes of conduct and governance which can be accessed and signed-up to by any charitable body. They are listed on the form and you may tick any that apply to your church. They are not obligatory but are all worthwhile. EAI recommends that churches make themselves familiar them.

Fundraising Section: This section asks a number of question regarding your fundraising activities. You simply tick the boxes that apply to you. “Tithing” is not mentioned but is covered by the “donations” category

Financial Section: This section asks you to break down your income into defined sections and also asks for an overall figure for your gross expenditure, and expenditure on salaries. Further documents relating to the above are requested later in the process.

Bank Accounts Section: You must list ALL your bank accounts here

Further Information Section:

This section comprises two areas.

1. The first deals with your risk assessment, safety checks and safeguards where your church is dealing with vulnerable people (children, vulnerable adults, disabled etc.) By law, all churches dealing with these categories of people must have a statement of its policy and procedures in this area. Guidelines for developing these procedures are contained in the following EAI Guideline, available to members on our website at <http://www.evangelical.ie>

EAI Guideline No. 09: Child Protection Policies and Procedures

For the purposes of this section it is sufficient to state that you have policies and procedures and to attach them to the application at the end.

If your church does not have the necessary child protection policies in place, then you should state that you are in the process of developing them and that, in the meantime,



you will adhere to all government recommendations in this area. However, please be aware that such policies and procedures are obligatory and your registration will not be finalised until you submit the necessary documentation.

2. The second section deals with “any further information” you believe might help the Regulator decide on your application. We recommend that you deal with these separately (see below) and so a reference here to attached documentation is sufficient.

#### Documents Section:

You will then be asked to attach various documents to the application as follows: -

1. Your constitution
2. Your most recent annual report and various Financial Reports: Normally these are all contained within your last set of audited (or unaudited) accounts, and attaching this one document will meet all requirements. If you are a completely new church with no annual accounts as yet, then you must tick the “I am not attaching a file” option and explain why this is so.
3. Additional Documents - see section 2.7 below.

### **2.7 Additional Information required.**

As stated above, the Charity Regulator must be assured that your church is a genuine church, belonging to a genuine and recognised religion. To achieve this the regulator will seek answers to a list of questions.

If you have a document setting out any rules or laws of your church and which might qualify as “the Laws, canons, ordinances and tenets” of the church then you should attach it in this section.

If you have not covered the questions below in the application so far or in your rules, if any, then your application will be delayed while the Regulator writes to you seeking this further information. It is therefore the recommendation of EAI that each church sets out the answers to the following questions, which have been set by the Regulator, in a separate document which can be attached to the application. This document must be a formal document, adopted by the church as, or as part of, its “laws, canons, ordinances and tenets”. Its adoption as such must be stated and acknowledged within the document.

The following are the questions which the Regulator requires an answer to, along with suggestions as to what an appropriate answer might contain. Some of these questions may require you to make and adopt decisions in the relevant area but doing so will add to the standard of governance of your church.

1. *How are Pastors, Elders and Deacons (or their equivalents) appointed, on what terms (including payment, if any) and how may their appointments be terminated?*



To answer this question describe your process for the above in as simple a manner as possible.

2. *What is the criteria for membership of the fellowship / congregation, how does one become a member and how can one's membership be terminated?*

It is important to note that "members" here refers to ordinary or congregational members of the church and not the official members or trustees referred to above.

Many churches do not have criteria for membership and welcome all-comers to their services and it is entirely appropriate to state this. Similarly, membership ends when the person ceases to attend the church or they may be asked to leave if their conduct does not fit with the ethos of the church as defined by the church council.

If, on the other hand, your church has rules around this area then you can state those rules.

3. *What rights do members of the fellowship / congregation have?*

List the rights of the members. It is not necessary to concoct rights that do not exist at the moment. If, for instance, members do not have a say in electing your church council at the moment then it is not necessary to grant them such a right. The rights of members could simply consist of the right to attend worship service and participate in all activities of the church.

4. *What sacraments are currently given by your church and which sacraments does your church plan to give in the future?*

A simple list of sacraments is all that is required.

5. *If your church refers to the Scriptures when making decisions like those listed above, please tell us which Scriptures you refer to?*

Simply refer to the Bible, comprising the Old and New Testaments, in their entirety. You may refer to a particular edition if you so wish.

6. *Please provide an explanation of your church's belief system.*

Most churches will have a Statement of Faith to which they adhere and that would be sufficient information. An example of a Statement of Faith can be found in the EAI's statement of faith at <http://www.evangelical.ie/index.php/abouteai/statement-of-faith>

7. *Does your group provide a place of worship? If not, where are services conducted*

Again, simply state the facts – place and time of worship services. These could include temporary premises or the home of members.



8. *Does your group engage in missionary work or other activities intended to raise awareness of your groups beliefs?*

Answer with brief details of any local outreach programmes or any programmes which you might support internationally.

9. *Does your group pay for the accommodation or welfare of any of it's members – for example spiritual leaders – and, if so, how much was spent in this way last year?*

Give brief summary details. It is perfectly legal for a charity to pay salaries or living expenses for its members provided: -

- a. The amounts are proportionate and in line with generally accepted levels.
- b. The person receiving the payment is not a trustee of the charity.

10. *Please provide us with details of the activities provided by your group including the dates and times of services and approximate numbers of attendees.*

Again, the general rule applies – give brief details of days and times of services, youth clubs, outreach, etc. along with estimates of the numbers attending. This might best be done on a small chart e.g.

Activity	Frequency	Day	Time	No. Attending
Worship	Weekly	Sunday	10.00 am	75
Homeless drop-in	Daily	Mon-Sun	12.00 pm	45

11. *Which services, if any, are members required to attend?*

The usual answer would be none, however this is up to the individual church.

12. *Is it necessary to pay a membership fee, subscription, or make a contribution to the funds of the group in order to take part in its activities?*

Most churches would answer NO to this question. Exceptions would be payment for special trips, courses run etc. In this case you should point out that attendance at such paid events is optional and does not affect membership of the church. You might also point out that the object of such events is the welfare of the congregation or public and is not to make profits.

### 3.0 Additional Resources

- 3.1 Model Constitution and common clauses for Companies Limited by Guarantee: <https://www.charitiesregulatoryauthority.ie/en/CRA/Pages/WP16000067>
- 3.2 Model Constitution and common clauses for Unincorporated Bodies <http://charitiesregulatoryauthority.ie/en/CRA/Pages/WP16000074>



3.3 Charity Regulator's user Guide for charity applications

<http://www.charitiesregulatoryauthority.ie/en/CRA/Registration%20Guidelines%20.pdf/Files/Registration%20Guidelines%20.pdf>

3.4 The Following associated guidelines are available on the EAI website at

[www.Evangelical.ie](http://www.Evangelical.ie)

EAI Guideline No. 01: Legal Structures for Churches

EAI Guideline No. 05: Health & Safety Management for Churches

EAI Guideline No. 09: Child Protection Policies and Procedures

