

Africa Resource for Kidney Diseases

AFREKID



Payroll Giving

Guide for employers

Payroll Giving - toolkit for employers

This guide is for employers who wish to set up a Payroll Giving scheme. It outlines the information you need to set up a Payroll Giving scheme in your business or organization.

What is Payroll Giving?

Payroll Giving is making a regular donation to AFREKID, or any other charity through your pay. Donations are deducted from employees' salaries before tax. This makes it an incredibly tax-efficient way of giving to charity.

More than this, giving regularly is the best way to support AFREKID. It means we have reliable income we can count on which allows us to plan in advance and budget more effectively.

Payroll Giving is simple to set up and run, and is an excellent way to show support for employees' charitable giving.

Business Benefits

- Allows your employees to donate to their chosen charity in a simple and tax effective way
- Employees will see your business as more supportive and caring
- Boosts staff morale and motivation - aiding retention and recruitment
- Enhances your business's charitable giving with little effort or cost to the employer
- Enhances your social responsibility and community investment programmes
- Allows you to monitor the level of charitable giving that your company has helped achieve
- Any administration costs involved are tax deductible
- It is really easy to set up a Payroll Giving scheme



Benefits for your staff

- Payroll Giving is a tax-efficient and simple way to give
- There is no limit on the size of the gift
- It is easy and convenient, coming straight from the pay packet
- There is no need to worry about Direct Debits or Standing Orders - just complete one simple authorisation form

This table demonstrates how tax effective it is to give through your payroll

Donor's monthly gift	Cost to donor paying 22% tax	Cost to donor paying 40% tax
£10	£7.80	£6
£15	£3.90	£3

How to set up a Payroll Giving scheme in your organization

- Register your business with a Payroll Giving Agency (PGA).
- Payroll Giving must be administered through an Inland Revenue registered PGA. For contact details of registered PGAs see the end of this booklet. Your chosen PGA will advise you on the best way to set up
- Since the PGA takes on most of the administration, they will deduct a small fee from each donation to cover this – usually around 4%
- If there are any questions that your chosen PGA can't answer have a look at: <http://www.hmrc.gov.uk/payrollgiving/employers/index.htm>

How does Payroll Giving work in practice?

Employees fill in a form - you can download copies from the AFREKID website, or your PGA will provide you with some

Your payroll department keeps one copy of the form, and sends one copy to the charity chosen by your staff

The payroll department then sets up the donation on your system (all modern payroll systems can facilitate Payroll Giving). The employee's payslip will show the pre-tax deduction

The PGA will send all donations on to the charities chosen by your staff



What records will I need to keep?

- A copy of your contract with the Payroll Giving Agency
- The forms completed by your employees authorising you to make deductions from their pay
- A record of the deductions made from each employee's pay
- Receipts from the Payroll Giving Agency

Promoting the scheme

- The more you do to promote the scheme the more successful it will be
- Show your real commitment to the scheme - think about matching your staff's donations or at least covering the Payroll Giving Agency's administration costs
- Make sure employees know about the scheme – find someone to act as your Payroll Giving champion to promote the scheme and enthuse your staff about it
- Have a promotional day - get your staff to talk about their favourite charities
- Give all your staff a Payroll Giving form
- Thank staff for signing up
- Include Payroll Giving in induction pack



Why support AFREKID?

Dialysis Emergencies

We respond to dialysis emergency situations in Africa and the UK where we are confident we can save lives

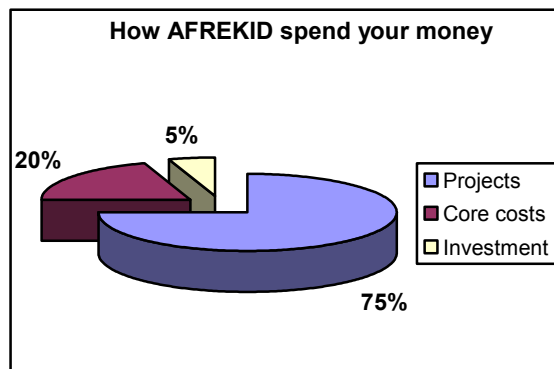
Long term development programmes

We work with people in over 53 countries to ensure access to dialysis, transplant, organ donation and healthcare

Campaigning to achieve lasting change

We use the commitment of people in Africa and the UK to end suffering of kidney patients. (e.g. Africa Kidney Drive website: www.africakidneydrive.org)

For every £1 given to AFREKID



Project (75p) - is used to support our dialysis emergency development and campaigning work

Core costs (20p) - is spent on support and governance

Investment (6p) - is invested to generate future income

For further information see AFREKID Annual Report and Accounts 2006/07 which has been prepared in accordance with the relevant Charity Commission and accounting regulations

Payroll Giving Agencies

Charities Aid Foundation

Kings Hill
West Malling
Kent, ME19 4TA
Phone: 01732 520 019
Fax: 01732 520 144
Email: giveasyouearn@caf.charitynet.org
<http://www.giveasyouearn.org>

Charities Trust

Suite 22, Century Building
Brunswick Bus Park, Tower Street
Liverpool L3 4BJ
Phone: 0151 284 2822
Fax: 0151 286 2360
Email: info@charitiestrust.org
<http://www.charitiestrust.org>

SW Charitable Giving

Churchtown Peter Tavy
Tavistock
Devon PL19 9NP
Phone: 01822 810 094
Fax: 01822 810 630
Email: mail@swcg.co.uk
<http://www.swcg.co.uk>

for other agencies see www.hmrc.gov.uk/payrollgiving