

CHURCHES' LEGISLATION ADVISORY SERVICE (CLAS)

England & Wales · Charity number 256303

Details

Other names THE CHURCHES MAIN COMMITTEE

Status Registered

Legal form Other

Registered 1968-06-27

Register [View on the Charity Commission register](#)

Contact

Address 140-148 Borough High Street
London
SE1 1LB

Phone 02072221265

Email info@clas.org.uk

Website www.clas.org.uk

Activities

Objects: TO ADVANCE THE RELIGIOUS AND OTHER CHARITABLE WORK OF ITS MEMBERS BY PROMOTING THEIR COMMON INTERESTS IN MATTERS RELATING TO THE DELIVERY OF THEIR WORK.

Activities: Advancing the charitable work of the churches by furthering their common interest in secular matters relating to their work other than educational work. Acting as a liaison body between the churches and Government.

Classification

- **How:** Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Religious Activities
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- Ireland
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£80,605	£88,894	-	-
2023-12-31	£79,456	£85,155	-	-
2022-12-31	£85,105	£84,241	-	-
2021-12-31	£87,179	£82,930	-	-
2020-12-31	£84,896	£85,530	-	-

Trustees

Name	Role	Appointed
Joanne Mary Anderton		2024-05-21
Mary Macleod		2019-06-12
Memuna Levan-Harris		2019-09-19
RICHARD CHAPMAN		2013-07-23
Rev DAVID STUART WALKER		2025-02-01
Rev John Stanley Kenneth Arnold		2024-06-04
Rev Paul Rochester		2016-06-09

Accounts

CHURCHES' LEGISLATION ADVISORY SERVICE

Registered Charity No 256303

ANNUAL REPORT FOR THE YEAR ENDING 31 DECEMBER 2024

DESCRIPTION OF TRUSTS

The Churches' Legislation Advisory Service came into existence on 8 March 2008 as the successor to the Churches' Main Committee when the Charity Commission for England and Wales sealed the Scheme approving the changes. The object of the charity is to advance the religious and other charitable work of its members by promoting their common interests in matters relating to the delivery of their work.

In pursuance of the object of the charity, its Governors/Trustees have the following powers:

- (1) to provide information and general advice to members on issues such as those relating to property, finance, tax, employment and charitable status and, when appropriate, to arrange meetings for this purpose;
- (2) to co-operate with churches, other faith groups and secular bodies, and to exchange information and general advice with them;
- (3) to act as a liaison body between members and Government in the UK and Europe and other statutory authorities, to conduct negotiations with those authorities relating to matters within the charity's object and to take such action as may be thought fit in response to these negotiations;
- (4) to delegate the performance of any act, including the exercise of any power or discretion, to a sub-committee consisting of any two or more of the governors. The governors must exercise reasonable supervision over the sub-committee, and the sub-committee must promptly report their acts and proceedings to the governors;
- (5) to appoint staff (who must not be trustees) and pay them reasonable remuneration, including pension provision for them and their dependants; and
- (6) to make rules and regulations consistent with the scheme for the management of the charity, including rules relating to membership and the conduct of elections.

ORGANISATIONAL STRUCTURE

The membership of the Churches' Legislation Advisory Service comprises a wide range of different Christian denominations and organisations in the United Kingdom, together with representation from the Orthodox Jewish community, as Members and Associate Members. It also includes a group of Professional Members consisting of solicitors and accountants who advise religious organisations. It operates through a group of Governors – the trustees – elected by the Members, who usually meet three or four times a year under the chairmanship of a senior Bishop of the Church of England who has a seat in the House of Lords. The Chairman is appointed by the Archbishop of Canterbury: the other Governors are either elected at the Annual General Meeting or co-opted. The charity is serviced by a secretariat, supplied under contract by Central Lobby Consultants Ltd (CLC), which discharges the day-to-day responsibilities of the charity, subject to the management and guidance of

the Governors. The most recent contract ended on 30 April 2022 and has been subsequently renewed annually.

GOVERNORS & TRUSTEES DURING 2024

- The Rt Revd David Walker, Bishop of Manchester (appointed by the Archbishop of Canterbury, 1 February 2025), Chair.
- Ms Joanne Anderton (Methodist Church of Great Britain).
- The Rt Revd John Arnold, Bishop of Salford (Catholic Bishops' Conference of England & Wales) (co-opted 13 December 2023 and confirmed at the 2024 AGM).
- Mr Richard Chapman (Church of England).
- Ms Memuna Levan-Harris (United Reformed Church).
- Ms Mary Macleod (Church of Scotland).
- The Revd Paul Rochester (Free Churches' Group).

The designated Secretary is Frank Cranmer, but Central Lobby Consultants Ltd provides secretariat services corporately.

WORKING FOR THE PUBLIC BENEFIT

Under the legislation in all four jurisdictions, 'The advancement of religion' is a charitable purpose, provided it is 'for the public benefit'. The principal object of the Churches' Legislation Advisory Service is to offer advice and help to its member Churches in relation to what are often complex matters of public policy and Government regulation, and our work during 2024 in support of this is summarised in greater detail later in this Report. This is particularly important for the smaller Churches with little in the way of full-time central administration or in-house legal advice. We also provide a focal point for responses to consultations by Government: only very rarely does a consultation divide the Churches on denominational grounds because most deal with technical issues relating to such matters as secular law or taxation rather than with matters of theology or religious belief.

In setting our objectives and planning our activities, our trustees have given careful consideration to the Charity Commission's general guidance on 'public benefit'. We would argue that the work of the Charity contributes significantly to the public benefit by bringing to the attention of member Churches issues of legislation and policy that might affect their activities, by acting as a clearing-house for ecumenical responses to Government policy proposals and, where appropriate, by engaging with Government in relation to those proposals, thereby helping to free member Churches to concentrate on their own core mission- the advancement of religion for the public benefit.

There were no serious incidents to report during the reporting year.

PRINCIPAL ACTIVITIES OF THE CHARITY FOR THE YEAR ENDING 31 DECEMBER 2024

Meetings of the trustees

The Governors of CLAS met on two occasions in 2024: on 3 July remotely and on 25 September in person. Decisions taken in principle on 3 July were confirmed at the meeting on 25 September.

General meetings

The purpose of general meetings is partly to enable specialists within member Churches to focus on particular current issues as they affect the Churches, and partly to provide an opportunity for them to exchange views informally. There were three such meetings in 2024, on 3 July, 25 September (the Annual General Meeting) and on 7 November.

Responses to consultations

CLAS seeks to ensure that the interests of its members in relation to current and future legislation are adequately represented at every opportunity. Part of that process is to issue Circulars – of which 18 were issued in 2024 – and e-mail briefings to alert members to matters of concern so that they can make appropriate representations themselves, particularly on issues on which there is unlikely to be a broad consensus across the membership. Equally important, however, are Government consultations, and we have responded to a series of formal and informal consultations during the year under review, some of them very general and others extremely technical.

We responded to the invitation to make representations in advance of the Spring Budget in 2024 on three issues of particular interest to members: the operation of the Gift Aid Small Donations Scheme, the continuation of the Listed Places of Worship Grant Scheme, which continues to be a matter of considerable concern, and seeking clarity on proposals in the previous Autumn Statement on the issue of the voluntary payment of Class 2 National Insurance Contributions, particularly as they affect Roman Catholic clergy.

In February, we responded to the online consultation on the standard-tier duties under the Terrorism (Protection of Premises) Bill. This is a matter on which we had previously submitted evidence to the Commons' Home Affairs Committee during its pre-legislative scrutiny of the Bill in draft, and our comments on the Bill as finally published were broadly supportive of its aims. That said, however, now that the Bill has become law, we await with interest the detailed guidance from the Security Industry Authority (SIA) in its capacity as regulator.

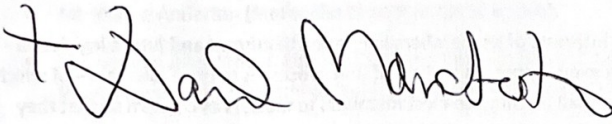
Furthermore, in February, we made a joint submission with Cytûn (Churches Together in Wales) to the Government on the transparency of land ownership involving trusts. A particular concern of the Government was information on trusts of land held on the Register of Overseas Entities which, we suggested, was only a very minor issue for our members. Our principal concern was the possibility of compulsory registration, which, especially in the case of mediaeval religious foundations, would merely involve them in an immense amount of work and expense in relation to land that, realistically, is unlikely to be sold in the future.

There was then a long hiatus after the General Election on 4 July. We returned to the issue of the Listed Places of Worship Grant Scheme in September in a submission to the new Secretary of State for Culture, Media and Sport, stressing its importance to our members and urging its retention beyond March 2025. The uncertain future of the Scheme continues to be a matter of concern.

Other issues

We continue to engage with the Law Commission on its ongoing projects on weddings law and burial and cremation law in England and Wales. Many of our members are also concerned about the

possibility of mandatory reporting of child sexual abuse, partly in relation to its possible impact on penance and the seal of the confessional – which is a matter of considerable importance to Roman Catholics and to many Anglicans – but also because there is a danger that removing the seal may make it harder for those who have been abused to make a protected disclosure in a safe space.



David Marshall

Churches' Legislation Advisory Service (CLAS) (256303)

Income and Expenditure Account: Year to 31 December 2024

	2024	2023
1. UNRESTRICTED FUND		
Income		
Contributions for current year	74685	73813
Professional subscriptions	4740	4740
Interest	1180.63	903
Total income	80605.63	79456
Direct Expenditure		
CLC fees	82350	82350
Legal fees	1032	1140
Accountancy fees	2250	
Internet costs	1092	
Meeting expenses	1629.48	1177
Insurance	380.96	360
Bank charges	60	60
Postage	28.3	
Subscription	72	68
Total expenditure	88894.74	85155
Net income/(expenditure)	-8289.11	-5699
Cash and bank balances at 31 December 2023	72143	77842
Cash and bank balances at 31 December 2024	63853.89	72143

Churches' Legislation Advisory Service (CLAS) (256303)

Statement of assets and liabilities: 31 December 2024

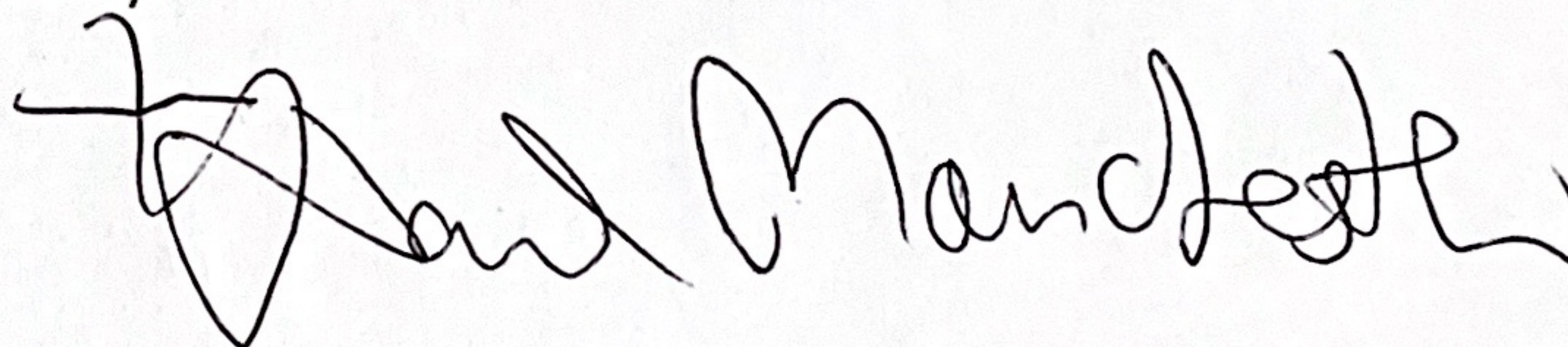
	31.12.24	31.12.23
	Unrestricted fund £	Unrestricted fund £
Monetary assets		
Bank & cash balances		
Account and deposit at CAF bank	63853.89	72143
 Receivables		
Subscriptions received 2025	790	
	64643.89	72143
 Liabilities and accrued charges		
Accrued expenses	2703	2250
	2703	2250
 Net monetary assets	61940.89	69893

Approved by the Trustees on

21st

October 2025

and signed on their behalf by



Churches' Legislation Advisory Service

Independent Examiner's report to the Trustees on the unaudited financial statements of Churches' Legislation Advisory Service for the year ended 31 December 2024.

I report on the financial statements of the Churches' Legislation Advisory Service for the year ended 31 December 2024 which are set out on pages 1 to 2.

This report is made solely to the charity's trustees, as a body and in accordance with section 145 Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work or for this report.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ("the Act").

It is my responsibility to:

- examine the financial statements
- follow procedures laid down in the General Directions given by the Charity Commission, under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention.

Independent examiner's statement

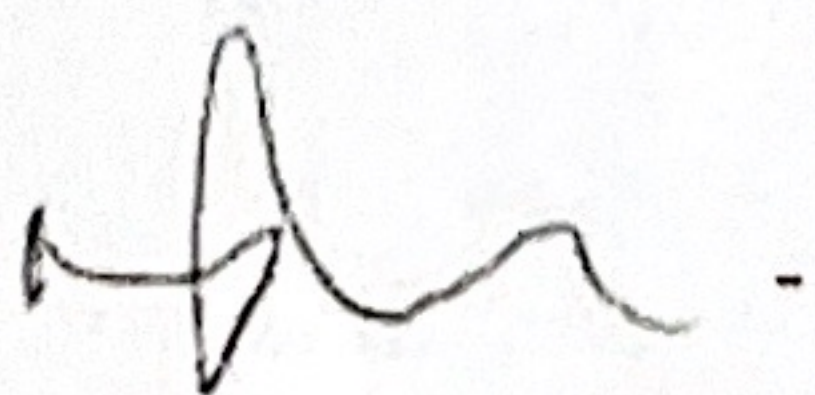
I am qualified to undertake the examination by being a finance manager and accountant for over 25 years.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mathew Korepta



Date: 14 / 10 / 2025

Accounts

CHURCHES' LEGISLATION ADVISORY SERVICE

Registered Charity No 256303

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GOVERNORS & TRUSTEES DURING 2023

- Mrs Joanne Anderton (Methodist Church of Great Britain)
- Mr Richard Chapman (Church of England)
- Ms Memuna Levan-Harris (United Reformed Church)
- Ms Mary Macleod (Church of Scotland)
- The Revd Paul Rochester (Free Churches Group)
- Ms Caroline Sanderson (Baptist Union of Great Britain)
- Rt Revd Stephen Wright (Catholic Bishops' Conference of England and Wales (resigned on 13 October 2023 on his appointment as Bishop of Hexham & Newcastle))

The designated Secretary is Frank Cranmer, but Central Lobby Consultants Ltd provides secretariat services corporately.

WORKING FOR THE PUBLIC BENEFIT

Under the legislation in all four jurisdictions, 'The advancement of religion' is a charitable purpose, provided it is 'for the public benefit'. The principal object of the Churches' Legislation Advisory Service is to offer advice and help to its member Churches in relation to what are often complex matters of public policy and Government regulation and our work during 2022 in support of this is summarised in greater detail later in this Report. This is particularly important for the smaller Churches, most of which have very little in the way of full-time central administration or in-house legal advice. We also provide a focal point for responses to consultations by Government: only very rarely does a consultation divide the Churches on denominational grounds because most deal with technical issues relating to such matters as secular law or taxation rather than with matters of theology or religious belief.

In setting our objectives and planning our activities, our trustees have given careful consideration to the Charity Commission's general guidance on 'public benefit'. We would argue that the work of the Charity contributes significantly to the public benefit by bringing to the attention of member Churches issues of legislation and policy that might affect their activities, by acting as a clearing-house for ecumenical responses to Government policy proposals and, where appropriate, by engaging with Government in relation to those proposals – thereby helping to free member Churches to concentrate on their own core mission: *the advancement of religion for the public benefit*.

PRINCIPAL ACTIVITIES OF THE CHARITY FOR THE YEAR ENDING 31 DECEMBER 2023

Meetings of the trustees

The Governors of CLAS met on four occasions in 2023: on 25 May, 20 July and 12 December remotely, and on 28 September in person. Decisions taken in principle on 25 May and 20 July were confirmed at the meeting on 28 September.

General meetings

The purpose of general meetings is partly to enable specialists within Member Churches to focus on particular current issues as they affect the Churches and partly to provide an opportunity for them to exchange views informally. There were three meetings in 2023:

- 28 February: webinar on landlord and tenant law (held remotely).
- 31 March: webinar on property issues (held remotely).

- 18 October: Annual General Meeting (in person), at which the meeting agreed to start the process of transitioning to a Charitable Incorporated Organisation.

Responses to consultations

CLAS seeks to ensure that the interests of its members in relation to current and future legislation are properly represented at every opportunity. Part of that process is to issue Circulars and e-mail briefings to alert members to matters of concern so that they can make appropriate representations themselves. Equally important, however, are Government consultations; and we have responded to a series of formal and informal consultations during the year under review, some of them very general and others extremely technical.

2023 Spring Budget

We responded to the invitation for submissions to HM Treasury in advance of the Spring Budget, concentrating on the remaining challenges in updating the Gift Aid scheme to take account of digital methods of payment, a plea for the £2,000 ceiling on the Gift Aid Small Donations Scheme to be raised to £2,500 to take account of inflation since the Scheme's inception in 2016, and for the Listed Places of Worship Grant Scheme either to be placed on a reasonably-permanent footing instead of the current annual extensions or to be replaced with either a zero rate for repairs to listed places of worship for VAT or a VAT refund under s 33 (Refunds of VAT in certain cases) Value Added Taxes Act 1994.

Grants by parish and town councils to places of worship

In 2021, we made a submission to the Law Commission arguing that amending legislation was required to clarify the vexed issue of whether or not parish, town and (in Wales) community councils are permitted to grant-aid places of worship under the current legislation. In 2023, the Department for Levelling Up, Housing and Communities issued a consultation on the matter to which we responded. We were delighted that the point was finally addressed to our satisfaction by a clarificatory section in the Levelling Up and Regeneration Act 2023 which amends the Local Government Act 1894 to put the matter beyond doubt.

Law Commission scoping exercise on disposal of the dead

In association with the Churches' Funerals Group we made a submission to the Law Commission on several areas in which the current law is either unclear or simply out of date: the law relating to cemeteries, cremation law, reuse of graves and closed churchyards, public health funerals and novel methods of disposal being the main ones. The Commission's project on burial law is still at the pre-consultation stage; and it has also announced two further projects on new funerary methods (such as alkaline hydrolysis) and on rights and obligations relating to funerary methods, funerals and remains. Both are at what it described as the "pre-project" stage – but they will no doubt engage our attention at some point in the future.

VAT on energy saving materials relief

In June, we responded to the consultation by HMRC on VAT energy saving materials relief – improving energy efficiency and reducing carbon emissions, primarily supporting the proposal that battery storage should be included in the relief, whether retrofitted to a solar panel or otherwise, and citing the recent decision to instal solar panels on the roof of King's College Chapel, Cambridge, as an example of a growing trend to using solar energy as a means for churches to reduce their CO² emissions.

Pre-legislative scrutiny of the draft Terrorism (Protection of Premises) Bill

As noted in previous Annual Reports, in 2021 we responded to the Home Office's consultation on the Protect Duty, urging that any new duty on places of worship should be proportionate to their size and location and to their ability to put adequate security measures in place. In December 2021, the Home Secretary announced that the draft Bill would provide for two tiers of compliance: a standard tier for venues with a maximum occupancy of more than 100 people at any time and an enhanced tier for those with an occupancy of over 800. All places of worship would be placed in the standard tier except for a small cohort of locations that charge for entry, and those with a maximum occupancy below 100 would not be included at all. The result of that consultation emerged as the draft Terrorism (Protection of Premises) Bill – on which the Commons Home Affairs Committee conducted a pre-legislative scrutiny inquiry. In brief, we argued strongly for a light-touch approach to security for places of worship, especially those in rural areas, given that individual congregations are often quite small and with a preponderance of older people.¹ The Home Affairs Committee's report was highly critical of the proposals in the draft Bill.

Charities' tax compliance

In July, we responded to a consultation by HMRC on compliance by charities with charity law, principally focused on preventing donors from obtaining a financial advantage from their donations, otherwise known as the Tainted Charity Donations rules. We suggested that if there was a problem with the operation of the Tainted Charity Donations rules it would be preferable to amend them rather than starting afresh with new legislation.²

Exempting categories of dwellings from the council tax premiums in England

We responded to the consultation arguing, principally, that because parsonage houses and retirement properties for clergy may be unoccupied for quite long periods between one resident moving out (or dying) and another moving in, merely by force of circumstance, such properties should not be subject to council tax premiums.

Business rates avoidance and evasion

We responded to the consultation by HM Treasury and DLUHC on business rates avoidance and evasion expressing concerns at the proposals for amending the Empty Property Relief scheme.

As well as responding to formal consultations and submitting memoranda to inquiries, the Secretariat continued to have informal contacts with a range of Government departments and regulatory bodies.

ONGOING ISSUES

The Protect Duty and Terrorism (Protection of Premises) legislation

As noted above, we expect this to continue to be an issue in 2024. There is clearly a serious issue here: our concern, however, is that the duties of compliance placed on places of worship should not be unduly onerous.

Burial law

The Law Commission has not yet issued a consultation document on the reform of burial law. Although we have been involved at the pre-consultation stage, we would expect to respond to any consultation in due course, in association with the Churches' Funerals Group.

¹ As a result of the dissolution of Parliament, the draft Bill was not proceeded with – but we would anticipate that the new Parliament will return to the issue,

² At the time of writing, HMRC had not responded to the consultation.

LIAISON WITH OTHERS IN THE SECTOR

The Secretariat collectively continues to be involved in the activities of Historic England's Places of Worship Forum, the Historic Religious Buildings Alliance, the Churches' Funerals Group (of which the Secretary is a member *ex officio*), the Charity Law Association and RADAR (the monthly meeting of the parliamentary liaison officers of the various denominations). On matters affecting churches in Wales, we liaise very closely with Cytûn, which tends to take the lead on purely Welsh affairs. We continue to attend meetings of the Cathedral Security Group. We also have close relations with the Charities' Property Association in relation to matters of mutual interest.

PUBLICATIONS

Circulars are issued as and when the need arises: sometimes purely for information and sometimes because member Churches need to react to changes in legislation. 22 circulars were issued during 2023 and covered a wide range of topics ranging from taxation and employment law to health & safety and property issues.

COMPLIANCE AND OTHER GOVERNANCE ISSUES

RESERVES POLICY

The Governors/Trustees have adopted a policy of retaining a reserve equivalent to six months' operating costs, in line with the recommendation of the Charity Commission. On 31 December 2023 the cash balance was £73,319.96, as compared with £76,978.51 on 31 December 2022.

"GOING CONCERN"

The Governors/Trustees are content that the charity continues to have adequate unrestricted funds to enable it to operate throughout 2024.

RISKS

The Governors/Trustees review possible risks to the charity: no such risks have been identified.

REPORTING SERIOUS INCIDENTS

There were no serious incidents to bring to the Charity Commission's attention during the reporting year.

SAFEGUARDING

Since the charity does not work with children or vulnerable adults it does not have a safeguarding policy.

DATA PROTECTION

The charity gathers and processes data (primarily contact information) about organisational members on the legal basis that it is necessary to do so in order to fulfil the charity's obligations to its membership and/or in its legitimate interests of being able to conduct membership administration and act effectively as a representative body. In line with its obligations under the Data Protection Act 2018

and associated secondary legislation, there is a privacy notice on the CLAS website explaining its data retention policy: <https://www.churcheslegislation.org.uk/disclaimer-and-privacy-policy/>.

MODERN SLAVERY

Although the charity is not obliged to make a statutory report pursuant to s 54 (Transparency in supply chains etc) of the Modern Slavery Act 2015 because its annual turnover does not exceed £36 million, the Governors and Trustees are conscious of the need to guard against slavery and human trafficking. Neither they, nor to the best of their knowledge and belief their suppliers, Central Lobby Consultants Ltd and Datadial Ltd (which hosted the charity's website during 2023), is involved in or uses the services of any third-party supplier involved in human exploitation or trafficking.



Chair



Secretary

25 September 2024

ANNEX: MEMBERSHIP OF CLAS AS AT 31 DECEMBER 2023

Members

Association of Grace Baptist Churches (SE)
Baptist Union of Great Britain
Baptist Union of Wales/Undeb Bedyddwyr Cymru
Church Communities UK
Church in Wales/yr Eglwys yng Nghymru
Church of England
Church of Ireland
Church of Scotland
Churches Together in Britain and Ireland
Churches Together in England
Congregational Federation
CYTŪN
Elim Foursquare Gospel Alliance
Free Churches Group
Free Church of Scotland
Independent Methodist Churches
Methodist Church
Moravian Church
Presbyterian Church of Wales/Eglwys Bresbyteraidd Cymru
Religious Society of Friends (Quakers)
Roman Catholic Church in England and Wales
Roman Catholic Church in Scotland
Salvation Army
Scottish Episcopal Church

Union of Welsh Independents/Undeb yr Annibynwyr Cymraeg
United Free Church of Scotland
United Reformed Church

Associate members

Association of English Cathedrals
Association of Provincial Bursars
Church of Christ, Scientist
Seventh-Day Adventist Church
Stewardship
Unitarian and Free Christian Churches
United Synagogue

Professional members

Association of Church Accountants & Treasurers
Bates Wells & Braithwaite LLP
Birketts LLP
Farrer & Co
IBB Solicitors
Pothecary Witham Weld Solicitors
Sheen Stickland LLP
Stone King LLP

Churches' Legislation Advisory Service (CLAS) (256303)

Financial Statements

31 December 2023

Churches' Legislation Advisory Service (CLAS) (256303)

Receipts and Payments Account: Year to 31 December 2023

	2023	2022
	£	£
1. UNRESTRICTED FUND		
Income receipts		
Contributions for current year	73,813	78,805
Professional subscriptions	4,740	6,080
Interest received	903	220
Total receipts	<u>79,456</u>	<u>85,105</u>
Direct expenditure		
CLC fees	82,350	82,350
Legal fees	1,140	
Internet costs	-	1,083
Meeting expenses	1,177	314
Insurance	360	350
Bank charges	60	81
Subscription	68	63
Total payments	<u>85,155</u>	<u>84,241</u>
Net receipts/(payments)	<u>(5,699)</u>	<u>864</u>
Cash and bank balances at 31 December 2022	77,842	76,978
Cash and bank balances at 31 December 2023	<u>£ 72,143</u>	<u>£ 77,842</u>

Churches' Legislation Advisory Service (CLAS) (256303)

Statement of assets and liabilities: 31 December 2023

	31.12.23	31.12.22
	Unrestricted Fund £	Unrestricted Fund £
Monetary assets		
Bank & cash balances		
Account and deposit at CAF bank	72,143	77,842
Receivables		
Prepayment	-	542
	72,143	78,384
Liabilities and accrued charges		
Accrued expenses	2,250	1,655
	2,250	1,655
Net monetary assets	£ 69,893	£ 76,729

Approved by the Trustees on

16 July 2024 and signed on their behalf by



Richard Chapman

16.7.24

Chair

Churches' Legislation Advisory Service

Independent Examiner's report to the Trustees on the unaudited financial statements of Churches' Legislation Advisory Service for the year ended 31 December 2023.

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This report is made solely to the charity's trustees, as a body and in accordance with section 145 Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work or for this report.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ("the Act").

It is my responsibility to:

- examine the financial statements
- follow procedures laid down in the General Directions given by the Charity Commission, under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention.

Independent examiner's statement

I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Anthony Alford

Anthony Alford
Chartered Accountant

Date: 26th July 2024

Churches' Legislation Advisory Service (CLAS) (256303)

Financial Statements

31 December 2023

Churches' Legislation Advisory Service (CLAS) (256303)

Receipts and Payments Account: Year to 31 December 2023

	2023	2022
	£	£
1. UNRESTRICTED FUND		
Income receipts		
Contributions for current year	73,813	78,805
Professional subscriptions	4,740	6,080
Interest received	903	220
Total receipts	<u>79,456</u>	<u>85,105</u>
Direct expenditure		
CLC fees	82,350	82,350
Legal fees	1,140	
Internet costs	-	1,083
Meeting expenses	1,177	314
Insurance	360	350
Bank charges	60	81
Subscription	68	63
Total payments	<u>85,155</u>	<u>84,241</u>
Net receipts/(payments)	<u>(5,699)</u>	<u>864</u>
Cash and bank balances at 31 December 2022	77,842	76,978
Cash and bank balances at 31 December 2023	<u>£ 72,143</u>	<u>£ 77,842</u>

Churches' Legislation Advisory Service (CLAS) (256303)

Statement of assets and liabilities: 31 December 2023

	31.12.23	31.12.22
	Unrestricted Fund	Unrestricted Fund
	£	£
Monetary assets		
Bank & cash balances		
Account and deposit at CAF bank	72,143	77,842
Receivables		
Prepayment	-	542
	72,143	78,384
Liabilities and accrued charges		
Accrued expenses	2,250	1,655
	2,250	1,655
Net monetary assets	£ 69,893	£ 76,729

Approved by the Trustees on

16 July 2024 and signed on their behalf by



Richard Chapman

16.7.24

Chair

Independent Examiner's report to the Trustees on the unaudited financial statements of Churches' Legislation Advisory Service for the year ended 31 December 2023.

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Anthony Alford

Anthony Alford
Chartered Accountant

Date: 26th July 2024

Accounts

CHURCHES' LEGISLATION ADVISORY SERVICE

Registered Charity No 256303

ANNUAL REPORT FOR THE YEAR ENDING 31 DECEMBER 2022

DESCRIPTION OF TRUSTS

The Churches' Legislation Advisory Service came into existence on 8 March 2008 as the successor to the Churches Main Committee when the Charity Commission for England and Wales sealed the Scheme approving the changes. The object of the charity is to advance the religious and other charitable work of its members by promoting their common interests in matters relating to the delivery of their work.

In pursuance of the object of the charity, its Governors have the following powers:

- (1) to provide information and general advice to members on issues such as those relating to property, finance, tax, employment and charitable status and, when appropriate, to arrange meetings for this purpose;
- (2) to co-operate with churches, other faith groups and secular bodies and to exchange information and general advice with them;
- (3) to act as a liaison body between members and Government in the UK and Europe and other statutory authorities, to conduct negotiations with those authorities relating to matters within the charity's object and to take such action as may be thought fit in response to these negotiations;
- (4) to delegate the performance of any act, including the exercise of any power or discretion, to a sub-committee consisting of any two or more of the governors. The governors must exercise reasonable supervision over the sub-committee and the sub-committee must promptly report their acts and proceedings to the governors;
- (5) to appoint staff (who must not be trustees) and pay them reasonable remuneration, including pension provision for them and their dependants; and
- (6) to make rules and regulations consistent with the scheme for the management of the charity, including rules relating to membership and the conduct of elections.

ORGANISATIONAL STRUCTURE

The membership of the Churches' Legislation Advisory Service comprises a wide range of different Christian denominations and organisations in the United Kingdom, together with representation from the Orthodox Jewish community, as Members and Associate Members. It also includes a group of Professional Members consisting of solicitors and accountants who advise religious organisations. It operates through a group of Governors – the trustees – elected by the Members, who meet three or four times a year under the chairmanship of a senior Bishop of the Church of England who has a seat in the House of Lords. The Chairman is appointed by the Archbishop of Canterbury: the other Governors are either elected at the Annual General Meeting or co-opted. The charity is serviced by a secretariat, supplied under contract by Central Lobby Consultants Ltd (CLC), which discharges the day-to-day responsibilities of the charity, subject to the management and guidance of the Governors. The most recent contract ended on 30 April 2022 and was renewed for a further year until 30 April 2023.

GOVERNORS & TRUSTEES DURING 2022

- Rt Revd David Urquhart, Bishop of Birmingham (Chairman *ex officio*: appointed 24 September 2020) (retired 30 October 2022)
- Mrs Joanne Anderton (Methodist Church of Great Britain)
- Mr Richard Chapman (Church of England)
- Ms Memuna Levan-Harris (United Reformed Church)
- Ms Mary Macleod (Church of Scotland)
- The Revd Paul Rochester (Free Churches Group)
- The Rt Revd Mgr Nicholas Rothon (Catholic Bishops' Conference of England and Wales: retired 28 September 2022)
- Ms Caroline Sanderson (Baptist Union of Great Britain)
- Rt Revd Stephen Wright (Catholic Bishops' Conference of England and Wales: elected 28 September 2022)

The designated Secretary is Frank Cranmer, but Central Lobby Consultants Ltd provides secretariat services corporately.

WORKING FOR THE PUBLIC BENEFIT

Under the legislation in all four jurisdictions, 'The advancement of religion' is a charitable purpose, provided it is 'for the public benefit'. The principal object of the Churches' Legislation Advisory Service is to offer advice and help to its member Churches in relation to what are often complex matters of public policy and Government regulation and our work during 2022 in support of this is summarised in greater detail later in this Report. This is particularly important for the smaller Churches, most of which have very little in the way of full-time central administration or in-house legal advice. We also provide a focal point for responses to consultations by Government: only very rarely does a consultation divide the Churches on denominational grounds because most deal with technical issues relating to such matters as secular law or taxation rather than with matters of theology or religious belief.

In setting our objectives and planning our activities, our trustees have given careful consideration to the Charity Commission's general guidance on 'public benefit'. We would argue that the work of the Charity contributes significantly to the public benefit by bringing to the attention of member Churches issues of legislation and policy that might affect their activities, by acting as a clearing-house for ecumenical responses to Government policy proposals and, where appropriate, by engaging with Government in relation to those proposals – thereby helping to free member Churches to concentrate on their own core mission: *the advancement of religion for the public benefit*.

PRINCIPAL ACTIVITIES OF THE CHARITY FOR THE YEAR ENDING 31 DECEMBER 2022

While the work of the charity during 2022 continued to be overshadowed by the COVID-19 pandemic and to some extent hampered by it, it at last became possible to have in-person meetings and to hold the Annual General Meeting as normal rather than on-line. Zoom meetings continued, however, and we suspect that they will become a permanent feature of the way we operate in future.

Meetings of the trustees

The Governors of CLAS met on four occasions in 2022: on 25 May, 20 July and 12 December remotely, and on 28 September in person. Decisions taken in principle on 25 May and 20 July were confirmed at the meeting on 28 September.

General meetings

The purpose of general meetings is partly to enable specialists within Member Churches to focus on particular current issues as they affect the Churches and partly to provide an opportunity for them to exchange views informally. There were four meetings in 2022:

- 31 March: basic security for places of worship, by Nicky Coorsh of SAFE: Security Advice For Everyone (held remotely).
- 20 July: Julie Moktadir and Stephen Ravenscroft, of Stone King LLP, on issues likely to affect churches and congregations post-COVID (held remotely).
- 28 September: Maria Strauss, Partner at Farrer & Co, on the fate of the Bill of Rights Bill and the possibilities for employment law post-Brexit (in person).
- 19 October: Professor Nick Hopkins and Professor Rebecca Probert, of the Law Commission, on the Commission's final proposals for reforming weddings law in England and Wales (held remotely).

The charity's Annual General Meeting was held on 28 September.

Responses to consultations

CLAS seeks to ensure that the interests of its members in relation to current and future legislation are properly represented at every opportunity. Part of that process is to issue Circulars and e-mail briefings to alert members to matters of concern so that they can make appropriate representations themselves. Equally important, however, are Government consultations; and we have responded to a series of formal and informal consultations during the year under review, some of them very general and others extremely technical. Possibly as a result of the pandemic and the fact that there were three Prime Ministers during 2022, it was a fairly quiet year for consultations.

The UK COVID-19 Inquiry

In April, we responded to the consultation by the UK COVID-19 Inquiry on its terms of reference, pointing out that the draft terms of reference did not include any reference to the impact of the various sets of restrictions on faith groups (or on volunteers and the voluntary sector in general). Nor was there any reference to the impact on life events (baptisms, weddings, funerals and equivalents for other faiths and beliefs). We noted the commitment in the draft Terms of Reference to hearing from bereaved families, but suggested that it be extended to providers of bereavement care such as faith groups, counsellors and funeral directors. More widely, we suggested that the Inquiry should hear from those whose religious practice was curtailed by the restrictions, such as Muslims who could not meet for Friday prayers and Christians who could no longer worship in church.

It transpired that we were not alone in our criticism. The Inquiry team received a large number of critical responses from faith communities and – much to our relief – the Terms of Reference were amended to include “the closure and reopening of the hospitality, retail, sport and leisure, and travel and tourism sectors, *places of worship*, and cultural institutions”.

Charity Commission Annual Return 2023

We responded to the Charity Commission's consultation on the questions to be included in the charity trustees' Annual Return for 2023. We were broadly supportive, but suggested that some of the questions needed to be tweaked slightly.

Treasury Committee inquiry into tax reliefs

In September, the House of Commons Treasury Committee announced an inquiry into tax reliefs and invited evidence from interested parties. The exact scope of the inquiry was not at all clear:

however, CLAS submitted a paper arguing for the retention of Gift Aid and the Gift Aid Small Donations Scheme in their present format. We also suggested that, post-Brexit and now that the UK was not constrained by the Sixth VAT Directive, it might be worth re-examining the Listed Places of Worship Grant Scheme with a view either to zero-rating repairs to listed places of worship for VAT rather than giving a matching grant as at present, or to establishing a VAT refund along the lines of that given to museums and galleries and for life-saving equipment used by charities such as the RNLI, under s 33 (Refunds of VAT in certain cases) Value Added Taxes Act 1994.

Welsh Government consultation on Non-Domestic Rates

In December, we made a joint response with Cytûn/Churches Together in Wales to the Welsh Government's proposals for reforming the Non-Domestic Rates regime in Wales: our response was broadly supportive of the proposals.

As well as responding to formal consultations and submitting memoranda to inquiries, the Secretariat continued to have informal contacts with a range of Government departments and regulatory bodies.

OUTCOMES AND ONGOING ISSUES

The Protect Duty

As noted in last year's Annual Report, in 2021 we responded to the Home Office's consultation on the Protect Duty, urging that any new duty on places of worship should be proportionate to their size and location and to their ability to put adequate security measures in place. During 2022 we continued to liaise with the Cathedral Security Group on the issue and, through the Group, with the Home Office. We were also in contact with SAFE (Security Advice for Everyone).

In December, the Home Secretary published a written statement in *Hansard* in which she announced the basic policy elements that would inform the upcoming Protect Duty Bill. Its two primary objectives will be to clarify who is responsible for security activity at locations within the scope of the Duty and to ensure that security activity is delivered to a consistent level. Inspection and enforcement will seek to educate, advise, and ensure compliance. and enforcement will be predominantly via civil rather than criminal sanctions. There will be two tiers of compliance: a standard tier for venues with a maximum occupancy of more than 100 people at any time and an enhanced tier for those with an occupancy of over 800. Those with a maximum occupancy fewer than 100 will not be within included in the Duty, though they will be encouraged to adopt good security practices voluntarily. Crucially, *all places of worship will be placed in the standard tier except for a small cohort of locations that charge for entry.*

Grant-aid for places of worship by parish, town and community councils

In July 2021, we made a submission to the Law Commission arguing that amending legislation was required to clarify the vexed issue of whether or not parish, town and (in Wales) community councils are permitted to grant-aid places of worship under the current legislation. The issue is now on the agenda of Historic England's Places of Worship Forum and it appears that Government is actively considering the matter.

Renting Homes (Wales) Act 2016

The proposal by the Welsh Government to bring into force the provisions of the Renting Homes (Wales) Act 2016 continued to cause difficulties. Under it, it would no longer be possible to issue a notice to quit in the first six months of a tenancy, meaning that all contract-holders would have a minimum twelve months of security at the start of their tenancy. Of particular concern to churches was that section 32 would impose a requirement on religious bodies to give their clergy and lay workers occupying their property a written statement of an "occupation contract" which would spell

out the “other consideration” required from that person under section 26 to allow his or her occupation of the dwelling. Various denominations received legal advice that an “occupation contract” would have the knock-on effect of changing the status from a recipient minister of religion from office-holder to employee, but the Welsh Government contested that view. The Act came into force on 1 December 2022: the implications of the change in the law for parsonage houses and short-term lets of church property remain to be seen.

Liaison with others in the sector

The Secretariat collectively continues to be involved in the activities of Historic England’s Places of Worship Forum, the Historic Religious Buildings Alliance, the Churches’ Funerals Group (of which the Secretary is a member *ex officio*), the Charity Law Association and RADAR (the monthly meeting of the parliamentary liaison officers of the various denominations). On matters affecting churches in Wales, we liaise very closely with Cytûn, which tends to take the lead on purely Welsh affairs. We continue to attend meetings of the Cathedral Security Group. We also have close relations with the Charity Tax Group and the Charity Property Association in relation to matters of mutual interest.

PUBLICATIONS

Circulars are issued as and when the need arises: sometimes purely for information and sometimes because member Churches need to react to changes in legislation. 17 circulars were issued during 2022 and covered a wide range of topics ranging from taxation and employment law to health & safety and property issues, though as life returned to the “new normal” there was less about COVID-19. Individual items from circulars are posted on the members-only part of the website.

COMPLIANCE AND OTHER GOVERNANCE ISSUES

RESERVES POLICY

The Governors have adopted a policy of retaining a reserve equivalent to six months’ operating costs, in line with the recommendation of the Charity Commission. On 31 December 2022 the cash balance was £76,978.51, as compared with £72,649 on 31 December 2021.

“GOING CONCERN”

The Governors are content that the charity continues to have adequate unrestricted funds to enable it to operate throughout 2023.

RISKS

The Governors review possible risks to the charity: no such risks have been identified.

REPORTING SERIOUS INCIDENTS

There were no serious incidents during the reporting year that the Trustees failed to bring to the Commission’s attention.

SAFEGUARDING

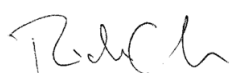
Since the Charity does not work with children or vulnerable adults it does not have a safeguarding policy.

DATA PROTECTION

The charity gathers and processes data (primarily contact information) about organisational members on the legal basis that it is necessary to do so in order to fulfil the charity's obligations to its membership and/or in its legitimate interests of being able to conduct membership administration and act effectively as a representative body. In line with its obligations under the Data Protection Act 2018, CLAS has published an updated privacy notice on the website, explaining its data retention policy.

MODERN SLAVERY

Although the charity is not obliged to make a statutory report pursuant to s 54 (Transparency in supply chains etc) of the Modern Slavery Act 2015 because its annual turnover does not exceed £36 million, the Governors and Trustees are conscious of the need to guard against slavery and human trafficking. Neither they, nor to the best of their knowledge and belief their suppliers, Central Lobby Consultants Ltd and Datadial Ltd (which hosted the charity's website during 2022), is involved in or uses the services of any third-party supplier involved in human exploitation or trafficking.



Richard Chapman

Chair



Frank Cranmer

Secretary

18 October 2023

ANNEX: MEMBERSHIP OF CLAS AS AT 31 DECEMBER 2022

Members

Association of Grace Baptist Churches (SE)
Baptist Union of Great Britain
Baptist Union of Wales/Undeb Bedyddwyr Cymru
Church Communities UK
Church in Wales/yr Eglwys yng Nghymru
Church of England
Church of Ireland
Church of Scotland
Churches Together in Britain and Ireland
Churches Together in England
Congregational Federation
CYTŪN
Elim Foursquare Gospel Alliance
Free Churches Group
Free Church of Scotland
Independent Methodist Churches
Methodist Church of Great Britain

Moravian Church
Presbyterian Church of Wales/Eglwys Bresbyteraidd Cymru
Religious Society of Friends (Quakers)
Roman Catholic Church in England and Wales
Roman Catholic Church in Scotland
Salvation Army
Scottish Episcopal Church
Union of Welsh Independents/Undeb yr Annibynwyr Cymraeg
United Free Church of Scotland
United Reformed Church

Associate members

Association of English Cathedrals
Association of Provincial Bursars
Church of Christ, Scientist
Seventh-Day Adventist Church
Stewardship
Unitarian and Free Christian Churches
United Synagogue

Professional members

Association of Church Accountants & Treasurers
Bates Wells & Braithwaite LLP
Birketts LLP
Farrer & Co
IBB Solicitors
Pothecary Witham Weld Solicitors
Sheen Stickland LLP
Stone King LLP

Churches' Legislation Advisory Service (CLAS) (256303)

Financial Statements

31 December 2022

Churches' Legislation Advisory Service (CLAS) (256303)

Receipts and Payments Account: Year to 31 December 2022

	2022	2021
	£	£
1. UNRESTRICTED FUND		
Income receipts		
Contributions for current year	78,805	78,815
Professional subscriptions	6,080	8,360
Interest received	220	4
Total receipts	<u>85,105</u>	<u>87,179</u>
Direct expenditure		
CLC fees	82,350	82,350
Meeting expenses	100	-
Internet costs	1,083	-
Catering at meeting	214	-
Insurance	350	421
Bank charges	81	96
Subscription	63	63
Total payments	<u>84,241</u>	<u>82,930</u>
Net receipts/(payments)	<u>864</u>	<u>4,249</u>
Cash and bank balances at 31 December 2021	76,978	72,729
Cash and bank balances at 31 December 2022	<u>£ 77,842</u>	<u>£ 76,978</u>

Churches' Legislation Advisory Service (CLAS) (256303)

Statement of assets and liabilities: 31 December 2022

	31.12.22	31.12.21
	Unrestricted	Unrestricted
	Fund	Fund
	£	£
Monetary assets		
Bank & cash balances		
Account and deposit at CAF bank	77,842	76,978
Receivables		
Prepayment	542	541
	78,384	77,519
Liabilities and accrued charges		
Accrued expenses	1,655	1,599
	1,655	1,599
Net monetary assets		
	£ 76,729	£ 75,920

Approved by the Trustees on 13th October 2023 and signed on their behalf by



Richard Chapman

Chair

Churches' Legislation Advisory Service

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Chartered Accountant

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Accounts

CHURCHES' LEGISLATION ADVISORY SERVICE
Registered Charity No 256303
ANNUAL REPORT FOR THE YEAR ENDING 31 DECEMBER 2021

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- (2) to co-operate with churches, other faith groups and secular bodies and to exchange information and general advice with them;
- (3) to act as a liaison body between members and Government in the UK and Europe and other statutory authorities, to conduct negotiations with those authorities relating to matters within the charity's object and to take such action as may be thought fit in response to these negotiations;
- (4) to delegate the performance of any act, including the exercise of any power or discretion, to a sub-committee consisting of any two or more of the governors. The governors must exercise reasonable supervision over the sub-committee and the sub-committee must promptly report their acts and proceedings to the governors;
- (5) to appoint staff (who must not be trustees) and pay them reasonable remuneration, including pension provision for them and their dependants; and
- (6) to make rules and regulations consistent with the scheme for the management of the charity, including rules relating to membership and the conduct of elections.

ORGANISATIONAL STRUCTURE

The membership of the Churches' Legislation Advisory Service comprises a wide range of different Christian denominations and organisations in the United Kingdom, together with representation from the Orthodox Jewish community, as Members and Associate Members. It also includes a group of Professional Members consisting of solicitors and accountants who advise religious organisations. It operates through a group of Governors – the trustees – elected by the Members, who meet three or four times a year under the chairmanship of a senior Bishop of the Church of England who has a seat in the House of Lords. The Chairman is appointed by the Archbishop of Canterbury: the other Governors are either elected at the Annual General Meeting or co-opted. The charity is serviced by a secretariat, supplied under contract by Central Lobby Consultants Ltd (CLC), which discharges the day-to-day responsibilities of the charity, subject to the management and guidance of the Governors. The most recent contract ended on 30 April 2019 and was renewed for a further three years until 30 April 2022.

GOVERNORS & TRUSTEES DURING 2021

- The Rt Revd David Urquhart, Bishop of Birmingham (Chairman *ex officio*: appointed 24 September 2020)
- Ms Joanne Anderton (Methodist Church of Great Britain) (co-opted 24 September 2020)
- Mr Richard Chapman (Church of England)
- Ms Memuna Levan-Harris (United Reformed Church)
- Ms Mary Macleod (Church of Scotland)
- The Revd Paul Rochester (Free Churches' Group)
- The Rt Revd Mgr Nicholas Rothon (Catholic Bishops' Conference of England and Wales)
- Ms Caroline Sanderson (Baptist Union of Great Britain)

The designated Secretary is Frank Cranmer, but Central Lobby Consultants Ltd provides secretariat services corporately.

WORKING FOR THE PUBLIC BENEFIT

Under the legislation in all four jurisdictions, 'The advancement of religion' is a charitable purpose, provided it is 'for the public benefit'. The principal object of the Churches' Legislation Advisory Service is to offer advice and help to its member Churches in relation to what are often complex matters of public policy and Government regulation and our work during 2021 in support of this is summarised in greater detail later in this Report. This is particularly important for the smaller Churches, most of which have very little in the way of full-time central administration or in-house legal advice. We also provide a focal point for responses to consultations by Government: only very rarely does a consultation divide the Churches on denominational grounds because most deal with technical issues relating to such matters as secular law or taxation rather than with matters of theology or religious belief.

In setting our objectives and planning our activities, our trustees have given careful consideration to the Charity Commission's general guidance on 'public benefit'. We would argue that the work of the Charity contributes significantly to the public benefit by bringing to the attention of member Churches issues of legislation and policy that might affect their activities, by acting as a clearing-house for ecumenical responses to Government policy proposals and, where appropriate, by engaging with Government in relation to those proposals – thereby helping to free member Churches to concentrate on their own core mission: *the advancement of religion for the public benefit*.

PRINCIPAL ACTIVITIES OF THE CHARITY FOR THE YEAR ENDING 31 DECEMBER 2021

As in 2020, the work of the charity during 2021 continued to be overshadowed by the COVID-19 pandemic and to some extent hampered by it. As in 2020, though we continued to keep members updated about the rapidly changing regulations and guidance on what was permitted during the various lockdowns it was only possible to hold meetings remotely via Zoom.

Meetings of the trustees

The Governors of CLAS met on two occasions in 2021: on 18 June and 11 November. The meetings were held remotely.

General meetings

The purpose of general meetings is partly to enable specialists within Member Churches to focus on particular current issues as they affect the Churches and partly to provide an opportunity for them to exchange views informally. There were two meetings in 2021, held remotely because of the pandemic:

- 21 June – members were invited to attend the Charities' Property Association's webinar on energy efficiency and renewables.
- 26 July: Julie Moktadir, Partner at Stone King, gave a webinar on the immigration system in relation to Ministers of Religion and Religious Workers.

The charity's Annual General Meeting was held remotely on 26 July, immediately after the webinar.

Responses to consultations

CLAS seeks to ensure that the interests of its members in relation to current and future legislation are properly represented at every opportunity. Part of that process is to issue Circulars and e-mail briefings to alert members to matters of concern so that they can make appropriate representations themselves. Equally important, however, are Government consultations; and we have responded to a series of formal and informal consultations during the year under review, some of them very general and others extremely technical.

The year began with a response to the Law Commission's consultation on weddings law in England and Wales. This has been a continuing issue since the Commission produced its initial Scoping Paper on the subject in December 2015 and was still unresolved by the end of 2021.

Also in January, we responded to the Treasury's call for submissions on the forthcoming Spring Budget on a single issue: the imminent ending of the Listed Places of Worship Grant Scheme, which was due to expire on 31 March 2021. It was announced in February that the Scheme would be continued for a further twelve months. In September, we made a similar submission in advance of the Autumn Budget, and it was announced in January 2022 that the Scheme would be continued for a further three years from 2022 until 31 March 2025.

Another major issue has been the proposal by the Welsh Government to bring into force the provisions of the Renting Homes (Wales) Act 2016. Under section 32, a requirement would be imposed on religious bodies to give their clergy and lay workers occupying their property a written statement of an "occupation contract" which would spell out the "other consideration" required from that person under section 26 to allow his or her occupation of the dwelling. The problem was, and remains, that clergy are not normally regarded as "employees" but as "office holders", and that for some Churches, notably the Methodist Church, an "occupation contract" would run the risk of altering the relationship between the Church and its clergy in a way that was contrary to its theology of ministry. Cytûn took the lead on this, but CLAS was involved in drawing up the submission and took part in discussions with Welsh Government civil servants. The matter remained unresolved at the end of 2021.

In July, we made a submission to the Law Commission on the vexed issue of the powers of parish, town and community councils to grant-aid places of worship. The law in this area is unclear, the contention being that s 8(1)(i) of the Local Government Act 1894 prohibits such financial support and that – unlike other aspects of that Act – there has been no subsequent legislation that overrides that prohibition. The issue was highlighted by the Government's *English Churches and Cathedrals Sustainability Review* chaired by Bernard Taylor, which, in its final report in 2017, *Sustainability of English Churches and Cathedrals*, called for the law to be clarified 'to establish that local authorities are not prohibited from awarding funding to churches'. We subsequently made a similar submission

to the Welsh Government in association with Cytûn, and the matter is now on the agenda of the Places of Worship Forum convened by DCMS.

We responded to two technical consultations by HMRC: on its Third Party Data Reporting Review insofar as its proposals related to Gift Aid claims, and on its consultation on Making Tax Digital for Corporation Tax. As to the latter, we argued that the proposals would be extremely costly and onerous, especially for small charities, and suggested that they should be exempt. A third technical consultation was by DEFRA on the draft exemption conditions for small-scale cemetery developments in low-environmental risk settings – which include existing church burial grounds.

In October, we made a joint response with the Charities' Property Association to the consultation on the reform of Domestic Energy Performance Certificates (EPCs) to introduce a third metric – Energy Use Rating – in addition to the current Energy Efficiency Rating and Environmental Impact Rating metrics. We expressed our concern about the underlying methodologies used to calculate EPCs, particularly in relation to historic and listed properties.

Possibly the most difficult issue on which we responded was the Home Office's consultation in July on the Protect Duty: in brief, that 'Venues and organisations owning, operating or responsible for publicly accessible locations should take appropriate and proportionate measures to protect the public from [terrorist] attacks' and should 'prepare their staff to respond appropriately'. We argued for a proportionate approach: what would be appropriate for a major place of worship such as a cathedral would be entirely disproportionate for a rural church or chapel. A final decision from Government is still awaited.

As well as responding to formal consultations and submitting memoranda to inquiries, the Secretariat continued to have informal contacts with a range of Government departments and regulatory bodies.

COVID-19

The period under review continued to be overshadowed by the COVID-19 pandemic, and meetings had to be held by videoconference.

OUTCOMES AND ONGOING ISSUES

Registration of excepted charities with the Charity Commission

We have raised the issue of exception from registration in previous Annual Reports and have argued for a system of phased registration, starting with the larger excepted charities. A ten-year extension to the current exceptions was agreed in January 2021 – much to the relief of the sector, which feared a sudden end to the exception, followed by an unseemly scramble to register. In December 2021, however, the Charity Commission announced in its *Business Plan 2021 to 2022* that it would:

... begin preparations for an expanded Register, working with the Church of England to pilot and manage the receipt of applications from cathedrals applying for charitable status and then up to 35,000 excepted church charities over the next decade.

Taxation

In our last Annual Report, we noted the negotiations with HMRC, led from our side by Sarah King, the Secretary of the Association of English Cathedrals, on its apparent change of policy regarding the VAT position of cathedrals and major churches in relation to supplies connected with occasional offices such as weddings and memorial services. The change was apparently in repudiation of the agreement originally negotiated between HM Customs & Excise and the Churches Main Committee, our

predecessor, and would have obliged some cathedrals to pay very large assessments for uncollected VAT which they would then have been unable to re-charge. To general relief, the negotiations turned out to be successful, and the VAT position reverted to the *status quo ante*.

Weddings law

The issue of reforming the law on weddings in England and Wales has been on the Law Commission's agenda since December 2015, when the Commission published a Scoping Paper on its possible reform. The Commission published a consultation paper in September 2020 and, as noted above, we submitted a response at the beginning of January 2021. The Commission was considering responses to the consultation and was aiming to publish its final report, with recommendations to Government, in July 2022.

The Protect Duty

As noted above, in July we responded to the Home Office's consultation in July on the Protect Duty, urging that any new duty on places of worship should be proportionate to their size and location and to their ability to put adequate security measures in place: in a nutshell, church congregations cannot be expected to start employing bouncers. We have also been liaising with the Cathedral Security Group on the issue. The Home Office published its response to the consultation in January 2022, concluding that the majority of respondents supported its proposals to introduce a legal requirement that some public places should ensure preparedness for and protection from terrorist attacks. One-third of responses to the consultation were from places of worship: a surprisingly high figure that no doubt reflected their concerns that they might be expected to put in place measures that would be beyond their staff resources.

Liaison with others in the sector

The Secretariat, collectively, continues to be involved in the activities of Historic England's Places of Worship Forum, the Historic Religious Buildings Alliance, the Churches' Funerals Group (of which the Secretary is a member *ex officio*), the Charity Law Association and RADAR (the monthly meeting of the parliamentary liaison officers of the various denominations, of which the Secretary of CLAS was chair for the first four months of the reporting year). On matters affecting churches in Wales, we liaise very closely with Cytûn, which tends to take the lead on purely Welsh affairs. As a result of concerns about the possible outcomes of the Home Office consultation on the Protect Duty, we became regular attenders at meetings of the Cathedral Security Group, for whose help we are most grateful. CLAS also has close relations with the Charity Tax Group and the Charity Property Association in relation to matters of mutual interest.

PUBLICATIONS

Circulars are issued as and when the need arises: sometimes purely for information and sometimes because member Churches need to react to changes in legislation. Twenty-five circulars were issued during 2021 and covered a wide range of topics ranging from taxation and employment law to health & safety and property issues – though, as in 2020, much of the focus during 2021 was the changing situation in relation to COVID-19. Individual items from circulars are posted on the members-only part of the website.

COMPLIANCE AND OTHER GOVERNANCE ISSUES

RESERVES POLICY

The Governors have adopted a policy of retaining a reserve equivalent to six months' operating costs, in line with the recommendation of the Charity Commission. On 31 December 2021 the cash balance was £76,978.51, as compared with £72,649 on 31 December 2020.

"GOING CONCERN"

The Governors are content that the charity continues to have adequate unrestricted funds to enable it to operate throughout 2021.

RISKS

The Governors review possible risks to the charity: no such risks have been identified.

REPORTING SERIOUS INCIDENTS

There were no serious incidents during the reporting year that the Trustees failed to bring to the Commission's attention.

SAFEGUARDING

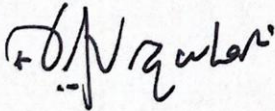
Since the Charity does not work with children or vulnerable adults it does not have a safeguarding policy.

DATA PROTECTION

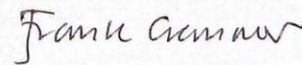
The charity gathers and processes data (primarily contact information) about organisational members on the legal basis that it is necessary to do so in order to fulfil the charity's obligations to its membership and/or in its legitimate interests of being able to conduct membership administration and act effectively as a representative body. In line with its obligations under the Data Protection Act 2018, CLAS has published an updated privacy notice on the website, explaining its data retention policy.

MODERN SLAVERY

Although the charity is not obliged to make a statutory report pursuant to s 54 (Transparency in supply chains etc) of the Modern Slavery Act 2015 because its annual turnover does not exceed £36 million, the Governors and Trustees are conscious of the need to guard against slavery and human trafficking. Neither they, nor to the best of their knowledge and belief their suppliers, Central Lobby Consultants Ltd and Datadial Ltd (which hosted the charity's website during 2021), is involved in or uses the services of any third-party supplier involved in human exploitation or trafficking.



Chairman



Secretary

28 September 2022

ANNEX: MEMBERSHIP OF CLAS AS AT 31 DECEMBER 2021

Members

Association of Grace Baptist Churches (SE)
Baptist Union of Great Britain
Baptist Union of Wales/Undeb Bedyddwyr Cymru
Church Communities UK
Church in Wales/yr Eglwys yng Nghymru
Church of England
Church of Ireland
Church of Scotland
Churches Together in Britain and Ireland
Churches Together in England
Congregational Federation
CYTŪN
Elim Foursquare Gospel Alliance
Free Churches Group
Free Church of Scotland
Independent Methodist Churches
Methodist Church
Moravian Church
Presbyterian Church of Wales/Eglwys Bresbyteraidd Cymru
Religious Society of Friends (Quakers)
Roman Catholic Church in England and Wales
Roman Catholic Church in Scotland
Salvation Army
Scottish Episcopal Church
Union of Welsh Independents/Undeb yr Annibynwyr Cymraeg
United Free Church of Scotland
United Reformed Church

Associate members

Association of English Cathedrals
Association of Provincial Bursars
Church of Christ, Scientist
Seventh-Day Adventist Church
Stewardship
Unitarian and Free Christian Churches
United Synagogue

Professional members

Association of Church Accountants & Treasurers
Bates Wells & Braithwaite LLP
Birketts LLP
Farrer & Co
IBB Solicitors
Pothecary Witham Weld Solicitors
Sheen Stickland LLP
Stone King LLP

Churches' Legislation Advisory Service (CLAS) (256303)

Financial Statements

31 December 2021

Churches' Legislation Advisory Service (CLAS) (256303)

Receipts and Payments Account: Year to 31 December 2021

	2021	2020
	£	£
1. UNRESTRICTED FUND		
Income receipts		
Contributions for current year	78,815	78,815
Professional subscriptions	8,360	6,080
Interest received	4	1
Total receipts	87,179	84,896
Direct expenditure		
CLC fees	82,350	81,536
Web site update	-	929
Printing & stationery	-	43
Postage	-	30
Internet costs	-	1,051
Meetings	-	80
Insurance	421	325
File storage	-	301
Bank charges	96	50
Independent examination	-	1,122
Subscription	63	63
Total payments	82,930	85,530
Net receipts/(payments)	4,249	(634)
Cash and bank balances at 31 December 2020	72,729	73,363
Cash and bank balances at 31 December 2021	£ 76,978	£ 72,729

Churches' Legislation Advisory Service (CLAS) (256303)

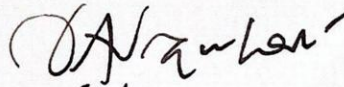
Statement of assets and liabilities: 31 December 2021

	31.12.21 Unrestricted Fund £	31.12.20 Unrestricted Fund £
Monetary assets		
Bank & cash balances		
Account and deposit at CAF bank	76,978	72,729
Receivables		
Prepayment	541	478
	77,519	73,207
Liabilities and accrued charges		
Accrued expenses	1,599	558
	1,599	558
Net monetary assets	£ 75,920	£ 72,649

Approved by the Trustees on

25 May

2022 and signed on their behalf by



Rt Revd David Urquhart

Chair

Churches' Legislation Advisory Service

Independent Examiner's report to the Trustees on the unaudited financial statements of Churches' Legislation Advisory Service for the year ended 31 December 2021.

I report on the financial statements of the Churches' Legislation Advisory Service for the year ended 31 December 2021 which are set out on pages 1 to 2.

This report is made solely to the charity's trustees, as a body and in accordance with section 145 Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work or for this report.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ("the Act").

It is my responsibility to:

- examine the financial statements
- follow procedures laid down in the General Directions given by the Charity Commission, under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention.

Independent examiner's statement

I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Anthony Alford.

Anthony Alford
Chartered Accountant

Date: 9th August 2022

Accounts



Church House, Great Smith Street, London, SW1P 3AZ
T: 020 7222 1265 E: info@clas.org.uk
www.clas.org.uk

Chairman: The Bishop of Birmingham
Secretary: Frank Cranmer

CHURCHES' LEGISLATION ADVISORY SERVICE

Registered Charity No 256303

ANNUAL REPORT FOR THE YEAR ENDING 31 DECEMBER 2020

DESCRIPTION OF TRUSTS

The Churches' Legislation Advisory Service came into existence on 8 March 2008 as the successor to the Churches Main Committee when the Charity Commission for England and Wales sealed the Scheme approving the changes.

The object of the charity is to advance the religious and other charitable work of its members by promoting their common interests in matters relating to the delivery of their work.

In pursuance of the object of the charity, its Governors have the following powers:

- (1) to provide information and general advice to members on issues such as those relating to property, finance, tax, employment and charitable status and, when appropriate, to arrange meetings for this purpose;
- (2) to co-operate with churches, other faith groups and secular bodies and to exchange information and general advice with them;
- (3) to act as a liaison body between members and Government in the UK and Europe and other statutory authorities, to conduct negotiations with those authorities relating to matters within the charity's object and to take such action as may be thought fit in response to these negotiations;
- (4) to delegate the performance of any act, including the exercise of any power or discretion, to a sub-committee consisting of any two or more of the governors. The governors must exercise reasonable supervision over the sub-committee and the sub-committee must promptly report their acts and proceedings to the governors;
- (5) to appoint staff (who must not be trustees) and pay them reasonable remuneration, including pension provision for them and their dependants; and
- (6) to make rules and regulations consistent with the scheme for the management of the charity, including rules relating to membership and the conduct of elections.

ORGANISATIONAL STRUCTURE

The membership of the Churches' Legislation Advisory Service comprises a wide range of different Christian denominations and organisations in the United Kingdom, together with representation from the Orthodox Jewish community, as Members and Associate Members. It also includes a group of Professional Members consisting of solicitors and accountants who advise religious organisations. It operates through a group of Governors – the trustees – elected by the Members, who meet three or four times a year under the chairmanship of a senior Bishop of the Church of England who has a seat in the House of Lords. The Chairman is appointed by the Archbishop of Canterbury: the other Governors are either elected at the Annual General Meeting or co-opted. The charity is serviced by a secretariat, supplied under contract by Central Lobby Consultants Ltd (CLC), which discharges the day-to-day responsibilities of the charity, subject to the management and guidance of the Governors. The most recent contract ended on 30 April 2019 and was renewed for a further three years until 30 April 2022.

GOVERNORS & TRUSTEES DURING 2020

The Rt Revd David Urquhart, Bishop of Birmingham (Chairman *ex officio*: appointed 24 September 2020)

The Rt Revd Christopher Lowson, Bishop of Lincoln (Chairman *ex officio*: resigned 20 March 2020)

Ms Joanne Anderton (Methodist Church of Great Britain) (co-opted 24 September 2020)

Mr Richard Chapman (Church of England)

Ms Memuna Levan-Harris (United Reformed Church)

Ms Mary Macleod (Church of Scotland)

The Revd Paul Rochester (Free Churches' Group)

The Rt Revd Mgr Nicholas Rethon (Catholic Bishops' Conference of England and Wales)

Ms Caroline Sanderson (Baptist Union of Great Britain)

The designated Secretary is Frank Cranmer, but Central Lobby Consultants Ltd provides secretariat services corporately.

WORKING FOR THE PUBLIC BENEFIT

Under the legislation in all four jurisdictions, 'The advancement of religion' is a charitable purpose, provided it is 'for the public benefit'.¹ The principal object of the Churches' Legislation Advisory Service is to offer advice and help to its member Churches in relation to what are often complex matters of public policy and Government regulation and our work during 2020 in support of this is summarised in greater detail later in this Report. This is particularly important for the smaller Churches, most of which have very little in the way of full-time central administration or in-house legal advice. We also

¹ England & Wales, Charities Act 2011 ss 2(1) & 3(1); Scotland, Charities and Trustee Investment (Scotland) Act 2005 s 7(1) & (2); Northern Ireland, Charities Act (Northern Ireland) 2008 s 2(1) & (2); Ireland, Charities Act 2009 s 3(1) & (2). Several member Churches of CLAS have congregations in the Republic of Ireland.

provide a focal point for responses to consultations by Government: only very rarely does a consultation divide the Churches on denominational grounds because most deal with technical issues relating to such matters as secular law or taxation rather than with matters of theology or religious belief.

In setting our objectives and planning our activities, our trustees have given careful consideration to the Charity Commission's general guidance on 'public benefit'. We would argue that the work of the Charity contributes significantly to the public benefit by bringing to the attention of member Churches issues of legislation and policy that might affect their activities, by acting as a clearing-house for ecumenical responses to Government policy proposals and, where appropriate, by engaging with Government in relation to those proposals – thereby helping to free member Churches to concentrate on their own core mission: *the advancement of religion for the public benefit*.

PRINCIPAL ACTIVITIES OF THE CHARITY FOR THE YEAR ENDING 31 DECEMBER 2020

Inevitably, the work of the charity during 2020 was overshadowed by the COVID-19 pandemic. Its activities continued – most importantly, attempting to keep member Churches updated about the rapidly changing regulations and guidance on what was permitted during the various lockdowns – however, it was only possible to hold meetings remotely via Zoom.

Meetings of the trustees

The Governors of CLAS met on three occasions in 2020: on 31 March, 24 September and 2 December. The meetings were held remotely.

General meetings

The purpose of general meetings is partly to enable specialists within Member Churches to focus on particular current issues as they affect the Churches and partly to provide an opportunity for them to exchange views informally. Keynote speakers at the meetings have included specialists from within the Churches themselves, political commentators and academics and officials working on the relevant policy areas within Government. There were four meetings in 2020, held remotely because of the pandemic:

- 20 May: a webinar with a representative of MHCLG's Faith Unit on the Government's plans for the faith sector.
- 20 May: a webinar with Alice Yandle, of Farrer & Co, on COVID-19, lockdown and employment law.
- 24 September: a webinar on eco-churches and ethical and green investment.
- 3 December: on racial equality and racial justice in churches

The charity's Annual General Meeting was held remotely on 24 September, immediately after the webinar.

Responses to consultations

CLAS seeks to ensure that the interests of its members in relation to current and future legislation are properly represented at every opportunity. Part of that process is to issue Circulars and e-mail briefings to alert members to matters of concern so that they can make appropriate representations

themselves. Equally important, however, are Government consultations; and we have responded to a series of formal and informal consultations during the year under review.

Like 2019, 2020 was fairly quiet year for consultations, overshadowed as it was by Brexit. CLAS responded to the following formal consultations and calls for evidence:

- In March, we responded to the call for evidence on *The Work of the Charity Commission*: our response was limited to one area only – the imminent ending of the exception for certain religious charities from registration with the Commission, and the issues associated with it.
- In September, we returned to the issue of excepted status in a response to a formal consultation by DCMS on the Charities (Exception from Registration) Regulations 1996. Following our response, we received an e-mail from DCMS saying that it intended to extend the Regulations by 10 years in order to give excepted charities time to prepare for registration and to allow the Charity Commission as much time as possible to implement a phased registration. To do so will require secondary legislation, which we would hope to see early in 2021.
- Also in September, we responded to HM Treasury’s call for evidence on its fundamental review of business rates, principally to argue that the precisely-targeted exemption from business rates for places of worship registered under the Places of Worship Registration Act 1855 should not be interfered with and that the present system under which mandatory reliefs for charities (not just for religious charities) are set by central government should continue undisturbed.
- In October, we submitted a response jointly with the Charities’ Property Association and the Charity Tax Group to the *Planning for the Future* White Paper, specifically in relation to proposals on the future of the Community Infrastructure Levy (CIL): we called for a charity exemption to be retained if CIL is converted into a nationally set, value-based flat rate charge (the ‘Infrastructure Levy’). This is an issue that has concerned CLAS since the original proposal for CIL was first announced: we made common cause with the Charities’ Property Association when the Planning Bill was going through the Lords to secure the current charity exemption.
- We made a brief submission to HM Treasury’s Comprehensive Spending Review calling for the extension of the Listed Places of Worship Grant Scheme [LPWGS] beyond 31 March 2021, when it was due to end.
- We responded – not uncritically – to MHCLG’s Independent Faith Engagement Review (which applied to England only).

As well as responding to formal consultations and submitting memoranda to inquiries, the Secretariat continues to have informal contacts with a range of Government departments and regulatory bodies.

COVID-19

Much of the year under review was overshadowed by the COVID-19 pandemic, and meetings had to be held by videoconference. The restrictions imposed by the pandemic meant that from March 2020 places of worship were closed: except for funerals, religious services were cancelled.

Given the frequent changes in legislation and guidance on the restrictions, much of the work of CLAS was done through frequent circulars in an attempt to keep member Churches informed of the effects of the changes as they occurred.

Outcomes and ongoing issues

Registration of excepted charities with the Charity Commission

The issue of exception from registration is one that we have raised in previous Annual Reports. As noted above, at the time of writing it appeared that DCMS was going to agree to an extension of the Charities (Exception from Registration) Regulations 1996 to allow for phased registration. A ten-year extension was agreed to in January 2021.

Taxation

As in previous years, the Secretariat has continued to have regular discussions with officials in HM Treasury and HMRC about taxation issues generally and, in particular, their effects on Churches as charities. Most important has been the ongoing negotiation with HMRC, led from our side by the Secretary of the Association of English Cathedrals, Sarah King, on the VAT position of cathedrals and major churches in relation to supplies connected with occasional offices such as weddings and memorial services. This has been a major issue that arose from an apparent change in policy by VAT officials as to what supplies were VAT-able and what were not – apparently in repudiation of the agreement originally negotiated between HM Customs & Excise and the Churches Main Committee, our predecessor – and would oblige some cathedrals to pay very large assessments for uncollected VAT which they would then be unable to re-charge. By the end of the period under review, it looked as if the negotiations would be brought to a satisfactory conclusion with the issue of new guidance.

Weddings law

We have been concerned with the issue of reforming the law on weddings in England and Wales² since December 2015, when the Law Commission published a Scoping Paper on its possible reform – with which we engaged at the time.

In our Report for 2019, we noted that the issue was complicated by the fact that, though the Civil Partnerships, Marriages and Deaths (Registration etc) Act 2019 had come into effect in May 2019, the new system for solemnizing marriages had not yet been introduced – and that remained the position for the whole of 2020.

Professor Nicholas Hopkins, Commissioner for property, family and trust law, and Professor Rebecca Probert, who has been seconded to the Commission to work on the project, had given a presentation to CLAS on the proposed reforms in 2019. The Commission finally published the consultation in September 2020, and we submitted a response at the beginning of January 2021.³ We shall no doubt return to this in our next Annual Report.

Secure tenancies

Partly in response to the COVID-19 pandemic, the UK and Welsh Governments made it much more difficult for landlords to obtain possession from defaulting tenants. While this was entirely

² Weddings law in Scotland and Northern Ireland is entirely different.

³ Which, of course, is outside the scope of this Report.

understandable, given the circumstances, it made it much more difficult for churches which have been accustomed to offer short-term lets of unoccupied property intended for church-workers to continue to do so if they had no guarantee that they could regain possession. We raised this with both MHCLG and the Welsh Government but – as one might expect, given the circumstances – the matter remained unresolved.

Smoke-free premises in Wales

Perhaps surprisingly, together with Cytûn we have been engaged with the issue of smoking in the workplace in Wales since the Welsh Government first announced a consultation on the draft Smoke-free Premises and Vehicles (Wales) Regulations 2018. The critical issue from the point of view of CLAS has been whether or not clergy would, in effect, be barred from smoking in their own homes because – uniquely – the parsonage house is both the cleric's 'workplace' and home, both in practical terms and from the point of view of HMRC for tax purposes. The negotiations, led by Cytûn, were brought to a satisfactory conclusion at the end of 2020.

Liaison with others in the sector

The Secretariat, collectively, continues to be involved in the activities of Historic England's Places of Worship Forum, the Historic Religious Buildings Alliance, the Churches' Funerals Group (of which the Secretary is a member *ex officio*), the Charity Law Association and RADAR (the monthly meeting of the parliamentary liaison officers of the various denominations, of which the Secretary of CLAS was chair for the last two months of the reporting year). CLAS also has close relations with the Charity Tax Group and the Charity Property Association in relation to matters of mutual interest.

PUBLICATIONS

Circulars are issued as and when the need arises: sometimes purely for information and sometimes because member Churches need to react to changes in legislation. Thirty-three circulars were issued during 2020 and covered a wide range of topics ranging from taxation and employment law to health & safety and property issues – though, inevitably, the principal focus during 2020 was the changing situation in relation to COVID-19. Individual items from circulars are posted on the members-only part of the website.

COMPLIANCE AND OTHER GOVERNANCE ISSUES

RESERVES POLICY

The Governors have adopted a policy of retaining a reserve equivalent to six months' operating costs, in line with the recommendation of the Charity Commission. On 31 December 2020 the cash balance was £72,649, as compared with £72,313 on 31 December 2019.

"GOING CONCERN"

The Governors are content that the charity continues to have adequate unrestricted funds to enable it to operate throughout 2021.

RISKS

The Governors review possible risks to the charity: no such risks have been identified.

REPORTING SERIOUS INCIDENTS

There were no serious incidents during the reporting year that the Trustees failed to bring to the Commission's attention.

SAFEGUARDING

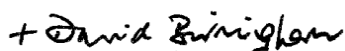
Since the Charity does not work with children or vulnerable adults it does not have a safeguarding policy.

DATA PROTECTION

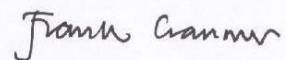
The charity gathers and processes data (primarily contact information) about organisational members on the legal basis of it being necessary for us to do so in order to fulfil our obligations to our membership and/or in the legitimate interests of CLAS being able to conduct membership administration and act effectively as a representative body. In line with its obligations under GDPR, CLAS has published an updated privacy notice on the website, explaining our data retention policy.

MODERN SLAVERY

Although the charity is not obliged to make a statutory report pursuant to s 54 (Transparency in supply chains etc) of the Modern Slavery Act 2015 because its annual turnover does not exceed £36 million, the Governors and Trustees are conscious of the need to guard against slavery and human trafficking. Neither they, nor to the best of their knowledge and belief their suppliers, Central Lobby Consultants Ltd and Datadial Ltd (which hosted the charity's website during 2020), is involved in or uses the services of any third-party supplier involved in human exploitation or trafficking.



Chairman



Secretary

26 July 2021

ANNEX: MEMBERSHIP OF CLAS AS AT 31 DECEMBER 2020

Members

Association of Grace Baptist Churches (SE)

Baptist Union of Great Britain

Baptist Union of Wales/Undeb Bedyddwyr Cymru

Church Communities UK

Church in Wales/yr Eglwys yng Nghymru

Church of England

Church of Ireland

Church of Scotland

Churches Together in Britain and Ireland

Churches Together in England

Congregational Federation

CYTŪN

Elim Foursquare Gospel Alliance

Free Churches Group

Free Church of Scotland

Independent Methodist Churches

Methodist Church

Moravian Church

Presbyterian Church of Wales/Eglwys Bresbyteraidd Cymru

Religious Society of Friends (Quakers)

Roman Catholic Church in England and Wales

Roman Catholic Church in Scotland

Salvation Army

Scottish Episcopal Church

Union of Welsh Independents/Undeb yr Annibynwyr Cymraeg

United Free Church of Scotland

United Reformed Church

Associate members

Association of English Cathedrals

Association of Provincial Bursars

Seventh-Day Adventist Church

Stewardship

Unitarian and Free Christian Churches

United Synagogue

Professional members

Association of Church Accountants & Treasurers

Bates Wells LLP

Birketts LLP

Farrer & Co

IBB Solicitors

Pothecary Witham Weld Solicitors

Sheen Stickland LLP

Stone King

Churches' Legislation Advisory Service (CLAS) (256303)

Financial Statements

31 December 2020

Churches' Legislation Advisory Service (CLAS) (256303)

Receipts and Payments Account: Year to 31 December 2020

	2020	2019
	£	£
1. UNRESTRICTED FUND		
Income receipts		
Contributions for current year	78,815	81,570
Professional subscriptions	6,080	7,313
Interest received	1	-
Total receipts	84,896	88,883
Direct expenditure		
CLC fees	81,536	73,111
Web site update	929	-
Printing & stationery	43	485
Postage	30	41
Internet costs	1,051	107
Meetings	80	771
Insurance	325	321
File storage	301	391
Bank charges	50	72
Travel	0	96
Independent examination	1,122	-
Subscription	63	146
Total payments	85,530	75,541
Net receipts/(payments)	(634)	13,342
Cash and bank balances at 31 December 2019	73,363	60,021
Cash and bank balances at 31 December 2020	£72,729	£ 73,363

Churches' Legislation Advisory Service (CLAS) (256303)

Statement of assets and liabilities: 31 December 2020

	31.12.20	31.12.19
	Unrestricted	Unrestricted
	Fund	Fund
	£	£
Monetary assets		
Bank & cash balances		
Account at HSBC	72,729	73,363
Receivables Prepayment	478	-
	73,207	73,363
Liabilities and accrued charges		
Accrued expenses	558	1,050
	-	-
	558	
		1,050
Net monetary assets	72,649	
		£ 72,313

Approved by the Trustees on 26 July 2021 and signed on their behalf by

+ David Buntingham

Rt Revd David Urquhart

Chair

Churches' Legislation Advisory Service

Independent Examiner's report to the Trustees on the unaudited financial statements of Churches' Legislation Advisory Service for the year ended 31 December 2020.

I report on the financial statements of the Churches' Legislation Advisory Service for the year ended 31 December 2020 which are set out on pages 1 to 2.

This report is made solely to the charity's trustees, as a body and in accordance with section 145 Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken of the so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work or for this report.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ("the Act").

It is my responsibility to:

- examine the financial statements
- follow procedures laid down in the General Directions given by the Charity Commission, under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention.

Independent examiner's statement

I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Anthony Alford

Anthony Alford
Chartered Accountant

Date:

23 July 2021