



# The Everyclick Compliance Agreement

**This presentation is for illustration and guidance only, and is based on our current understanding of Charity Law, which may be subject to change. Everyclick cannot be held responsible for its contents, and the recipient should take independent legal advice.**



# Everyclick Compliance Agreement

1. The Agreement comprises two distinct parts;
  - a) Commercial Participation Agreement (CPA)
  - b) Self-Billing mechanism to facilitate processing payments.
2. The CPA is required within the United Kingdom by the 1992 Charities Act.
3. The Self-Billing Agreement is primarily for the convenience of the Charity and its Auditors
4. The Charity must provide and confirm Bank details to Everyclick, to allow payment of the funds raised.



## Everyclick Compliance Agreement

- Under Part 2 of the Charities Act 1992 (section 59(2)), a commercial participator must also have entered into an agreement with the charitable institution which it is representing, that charitable contributions are to be given or applied, before any relevant representation is made.



# Everyclick Compliance Agreement

- The Commercial Participation Agreement:
  - Designed to comply with the 1992 Charities Act
  - Everyclick is required by the Act to supply such an agreement
  - Required, even if Charity is below the current VAT threshold (currently £77,000 p.a. as at 2012)
  - There is no over-all financial cost to the charity
  - The agreement protects the charity's interests



# Everyclick Compliance Agreement

- The most frequent cause of questions is the Trading Payment.
- Everyclick cannot decide the Trading Payment percentage, the charity must decide.
- Everyclick states that “in our experience, 10% has been acceptable to HMRC and to our other charities”.
- It is worth looking further into the Trading Payment.



# Everyclick Compliance Agreement

- The Trading Payment represents the percentage of the total charity income from Everyclick, which the charity estimates is due to Everyclick having the non-exclusive right to use the brand of the charity to promote GAYL™ and Everyclick. This percentage would be deemed as trading income rather than a gift and consequently will be liable to VAT for the qualifying charity.



# Everyclick Compliance Agreement

- A non-VAT qualifying charity who has signed the Compliance Agreement will receive a Trading Payment which will be derived from the percentage specified (say 10%). Thus, one payment of 90% of the funds raised, and a second payment of the remaining 10%, but without VAT added. In the event that VAT becomes payable VAT will be included based on the 10% element.
- It is the responsibility of the Charity to notify Everyclick of any changes in VAT status or bank account details.

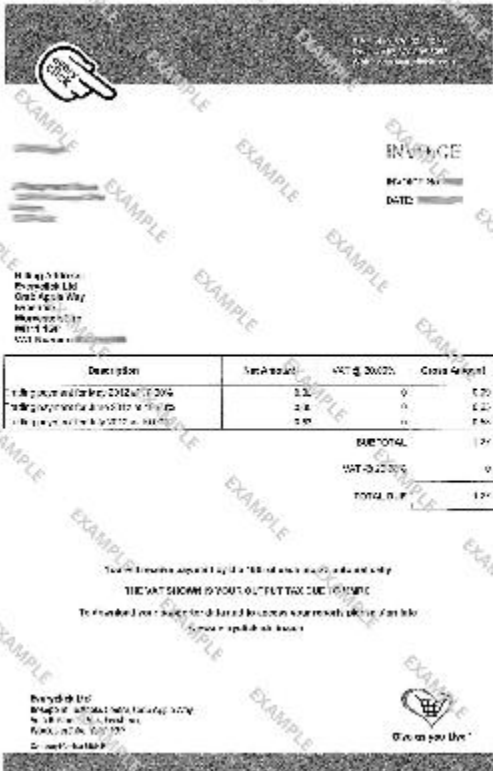


# Everyclick Compliance Agreement

Example

Trading Payment

Non-VAT







# Everyclick Compliance Agreement

Example  
Trading Payment  
VAT Registered

**everyclick**

0147 9413 204/205  
Riverside, 475, 202 1000  
Newcastle upon Tyne, NE1 1JG

**Invoice** (click)

**INVOICE**

INVOICE No: 1001  
DATE: 15/08/2011

**To Order:** Nelson Mandela House  
Preston  
Lancashire  
PR1 1TA  
VAT Number: 454 6743 21

**Billing Address:** Everyclick Ltd  
Crab Apple Way  
Preston  
Wiltshire BA12 9JF  
VAT Number: 043 843 330


Description	Net Amount	VAT @ 20.00%	Gross Amount
Trading payment for August 2011 of 10 GBP	20.00	4.00	24.00
		MINICHALS	20.00
		VAT @ 20.00%	4.00
		<b>TOTAL DUE</b>	<b>28.00</b>

You will receive payment by the 10th of each month automatically

THE VAT SHOWN ON YOUR INVOICES IS NOT A DEDUCTION

To download your supplier data and to access your reports please sign into [www.everyclickbusiness.com](http://www.everyclickbusiness.com)

Everyclick Ltd  
Esplanade Business Centre, Crab Apple Way,  
Vale Business Park, Cradley,  
Northampton NN1 8JF  
Company Number: 108674

 Give us you Live™



# Everyclick Compliance Agreement

## Summary

1. Everyclick is assisting the Charity to comply with the Charities Act 1992 and related regulations.
2. The agreement protects the use of the Charity's brand
3. Everyclick does not charge for services to the Charity or its supporters
4. The Trading Payment applies whether a Charity is liable for VAT or not
5. At no point is the Charity worse off (all funds raised will be received)
6. By self-billing we simplify the Charity's accounting and audit process and save on administration.
7. Bank account details must be submitted to allow payment of funds



# Everyclick Compliance Agreement

## Further Information

Everyclick Ltd

Basepoint Business Centre

Crabapple Way

Vale Business Park

Evesham

Worcestershire

WR11 1GP

Tel: 0870 005 5050

Company website: [www.everyclickltd.com](http://www.everyclickltd.com)

Charity Admin: [www.everyclickadmin.com](http://www.everyclickadmin.com)

Give as you Live: [www.giveasyoulive.com](http://www.giveasyoulive.com)

Everyclick search and fundraising: [www.everyclick.com](http://www.everyclick.com)