



Non-exclusive use licence agreements and insurance – workflow for congregations

Section one – completion of non-exclusive use licence agreement

Step 1.

- Congregation downloads current non-exclusive use licence agreement from the Uniting Church in Australia, Queensland Synod website: <https://ucaqld.com.au/synod-services/property/forms/>

Step 2.

- Congregation prepopulates the non-exclusive use licence agreement by inserting the name of the congregation and terms of payment (if the congregation has any preset hire costs).
- Congregation provides the user with the prepopulated non-exclusive use licence agreement.

Note

- If the congregation has any questions in relation to the GST payable on the licence fee, the congregation must raise their GST query to the Synod's Finance Services on (07) 3377 9765 or email pres.accounts@ucaqld.com.au.

Step 3.

- The user first reads and considers the conditions of the the non-exclusive use licence agreement.
- If agreeable, the user completes the top section of the non-exclusive use licence agreement by including their name, address, telephone number, dates and times of hire, plus a description on how they will use the church property.

Step 4.

- The user obtains the Public Liability Insurance certificate of currency as per condition 7 of the non-exclusive use licence agreement. See Section 2: Insurance Certificate (next page) on how the user can obtain Public Liability Insurance for their event.

Step 5.

- The user signs the non-exclusive use licence agreement under the bottom section labelled "Signed by the Said User".
- The user then submits the non-exclusive use licence agreement, the Public Liability Certificate of Currency and the payment of the licence fee back to the congregation.

Step 6.

- A representative of the congregation signs the non-exclusive use licence agreement under the bottom section labelled "Consent of congregation/department".
- The licence fee payment is receipted and banked by the congregation.

Step 7.

- Prior to use, the congregation submits the signed non-exclusive use licence agreement and the user's Public Liability Certificate of Currency to Uniting Church Legal Services by email property@ucaqld.com.au. If the congregation does not have access to email, the two documents can be posted via Uniting Church Legal Services, GPO Box 674, Brisbane QLD 4001.

Step 8.

- An authorised officer of The Uniting Church in Australia Property Trust (Q.) completes and signs the non-exclusive use licence agreement.
- Once signed, a copy of the fully signed non-exclusive use licence agreement is emailed back to the congregation.



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Section two – insurance certificate

Church property used for private family functions

- The user of the non-exclusive use licence agreement is an individual
- Private family functions being birthdays, anniversaries, engagements, weddings and similar private events.

Note:

- The user must obtain a Public Liability Insurance cover that meets their requirements. The user can obtain Public Liability Insurance via the following three options:



1. Own domestic insurance policy

- Most house and contents on the insurance market include a public liability benefit (sometimes known as general liability).
- The user must contact their house and contents insurer to
 - i) find out if their cover will protect the family for the private family function, and if so
 - ii) obtain a certificate of currency from their insurer.

2. Insurance via hall hirers insurance application form

- The congregation can provide the user with the Public Liability Insurance: Hall Hirers Insurance Application form. This form is available on the Synod website: <https://ucaqld.com.au/synod-services/property/forms/>
- The user submits the Hall Hirers Insurance Application form to Aon Risk Services, no less than one (1) week before the event and, if approved, Aon will issue the user with a certificate of currency.

3. Insurance via own research and enquiries.

- The user makes their own enquiries by contacting insurance companies, insurance brokers or other insurance providers.

Church property is used by another group or organisation.

Note: This does not include any ministries or groups that are managed by your congregation.

- The user must obtain a Public Liability Insurance cover that meets their requirements. The user can obtain public liability insurance via the following two options:

1. The user has Public Liability Insurance .

- The user contacts their Public Liability Insurance insurer to check that their event is covered at the church site, and if so, they obtain a certificate of currency from their insurer.

2. The user does not have Public Liability Insurance.

- The user makes their own enquiries by contacting insurance companies, insurance brokers or other insurance providers.



Non-exclusive use licence agreements

Section three – GST implications

The supply of the property under a licence arrangement is, ordinarily a taxable supply for GST purposes.

The exception to this rule is where the non-commercial activities of your congregation meets one of the following considerations:

- If the hall hire is less than 50% of the GST inclusive market value the hall hire, or
- If the hall hire is less than 75% of the cost to provide the hire.

If your situation meet one of the above criteria then it becomes a tax-free supply.

For congregations the hard question then is: what is the market value for what you're supplying?

The GST inclusive market value of the hall hire is based on documented investigation including finding the same supply or one that is similar or equivalent in nature that exists in the same locality (e.g. same type of premises, standard of facilities offered, conditions of use, such as the hire of a school hall or community hall). In determining market value, it is important to ensure that thorough records are maintained to document the process and information collected in working out the relevant market rates.

If you wanted to apply the second consideration, your calculation of the cost of providing the hall hire should include direct costs incurred and well as a reasonable apportionment of indirect costs (e.g. electricity bills). Again, it is imperative that you keep the records you used to reach your conclusion and review it from time to time as costs/market values change.

For congregations in the Brisbane area, the below providers may be useful for comparison:

- [Communify.org.au](http://www.communify.org.au/general-venue-info/) <http://www.communify.org.au/general-venue-info/>
- Please note that the Community sites are generally properties on very low value lease, so their holding costs will be quite different to the Uniting Church in Australia, Queensland Synod.
- Brisbane City Council <https://www.brisbane.qld.gov.au/facilities-recreation/libraries/facilities-services/hiring-library-meeting-rooms#2>
- Brisbane City Council also has meeting rooms available for hire.

If a congregation has any questions in relation to the GST payable on the Licence Fee, the congregation must raise their GST query to the Synod's Finance Services on (07) 3377 9765 or email pres.accounts@ucaqld.com.au.