

TREASURERS' NEWS

The latest news for Presbyterian & Cooperating Venture parishes

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Treasurers' News

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Welcome to our May newsletter...

Time is marching on as we move through the autumn and approach the financial year-end. In this newsletter we have vital information on the Financial Consolidation for the 2022 year. If there are members of your leadership or parish council that should be receiving this newsletter, please encourage them to subscribe them to the Treasurers' News email here. You can access current and past newsletters from the same page. The newsletter is an important communication between PCANZ National Office and parishes. Thank you for your help in improving our communication as we include more contacts in our News address group.

In this newsletter we highlight key details on the Financial Consolidation. In the next few weeks, we will send out more detailed information on the Financial Consolidation.

Thank you for your assistance; I appreciate the work that you do for your parish.

Contacts

Contact Martyn Vincent if you have any questions on the Financial Consolidation or Charities Services filing. For more general and assessment enquiries, email Katrina Graham.

Camila Farias

Head of Finance and Operations

FINANCIAL CONSOLIDATION TIMETABLE 30 JUNE 2022

The timetable for the 2022 Financial Consolidation will be:

27/05/2022	Distribution Complete Parish Consolidation Packs to Parishes/Trusts & Reviewers.
10/06/2022	Parishes and Trusts send bank audit certificate request to their banks and Christian Savings if not completed in previous years.
31/05/2022	Parishes/Trusts send the Financial Reviewer form to PCANZFC@presbyterian.org.nz
30/06/2022	Consolidation Financial Year End
31/08/2022	Parishes and Trusts submit Year End Pack along with supporting documentation to PCANZFC@presbyterian.org.nz . Please send before this date if possible.
For Parishes & Trusts that have official audit/review process	
30/09/2022	<ul style="list-style-type: none"> • Submit Audited Final Accounts & Report (for Parishes and Trusts that have official audit) and, • Final updated Trial Balance after all audit adjustments

If you can send in before the above dates that will be appreciated. This will enable us to start work on the consolidation earlier.

If have any issues with meeting any of the above dates, please contact the Consolidation Team, email PCANZFC@presbyterian.org.nz. Please note this is a very busy time for our small team at the Church' office, so there may be a delay in getting back to you. We appreciate your patience.

Note: the deadline for parishes and trusts trial balances to be sent to us is by the **31 August 2022**. The earlier deadline is to enable us to complete the accounts, have them audited by our auditors, and file the accounts to the Charities Services by the end of December. If you have any comments of suggestions to aid with the 2022 consolidation, please email PCANZFC@presbyterian.org.nz.

Year End Financial Reporting Packs

This month we will send out the reporting packs for parishes & reviewers. The pack will include a variety of documentation, guidelines and templates which will aid the 2022 Consolidation, helping both parishes and the PCANZ for the 2022 Consolidation.

Note: PCANZ (Presbyterian Church of Aotearoa New Zealand) Financial Consolidation is a Tier 1 reporting entity for the Charities Services which demands a higher standard of reporting, and will require more financial information from parishes that is not needed for either Tier 3 or Tier 4. This has been reflected on the information detail required on the Year End Packs.

We understand this may be overwhelming at first, we are here to help and together we can achieve this. Please note some forms you will be familiar with, such as the financial and membership statistical pack with some improvements and helpful suggestions.

Be assured that we are continuously reviewing and looking for ways to simplify the process to parishes as much as we can while still complying with requirements and regulations.



Agreed Upon Procedures (AUP)

In previous newsletters we advised parishes that we are preparing Agreed Upon Procedures (AUP) review for parishes' reviewers to complete. The AUP will cover standard procedures that good financial governance should follow in any organisation. For example, retention of supporting documents for payments, two signatories required for payments of accounts, regular council meetings to review the accounts of the parish etc. These are a few examples there will be others, and we will keep the AUP process simple and easy to follow.

For the 2022 Consolidation, there will also be a Year End pack for your approved reviewer which

includes guidance to apply the AUP. If you wish to discuss the AUP with your reviewer, please do so. A qualified financial reviewer should be following a similar set of procedures when completing the review of the parish, so they will be familiar with these AUPs.

In the future the AUP will form part of the annual financial review process by our review process and will aid our auditors, Ernst & Young, in their audit of the Group Consolidated accounts. The AUP will focus on key financial controls, and we are planning that it should not be too onerous to complete by reviewers.

ANNUAL FINANCIAL REVIEWS

As you may be aware, the PCANZ Book of Order was amended last year so that if a parish wishes to have their own financial review or audit then the reviewer or auditor must be approved by PCANZ.

Parishes must have an annual financial review or audit as required by Charities Services. Under the PCANZ Book of Order, the reviewer or auditor must be approved by PCANZ as part of the PCANZ Group. There are statutory and regulatory guidelines on who may complete a review or audit. It has become clear to us that many parishes are unaware of the details in the regulations, the parish reviews or audits are not being completed by a suitably qualified person or firm. In the April '22 Treasurers' News No.238, we prepared a summary of the regulations and definition of suitable qualified persons or firms.

Thank you for your questions on the parish review and to those have sent us the Parish Reviewer Form attached to second Treasurers' Newsletter sent it April, No. 239. Note that there was an error in the No.239 newsletter - the email address to send the form to was incorrect. The correct address is: PCANZFC@presbyterian.org.nz.

In April Treasurers' newsletter No.238, the definition and qualifications of a qualified reviewer was detailed. We will apply some flexibility on who is a suitably qualified person and will consider the limitations parishes may have in finding a reviewer for the 2022 review process. Under the Book of Order and the Charities Services guidelines the reviewer should have suitable qualifications, for example be a member of CAANZ (Chartered Accountants Australia and New Zealand) or a CPA (Certified Practising Accountant). We recognise that the reviewer could be a member of another recognised accounting organisation, for example the ICAEW (Institute of Chartered Accounts of England and Wales), or another country's equivalent. As mentioned, we will be flexible.

Examples of a person who may not be a suitably qualified reviewer would be someone who has a degree or qualification in a non-accounting subject or who has not had formal accounting training and, in particular, auditing.

We are consulting our auditors Ernst & Young and will take their views and suggestions into account when we review the qualifications of reviewers.

The financial reviewer form will need to be completed by all parishes for this year, this will be part of our consolidation records for our files, even if you have had the same person reviewing your accounts for many years. Once you have sent us the form, we will not require the form for future years unless to change your reviewer. Please complete the financial reviewer form and send it to the following email address PCANZFC@presbyterian.org.nz by the 31 May 2022. If you have sent the financial reviewer form to us already, thank you, we will reply to you.



Stipend 2022-2023

In the next week or so we will be sending out instructions to parish treasurers, ministers, and presbyteries on any changes to the stipend for the 2022-2023 period.

Contacts for support

Where to find accounting advice and support

- For XERO users, if you need accounting advice, please contact Laurenson's, particularly if you want ongoing support. Email Laurenson's [Rowena Janes](#).
- If you have non-Xero accounting questions, please contact Church finance, email [Martyn Vincent](#).
- Another accounting supplier to consider for ongoing accounting support is CATAS (Church and Trust Accounting Services). They supply a full range of accounting services and cater for charities, phone (04) 282 1377 or [email](#) them. They are based in Christchurch and have clients throughout New Zealand.
- There are many chartered accounting firms throughout New Zealand that can supply help, advice and support for your parish. However, we recommend that you consider either Laurenson's or CATAS as above, they have experience with the charity sector, and in particular, church organisations.

