

TREASURERS' NEWS

The latest news for Presbyterian & Cooperating Venture parishes

Highlights This Issue

**Financial Consolidation
30 June 2021 Timetable**

**Minister Seniority
Rates**

**Parish Financial
Accounts Under
Charities Registration
Option 1**

**Vehicle Mileage
Reimbursement Rates**

Treasurers' News

Camila Farias

Finance Manager

Presbyterian Church of Aotearoa NZ

275 Cuba St, Wellington 6141

www.presbyterian.org.nz

camila@presbyterian.org.nz



Welcome to our July newsletter...

I hope that wherever you are the rain and cold are not causing you problems. Our southern regions have certainly been hit hard emotionally and financially.

Something warmer... my welcome as the Church's new Head of Finance. I am Camila Farias, and my background is as an accountant for NGOs, including the NZ Red Cross. I am excited to be working for a Church committed to doing so much good with and for its communities. I hope to meet many of you over the coming months. If you see me at the General Assembly, please say hello - that's me in the photo above. You can contact me at camila@presbyterian.org.nz

I took up my new role at the end of June and headed straight into all the work that the financial year end brings. Working with our auditors is a busy time for national office. I know it is a busy time for you too and I hope you find the information in this month's newsletter useful.

If you have any questions on the Financial Consolidation or Charities Services filing, please contact Martyn Vincent martyn@presbyterian.org.nz

For more general and assessment queries, contact Katrina Graham katrina@presbyterian.org.nz and for any questions regarding consolidation contact PCANZFC@presbyterian.org.nz

Financial Consolidation

30 June 2021

Key dates for the Financial Consolidation:

- 31 August 2021 – Parish Statistic forms to Katrina Graham katrina@presbyterian.org.nz
- 7 September 2021 – Send the parish or trust 30 June 2021 trial balance or accounts (or the latest year-end balance if not June 2021) to PCANZ email address PCANZFC@presbyterian.org.nz Our preference is to receive the trial balance or accounts in either a CSV or EXCEL format if possible.
- 7 September 2021 – If the parish uses XERO and has not given PCANZ access to XERO, please could you do so by this date. This access is appreciated as it makes the consolidation easier for processing. The advisor access needs to be given to Martyn Vincent, email martyn@presbyterian.org.nz and Glen Williams, email glenwilliams63@outlook.com



Minister Seniority Rates

We have received enquiries about the seniority rates for the minister's stipend, what constitutes a year of service, and when the minister moves to the next rate. Clarify the rate for seniority as follows:

- 0% for the first Year
- 6% for years 2,3 ,4 and 5
- 12% for years 6,7,8,9 and 10

The second year means at the start of the second year or the completion of the first year. The same applies to moving to the 3rd and subsequent years of service, and moving from one service band to the next. If you need more clarification, please contact [Camila Farias](#).

Parish Financial Accounts Under Charities Registration Option 1

NOTE this article applies only to PCANZ parishes that selected Option 1. UCANZ parishes and PCANZ parishes that selected Option 2 will continue to produce their annual accounts and file their accounts with the Charities Services.

Parishes have asked that if they selected Option 1 for the Charities Services filing of their accounts whether they should produce annual accounts.

For those parishes that selected Option 1, for the 30 June 2021 year the accounts will be required to have a review or audit. We recommend that the parishes produce annual accounts in the same format they have completed in previous years. You will not need to file the accounts with the Charities Services.

For future years continue to produce annual accounts for the benefit of the parish leadership team and the congregation for the Annual General Meeting (AGM).

Please refer to the Book of Order 5.2 Functions of the congregation in particular Section 5.2(4)(b)

(b) approve the budget and financial statements at the annual general meeting,

Should you have any further questions, please contact either [Camila Farias](#) or [Martyn Vincent](#).

Vehicle Mileage Reimbursement Rates



The Church Management Support Guide (CMS) Section 3.3.4 [note that the CMS will soon be updated to reflect the new rates shown below] should be referred to for the latest vehicle mileage reimbursement rates, as advised by the Inter Church Bureau. Note that the tables include Hybrid and Electric vehicles. They are based on, but do not replicate, rates advised by the Automobile Association and Inland Revenue. Rates are recommendations only and alternative rates (or reimbursement systems) may be negotiated between the minister and the church. Current rates advised by the Inter Church Bureau are:

Any person wishing to use the kilometre rate to calculate in the first table must maintain a logbook or be able to provide other evidence that establishes the church use of the vehicle for an income year (tax year – 31 March is each year). The following are the rates per kilometre that apply from 1 July 2021 and assume a logbook IS being kept:

Kilometre Rates – With logbooks maintained		
Vehicle Type	Tier Two Rates (up to 14,000km)	Tier Two Rates (above 14,000km)
Petrol or Diesel	79 cents	30 cents
Petrol Hybrid	79 cents	19 cents
Electric	79 cents	9 cents

In the absence of records as set out in the preceding paragraph, the use of the Tier One rates will be limited to the first 3,500km of business kilometres. The Tier Two rates will be used for the kilometres travelled for employment purposes above the 3,500km threshold.

Kilometre Rates – With logbooks NOT being maintained		
Vehicle Type	Tier One Rates (up to 3,500km)	Tier Two Rates (above 3,500 km)
Petrol or Diesel	79 cents	30 cents
Petrol Hybrid	79 cents	19 cents
Electric	79 cents	9 cents

The IRD Commissioner's kilometre rates are calculated on a GST inclusive basis. However, input tax cannot be claimed on the estimated allowances paid to reimburse an employee. GST input tax may only be claimed on an actual basis with the appropriate tax invoice being held at the time of claiming.

Rates are for total church-related travel undertaken over the course of the year, so an estimate of mileage over a year, therefore a reimbursement rate band should be agreed between the church and the minister (or employee) in advance. As a registered charity, mileage reimbursement for church business is not subject to Fringe Benefit tax, but reimbursement at higher rates might be. You may contact Inland Revenue or the Assembly Office for further advice.

The Inland Revenue Department (IRD) has an operational statement that relates to the tax-exempt portion of an amount paid to a presbyter, an employee or other person. It is simply a way to calculate the reimbursement rates of expenditure incurred by the presbyter, employee, or other person where that person uses their private motor vehicle for church related travel.

Please note that in nearly all cases (there are limited exemptions to this general rule), travel between your home and place of work is considered private use and therefore the information set out here does not relate to that travel.

A more detailed guide on Vehicle Mileage Reimbursement rates can be found in the CMS guide