



Presbyterian Church of Aotearoa New Zealand

FINANCE NEWSLETTER 178

TO: Parish Treasurers, Presbytery and Parish clerks
FROM: Brendan Sweeney, Manager, Financial Services
DATE: 30 November 2015

1.	Filing church annual accounts on Charities register
2.	Health and Safety update
3.	Tier 2 accounting standards
4.	Infoodle church management software

1. Filing church annual accounts on Charities Register

Further to the June and August newsletters, this is a reminder that if your church has a June balance date, the filing of annual accounts on the Charities register is required by 31 December. The process is detailed by Charities Services on their website:

<https://charities.govt.nz/im-a-registered-charity/annual-returns/how-to-complete-an-annual-return/>

The return is in four sections:

- Charitable Entity details
- People (including staff and volunteers)
- Financial Information (Profit and Loss and Balance Sheet summary)
- Supporting Information (including the attachment of annual accounts)

A link to the Annual Return form (Charities Services form 4) is below, and the form is presented (without accompanying notes contained in the link) in appendix 1.

<https://charities.govt.nz/assets/Uploads/Resources/Annual-Return-Form-4.pdf>

Please note that the financial information required closely replicates the information required under the new tier 3 and 4 reporting standards to be introduced next year. I have been informed that Charities Services are undertaking a project to align the required fields in order to reduce the workload in filing annual returns from 2016.

The return may be completed manually and mailed to Charities Services, or posted online. If done online, you will need the Charities username and password issued when your churches registration was confirmed, to update the churches information on the register. Refer to:

<https://www.register.charities.govt.nz/Account/LogOn>

The return will incur a fee of \$51.11 if completed online, and \$76.67 if done manually, to be paid prior to the accounts being posted on the register.

When completing the return, you may be guided by the financial and membership statistics of the church to June 2015. Please refer to charities services or to me if you need assistance in completing and posting the annual return

2. Health and Safety update

Further to the July newsletter, the following is an extract from my October report to Council of Assembly on the communication of the Health and Safety in the Workplace Act 2015, to churches:

The Health and Safety Reform Act has been passed into law and takes effect from 1 April 2016. The Act is big on liability for accidents in workplaces and actions that should be taken to mitigate risk.

This is going to be the next big challenge for churches as it is another new piece of legislation that has to be complied with. There are complexities due to different requirements in different church settings (ministry, volunteers, children and youth) and a possible impact on existing liability cover.

I am a member of a workgroup that has been established by the Inter Church Bureau (ICB) and tasked with communicating the Act and promoting compliance tools to churches of all denominations. The workgroup has retained an Employment Relations Consultant, Paul Diver and Associates (recommended by the Methodist Church) who will host a test workshop to 100 invited attendees (16 Presbyterian), in Auckland on 24 November. Feedback from that workshop will refine the content for a planned series of workshops to be held throughout the country in the New Year. It is likely that to reduce cost the leadership of these workshops will move from the consultants to Church people as the roadshow develops.

Subsequent to this communication, I attended the test workshop at Manukau Baptist Church last week, and my thanks go to the 15 or so representatives from the Presbyterian Church who attended. I thought it was a good presentation that could use some development and the feedback from attendees will be valuable in making the proposed roadshow valuable to church administrators and governors.

My opinion is that a greater understanding of terms such as “Person Conducting a Business or Undertaking”; “Officer” and “Duty of Care” is required, and I will keep the church updated on presentations and compliance tools.

2. Tier 2 accounting standards

2014 parish statistics show that there are a few churches with operating expenditure over \$500,000. It is possible that, with the inclusion of trusts and associated entities that are not included in statistics, these churches may report consolidated operating expenditure in 2016 of over \$2m. If this is the case the church will be required to report to Tier 2 rather than Tier three standards from next year.

PCANZ is a Tier 2 entity (operating expenditure \$6.5m) and I am in discussion with our auditors, Ernst Young, to define our disclosure requirements. If you think your church may be a T2 Public Benefit Entity, (or if you are not sure), and if you would like assistance with planning for the new standards, please let me know. I have already advised this to the treasurers of some of our bigger churches but would welcome enquiries from any churches that may be captured by this requirement.

3. Infoodle Church Management Software

Last week I attended a presentation by the good people at Infoodle. Infoodle (“oodles of info”) is a software pack that has been designed specifically for use in churches and automates church administration tasks such as membership role maintenance, donations recording and receipting, asset tracking and communications. The software interfaces with Xero and the presentation was impressive in my opinion.

If you want further information on Infoodle please go to www.infoodle.com or refer to the overview presented in appendix 2.

8 Complete the financial information below entering '0' if applicable. *Note: enter your amounts in whole dollars by dropping off any cents. Read the guidelines on the left hand page for more details.*

Part 1: Statement of financial performance for the year ended..... / /
Day Month Year

Gross income		Expenditure	
Government grants/ contracts	<input type="text"/> .00	Grants/donations paid within New Zealand	<input type="text"/> .00
All other grants and sponsorship	<input type="text"/> .00	Grants donations paid outside New Zealand	<input type="text"/> .00
Income from service provision/trading operations	<input type="text"/> .00	Salaries and wages	<input type="text"/> .00
Membership fees	<input type="text"/> .00	Depreciation	<input type="text"/> .00
Donations/koha	<input type="text"/> .00	Interest paid	<input type="text"/> .00
Bequests	<input type="text"/> .00	Cost of service provision (excluding salaries and wages)	<input type="text"/> .00
New Zealand dividends	<input type="text"/> .00	Cost of trading operations (excluding salaries and wages)	<input type="text"/> .00
Other investment income	<input type="text"/> .00	All other expenditure	<input type="text"/> .00
All other income	<input type="text"/> .00	Total expenditure	<input type="text"/> .00
Total gross income	<input type="text"/> .00	Net surplus/deficit for the year <i>(Total gross income less total expenditure)</i>	<input type="text"/> .00

Part 2: Statement of financial position as at..... / /
Day Month Year

Current assets		Liabilities	
Cash and bank balances	<input type="text"/> .00	All current liabilities	<input type="text"/> .00
Inventory	<input type="text"/> .00	All non-current liabilities	<input type="text"/> .00
All other short-term assets	<input type="text"/> .00	Total liabilities	<input type="text"/> .00
All current assets	<input type="text"/> .00	Equity	
Non-current assets		Endowment funds	<input type="text"/> .00
Land	<input type="text"/> .00	Restricted purpose funds	<input type="text"/> .00
Buildings	<input type="text"/> .00	General accumulated funds	<input type="text"/> .00
Computers and office equipment	<input type="text"/> .00	Total equity	<input type="text"/> .00
All other fixed assets	<input type="text"/> .00	Total liabilities plus total equity	<input type="text"/> .00
<i>Investments</i>	<input type="text"/> .00		
All non-current assets	<input type="text"/> .00		
Total assets <i>(Total of all current and non-current assets)</i>	<input type="text"/> .00		

Appendix 2: Infoodle church software overview:



Store INFORMATION



- Store name and address information.
- Record notes about individuals or households.

Manage TASKS



- Store digital assets and meeting notes.
- Manage events and rosters.
- Provide check in facilities for programmes and events

Connect PEOPLE



- Print labels and a directory.
- Send emails, letters and texts.
- Create to-do actions against individuals.

Track ASSETS



- Track physical assets.
- Track individuals' financial donations, generate receipts and purchases.
- Xero integration.



To find out more – please visit www.infoodle.com or call us on 07 579 3085