

XERO FOR PARISHES & CHURCH ENTITIES


June 2017



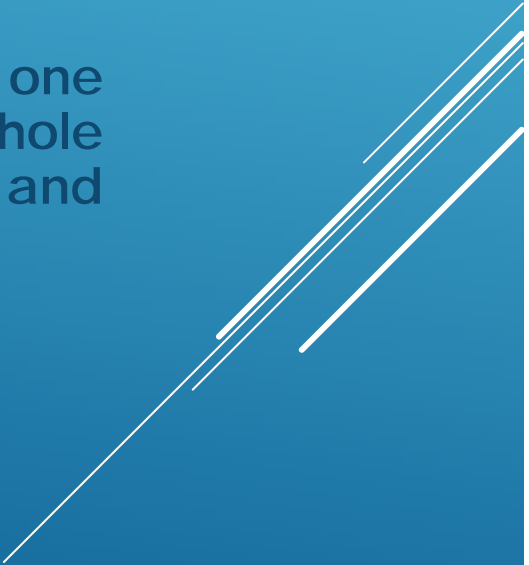
PARISH FINANCES - XERO

- ▶ As previously advised to Parish Treasurers, the Methodist Church Audit Committee asked the Board of Administration to trial the accounting software Xero to determine if the software would meet all the financial reporting requirements for a Parish.
- ▶ We now have over 90 entities using Xero and we have found Xero works well for Church accounting and reporting. The advantages we have found are


PARISH FINANCES – XERO ADVANTAGES

- ▶ Xero is an on line accounting system, the Parish Treasurer can securely log in to the software from any computer, this can be from the Parish Office, their home or their work office.
 - ▶ Connexional Office Accountants can also log in and provide “on the spot” accounting support and advice.
 - ▶ Standardised reporting formats eg Profit & Loss and Balance Sheet. In the future we hope to have the Statistics and Charities Commission returns at the push of a button.
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PARISH FINANCES – XERO ADVANTAGES

- ▶ Automatic bank feeds – the bank transactions are automatically downloaded each morning.
 - ▶ Transaction recognition - you can set up coding rules for regular income or expenditure eg direct debits, automatic payments.
 - ▶ Tracking can be used for financial reporting eg one Statement of Financial Performance for the whole Parish, with details split out for Churches and Property Committees if required.
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PARISH FINANCES – XERO ADVANTAGES

- ▶ Xero does not look like a traditional accounting package – it is specifically designed for small business owners and people who are not accountants.
 - ▶ Two levels for Parish Accounting
 - ▶ full accrual system including journals, accounts payable and accounts receivable
 - ▶ cash accounting
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PARISH FINANCES – XERO ADVANTAGES

- ▶ Accounts payable invoices can be paid either by cheque or direct credit (for Methodist Church BNZ customers, there is no cost to have electronic banking with two authorisers)
 - ▶ If the Parish Treasurer is away on holiday, then another member of the Finance Committee can login and complete the accounts and do the GST return or Connexional Office staff can help with this.
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COSTS OF XERO


- ▶ The Board of Administration have agreed to cover the costs for all Methodist Parishes and Entities.
 - ▶ The costs for a Union or Co-operating Parish is \$50 (plus GST) per month.
 - ▶ Connexional Office staff will enter the opening balance sheet & profit and loss account comparatives ready to start your Parish in Xero for free.
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XERO

- ▶ Xero Demonstration



INSURANCE

- ▶ Parishes are required to provide an updated valuation of all property every two years
 - ▶ The Methodist Insurance Fund will reimburse 75% of the cost of the valuation
 - ▶ Following invoice payment, forward the invoice together with the new valuation to the Connexional Office for reimbursement
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SALE & PURCHASE OF PROPERTY

- ▶ When a property is sold please ask the Real Estate Agent to forward the document to the Connexional Office for signing
- ▶ The Sale and Purchase Agreement only requires one signature, this is usually signed by the General Secretary (depending on availability)
- ▶ The A&I and Land Tax forms are required for settlement. The A&I requires two Board Members' signatures, the BOA seal and a Professional person (eg Solicitor, JP, Chartered Accountant) to witness the signatures
- ▶ The Land Tax form requires a Board Member's signature
- ▶ Connexional office provide the account for settlement funds and IRD/GST information