



Presbyterian Church of Aotearoa New Zealand

FINANCE NEWSLETTER 182

TO: Parish Treasurers, Presbytery and Parish clerks
FROM: Brendan Sweeney, Manager, Financial Services
DATE: 27 April 2016

1.	Health and Safety roadshow update
2.	Overview of accounting standards for charities
3.	Incorporated Societies Act
4.	Communication from New Zealand Trustees Association

1. **Health and Safety roadshow update**

Additional workshops

The Inter Church Bureau roadshow of workshops, presented by Paul Diver and Associates has been well received with some 30 presentations to a total audience of 2500 people. As there has been a demand for additional workshops, some have been scheduled for May and June. Those that have been confirmed are:

- **Greymouth** Tue 17 May. New Life Church, 8 Leonard Street
- **Timaru** Wed 18 May. Gleniti Baptist Church, 58 Gleniti Road
- **Thames** Tue 14 June: St James Union parish, 411 Pollen Street
- **Gisborne** Wed 15 June. St Andrews Presbyterian Church, 176 Cobden St

Each event is scheduled for 4.00pm – 7.00pm. To register, please email Elizabeth Kay at Inter Church Bureau (elizabeth@acpb.org.nz) and state which event you would like to attend and which church and denomination you are representing. Registrations can also be accepted at the event on the day.

These events will be presented by ICB representatives (including me for Thames and Gisborne) and this office will subsidise the \$25 fee for attendees representing Presbyterian churches. I will advise as further workshops are confirmed.

Also as previously noted, at the conclusion of the roadshow the ICB will issue certificates of attendance for all attendees, that may be inserted into church health and safety policy documents.

PCANZ helpdesk support

While the workshops have offered a valuable explanation of the new Health and Safety laws and provide guidelines on how to comply, it is important to note that they can not be too descriptive about what individual churches should do. This is because the management structure, therefore the Person Conducting a Business or Undertaking (PCBU), the officers of the PCBU, and the activities undertaken vary greatly between denominations and between churches within a denomination.

Because more specific guidelines than that offered in the workshops may be required, this office has established a helpdesk to guide Presbyterian Churches in the establishment of Health and Safety plans and policies, and I'm aware that other denominations are planning similar support for their churches. If you require direct support, please contact Margaret Fawcett at this office on margaretf@presbyterian.org.nz or call 04 381 8291.

Inter Church Bureau website

You may refer to the Health and Safety section of the Presbyterian Church Management Guide, and the Inter Church Bureau has established a website that contains the workbook and power point slides that accompany the workshops. The forms contained in the workbook are in soft copy (word and excel) form and may be downloaded and used as templates for your own plan. Please go to www.icbnz.org

Church officers and personal liability

I have had some queries regarding who may be the officers of the church and what personal liability they may have for workplace accidents under the law. My advice is that as a very general rule, it is the church entity that is the Person Conducting a Business or Undertaking (PCBU) and it is the church council or session as well as the minister that will be the officers responsible for providing a duty of care for workers and others. Church council members qualify as officers because, although they are unpaid, they are considered to be volunteer workers, as opposed to volunteers.

There has been publicity about officers at some organisations putting their houses in Trusts or resigning as governors because of fear of prosecution under the new law. The advice I have received, and my opinion is that this is an over-reaction to a perception of risk that is greater than actual risk. The law calls for a 'reasonable practical' approach to a duty of care by officers. This means that if reasonable measures are taken to identify risks, and implement and communicate risk mitigation plans and policies to workers, volunteers, visitors or contractors, then officers are fulfilling their duty of care under the law. Workplace injuries can't be eliminated under the law, but risk mitigation strategies can and should be implemented.

I'm also aware that there is an increasing administrative burden placed on church administrators, governors and ministry. Health and Safety compliance follow building strength, charities registration and accounting standards requirements that have all been implemented in the last few years. Although this office cannot do these compliance tasks for churches, we are able to offer support through the helpdesk resource and Church Management Support guide.

2. Overview of accounting standards for charities

Please refer to the link below, contained on the website of RSM New Zealand (previously RSM Hayes). This is a respected accounting, audit and consultancy organisation that has particular experience and expertise in charitable organisations.

<http://www.rsm.global/newzealand/news/your-charity-ready-comply-new-accounting-standards>

There may not be much contained here that I haven't communicated to churches last year, but the business and compliance perspective of charities reporting standards may be of interest to you.

3. Incorporated Societies Act

Some churches have activities that are operated as an Incorporated Society. You may be aware that there is new legislation that addresses officer's duties and conflicts of interest that is in exposure draft (public consultation) stage. The draft is accessed below:

<http://www.mbie.govt.nz/info-services/business/business-law/incorporated-societies/incorporated-societies-bill-exposure-draft>

This is for your information but anyone is invited to make submissions by 30 June. Also note there is a roadshow explaining the proposals that has events in Auckland, Wellington and Palmerston North in May. The legislation will likely require a review of the constitutions of any churches maintaining or established as an Incorporated Society. It is proposed to be introduced in 2017 and enacted in 2018 at the earliest, and there will then be a transition period, at this stage scheduled to be four years, to give time for incorporated societies to amend their rules/constitutions to ensure they are in compliance with the new legislation.

As there has already been consultation on the changes proposed in the draft, it is likely the provisions will be broadly similar to that contained in the draft. On that basis, incorporated societies are advised to start the process of reviewing their constitutions now.

4. New Zealand Trustees Association

I have been made aware that a few churches have been invoiced for membership fees from the New Zealand Trustees Association, apparently because of church charities registration last year. Please note that this has been acknowledged as an error by NZTA and that if your church receives a membership fee invoice you are under no obligation to pay unless you want to take out membership of the organisation.