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# TREASURERS' NEWS

*The latest news for Presbyterian & Cooperating Venture parishes*

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## Warm greetings

We hope this newsletter finds you all well. It's been a long Church minute since we sent out the last *Treasurers' News* in February this year.

The first half of 2024 was very busy for the Assembly Office. As well as our usual activities, in May we shifted to new premises at Level 4, 94 Dixon Street, and now share office space with The Presbyterian Church Property Trustees.

In this edition of *Treasurers' News* we place the spotlight on accounting and payroll software, and provide updates on the annual consolidation, and the Beneficiary Fund.

We also introduce a new section, "Accounting & Payroll: Tips and Tricks" to help with questions we get asked a lot. As always though, it's important to get proper advice to ensure your payroll, leave calculations etc are correct and comply with laws and regulations.

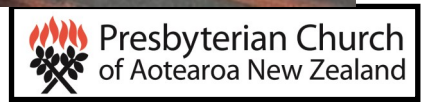
And, finally, we continue our series of Assembly Office staff profiles. In this edition we profile the remaining members of the Finance & Operations Team: (1) Ange Singer, Communications Director, (2) Kate Wilson, Administrator—Executive Support, Compliance & HR, and (3) Nani Susijanto, Office Administrator.

Thank you, as always, for all the work you do.

- Michaela



## PCANZ Assembly Office and The Church Property Trustees - our new shared office space



## In the Spotlight: Accounting and Payroll Software



The 2023 General Assembly agreed that congregations be encouraged to join iPayroll for their payroll software and Xero for their accounting software.

We partnered with Laurenson CA in 2012 to introduce Xero to churches. At last count, more than 200 churches now use Xero. Others use MYOB or smaller accounting applications.

We strongly recommend that all remaining churches now move from manual systems to using accounting and payroll software. Why?

- **Ease:** software such as Xero eliminates most data entry, which both eases the workload for treasurers and reduces the risk of errors. Since many churches struggle to find volunteers for the treasurer role, anything that simplifies the job is a big help! Plus, because the software is cloud-based, you can access it from anywhere, so you don't need to be in the office to use it.
- **Accurate reporting:** if your accounting software is set up correctly, and once you've had some basic training, it's quick and easy to generate financial reports for your church council meetings. This means you'll always know your financial situation clearly, making planning much simpler and eliminating guesswork. We can recommend help to get you set up correctly if needed!
- **Compliance:** With Xero, calculating GST and PAYE is as easy as clicking a button. It does all the work for you – you just need file your returns and pay them by the due date.
- **Transparency:** Xero helps you keep track of all offerings and donations in real-time. It also makes it much simpler to create donations receipts at the end of the year.
- **Security and Internal Controls:** Xero has strong security to ensure only authorised people can access your financial information, which protects it from being lost, stolen or used inappropriately.
- **Support:** because Xero is cloud-based, getting support is easy. Online help and support is available for Xero users including articles and tutorials. If you need help, our team can access your Xero account (with your permission) and assist with most issues. Many churches already use the accounting and payroll 0800 helpline for this kind of support.
- **Consolidation:** Xero makes it easy for the Consolidation team to access your accounts for the annual Consolidation reporting (with your permission!). Again, this helps lighten the workload for treasurers.

We refer to Xero accounting software in the points above, however, MYOB and other software have some of the same features.

### So, which software should your church adopt?

We recommend you consider Xero for your accounting and either the Xero payroll add-on (for 4 or fewer employees) or iPayroll (for 5+ employees) for payroll.



## In the Spotlight: Accounting and Payroll Software (continued)



We've worked closely with these software applications to ensure they meet the specific needs of Presbyterian churches. Payroll for ministers can be very tricky, but these applications handle it correctly, avoiding errors in leave payments and other expenses. Plus, both options can automatically update your general ledger in Xero when you process payroll, so you don't have to manually enter details, reducing the chance of mistakes.

We can assist you with these packages through our 0800 helpline, or if you need more extensive help, our in-house contractor can provide support at a discounted rate.

- Xero <https://www.xero.com/nz/accounting-software/payroll/>
- iPayroll <https://www.ipayroll.co.nz/how/>

However, we're aware that churches also use various other payroll applications and providers, including:

- Thank You Payroll <https://www.thankyoupayroll.co.nz/payroll-for-charities/>
- Catas <https://www.catas.co.nz/payroll.html>
- Smartly <https://smartly.co.nz/products/payroll> (formerly Smart Payroll)
- Datapay <https://datacom.com/nz/en/products/datapay>
- Keylink Payroll <https://www.keylink.co.nz/>
- MYOB <https://www.myob.com/nz/pricing#payroll-only>
- PaySauce <https://www.paysauce.com/payroll/>
- Local accounting firms

A heads-up: it's crucial to set up your payroll software correctly from the start, especially for your minister's pay. If you're using a different payroll system besides Xero or iPayroll we can give you a "cheat sheet" to help with the setup.

### What should you look for?

Before choosing a payroll provider make sure they can:

- calculate pay and deductions for ministers and employees, like stipends, hourly rates, PAYE, Beneficiary Fund, KiwiSaver,
- track and record annual, sick, and other leave for everyone,
- handle payments to staff, IRD, Beneficiary Fund and KiwiSaver,
- manage payday filing with IRD, including returns and payments.
- provide payslips or offer an app for accessing pay information,
- give regular reports on leave, pay, and other details,
- use multi-factor authentication for security,
- offer phone support.

### What will this cost us?

For any accounting or payroll software, it's important to get expert help with the set-up. We can refer you to support at a discounted rate but expect to pay around \$400 to \$600 for accounting software set-up and \$200 to \$300 for payroll setup, depending on what financial information you already have.



## In the Spotlight: Accounting and Payroll Software (continued)



Once you've set up Xero, you'll pay a monthly subscription at a not-for-profit discount. The monthly cost depends on your transaction and invoice volume, ranging from about \$12 to \$57 per month. Xero payroll is an "add-on", costing an additional \$6.70 per month for the first employee and \$0.67 per month for each additional employee. There are no other fees.

iPayroll charges a fee for each employee, and an additional flat fee for each payroll processed. For example, if a church has 4 employees and processes payroll every two weeks, the total cost would be around \$15 for each payroll.

Other payroll providers might charge you monthly or deduct their fees from each payroll. Make sure you understand how they calculate their fees to avoid unexpected charges.

Payroll and Accounting Helpline 0800 567 957

## PCANZ Website Updates

The Assembly Office continues to make progress in updating the For Parishes PCANZ webpages.

We now have a new page *For Parishes > Church management and Treasurers Support*

[www.presbyterian.org.nz/for-parishes/church-management-and-treasurers-support](http://www.presbyterian.org.nz/for-parishes/church-management-and-treasurers-support)

You will find two headings there:

1) The new and improved Church Management Support Guide

For easier reference, it is now divided into three sections;

Part 1—Finance & Administration (available to view, but still being revised)

Part 2—Current Stipends and Payroll Calculations, Vehicle Reimbursement Rates

Part 3—Human Resources

2) Information for Treasurers pages

These pages contain separate information on accounting standards, charities officers information, financial consolidation, tax guidelines, the CSC buying group and back copies of Treasurers' newsletters.

# PCANZ Group Consolidation Update

Over the past few months, Bela and Bronwyn—the Consolidation team—have been busy preparing for, and starting, the 2024 Consolidation. This has included:

- conducting a thorough analysis and assessment of the PCANZ Group’s operational, legal, and financial risks,
- reviewing church operating expenses to ensure all entities with expenses over \$550,000 have had their accounts reviewed or audited by a qualified auditor,
- developing the 2024 Consolidation programme, which included redesigning the annual consolidation documents and templates,
- maintaining and updating PCANZ Group’s land and buildings records,
- analysing the most suitable payroll solutions to recommend to churches and other Group entities,
- manually processing financial data for entities not using Xero.



## 2024 Consolidation Update

So far we have received 2024 year-end data from:

- **228** churches and other entities on Xero
- **46** churches and other entities that have sent us their numbers by email.

This means **136** churches and other entities have not yet supplied us with their data.

### Reminder of Due Dates

#### **DUE: 31 August**

- 1) **Year end data for Non-Xero Churches and Other Entities**
- 2) **Presbyterian Church Membership statistics**

## Does your church need its accounts audited or reviewed?

There are two reasons a church might need its annual accounts reviewed or audited:

- 1) It’s required by your church’s rules (e.g., constitution) or by funders
- 2) It’s required by law -
  - a) if your entity plus any entities you ‘control’ have over \$550,000 operational expenditure (e.g., the parish plus the trust plus the kindergarten) then the year-end accounts must be reviewed or audited by a qualified auditor.
  - b) If your entity has over \$1.1 million operational expenditure then the year end accounts must be audited by a qualified auditor.

Being part of the PCANZ Group consolidated accounts or annual return does not exempt you from this statutory requirement.



## Beneficiary Fund: Does our minister need to join?

### All National Ordained Ministers

All PCANZ National Ordained Ministers in a ministry position are required to join and contribute to the Beneficiary Fund. This applies whether the minister is paid a stipend, is undertaking stated supply, or is engaged under a contract of employment.

Ministers and congregations must each contribute 5% to the Fund, regardless of the minister's age (unlike KiwiSaver, for example, where contributions are not required once you reach 65). Ministers can, however, make withdrawals from the Beneficiary Fund once they reach 65.

If your minister is newly inducted and not yet a member of the Beneficiary Fund, please contact Tracy Setters at The Church Property Trustees' office ([tracy@presbyterian.org.nz](mailto:tracy@presbyterian.org.nz)) for an application form.

### Three exceptions

There are three exceptions to the requirements to make Beneficiary Fund contributions. These are:

1. A minister aged 65 or over who has been awarded the status of Minister Emeritus (i.e., has retired) and then takes up a stated supply position, is not eligible to make contributions.
2. A minister who is a member of the NZ Anglican Church Pension Fund or the Supernumerary Fund of the Methodist Church may continue to make contributions to those funds rather than the Beneficiary Fund.
3. A minister engaged under a contract of employment may be granted an exemption by the Assembly Executive Secretary from having to make contributions to the Beneficiary Fund.

### KiwiSaver

National Ordained Ministers in service to the Church are not employees for the purposes of KiwiSaver so there is no obligation for them to contribute to a KiwiSaver account.

However, National Ordained Ministers may choose to have a KiwiSaver account as well as a Beneficiary Fund account. National Ordained Ministers who want to save more than 5% of their income for retirement can make additional contributions to KiwiSaver. Congregations are not required to also contribute to KiwiSaver.

Non PCANZ ministers, Local Ordained Ministers, and lay workers are not eligible to join the Beneficiary Fund but are subject to KiwiSaver requirements.

If you have any questions about processing contributions, please contact the team at Melville Jessup Weaver [presbyterian@mjw.org.nz](mailto:presbyterian@mjw.org.nz), 0800 266 787.

# Accounting & Payroll Tips and Tricks

## Study Leave

The Church's Conditions of Service Manual (section 2.5.4.4) sets out the terms and conditions of study leave, which, amongst other things, notes that:

- Presbytery must approve study leave for congregational ministers.
- Study leave may accumulate up to a maximum of 84 days (12 weeks) and may be used in units less than the total accrued.
- Churches should maintain records of study leave accumulated and taken.
- Study leave should usually be taken during the current tenure of a minister's call or appointment, and generally can't be taken before a minister's been in their current congregation or appointment for at least two years.
- A minister's accumulated study leave is transferable from one congregation or appointment to another. However, when a significant period has elapsed between appointments the presbytery shall decide what proportion of any previously accumulated study leave shall be transferable. Presbytery shall ensure that the minister's amount of study leave available and to be carried forward is made known to all parties, including the ministry settlement board.

From an accounting perspective, study leave is similar to sick leave in that:

- It is often not used, either in part or in its entirety,
- Study leave not used by a minister may not be recovered by a financial payment.

We recommend, therefore, that unless a church knows that their minister plans to take a significant amount of study leave in the coming financial period that **no** study leave liability is accrued in the year-end accounts.

## Deposits into PCANZ and Other Bank Accounts

When depositing funds into PCANZ and any bank accounts please ensure you include:

- ID, customer or invoice number, and
- if you include a name, please include your town or city as well e.g., St Pauls Timbaktu

This helps ensure that your payments will be allocated to the correct organisation.







## Profile: Ange Singer

I have worked for the PCANZ since 2008 when I was employed as a senior communications advisor. Since 2011, I have been the Church's communications manager/director. My career began back in 1985 working in journalism, PR, and as an advertising agency creative. I have an MA in Fine Art. I am married to The Renovator and we are (he is) restoring our 100-year-old cottage in the Wairarapa. It seemed like a good idea at the time. I will be 100 years old before it's finished.

## Profile: Kate Wilson

I am originally from the UK, and have a degree in Classics. I was a departmental administrator at Oxford University 1992 to 2002, and then moved with my husband (a Kiwi) to Dunedin, where I was administrator at Theology & Religious Studies at Otago until 2004. I was church administrator at Highgate Church/B@tCH 2011 to 2020, so I've seen things from the parish side. Our family moved to Wellington in 2020. My two boys are now studying at Otago University. My husband is Deputy VC at Waikato University and, as a geologist, also spends time in Fiordland and in Antarctica working on climate change research. I'm a good first point of contact for any HR and Compliance queries .



## Profile: Nani Susijanto

I am delighted to be a part of the PCANZ family as an Office Administrator, a role I've held since February 2024. The dynamic office culture, supportive colleagues, and the remarkable team make each day fulfilling. Prior to PCANZ, I was a Parish Secretary at St. John's in the City Wellington, contributing my time on Sundays to serve morning tea and assist with digital sermon uploads. I am married to Stewart, and we have a daughter, Sara, who is currently experiencing college life. For any inquiries or to connect, please reach out at [nani@presbyterian.org.nz](mailto:nani@presbyterian.org.nz) or call 04 801 6000. Together, let's make a positive impact! ✨

## Read past issues and subscribe

Current and past editions of Treasurers' News can be found on the PCANZ website:

<https://www.presbyterian.org.nz/for-parishes/treasurers-information-church-management-support-guide/treasurers-newsletters> You, or anyone interested from your church, can subscribe to receive the latest edition of *Treasurers' News*.

Please contact [katrina@presbyterian.org.nz](mailto:katrina@presbyterian.org.nz).

