Follow-Up M21 (2016) Accounting Software

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Resolutions	62/1. The Council receives the report.

Summary of Content

Subject and Aims	Follow-up to Memorial M21 (2016) regarding provision of accounting software.
Main Points	- All Methodist bodies are required to produce their accounts using either short or long versions of the Standard Form of Accounts. - The reply to the Memorial agreed that the facility to undertake this electronically would be useful. - It directed the Council to oversee this work with a target implementation date of 1 September 2018.
Background Context and Relevant Documents (with function)	MC/17/21 Memorial M21 (2016) Accounting Software

Summary of Impact

Financial	Not yet determined

Follow-Up M21 (2016) Accounting Software

M21 Accounting Software

The South Molton and Ringsash (24/22) Circuit Meeting (Present: 39; Voting: 34 for, 3 against) asks the Conference to direct connexional officers to authorise the development of a computerised accounts program set on a base of Windows 7 and above and compatible with both the short and the long version of the Standard Form of Accounts for the use of churches and Circuits. The Circuit Meeting further asks officers to direct that the program be available as of 1 September 2017, and include the facility to produce the Standard Form of Accounts thereafter automatically, subject to updates available online through the Methodist website.

Reply

The Conference appreciates the time and commitment that is given across the Connexion Methodist Conference 2016 27 Memorials to the Conference by treasurers in order to ensure that annual accounts are prepared and presented in accordance with Charity Law, and thanks the South Molton and Ringsash Circuit Meeting for suggesting the provision of a program to assist in this. The Conference does not believe that it is appropriate to initiate the development of accounting software, specifically for use within the Church, recognising the capacity and expertise that this would require and the wide diversity of practices already in use by treasurers across the Connexion. However, the Conference agrees that adding the facility to produce and submit electronically both the short and long version of the Methodist Standard Form of Accounts would be useful. It directs the Methodist Council, therefore, to oversee an evaluation of the potential development of such a program, and if appropriate to initiate it. It recognises, however, that the deadline of 1 September 2017 is unlikely to be realistic. In addition to development time, which would include identifying a suitable supplier, it is vital that a selection of treasurers is able to provide input to both the design and implementation of the program to ensure that it is as user-friendly and effective as possible. Such work is also not included within the 2016/17 budget. The Conference therefore directs the Methodist Council to oversee this work, with a target implementation date of 1 September 2018.

1. Initial consultations

The Memorial was discussed at the District Treasurers' Practitioner Forum in August 2016 and also briefly by the Finance Sub-committee of the Strategy and Resources Committee (FSC). The following points emerged:
- Any system developed needs to reflect learning from the implementation of the new charity accounting standard, the FRS102 SORP.
- A small group of treasurers would be formed to provide input and testing as a user group.
- Several potential software solutions already exist so it may be possible to avoid 're-inventing the wheel'.
- The adoption of such a facility would aid the training of treasurers and make it easier for district and circuit treasurers to ensure compliance by the bodies that have to report to them.
- The FSC noted that resource/skills additional to that currently available within the Connexional Team may be required.

2. Next steps

The preparation of the Consolidated Accounts of the Methodist Council for August 2016 took longer than usual as a result of the move to the FRS102 standard and many local treasurers are still becoming used to the change in requirements. As a result, it was reported to the Council in January 2017 that this work would not be progressed further until after the completion of both the accounts and the draft three year Connexional Central Services Budget; ie after April 2017.

3. Update 2018

The accountancy software work has taken longer than planned due to a necessary focus being applied to challenges within the payroll function and changes to senior staffing. However a discussion in March 2018 with the Accountancy Support Group has provided a list of actions for progression in specifying a solution:

1. Easy for non-finance persons to understand and use.
2. Can be customised with the agreed Methodist Connexion chart of accounts.
3. Has the ability to generate standard internal and external reports (standard form of accounts) without any manipulation of data.
4. Can store data on the cloud for easy access via different computers, and for sharing of reports.
5. Training and user support can be accessed from the software provider.

The Connexional Team will be enlisting a small group of treasurers to undertake the work detailed above.

Discussions with potential suppliers of known software, already in use, is underway.

Unfortunately the various delays to this work, which largely relate to the capacity of the Connexional Team, mean that the target for any implementation would be August 2019.

***RESOLUTION

62/1.   The Council receives the report.