

Accounting Software M21 (2016)

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Status of Paper	Final
Action Required	For Decision
Resolutions	89/1. The Council receives the report. 89/2. The Council agrees the approach to the work as outlined in the report.

Summary of Content

Subject and Aims	To inform the Council of the recommendations from the Accountancy Support Group about how this work progresses.
Background Context and Relevant Documents (with function)	MC/18/62 MC/17/21 Memorial M21 (2016) Accounting Software

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1. Memorial M21 to the 2016 Conference (shown below) requested the development of accounting software for the use of churches and circuits. 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). One of the outcomes was to consult with the Accountancy Support Group about how this might be taken forward.
2. Paper MC/18/62 reported some initial comments and observations from the Accountancy Support Group. However, the Support Group has since considered the matter in detail and now recommends the following course of action.
3. Having considered software requirements to serve local church, circuit and district accounting activities, there are a variety of 'off the shelf' accountancy packages available for such purposes. The Support Group is of the view that using these accountancy packages could well serve churches, circuits and districts and that developing bespoke packages either in-house or externally is neither justified nor necessary. The Association of Church Accountants and Treasurers (ACAT) website provides some suggestions of software that are recommended for church use.
4. A number of local churches use such accountancy packages but no survey has been conducted to determine which is the most popular or the reasons for that choice. An additional important point to consider is that as the Finance Team is currently engaged in a large volume of work in progress, with staff already at a stretched capacity, it would not be feasible to take on developing bespoke software.
5. The aspect of the Memorial where the Team is able to provide support is to provide *pro forma* accounts in an annotated format to help Treasurers know what belongs in the different accounting categories. This would be in a form that would allow treasurers to tailor the contents to their needs. The other point the Accountancy Support Group wishes to stress is that they now have experience of producing accounts under the new accounting rules, meaning that treasurers can use the previous year's format as a template, thereby making the overall process easier in subsequent years. Therefore, the Team will be able to provide support to Treasurers by producing a *pro forma* for the annual report including guidance notes for completing financial statements.
6. The Council is asked to agree the approach recommended by the Accountancy Support Group noting the developments and rationale provided in this paper. This decision will be the further reply to the Memorial.

M21 (2016) 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 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.

*****RESOLUTIONS**

89/1. The Council receives the report.

89/2. The Council agrees the approach to the work as outlined in the report.