

Treasurers' News

New issue 3

Spring 2009



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Completing the Report and Accounts for 2008

With careful co-ordination, hard work and 'helping each other up with a tender hand' we should have been progressing our accounts as outlined in *Treasurers' News 2*. Local meeting accounts, checked by the consolidator for consistency, the transfers matching between various parts of the area meeting so that they cancel out overall, will be ready for examination. For the consolidated accounts, here is the rest of the table adapted from Woodbrooke's *Advancing in Treasurership* course 2008 (the first part was in *Treasurers' News 2*).

	What	Who	When
Local/sole accounts	Examine local accounts	Local examiner(s)	February/March
	Send examined pro forma etc. to consolidator	All treasurers	March
	Send reports to trustees	LM clerks	March–April
Consolidated accounts	Consolidate accounts	Consolidator	April–May
	Compile report	Trustees	April–May
	Trial examination / audit	Examiner / auditor	May
	Approve and sign report and accounts / certify	Trustees and examiner / auditor	May–June
	Circulate copies of R&A	Clerk	June
	Present R&A at AM	Treasurer and trustees	July
	Send copy to RCO/QSC and, if required, OSCR or the Charity Commission	Trustees	Required by 30 September or 31 October at latest

Might you be producing summarised accounts, too? The SORP has advice on this, especially in paragraphs 377 and 378. If you have done them before, do respond to George Bunney's letter, below, by writing to me.

Tom Heydeman, editor; tom@heydeman.eclipse.co.uk

Summarised Accounts

What is your experience?

The *Treasurers Handbook* 6.12 gives information about summarising AM accounts and I wonder what experience there is in preparing a summary by meetings.

In Jordans, as it then was, the full set of consolidated accounts ran to 12 pages and the first summarised accounts were of 6 pages. Both included a page of the auditor's report for 2007.

This seems to me to still be more than can usefully be absorbed by Friends in the Area Meeting and we are trying to reduce the summary to 2 sheets with the addition of a page for the auditor always bearing in mind the advice of 6.12.

I have yet to draft a summary for 2008 as the figures and report are not available.

What is the experience of others?

George Bunney, Chiltern Area Meeting.

Replies to the editor of *Treasurers News* will be collated in a forthcoming issue.

On other pages. The accounts framework; conferences – page 2. Courses; examination; updates – page 3. Putting Quaker money to work; paid bookkeepers – page 4

Questions I have wrestled with – conclusions I struggle with – continued from *Treasurers' News* issue 2

THE STORY SO FAR

Q1. What is a Quaker meeting?

A Quaker meeting is a community of like-minded individuals seeking to understand the will of a silent elusive entity with a capricious sense of humour.

Q2. What level of Quaker meeting is the 'charitable unit'?

The Quaker charitable unit is the area meeting.

Q3. What is the purpose of a Quaker meeting?

The purpose of a Quaker meeting is for public worship, advancing Quaker beliefs/practices and anything else we can label Quakerly.

Q4. What is the Charity Commission?

The Charity Commission is an interfering government agency that forces Quakers to follow their own testimonies on truth and simplicity.

NOW READ ON

Q5. Why are the accounts so complicated and hard to explain?

The accounts fit into a common logical framework so that anyone reading charity accounts (Quaker or otherwise) will have a common approach. The reason it is a framework is because there are a wide range of different charities so each can adapt the framework to reflect their own circumstances. There is a distinction between adapting a common framework and creating something so specific that only elite insiders can understand it. The framework consists of:

Vertical columns that reflect the donors' intentions:

- (I) The funds we can spend as we like because the donor did not specify (unrestricted funds)
- (II) The funds the donor has told us what we can use them for (restricted funds) and
- (III) The funds we can't spend at all because the donor said so (endowment funds)

The **horizontal blocks** show:

- (a) Income (incoming resources)
- (b) Expenditure (resources expended)
- (c) Profit/loss (net incoming/outgoing resources before transfers)
- (d) The other bits e.g. transfers between the vertical columns or changes in the market value of shares
- (e) The total you had at the start of the year and
- (f) The total you had at the end of the year

There is also a logic to the splits within the horizontal blocks.

Block (a) splits into:

- (i) what anyone gives you (voluntary income)
- (ii) what you have earned by doing things to raise money e.g. hiring out your meeting house (activities for generating funds)
- (iii) money earned on unspent resources (investment income) and
- (iv) money earned from promoting Quakerism e.g. outreach conferences (charitable activities)

Block (b) follows the logic of block (a) by showing the costs associated with the entries in block (a). For example if you send out a schedule to members then the cost of the schedule is associated with the income in (a)(i) and goes in (b)(i) and so on.

David Holmes

Two unmissable events for treasurers / trustees

The Annual Conference of Treasurers – Saturday 27 June – Friends House, London
Money: new perspectives for hard times. Keynote speaker: Rachel Rees. Panel and group sessions on innovations in treasurership. BYM accounts – see www.quaker.org.uk/treasurers.

Conference for Trustees & Treasurers – Sunday 28 June – Friends House, London
Trusteeship as a Service in the Religious Society of Friends with 'Ethical Investment', 'Five Myths of Trusteeship', Trustee-AM relationships, an open forum and opportunities for networking on trustee issues.

Book early for these conferences: £25 for either or £45 for both.

Intermediate Course, 25-27 September – details next issue!

Being a Quaker Treasurer – for new and prospective treasurers and those who sometimes feel uncertain.



Each starts at 11.00 am (with bookkeeping) or 6.30 pm (without bookkeeping) on day 1 and ends on day 3 at 3.00 pm (or sooner if you miss an optional afternoon session).

Being a Quaker Treasurer –

**Tue 24–Thu 26 Mar and
Fri 24–Sun 26 Apr 2009**

Book as soon as you can.

Woodbrooke
Quaker Study Centre

1046 Bristol Road, Selly Oak
Birmingham B29 6LJ
0121 472 5171

www.woodbrooke.org.uk



Independent Examination

Clare Scott Booth, Quaker Stewardship Committee

After finding a treasurer, a question for the meeting is often 'Who will examine our accounts?'

There is a whole Charity Commission publication advising trustees about independent examination in some detail which can be found at <http://www.charity-commission.gov.uk/publications/cc31.asp>

The definition of independence is: 'Independence means that the examiner is not influenced, or perceived to be influenced, by either close personal relationships with the trustees or by day-to-day involvement in the administration of the charity.'

And there is some additional useful guidance which says: 'Where a potential independent examiner is a member of the charity, for example a member of a church congregation, provided they have not been involved in the day-to-day decision making or administration of the charity, for example by serving on a committee or sub-committee convened by the charity, and are not connected with the charity trustees, then normally they may act as an examiner, subject to their having the necessary ability, experience and qualification required.'

For example I do the independent examination for my choir, but I could not do so if I were on the committee. In a Quaker meeting context I think this would rule out more than just the treasurer/collector and I would hesitate to appoint a clerk, assistant clerk, elder or overseer as an examiner, but I would interpret 'committee' as being a main committee equivalent to a Parochial Church Council. I wouldn't rule out a member of the catering committee for example, provided that there was sufficient perception of independence. More independence can of course be achieved by 'swapping' examiners with another meeting which is what I would recommend if possible, certainly for larger accounts. Local meetings will need to follow any examination policy that may have been set by the area meeting.

Keeping up to date

from the editor

In 2007 two handbooks for Quakers were published both on the Friends House website and as hard copy. The third edition of the *Treasurers Handbook* was predicted to require updating as more data emerged and errors were corrected. The original printed version 3.00 was superseded in early 2008 by 3.01. Now version 3.02 is going on to www.quaker.org.uk/treasurers, along with brief descriptions of the principal differences between this and earlier versions Friends may have.

Also launched in 2007 was a *Handbook for Trustees of Quaker Meetings*. This was based on the knowledge then available about registration, the setting up of trustee bodies in Quaker meetings and issues around trusteeship in general. Supplementary papers have superseded some of the content and we have moved on substantially in the two years since this handbook appeared. To update it, the same strategy is being used as for the *Treasurers Handbook*. Both the complete new handbook and brief descriptions of the principal changes are linked to www.quaker.org.uk/QSC.

Putting Quaker money to work

Tom Heydeman, Quaker Stewardship Committee

You, or another treasurer or collector in your meeting, should now have copies of the annual appeal to members and attenders from Quaker Communications Department. It explains – perhaps rather better this year than last – the work done in Friends House, which is very much for and on behalf of us in our local meetings.

There are some things we cannot do locally, including seeking to bring Quaker values into national and international bodies like the United Nations and the Council of Europe. From Friends House we derive support for our local Quaker work, including with children and young people, JYM – and Yearly Meeting itself. Work at Friends House is essential to the very fabric of Quakerism, including maintaining *Quaker Faith & Practice* as an up-to-date statement of what we do and why we do it.

This appeal usefully reminds Friends (members and regular attenders) that 'The Quakers' does not mean only the local meeting and its concerns – nor only that plus the functions arranged by the area meeting – but at the very least the whole Religious Society of Friends in Britain, with QPSW delivering our witness abroad, too. May their contributions reflect this!

As treasurers, we advise our meetings how much should be in the bank for current and future needs. If there is too little money we ask Friends for more or try to raise it in other ways. But what if there is more than we plan to use – after allowing for one year's general spending plus enough for the premises? Could the meeting support other Quaker work, particularly at Friends House?

Paid Bookkeepers?

Last September many treasurers received an email asking whether 'local meetings have ever tried out an arrangement where a member acts as treasurer, while delegating the some of the practical and bookkeeping tasks to a paid professional administrator or bookkeeper. If so, does it work in practice (and what does it cost)?'. I got 18 responses (thanks!): not a scientific survey but still the results may be of interest.

Of 8 respondents who regularly use professional bookkeepers:

2 large meetings use one for regular work, with responsibilities split with the Treasurer.
 – (a) £13.50/hour, 3 hours/month + year end
 – (b) £20/hour, 3 to 4 hours /week + year end

1 area uses one to support a collective treasurership covering two LMs and the AM (£2,700/year)

Others use a professional for particular tasks, such as:

- Tax and National Insurance for a warden (£15/hour)
- Year end

- Financial statements and accounting (£250/year)
- AM consolidation

One respondent uses a non-professional retired local person who acts as an unqualified bookkeeper (£10/hour, 2½ days/week).

Six respondents anticipate the need to engage a professional bookkeeper in the future or are exploring it. They quote difficulty in recruiting treasurers. For example, ordinary Quakers don't know how to do year end, or understand 'complex' Charity Commission rules.

However, it should not be assumed that this is always a magic solution. One meeting is stopping using a paid bookkeeper and moving to using Sharman spreadsheets; they found they needed to spend too much time explaining procedures, and anticipate that it will be quicker to enter the data directly into the Sharman system. Several of the group who are considering professional bookkeepers are concerned about the need to provide very clear instructions (the average bookkeeper may not know the intricacies of SORP) and about the time needed for quality control and supervision.

Chris Stotesbury
former Treasurer, Kingston LM

For issue 4 send copy to tom@heydeman.eclipse.co.uk by 14 May 2009