

REPORT TO PICKMERE PARISH COUNCIL

7th November 2017

AGENDA ITEM 6.5 – Purchase of accounting software

1 Background

1.1 The Parish Council's accounts are currently recorded and processed using a set of Excel worksheets. While this does work, it does mean that certain processes require entry on several worksheets, rather than only one, and summary reports such as the monthly accounts summaries and the VAT return, have to be prepared manually, albeit using Excel as a base.

2. Report

2.1 Over the past few years, several specialist accounting packages have been developed specifically targeted at small councils. These aim to allow for single entry of relevant data – 'suppliers' or 'customers' address details, transaction information, etc, and using that data, summary reports are provided, the monthly bank reconciliation process is simply done, and VAT schedules are prepared automatically.

2.2 Such a package could save your Clerk and RFO a significant amount of time and at the same time reduce the potential for error.

2.3 Off the shelf accounting packages do not accommodate the functions and requirements of a public local authority.

2.4 Accordingly, your Clerk is currently looking at several of the available packages. Potential costs vary, but the maximum annual cost over a 5-year period should not exceed £300 (one package has a simple annual fee; another has a higher first year payment but then reduced annual fees).

2.5 Such a level of cost is probably more than counter-balanced by the hidden cost of maintaining the current Excel-based system and producing the necessary summary reports.

2.6 One system has been tried already, using trial data. A second system is being trialled at the moment and it is hoped that by either your December or, if not, your February meeting it will be possible to recommend which system most suits our requirements. This timescale would permit the software to be set up in time for the new financial year beginning on 1st April 2018.

3. Recommendation

3.1 That members note the report.