



PARSA

ANU *postgraduate &
research* students'
association

Treasurer's Report

Annual General Meeting (AGM) 2018

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Overview

Over the past few years PARSA has become the peak postgraduate student representative body in ANU. From just a couple of officers PARSA today has become an association that has become a role model for other student associations not just across ANU but across the country. In addition to this, today PARSA stands as an Association that is on its pathway to adopt the process of diversifying its assets and to invest its reserves into other asset classes.

In the past year, there were significant improvements in the implementation of internal controls. New cost-saving measures were also implemented. PARSA shows strong financial position and indication of solvency with a 3 month term deposit of \$700,000. As of 31st December 2017 the net assets totalled \$951,429.

Management and operation of the Association's financial system is overseen by the Treasurer, President and Executive-team members, along with the CPA-qualified Financial Controller and General Manager.

An independent auditor PKF was hired to audit the firm. The audit was unqualified and the Association met all the compliance obligations for the year 2017, the report of which is presented at this AGM for review.

Financial Performance:

PARSA went through significant changes during the past one year. Many new mechanisms and processes were adopted to help sought out financial processes. Financial controls and measure have been in place to increase financial performance and financial health of the association but this is an ongoing project of scoping what policies and procedures are necessary to support the organisation, and enacting fit-for-purpose guidelines to support this.

Financial Position:

The financial statements show that the Association is solvent and exhibits a high liquidity. The associations assets increased from \$846,149 to \$951,429, which is a growth of \$105,280, most of which is due to the revenue generated from PARSAS operations. The firm shows a net working capital of \$870,018, which shows high liquidity and that the firm's assets are being managed appropriately.

Budget and portfolio spend as of 31st March 2018

A look at the YTD shows that most of the budget is unspent in accordance with the start of the year. The spending will increase as the year progresses. The highest cash outflow of 55 %

has been seen in the Orientation Portfolio, followed by Marketing with 27% spending of the total allocated budget.

Overall the budget and the financial position of the organization is strong and we have been spending, in accordance with the policies and within the budget outline.

ANU Postgraduate and Research Students' Association Incorporated

1 Jan 2018 to 31 Mar 2018

	Actual	Budget
Income		
Contribution from ANU for Operation	\$855,926.80	\$0.00
Total Income	\$855,926.80	\$0.00
Gross Profit	\$855,926.80	\$0.00
Less Operating Expenses		
Building Internal Capacity	\$0.00	\$15,000.00
Communications Portfolio	\$8,190.32	\$44,000.00
Community Building	\$3,252.27	\$28,018.00
Education Portfolio	\$2,385.37	\$137,000.00
Environmental Portfolio	\$448.72	\$18,000.00
Equity Portfolio	\$2,670.00	\$30,000.00
Financial Assistance & Emergency	\$5,589.55	\$36,000.00
Indigenous Portfolio	\$0.00	\$20,000.00
International Portfolio	\$3,945.46	\$45,000.00
Joint bids with ANUSA	\$0.00	\$11,666.00
Orientation Portfolio	\$37,833.55	\$70,000.00
SEEF Acquittals	\$2,954.55	\$250,000.00
Social & Cultural Portfolio	\$1,409.09	\$55,500.00
Women's Portfolio	\$3,261.87	\$30,000.00
Total Administration	\$31,715.33	\$86,500.00
Staffing		
Total Staffing	\$182,002.10	\$699,300.00
Student Representation		
Total Student Representation	\$36,460.38	\$195,500.00
Total Operating Expenses	\$322,118.56	\$1,771,485.00
Net Profit	\$533,808.24	-\$1,771,485.00

Financial Management Update:

During the period 2017 to 2018, PARSA experienced major changes in its financial controls. It went through changes to promote financial stability and adopted many new policies to asset in sustainability and growth of the organization.

Petty Cash:

The idea behind petty cash is quite old and was applicable in the times when it wasn't easy to get money from bank after the daily work hours. With a debit card facility, there is no point of holding cash in the PARSA premises. The office is cash less facility now. All the cash that was in the petty cash safe has been deposited in the bank.

Asset Register:

PARSA is a multimillion association, and just recently we started working on an asset register. The asset register consists of all the assets owned by PARSA or are in the PARSA's office. This helps in not only the audit process but also in keeping a check on the Associations assets.

Investment policy:

We have been working on the investment policy with the aim to diversify PARSAs investments and for sustainability at large. For this, we are having discussions with the investment committee at the university to help and assist us in devising the policy as well as with investing in alternative and ethical investments. The idea is to increase PARSAs income through alternative sources and to gain benefit of the PARSAs reserves. Currently all of them were on a term deposit in the bank.

Joint Finance Committee:

Following on Audit recommendation by EY in 2013, we started to uphold regular meetings between PARSA and ANUSA, with the primary aim to exchange ideas and developments to promote better financial control and to learn from mutual experiences. This is especially beneficial in reduction of fraud and strengthening of financial control mechanisms.

Procedures:

I have started to document the procedures that are required to carry out several of the tasks by the Treasurer and the Financial Controller. This includes process related to COMMBIZ, Xero (our Accounting software) and on the procedure of getting a debit card for the concerned.

This will not only help the next representative council but also will boost institutional memory of the Association.

Procurement Policy:

The procurement policy was designed with the motive to outline the procedure of conducting procurement. This helps in proper authorisation from the officers, with the approval of Treasurer and the President. The Idea is to promote fair procurement procedures in the organization and to promote fair use of the business resources. It also helps in reducing risk.

Finance committee:

PARSA with itself has fortnightly finance meetings, to discuss about the finances of the organization. This helps in better management of the finances of the organization, helps in developing ideas and to resolve any issues pertaining to the finances of the organization. The idea behind it to promote better financial practices in the organization.

My pay timesheet:

My pay timesheet is an efficient way of determining and keeping track of the pay of employees. It helps not only the financial controller and the treasurer in keeping track of the pays of the employees and the budget allocation to the said but also is helpful for the employee to track its working hours, pay rate, deduction (if any) and to see the pay slips. It also helps in keeping track of the leaves. This is again a way of ensuring good business practices.

Electronic Approval of Invoices:

Keeping up with the idea of ethical business practices and ensuring the implementation of anti-fraud and risk reduction tools, the electronic approval of invoices is a relatively new addition to the way invoices are dealt at PARSA, unlike in the past, where a spreadsheet was used to maintain the invoices, where the excel sheet can easily be edited, the new process keeps a track

Alternative Whistleblower:

A mechanism to enforce a process of alternative whistleblower is in process. The process aims to enable efficient working of the organization and in case of any embezzlements or issues, to report them to the concerned authority. This is an alternative way to minimize risk and ill practices in the Association and to equip everyone to raise issues, concerning sustainability of the organization.

Treasurer's Role

The Treasurer, along with the Executive and Senior Staff, is responsible for ensuring the timely payment of all staff and operational expenses, disbursement of SEEF funds and the prudent management of all PARSA's banking and financial procedures.

In the past year, the Treasurer(s) have continued the traditional responsibilities for overseeing all of PARSA finances, and sitting on several PARSA and ANU-level committees.

At the association level, the Treasurer chairs the Finance Committee and is a member of the PARSA Executive, which provides general oversight regarding staff-related issues. As the chair of the PARSA Financial Committee, the PARSA Treasurer is responsible for overseeing the financial obligations of the Association, providing leadership around financial strategy, ensuring the timely production and submission of SSAF-related reports, and other report to the executive committee and PRC as requested. In addition to this, the Treasurer is also part of the Joint Finance Committee between the PARSA, ANUSA and Worronei, which is essential in sharing financial information and steps taken by the respective associations.

Going forward PARSA's treasurer is now strategizing the finances of the organization and introducing a new era of sustainability for the association by diversifying assets and promoting investments by the association. With the adoption of the new constitution the role of Treasurer will be an optional role on the board rather than an operating role.