



**2019 ANNUAL GENERAL MEETING  
MARCH 21<sup>ST</sup>**

**TREASURER'S REPORT**

Manningham U3A (MU3A) is a registered not-for-profit, member-based incorporated association with the Victorian Department of Justice (Consumer Affairs). It is also a registered charity with the Australian Charities & Not-for-Profit Commission (ACNC) enabling MU3A to accept donations and similar funding in the State of Victoria.

MU3A is registered for the GST with the Australian Taxation Office.

A snapshot of our financial performance of the 12 months to 31<sup>st</sup> December 2018 shows:

- a small net surplus of \$ 6,272
- Cash and Bank Accounts totalling \$257,747 comprising
  - Business Reserve           \$ 72,113
  - Chequing Account           \$ 75,634
  - Term Deposit                 \$ 110,000

**Major Factors contributing to operating results**

- Approved annual venue fee of \$15.00 per class to help offset a portion of the rising rental costs for those external venues. For clarity, the Pines Function Room is an external venue
- Cessation of payments for beverages
- Summer School fees remained at \$10.00 to cover admin costs
- Replaced high cost of colour printing and photocopying services by Fujitsu with Copysonic, saving about \$1,500 annually.
- PayPal fees reduced by 50% from 2.5% to 1.25% of transaction amount, resulting annual saving of about \$900.
- Streamlined payment processing to fully utilise online capabilities realised the following benefits:
  - Elimination of printed materials
  - All transaction records are online and available 24x7
  - Transactions are immediate, verifiable, traceable and secure
  - No missed payments or delayed processing during the reporting period
  - PayPal admin fees are refunded if transactions are reversed (e.g., membership refunds)
  - Cash handling reduced significantly with over 60% of members using PayPal and EFT facilities
- Rationalised supply chain and establishing business accounts with Officeworks, Bunnings, Australia Post, Telstra, Harvey Norman and MSY Computers amongst others resulting in a reduction in time and effort and some cases, attracting small discounts. This also reduced the number of reimbursements claims by volunteer office staff who had previously made purchases with some of these suppliers on behalf of MU3A.

**Auditor's Report**

Manningham U3A is classified by the Department of Justice, Victoria as a tier 1 association as its revenue turnover is under \$250,000. The accounts of MU3A are not required to be reviewed externally or audited unless:

- Our Constitution states otherwise,



- A majority of members vote to do so at a AGM (review only), or
- The Registrar of Incorporated Associations directs MU3A to do so.

For clarity, tier 2 associations are those with annual revenues of more \$250,000 and up to \$1M, and tier 3s with annual revenues of over \$1M.

The Committee of Management gave an undertaking at last year's AGM to provide audited financial statements to the membership at this year's AGM, which it has fulfilled. For this purpose and assurance of arm's length independence, the Committee of Management engaged an external audit practise for this year's audit. The audited financial report and the auditor's report are provided.

### **Looking Ahead**

The Committee of Management aims to maintain membership affordability and ensure income/cash flow continues to fund current and future expenses associated with the operations of the organisation. Rising costs of operations of a sophisticated organisation as MU3A will remain a priority challenge into the foreseeable future.

Managing the fine logistics of administering and conducting an average of 200 classes a week for 38 weeks a year is not for the faint-hearted or the undisciplined.

I echo Geoff's views and appreciations for the hordes of fantastic and generous volunteers; those tutors who turn up week after week to provide their skills and expertise to the vital services of their fellow members.

I take this opportunity to thank the Committee for their staunch and unflinching support in seeing through the necessary cost reduction and other measures over the last two years. I take this opportunity to wish my successor all the best in their financial endeavours and look to continue to enjoy my time at MU3A as an ordinary member.

### **Thanks**

My sincere gratitude to Assistant Treasurer, Ms Hooi Khing TAN, Banking Officer Ken SMITH and Auditors Anoop CHAUHAN and Alan NASH for their contributions and selfless services to the organisation.

Thanks also to Roland GALLIAZA who retired as Petty Cash Officer last year.

**John Liew**  
**Treasurer**