# Report of the Treasurer

# To the WBUAP Mid-Term Regional Assembly

# September 2018

## Introductory Remarks

The following is a report into the financial performance of the WBUAP region since the Regional Assembly held in Orlando in August 2016.

I also make some comments which explain our decision to move our banking facilities from Australia to New Zealand, along with some thoughts as to the steps to ensure the long-term financial sustainability of our region.

I would like to apologise for being unable to be with you in Mongolia for the assembly. Family commitments prevent my attendance on this occasion.

I am happy to respond, at any time, to any questions you may have. My e-mail address is [neiljarvis@gmail.com](mailto:neiljarvis@gmail.com). Do feel free to contact me at any time.

## Summary of the region’s financial position

As of 10 August 2018, the WBU AP funds amount to a current balance of US$10,086.96

Following my election to the position of Treasurer at the Regional Assembly in Orlando in August 2016, the Board & Policy council agreed to transfer the finances of the WBUAP from its previous bank account in Australia to a new one in New Zealand. The previous Treasurer was from Australia and so it made sense then to hold the funds in an Australian account so that they may be administered by him. For the same reason, it was sensible to transfer our funds to New Zealand where I reside.

On 10 August 2017, the funds from the previous bank account held in Australia were credited to the new account held in New Zealand.

AU$7,757.31 was transferred the previous day, and AU$22 bank fee was incurred. As you can see, the transfer time was just one day.

The exchange rate on that date meant that NZ$8,124.67 was credited to our new bank account. This sum was immediately transferred into our US$ account, which, with the exchange rate on the date in question, gave us US$5,848.79. In addition, there was a small private donation of NZ$100, or US$70.79 made on 8 June 2017. This meant that the new WBUAP bank account started with an effective balance of US$5,919.58.

In November, the region received a grant of US$9,990 from the WBU in Canada as part of the FOCI grant for Marrakesh Treaty activities, which was spent on the costs of running the ASEAN sub-regional Marrakesh Treaty workshop in Singapore that month. The small outstanding balance from that grant paid for follow-up activities arising from the workshop itself, some of which are still to be invoiced to us; for the time-being, I am treating that amount as a current liability pending payment. We expect them to account for approximately US$2,700 in total, thus bringing our available funds down to around $7,386. I plan to negotiate with at least one organisation which is still to invoice us with a view to converting their invoice into a donation to the WBUAP, but cannot guarantee this yet.

## Bank Account details

After lengthy investigations, we decided to open an account with the ANZ Bank in New Zealand. ANZ agreed to give us a US Dollar account which will make it easier when transferring funds around the region or when receiving funds from outside the region, such as from WBU Headquarters in Toronto.

### Reasons for moving to a US Dollar account

The cost of maintaining a bank account in local currency was high in the last term. There are still costs incurred with a US Dollar account, but fewer, and transferring larger sums, such as the grant money from WBU for the Marrakesh campaign last year was easier and cheaper than it would have been if we had had to convert the WBU money (in US$) to NZ Dollar and then re-convert it back when paying out. In other words, we only had to convert the funds once rather than twice. Also, we are not so vulnerable to the fluctuations of the foreign currency exchange market.

As noted, the previous Australian account was in Australian Dollars. The previous Treasurer explained that there were difficulties holding funds in US Dollars in an Australian account, mostly to do with excessive bank charges.

However, the cost of regularly converting funds back and forth into or from US Dollars was considerable. We were advised that other WBU regions hold their funds in US Dollars, so this was a priority for this region when I took over as Treasurer after the Orlando Regional Assembly. We can see the benefits of this approach: out of the $10,000 amount we received from WBU for the Singapore workshop, around $330 was spent paying international bank charges. This was a considerable improvement on the situation surrounding our first FOCI grant in 2015. This in spite of the many transfers we made to reimburse attendees, or pay hotel accommodation and room-hire costs.

We have a New Zealand Dollar account attached to this US Dollar account. It is a stipulation that we have this if we wanted the US Dollar account, and is referred to by the bank as a transaction account. We needed that to receive the AU$ funds when they were transferred by the previous Treasurer, as it wasn't possible to transfer Australian Dollar funds directly to a US Dollar account in New Zealand. This NZ Dollar account does not cost us anything, and is currently empty, since all funds which were transferred to it were immediately re-directed to the US$ account. We'll keep it open in case we ever need it again, but I don't expect we will often, if at all.

However we do it, transferring money across borders is expensive. For that reason, when we reimbursed attendees of the Marrakesh Treaty workshop in Singapore last year, we asked each country delegation to nominate a single recipient and to arrange re-payment to their colleague once they had received the sum for both attendees from us. In this way, we cut down the cost of international transfers by half. I'm grateful to everyone concerned for agreeing to this arrangement.

## Things the region needs to consider

We do need to consider how the region is to finance its work in the future. For the most part, we rely on generous donations from individual member organisations. We also receive occasional grant aid, but this is tied to specific activities and must be spent fully, otherwise it has to be returned.

At the last MRGA in Hong Kong, the silent auction raised 2,123 Australian Dollars, roughly US$1,550 at the current exchange rate.

We should:

a) decide whether we wish to run silent auctions at all our future regional assembly meetings. The auction is as much a cultural experience as it is a fund-raising one, but it takes a great deal of organising;

b) appeal to member organisations to make regular donations to the region in order to boost our finances.

We have not incurred much non-project-related expenditure in recent times, but wee easily could and there will be expenses arising from the MRGA this year. I appeal to all delegates to the Assembly to do their part to encourage their organisations to make a donation to the WBU AP when they get home, and to talk with us about how they might make an annual financial contribution to the region’s activities. I would like to pause here to thank those organisations which have sponsored regional activities, either by making contributions to the cost of regional or sub-regional activities, or by funding costs incurred by putting on this assembly in Mongolia and the streams, organisational and cultural events which are taking place here. A full list of these contributors will be included in my report to the Assembly in 2020.

c) Carry out an Audit Review of our accounts in the near future, but find a way to do this which is not unreasonably expensive. Our last audit review in 2016 cost us AU$1,320 (approximately US$963). This was a significant expense for us at a time when our funds amounted to AU$7,849.31 (approximately around US$5,732). While I do not question the need for such a review, nor the market cost incurred, I am hopeful that I can find a supportive organisation which will waive such costs in the future and that the next audit review will be later in 2018. There will also be an Audit Review presented to the region at its Regional Assembly, part of the WBU General Assembly in Madrid in 2020.

Neil Jarvis

10 August 2018