

3.3 The New Banking System

A new bank account has been established. Bass and NSW/ACT Regions are providing details for the establishment of the subsidiary accounts. We have not heard from South-East Queensland/Northern Rivers at this stage. These three Regions will manage their own imprest account, which is a subsidiary account within the one ATEM Bank account. The other Regions have all opted for the ATEM Secretariat to manage their accounts. Peter Scardoni estimated that if the three big Australian Regions opted for the ATEM Secretariat to manage their accounts, then two new full time clerks would need to be appointed to the Secretariat.

The Aotearoa Region will manage its own separate Bank account which is necessary to obviate currency variation problems and to comply with tax rules on both sides of the Tasman.

The Commonwealth Bank has requested the establishment of an interest bearing surety of \$60,000 in respect of the issue of credit cards. This deposit will earn 7% interest p.a. All regions have been approached for the details required to set up the credit card system. Nearly all have responded. Commonwealth Bank Credit Cards will be issued to Branches. Bass has requested two cards. FMAC recommends one is to be held in Melbourne and one in Hobart.

An application has been made for new on-line Eftpos facilities. Requests have been lodged with AMEX and Diners to have our bank details changed to the new ones.

3.4 Cheque Signatories

Rex Jones, Peter Scardoni and Giles Pickford (any two to sign) are able to authorize any transaction across the new system. Additional signatories for the subsidiary Regional accounts have been requested. One person in each region will be responsible for the transactions of each regional credit card, and in Bass the Melbourne person will be responsible for the transaction on the Melbourne and the Hobart cards.

For the separate Bank account in Aotearoa the cheque signatories are any two of Ali Hughes, Neil Voyce and Ginny Ferguson.

3.5 Financial management Documentation

Neil Voyce reported that he would be re-writing the first draft of the Finance Manual, and the Financial Delegations Document, and that Rex Jones and Peter Scardoni would complete the exercise. It will be ready by the end of July. The Committee agreed that these two documents would bring clarity to ATEM Operations and they are needed urgently. They would cover the following items amongst others:

- Responsibilities of Regional Treasurers
- Record Keeping
- Cash Management
- Reporting
- GST (in Australia)
- Quick Books and the Single Accounting System
- The Charts of Accounts
- Signatories

- Budgeting and Forecasting
- Imprest Accounts
- The use of Credit Cards and the dollar limit on transaction
- The ATEM Investment Regime
- Schedule of Important Deadlines

3.7 Visit to the Aotearoa Region

Peter Scardoni reported on the roll-out of the single accounting system in Aotearoa. He said the visit had been very productive and the Bluff Oysters were delicious.

3.8 Compliance Audit

The Committee noted that the Compliance Audit will be completed once the new arrangements have been finalized.

3.9 Report from Maximised Results

The Committee noted the following report on the structure of the single accounting system and GST codes prepared by Maximised Results.

“Hello Peter

I have examined the Quickbooks file of ATEM for GST coding on the accounts and Items and with a few minor adjustments all is in order. I reviewed the BAS report for the March Quarter and found it to be correct. Sincerely Robert F Coffey”

3.10 Risk Assessment

Chris Pepper reported on progress. He recommended a schedule of figures which if adopted would determine ATEM’s risk appetite. The Committee suggested that loss of reputation with the Institutions be added to the schedule as a risk. It also recommends to Council that risk assessment be assessed for each TEM Conference annually, for ATEM on a regular basis, and for the ATEM Foundation once in order to determine its investment risk appetite.

4. Other Business

4.1 Payments Schedule

The Committee noted the payments schedule from March 2008 to 30 May 2008 and resolved to recommend to Council that all payments be authorised.

The Committee recommends to Council that the payments schedule in future be abandoned and a new operating expenditure schedule should replace it. This new document would include a progress against budget component. It would also contain explanatory note for any item more than \$10,000.

4.2 ATEM Investments

A report from the ATEM Foundation investments for ATEM and for itself was noted. Giles Pickford explained the investment policies for ATEM’s investments in government bonds, interest rate securities and hybrid securities including convertible notes. The Foundation investments are all in equities. There are two types there, shares which are bought for growth and therefore have low dividend yields, and shares which are bought for income, but slow growth potential. He pointed out that in

spite of the turmoil in debt markets the value of the Foundation's equities were still higher than their cost.

5. Next Meeting

The Committee noted that the next meeting will be held at 9.30 am on Sunday 28 September in Christchurch.

GP 12/6/08