



The Australian Society for
Operations Research Incorporated

ACT Registered Association. Registration Number A00227

Financial Reports

2019 and 2020

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07 January 2021

ASOR National has continued to operate separate accounts from the ASOR chapters for the 2019 and 2020 years. As has been the case from 2018, these reports have not been audited and financial reports have not been submitted to the ACT regulator. ASOR National has continued to not levy capitation against the branches and its direct funds are depleting. ASOR National's principal source of income has been profits from the ASOR-MODSIM conferences, the last of which, 2019, included cost to support an international speaker and so ran at a loss to the society. A large expense during 2020 was associated with the constitutional change process. During 2020, ASOR National took possession of ASOR Canberra funds for safe keeping.

These points are all described in more detail below.

Reporting only ASOR National

ASOR National holds and manages approximately one quarter to one third of all the funds within ASOR as a whole. This is because most of the funds and income are managed by the respective state branches and/or chapters. This makes consolidated reporting difficult or near impossible so these reports will continue the practice of reporting only ASOR National's finances. In particular this report does not include the position of active or inactive branches. Constitutional reform should make the management of financial affairs much easier as they will all be consolidated.

These reports are not audited

ASOR National's last audited accounts were in 2017 and it was determined that it was inappropriate to continue with the current auditor beyond then. Noting that ASOR National averages 23 transactions per year, with 12 of those being interest payments, and that a low priced alternate auditor could not be found, the treasurer decided to not seek auditing and to carry over transactions for a potentially unified audit once constitutional consolidation has occurred. To that end, the accounts include provisions each year for a future audit.

Constitutional reform will make auditing easier as only one entity will need auditing, rather than requiring separate audits for National and each of the branches/chapters.

ASOR financial reports have not been filed with the ACT regulator since 2017

ASOR has not been filing its annual returns with the ACT corporations' office (Access Canberra) from 2017 onwards. This is partly due to the absence of audited and consolidated accounts. Again, it is envisaged that subsequent to constitutional change, ASOR will bring its corporate affairs into order and so allowances for filing fees have been made in the 2018-2020 accounts.

ASOR National's only main income is conferences

After 2015, the ASOR National Committee decided not to seek capitation from constituent branches/chapters. Thus, ASOR National has been slowly running down its funds, with occasional income bursts from successful ASOR-MODSIM conferences, with \$770 and \$4,956 being received from the 2015 and 2017 conferences respectively. The 2019 National conference was run at a net estimated loss to ASOR of \$3,642 due to the society's support for an international plenary speaker (see below).

Given the rate of spend, the available funds specifically attributable to ASOR National are \$6,049, so it is unlikely that ASOR National could continue to operate in its current form for more than one year. That is, if constitutional change is not enacted and the current model of running separate accounts to the state branches and not collecting capitation from those branches continues.

ASOR National is now holding some chapter balances

ASOR National has been holding the defunct Sydney Chapter balance in its accounts since 2009. In 2020, ASOR National took possession of the Canberra Chapter balance in anticipation of constitutional change, and in order to relieve the chapter of the burden of financial management given their limited membership and activities.

Following the successful ASOR-MODSIM conference in 2013, ASOR National took possession of the conference proceedings (\$12,850) on behalf of the inactive South Australian branch. In 2017, following a member consultation period, this amount was formally assumed into ASOR National operating funds. There is still a SA bank account, however it is understood that no current ASOR National or ASOR Victoria members have access to it.

ASOR-MODSIM 2019 profits are yet to be fully realized

ASOR invited Professor Gerald Brown from NPS to be a plenary speaker at ASOR-MODSIM 2019 and undertook to cover Prof. Brown's expenses. It was expected that these costs would be offset by the funds that would eventually return to ASOR, namely the conference profit attributed to ASOR and the plenary speaker's fee. Professor Brown's expenses were recognized in the 2019 ASOR accounts, however Prof. Brown was reimbursed by ASOR Victoria and ASOR National has yet to transfer funds to ASOR Victoria for this amount, again in anticipation of constitutional change.

The MODSIM organizers are holding onto to the ASOR monies from ASOR-MODSIM2019 as ASOR's contribution to funding the 2021 conference. The ASOR National Treasurer has yet to receive formal notification of this and the amounts involved and so these monies have been recognized only as allowances (estimates) in the 2020 ASOR National accounts.

Constitutional Change has been a substantial investment

In order to undertake constitutional change, and at the strong recommendation of Science and Technology Australia/FASTS, the ASOR National Committee authorized ASOR to become a member of [The Associations Forum](#) in 2019. This entitled ASOR to some amount of free governance advice and a constitutional review. Subsequent to this, in 2020 ASOR engaged The Associations Forum to work with us to draft a new constitution, and to prepare explanatory documentation. The combined cost of this membership for 2019 and 2020 was \$1,988 and the total cost of consultancy services was \$9,570 in 2020.

ASOR National Balance Sheet 2019

	Notes	2019 \$	2018 \$	2017 \$	2016 \$
CURRENT ASSETS					
General cheque account		27,538.60	30,357.21	28,211.69	32,377.88
Publications cheque account (now closed)					
Accounts receivable		0.00	0.00	0.00	0.00
		<u>27,538.60</u>	<u>30,357.21</u>	<u>28,211.69</u>	<u>32,377.88</u>
NON CURRENT ASSETS					
Medal Dye	1	0.00	0.00	0.00	0.00
Company Stamp	2	0.00	0.00	0.00	0.00
		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL ASSETS		<u>27,538.60</u>	<u>30,357.21</u>	<u>28,211.69</u>	<u>32,377.88</u>
CURRENT LIABILITIES					
Accounts payable		15,466.77	1,853.00	385.00	967.75
Sydney Chapter balance	3	2,235.35	2,235.35	2,235.35	2,235.35
SA Chapter Conference balance	4	0.00	0.00	0.00	12,850.00
		<u>17,702.12</u>	<u>4,088.35</u>	<u>2,620.35</u>	<u>16,053.10</u>
NET ASSETS		<u>9,836.48</u>	<u>26,268.86</u>	<u>25,591.34</u>	<u>16,324.78</u>
MEMBERS' FUNDS					
Accumulated surplus		26,268.86	25,591.34	16,324.78	17,451.24
Operating surplus/(deficit)		<u>(16,432.38)</u>	<u>677.52</u>	<u>9,266.56</u>	<u>(1,126.46)</u>
		<u>9,836.48</u>	<u>26,268.86</u>	<u>25,591.34</u>	<u>16,324.78</u>

List of Accounts Payable

Audit 2018 (allowance)	5	275.00
Audit 2019 (allowance)	5	350.00
ACT Corporations Fee 2018 (allowance)	6	84.00
ACT Corporations Fee 2019 (allowance)	6	100.00
IFORS Membership 2019		165.77
Rising Star Award 2019		1,000.00
Best Student Paper Award 2019		250.00
2019 MODSIM/DORS conference - invited speaker fee (Gerald Brown)	7	13,242.00
		<u>15,466.77</u>

Notes:

1. Medal dye - Kept at offices of Stokes.
2. Company stamp - held by the treasurer.

3. ASOR National holds the Sydney chapter balance in trust. This will be consolidated into one account of ASOR funds should the constitutional change be successful.
4. ASOR National assumed the 2013 SA Conference profit in 2017.
5. Allowance only. ASOR National accounts are not currently being audited and provision is made in 2018 and 2019 should these belated audits need to be made.
6. Allowance only. Corporation's filings were stopped in 2018 and it is envisaged that these will be required in order to bring the society into good standing subsequent to the constitutional change.
7. ASOR National agreed to be responsible for the costs of the ASOR invited speaker for MODSIM 2019. This amount has been paid by ASOR Melbourne and ASOR National should pay this amount back to ASOR Melbourne once MODSIM profits have been determined and distributed.

ASOR National Income and Expenditure 2019

	Notes	2019 \$	2018 \$	2017 \$	2016 \$
INCOME					
Capitation fees	1				
Interest income		28.93	26.71	30.43	33.57
National Conference	2		4,956.00		770.00
Assumption of 2013 SA Conference proceeds	3			12,850.00	
Other	4	334.76			906.81
		363.69	4,982.71	12,880.43	1,710.38
EXPENDITURE					
Umbrella organisation membership fees	5	1,635.07	1,077.19	1,052.87	957.84
ASOR National conference expenses	6	13,242.00			
Prizes	7	1,250.00	1,250.00	1,360.00	1,250.00
Grants	8		1,330.00	695.00	
Support to events					
Corporate Affairs expenses	9	100.00	84.00		
Audit fees – current year	10	350.00	275.00	275.00	360.00
Bank Fees			32.00	32.00	32.00
Web Page Hosting		219.00	257.00	199.00	237.00
		16,796.07	4,305.19	3,613.87	2,836.84
OPERATING SURPLUS/(DEFICIT)		(16,432.38)	677.52	9,266.56	(1,126.46)

Notes:

1. ASOR National is not charging capitation fees on branches from 2016 onwards
2. ASOR/MODSIM 2015 proceeds were paid in 2016, and the ASOR/MODSIM 2017 proceeds were paid in 2018
3. Proceeds from the 2013 conference was allocated to the SA Chapter and is held by National for that chapter. As the chapter has not been functioning since 2013, the committee assumed the SA Conference balance into ASOR National operating funds following a notice period in which no objections were received.
4. In 2019, the Australian Mathematical Sciences Council (AMSC) was wound up and member organisations were given a share of the remaining funds based on current membership numbers.
5. These organisations are IFORS (\$USD108), STA/FASTS (\$531), and The Associations Forum (\$938). The Associations Forum was joined to help facilitate constitutional reform at the recommendation of STA.
6. ASOR National agreed to be responsible for the costs of the ASOR invited speaker for MODSIM 2019. This amount has been paid by ASOR Melbourne and ASOR National should pay this amount back to ASOR Melbourne once MODSIM profits have been determined and distributed.

7. Consisting of \$1000 for the Rising Star award and \$250 for the Best Student Paper award. In 2017 there were medal engraving fees.
8. In 2018 ASOR sponsored 2 attendees to Science Meets Parliament.
9. Allowance only. Corporations filings were stopped in 2018 and it is envisaged that these will be required in order to bring the society into good standing subsequent to the constitutional change.
10. Allowance only. ASOR National accounts are not currently being audited and provision is made in 2018 and 2019 should these belated audits need to be made.

ASOR National Balance Sheet 2020

	Notes	2020 \$	2019 \$	2018 \$	2017 \$
CURRENT ASSETS					
General cheque account		48,334.01	27,538.60	30,357.21	28,211.69
Publications cheque account (now closed)					
Accounts receivable	1	9,600.00	0.00	0.00	0.00
		<u>57,934.01</u>	<u>27,538.60</u>	<u>30,357.21</u>	<u>28,211.69</u>
NON CURRENT ASSETS					
Medal Dye	2	0.00	0.00	0.00	0.00
Company Stamp	3	0.00	0.00	0.00	0.00
		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL ASSETS		<u>57,934.01</u>	<u>27,538.60</u>	<u>30,357.21</u>	<u>28,211.69</u>
CURRENT LIABILITIES					
Accounts payable		16,229.43	15,466.77	1,853.00	385.00
Sydney Chapter balance	4	2,235.35	2,235.35	2,235.35	2,235.35
SA Chapter Conference balance	5	0.00	0.00	0.00	0.00
Canberra Chapter Balance	6	33,420.00	0.00	0.00	0.00
		<u>51,884.78</u>	<u>17,702.12</u>	<u>4,088.35</u>	<u>2,620.35</u>
NET ASSETS		<u>6,049.23</u>	<u>9,836.48</u>	<u>26,268.86</u>	<u>25,591.34</u>
MEMBERS' FUNDS					
Accumulated surplus		9,836.48	26,268.86	25,591.34	3,474.78
Operating surplus/(deficit)		<u>(3,787.25)</u>	<u>(16,432.38)</u>	<u>677.52</u>	<u>22,116.56</u>
		<u>6,049.23</u>	<u>9,836.48</u>	<u>26,268.86</u>	<u>25,591.34</u>

List of Accounts Payable

Audit 2018 (allowance)	7	275.00
Audit 2019 (allowance)	7	350.00
Audit 2020 (allowance)	7	350.00
ACT Corporations Fee 2018 (allowance)	8	84.00
ACT Corporations Fee 2019 (allowance)	8	100.00
ACT Corporations Fee 2020 (allowance)	8	100.00
Rising Star Award 2020	9	1,000.00
Best Student Paper Award 2019	10	250.00
2019 MODSIM/DORS conference		
- invited speaker fee (Gerald Brown)	11	13,242.00
Vimeo Video Hosting subscription	12	316.80
Zoom Conferencing subscription	12	161.63
		<u>16,229.43</u>

Notes:

1. The 2019 conference proceeds amount are an allowance only, an estimate of profit from MODSIM 2019 plus Gerald Brown speaker's fee. This amount will be kept by MODSIM organisers to provide the ASOR contribution of initial funds needed to stage MOSIM 2021.
2. Medal dye - Kept at offices of Stokes
3. Company stamp - held by the treasurer
4. ASOR National holds the Sydney chapter balance in trust. This will be consolidated into one account of ASOR funds should the constitutional change be successful.
5. The ASOR National assumed the 2013 SA Conference profit in 2017.
6. To assist with chapter management and in anticipation of constitutional change, the Canberra chapter submitted all their funds to ASOR National for safekeeping.
7. Allowance only. ASOR National accounts are not currently being audited and provision is made in 2018, 2019, and 2020 should these belated audits need to be made.
8. Allowance only. Corporation's filings were stopped in 2018 and it is envisaged that these will be required in order to bring the society into good standing subsequent to the constitutional change.
9. Despite there being no annual conference in 2020, the National Committee decided to make a 2020 Rising Star award. The Awards Committee has not completed the decision process by the end of 2020.
10. The 2018 Best Student Paper winner has yet to receive these funds due to international funds transfer issues.
11. ASOR National agreed to be responsible for the costs of the ASOR invited speaker for MODSIM 2019. This amount has been paid by ASOR Melbourne and ASOR National should pay this amount back to ASOR Melbourne once MODSIM profits have been determined and distributed. See Note 1 for current expectation for offsetting conference profit.
12. This is yet to be reimbursed to the member who is currently paying the subscription.

ASOR National Income and Expenditure 2020

	Notes	2020 \$	2019 \$	2018 \$	2017 \$
INCOME					
Capitation fees	1				
Interest income		46.32	28.93	26.71	30.43
National Conference	2	9,600.00		4,956.00	
Assumption of 2013 SA Conference proceeds	3				12,850.00
Other	4	258.90	334.76		
		9,905.22	363.69	4,982.71	12,880.43
EXPENDITURE					
Umbrella organisation membership fees	5	1,869.14	1,635.07	1,077.19	1,052.87
ASOR National conference expenses	6		13,242.00		
Prizes	7	1,000.00	1,250.00	1,250.00	1,360.00
Grants	8			1,330.00	695.00
Support to events					
Corporate Affairs expenses	9	100.00	100.00	84.00	
Audit fees – current year	10	350.00	350.00	275.00	275.00
Bank Fees		32.00		32.00	32.00
Web Page Hosting		270.80	219.00	257.00	199.00
Seminars	11	478.43			
Postage and Stationery		22.10			
Governance	12	9,570.00			
		13,692.47	16,796.07	4,305.19	3,613.87
OPERATING SURPLUS/(DEFICIT)		(3,787.25)	(16,432.38)	677.52	9,266.56

Notes:

1. ASOR National is not charging capitation fees on branches from 2016 onwards.
2. ASOR/MODSIM 2015 proceeds were paid in 2016, and the ASOR/MODSIM 2017 proceeds were paid in 2018. The 2019 conference proceeds amount are an allowance only, an estimate of profit from MODSIM 2019 plus Gerald Brown speaker's fee. This amount will be kept by MODSIM organisers to provide ASOR contribution of initial funds needed to stage MOSIM 2021.
3. Proceeds from the 2013 conference was allocated to the SA Chapter and is held by National for that chapter. As the chapter has not been functioning since 2013, the committee assumed the SA Conference balance into ASOR National operating funds following a notice period in which no objections were received.
4. In 2020, ASOR received \$259 in royalty payments from the Copyright Agency. In 2019, the Australian Mathematical Sciences Council (AMSC) was wound up and member organisations were given a share of the remaining funds based on current membership numbers.
5. These organisations are IFORS (\$USD108), STA/FASTS (\$660), and The Associations Forum (\$1050). The Associations Forum was joined to help facilitate constitutional reform at the recommendation of STA.

6. ASOR National agreed to be responsible for the costs of the ASOR invited speaker for MODSIM 2019. This amount has been paid by ASOR Melbourne and ASOR National should pay this amount back to ASOR Melbourne once MODSIM profits have been determined and distributed.
7. The Rising Star award is \$1000 and the Best Student Paper award is \$250. As there was no conference in 2020, only the Rising Star award will be given and the decision process for this award is yet to complete. In 2017 there were medal engraving fees.
8. In 2018 ASOR sponsored 2 attendees to Science Meets Parliament.
9. Allowance only. Corporation's filings were stopped in 2018 and it is envisaged that these will be required in order to bring the society into good standing subsequent to the constitutional change.
10. Allowance only. ASOR National accounts are not currently being audited and provision is made in 2018, 2019, and 2020 should these belated audits need to be made.
11. In mid 2020, ASOR subscribed to Zoom and Vimeo in order to run seminars, hold meetings, and make talks available for post-seminar viewing.
12. Consultancy fees paid to the Associations Forum to advise on constitutional change and draft a new constitution.

Timothy Surendonk
ASOR National Treasurer
January 2021