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**First Term Report of the CFO**

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# **Introduction**

This is the term report of the Chief Financial Officer of Student Parliament written in accordance with Student Constitution and Parliament Constitution of the University of Stellenbosch.

The report reflects the financial environment of Student Parliament. By critically analysing the financial going concern and sustainability of the entity in my official capacity, as Chief Financial Officer.

Included in my report are recommendations on the internal control environment to reduce the risk of material misstatement due to fraud or error.

# **Fourth Term**

I was elected in the year of COVID-19, the official transfer of power in terms of Section 6 of the Student Parliament Constitution was completed in October 2020.

It was total new experience being elected on online, this brought forth different challenges as what we as student leaders where used to. This change caused, us to transgress to more online world.

# **First Term**

Before the academic term started, I attended Financial literacy and student leadership training held by Mr. Anele Mdepa, Thulani Hlatswayo and their team. Training equipped me with valuable skills as a Student Parliament leader.

My goal was to compile flexible budget that meets all Student Parliament financial needs and taking into accountant the effect of COVID-19. An flexible budget gives us, as a team the ability to adjusted our budget as the demands of Student Parliament change. This style of budgeting has been very helpful, as Student Parliament operations environment can change in the wink of an eye and before you know, the budget must be adjusted for unplanned expenses.

I highly recommend this style of budgeting for all leadership structures.

In our meetings we discuss the budgets needs of Student Parliament. We shared ideas on expenses that will encourage student participation. Our mandate was to create a sustainable budget that will vest fair and transparent usage of funds in Student Parliament.

As term progressed we as an team occurred expenses, these expense was processed by me on Tera Term. During the processing of transactions I faced difficulty with Tera Term. The software is outdated and my cost point was not able to gain access to the general ledger expense of marketing. This problem was solved by Miss. Sharine by processing the expense to a different ledger accountant.

Please bear in mind, this increases the internal control risk environment of Student Parliament. As the expense was debited to the wrong accountant on Tera Term.

In my opinion the University should move to a new accounting software system, Tera term is outdated. New systems like Pastel are more efficient and embedded with internal controls. This will decrease the risk environment and gives users the ability to process real time transactions in an online world.

## **Constitutional review:**

We were assigned as team to analysis our constitution. In our analysation we found, that our constitution was outdated and not on the standards of what we as Student Parliament strive to reflect.

The constitution missed pages and contained several mistakes like spelling and grammar. We decided to create a task team to address the issue and renovate our constitution.

The biggest challenge for me was contributing to the constitutional review. My home language is Afrikaans and I struggled with delivering adequate opinions about our constitutions English grammar composition.

# **Challenges:**

* Tera Term
* Communications
* Lack of Internal Controls
* COVID-19
* Bandwidth internet connection

1. **Treasures forum:**

I was assigned to administrate the Treasures forum. The main challenge with the forum was that members didn’t understand the mandate of the forum, this caused a lack of engagement from member. I struggled with late cancelations, causing meetings to be rescheduled several times. We as forum are still waiting to have our first meeting.

Communication is an big struggle and even adding all members on WhatsApp, some members still did not even reply on any communication send out from me.

# **Goals:**

* Deliver an conclusion of the internal control environment.
* Updating the internal control environment to reduce the risk of material misstatement.
* Creating a sustainable environment project.
* Governing Treasures Forum

# **Conclusion:**

The goals I set out for myself and the mandates given to me by the Student Parliament Constitution were achieved in the first term. Even with communication as a bearer, we as a team were able to persevere through all the challenges and increase student participation.

Kind regards

Max van der Bergh

Student Parliament - CFO