

# President's Report

## Introduction

It is my pleasure to present to members the Annual report of the Australian Investors' Association for the year ended 30<sup>th</sup> June, 2003.

The downturn in the economy, lackluster sharemarket and international conflict impacted on the AIA to the extent that growing our membership and obtaining numbers for our conferences was a challenge. The following paragraphs record some of the more important gains. We continue to seek to improve member benefits and a major focus during the year has been ensuring the continued development of the Special Interest Group Bulletins. Council feels that significant gains have been made. The AIA still remains one of the country's best-kept secrets.

## Membership

The Association's membership remains the key to what we can do - in education, advocacy, and services to members. After a net increase of 83 last year, we suffered a loss of 18 in the year to 30<sup>th</sup> June 2003. The twelve-month moving average this year is 1759 so it is encouraging to think that the downturn is but a temporary setback.

The Association needs the help of all in seeking new members. Council believes with the addition of the Equity SIG Bulletin in the current year, the AIA has a product offering of which all may be proud - please tell your friends, work colleagues, etc about us.

## Activities

### Meetings

Our nationwide membership has continued to support local meetings around Australia. These local meetings are an ideal opportunity for networking and to learn of some of the latest ideas and concepts for investors. It is pleasing to record that the meetings are well attended. I urge you to attend these meetings as often as you can: Details are given on the back page of each issue of *The Investors Voice* and on our web site, [www.invetors.asn.au](http://www.invetors.asn.au).

### Conferences and Seminars

As indicated last year, Council undertook to offer a greater range of one-day seminars this year with at least one being held in each of Brisbane, Melbourne, Perth, and Sydney. All have been well supported by members and have also proved to be a good way of gaining new members.

Our National Conference last June was well attended, numbers being just short of the highest achieved so far. I believe our national Conference is the best "value for money" available to investors today. Certainly when compared to the sums being asked for a place at a commercially driven event, ours offer a broader range of topics with considerable less sales hype.

### Publications

The year's success story has to be the delivery of our Special Interest Group bulletins. Our dedicated volunteers continued to produce the Self Managed Super Funds and Managed Investments bulletins commenced last year and that on Derivatives was launched in September 02. Following a survey of members' interests, it became clear that we had to cover the equities market so as the year ended plans were well in hand for our first Equities Special Interest Group Bulletin. My thanks go to all contributors to these publications.

*The Investors' Voice* was produced quarterly and all issues achieved a blend of material such that every member should find something of interest in each issue. A professional journalist now edits each issue and increasing demand for more articles and topics to be covered is a reflection of the benefits such editing brings to the *Voice*.

### Advocacy

We have continued to comment on issues which impact on investors. We have to be somewhat selective in this as the AIA's capacity for research is limited - we are always seeking members who are able to help in advocacy matters.

**Government.** We continued to be represented on the government's Implementation Consultative Committee for the Financial Services Reform Act. This committee has been meeting regularly for some time and is

assisting with the development of the various Regulations that are to be made under the Act. It is anticipated that the Association will continue to be involved with the CLERP process for some time.

**Regulators.** The AIA has cooperated with ASIC in its efforts to clamp down on poor corporate behaviour, and continues to assist where possible. This cooperation is evidenced by ASIC's Commissioner Professor Berna Collier speaking at our Conference in June when she updated members on progress following release of the ASIC/ACA "Shadow Shopping" project.

## **Council**

As mentioned last year, Mr Bill Shirley joined Council early in the year. Continuing a policy of seeking representation from all states on Council, Mr David Combe who resides in Sydney, and Mr Adrian Vorbach a resident of Adelaide, were invited to join Council. I am delighted that both accepted the invitation. Full details of Councillors in office for any part of the year are to be found in the Directors' Report accompanying this Report. I thank your Councillors, all of whom act in a voluntary capacity for their dedication to the aims of the AIA. They spend many hours developing the AIA's strategy and future programs.

## **Finance**

The financial statements show that your Association is in good financial health. The result for the year under review being a surplus of over \$27,000. For the first time our members Equity has exceeded \$100,000. The financial statements accompany this report. It is pleasing to note that the year was completed with a surplus of slightly below \$30,000. Whilst this is a lower outcome than last year it should be viewed in the light of the economic climate prevailing during the year and the increased services provided to members. This, coupled with our members' equity of over \$100,000 indicates that your Association is in strong shape. Council acknowledges the many members who have devoted innumerable hours of voluntary labour to the cause of "**Investors helping Investors**".

## **Concluding remarks**

### **The future**

Council recognizes that we must continue to increase our membership and believes the 2003-2004 year must be one in which membership increases beyond 2000. Council resolved that to support a membership of this size it would need a more comprehensive membership management system than the present one. After a long and fruitless search Council came to the conclusion that the cost of modifying available commercial systems to the Association's needs would be more expensive than having one developed for our activities. Early in the new year members should be able to renew their membership and register for seminars and conferences on our web site.

### **Our Volunteers**

All members owe a debt to the band of volunteers who give of their time freely to arrange local meetings, represent the AIA at Investment Shows, etc. It is as true this year as last: Without the active support of these members volunteering to help out in many ways, the AIA could do little. I place on record the AIA's thanks to these members for their continuing support and strength.

### **Our Staff**

We have had some staff changes in the past year, with some familiar faces moving on to new pastures and new staff joining us. Throughout the year our "rock" Ms Silvana Eccles continued her role as Secretary, first line of contact and general administrator. I want to record the Association's thanks to all staff for their efforts during the year.

R. Andrew