

# 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, 2002.

Although there has been a continuation of the downturn in the economy, the AIA has managed an increase in membership and a great increase in activity. The following paragraphs record some of the more important gains. The main area of activity has been on member education and Council feels that significant gains have been made. Regrettably the AIA remains one of the country's best kept secrets.

## Membership

The year began with 1679 members, and ended with 1762. This does not give any satisfaction, last year it was suggested that "members join for one of our conferences, then fail to renew the following year". It is pleasing to observe that the retention rate of members has improved significantly over the year: On a 12 month moving average basis membership is up 10%

The greater our membership, the more services can be provided. Some members are taking advantage of our book offer by proposing potential members, all members are urged to consider whether there is any one in their circle of friends and colleagues who would benefit from membership of the AIA.

## Education

Education has been our major activity during the year and Council is please to record that the introduction of Special Interest Group Bulletins has been so well received: It is unfortunate that these have to be restricted to members who have access to e-mail but the costs of postage to all members would be prohibitive. These Bulletins complement *The Investors' Voice* that, by its very nature, is unable to treat matters in great depth. Two SIGs commenced during the year - Self Managed Super Funds and Managed Investments.

Meetings of members have been held in many locations around the nation and Council appreciates the contribution made by the organisers of these meetings. A glance at the back cover of *The Investors' Voice* shows just how much is going on within your Association.

## National

Sydney joined our national "circuit" with a highly successful weekend conference in September 2001. Attendance was good and the opportunities to learn in a convivial atmosphere were appreciated. The date turned out to be not long after the New York tragedy and the failure of Ansett so there was much interest in how local and overseas markets would handle these events.

In Melbourne we chose a new venue which provided better facilities though not as central as the Convention Centre. Whether it was the change of venue, or the timing of the conference, the attendance was down. Council is considering holding the conference later in the year, but it would be fair to say that unless there is improved support, Council will have to decide whether to continue with this format in Melbourne. Members suggestions are always welcome.

Over 240 members assembled from the 10th to 14th June at Conrad Jupiters Hotel on the Gold Coast. Our sponsorship was down slightly but this was outweighed by the increased attendance. Some members were disappointed with the move from the Marriott, but there is little room for sentiment in these matters. As numbers attending increase, the list of suitable venues decreases!

Based on the success of Sydney's one day seminars Council commenced a series of one day seminars on specific topics During the year. The first was "Self Managed Super Funds" and is being followed up with one on the sharemarket. The concept behind these seminars is to develop a topic and then present it in each of our capitals as presenters are available.

## **Local**

Regular meetings continue to be held in the mainland state capitals, and discussion groups are meeting in many regional areas. These opportunities for like-minded investors to discuss common concerns are one of the major benefits members derive from the Association.

## **Web Site**

Our World Wide Web site: [www.investors.asn.au](http://www.investors.asn.au) is intended to serve two purposes: To have a presence in this medium which has the potential to attract new members; and to provide a useful resource for members. In addition to back copies of *Investors Voice* articles (111), there are over 150 papers from previous conferences and seminars available. These, together with a considerable number of book reviews, provide a wealth of resource material for members.

## **Advocacy**

As mentioned last year our lack of members who are able to help in advocacy matters precludes the Association from taking a high profile in this area. Council can only do what is possible with the resources available and attempts to cover three levels: Government; Regulators; and Corporations.

**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 which 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 poor behaviour, and continues to assist where possible. ASIC's Executive Director of Consumer Protection spoke at our Conference in June, those present having the opportunity to hear at first hand about some of the investigations and concerns confronting ASIC as it takes over responsibility for all financial services. Our relationship with ASIC continues to strengthen.

**Corporate.** As the year came to a close some members expressed difficulties in communications with the operators of Landmark Property Syndicates. Council is assisting those members to get together as a group to provide added strength to requests for information.

## **Council**

During the earlier part of the year Council was acutely aware of the absence of any Victoria resident councillor. Mr Bill Shirley was invited to join Council and has accepted. Details of the Councillors in office during the year are provided in the detailed Financial Statements that accompany this report.

Council adopted a new logo for the Association of which all members are now aware. Feedback has been positive and is appreciated. The logo and background "fuzzy number" image has been adopted for all our publications.

## **Finance**

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 \$80,000 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**

Membership remains the key to what we can do - in education, advocacy, and services to members.

Our conferences offer many opportunities to members, Council intends to continue these and build on the more specific one day seminars. As last year, I urge members to attend one of these each year so that your knowledge is up-to-date.

### **Our Volunteers**

Many members give of their time to help the AIA spread the message. Without the active support of these members volunteering to help out in many ways, the AIA could do little. Just another example of **"Investors helping Investors"**

Your Councillors, all of whom are unpaid, spend many hours working on the AIA's programs and strategy for the future. It is appropriate to record the Association's thanks for their efforts.

### **Our Staff**

The AIA is fortunate to have such a powerful administration team headed up by our Secretary, Ms Silvana Eccles, ably assisted by Ms Narelle Richardson, Ms Ann Weise and Ms Kate Amand. I want to record the Association's thanks to these staff members for their efforts.



R. Andrew