

Treasurer's Report

The financial year ended presented a series of financial challenges for the AIA.

Over the previous five years the AIA had gone from having virtually no reserves to an accumulated surplus of \$108,000. As Treasurer I asked myself the question – why are we accumulating reserves of this order? Initially the plan was to put the AIA on a sound financial footing and that has been achieved to an extent.

As we entered the new financial year we made decisions to concentrate on improving the range and quality of services to members, to modernise the administration systems and to look at new ways to market the AIA to attract new members.

I am pleased to report that we have successfully achieved the above and spent the money we expected we would. We in fact spent considerably more in some areas due to unexpected problems with maintaining records under the old system, under both the old system and the new systems while in the testing phase and transferring data to the new system. We also experienced a sharp increase in membership numbers in the later part of the year which, while giving an early indication of the success of the new marketing strategy, also increased our staffing costs.

Overall we recorded a tiny surplus for the year which is satisfactory given the significant improvements in member numbers, member services and member administration. We now have the standard of services and systems capable of servicing a far greater number of members. All we need to do is find new members to generate the subscriptions we need to continue to provide you with what you want.

We have a detailed program which is all ready under way to introduce the AIA to many thousands of people who should be interested in the aims and work of the AIA. We are optimistic about the effect this will have on the current year's revenue but I have learnt over many years in financial and investment management that one should never rely on a single strategy. We are therefore asking you to help us spread the word about the AIA. All that is needed is to guide people to the AIA website; www.investors.asn.au where visitors can easily take up the offer of 3 months FREE TRIAL.

I am pleased to present the accounts to you because they show a healthy and strong position. As we move forward we expect to enjoy cost savings directly related to our new systems but will continue to incur the higher costs associated with high service standards. The AIA needs and I believe deserves many more members and your help in inviting people to visit the website is critical to our future growth.