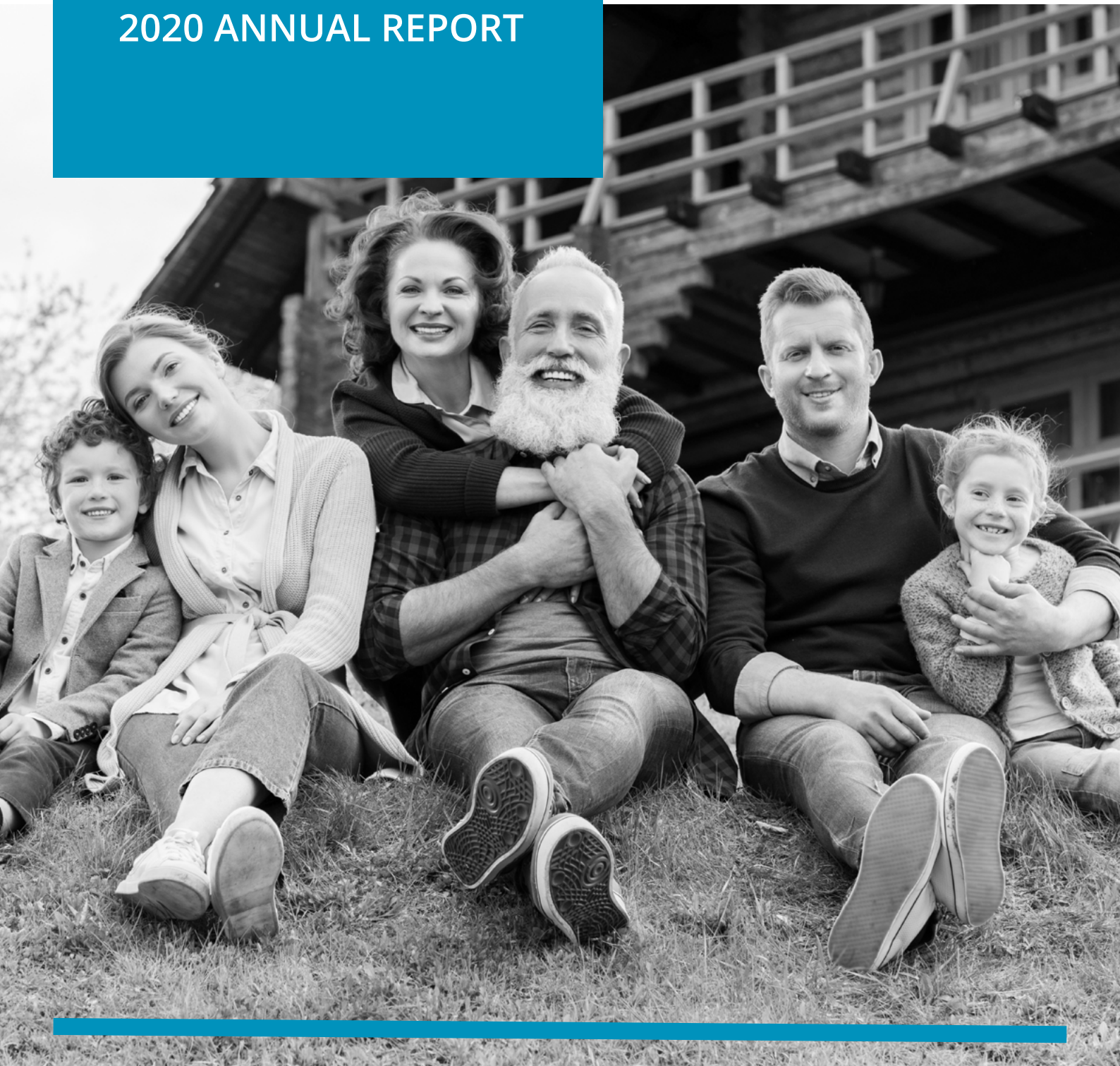


THE VOICE OF RETAIL SHAREHOLDERS

2020 ANNUAL REPORT



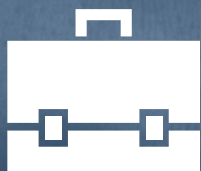
2020 AT A GLANCE

OUR PURPOSE

We exist to provide a voice for and help to improve the financial wellbeing of Australian shareholders and investors.

OUR MISSION

Our mission is to be the pre-eminent representative voice of retail shareholders in the market and to build a thriving robust retail shareholder sector. We empower shareholders through helping shape public policy, improving corporate governance, and providing access to educational resources.



33,000+
Proxies



10,176
Attendances
at webinars



5,001
members



\$2.9B
proxies by value



64
educational webinars held



12
submissions, policy and position papers



170+
AGMs attended



25,000+
Magazine print copies



328
investment meetings
(physical and Zoom)



170+
ASX companies monitored



495
virtual conference delegates




\$1.0M
revenue from all sources



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CHAIRMAN'S REPORT

ALLAN GOLDIN
Chairman



“DESPITE THE CHALLENGES, ASA EMPLOYED THE HIGHEST NUMBER OF STAFF IN HISTORY, INCREASED ITS MEMBERSHIP NUMBERS FOR THE FIRST TIME IN YEARS, AND ENDED THE YEAR WITH MORE THAN A MILLION DOLLARS IN THE BANK.”

In 2020, our world was turned upside down as the Coronavirus pandemic spread globally. It unequivocally impacted our very way of life. ASA lost its second biggest revenue generator, the annual conference. Despite the challenges, ASA employed the highest number of staff in history, increased its membership numbers for the first time in years, and ended the year with more than a million dollars in the bank. How did we do this? Two factors: CEO John Cowling and the team, and JobKeeper.

The federal government's JobKeeper initiative was a significant help. This together with the cashflow boost and the NSW SME grant gave us a total of \$249,000 until we no longer qualified for it in January 2021. However, the largest factor was CEO John Cowling and his inspirational leadership.

The board desperately held off cancelling ASA's major event of the year, the Investor Conference. Unfortunately, it was forced upon us. At the same time, our primary touchpoint with the top 1,000 most active members of the monthly investor meetings around the country had to be cancelled. John knew it was essential to maintain membership levels through this trying time whilst keeping costs down and increasing interaction with members. John thus formulated a series of live weekly webinars and special online masterclass events that would support members during this time, culminating with the highlight of a virtual conference attended by 500 people.

Although John hosted a few of these weekly webinars, often as moderator, he didn't do this alone. Kris, an events coordinator under Silvana, jumped into the new challenge and showed previously unseen organisational and management abilities. While this new software platform called “Zoom” was foreign at first, Mary was there, leading the way when members would phone in, calmly and patiently assisting them through

the mysteries of this new technology. Always on hand to troubleshoot, Mary soon became known as the ‘Zoom Queen’, and investor e-meetings took off and became frequent ‘Zoom affairs’.

Membership renewal is difficult at the best of times, let alone during a pandemic wreaking havoc on the economy. This is where the always patient Doug came to the fore, encouraging members to renew, and being a constant source of new ideas for encouraging membership to grow. A team effort as always, Joly also provided vital support to Mary and Doug.

We launched a new initiative called wlnvest. Its aim is to provide accessible resources and information for people, particularly older women struggling with financial literacy. I encourage you to share this video series with those not as financially literate as you, available at no extra cost.

The shaping of this new video series, along with the new look and improved interactivity of the website, ASA's emerging new brand, and increasing presence on social media can all be put down to Yazzy. Although she works as many hours as anyone I have ever met, we must also give our interns special thanks for their valuable contribution too. Thanks again to John who initiated the internship program.

Yazzy supervised the program, and they contributed useful ideas to ASA's future. The interns all rave about Yazzy's support and guidance.

When our accounts person, Sarina, resigned to take a position closer to home, the decision to hire our outstanding intern Joly was an easy one. With Kris going on maternity leave in April, ASA hired another intern, Stephanie, to a full-time role in February 2021.

With all this going on, the traditional AGM format transformed into the inadequate virtual AGM format, keeping the flat-out Fiona even busier. With assistance from Vishad, she coordinated this new virtual world for members whilst overseeing company monitoring activities and increasingly being a media spokesperson. Fortunately she had time to lead the government policy submissions on behalf of shareholders. This included our campaign to replace the concept of virtual AGMs with the more shareholder-friendly hybrid model, arguing that it is vital that shareholders still receive the option of company communications in written form.

During all this activity, or probably because of it, membership numbers just topped 5,000. While this is still not very high, it is the best we have seen in



CHAIRMAN'S REPORT

years. At the same time, we turned around last year's \$49,869 loss into an \$8,824 surplus, thanks to John's leadership and JobKeeper. John voluntarily took a salary cut for nine months and this helped too.

Financially we are sound for the near future. We have total funds of over \$1,200,000; of which cash \$519,150 represents retained surpluses. However, we know this is only short-term security. Among our primary target audience is 55+ year-old retirees with a reasonable SMSF, but despite this we still have less than 5% of shareholders in Australia. At the same time, we are all aging, with more than 52% of us over 70. We thus want to encourage the 50 to 60 year old segment, as well as more engagement from the under 50s cohort.

The board had a day-long strategy session just before COVID-19 closed down physical interfacing meetings. It was clear that in order to thrive, we must reshape ourselves. We began that transformation process with the two directors you voted onto the board last year. The first was Steven Mabb, a successful young entrepreneur and full-time investor, and Andrew Kearnan, a highly experienced finance executive who provides us with a great understanding of where investment bankers and institutions are coming from.

This year David Fletcher stepped off the board after giving us excellent service and advice as head of our Finance and Risk committee. After the February 2021 board meeting, Alison Buxton resigned as resident marketing guru and Chair of our Remuneration and Nomination Committee.

In a continuation of our desire for a strategic change of direction, out of more than thirty candidates, we hope that you

will vote for our new look appointments: Michael Jackson, who brings good legal knowledge and substantial corporate governance experience from major corporations; and Lelde Smits who parlayed considerable financial journalism experience into forming her own company that provides investor relations to newly listed entities. Her strong digital marketing expertise is also something we look forward to.

Although director Alison Buxton is stepping off the board, she will become an ex-officio member who will help lead the search for the next CEO. When John took on the CEO role, we knew it would only be for two years. With him leaving in December, a new CEO will lead the new ASA.

While planning for the future is necessary, focusing on today is vital. On May 31 and June 1 we plan to hold 2020's postponed Investor Conference in Sydney. This fantastic conference will feature the main speakers streamed live for interstate members, and is shaping up as the must-attend event to leave home for.

As we all know, ASA thrives because of our two hundred core dedicated volunteers. Some are in the front line as Australian company monitors and local meeting coordinators, while others are in the backroom, packing envelopes, mailing, and helping with administration. All of ASA thanks them, as do I. I would also like to call out a forgotten cohort of volunteers, my fellow directors. Thank you to everyone



ALLAN GOLDIN
Chairman

WE ATTEND AGMS AND WIELD PROXIES ON BEHALF OF RETAIL SHAREHOLDERS

WE ARE BUILDING AN EVEN BETTER AUSTRALIAN SHAREHOLDERS' ASSOCIATION

However, it is not an overnight project. It will take time, and with your assistance and input we can make our organisation the one everyone wants to be part of.



BUILDING A
NEW ASA



FORGING
NEW PATHS



SUPPORTING
MORE PEOPLE



CEO'S REPORT

John Cowling
Chief Executive Officer

"HOW DO YOU MEASURE SUCCESS?" — THE BOARD HAS GIVEN ME SUPPORT TO PURSUE THE FOLLOWING THREE STRATEGIC OBJECTIVES IN 2021:



BUILDING A STRONGER ASA PROTECTING AND ENHANCING ASA'S REPUTATION SAFEGUARDING THE ORGANISATION'S WELLBEING



As a first-year in the role of CEO, 2020 presented some major challenges. I am pleased to report they were mostly overcome, with considerable help from staff, directors, volunteers, and the positive energy and encouragement from members.

The first hurdle faced was the loss of ASA-experienced staff - in particular, Silvana Eccles, who had been the mainstay of the national office for nearly a decade. But with new staff come new ideas. I am sure you witnessed the many improvements implemented to make ASA even more member-friendly. Likewise, communication with the public and members via various channels all benefited from the fresh approach in marketing and education.

With the exception of Fiona Balzer, all staff members were new to their roles and I am proud of how they performed with little to no hand-over guidance from previous incumbents.

The second challenge faced each and every one of us - living and working within the constraint of COVID-19.

Our primary concern was the safety of staff, volunteers, and members. COVID-19 undoubtedly changed the course of the year. Unfortunately, this meant cancelling most of the regular and popular investor meeting discussion groups. In Western Australia and some parts of rural NSW, meetings were still able to be held as the pandemic had not affected

all regions equally. Sadly, we had to postpone the pinnacle event on the calendar - the 2020 Investor Conference scheduled for May at the Sheraton Grand Sydney Hyde Park Hotel.

As COVID-19 spread, we quickly introduced a work-from-home arrangement for staff. This was just as effective in maintaining services for members. Members enjoyed the new Lunchtime Webinar Series from home and noticed the Webinar Library grow to over 70 one-hour investment videos they could revisit 24-7 for free.

ASA transitioned to a whole new level

Despite early reservations around the new e-meeting technology for local investor meetings, adoption rates took off and ASA transitioned to a whole new level.

We were particularly pleased when remote and non-urban members could experience and participate in ASA services previously thought impossible. As more members became comfortable with the new (and convenient) online meeting technology, a new generation of digitally-smart up-to-date members emerged.

Although we were forced to postpone the annual flagship Investor Conference event, the general acceptance of the webinar-from-home concept opened up a new opportunity for ASA to launch its first-ever virtual investor conference in November. This digital event was well-attended and made a useful financial contribution to ASA during the uncertainty of the COVID-19 period.

Thanks to various government schemes and as foreshadowed at the virtual AGM held in May (which had record attendance), the financial assistance JobKeeper provided meant we were able to maintain all services and still make a small surplus for the year.

We entered 2021 in a solid position

Despite the global economic chaos of 2020, we entered 2021 in a solid financial position. Thank you to the generosity of members and sponsors who left their registration and sponsorship money with us from the 2020 conference (as an advance on

the 2021 conference). Thus, the association's cash balance at the end of 2020 totalled \$1,208,584. This represented \$175,833 more than the previous year.

Many factors accounted for this improvement. All staff were conscious of and careful with the association's funds on behalf of members. Our new finance officer and company secretary Joly Batac watches cash movements daily and reports balances each week to the Chair of the Audit & Risk Committee, Andrew Kearnan.

I hope members recognise (by the way the office responds to and interacts with them) that we never take you for granted. We are grateful for the way members reacted to the necessary increase in membership fee introduced on 1 January 2021. By giving members plenty of advance notice, many paid their dues early or extended the life of their membership at previous prices.

All the changes in 2020 remind me of the importance of innovation and listening to members. Kodak was a great company with a wonderful brand that forgot to keep innovating. It didn't listen to its customers who wanted all the benefits digital technology could offer (and we all know what happened next). Refreshing our brand and services for members is at the forefront of our mind as we move forward in 2021 and beyond.

One of the highlights of 2020 for me was connecting with interns from the University of Technology, Sydney during ASA's internship program. This included seeing them learn and grow through the various existing and new ASA products and services, such as experiencing discussion group presentations and writing articles for Equity magazine in a way that connected classroom with reality. With special mention going to Intern Of The Year Fiona Hemsall, the wlnvest project for women was born. These videos (and more to come) are freely available on ASA's website, YouTube and other social media platforms.

Giving the younger generation an opportunity to put their theoretical skills to practice and gain practical experience was a privilege to witness. By clicking [here](#), you can see some of the interns discuss their time with us.

OUR VISION "TO HELP MEMBERS BECOME BETTER INVESTORS" IS THE CONVENORS' MANDATE AND WE THANK THEM FOR THEIR WORK AND SERVICE IN SHARING THEIR KNOWLEDGE.



Directors	8
State Chairs	6
Monitors	116
State Committee members	30
Discussion groups	68
Young volunteers	41
Office admin	5

275

VOLUNTEERS



\$2 TRILLION

The total market capitalisation of companies our volunteers monitor on behalf of all Australian retail shareholders

One of the major goals the board tasked me with was increasing ASA's membership base. As we expand our impact across new digital territories (like Meetup, Instagram, Facebook and YouTube) we widen our reach to new audiences. In expanding our presence online, we saw the beginning of excitement and curiosity from the public. Our membership levels had a natural churn of around 500 members during the year, offset by some 700 new members. This resulted in a net gain of some 200 new members. This saw ASA climb over the 5000-member benchmark for the first time in years, along with the launch of the new student and youth membership categories.

It is always important for membership drives to focus on providing both service to existing members (in this case, mainly retirees) and reaching out to the next generation (in this case, younger members). In 2021, you will witness increased activities around building membership. In particular, you will notice a focus on people transitioning to retirement as we help many come to terms with the importance of careful building and management of their retirement nest egg.

The board also tasked me to increase the power of the association's voice through the number of AGM voting proxies ASA receives each year. Regrettably, the number of proxies received during 2020 was significantly less than in previous years. We are working to understand the cause and to stem any potential trend. The 2020 reporting season was characterised by two major (overshadowing) external influences: the onset of COVID-19 and the US presidential election. These may have been factors in this result.

While we recognise the importance of companies quickly securing new capital to cope during troubling times, we witnessed a rise of many companies conducting this with unfair allocations to retail shareholders. As stewards to the public, we believe boards must treat retail shareholders fairly under all circumstances. Consequently, where they did not, we called them out.

Likewise, we campaigned for improved COVID-19 lock-down style AGMs, preferring the hybrid AGM format (where member interaction can occur) to virtual AGMs. Our lobbying efforts on behalf of retail shareholders in this regard will continue in 2021.



\$2.9 BILLION

in proxies based on our volunteers' unpaid work monitoring Corporate Australia and assisting in improving corporate governance





MORE THAN 200 VOLUNTEERS
WORK WITH US EACH YEAR

In closing, I wish to thank all volunteers for their contribution to the association. Without you, our organisation would not exist. We recognise all volunteers in the pages that follow for their efforts on behalf of members and retail shareholders across our nation.

COVID-19 presented both challenges and opportunities for most organisations. Fortunately, we were flexible enough to quickly adapt and take advantage of the changes COVID-19 presented. In this regard, your association has a solid foundation and bright future upon which to build the next leaf, in terms of volunteers, staff, and financial resources.

I look forward to leading the National Office team through these uncertain but transformational times for one last chapter. I will assist ASA to continue to provide excellent service to members before stepping down to pass the reins to the next leader, knowing my job is done.

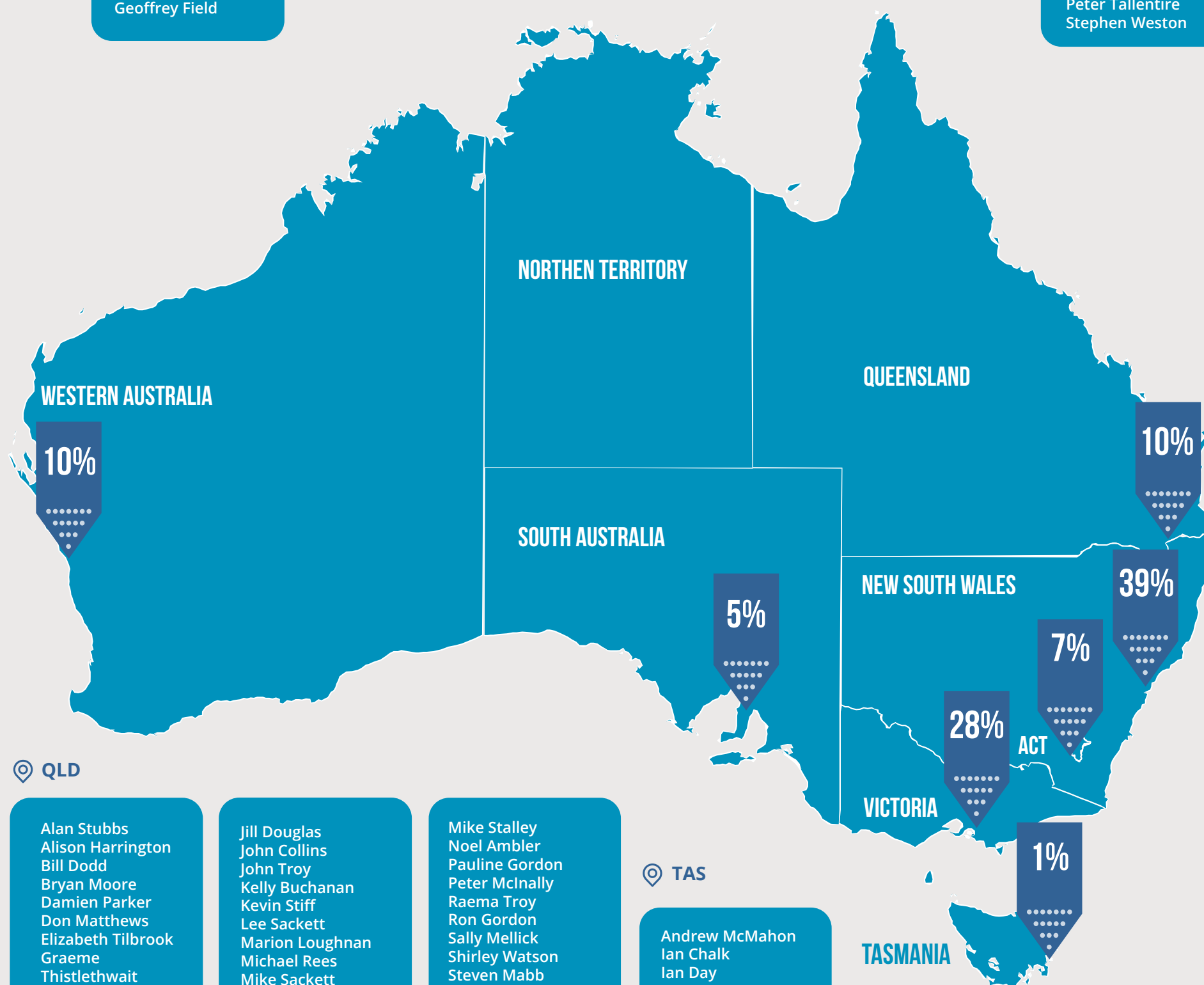
JOHN COWLING
CHIEF EXECUTIVE OFFICER

WA

Alan Dickson
Anthony McAuliffe
Barry Nunn
Bernie Masters
Bob Kelliher
Chris Klisc
David Brooke
Derek Miller
Geoff Corrick
Geoff Read
Geoff Sherwin
Geoffrey Field

THE DISTRIBUTION OF VOLUNTEERS IN 2020

Ian Berry
John Campbell
John Ferguson
Jordan Purser
Keith Mellis
Kevin Bowman
Len Roy
Lloyd Phillips
Lorraine Graham
Lynda Newland
Peter Adams
Peter Scales
Peter Tallentire
Stephen Weston



THE BOARD, STAFF AND MEMBERS OF ASA ACKNOWLEDGE THE CONTRIBUTION OF THE FOLLOWING MEMBER VOLUNTEERS DURING 2020

WE THANK YOU FOR YOUR MEANINGFUL CONTRIBUTION,
SERVICE AND TIME GIVEN TO ASA

VIC

Adam Raymond
Adrienne Skarbek
Alan Hardcastle
Alison Buxton
Barbara Crook
Barbara Tadich
Belinda Leyland
Bill Grint
Brett Morris
Brian Chapman
Brian McCarthy
Chris Lobb
Christine Haydon
Christine Lai
Claudio Esposito
Colleen Coope
David Parkinson
Dawn Vanderhorst
Dennis Shore
Don Hyatt
Donald Pitkethly
Duncan Seddon
Eric Pascoe
Frank Thompson
Gavin Morton
Geoff Forryan
Geoffrey Bowd
Gill Fryatt
Graeme Hawkins
Graham Neal
Hans Ha
Heather Knight
Henry Stephens
Ian Curry
Ian Thomson
Jack Fryer
Jacques Nicolas
Jason Cole
Jennifer Overington
John Parrott
John Spragge
John Virgona
John Whittington
Julie Spragge
Katja Bizilj
Lindsay Gordon
Lyll Knight
Maree Harris
Margit Alm
Marie Elliot
Michael Leyland

Michael Muntisov
Michael O'Keefe
Mike Robey
Neville Radcliffe
Noel Miller
Norm West
Oliver Raymond
Patricia Smith
Paul Fanning
Paul Rankin
Peter Aird
Peter Bacon
Peter Rae
Raymond Hemphill
Robert Koop
Robin Burrows
Rod McKenzie
Ross Bradbury
Sally Holywell
Sandra Pearce
Stephen Mayne
Stephen Van Emmerik
Steven Oon
Stewart Burn
Sue Shields
Thomas Braun
Tom Rado

ACT

Bevan Staier
Brian Blackburn
David Happold
Dianne Diprose
Ed Roberts
Edward Patching
Elton Ivers
Greg Newlyn
Ian Gardner
Jill Roberts
John Green
John O'Callaghan
Lachlan Lewis
Peter Barker
Richard Williams
Robert Cason
Rodney Peters
Roger Penhale
Sonja Davie

NSW

Alan Lowe
Allan Goldin
Andrew Kearnan
Anna Trgo
Babette D'Arcy
Ben Ferry
Bill Radley
Bob Craig
Brian Roberts
Camelia Saranciuc
Carol Limmer
Chandra Agnihotri
Colin Broad
David Allen
David Fletcher
David Jackson
David Woodside
Don Adams
Douglas Gannon
Elizabeth Fish
Emily Mallos
Estelle Renard
Fiona Hemsall
Gary Barton
Geoffrey Orrock
Harvey Langford
Helen Manning
Helen Muir
Ian Anderson
Ian Graves
Ian Sellers
Ian Tamawidjaja
Jaden Mathias
Joan Lampe
John Naom
John Nesbitt
Judith Freckman
Julianne Mills
Karen Kundicevic
Karin Hickman
Kassidy Fisher
Kerrie Bible
Lara Richardson
Les Renfrey
Lewis Gomes
Linda Martin
Lucy Sun
Margaret Thorn
Martin Hope
Mary Curran
Matthew Luo
May Tun
Meg Bannigan
Mei McGlynn

Michael Campbell
Michael O'Loughlin
Nick Bury
Orlene McKinlay
Pamela Murray-Jones
Patricia Beal
Patricia Waley
Peter Gregory
Peter Metcalf
Philip Laird
Raja Rajagopal
Raymond Wheeler
Rex Hunter
Richard Manuell
Richard McDonald
Robert Fuller
Robert Ratcliffe
Rod Jeffery
Roger Ashley
Sigrid Li
Sue Erbag
Sue Howes
Sue Peters
Thai Thu Phuong
Nguyen
Tina Wu
Warren Dennis
Wayne Parry

SA

Bea Te
Brad Martin
Cynthia Loh
Des Moriarty
Donald Fairweather
James Hahn
John Connell
John Worthley
Keith Potts
Ken Wakeman
Kevin Parken
Malcolm Holden
Malcolm Keynes
Robert Ritchie



ADVOCACY

FIONA BALZER

SUBMISSIONS

The onset of the COVID-19 pandemic highlighted the importance of our association's representation of retail shareholders. We provided valuable input to the development of policy by government and regulatory bodies. We raised issues about the new virtual company meeting format, electronic-only communication with shareholders and amendments to capital raising rules. This was done both proactively and upon request.

Throughout the year, we provided ongoing feedback to companies on making the virtual AGM format more user-friendly and easier for shareholders to engage in. We provided important suggestions on how ASA members could be kept abreast of any changes. While the virtual company meeting format is an inadequate substitute for the hybrid and physical meeting formats, we could still attend the virtual AGM format and represent all retail shareholders and providers of proxies.

In 2020, we made twelve submissions to the government in response to formal shareholder enquiries. They are listed on ASA's website under the Policy & Position Papers menu. ASA appeared before the Select Committee on Financial Technology and Regulatory Technology. Here, ASA highlighted the challenges of the virtual annual general meeting format in that it relies on the goodwill of companies to ensure that retail shareholder questions are fairly taken and answered sufficiently.

We attend many panels and committees throughout the year that deal with capital market regulations. In this way, ASA remains the peak voice of retail shareholders in these bodies. Thus, the development of any complex new rules considers the needs of 6.6 million retail shareholders across Australia.

We continued to work with ASX and other CHESs stakeholders on the replacement of the CHES system (which delivers critical post-trade settlement services for the Exchange). The project timelines were extended in response to COVID-19's impact on workloads and systems (as the trading spike on 13 March 2020 exceeded system capacity). The timeline was also extended due to concerns by crucial stakeholders that more time was required for all participants to deliver what was required to go live. We will continue to monitor this project implementation so that retail shareholders have a smooth transition to the new system (especially those who are do-it-themselves investors).



12

GOVERNMENT
SUBMISSIONS



TOP ASX
COMPANIES
MONITORED



6.6 MILLION
RETAIL
SHAREHOLDERS

“OUR ASSOCIATION PLAYS AN IMPORTANT ROLE IN PROVIDING INPUT TO THE DEVELOPMENT OF GOVERNMENT AND REGULATORY BODY POLICIES.”



MONITORING

During 2020, the four main areas ASA company monitors focused on were:

1. Board composition and director skill;
2. Remuneration disclosure and structure;
3. Risk Management; and
4. Shareholder participation.

Due to the impacts of COVID-19, the last two issues received the most attention, with companies' risk management credentials having been tested earlier in the year.

Post mid-March more attention was directed to contacting companies to ensure shareholders received their fair allocations in capital raisings plus managing ASA's representation in company meetings as proxy-voter. During these events, we provided registries and companies feedback on teething issues experienced such as with the new virtual annual general meeting format.

Company monitors held meetings with the chairs of 91% of monitored companies mostly by phone or video. One of the outcomes was ASA opposed the remuneration reports of 54 companies (compared to 41 in 2019). This represented approximately 32% of companies where a resolution to adopt a remuneration report was proposed at meetings.

Of the ASX-listed companies monitored throughout the year, 16 received a "strike" on remuneration. This pertained to resolutions that received more than 25% opposition (compared to 15 in 2019). ASA voted against the remuneration report on 9 of these 16 companies (compared to 7 out of 15 in 2019). An additional 32 monitored companies received a protest vote of more than 10%

(compared to 31 in 2019).

Details of the number of companies monitored, proxies gathered and ASA attendance at AGMs are contained in the Five-Year Summary on page 35. As shown above, many investors trust ASA to vote their proxies in the interests of retail shareholders. We often receive proxies for companies we do not monitor and in these cases we do our best to attend the meetings and vote in the best interests of the company's retail shareholder base.

During the main AGM season, ASA introduced a new podcast on Google Podcast, Spotify, Castbox and Apple Podcast called "AGM Watch". This podcast featured ASA representatives reporting on companies. Each company monitor was interviewed by podcast host Phillip Muscatello. In it, each company monitor revealed details of upcoming AGMs. For instance, what to expect at the meeting and areas of concern. This was a supplement pre-broadcast for those unable to attend physical meetings.

A major goal for 2021 is to finalise an online training resource for new and existing company monitors. This will contain ten modules covering what monitors need to know in order to continue representing proxy-givers at the current high standard.

We also intend to improve ASA's coverage of Environmental, Social and Governance (ESG) reporting by companies as part of a longer-term risk focus. There is currently a drive for the creation of a single minimum reporting requirement. The merger of the International Integrated Reporting Council and Sustainability Accounting Standards Board to form the Value Reporting Foundation is the next necessary step. Elsewhere, the UK Financial Conduct Authority has released a policy statement overseeing new climate disclosure requirements (TCFD) for UK premium listed companies.

Key statistics	2020	2019	2018	2017	2016
Number of companies monitored	176	168	172	174	177
Number of proxy collections	137	79	31	43	45
Number of ASA Company Monitors	116	116	111	109	99
Value of ASA proxies (\$m)	2,922	3,801	3,661	3,963	3,897
Proxies received (000's)	33.8	43.6	45.9	48.1	51.6
Remuneration Reports voted against (%)	32	25	32	33	38
Companies holding AGM voting polls (%)	*100	93	87	86	78

* A condition to permit companies to hold virtual meetings, was voting must be determined by poll

INDIVIDUAL RETAIL SHAREHOLDERS
CAN BE IGNORED BUT BY JOINING
TOGETHER WE BECOME
THE MOUSE THAT ROARS



116
AUSTRALIAN
COMPANY
MONITORS



176
COMPANIES
MONITORED



\$2.9B
PROXIES



EVENTS & MEETINGS

KRISTINE NUNEZ

The annual investor conference is traditionally ASA's flagship event of the year. It attracts some 350 delegates between the Sydney and Melbourne-host states.

Due to the 2020 economic crisis, plans for the return to the two-day annual conference in Sydney in conjunction with ASA's 60th birthday celebration were postponed. Delegates and sponsors were offered full refunds or credits towards the next annual conference, and a number left their payments with ASA, for which we are grateful.

To compensate, in the second half of 2020 we held a virtual national conference. It offered a peek into the new future of business four to five years from now and how the investment world might be characterised. This event

aptly themed 'Investing In The Future' was held over three days in November. It featured 12 sessions delivered by distinguished finance experts and high profile business leaders. It was a great success, attracting some 500 registrants and receiving high overall satisfaction from ASA members and subscribers.

With the decline of face-to-face meetings due to the pandemic, we launched a series of live webinar offerings to continue providing benefits to members. Live and replayable recorded webinars were offered across the board. This meant that non-members had the opportunity to attend via a one-off event payment or by purchasing a membership package. Many opted for the latter, and this saw us grow our subscriber list and attract new members to engage with ASA.

We were able to keep members up to date with the market like never before and now have an extensive library of webinar videos to help members become better investors.

SUPPORTING YOU ON YOUR INVESTOR JOURNEY



**STRONG
MEMBER
SATISFACTION**



**TOTAL INVESTOR
E/MEETINGS**
512 (2019)
328 (2020)



**HIGH
MEMBER
PARTICIPATION**



IN NUMBERS

LOCAL MEETING BRANCHES

53

E/LOCAL MEETINGS

512 (2019)

328 (2020)

CONFERENCE ATTENDEES

329 (2019)

495 (2020)

WEBINAR EVENTS

12 (2019)

64 (2020)

MASTERCLASS SERIES DELIVERED

0 (2019)

4 (2020)

A further impact of the pandemic was having to pause member meetings, discussion groups and investor meetings. ASA has over 50 such meeting groups across Australia, most of which could not meet physically during this time. Consequently, we arranged for the new digital Zoom facility to be made available to those keen to utilise it.

We recognise some members still prefer the face-to-face meeting format for investment discussions, although the new Zoom e-meetings now provide rural and remote members with the opportunity to participate and meet existing members. We plan to continue servicing remote members in this way.

TOTAL WEBINAR REGISTRATIONS

3,216 (2019)

10,176 (2020)

FOR THE FIRST TIME, INVESTORS FROM THE REMOTEST REGIONS OF AUSTRALIA TO MAJOR CITY CENTRES COULD PLUG IN AT ANY TIME AND WATCH FINANCIAL EXPERTS AT THE CLICK OF A BUTTON





**FINANCIALLY
EMPOWERING YOU**

MEMBERSHIP

MARY CALLEJA
DOUG GANNON

Due to COVID-19 restrictions on physical meetings (like the annual conference and local investor meetings), we were prepared for a decline in membership levels. We were pleasantly surprised and delighted when membership levels continued to rise and members renewed their annual membership. We are very grateful for the support of members during these challenging times.

There were notable changes in membership during 2020. While the Classic membership package was considered the most popular item, we saw this decline. Instead, we saw a shift towards the new Individual Green e-Membership, Joint Membership and Family Membership packages.

To ensure we retained existing members and built upon this base, we broadened the scope of ASA's membership offering with the introduction of Family, Joint, Student and Youth Membership options.

In addition, ASA produced online events to give members more value for money. We introduced a series of webinars on key topics of interest. This was offered in both the live version format and digital replay version (stored in the Webinar Library). As many members are generally time poor this allowed them to watch webinars in their own time and at their own pace. Later in the year, the online conference saw record attendance.

The traditional and highly popular monthly face-to-face local investor meetings around the nation were put on hold for the first time in ASA history. To compensate, we introduced online meetings using the new e-meeting platform, Zoom. This allowed us to continue to provide opportunities for investors to network and share knowledge with peers and new members. We saw a shift in membership behaviour from initial hesitation and unfamiliarity of this new format to becoming comfortable adopting the new technology, and quickly forming part of the new ASA Monthly Meeting

program and being widely embraced.

ASA leapt forward when online meetings allowed members to plug into ASA's national network. For the first time, all Australian states were connected with the same menu of speakers, dates and education topics. Regional members, who otherwise would not have attended a physical ASA meeting, joined interstate meetings for the first time.

From June 2020 onwards, face-to-face meetings were re-introduced in line with each state's easing of COVID-restrictions. As the new chapter of ASA history unfolded, ASA was able to offer members education and networking opportunities in both face-to-face, online meetings and podcast recordings. This was an exciting historic move for ASA that enabled members to access information and market updates on the go, while shopping, gardening, driving, at the gym or home. Hence, this new offering will continue to be a big part of ASA's service to members for the foreseeable future.

On the corporate membership front, we found those that were happy to continue supporting ASA's work on behalf of retail shareholders during this difficult time had to find a new way of communicating. It was clear that most had key staff operating from home, effectively out of reach of standard renewal processes. Despite this challenge, we embarked upon the three-fold task of managing the renewal of corporate members, explaining membership fee increase and launching a new campaign to invite new members.

Every year it is natural to expect both a loss and gain of corporate members. In the year that was expected to be the greatest of business disruptors, we were pleasantly surprised to find we only lost seven corporate members. This was mostly due to financial pressure on companies attempting to offset losses across the board. This was a major challenge but one we are determined to overcome. We anticipate that further new individual and corporate members will join ASA in 2021.



“ASA IS AUSTRALIA’S BEST KEPT SECRET AND MOST UNDERUTILISED FINANCIAL RESOURCE



Despite many challenges, 2020 turned out to be a year of many firsts. It marked an important turning point in the 60 years of ASA history.

It was the first time we heavily moved into the digital space. This process critically began a few months prior to the ‘hurricane’ of COVID-19 that left many businesses in the lurch. With foresight, we set out on a new trajectory of digitalising, modernising,

rebranding, expanding our reach to new platforms, building new relationships and developing new product and service offerings. Investors at all levels could see, in the hard times and the good times, ASA was a means of support along their investment journey. ASA has always been a word of mouth referral organisation. 2020 was about redefining, sculpting and magnifying the 60 year old brand that many have come to know and trust as

“ASA”.

We began this process by strengthening a number of core messages - one being that financial empowerment begins with education. We took financial education webinars from 12 per year to 2-3 per week. In the process, we expanded relationships in the industry, helping connect finance experts nationally with investors at a pace not seen before.



ENGAGING WITH YOU LIKE NEVER BEFORE

For the first time, barriers dissolved and all states had access to each other’s experts and educators on a more frequent basis. Major shareholder companies were able to provide updates to shareholders and many new topics and financial products such as cryptocurrency, new stock exchanges and private equity were able to be broadcast live for the first time.

We took the number of participants per digital event from around 50 attendees per event in 2019 to a record of 500+ in 2020 (a number only capped by our licence). 2020’s first webinar of the year broke new barriers with 300+ paying attendees. We were moving into extraordinary territory when we started achieving national conference attendance figures effortlessly, two to three times a week.

At the heart of this, members were visibly hearing their CEO weekly - from both the weekly Friday Message From The CEO’s Desk email to live webinars, whether it saw the CEO test drive new software applications live or quiz experts on the top burning questions on investors’ minds. The amount of email feedback each week reinforced how members were enjoying their new experiences.



No longer the best kept secret in the investment sector, ASA's website had around 150,000 unique visitors in 2020.

A NEW JOURNEY BEGINS



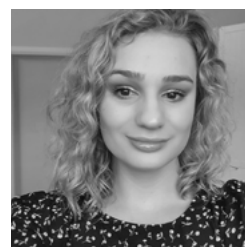
JOHN NAOM
FINANCE ANALYST INTERN



LARA RICHARDSON
FINANCE ANALYST INTERN



SIGRID LI
FILM EDITOR INTERN



KASSIDY FISHER
DIGITAL MARKETING INTERN



FIONA HEMPSALL
2020 INTERN OF THE YEAR

GETTING READY FOR THE NEW FUTURE

We initiated the development of a suite of new digital products such as a new 20-part video online masterclass course (to be released later this year), delivering a new Lunchtime Webinar Series and producing two new podcasts called AGM Watch and Equity ASA that reached almost 1,000 downloads a month.

We are currently putting the finishing touches on a new animated video education series sure to delight many investors beginning their journey. We also packaged two new online video course series for women, and held a first-ever virtual conference, amongst many firsts. In total, we produced 120 in-house video clips sure to interest existing and new members. Among them were two important why and how-to-vote-at-AGMs corporate governance video tutorials (which can be seen on YouTube).

We developed two new local meeting groups:

1) wInvest - an initiative to help reverse the inadequate financial retirement statistics for female investors and
2) a new local meeting group called yInvest - an initiative for a new generation of young investors. For the first time, we saw our CEO connected with a local university and speak to young investors. Invigorated by the message to start owning their financial future and not wait until graduation, ASA saw its first student members sign up.

And finally, members would have noticed the brand's evolving as the website upgraded and small weekly changes occurred.

Connecting with investment experts in their area was vital.

Bringing Phil Muscatello on board in March with his friendly voice to host our official podcasts could not have been a better match. As someone with many years of experience who already reached the number 1 spot on the Australian Investment Apple Charts in 2020 and featured in the News & Newsworthy section for Shares For Beginners, Phil brought a whole new digital world to ASA. We were pleased when members let us know they were listening to the Equity ASA podcast while shopping, driving and gardening.

For the first time, members were not restricted to physical event times. They could access education on the go at times to suit them. Moving into the podcast space where we could connect with investors all across Australia helped us extend to even more remote regions of Australia.

REACHING YOU NO MATTER WHERE YOU ARE

Email communications increased from about 1 national email a week to some 3 to 5 per week to keep members informed during lockdown. This impact was felt when we saw the most ever attendees at ASA's virtual AGM and most ever views for a single video (special message from the Chairman), amongst other events.

We extended our reach to new global online platforms like Instagram, Pinterest, Meetup, Google MyBusiness, Google Podcast, Castbox, Apple Podcast and Spotify, and started reaching new investors on Facebook, LinkedIn and Twitter (not to mention receiving orders via social media). People were excited to see the

new activity coming out of ASA through social media. In fact, the number of major companies searching ASA on LinkedIn, skyrocketed.

For the first time on social media we were connecting with companies all across Australia. They shared our posts with their fan base and we tripled and quadrupled our digital presence.

There were a number of important initiatives and developments in 2020. We expanded into heavy in-house production in filming and animation in order to develop next-generation investment services for members.



FINANCE

JOLY BATAÇ



\$248,9000
GOVERNMENT
ASSISTANCE AND
JOBKEEPER



\$8,824
SURPLUS



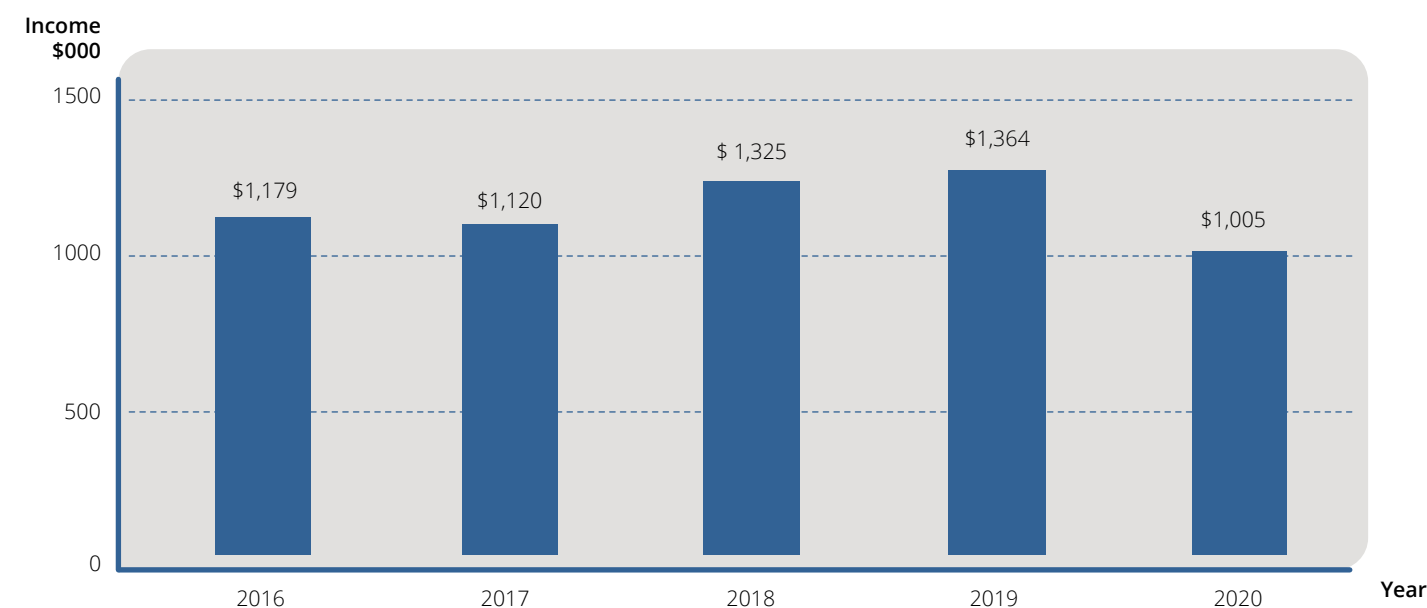
INCOME
FELL 26%

GOVERNMENT ASSISTANCE MITIGATED REDUCED INCOME

After a turbulent year for ASA, the association ended with an audited surplus of \$8,824. Under the year's trying circumstances of COVID-19's major disruption to ordinary revenue-generating activities (in the main, conference, seminars, and workshops), this result is an excellent, if not, unexpected improvement.

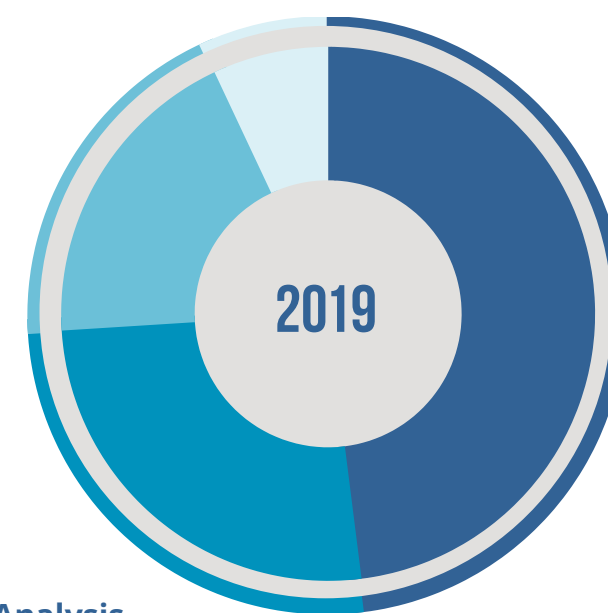
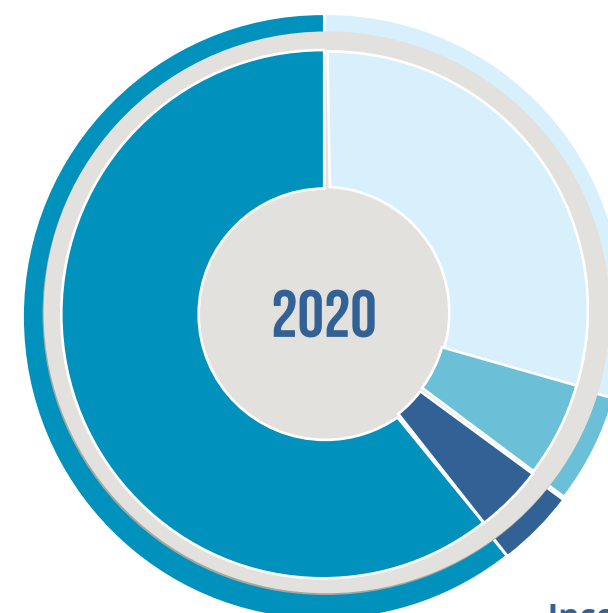
JobKeeper and other government incentives totalling \$248,900 were instrumental in maintaining office staff and continuing to provide full service to members. In prior years, the annual Investor Conference, general education meetings and seminars made up a good 40% to 45% of annual income. It was unfortunate at the time but to comply with government regulation and protect members, we ceased most physical interfacing activities during 2020.

The financial performance of our association is shown by a series of graphs as follows:



Annual Income From All Sources

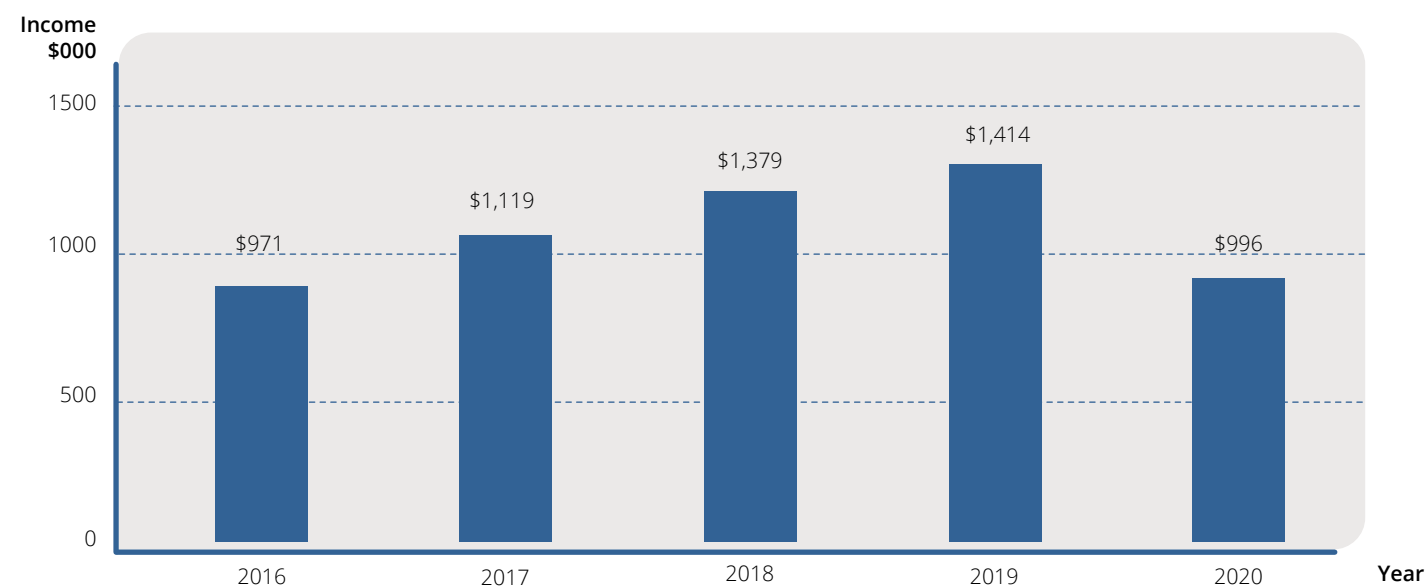
Shown in the graph below, 2020 saw revenue primarily derived from membership income due to COVID-19 restrictions. In 2019, the conference was the main source of income at 48%. However in 2020 it was only 5% of revenue. We thank ASA members for their continuous support as they renew their membership.



Income Analysis

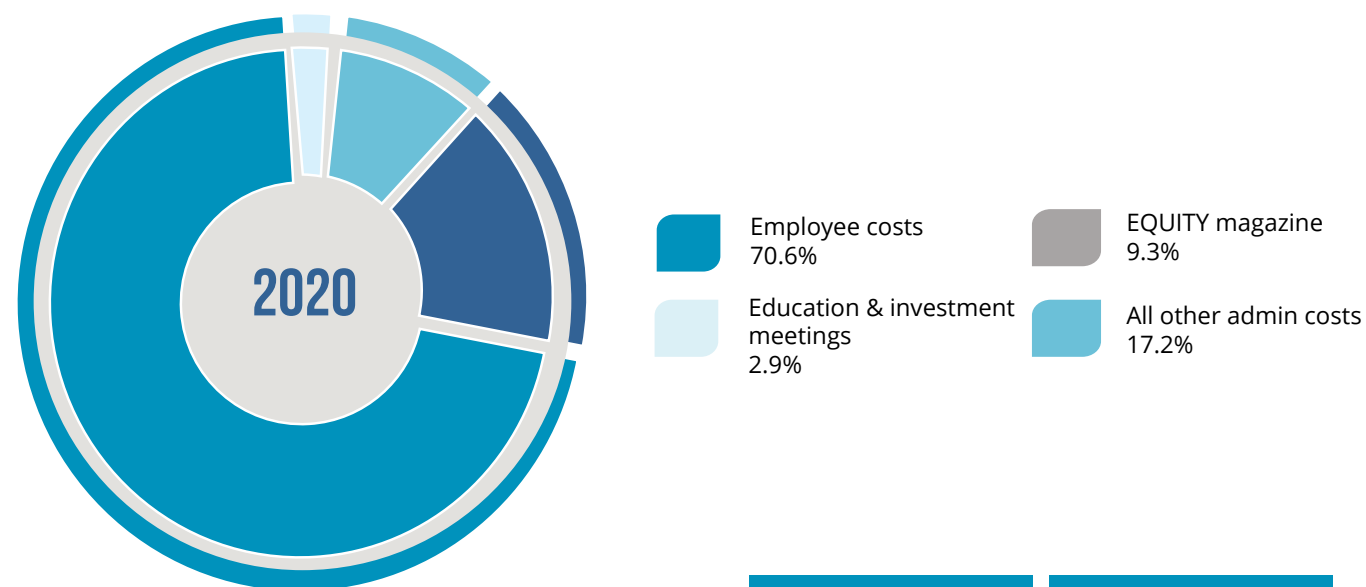


With three main streams of income returning in 2021, ASA must now consider how best to meet the challenge of the demands from member and non-member participants. JobKeeper and other government assistance received in 2020 amounted to \$248,900.



Annual Expenses

A tight control over expenses was maintained throughout 2020. The expanding activities of ASA enabled by increasing the team to 8, employee costs growing to 70.6% of total costs (45% in 2019).



Expenses Analysis



TIGHT
EXPENSE
CONTROL



INCREASED
MEMBER
ENGAGEMENT



STAYING STEADY

Fortunately, ASA was eligible for government assistance of up to \$248,900 (further explained in the Notes To The Financial Statements). This was 'just' enough to offset the harsh impact of COVID-19 and help maintain the day-to-day operations of the national office.

Thanks to both staff and directors, ASA was quick to adapt to the dramatic changes of 2020 to ensure members still received the benefits of ASA's mission - in particular, "Connecting you to a community of investors".

Due to increased member engagement and increased activities across ASA (including extra employees to handle the additional workload that took ASA by surprise) and not to mention, associated inflation of costs, ASA increased membership package prices by \$10 to \$15 on 1 January 2021. Despite this necessary move, we were able to find more value for members by offering many with incentivising renewal deals by year-end to help provide an opportunity for members to take up their membership extension and save further.

ASA is stronger than ever, with a higher number of hard-working staff dedicated to meeting the needs of members and non-members alike in 2021 and beyond.



ADMINISTRATION SUPPORT

The National Office in Sydney is grateful for the ongoing support of many volunteers who assist us with organisational and administrative tasks. This helps us keep our costs down, which in turn keeps our membership fees low.



5 YEAR SUMMARY

FINANCIAL PERFORMANCE

OPERATING REVENUE (\$000)	2020 \$	2019 \$	2018 \$	2017 \$	2016 \$
Retail membership	488.9	535.3	571.0	512.6	557.2
Corporate membership	118.0	114.2	101.4	114.5	108.5
Total membership fees	606.9	649.5	672.4	627.1	665.7
Education & meetings	59.7	259.4	269.5	127.3	116.1
Conference	46.2	348.2	318.4	297.9	203.9
Other operating revenue	22.8	84.0	41.0	32.8	31.1
Total Operating Income	735.6	1,341.1	1,301.3	1,085.1	1,016.8
Interest & Non Operating Income (incl. JobKeeper)	269.4	23.0	23.8	35.7	162.3
Total income from all sources	1,005.0	1,364.1	1,325.1	1,120.8	1,179.1

EXPENSES (\$000)

Employee & contractor	703.6	635.5	578.4	556.1	485.8
Rent & depreciation	51.9	55.0	60.6	48.4	39.1
Conference costs	0.9	155.9	152.7	154.7	120.6
Education & meetings	28.4	232.7	184.4	116.5	91.6
IT Infrastructure & software	19.0	46.1	90.1	20.0	10.1
EQUITY magazine	92.7	84.3	86.8	82.8	90.0
General office & admin	99.6	204.5	225.8	140.6	133.5
Total expenses	996.2	1,414.0	1,378.8	1,119.1	970.7
Surplus/(Deficit)	8.8	(49.9)	(53.5)	1.6	208.3

OPERATIONAL PERFORMANCE

Retail members	4,941	4,753	4,674	4,713	4,833
Corporate members	60	65	65	70	70
Member meeting groups	53	55	55	45	46
Member meetings held	328	537	512	489	406
Companies monitored	176	168	172	174	177
Proxy collections	137	79	31	43	45
Monitors	116	116	111	109	99
Value of ASA proxies (\$m)	2,922	3,801	3,661	3,963	3,897
Proxies received (000's)	33.8	43.6	45.9	48.1	51.6
Remuneration Reports voted against	32%	25%	32%	33%	38%
Annual Conference delegates	495	329	357	348	263
Annual Conference sponsors	19	26	21	20	16
Seminars and webinars held	56	14	14	17	23
Employee cost % of Revenue	70%	46.6%	43.6%	49.6%	41.2%
General expense % of Revenue	10%	15%	17%	12.5%	11.3%



DIRECTORS' REPORT

THE DIRECTORS PRESENT THIS REPORT ON THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020.

DIRECTORS

The names and details of the directors in the office during the financial year and at the date of this report are:



Alison Buxton (appointed 12 June 2017, retired 24 February 2021)
Allan Goldin, Chair (elected 17 May 2016)
Andrew Kearnan (appointed 27 February 2020)
Carol Limmer (appointed 1 March 2019)
David Fletcher (appointed 24 October 2016, retired 24 September 2020)
Lelde Smits (appointed 24 February 2021)
Michael Jackson (appointed 24 February 2021)
Mike Robey (elected 21 May 2019)
Peter Rae, Deputy Chair (elected 21 May 2019)
Steven Mabb (appointed 16 June 2020)

EXPERIENCES, QUALIFICATIONS AND RESPONSIBILITIES:



ALISON BUXTON
 BCOM (MARKETING) GAICD

Alison joined the board of ASA in 2017. She is a member of the Remuneration & Nomination Committee. She is also a non-executive director of Wiljuma Pty Ltd, Confoil Pty Ltd and Independent Director and Marketing Committee Lead for Women Sport Australia. She was previously an independent director of the East Gippsland Food Cluster (EGFC), and a member of its Remuneration & Nominations Committee and Member & Stakeholder Communications & Engagement Committee.

Alison has more than 20 years of experience as a senior executive having built a successful career in blue-chip, multinational organisations across several industries. With a background in marketing and supply chains, she has led large teams across Australia and the broader Asia-Pacific market, driving transformational change in complex environments.

Alison retired from the board on 24 February 2021.



ALLAN GOLDIN
 BA BLAW

Allan joined the board in 2016. He was the NSW Company Monitor Chairman from 2012 to 2019, is a member of the Policy Committee and has been an ASA company monitor for 10 years. He was a director of a large ASX-listed company in the 1990s; in addition he has a number of international advertising and public relation awards to his name.

Allan has extensive experience in general management and marketing in wide-ranging fields from listed companies to well-established mid-sized firms. In his senior-level roles, including CEO and Executive Director, Allan has been involved in establishing several highly successful start-ups. He has also been employed by the private equity firms both to advise on acquisitions and to take on short-term change management transition roles.



ANDREW KEARNAN
 BSC HONS, MBA, MAICD

Andrew joined the Board in 2020. Andrew has thirty years of experience in banking, finance and investment markets and held executive positions across a range of companies including the Bank of America Merrill Lynch and Commonwealth Bank of Australia. His past and present non-executive roles include APRA regulated entities, early stage fin tech companies and the Australian Accounting Standards Board (AASB).

He has a BSc Hons in Biochemistry and Microbiology from the University of Western Australia and an MBA.



CAROL LIMMER
 BBUS FAICD FGIA FIML CHAIRI

Carol was appointed to the Board on 1 March 2019 and is a member of the Policy Committee. Carol is currently a non-executive director of The Whiddon Group, a member of its Audit & Risk and Property & Services Committees and was previously Chair of its HR & Nominations Committee and a member of its Governance Committee. She is also a member of the Board Nominations and Remuneration Committee of the Australian Red Cross. Until recently Carol was Deputy Chair of Pymont Community (Bendigo) Bank where she is still an adviser. She is a member of Jacksons Landing Pymont Community Association and also actively engaged in a range of local community organisations.

Carol has had a long career in the banking/finance industry, including senior executive roles, which has taken in human resources, public relations, retail banking and involvement in mergers and acquisitions.

Carol has been an ASA company monitor for over 10 years.



DAVID FLETCHER
 BACC CA GAICD

David joined the board of ASA in 2016 as Chairman of the Finance and Audit Committee. He has over 30 years' experience in public and private companies, holding senior financial and operational roles in major companies in the retail, wholesale, FMCG and financial sectors. He has previously been a nonexecutive director of a number of private companies as well as chairman of an ASX listed company.

In recent years he has worked in his own consulting and advisory firm with clients, focusing on start-ups, turnarounds and performance improvement opportunities.

David retired from the board on 24 September 2020.





Lelde was appointed to the board on 24 February, 2021.

She has been ranked as one Australia's Top 100 Entrepreneurs and is the Co-Founder, Shareholder and Executive Director of The Capital Network. With a passion for truth seeking, value hunting and storytelling Lelde has had a career as a Journalist, Presenter, Co-Founder and Executive Director of The Capital Network and Advisor to listed companies and executives.

Lelde's experience as a global finance journalist and entrepreneur as well as extensive links with top ASX listed companies and on social media will enable her to bring valuable marketing insights to ASA.

Lelde will be seeking election by the members at the AGM in June.



Michael was appointed to the board on 24 February, 2021.

With over 30 years' experience working on and with Boards and Board Committees, Michael is a corporate lawyer with strong compliance and governance skills, including engaging with regulators. Formerly VP Legal & Commercial with Thales, a leading international electronics and systems group working in the defence, aerospace and space, security, and transport markets, Michael has extensive experience with cyber security.

Strong compliance and regulatory experience will be invaluable to ASA as the governance environment grows even more complex in the years ahead.

Michael will be seeking election by the members at the AGM in June.



Mike joined the ASA board at the AGM in 2019 and is a member of the Policy Committee. Mike has served as a director of an ICI Credit Union and as an adviser to entrepreneurs in the Fudan Software Park in Shanghai. He started his working life as a research scientist and spent 10 years with ICI in a range of applied R&D areas. He spent a further 18 years in Telstra in various management positions and was the founding COO of Telstra's HK-based mobile operator HKCSL. He returned to Australia to lead Telstra for the marketing of 3GSM services in Australia and left the company in 2009 to form his own business consultancy.

Mike brings a range of skills to the board, from strategic planning, customer service management in the digital businesses, technical management and organisational development to the marketing and the product management.

He has a PhD in chemical physics from the ANU and was a recipient of the German Government Alexander Von Humboldt fellowship for postdoctoral research in Munich. He has been a company monitor for four years and is currently joint the Company Monitoring Committee Chair for Victoria.



Peter joined the board of ASA in 2019 and was appointed Deputy Chair on 15 September 2020. He has been a member of the Finance and Audit Committee. Peter has been a member of ASA for more than 25 years. Since retiring from full-time employment in 2014 he has been actively involved in ASA activities, including company monitoring, contributions to EQUITY, presenting to the local groups and assisting in the development of educational programs where he is the educational contact point for the board.

Peter has extensive experience in banking and finance in a career spanning four decades. He has held senior positions in bank balance sheet risk management and securities analysis and has led teams of analysts based in both Australia and Asia.

Peter is highly regarded in the investment industry and has been instrumental in achieving changes that benefit retail investors.

He has been ASA Victorian State Chair since February 2018 and is currently handing over this role to Christine Haydon.



Steven was appointed to the board on June 16th, 2020. He is the State Chair for Queensland and has given several member presentations, contributed to Equity and ASA podcasts and also joined the company monitoring team. He brings a range of skills to the board including strategies to develop culture and as a confident spokesperson on the benefits ASA can provide to potential members. A successful entrepreneur, in 2007 he developed and launched the Vionic footwear brand with his business partners in the U.S., which went on to become a top 20 brand and was subsequently sold to a large U.S. listed company in 2018. He then returned to Queensland with his young family to become a full time, committed investor and quickly joined the ASA after discovering the many benefits it could offer.

COMPANY SECRETARY



Joly Marie Batac BBus is joint company secretary and was appointed to the role on 28 September 2020.

Michael Jackson was appointed joint company secretary on 24 February 2021.

Ann Phillips BBus, CPA, AGIA, GAICD was secretary to the board. Ann was appointed to the role of company secretary on 1 May 2018 and retired on 28 September 2020.

PRINCIPAL ACTIVITIES, OBJECTIVES & STRATEGIES

The principal activities of the ASA during the year were to protect and advance the interests of retail investors, to monitor and improve corporate performance and governance, and to provide education to member investors.

There was no significant change in the nature of the activities during the year and the operations are in accordance with the constitution.

STRATEGY

ASA directors are charged with ensuring the sustainability of our organisation. They set the strategic directions to ensure that the organisation remains financially strong, that the membership is vibrant and renewing and that the organisation remains relevant to constituents, listed companies, government and business regulators, business media and other key stakeholders, both now and in the future.

All of the major strategic decisions made by ASA are the result of a strategic planning process. Input was sought from State Chairs and State Monitoring Committee Chairs and the CEO for the Board strategy meeting in March 2020.

The Board also reviews progress with the strategy at each Board meeting. The process contributes to setting KPIs for the CEO; which are clearly documented and the action plans arising from the strategic plan are reported against at each Board meeting.



KEY PERFORMANCE MEASURES

The association measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company, and whether the strategic objectives are being achieved.

2020 TABLE OF ATTENDANCE

During 2020 attendance by individual directors at meetings they were eligible and entitled to attend is set out in the table below:

BOARD	APPOINTED	RESIGNED	NO. ELIGIBLE	NO. ATTENDED
Allan Goldin	17/05/2016	current	4	4
Alison Buxton	12/06/2017	current	4	4
David Fletcher	24/10/2016	24/09/2020	3	3
Carol Limmer	01/03/2019	current	4	4
Peter Rae	21/05/2019	current	4	4
Mike Robey	21/05/2019	current	4	4
Andrew Kearnan	27/02/2020	current	4	4
Steven Mabb	16/06/2020	current	3	3

BOARD SUBCOMMITTEES

The following are the membership of the Board subcommittees

Remuneration & Nomination

Chair: Alison Buxton
Members: Carol Limmer, Allan Goldin and Peter Rae

Finance, Risk & Audit

Chair: Andrew Kearnan
Members: Peter Rae and Allan Goldin

Policy

Chair: Mike Robey
Members: Carol Limmer and Andrew Kearnan

Education Contact Point

Peter Rae and Steven Mabb

Marketing & Membership Contact Point

Lelde Smits and Steven Mabb

MEMBERSHIP

Membership increased overall by 3.8% in 2020 to 5,001.

FINANCIAL RESULTS

Company performance is assessed by the Board of Directors at their four scheduled Board meetings held during the year.

Forecast reviews are presented, and the progress between budget and actual results achieved is discussed. The Finance and Audit Committee also reviews the budget and the results of operations prior to recommendations made to the Board of Directors for their consideration.

An operating surplus from ordinary activities of \$8,824 was made for the 2020 year (2019: deficit \$49,869). This result included \$248,900 in government assistance payments.

Revenues in 2020 were \$1,005,010, down 26.3% on the previous year (2019: \$1,364,144).

Although the result was impacted by COVID-19 restrictions on ASA's activities, the directors are confident of further improvement in 2021 provided COVID-19 restrictions are not reimposed.

Details of the income and expenditure of the ASA during the last two years are shown in the financial statements contained in this annual report. At the end of 2020 the association had cash and deposit balances totalling \$1,208,583 (2019: \$1,032,751).

DIVIDENDS

Being limited by guarantee, the ASA does not pay dividends.

LIKELY DEVELOPMENTS

Likely developments in the operations of ASA in future financial years have not been included in this report but are disclosed in the Chairman report and CEO report section.

EVENTS SUBSEQUENT TO BALANCE DATE

The Directors note that the company has entered into contracts to run an Investor Conference on 31 May/1 June 2021. These contracts, if unable to be completed in 2021, may be carried forward to 2022.

Apart from any as yet undetermined impacts from any re-emergence of coronavirus outbreaks (COVID-19) which impact the company's ability to run an Investor Conference and other physical events, there are no other matters or

circumstances that have arisen since the end of the financial year which would significantly affect the operations of the entity in subsequent financial years.

DIRECTORS' INTERESTS AND BENEFITS

As the ASA is limited by guarantee, none of the directors hold an interest but each, as a member of the ASA, is liable to the extent of their undertaking under the ASA's constitution.

No Director of ASA, during or since the end of the financial year, received or has become entitled to receive a benefit.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for the leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

AUDITOR'S INDEMNIFICATION

The ASA has not, during or since the end of the financial year, in respect of any person who is or has been an auditor of ASA, indemnified or made any relevant agreement for indemnifying against a liability incurred as an auditor, including costs and expenses in successfully defending legal proceedings, or paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an auditor for the costs or expenses to defend legal proceedings.

LIABILITY OF MEMBERS ON WINDING UP

The liability of members (or within one year after ceasing to be a member) on winding up is limited to an amount not exceeding \$5.00.

AUDITORS' INDEPENDENCE DECLARATION

The auditors' independence declaration is set out on page 42, and forms part of the Directors' Report for the financial year ended 31 December 2020.



Dated this 22nd day of March 2021, Sydney

ALLAN GOLDIN
Director

ANDREW KEARNAN
Director



**AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF AUSTRALIAN SHAREHOLDERS' ASSOCIATION LIMITED**

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2020 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Walker Wayland NSW
Walker Wayland NSW
Chartered Accountants

Dated this 22nd day of March, 2021 Sydney

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

REVENUE FROM CONTINUING OPERATIONS:	NOTE	2020	2019
		\$	\$
Operating revenue	2	735,636	1,341,127
Interest income		20,474	22,417
Government Stimulus (JobKeeper & Cash Flow Boost)		248,900	
Other income		-	600
Total revenue		1,005,010	1,364,144
Employee benefits expense	3	(703,633)	(635,529)
Amortisation and Depreciation expense	3	(51,905)	(55,000)
General administration expenses	3	(229,204)	(559,434)
Conference expenses		(864)	(155,850)
Audit expense	3	(10,580)	(8,200)
Total expenses		(996,186)	(1,414,013)
Surplus/(Deficit) before income tax		8,824	(49,869)
Income tax expense	4	-	-
Surplus/(Deficit) for the year		8,824	(49,869)
Other comprehensive income after income tax			
Transfers from reserves	12	(20,018)	(9,550)
Total comprehensive deficit for the year		(11,194)	(59,419)
Total comprehensive (deficit) attributable to members of the entity		(11,194)	(59,419)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	NOTE	2020	2019
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,208,584	1,032,751
Trade and other receivables	6	44,772	104,711
Other assets	7	52,810	42,990
TOTAL CURRENT ASSETS		1,306,166	1,180,452
NON-CURRENT ASSETS			
Other assets	7	11,300	11,300
Property, plant and equipment	8	623	-
Right-of-use asset	13	217,898	100,835
TOTAL NON-CURRENT ASSETS		229,821	112,135
TOTAL ASSETS		1,535,987	1,292,587
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	58,708	47,819
Provisions	10	36,470	9,138
Contract liabilities	11	701,289	603,343
Lease liability	13	48,658	55,283
TOTAL CURRENT LIABILITIES		845,125	715,583
NON-CURRENT LIABILITIES			
Lease liability	13	171,712	46,660
TOTAL NON-CURRENT LIABILITIES		171,712	46,660
TOTAL LIABILITIES		1,016,837	762,243
NET ASSETS		519,150	530,344
EQUITY			
Retained surplus		519,150	510,326
Reserves	12	-	20,018
TOTAL EQUITY		519,150	530,344

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	NOTE	RESERVES	RETAINED EARNINGS	TOTAL EQUITY
		\$	\$	\$
Balance at 1 January 2019		29,568	560,195	589,763
Transfer from reserves		(9,550)	-	(9,550)
Deficit attributable to members of the entity		-	(49,869)	(49,869)
Total comprehensive loss		(9,550)	(49,869)	(59,419)
Balance at 31 December 2019		20,018	510,326	530,344
Transfers from reserves		(20,018)	-	(20,018)
Surplus attributable to members of the entity		-	-	8,824
Total comprehensive loss		(20,018)	8,824	(11,194)
Balance at 31 December 2020		-	519,150	519,150

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

CASH FLOWS FROM OPERATING ACTIVITIES	NOTE	2020	2019
		\$	\$
Receipts from members and customers		1,001,769	1,443,789
Government assistance received		248,900	-
Payments to suppliers and employees		(1,094,687)	(1,544,138)
Interest received		20,474	22,417
Net cash provided by (used in) operating activities	19	176,456	(77,932)
CASH FLOWS FROM INVESTING ACTIVITY			
Purchase of property, plant and equipment		(623)	-
Net cash used in investing activity	19	(623)	-
Net decrease in cash held		175,833	(77,932)
Cash and cash equivalents at beginning of financial year		1,032,751	1,110,683
Cash and cash equivalents at end of financial year	5	1,208,584	1,032,751



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The Australian Shareholders' Association Limited, here after referred to as ASA or 'Association', applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010-2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on the date of signing this report by the directors of the Association.

ACCOUNTING POLICIES

a. Revenue

Revenue from membership fees and other services is recognised as earned and upon the delivery of goods to members. The difference between cash collections and revenue recognised is recorded as unearned income in the Statement of Financial Position.

Donations are recognised as revenue when received.

Interest revenue is recognised on an accruals basis.

Revenue from the rendering of a service is recognised upon the delivery of the service to the members.

Revenue from conferences is recognised upon completion of the conference.

All revenue is stated net of the amount of goods and services tax (GST).

Those charged with governance considered the fair value of services received in kind, and only material balances have been recognised within the financial statements.

b. Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Plant and Equipment

The depreciable amount of all fixed assets is depreciated on a diminishing value basis. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The useful life used for each class of depreciable assets are:

Class of Fixed Asset: Office Furniture & Equipment

Useful Life: 3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. The asset class's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

c. Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

d. Employee Benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled. The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. Contributions are made by the entity to an employee's superannuation fund and are charged as expenses when incurred.

e. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits held at-call with banks.

f. Good and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

g. Income Tax

In accordance with Section 6-5 of the Income Tax Assessment Act 1997, the company is required to calculate its taxable income in accordance with the mutuality principle, whereby the company is only taxed on non-member income less deductible non-member expenditure. Taxable income received by the company is offset by deductible expenditure resulting in no income tax liability.

h. Website

The entity has determined that the costs incurred in the development and any ongoing costs associated with maintaining the website does not meet the definition of an intangible asset under AASB 138 (NFP) – Intangible Asset and has been expensed and is included in administration expense in the Statement of Profit or Loss and Other Comprehensive Income.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

i. Provisions

Employee provisions represent amounts accrued for annual leave and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

j. Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

k. Payables

Payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

l. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates

Impairment

The Company assesses impairment at each reporting date by evaluation of conditions and events specific to the Association that may be indicative of impairment triggers.

m. Lease Accounting

AASB 16: Leases

AASB 16 applies to annual reporting periods beginning on or after 1 January 2019. AASB 16 introduces a single lease accounting model that eliminates the requirement for leases to be classified as operating or finance leases. The Company has adopted AASB 16 from 1 January 2019 using the modified retrospective method, therefore no adjustments were made to comparative balances. Set out below are the new accounting policies of the Company upon adoption of AASB 16:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Lease liabilities

At the commencement date of a lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives received or receivable and variable lease payments that depend on an index or a rate. The lease payments also include the renewal option reasonably certain to be exercised by the Company. The variable lease payments that do not depend on an index or a rate are recognised as expenses in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses an appropriately considered interest rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Significant judgement in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised. The Company applies judgement in evaluating whether it is reasonably certain it will exercise an option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) an option to renew (e.g. a change in business strategy).

Application of this accounting policy to the leases of the Association

Australian Shareholder Association Ltd lease a commercial premise located at Suite 11, Level 22, 227 Elizabeth Street, Sydney New South Wales 2000. The initial lease term is three years, with the option to extend the lease for a further 12 month period. The impact of adopting AASB 16 was the recognition of a Right of Use Asset and a Lease Liability on the Statement of Financial Position at the commencement of lease on 1 January 2019. Depreciation on the Right of Use Asset and lease liability interest expense have also been recognised for the financial year ended 31 December 2019 as a result of adopting AASB 16.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	NOTE	2020 \$	2019 \$
NOTE 2: REVENUE			
Operating Revenue			
Membership fees		606,855	649,434
National conference		46,239	348,154
Education and meetings		59,702	259,493
Financials literacy grant		17,695	71,094
Other revenue		5,145	12,952
Total Revenue		735,636	1,341,127

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

The statement of profit or loss includes the following items of expenditure.

	NOTE	2020 \$	2019 \$
NOTE 3: SURPLUS/(DEFICIT) FOR THE YEAR			
Expenses			
Depreciation:			
Right-of-use asset (AASB 16)		51,905	55,000
Total depreciation and amortisation		51,905	55,000
Employee benefits expense		703,633	635,529
General administration expenses:			
Education and meetings		28,418	232,681
Taxation expenses	(i)	2,765	3,943
Newsletter expenses		92,726	84,345
General and administration expenses		82,764	183,282
IT Infrastructure		19,012	46,052
Interest expense - AASB 16		3,519	9,132
Total		229,204	599,434
Remuneration of the auditor for:			
- audit services		10,580	8,200
- taxation services	(i)	2,765	3,943
Total Auditor Remuneration		13,345	12,143

(i) Taxation services are included as part of general administration expenses on the statement of profit and loss and other comprehensive income. For the purpose of full disclosure, these amounts have also been included in the total auditor remuneration table above.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 4: TAX EXPENSE

	NOTE	2020 \$	2019 \$
The components of tax (expense)/income comprises:			
Current tax		-	-
Deferred tax		-	-
The prima facie tax on profit from ordinary activities before income tax is reconciled to income tax as follows: Prima facie tax payable on profit from ordinary activities before income tax at 27.5% (2019: 27.5%):		2,427	(13,713)
Add: Tax effect of:			
other non-allowable items		232,483	349,944
losses not brought to account as a deferred tax asset		5,931	10,489
Less: Tax effect of:			
deductible expenses		(15,519)	(553)
non-assessable income		(225,322)	(346,318)
Income tax attributable to entity		-	-
Available tax losses		424,104	402,535
Tax losses are available for non-mutual income to the extent that it exceeds non mutual deductible expenses.			

CASH AND CASH EQUIVALENTS

CURRENT			
Cash at bank		325,572	122,988
Cash on deposit	(i)	883,012	909,763
		1,208,584	1,032,751

(i) Term Deposits are made up of 3 deposits:
- \$300,000 - Maturing 5 March 2021, earning 0.45%
- \$283,012 - Maturing 28 February 2021, earning 1.75%
- \$300,000 - Maturing 28 January 2021, earning 0.95%

Cash on Deposit is considered to be Term Deposits that have a maturity date within 3 months of year end. As all Term Deposits held can be broken at any time with a forfeiture of interest, the Term Deposits held are deemed to be Cash on deposit.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 6: TRADE AND OTHER RECEIVABLES

	NOTE	2020 \$	2019 \$
Current			
Sundry Debtors		32,205	96,800
Interest receivable		12,567	7,911
	17	44,772	104,711

NOTE 7: OTHER ASSETS

Current			
Prepaid expenses		52,810	42,990
Non-current			
Bond Paid (Elizabeth Street premises)		11,300	11,300
TOTAL		64,110	54,290

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

Office equipment:			
At cost		11,541	11,541
Less accumulated depreciation		(11,541)	(11,541)
		-	-
Computer equipment:			
At cost		8,982	8,224
Accumulated depreciation		(8,359)	(8,224)
		623	-
Total property, plant and equipment		623	-

NOTE 9: TRADE AND OTHER PAYABLES

CURRENT			
Trade creditors		17,655	23,840
Accruals		8,629	9,953
Other creditors		32,424	14,026
TOTAL		58,708	47,819
Financial liabilities classified as payables			
Payables:			
Total current		58,708	47,819
Financial liabilities as payables	17	58,708	47,819



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 10: PROVISIONS	NOTE	2020 \$	2019 \$
CURRENT			
Annual leave	10a	36,470	9,138
NON-CURRENT			
Long Service Leave	10a	-	-

(A) ANALYSIS OF TOTAL PROVISIONS:

			EMPLOYEE BENEFITS \$
Opening balance at 1 January 2020		9,138	27,833
Additional provisions raised/(used) during year		27,332	(18,695)
Balance at 31 December 2020		36,470	9,138

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave. The current component for this provision includes the total amount accrued for annual leave entitlements. Based on past experience, the Association expects the full amount of annual leave balances classified as current liabilities to be settled within the next 12 months. These amounts must be classified as current liabilities since the Association does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement. No long service leave provision has been provided as all employees have been employed less than 5 years and a probability factor of 0% has been applied (probability of being employed beyond 10 years has been assessed at 0% for all employees).

NOTE 11: OTHER LIABILITIES

Membership fees in advance		544,959	445,900
Conference income in advance		154,105	138,618
Unallocated membership payments		2,225	950
Financial literacy grant in advance		-	17,695
Education event income in advance		-	180
		701,289	603,343

The Association does not have a standard membership period, with members able to join or renew on any day of the year. As a result of this, the Association carries a provision for the unexpired portion of the cash paid for membership renewals during the year (i.e. that portion that does not fall into 2020 income) at 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 12: RESERVES	NOTE	2020 \$	2019 \$
Opening Balance		20,018	29,568
Transfer from reserves		(20,018)	(9,550)

Funds received from ASIC were transferred to a reserve and were applied to improve education offerings to members, improve resources to member monitors, and enhanced accessibility to member services.

NOTE 13: LEASE

Right-of-use asset			
At cost:		269,668	155,835
Less accumulated amortisation		(51,770)	(55,000)
Carrying amount		217,898	100,835
Balance at the beginning of the year		100,835	-
Additions at cost		269,668	155,835
Write-backs (lease expiration)		(100,835)	-
Depreciation expense		(51,770)	(55,000)
Disposals		-	-
Carrying amount at the end of the year		217,898	100,835
Lease liability			
Current		48,658	55,283
Non-current		171,712	46,660
		220,370	101,943

The Association has adopted AASB 16: Leases for the first time in the year ended 31 December 2019. Refer to Note 1 (m) for details. This standard was also consistently applied for the year ended 31 December 2020, accordingly no off balance operating lease commitments exist.

a. The property lease commitment is non-cancellable operating leases contracted and has been capitalised in the financial statements. The current lease in Elizabeth St Sydney expires in October 2023.

b. The Association adopted AASB 16: Leases for the year ended 31 December 2019. In doing so, there is no longer an operating lease commitment for future periods. Refer to Note 1 (m) for details.

NOTE 14: EVENTS AFTER THE REPORTING PERIOD

The Directors note that the company has entered into contracts to run an Investor Conference on 31 May/1 June 2021. These contracts, if unable to be completed in 2021, may be carried forward to 2022.

Apart from any as yet undetermined impacts from any re-emergence of coronavirus outbreaks (COVID-19) which impact the company's ability to run an Investor Conference and other physical events, there are no other matters or circumstances that have arisen since the end of the financial year which would significantly affect the operations of the entity in subsequent financial years.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 15: KEY MANAGEMENT PERSONNEL COMPENSATION

NOTE

2020

2019

\$

\$

The remuneration for key management personnel (KMP)			
CEO(s)		193,348	183,158
Other key management personnel compensation		99,106	214,048
		292,454	397,206

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

NOTE 16: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

Directors' transactions with the Association

Directors have had no commercial transactions with the Association other than as members and volunteers. However, directors are reimbursed for reasonable expenses incurred in performing their duties.

Directors' Remuneration

Directors are not remunerated for their services to the Association. From time to time directors of the company may participate in ASA activities. Participation is on the same terms and conditions as those entered into by any other member of the Association.

NOTE 17: FINANCIAL RISK MANAGEMENT

Financial assets			
Cash and cash equivalents	5	1,208,584	1,032,751
Receivables	6	44,772	104,711
Total financial assets		1,253,356	1,137,462
Financial liabilities			
Financial liabilities at cost:			
Payables	9a	58,708	47,819
Lease liabilities	13	220,370	101,943
Total financial liabilities		279,078	149,762

The Association's financial instruments consist of deposits with banks, accounts receivable and payable. The totals for each category of financial instruments, measured at cost, are as seen above.

The board's overall risk management strategy in relation to financial risk seeks to guide the Association's management in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management is implemented by the Association's management and reported to directors for their assessment.

NOTE 18: FAIR VALUE MEASUREMENTS

The company does not have any assets or liabilities that are carried at fair value in the statement of financial position and has no assets or liabilities that are measured at fair value on a non-recurring basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 19: NOTE TO THE STATEMENT OF CASH FLOWS

NOTE

2020

2019

\$

\$

Reconciliation of operating loss to net cash generated from operating activities			
Surplus/(Deficit) for the year		8,824	(49,869)
Non-cash flows in surplus			
Movement in reserve		(20,018)	(9,550)
Changes in assets and liabilities			
Decrease/(increase) in receivables		59,939	69,746
Decrease/(increase) in prepayments		(9,820)	29,689
(Decrease)/increase in payables		12,253	(6,656)
(Decrease)/increase in provision		27,332	(18,695)
(Decrease)/increase in income in advance		97,946	(92,597)
Net cash provided by/(used in) operating activities		176,456	(77,932)

NOTE 20: ENTITY DETAILS

The registered office and principal place of business of the Association is:
Australian Shareholders' Association Limited, Suite 11, Level 22, 227 Elizabeth Street, Sydney, New South Wales, Australia, 2000

DIRECTORS' DECLARATION

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 43 to 57, are in accordance with the *Corporations Act 2001* and:

- comply with Australian Accounting Standards; and
- give a true and fair view of the financial position as at 31 December 2020 and of the performance for the year ended on that date of the entity.


2. In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



ALLAN GOLDIN

Director



ANDREW KEARNAN

Director

Dated this 22nd day of March 2021, Sydney



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUSTRALIAN SHAREHOLDERS' ASSOCIATION LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Shareholders' Association Limited (the company), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of Australian Shareholders' Association Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 31 December 2019 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Australian Shareholders' Association Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – COVID19

The company's operations for the year ended 31 December 2020 and financial position as at that date have been negatively impacted by the COVID-19 pandemic. The COVID-19 pandemic has contributed to the reduction in revenues and the reduction in net assets.

Information Other than the Financial Report and Auditors' Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 31 December 2020, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the

other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. **Responsibilities of the Directors for the Financial Report**

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



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Auditors' Responsibilities for the Audit of the Financial Report (continued)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Wali Aziz
Partner
Walker Wayland NSW
Chartered Accountants

Dated this 22nd day of March, 2021 Sydney

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