



Australian  
Shareholders'  
Association

# ANNUAL REPORT 2021

The voice of retail shareholders



# YEAR AT A GLANCE

## ABOUT US

Australian Shareholders' Association (ASA) is Australia's largest independent not-for-profit, shareholder association and has representation in all states of Australia. Founded in 1960, the organisation is driven by its mission to be the voice of retail shareholders through educating investors and standing up for shareholder rights.

ASA is funded entirely by membership subscription, donation and sponsorship and independently represents its members through providing independent resources and proactive advocacy. ASA safeguards shareholder interests in Australian equity capital markets, helps its members to improve investment knowledge and fosters a connected retail investor community

## VISION

A leading authority and community for Australian investors.

## PURPOSE

To stand up for retail investors, influence public policy, and promote better corporate governance. We empower our members by educating them about investing and connecting them with other investors.



11,500+

members and subscribers  
engage with ASA emails



35,000+

proxies



\$3.4B

proxies by value



174

companies monitored





**200+**

AGMs attended



**7,124**

members attended a local  
investor meeting



**49**

webinars



**316**

Investor Conference delegates



**13,000**

webinar registrations (2,265  
people watched a webinar)



**450+**

Virtual Investment Forum  
delegates



**341**

local investor meetings



**169**

media mentions







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# CHAIRMAN'S REPORT



**STEVEN MABB, ASA CHAIRMAN**

I am excited and honoured to be the new Chair of your Board. I do hope we get the chance to chat in person at our upcoming Investor Conference, our AGM or one of the many other activities throughout the year. Your Management team and the Board have been working very hard over the past year, to progress our structure and strategy. The ultimate goal is to provide even better education and advocacy for all our members as well as bring many more retail investors into the ASA community in the years ahead.

I became the Chair of ASA in March 2022, when our previous Chair, Allan Goldin, retired from the Board. Over the last three years, Allan has steered the Association through multiple COVID-19 lockdowns and changes in leadership and led the Board as we reset ASA on a new pathway for success. He has given thousands of volunteer hours to the Association over 12 years, and we thank him for his significant contributions. He plans to undertake some long-awaited travel and then we look forward to welcoming Allan back as a monitor, where his knowledge and experience will keep making a big difference for shareholders.

It's fair to say 2021 was another year of disruption and heightened uncertainty, as we all continued to deal with the challenges COVID-19 continued to present. Like many of you will have faced, this meant further compromises to our daily activities and impacts on families, home based work for our ASA team, restrictions on travel and the limited time being spent within our investing community. For some, this has been a time of worry and increasingly more of our members of our community have caught COVID-19. So, for those who have been concerned or personally impacted, rest assured our thoughts and focus continues to be on the overall health and wellbeing of members and the ASA in general.

## **SO, WHAT DID THE BOARD AND MANAGEMENT TEAM DO IN 2021 TO PROVIDE SERVICES AND VALUE FOR YOUR MEMBERSHIP?**

Firstly, unlike in 2020, we were able to hold our main event for the year - the Investor Conference in Sydney. We were lucky that most of the country was out of lockdown when we had planned the event but there were reasonable concerns from many members about travelling, so the numbers attending were

lower than usual. We made the decision to hold livestream events at hotels in Melbourne, Perth and Brisbane allowing those concerned to participate closer to home. Whilst this was provided to add value and support to more members it did come at significant extra cost and compromised the event somewhat for sponsors who had less people present with whom they could engage. Then to cap it off Melbourne had another lockdown implemented just before the Conference, meaning Victorian members couldn't attend even the local event. Consequently, whilst we were delighted to have a Conference again, the significant extra costs and lower attendance impacted our bottom line as an organisation.

We also dealt with a last-minute venue change due to the original hotel becoming a COVID-19 quarantine hotel, Victorian based speakers being unable to attend, and numerous other hiccups. So, to all those that helped organise the event and to all who attended around the country, our sincere thanks for your resilience and support.

From then on, a large percentage of the population went in and out of lockdowns. This meant far fewer live investor meetings. We continued producing a great series of

## “YOUR MANAGEMENT TEAM AND THE BOARD HAVE BEEN WORKING VERY HARD OVER THE PAST YEAR, TO PROGRESS OUR STRUCTURE AND STRATEGY.”

webinars; however, by now so were many other groups and companies.

Next up, we knew that John Cowling wanted to step down from the CEO role. We started to recruit early and found a marvellous new CEO in Rachel Waterhouse. Rather than have John leave in mid-June when Rachel started, we decided to pay both their salaries for six months, to provide Rachel with a thorough transition period, which we knew would be vital to ASA's future. For those of you who have interacted with Rachel and been following her communications, we are sure you'll agree she's been a great addition to the team and is already making a positive difference. The Board has been delighted by her progress and we have a great working relationship.

It would also be remiss of us not to pass on a big thanks to John for his hard work and dedication through a time of crisis. John stepped into the role at short notice not knowing what was soon coming with COVID-19. There were many difficult and stressful days and tough decisions to make but through it all John stayed optimistic, calm, and focused on what we could do rather than getting bogged down on what we couldn't. On behalf of all members thanks again, John. Once again, we hope you are enjoying retirement!

Another big initiative we committed to for the year was the creation of a new position in our Education and Events Manager. This was in response to feedback from many members that we needed to improve the quality of our Education and the service we provide members in this area. More industry players are increasingly offering webinars, conferences, newsletters, blogs, and the like. Some are good but many have conflicted interests. We believe ASA can be the leading independent, unbiased source of quality education for both current and prospective members going forward. This role was not in our original budget for 2021, but we felt it was an important initiative that we needed to implement. We have a smart new leader in Leigh Gant who has taken on the job, and we are confident you will see the benefits of this investment in the years ahead, to both your investing knowledge and hopefully your portfolio results!

Finally, thanks to our hard-working team we finished the year by putting on the Virtual Investment Conference in November with 450+ people attending.

The Virtual Conference was well appreciated and provided us with some good member contact and some much needed revenue. However, with all the COVID-19-related restrictions and extra costs, coupled with JobKeeper falling from \$249,000 in 2021 to \$30,096 in 2022, we knew this year was going to show a loss.

### FINANCIAL RESULTS

Your Board and Management dealt with 2021 through the lens of providing services and future value to members, which meant due to reduced revenue and higher costs we recorded an operating loss of \$170,394.

Whilst we are a not for profit, or can perhaps be better described as a “For Purpose” organisation, operating at a loss is not an ongoing plan or a healthy state for us to continue in.

The good news is we have total cash funds of over \$1,000,000 in the bank and retained surpluses of over \$300,000, so our balance sheet remains healthy. Our budget for 2022 is to return to a small operating surplus, barring any bigger surprises coming our way!

## ADVOCATING ON YOUR BEHALF FOR A FAIR GO

On the Policy front we again stood up for your rights and advocated on behalf of all retail shareholders throughout the year. Some of the government policies being put forward during the year included lessening Director liability or advocating for Virtual only AGMs rather than the much more desirable hybrid model. There was also the regulation introduced over Christmas without a debate in parliament, that was designed to make it more difficult and less feasible for proxy advisors to operate. Fortunately, our and other submissions on this matter were taken up in the Senate and the regulations were disallowed after just a few days. Whilst ASA is not a proxy adviser, we strongly felt the proposal would reduce scrutiny of company actions and behaviours and was therefore negative for all shareholders. These various issues were not in the best interests of the average investor. This means not just the ASA team but you as individuals should lobby whoever is in government when you see your rights disappear.

One of our key reasons for being is to stand up for retail investors. The most obvious way we do this is by having an active company monitoring program. Our current cohort of monitors are motivated and knowledgeable, but it is important that we return now to the in-depth training that was impacted during COVID-19 restrictions and strive for the highest quality reporting possible on the companies we monitor. The last couple of years have been more difficult than usual for our highly capable and dedicated Manager Fiona Balzer, as well as all

our monitors. Our thanks go out to all of you for pushing through the road bumps and technology issues to keep voicing our positions on your behalf.

## MAKE YOUR SHAREHOLDING COUNT

Over the last two years through Virtual AGMs there has been a falloff in the number of people giving proxies. To demonstrate that we are representing retail shareholders it is important that if you aren't directly voting yourself that you please allocate your proxies to ASA, so we can vote on your behalf. If you don't do either, then your votes will be likely given to the Chair who may be voting against your best interests at times. We will also continue working with share registries, the ASX and Government to make it easier for shareholders to allocate ASA their proxies.

## SUSTAINABILITY

In 2022, ASA will develop and start to implement our monitoring capability on Environmental and Social issues. We think we do the Governance part of ESG pretty well already! This is a complex area but a huge trend in the industry so it will be important we ask questions and report what we can in these areas as the industry wide standards emerge.

One area we are working through is how to spot and call out "greenwashing". This is something new ASIC Chair Joe Longo has called out recently as a focus for the regulator going forward, so we hope to be able to provide transparency for you in this area as the standards become clearer.

It will also become important for ASA to report our own sustainability performance going forward and the Board and Management are exploring this at present.

## BOARD RENEWAL

During February 2021, we welcomed two new Directors in Lelde Smits and Michael Jackson, who have both been making great contributions and have added considerable new skills to your Board in the legal and marketing areas. Following Allan's retirement in 2022, we appointed another new member Director in Julieanne Mills who is an experienced monitor and has a passion for ESG issues. Your current Board has a diverse mix of gender, age, experience, and the appropriate skills to take ASA forward over the next few years.

## STRATEGY AND VISION

The Board and Management team spent considerable time in late 2021 to reset our Vision, Mission, and Strategy for 2022 and beyond. You will find all the details now on the website, in Equity magazine, and through the various communications we will share with you in the months ahead. To sum it up our vision is to be a leading authority and community for Australian investors. We will progress the quality of education we provide you and advocacy work we do for you. Our biggest challenge though is bringing many more of the millions of investors into our community who haven't discovered us yet. We hope you will help us spread the word to friends and family and make these new members welcome as they join ASA. One idea is a gift membership for a friend or family member that could be a life changing event for the important people in your life.

One of the big drivers of our updated strategy is the somewhat concerning trend we have seen around membership numbers in



recent years. While we continue to add new members, we also continue to see many of our older members not renewing their memberships for various reasons. With literally millions of Aussies holding shares outside their super and around one million “new” investors opening brokerage accounts over the last couple of years, our current membership is a fraction of the total investing community that could benefit from all the great things we do. So, it is with one eye on the health of ASA in general and the other on the many people who could really benefit from our services, that we will be pushing hard to grow the member community in the coming years.

## VOLUNTEERS

Finally, we want to thank all our wonderful volunteers who make ASA possible. Without all our hard-working State and Company Monitor Chairs and their committees, the local member meeting Convenors, Monitors, Conference helpers, Board members and many others we simply couldn’t afford to operate the way we do. On behalf of all members, the Directors sincerely thank you for your contributions and appreciate all you do.

Best of luck for the rest of 2022 and thanks for your support. With daily life and COVID-19 rules now very close to what it was like prior to 2020, we really hope to see you in person again soon.



**Steven Mabb**  
Chairman

1 April 2022





**RACHEL WATERHOUSE, CEO**

## INAUGURAL CEO REPORT

It is a great pleasure to be presenting my inaugural CEO's report for Australian Shareholders' Association this year. It has been a pleasure to be warmly welcomed as a new member of the ASA community; I joined in mid-June in the temporary role of CEO Designate before formally becoming CEO in September.

Since taking the reins, I'm pleased to say that I've had strong encouragement and assistance from the Board, State Chairs and my predecessor John Cowling who led the organisation from late 2019.

I appreciate everyone's support and am delighted to be serving in this role to advance ASA's mission as the voice of retail shareholders in Australia.

## PANDEMIC CHALLENGES

The pandemic had an impact on everyone, and it saw the Association dealing with several unexpected challenges. Government restrictions made it harder to maintain usual ASA services, but we adapted our approach to ensure activities such as member meetings could continue.

## INVESTING IN THE FUTURE

In 2021, ASA held a hybrid Investor Conference, where delegates could participate remotely in the event from three cities. This added to the cost of running the event, as did the CEO onboarding process, which resulted in John and I sharing leadership responsibilities. We also employed an Education and Events Manager. While these contributed to an overall loss of \$170k for the 12 months, these strategic decisions allowed us to adjust to uncertain conditions and have set ASA up for future success.



## KEY ACHIEVEMENTS FOR MEMBERS

ASA continued to deliver for its membership and achieved several key milestones over a challenging period for the community, with the Virtual Investment Forum held in November providing an additional revenue stream for the year:

**174**

*Companies monitored in 2021*

**316**

*Attendees at Investor Conference 2021*

**200+**

*AGMs that ASA representatives attended*

**450+**

*Attendees at Virtual Investment Forum 2021*

**169**

*Media mentions*

**49**

*Webinars with 2,265 individuals watching a webinar in 2021*

**341**

*Local member meetings delivered via Zoom or in person*

ASA also achieved:

- Growth in website visitors
- Growth in social media followers
- Increased corporate members to support our activities.

**7,124**

*Attendees at those meetings*

**“TO DELIVER ON OUR VISION AND PURPOSE, WE WILL CONTINUE TO FOCUS ON ADVOCACY AND MONITORING, EDUCATION, AND ENGAGEMENT WITH MEMBERS AND VOLUNTEERS. ”**

### **THE POWER OF OUR VOLUNTEERS, MEMBERS, AND STAFF**

The achievements listed on page 10 show ASA's successes in 2021. We are proud of what we have achieved over the year, despite having to work remotely, and under government restrictions. However, the Association has only been able to deliver these outcomes with the support and dedication of volunteers, members, and staff.

### **BUILDING LEADERSHIP CAPABILITY**

Late in 2021, we increased our capacity with the appointment of Leigh Gant as Education and Events Manager. Leigh's background in finance, psychology, and education is a valuable addition to the team. Fiona Balzer continues to lead our policy and monitoring activities, with the support of our fabulous monitors and the Policy Committee. With Leigh and Fiona in place, we now have a strong and strategic leadership team.

### **A STRATEGY FOR THE FUTURE**

ASA's strategy was revised in November and December with input from members. The new

strategy focuses on our position as a leading authority and community for Australian retail investors. We recognise our responsibility to stand up for retail investors, empower members by improving their knowledge, and connect them with other investors. To deliver on our vision and purpose, we will continue to focus on advocacy and monitoring, education, and more engagement with members and volunteers.

### **PLANS FOR THE YEAR AHEAD**

The team is working hard to deliver education in 2022 through face-to-face events such as the Investor Conference, Virtual Investment Forum, and more workshops. Our webinar program will also continue and will have a greater focus on educational outcomes. EQUITY magazine continues to be one of the most popular member benefits, so we are planning to deliver the digital edition in a more timely fashion, while still providing a print version to the 50% of members who prefer it. We are pursuing multiple growth strategies to continue to grow our community of members.

### **THANK YOU**

None of this could have happened without the support of John Cowling and the ASA team. We are also deeply indebted to all our monitors, convenors, volunteers, members, Board directors, State chairs, and sponsors for their backing and contributions throughout 2021. We look forward to what we can achieve together in 2022.

On a personal note, thank you to everyone for the warm welcome I have received and the confidence you have placed in me. It is an honour to be able to lead the ASA and I greatly appreciate the opportunity and work with you, our members.

I look forward to the year ahead and thank all our members for your ongoing support.



**Rachel Waterhouse**  
CEO



# STRATEGY



## VISION

A leading authority and community for Australian investors.

## PURPOSE

To stand up for retail investors, influence public policy, and promote better corporate governance. We empower our members by educating them about investing and connecting them with other investors.

## VALUES

Courage      Respect      Integrity      Accountability      Supportive

## PILLARS

Influence	Educate	Connect	Engage
Advocacy Monitoring	Courses Events Webinars Online Forums Publications	Events Investing groups Online forum	Membership Volunteers

## FOUNDATIONS

- Financial Stability
- Exceptional People
- Operational Excellence
- Effective Partnerships
- Member Orientation



## GOVERNANCE

Australian Shareholders' Association is a small not-for-profit, which seeks to ensure ongoing good governance wherever possible by using the same principles and standards that it applies to the companies it monitors.

This is only limited by the resources available to the Association.

The organisation has a risk matrix, risk register, and risk appetite statement which it uses to manage and control organisational risks.

These documents are reviewed regularly, and ASA holds to the principle that all activities must sit within the risk appetite of the Board.

Key focuses include ensuring that the membership offering continues to be relevant and mitigating operational risks such as cyber security.

The Board and management of ASA are focused on strengthening all governance practices.

ASA has a national Board that is supported by a network of State Chairs and committees.

The Board is responsible for the overall governance and strategy of the organisation, and it has established four committees to help with that role: the Policy Committee; the Remuneration and Nomination Committee; the Education Committee; and the Finance, Risk and Audit Committee.

The Board seeks to ensure an appropriate balance of skills and experience amongst its directors, and reviews its performance annually. At present, directors come from the larger states.

State committees manage local activities and act as a conduit between local volunteers and members and the ASA team.

Their contribution is coordinated through a State Chair Committee, which has representatives from each state. This ensures that the Board has direct feedback and

input from the state branches and is able to represent all members.

In addition, a Chair Monitoring Committee has been established to help guide monitoring activities, which has representation from monitors in each of the states.

All Committees have a Charter, which is reviewed annually, and ASA has policies in place protecting privacy and whistleblowing, and requires all members, volunteers, and staff to comply with a Code of Conduct. Board and committee members volunteer their time, and are only remunerated for travel expenses.

The ASA Board meets at least four times a year, while each Committee meets 2-4 times per year.

For a full listing of ASA Committees, see page 38.

“WE WILL CONTINUE TO ADVOCATE FOR THE RIGHTS AND IMPORTANCE OF RETAIL SHAREHOLDERS AND THE INTEGRITY OF THE FINANCIAL MARKETS. “



FIONA BALZER, POLICY & ADVOCACY MANAGER

YEAR	2021	2020	2019	2018	2017
Companies monitored	174	176	168	172	174
Proxy collections	94	137	79	31	43
Monitors	119	116	116	111	109
Value of ASA proxies (\$m)	3,399	2,922	3,801	3,661	3,963
Proxies received (000's)	35.3	33.8	43.6	45.9	48.1
Remuneration Reports voted against	41	55	41	54	57
Companies holding AGM voting polls	100%*	100%*	93%	87%	86%

\*Polls were required for virtual-only meetings

## HYBRID COMPANY MEETINGS

While there were some advances in the technology and delivery of virtual-only company meetings, they remain a poor substitute for (our preferred) hybrid or physical meetings, they have their place in emergency situations. They provide an opportunity for companies to engage with their shareholders and for ASA to represent retail shareholders and proxy givers when gatherings aren't safe.

ASA submissions that electronic communications were to be made the default setting, with shareholders able to elect to receive communications by mail outside the pandemic conditions was successfully incorporated into the legislation. This bill, Corporations Amendment (Meetings and Documents) Bill 2021, was finally passed in February 2022.

ASA made multiple submissions on why moving to allow permanent virtual meetings would reduce accountability of boards, as different options were proposed. ASA does not support virtual-only company member meetings outside exceptional circumstances and will not support any company resolutions to change their Constitution to allow virtual-only member meetings. Should exceptional circumstances arise in the future, a relief power was introduced during 2021 under s253TA of the Corporations Act to allow the Australian Securities and Investment Commission (ASIC) to permit companies to hold virtual-only meetings, so companies do not need this condition in their constitutions.



**In response to the ongoing COVID-19 pandemic, the year kicked off proposed regulation to make virtual-only company meetings and electronic communications with retail shareholders permanent along with changes to continuous disclosure laws.**





## CONTINUOUS DISCLOSURE

The Treasury Laws Amendment (2021 Measures No. 1) Bill was passed 10 August 2021 to make corporations and directors liable for continuous disclosure law breaches only where they acted with “knowledge, recklessness or negligence”, removing the “strict liability” of the prior law. It will be much harder to run class action cases, under this change, with intent needing to be proven. As Allan Goldin, ASA Chair said in ASA’s media release “A Curate’s Egg”: “Previously if there was any failure to keep the market informed under the current ‘Continuous Disclosure’ rule, it was a simple black and white situation, don’t tell shareholders something material and the Company and its Directors were liable. This was great for shareholders because they do not have insider or special interest knowledge and all they know is what they are told and what they read.”

## JOBKEEPER

We argued for JobKeeper payments to listed companies to be made public. While ASIC had highlighted to companies that they needed to include the information about the payments in their annual reports and ASX profit releases, there was

no way of verifying the numbers prior to the public disclosure of the amounts. One of ASA’s focus issues for 2021 was to examine the impact of COVID-19 on companies and their executive remuneration and to support companies to consider repaying Government-funded COVID-19 payments before rewarding executives or paying dividends. The outcome of the Economics Legislation Committee’s Inquiry into the Coronavirus Economic Response Package Amendment (Ending JobKeeper Profiteering) Bill 2021 is that listed companies are required to report the information to the ASX announcement platform, and ASIC produced a report with the amounts which facilitated research and questioning of the relevant companies.

## PROXY ADVICE REGULATION

Early in the year, we made a submission on “Greater transparency of proxy advice” which at the end of the year saw the Government institute restrictive regulations for this sector. ASA was concerned these restrictions will curtail the shareholder-focussed thought leadership on governance and remuneration practises that balances the powers of the

companies, directors, and executives in the Australian financial markets.

Subsequent to year end, Senator Patrick moved to disallow the regulations. We entered an intense period of engagement with the relevant cross-benchers and the regulations were disallowed in February 2022.

## SUBMISSIONS

We also contributed on a couple of items flowing from the Hayne Report on the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry on Financial Sector Reform (Hayne Royal Commission Response-Better Advice) Bill 2021 [Provisions] and Australian Prudential Regulatory Authority prudential requirements for remuneration.

These areas outlined above will remain active issues in 2022. We will continue to advocate for the rights and importance of retail shareholders and the integrity of financial market. ASA submissions are listed on the association’s website under Policy and position papers.

# MONITORING



**“A MAJOR GOAL FOR 2021 WAS FOR THE FINALISATION OF AN ONLINE EDUCATION RESOURCE FOR NEWLY RECRUITED AND EXISTING COMPANY MONITORS. FOR 2022 WE ARE AIMING TO RETURN TO FACE-TO-FACE TRAINING AS THE OPPORTUNITY ARISES.”**



**FIONA BALZER**  
**POLICY & ADVOCACY MANAGER**



**DAMIEN STRAKER**  
**ADVOCACY COORDINATOR**



Four focus areas were covered by our monitors during 2021. Again we sheeted home accountability to Directors and Boards, expecting them to operate at a highly professional level as individuals and as a group. As mentioned earlier in this report under Advocacy, understanding the decisions around keeping or repaying JobKeeper payments and remuneration were a priority, as was risk management and treating retail shareholders fairly in respect to decisions on shareholder communications and capital raisings.

While we started the year expecting a return to hybrid and physical shareholder meetings, COVID-19 had other plans. Our monitors attended over 200 virtual-only meetings. Company monitors held meetings (mostly by phone or video) with the chairs of 82% of monitored companies and met with a non-executive director other than the chair of a further 3% of monitored companies.

Companies were generally more circumspect with remuneration decisions – with 127 of the 165 AGMs we attended attracting “for” votes on the resolution over 90% (up from 117 in 2020). However, there was a cohort of companies paying retention payments who attracted against votes. ASA voted against the remuneration reports of a total of 41 companies in 2021 (55 in 2020), representing approximately 25% of companies where a resolution to adopt a remuneration report was put to the meeting. Of the monitored companies, 18 companies received a “strike” on remuneration (being a vote of more than 25% against; the figure was 16 in 2020).

Details of the number of companies monitored, proxies gathered and ASA attendance at AGMs is contained in the Five-Year Summary on page 14.

A major goal for 2021 was for the finalisation of an online education resource for newly recruited and existing company monitors. The ten modules covering what monitors need to know in order to represent proxy-givers were made available at the beginning of the year. For 2022 we are aiming to return to face-to-face training as the opportunity arises.

For 2022, we will be looking at integrating the International Sustainability Standards (ISSB) into our company monitoring. The ISSB is expected to provide the global financial markets with high-quality disclosures on climate and other sustainability issues.



**“LOOKING AHEAD IN 2022 AND BEYOND, THE VISION FOR EDUCATION IS TO ESTABLISH ASA AS A TRUSTED AND HIGHLY VALUABLE PORTAL FOR BEST-IN-CLASS TUTELAGE IN AN INVESTOR’S JOURNEY.”**



**LEIGH GANT, EDUCATION AND EVENTS MANAGER**



A core function of ASA is to educate Australian investors. Our resource centre has been gradually built from various contributors, resulting in multiple avenues to engage audiences. Looking ahead in 2022 and beyond, the vision for Education is to establish ASA as a trusted and highly valuable portal for best-in-class tutelage in an investor’s journey.



During 2021, ASA continued the implementation of delivering more education online due to the impacts of COVID-19. ASA held 49 webinars with an average attendance of 137. We also held our second virtual conference in November, with sponsor interest and financial contribution justifying continuing the program into 2022.



The Virtual Investment Forum in 2021 recorded over 400 registrants with a successful 4.5 out of 5 rating in review. In order to achieve our ambitions for the future, ASA is planning to revitalise our online courses, webinars, papers and digital publications as well as ensuring all content production acts synchronously.



The impact of consistent and aligned communications across all channels means that members, subscribers and those new to discovering ASA will have a very easy to follow pathway to increasing their investing knowledge. We look forward to combining these resources with the return of face-to-face events such as the Investor Conference in Melbourne and workshops later in the year

# SUCCESS IN NUMBERS

## Local investor member branches

2021

41

2020

53

## Local investor member meetings

2021

341

2020

328

## Investor Conference attendees

2021

316

2020

495 *Virtual only*

## Virtual Investment Forum attendees

2021

450+

## Webinars

2021

49

2020

64

# MEMBERSHIP



**DOUG GANNON**  
MEMBERSHIP OFFICER



**JOLY BATAc**  
MEMBERSHIP AND FINANCE OFFICER

COVID-19 disrupted a lot of things across the globe, and ASA's in-person member meetings were no exception, with many moving onto Zoom. While this did not significantly affect new memberships, it had an impact on retention.

620 new members joined the ASA community in 2021, which was higher than in 2019 (603) and 2018 (437), but lower than in 2020 (721). Over 40% of these new members selected a two-year membership. Feedback from the new members suggested that people join ASA to learn more about investing and become better investors, with particular value placed on online educational tools, EQUITY magazine, monitoring, advocacy, and webinars.

Despite the new membership, ASA experienced a 4.9% decrease in our retail member numbers and a 13% increase in retail membership revenue. This was in part due to a CPI increase and changes to the membership tiers, but also because of changes in the members' circumstances.

Members who had not renewed on time were contacted and encouraged to do so, and we gained feedback from them about what ASA could do to strengthen

member value. There were some changes in corporate membership too, with five from 2020 resigning, but six joining by the end of 2021, leaving us with 61 corporate members in total. We appreciate their support and commitment to improving corporate governance.

Notwithstanding restrictions, ASA continued to deliver events, with a hybrid Investor Conference and a Virtual Investment Forum, collectively engaging over 450 members. We also delivered webinars to members one or two times a week.

Over 160 members have accessed a new 20+ video series on estate planning.

On the engagement front, the CEO continued to provide perspectives on investment in the weekly email, discussing topics raised by members, which led to a high open rate of 54%.

To increase our capacity in education and events, ASA hired Leigh Gant as the new Education and Events Manager in late 2021. Together with the CEO, and a new Digital Marketing and Education role, Leigh will be responsible for providing the Investor Conference and Virtual Investment Forum, workshops, EQUITY magazine

editions, webinars, and podcasts. We plan to use social media more effectively throughout 2022 to promote the Association's activities and connect members to a community of investors. This will help to provide investors with better opportunities and increase our membership base.

Thanks go to Mary Calleja, who left ASA in October to Centura, for her support of members over the past two years, and Doug Gannon for his role contacting members over six years.

Doug has retired and is hoping to travel once COVID-19 restrictions are lifted. He commented that:

*"It has been a pleasure serving our members and I wish them all good fortune in their investing in 2022. I will be staying on at ASA as a member and look forward to seeing many fellow members at our monthly meetings when they resume."*

Joly Batac has now added Membership to her existing role, while John Glynn has been hired to replace Doug.





**“I AM ENJOYING MY SUBSCRIPTION WITH ASA VERY MUCH. I CAN LOG ONTO THE PLATFORM WHERE I AM VERY MUCH ENJOYING THE COURSES IN INVESTING. I HAVE RECEIVED THE EQUITY MAGAZINES. THIS ASSOCIATION IS WHAT I WAS LOOKING FOR.” — ANA, ASA MEMBER**

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**“WE THINK JOINING THE ASA AND ATTENDING THE MEMBER MEETINGS WAS ONE OF THE BEST INVESTMENT DECISIONS WE HAVE EVER MADE. WE FIND THE DEPTH OF KNOWLEDGE AND EXPERIENCE OF OTHER MEMBERS INVALUABLE” — MARIA, ASA MEMBER**

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**“A VALUABLE ORGANISATION FOR THE INDIVIDUAL INVESTOR, BEING ABLE TO COMBINE PROXIES IS MARVELLOUS, THE INFORMATION YOU GIVE, PLUS THE EXCITING WEBINARS. A MUST JOIN FOR SMALL INVESTORS” — RONALD, ASA MEMBER**

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**“FRIENDS PERSUADED ME TO GET INTO SHARE TRADING - AND JOINING THE ASA WAS A LOGICAL STEP. JOINING LOCAL GROUP GAVE ME MORE CONFIDENCE IN TAKING RISKS WITH SHARES.” — VIKI, ASA MEMBER**

# ENGAGEMENT

Over the past year, the goal of ASA's external communications has been to:

- STRENGTHEN THE VOICE OF RETAIL SHAREHOLDERS THROUGH OUR ADVOCACY WORK
- INCREASE CORPORATE ACCOUNTABILITY BY MONITORING COMPANIES DURING THE AGM SEASON
- EDUCATE INVESTORS ABOUT INVESTMENT

## MEDIA, SOCIAL MEDIA AND E-NEWSLETTERS

Online engagement increased significantly as a result of active strategies that sought to increase our social media presence across LinkedIn, Twitter, Facebook, Instagram and YouTube. We have also worked to raise our profile in the mainstream and alternative media. These activities helped to increase the size of our online audience and create a large database of non-members interested and wanting to learn more about the ASA.

As a thriving member-driven community we deliver and develop digital content, activities, and media mentions in line with ASA's core values, including working to upgrade the website to improve user experience.

Our main direct communication to members – the weekly CEO and Advocacy newsletters – kept members informed during the lockdown and helped to maintain our connections with them.

ASA's social media channels not only increase our reach, but also carry out online campaigns for our products and events:

**facebook** 1,930+ FOLLOWERS  
7% annual growth

**twitter** 4,540+ FOLLOWERS  
4% annual growth

**Instagram** 620+ FOLLOWERS  
118% annual growth

**LinkedIn** 1,730+ FOLLOWERS  
43% annual growth

**YouTube** 185+ FOLLOWERS  
35% annual growth

## IN 2021, ASA ACHIEVED



**169**

Media mentions



**11,500**

People regularly reading ASA emails



**54%**

Open rate for weekly CEO and AGM season emails



**169,240+**

Unique website visitors



**8,900+**

Social media followers



**8,000+**

Video views on online platforms



**12,910+**

Podcast listens and 24 episodes

**“ONLINE ENGAGEMENT INCREASED SIGNIFICANTLY AS A RESULT OF ACTIVE STRATEGIES THAT SOUGHT TO INCREASE OUR SOCIAL MEDIA PRESENCE ACROSS LINKEDIN, TWITTER, FACEBOOK, INSTAGRAM AND YOUTUBE. WE HAVE ALSO WORKED TO RAISE OUR PROFILE IN THE MAINSTREAM AND ALTERNATIVE MEDIA.”**

## PODCAST

ASA has two podcast series that continued to grow in 2021.

**EQUITY ASA**, where our host Philip Muscatello interviews special guests from leading companies.

**AGM Watch**, where company monitors provide an update on the organisation they are monitoring during the AGM season.

Between these two podcasts we have released a total of 24 episodes and have gained 1,845 listeners within 1 year.

## WEBSITE

During July and August, ASA improved the user experience on our website by modifying our navigation bar, changing menu items to welcome all new visitors to our website and extend their time on the page; and making the site more responsive and mobile-friendly. This was an essential upgrade that aimed to refresh the ASA's branding and improve the member experience. In total 169,240+ unique website users visited the website.

## EQUITY MAGAZINE

2021 was a year full of creativity and productive work of the ASA editorial

team. We published 11 issues of EQUITY magazine, with a total of 8,700+ views on the magazine page.

## WEBINAR

We added another 49 webinars to the library in the past year, which were well supported by our members and supporters.

## VIRTUAL INVESTMENT FORUM

In November, 2021, we transitioned our members to a new virtual experience with a Virtual Investment Forum focused on Listed Investment Companies (LICs) and Exchange Traded Funds (ETFs). The event went well with 450+ attendees and an overall rating of 4.5/5. For the first time, attendees could not only listen to the speakers present but also interact with other attendees through breakout rooms, visit the sponsor's booths, and have 1-on-1 online sessions with them.

***“The Forum is well organised and covers a good breadth of information. Very useful. I am glad to be an ASA member and have the opportunity to learn more about these investment options”*** - ASA member.

## MASTERCLASS | ESTATE PLANNING

Launched in August, 2021, with

Peter Bobbin, Masterclass | Estate planning is an online course with 20+ short videos that helps open people's minds, broaden their approach to estate planning, and motivate them to complete it. We promoted this through all of our channels with the help of interns producing videos and trailers. As of December 2021, over 140 members have purchased this product.

## WINVEST

ASA launched wInvest on International Women's Day in March, 2021, as the day marks a call to action for accelerating women's equality. The wInvest program was created with the mission to enable women to become inspired, empowered, and financially literate by investing in their knowledge. It is a 16-week video series that is available for free on ASA's website and YouTube. By December, 2021, we had a total of 2,000+ views.

## LOOKING AHEAD

And just like the headline of our January and February 2022 issue of EQUITY magazine, we are looking ahead and beyond. ASA will continue to grow and develop with our members, creating more, relevant investment content and welcoming new, younger members over the next 12 months.



# VOLUNTEERS

## ACT

Diane Diprose  
Ed Roberts  
Eden Zanatta  
Elton Ivers  
Jill Roberts  
John Green  
John O'Callaghan  
Peter Barker  
Richard Williams  
Robert Cason  
Rodney Peters  
Roger Penhale  
Sonja Davie

## NSW

Alan Lowe  
Allan Goldin  
Andrew Kearnan  
Anna Trgo  
Aurobindo Roberts  
Balakrishnan Varadarajan  
Benjamin Ferry  
Bill Radley  
Brian Roberts  
Carol Limmer  
Chandrakant Agnihotri  
Chris Kelly  
David Jackson  
David Woodside  
Donald Adams  
Doug Gannon  
Elizabeth Fish  
Gary Barton  
Geoffrey Orrock  
Harvey Langford  
Helen Manning  
Helen Muir  
Ian Anderson  
Ian Graves  
Ian Sellers  
Jeff Morrow  
Joan Lampe  
John Cowling  
Julianne Mills  
Karen Hickman  
Karen Kundicevic  
Karin Hickman  
Keith Ready  
Kerrie Bible

Lelde Smits  
 Les Renfrey  
 Lewis Gomes  
 Linda Martin  
 Margaret Thorn  
 Martin Hope  
 Mary Curran  
 Mary Fifita  
 Meg Bannigan  
 Mei McGlynn  
 Michael Batchelor  
 Michael Campbell  
 Michael Jackson  
 Michael O'Loughlin  
 Nick Bury  
 Norman Windell  
 Orlene McKinlay  
 Patricia Beal  
 Patricia Waley  
 Peter Gregory  
 Peter Metcalf  
 Philip Laird  
 Ramaswamy Rajagopal  
 Raymond Wheeler  
 Richard McDonald  
 Rod Jeffery  
 Roger Ashley  
 Stephen Bible  
 Sue Erbag  
 Sue Howes  
 Visvanathan Srinivasan  
 Warren Dennis  
 Wayne Parry

## NT

Christine Silvester  
 Frieda Evans

## QLD

Alison Harrington  
 Andrew Higgs  
 Ben Lee  
 David Hough  
 Don Matthews  
 Eileen Turner  
 Graeme Thistlethwait  
 Heather Waters  
 James Hart

John Collins  
 Judie Groves  
 Kelly Buchanan  
 Lasse Petersen  
 Lee Sackett  
 Michael Rees  
 Mike Sackett  
 Mike Stalley  
 Noel Ambler  
 Paul Donohue  
 Peter McNally  
 Peter Schiefelbein  
 Shirley Watson  
 Steven Mabb  
 Xavier Goh

## SA

Brad Martin  
 Cynthia Loh  
 David Wilson  
 Denise Harris  
 Des Moriarty  
 Donald Fairweather  
 Greg O'Connell  
 Hans Bailht  
 Ian Humphries  
 James Hahn  
 John Connell  
 John Worthley  
 Ken Wakeman  
 Kevin Parken  
 Malcolm Holden  
 Malcolm Keynes  
 Robert Ritchie  
 Samantha Bell  
 Stephen Howie

## TAS

Andrew McMahon  
 Ian Chalk  
 Ian Day

## VIC

Adam Raymond  
 Adrienne Skarbek  
 Alan Hardcastle  
 Belinda Leyland  
 Brett Morris

Brian McCarthy  
 Christine Haydon  
 Christopher Lobb  
 Claudio Esposito  
 Dennis Shore  
 Don Pikethly  
 Duncan Seddon  
 Eric Pascoe  
 Frank Thompson  
 Geoff Forryan  
 Geoffrey Bowd  
 Gil Fryatt  
 Graeme Hawkins  
 Graham Neal  
 Hans Ha  
 Heather Knight  
 Henry Stephens  
 Ian Thomson  
 Jacques Nicolas  
 Janet Allen  
 Jason Cole  
 John Parrott  
 John Virgona  
 John Whittington  
 Judith Seddon  
 Katja Bizilj  
 Linda Martin  
 Lindsay Gordon  
 Maree Harris  
 Margit Alm  
 Michael Muntisov  
 Michael O'Keefe  
 Mike Robey  
 Norm West  
 Paul Fanning  
 Peter Aird  
 Peter Bacon  
 Peter Rae  
 Richele Janjatovic  
 Robert Koop  
 Robin Burrows  
 Rod McKenzie  
 Roderick Schulz  
 Sally Holywell  
 Stephen Van Emmerik  
 Stewart Burn  
 William Grint

## WA

Alan Dickson  
 Anthony McAuliffe  
 Bernie Masters  
 Bob Kelliher  
 Chris Klisc  
 Daryl Houghton  
 David Allen  
 David Brooke  
 Derek Miller  
 Geoff Corrick  
 Geoff Read  
 Geoff Sherwin  
 Ian Berry  
 Joe Yozzi  
 John Campbell  
 John Ferguson  
 Jordan Purser  
 Keith Mellis  
 Kevin Bowman  
 Len Roy  
 Lloyd Phillips  
 Lorraine Graham  
 Lynda Newland  
 Peter Adams  
 Peter Scales

# INTERNSHIP PROGRAM



Under John Cowling's leadership, ASA introduced an internship program with University of Technology Sydney (UTS) and Queensland University of Technology (QUT) to give students an exposure to the investment community.

The program has been a great success, and we look forward to building similar programs with universities in other States.

By supporting young professionals with their careers, we hope to encourage an interest in finance and the share market that will support them for a lifetime.

While the young professionals who have undertaken internships with us gained experience in communications, marketing, and finance, they also helped ASA to expand its outlook and raise its profile.

We thank them for their support and wish them the best with their careers



**Ramiz Shakil – Finance**

My internship was unique in the sense that it required me to view markets differently than I had previously as it required interns to use their research skills to analyse companies through the lens of maximizing stakeholder value rather than simple prioritising company profits.



**Julia van Oppen – Animation**

ASA has helped me develop my financial literacy in ways I always wanted to pursue but somehow never had the time to do so. I was able to build on my skills in areas I have not been able to touch on much in my degree. I highly value and appreciate the opportunity I was given to work with ASA on their projects, and I'm grateful for the knowledge that was shared with me.



**Camelia Saranciuc – Finance**

I developed strong analytical skills and a good understanding of various asset classes, portfolio management and risk analysis. As I am an Economics student, this experience supported my career plans, offered me a broad perspective on companies' performances and empowered me with the tools and confidence to create my own financial future.





### **May Daywenz – Marketing**

As a first-year university student, the marketing internship allowed me to experience and learn marketing skills in a real-life work environment. The internship helped me test whether a career in marketing was the route I wanted to take. I now have a media and marketing coordinator role thanks to all the valuable skills I learnt from ASA.



### **Sophie Plumridge – Finance**

My time with ASA profoundly grew my financial and investment knowledge which complemented my existing studies in economics. With the learnings provided by ASA, I have been able to think more critically in professional applications, as well as personal applications.



### **Karthikaeyan Murthy – Finance**

Coming from a mechanical engineering background, I had a hard time comprehending the Financial Management aspects of my MBA. Thanks to my internship at ASA, I now have a better understanding of how the economy and the financial markets work, and how to critically analyse the annual reports of publicly listed companies.



### **Jake Lees – Finance**

I learnt about the financial system and new techniques on how to analyse companies. The experience has built a foundation for my knowledge about the financial market, and I am looking forward to expanding on this through new and future work experiences.



### **Rijad Ahmic – Finance**

Coming from an engineering background, this experience really helped me fill in the blanks in some financial principles. This opportunity gave me access to knowledgeable people who were invested in my learning, helping to guide me in topics I was interested in.



### **Fiona Hemsall – Film**

My time interning at the ASA was incredibly rewarding. I was able to work with a great and supportive team of people in my first industry experience role, who encouraged me to push the boundaries of my capabilities and supported me well after my time there. At the ASA, I was able to develop my film editing and teamwork skills, working across multiple projects. I look back on my time at the ASA with joy at what I experienced and the long-term connections I made.



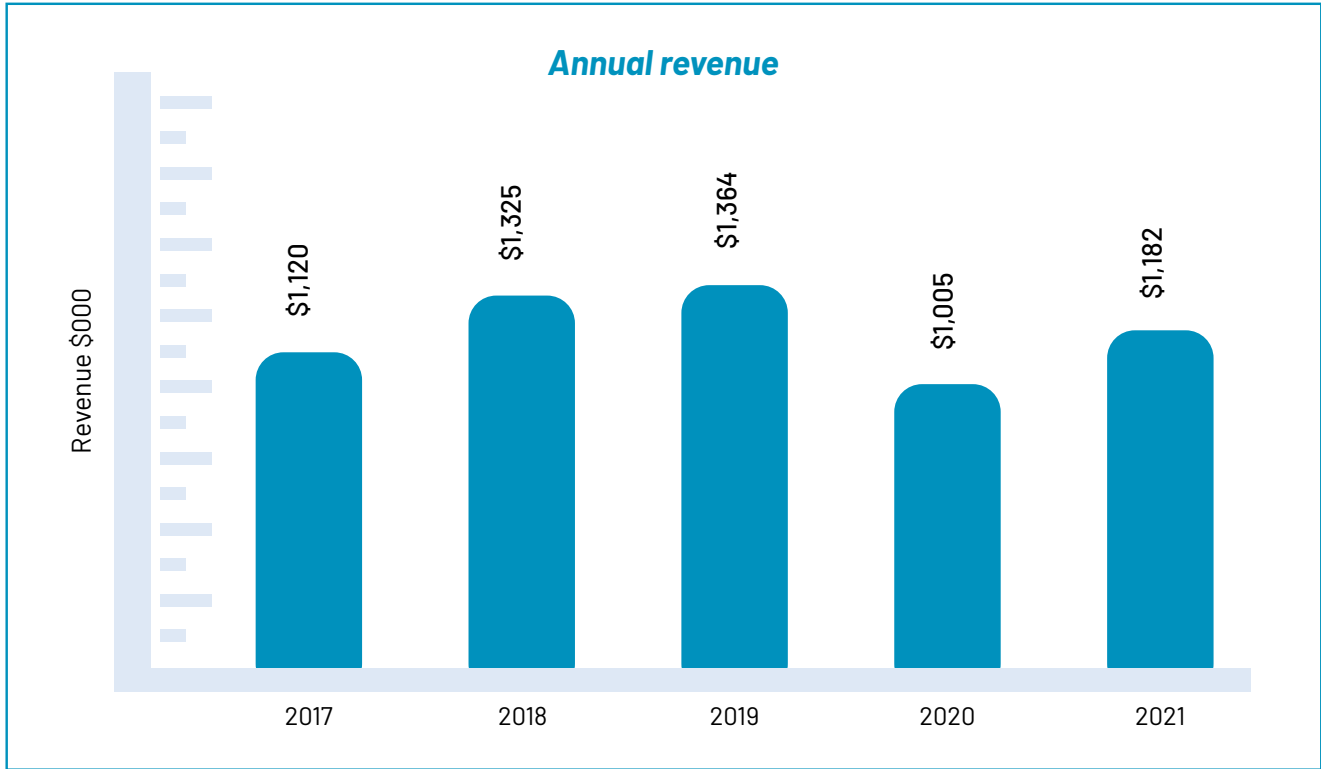
**A second year of living with COVID-19, brought additional challenges to the Association, although there was an improvement across all revenue streams.**

In 2021, ASA managed to hold its annual flagship event – the Investor Conference – in Sydney, before the Delta lockdowns came into place. The streaming options we had to introduce, to make the event accessible for those who couldn’t travel, came at an additional cost, resulting in lower net revenue than in previous years.

Membership revenue was higher, despite an apparent reduction in numbers. This was influenced by a CPI increase to membership fees at the end of 2020, and a higher level of corporate membership.

The Association ended with a deficit of \$170k, caused by additional employee costs with the 6-month CEO onboarding program, and resources required to support the Investor Conference and Virtual Investment Forum, which included providing parental leave and temporary cover for employee, employing external assistance to manage the Conference and moving forward the timing of hiring an Education and Events Manager when a good candidate became available, and additional EQUITY magazine costs.

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



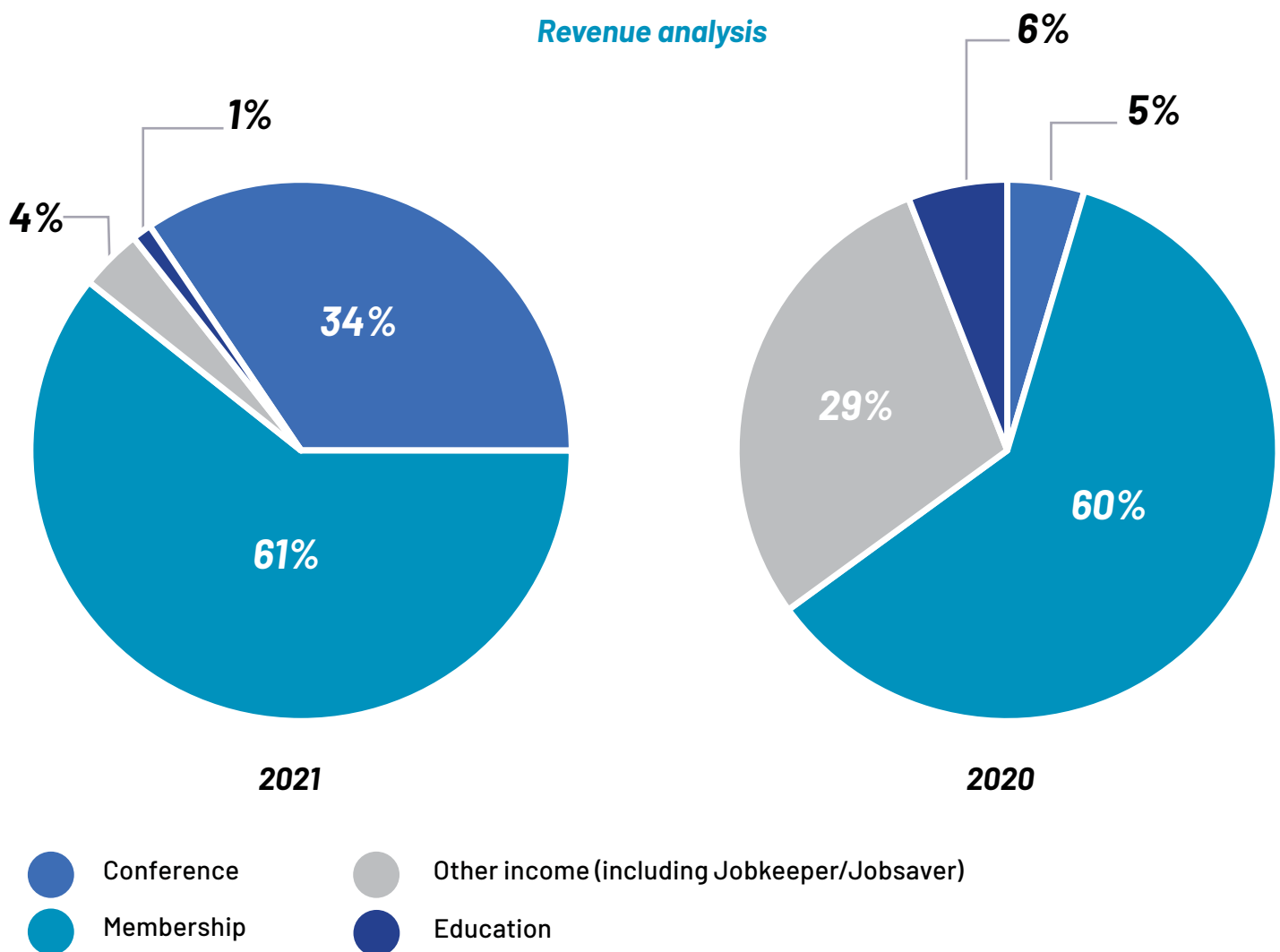
“THE HIGHER LEVEL OF EMPLOYEE COSTS FOR 2021 ARE BEING ADDRESSED IN 2022 WITH A REVIEW OF THE ASSOCIATION’S CAPABILITIES AND THE STRATEGIC ALIGNMENT OF EMPLOYEE SKILLS WITH ORGANISATIONAL NEEDS. “



JOLY BATAc, MEMBERSHIP AND FINANCE OFFICER

As a membership-based organisation, the graph below illustrates the importance of membership income to ASA’s revenue. Once again, 2021 saw the highest proportion of total revenue derived from membership.

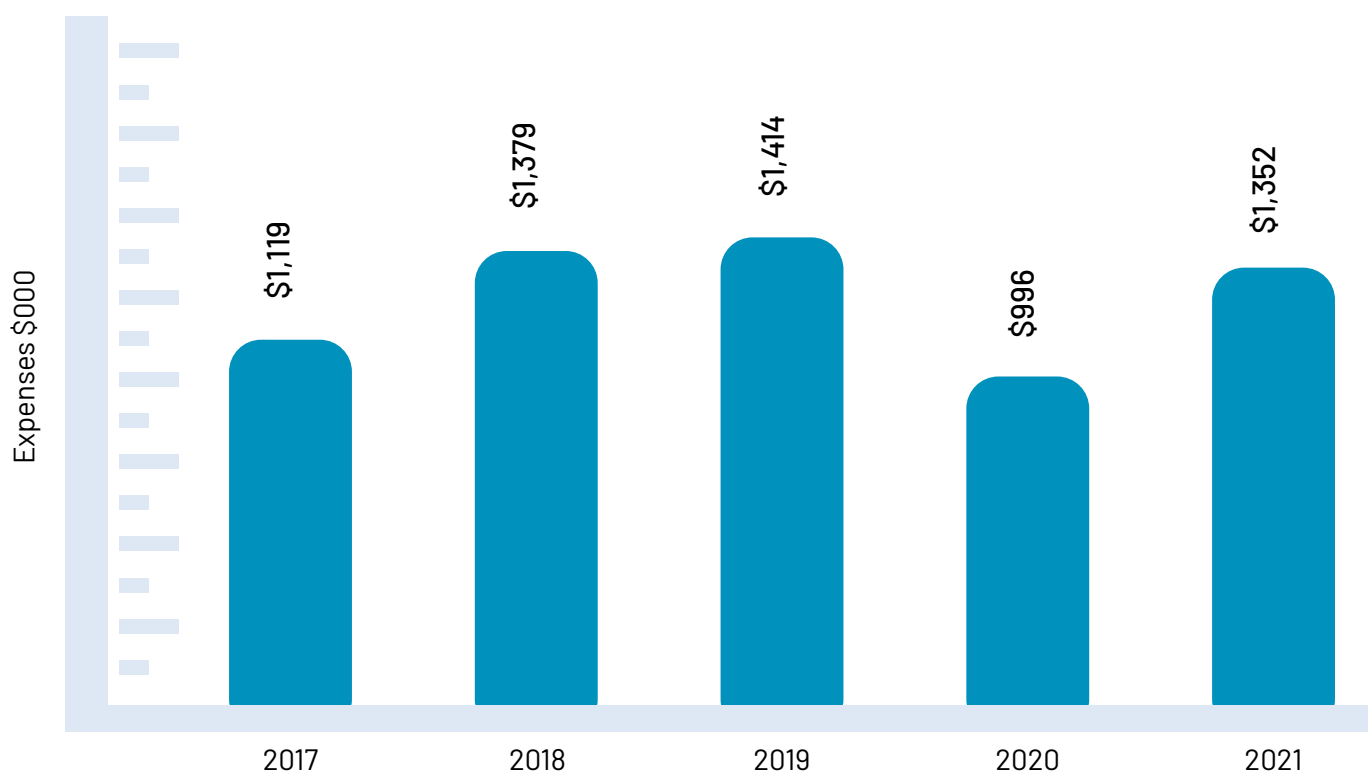
### Revenue analysis







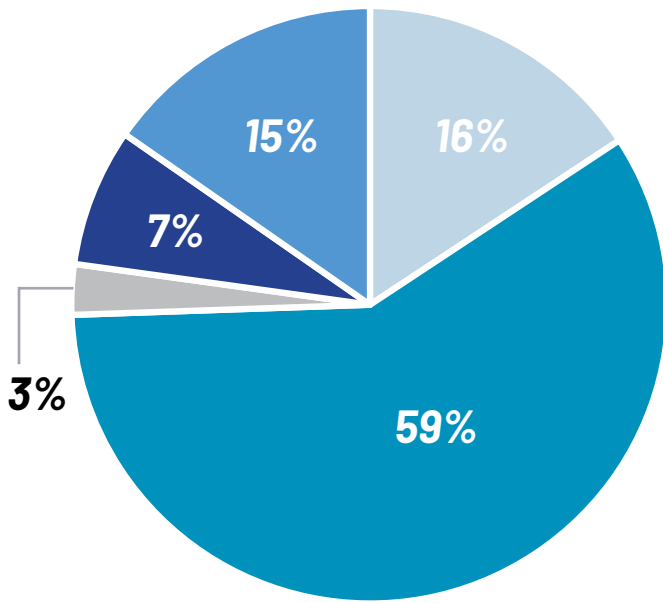
### Annual expenses



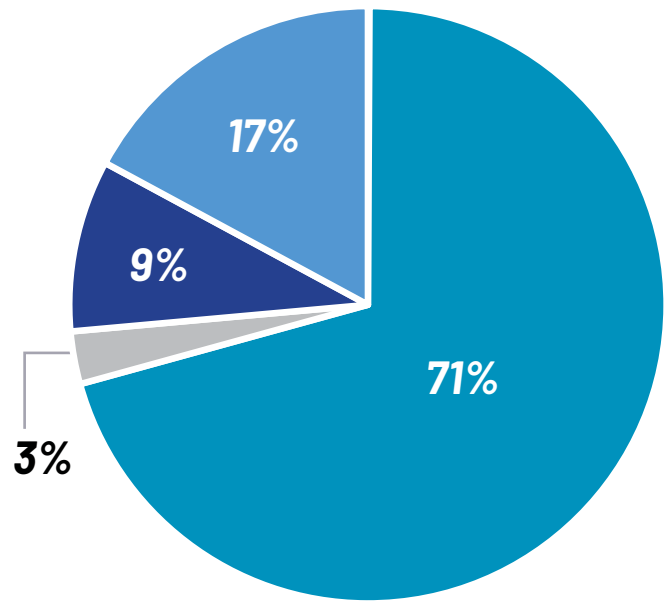
Like many associations, the main expense for ASA is employee costs (59%). This was a lower proportion than in 2020, even though actual employee costs increased for 2021. The reason for this was the lack of a face-to-face conference in 2020, which increased the relative size of the employee costs to budget.

ASA had a CEO transition process to onboard our new CEO, which saw John Cowling remain as CEO until the end of August and then moving into a strategic initiatives role. Rachel Waterhouse commenced as CEO Designate mid-June, becoming CEO on 1 September 2021.

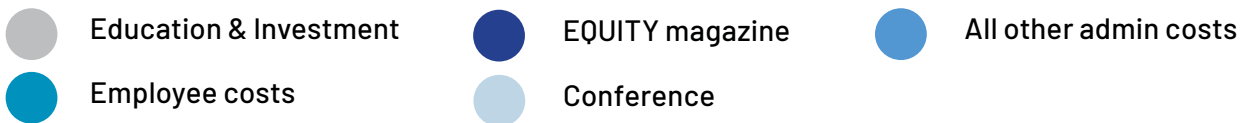
## Expenses analysis



2021



2020



This year ASA was eligible for government assistance of \$36,987. Although not as large as 2020 (\$248,900), it helped to maintain the day-to-day operations of the Association.

The higher level of employee costs for 2021 are being addressed in 2022 with a review of the Association's capabilities and the strategic alignment of employee skills with organisational needs. The coming year will provide new opportunities for ASA to improve the efficiency and cost-effectiveness of its services and member engagement.





# 5 YEAR SUMMARY



# FINANCIAL PERFORMANCE

OPERATING REVENUE (\$000)	2021 \$	2020 \$	2019 \$	2018 \$	2017 \$
Retail membership	527.2	488.9	535.3	571.0	512.6
Corporate membership	189.8	118	114.2	101.4	114.5
Total membership fees	717.0	606.9	649.5	672.4	627.1
Education & meetings	13.9	59.7	259.4	269.5	127.3
Conference	407.2	46.2	348.2	318.4	297.9
Other operating revenue	3.6	22.8	84.0	41.0	32.8
Total operating income	1141.7	735.6	1341.1	1301.3	1085.1
Interest & Non Operating Income (incl. JobKeeper)	40.1	269.4	23.0	23.8	35.7
Total income from all sources	1181.8	1005.0	1364.1	1325.1	1120.8
<b>EXPENSES (\$000)</b>					
Employee & contractor	794.3	703.6	635.5	578.4	556.1
Rent & depreciation	57.0	51.9	55.0	60.6	48.4
Conference costs	212.5	0.9	155.9	152.7	154.7
Education & meetings	36.9	28.4	232.7	184.4	116.5
IT Infrastructure & software	34.4	19.0	46.1	90.1	20.0
EQUITY magazine	101.2	92.7	84.3	86.8	82.8
General office & admin	115.8	99.7	204.5	225.8	140.6
Total expenses	1352.2	996.2	1414.0	1378.8	1119.1
Deficit/Surplus	-170.4	8.8	-49.9	-53.7	1.6
<b>OPERATIONAL PERFORMANCE</b>					
Retail members	4,698	4,941	4,753	4,674	4,713
Corporate members	61	60	65	65	70
Member meeting groups	53	53	55	55	45
Member meetings held	341	328	537	512	489
Companies monitored	174	176	168	172	174
Proxy collections	94	137	79	31	43
Monitors	119	116	116	111	109
Value of ASA proxies (\$m)	3,399	2,922	3,801	3,661	3,963
Proxies received (000's)	35.3	33.8	43.6	45.9	48.1
Remuneration Reports voted against	25%	32%	25%	32%	33%
Annual Conference delegates	316	495	329	357	348
Annual Conference sponsors	17	19	26	21	20
Seminars and webinars held	49	56	14	14	17
Employee cost % of Revenue	67%	70%	47%	44%	50%
General expense % of Revenue	10%	10%	15%	17%	13%



# DIRECTORS' REPORT

The Directors present this report on the company for the financial year ended 31 December 2021.

The names and details of the directors in 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, retired 4 March 2022)

**Andrew Kearnan** (appointed 27 February 2020)

**Carol Limmer** (appointed 1 March 2019)

**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)

**Julianne Ranford Mills** (appointed 04/03/2022)

All Directors appointed must be elected by members at the first opportunity to remain in office.



**JULIANNE RANFORD MILLS**

GAICD

Julianne joined the board in 2022 and has been a member of the ASA since 2017 and a company monitor since 2019. She is an experienced long-term investor who believes in good governance and investing for the future in a rapidly changing world.

A graduate and continuing member of the AICD, Julianne brings to the board a retail investor perspective, an understanding of good corporate governance, a continuing interest in organisational strategy, risk and opportunity, and an interest and passion for ethical and sustainable investing. Her background in the design and creative industries brings creative thinking, design skills and diversity to the board. She is married with two sons in their twenties.

"My experiences as a member of the ASA has given me an enormous respect for the contributions, skills and experience reflected in the membership, especially the volunteers, and the value and integrity of the ASA as an educator and advocate for retail shareholders. I believe the key challenges for investors are sustainability and governance. It is important that the ASA appeals to a broad membership."



**ALLAN GOLDIN**  
BABLAW

Allan became the ASA Chair in February 2019. He was elected to the ASA board in 2016. He was the NSW Company Monitor Chairman from 2012 to 2019 and has been an ASA company monitor for over 12 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 relations 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. He is the Finance, Risk and Audit Committee Chair and a Member of the Policy Committee. Andrew has more than thirty years of experience in financial service and investment markets and held Executive positions across a range of companies including Bank of America Merrill Lynch and Commonwealth Bank of Australia.

His past and present Non-Executive Director roles include multiple regulated entities, early-stage fin tech companies and the Australian Accounting Standards Board. He has a BSc Hons in Biochemistry and an MBA, both from the University of Western Australia.



**CAROL LIMMER**  
BBUS FAICD FGIA FIML CHAHRI

Carol was appointed to the Board in 2019 and sits on the Policy and Remuneration & Nomination Committees. She is currently a non-executive director of The Whiddon Group, Deputy Chair of its Foundation Board, Deputy Chair of People & Culture Committee and member of Clinical Governance Committee. Carol was previously Deputy Chair of Bendigo Community Bank, Darling Square where she is still a Board Adviser.

She is a Board member of Zonta Club of Sydney, a member of the Jacksons Landing Pyrmont Community Association, on the Board of Christmas in Pyrmont and also actively engaged in a range of other local community organisations. Carol had a long career in the banking/finance industry, including senior executive roles, which took in human resources, public relations, retail banking and involvement in mergers and acquisitions. Carol has been an ASA company monitor for over 12 years.



**LELDE SMITS**  
BA BMA MA (JOURNALISM) DIPINREL

Lelde was appointed to ASA's board in February 2021, sits on the Education Committee and is an ASA contact for Marketing and Membership. Lelde is an advocate for financial wellbeing, experienced global finance journalist and award-winning Australian advisor and entrepreneur who has been ranked as one Australia's Top 100 Entrepreneurs.

A passion for truth seeking and value hunting have formed the foundations of Lelde's career as a Finance Journalist, Foreign Correspondent and Co-Founder and Executive Director of investor relations firm The Capital Network and financial literacy platform MarketLit. As an advisor Lelde has supported hundreds of ASX-listed companies and thousands of executives with investor relations, corporate governance and digital investor communications, enabling Lelde to bring a valuable contribution to ASA.





**MICHAEL JACKSON**  
LLB GAICD

Michael was appointed to the board on 24 February 2021 and is on the Finance, Audit and Risk and the Policy Committees. 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. His strong compliance and regulatory experience are invaluable to ASA as the governance environment grows even more complex.



**MIKE ROBEY**  
BSC PHD

Mike joined the Board in 2019 and is the Chair 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 Company Monitoring Committee Chair for Victoria.



**PETER RAE**  
GRAD DIP APP FIN F FIN

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 almost 30 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.



**STEVEN MABB**  
GAICD

Steven was appointed to the board on 16 June 2020 and is a member of the Education Committee, the Remuneration & Nominations Committee and the Finance, Audit & Risk Committee. A successful entrepreneur, in 2007 he helped develop and launch 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.

Since joining ASA he has given many member presentations, contributed to EQUITY and ASA podcasts and is an active member of the Queensland company monitoring team. He brings a range of skills to the board including strategic planning and ways to develop culture. He is also a confident spokesperson on the benefits ASA can provide to potential members and is passionate about progressing the quality of education and advocacy support ASA will provide members going forward. He has been the most recent Queensland State Chair and is now handing over the role, in order to focus on Chairing the ASA Board moving forward. He is a graduate of the Australian Institute of Company Directors and has also completed further educational courses at AICD including "The Role of the Chair" and "Governance for NonProfit Directors".

## COMPANY SECRETARY



**JOLY MARIE BATAÇ BBUS**  
**MICHAEL JACKSON LLB GAICD**

Joly Marie Bataç 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.

## 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.

## 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.

## 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, State Committees, CEO, past CEO, and staff for the Board strategy meeting in November 2021.

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



## 2021 TABLE OF ATTENDANCE

During 2021 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	04/03/2022	4	4
Alison Buxton	12/06/2017	24/02/2021	1	1
Carol Limmer	01/03/2019	current	4	4
Lelde Smits	24/02/2021	current	3	3
Peter Rae	21/05/2019	current	4	4
Michael Jackson	24/02/2021	current	3	3
Mike Robey	21/05/2019	current	4	4
Andrew Kearnan	27/02/2020	current	4	4
Steven Mabb	16/06/2020	current	4	4

## BOARD SUBCOMMITTEES

The following are the membership of the Board subcommittees

### Remuneration & Nomination

Chair: Peter Rae

Members: Michael Jackson, Carol Limmer and Steven Mabb

### Finance, Risk & Audit

Chair: Andy Kearnan

Members: Michael Jackson, Steven Mabb and Peter Rae

### Policy

Chair: Mike Robey

Members: Carol Limmer, Andy Kearnan and Julieanne Mills

### Education

Chair: Lelde Smits

Members: Peter Rae and Steven Mabb

### Marketing & Membership Contact Point

Steven Mabb and Lelde Smits



## MEMBERSHIP

Membership decreased overall by 4.7% in 2021 to 4,766 (retail and corporate membership). However, the combined membership revenue increased by 18%. The organisation is focused on increasing the size of the retail membership community over 2022.

## FINANCIAL RESULTS

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

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

An operating deficit from ordinary activities of \$170,394 was incurred for the 2021 year (2020: surplus \$8,824). This result included \$36,987 in government assistance payments (2020: \$248,900).

Revenues in 2021 were \$1,181,785, up 18% on the previous year (2020: \$1,005,010).

Although the result was impacted by COVID-19 restrictions on ASA's activities, the directors are confident of further improvement in 2022 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 2021 the association had cash and deposit balances totalling \$1,015,041 (2020: \$1,208,584).

## 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 and CEO reports.

## EVENTS SUBSEQUENT TO BALANCE DATE

The Directors note that the company has entered into contracts to run an Investor Conference on 23 and 24 May 2022. These contracts, if unable to be completed in 2022, may be carried forward to 2023. 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.

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

As a condition of providing audit services to the ASA, ASA's auditors have required the ASA to indemnify the audit firm, its partners, associates, employees, contractors and any other person who may be sought to be made liable in excess of the limit of liability described in a statutory scheme in respect of any activity arising from or connected with the audit services. The indemnity includes auditor negligence and extends to costs and expenses.

## 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.

## AUDITOR'S INDEPENDENCE DECLARATION

The auditors' independence declaration is set out on page 40, and forms part of the Directors' Report for the financial year ended 31 December 2021.



*Dated this 3rd day of March 2022, Sydney*

**ALLAN GOLDIN**

Director



**ANDREW KEARNAN**

Director

3 March 2022

The Directors  
Australian Shareholders' Association Ltd  
Suite 11 Level 22,  
227 Elizabeth Street  
SYDNEY NSW 2000

**AUDITOR'S INDEPENDENCE DECLARATION  
PURSUANT TO SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF AUSTRALIAN SHAREHOLDERS' ASSOCIATION LTD**

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2021 there have been:

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



**Walker Wayland NSW**  
**Chartered Accountants**



**Wali Aziz**  
**Partner**

# FINANCIAL STATEMENTS

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	NOTE	2021 \$	2020 \$
<b>Revenue from continuing operations:</b>			
Operating revenue	2	1,141,672	735,636
Interest income		3,126	20,474
Government Stimulus (JobKeeper & Cash Flow Boost)		36,987	248,900
<b>Total revenue</b>		<b>1,181,785</b>	<b>1,005,010</b>
Employee benefits expense	3	(794,267)	(703,633)
General administration expenses	3	(278,367)	(229,204)
Depreciation expense	3	(56,962)	(51,905)
Conference expenses		(212,533)	(864)
Audit expense		(10,050)	(10,580)
<b>Total expenses</b>		<b>(1,352,179)</b>	<b>(996,186)</b>
<b>(Deficit) / Surplus before income tax</b>		<b>(170,394)</b>	<b>8,824</b>
Income tax expense	4	-	-
<b>(Deficit)/Surplus for the year</b>		<b>(170,394)</b>	<b>8,824</b>
Other comprehensive (deficit) / income after income tax:			
Transfers from reserves	12	-	(20,018)
<b>Total comprehensive deficit for the year</b>		<b>(170,394)</b>	<b>(11,194)</b>
<b>Total comprehensive deficit attributable to members of the entity</b>		<b>(170,394)</b>	<b>(11,194)</b>



# STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	NOTE	2021	2020
ASSETS		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	1,015,041	1,208,584
Trade and other receivables	6	127,440	44,772
Other assets	7	33,365	52,810
<b>TOTAL CURRENT ASSETS</b>		<b>1,175,846</b>	<b>1,306,166</b>
<b>NON-CURRENT ASSETS</b>			
Other assets	7	11,300	11,300
Property, plant and equipment	8	1,773	623
Right-of-use asset	13	159,628	217,898
<b>TOTAL NON-CURRENT ASSETS</b>		<b>172,701</b>	<b>229,821</b>
<b>TOTAL ASSETS</b>		<b>1,348,547</b>	<b>1,535,987</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	75,221	58,708
Provisions	10	28,863	36,470
Contract liabilities	11	722,476	701,289
Lease liability	13	57,321	48,658
<b>TOTAL CURRENT LIABILITIES</b>		<b>883,881</b>	<b>845,125</b>
<b>NON-CURRENT LIABILITIES</b>			
Provision	10	4,297	-
Lease liability	13	111,613	171,712
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>115,910</b>	<b>171,712</b>
<b>TOTAL LIABILITIES</b>		<b>999,791</b>	<b>1,016,837</b>
<b>NET ASSETS</b>		<b>348,756</b>	<b>519,150</b>
<b>EQUITY</b>			
Retained surpluses		348,756	519,150
<b>TOTAL EQUITY</b>		<b>348,756</b>	<b>519,150</b>

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	RESERVES	RETAINED SURPLUSES	TOTAL EQUITY
	\$	\$	\$
<b>Balance at 1 January 2020</b>	<b>20,018</b>	<b>510,326</b>	<b>530,344</b>
Transfer from reserves	(20,018)	-	(20,018)
Surplus attributable to members of the entity	-	8,824	8,824
Total comprehensive loss	(20,018)	8,824	(11,194)
<b>Balance at 31 December 2020</b>	<b>-</b>	<b>519,150</b>	<b>519,150</b>
Deficit attributable to members of the entity	-	(170,394)	(170,394)
Total comprehensive loss	-	(170,394)	(170,394)
<b>Balance at 31 December 2021</b>	<b>-</b>	<b>348,756</b>	<b>348,756</b>

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	NOTE	2021	2020
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members and customers		1,200,176	1,001,769
Government assistance received		36,987	248,900
Payments to suppliers and employees		(1,375,720)	(1,094,687)
Interest received		3,126	20,474
<b>Net cash (used in) provided by operating activities</b>	19	(135,431)	176,456
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>			
Payment for plant and equipment		(1,773)	(623)
<b>Net cash used in investing activity</b>	19	(58,112)	(623)
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>			
Payments of lease liability		(56,339)	-
<b>Net cash used in financing activity</b>		(56,339)	-
<b>Net (decrease) increase in cash held</b>		(193,543)	175,833
Cash and cash equivalents at beginning of financial year		1,208,584	1,032,751
<b>Cash and cash equivalents at end of financial year</b>	5	1,015,041	1,208,584

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### BASIS OF PREPARATION

The Australian Shareholders' Association Limited, hereafter 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 Association 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 a contract liability 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.

### Depreciation

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:

<b>Class of Fixed Asset</b>	Office Furniture & Equipment
<b>Useful Life</b>	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 Association'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 Association'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 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. Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

### f. Goods 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.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## **g. Income Tax**

In accordance with Section 6-5 of the Income Tax Assessment Act 1997, the Association is required to calculate its taxable income in accordance with the mutuality principle, whereby the Association is only taxed on non-member income less deductible non-member expenditure. Taxable income received by the Association 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.

## **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 Association 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 Association 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 Association 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 Association.

## **Key estimates**

### *Impairment*

The Association 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**

### **i. AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019).**

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 Association 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 Association upon adoption of AASB 16:

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## *Right-of-use assets*

The Association 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 Association 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 Association. 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 Association 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 Association 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 Association 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 Association 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.

## **n.Accounting Standards Applicable in Future Periods**

AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Entities.

The Australian Accounting Standards Board (AASB) has issued an amending standard that removes the ability of certain for-profit private entities to prepare special purpose financial statements (SPFS). Large proprietary companies that are required to prepare financial reports under Chapter 2M of the *Corporations Act 2001* will be required to prepare general purpose financial statements (GPFS). The AASB also issued a new simplified disclosure standard, AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Entities that replaces the reduced disclosure requirements (RDR) framework. The new Standards will become effective for financial years commencing on or after 1 July 2021. The Foundation is currently assessing the potential impact on its financial statements for the year ending 31 December 2022.

## **o.Going Concern Basis of Accounting**

The financial report has been prepared using the going concern basis of accounting. Notwithstanding the deficit for the year, the ability of the entity to continue as a going concern is dependant upon maintaining member numbers and holding both virtual and face to face conferences.



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

	NOTE	2021 \$	2020 \$
<b>NOTE 2: REVENUE</b>			
<b>Operating Revenue</b>			
Membership fees		717,008	606,855
National conference, education and meetings		421,038	105,941
Financials literacy grant		-	17,695
Other revenue		3,626	5,145
<b>Total Revenue</b>		<b>1,141,672</b>	<b>735,636</b>

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

	NOTE	2021 \$	2020 \$
<b>NOTE 3: (DEFICIT) FOR THE YEAR</b>			
<b>Expenses</b>			
Depreciation:			
Right-of-use asset (AASB 16)		56,339	51,770
Computer equipment		623	135
Total depreciation and amortisation		56,962	51,905
Employee benefits expense		794,267	703,633
<b>General administration expenses:</b>			
Newsletter expenses		101,230	92,726
General and administration expenses		87,813	82,764
Education and meetings		36,896	28,418
IT Infrastructure & website development		34,444	19,012
Interest expense – AASB 16 lease liability		10,495	3,519
Taxation services	i	7,489	2,765
<b>Total</b>		<b>278,367</b>	<b>229,204</b>
<b>Remuneration of the auditor for:</b>			
Audit services		10,050	10,580
Taxation services	i	7,489	2,765
<b>Total Auditor Remuneration</b>		<b>17,539</b>	<b>13,345</b>

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 2021

NOTE 4: TAX EXPENSE	NOTE	2021 \$	2020 \$
<b>a. The components of tax (expense)/income comprises:</b>			
Current tax		-	-
Deferred tax		-	-
<b>b. The prima facie tax on profit from ordinary activities before income tax is reconciled to income tax as follows:</b>			
Prima facie tax payable on (Deficit) / profit from ordinary activities before income tax at 26% (2020: 27.5%):		(44,302)	2,427
<b>Add:</b> Tax effect of:			
other non-allowable items		347,930	232,483
losses not brought to account as a deferred tax asset		15,483	5,931
<b>Less:</b> Tax effect of:			
deductible expenses		(16,090)	(15,519)
non-assessable income		(303,021)	(225,322)
<b>Income tax attributable to entity</b>		-	-
<b>c. Available tax losses</b>		483,654	424,104
Tax losses are available for non-mutual income to the extent that it exceeds non mutual deductible expenses.			

## NOTE 5: CASH AND CASH EQUIVALENTS

<b>CURRENT</b>			
Cash at bank		477,715	325,572
Cash on deposit	(i)	537,326	883,012
		1,015,041	1,208,584

- (i) Term Deposits are made up of 2 deposits:
- \$250,000 - Maturing 14 March 2022, earning 0.20%
  - \$287,326 - Maturing 28 May 2022, earning 0.35%

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.

NOTE 6: TRADE AND OTHER RECEIVABLES	NOTE	2021 \$	2020 \$
<b>CURRENT</b>			
Sundry Debtors		126,545	32,205
Interest receivable		895	12,567
		127,440	44,772

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## NOTE 7: OTHER ASSETS

<b>CURRENT</b>			
Prepaid expenses		33,365	52,810
<b>NON-CURRENT</b>			
Bonds Paid		11,300	11,300
<b>TOTAL</b>		44,665	64,110

## NOTE 8: PROPERTY, PLANT AND EQUIPMENT

<b>Office equipment:</b>			
At cost		11,541	11,541
Less accumulated depreciation		(11,541)	(11,541)
		-	-
<b>Computer equipment:</b>			
At cost		10,755	8,982
Accumulated depreciation		(8,982)	(8,359)
		1,773	623
<b>Total property, plant and equipment</b>		1,773	623
		<b>Office Equipment</b>	<b>Computer Equipment</b>
<b>Balance at the beginning of the year</b>		-	623
Additions at cost		-	1,773
Depreciation expense		-	(623)
<b>Balance at year end</b>		-	1,773

## NOTE 9: TRADE AND OTHER PAYABLES

	NOTE	2021 \$	2020 \$
<b>CURRENT</b>			
Trade creditors		7,056	17,655
Accruals		13,261	8,629
Other creditors		54,904	32,424
	9a	75,221	58,708
<b>a. Financial liabilities classified as payables</b>			
Payables:			
Total current		75,221	58,708
Financial liabilities as payables	17	75,221	58,708



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## NOTE 10: PROVISIONS

<b>CURRENT</b>			
Annual leave	10a	28,863	36,470
<b>NON-CURRENT</b>			
Long Service Leave	10a	4,297	-

## (A) ANALYSIS OF TOTAL PROVISIONS:

EMPLOYEE  
BENEFITS  
\$

Opening balance at 1 January 2021		36,470	9,138
Additional provisions raised/(used) during year		(3,310)	27,332
Balance at 31 December 2021		33,160	36,470

## 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. Long service leave provisions have been accrued for employees using a probability factor dependent upon years of service.

## NOTE 11: OTHER LIABILITIES

2021  
\$

2020  
\$

Membership fees in advance	574,939	544,959
Conference income in advance	143,017	154,105
Unallocated Membership payments	4,520	2,225
	722,476	701,289

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 2021 income) at 31 December 2021

## NOTE 12: RESERVES

<b>Opening Balance</b>	-	20,018
Transfer (from) / to reserves		(20,018)
<b>Closing Balance</b>	-	(20,018)

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

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## NOTE 13: LEASE

<b>Right-of-use asset</b>		
At cost:	269,668	269,668
<b>Less accumulated depreciation</b>	(110,040)	(51,770)
<b>Carrying amount</b>	159,628	217,898
<b>Balance at the beginning of the year</b>		
	217,898	100,835
Additions at cost	-	269,668
Write-backs	(1,931)	(100,835)
Depreciation expense	(56,339)	(51,770)
<b>Carrying amount at the end of the year</b>	159,628	217,898
<b>Lease liability</b>		
Current	57,321	48,658
Non-current	111,613	171,712
	168,934	220,370

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.

- 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.
- The Association adopted AASB16: Leases for the year ended 31 December 2019. In doing so, there is no longer an operating lease commitment for future periods that is off balance sheet. 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 23/24 May 2022. These contracts, if unable to be completed in 2022, will be carried forward to 2023 and no significant financial penalties are expected. 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 2021

## NOTE 15: KEY MANAGEMENT PERSONNEL COMPENSATION

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. The remuneration for key management personnel (KMP) is:

	NOTE	2021 \$	2020 \$
CEO(s)	i	325,896	193,348
Other key management personnel compensation		101,319	99,106
		427,215	292,454

i. During the year ended 31 December 2021, the former CEO and the current CEO remuneration overlapped for a period of approximately 6 months to facilitate a smooth transition and handover.

## 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 Association 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

The Association's financial instruments consist of deposits with banks, accounts receivable, payables and lease liabilities.

The totals for each category of financial instruments, measured at cost, are as follows:

	NOTE	2021 \$	2020 \$
<b>Financial assets</b>			
Cash and cash equivalents	5	1,015,041	1,208,584
Receivables	6	127,440	44,772
<b>Total financial assets</b>		1,142,481	1,253,356
<b>Financial liabilities</b>			
Financial liabilities at cost:			
Payables	9a	75,221	58,708
Lease liabilities	13	168,934	220,370
<b>Total financial liabilities</b>		244,155	279,078

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



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## NOTE 18: FAIR VALUE MEASUREMENTS

The Association 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.

## NOTE 19: NOTE TO THE STATEMENT OF CASH FLOWS

<b>Reconciliation of operating loss to net cash generated from operating activities:</b>		
(Deficit) / Surplus for the year	(170,394)	8,824
<b>Non-cash flows in surplus:</b>		
Movement in reserve	-	(20,018)
Depreciation	56,962	-
<b>Changes in assets and liabilities:</b>		
Decrease/(increase) in receivables	(82,668)	59,939
Decrease/(increase) in prepayments	19,445	(9,820)
(Decrease)/increase in payables	23,347	12,253
(Decrease)/increase in provision	(3,310)	27,332
Increase in income in advance	21,187	97,946
<b>Net cash provided by / (used in) operating activities</b>	<b>(135,431)</b>	<b>176,456</b>

## 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 41 to 54, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards; and
  - b. give a true and fair view of the financial position as at 31 December 2021 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 3rd day of March, 2022, Sydney

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
AUSTRALIAN SHAREHOLDERS' ASSOCIATION LTD**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of Australian Shareholders' Association Ltd (the Company), which comprises the statement of financial position as at 31 December 2021, 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 Ltd 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 2021 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 Ltd, 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- COVID-19**

The company's operations for the year ended 31 December 2021 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
AUSTRALIAN SHAREHOLDERS' ASSOCIATION LTD**

**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 2021, 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**

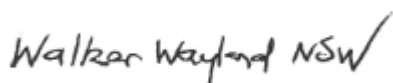
The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.



**Walker Wayland NSW  
Chartered Accountants**



**Wali Aziz  
Partner**

Dated this 25<sup>th</sup> day of March 2022, Sydney







# ANNUAL REPORT 2021

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