



Australian
Shareholders'
Association

ANNUAL REPORT 2022

The voice of retail shareholders



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, donations and sponsorship and independently represents its members through providing 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.

Investors at all stages of their investment journey find value through their membership with ASA. From new to established investors, ASA offers regular professional learning opportunities to improve financial knowledge and investment skills. Members are also supported through member meetings, discussion groups, weekly webinars, conferences, workshops, and ASA's monthly Equity magazine.

The thriving investment community ASA provides includes access to investment managers, CEOs and thought-leaders, professional educators and like-minded investors. ASA protects the rights of its retail investor members and makes their vote count and is committed to keeping the market fair for the everyday, independent investor, championing the rights of Australian shareholders and supporting its valued members on their investment journey.

WHAT WE DO

- We provide education opportunities and help you on your investment journey
- We stand up for shareholder rights and make your vote count
- We connect you to a community of investors

VISION

A leading authority and community for Australian investors.

PURPOSE

To stand up for retail investors through educating and connecting members and influencing the investment environment.

2022 — A SNAPSHOT



187

media mentions



12,956

members and subscribers
engage with ASA emails



35,900

proxies



\$3.6B

proxies by value



233

AGMs attended
(companies monitored,
attended, observed)



490

local investor meetings



9,517

members attended a
local investor meeting



27

webinars



6,200

webinar registrations



235

Investor Conference
delegates



503

Virtual Investment
Summit delegates



17

podcasts



8%+

Facebook followers



37%+

Instagram followers



27%+

LinkedIn followers



33%+

YouTube followers



9%+

Twitter followers

VALUES



Courage



Respect



Integrity



Accountability



Supportive





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STEVEN MABB, ASA CHAIR

I am delighted to share my second annual letter serving as Chair of your Board. I would define 2022 as a year of great progress for ASA in which we made big strides in a number of important areas. By most measures, your organisation is in a better and stronger position than this time last year.

These results were delivered by a great group of people including your wonderful CEO Rachel Waterhouse, her excellent team including Fiona, Leigh, Damien, Jade, Caity and our outsourced events manager Dee and accounting team in Stacey and Tamara. My fellow Directors, who contribute so much to our strategy and help ensure we are strong financially and managing risks appropriately. And importantly, our amazing team of volunteers who consistently do the heavy lifting day to day with member meetings and company monitoring.

MEMBERSHIP

ASA has been faced with the uncomfortable trend that our membership numbers have not grown for many years and are a very small percentage of the overall number of individual shareholders in Australia. If this trend continues this will become a serious threat to our

existence because as costs rise, membership fees would have to keep rising significantly to ensure we could continue operating. As a result, we decided to be bold and test a new concept around partnering with appropriate third-party organisations to offer trial memberships. This gives prospective new members a taste of what ASA is all about and why it's such a great community to join. This test has gone very well to date and was a large reason our total member numbers grew for the year by around 30%. Many of these new members have already invested in our Conference, Virtual Investor Summit and other activities and we are hopeful that many will stay on as full paid members this year. We will keep assessing this concept and keep you posted on future plans to expand the ASA membership even further.

MONITORING

ASA has tried new ideas in our company monitoring work for the year to improve the quality and consistency of this critical aspect of our organisation. This is our biggest point of difference from other investor and educational groups and when done well can make a difference to the outcomes

shareholders can expect from the companies they invest in. Over the years the proxy advisers have taken on many of the issues ASA pioneered and are influencing company actions. The bigger end of the ASX is more aligned with our guidelines than the mid or small cap end of the market. The questions we are asking now are, "How can we continue to make a real difference with our monitoring work going forward, how do we drive more positive change and better results for shareholders and how do we ensure high quality and consistent company monitoring reports when you allocate your proxies to us?" Fiona and the monitoring team are working hard on those questions now and I am sure we will continue to make progress in the year ahead.

EDUCATION

ASA has made significant progress advancing education in 2022, a key pillar of our values. The Conference and Virtual Investor Summit were exceptionally successful and feedback from both members and sponsors was very positive. We are now providing better quality content in Equity, on webinars and podcasts. This should expand even further this year with the

“2022 WAS A YEAR OF GREAT PROGRESS FOR ASA IN WHICH WE MADE BIG STRIDES IN A NUMBER OF IMPORTANT AREAS.”

Rask collaboration, enabling our members to have an even bigger selection of topics and ideas to read, watch or listen to. Many of these speakers have also made themselves available to attend local meetings throughout the country, making it easier for Convenors to organise quality meetings for members. In 2023 we are also investing in a digital overhaul to make our website better and easier for you to use and planning a new operating system to make managing your ASA membership easier and participating in educational events smoother. It's a huge task and one we are managing closely and carefully, with the goal to be in a much better place one year from now.

OUTLOOK

Your Board and Management undertook a two-day strategy session in November 2022 and involved the State Chairs in this process. We had positive and frank discussions and believe we have an appropriate strategy in place for 2023 to ensure progress is maintained. Some of the specific details include the website and system overhaul, increasing our media profile by at least 10% year over year, seeking member feedback to improve our policy

work and also introducing tools to measure our net promoter score (NPS). This NPS rating will tell us how happy you are with the various tools and services we are offering you. When you get the member surveys please take the time to answer as this feedback is vital to our decision making and future actions. More detail on our strategy can be found on ASA's website and you are also always welcome to chat with the Board or Management.

FINANCIAL RESULTS

As a result of a clear and effective strategy combined with much hard work, we are very happy to report a major improvement in our finances year over year. We recorded an operating surplus of \$65,426 compared to an operating loss of \$170,394 in 2021. While we are a not for profit, or can be better described as a “for purpose” organisation, an operating surplus helps ensure we are viable and allows us to invest in appropriate activities to add value for members. The other good news is that ASA still has total cash funds of more than \$1,000,000 in the bank and our retained surpluses increased to over \$400,000, so our balance sheet remains healthy.

GOVERNANCE

At Board level we undertook a detailed review with the assistance of James Beck, who is a senior facilitator at the AICD and recognised Governance expert. A deep dive into the skills we require on the Board and then how each Director meets each specific skill, ensured we have a clear understanding of where we are at and what is required to close skills gaps moving forward. We have used this assessment to help target the required skills for new directors in 2023 and have also published a detailed skills matrix in the Annual Report so you are all fully informed. This sets ASA up for best practice Board composition moving forward and should ensure we are well placed to handle the opportunities and risks we face, through a diverse and highly skilled board of directors.

SUSTAINABILITY

In 2022 we formalised our approach to Environmental Social Governance (ESG), in particular with monitored companies. We understand this presents an area of debate for some members. However, the majority of our members told us they want us to report and ask questions of companies regarding their

sustainability and ESG activities. No matter your views on sustainability and ESG, we believe that it is clear that market perceptions of these issues will impact the price of securities as the world decarbonises. The Board is also undertaking a review of our own environmental impact which we will report to members on later this year. We recently asked members about their views on a Reconciliation Action Plan for ASA and the majority of members were not in favor of us pursuing this at the moment. We will continue to seek member input on a range of topics that could help us further improve ASA and our influence, both for current and prospective members.

FEEDBACK

The feedback ASA receives from our members forms an important part of our organisation's community engagement. All feedback is very important and constructive member feedback helps us to assess our current positions and provides an opportunity to evolve. Rachel and I also acknowledge ASA members often have a range of views on specific topics that can be polar opposites. This makes it virtually impossible to make all members happy if we do take a position on an issue. So how do we approach this moving forward?

Firstly, we would encourage you to be kind and constructive in your feedback. We have many ways members can provide feedback including surveys, Q&A sessions or directly through emails or conversations. Your Board and Management team really care about all our members and are always striving to do what's right and in the best interests of our

overall membership. Sometimes our position may not align with yours on a particular issue, but we hope on balance and overall you see the value in belonging to the experienced, independent and growing community that is the ASA.

VOLUNTEERS

I want to thank all of our wonderful volunteers who make ASA possible including State and Company Monitor Chairs and their committees, the Discussion Group Convenors, Monitors, Conference helpers, members who pack the monthly renewals, Board members and many others. Without all our hard-working community members 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 to everyone for 2023 and thanks as always for your support. It may be a bumpy year in markets with all the macro issues swirling around but your membership and participation in ASA should support you to smooth out the bumps!



Steven Mabb
Chair



CEO'S REPORT



RACHEL WATERHOUSE, CEO

After two years of challenging COVID conditions, 2022 saw a return to normal and marked my first full year as CEO. I thank ASA for welcoming me into your community and working to deliver outcomes across education and advocacy, expanding old initiatives and implementing new ideas to support ASA's future growth.

EDUCATION

ASA's Investor Conference was held in Melbourne in May 2022. Unfortunately, ongoing concerns amongst potential attendees about COVID led to fewer delegates than in previous years and the need for us to introduce a flexible refund policy. However, those who attended were strongly engaged and satisfaction with the event was high. A good sponsorship result meant the Conference also contributed strongly to ASA's overall surplus.

Following the 2020 Investor Conference being successfully turned into a virtual event, in 2021 ASA introduced the Virtual Investor Summit. This was repeated in 2022, with over 500 attendees and a program of high profile and influential international and local speakers. This is proving to be a viable alternative for those who may not be able to travel to the in-person Conference.

MEMBERSHIP

ASA now has 6,215 members plus 6,323 subscribers. In 2022, we trialled a model where people who

are engaged with our partners received a trial membership to ASA. This contributed to growth in member numbers.

Between May and August 2022 there was an influx of new members, many of whom registered for education products such as the Investor Conference, the Virtual Investor Summit and our estate planning online course. We hope that many of these members choose to continue their involvement with the Association and help us to expand and improve our community.

Our subscriber numbers also increased, thanks to a decision to provide investor information through a newly created section of our website called *ASA Insights*. The content on these pages was developed by the team and by our sponsors and we shared some of the key points through our social media platforms to generate further interest.

The team also collaborated with Alan Hardcastle and the Victorian Committee to create investor member stories which were shared in *EQUITY*. These have provided insights for newer members and have been well received. I thank each of the contributors for their initiative and for their support of member education.

MEMBER MEETINGS

As with other activities COVID continued to impact local member

meetings and convenors had to adapt to changing restrictions. However, as conditions eased throughout the year meetings began to return to normal, although some convenors continued to operate meetings online or via a hybrid format.

DIGITAL CHANNEL PERFORMANCE

ASA's social media presence continued to grow, as did our email database. Our open rate for emails, a key metric for measuring performance, increased to 57% and continues to grow, highlighting our engaged audience and community reach.

PARTNERSHIPS AND SPONSORSHIPS

Partnerships are a key strategy for ASA's future success and growth. During 2022, we continued to build new partnerships and use these to promote membership, education and investor information. The 'freemium' membership model exposed potential new members to the Association and has provided them with a taste of why they may wish to join.

ASA's sponsors were also integral to the viability of the Association. In the last calendar year the support of sponsors for the Investor Conference and the Virtual Investor Summit was central to the success of the events.

INAUGURAL ASA AWARDS PROGRAM

The Board and management believes in the importance of recognising those who contribute

“ASA IS SUPPORTED BY A WIDE NETWORK OF VOLUNTEERS.”

time and effort to our Association and those companies focused on good governance. Last year the inaugural ASA Awards program was successfully introduced at our annual conference in May 2022.

This initiative is focused on alignment with ASA's values and celebrates volunteers who are dedicated to the success of the Association, while celebrating those organisations that focus on being run well and are aligned with our guidelines.

Chairs of our State Committees and our Company Monitoring Committees not only nominate potential recipients, but act as the judging panel with the Board. Winners of the inaugural awards can be found on page 20.

ADVOCACY AND COMPANY MONITORING

There was movement on several fronts in the advocacy space in 2022.

As noted in last year's annual report the move by the then Federal Government to change proxy advisor regulation threatened to put onerous restrictions on proxy advisors. Following lobbying efforts by ASA, the regulation failed to get Senate endorsement, and the changes did not proceed.

- A group of our members developed an ASA Environmental, Social, and Governance (ESG) policy at the end of 2021, which was finalised by a working group.

This policy set goals and sought a reporting pathway for companies on ESG matters.

Ahead of launching the policy, an ASA member survey on ESG revealed that 69% of respondents already avoided investment in certain industry sectors due to ethical or sustainability concerns, and the policy is a useful way for us to promote member interests.

- We completed a review of ASA's company monitoring guidelines with input from company monitors and governance experts. The updated guidelines were launched in May and were applied during the 2022 AGM season.
- ASA embraced media during the year, increasing our media mentions significantly. There was also an uptick in requests to comment on many investor issues and company situations, recognising the importance of the Association as a voice of the retail investors.

STAFFING

Following a review of the resources required to deliver ASA's strategy a restructure occurred in February 2022. This has allowed us to focus more directly on the activities important to the organisation's success and to support our members.

We have now ensured functions that must be in-house remain so, while appointing experienced people to help us in our work and to outsource other activities, such as bookkeeping and accounting to

Healthy Business Finances. I extend my thanks to Leigh, Fiona, Damien, Caity, and Jade for their valuable contributions and their dedication to the ASA. In addition, I thank our external accounting providers, Stacey and Tamara, and Dee for event management logistics for their support. The commitment and professionalism of our team empowered us to achieve significant progress in 2022.

FINANCIAL PERFORMANCE

Financially ASA has turned a corner by delivering a \$65,426 net surplus in 2022, compared to \$170,394 net deficit the previous year. As the Association sustained deficits for three of the previous four years, the surplus is a great outcome. Both an increase in revenue and a reduction in expenses year-on-year lead to a much healthier final result.

THANK YOU

Not only do I have an amazing team, which collaborates well to deliver for members, but we are supported by a much wider network of volunteers. So, my heartfelt thanks goes to each of them:

- to the convenors of the member meetings, who provide the forums that allow our members to engage with each other and share their insights into investing;
- to the monitors who commit their own time to meet with companies and review their annual reports, developing voting intentions that help investors decide how they want to vote;

- to the State Chairs and Committees who oversee the local activities of the ASA and help to make everything run smoothly;
- to the Company Monitoring Committee Chairs who provide leadership to the monitors and support the management team and the Board with ASA's strategy; and, of course,
- to the Board directors for their leadership, time, commitment to, and passion for a well governed organisation, developing strategy and overseeing its implementation.

These volunteers are the lifeblood of ASA. Without them we could not do what we do, and the team and I greatly appreciate their dedication and support.

THE FUTURE

ASA's action plan for 2023 is focused on improving efficiencies and increasing member value, with key initiatives including:

- a digital overhaul, which will see us replace ASA's website and our Customer Relationship Management (CRM) system;

- an emphasis on membership and subscriber growth, including in corporate members;
- the creation of tools that help corporate members to comply with ASA's monitoring guidelines and to improve their governance and performance, supporting their investors; and
- a review of *EQUITY* and our content strategy, recommending changes for 2024, which will be developed in consultation with our members.

I am excited about our plans for the year ahead and what we can achieve as an organisation as we work together to make ASA more effective, influential, relevant and valuable for our members.

R Waterhouse

Rachel Waterhouse
CEO



STRATEGY



VISION

A leading authority and community for Australian investors.

PURPOSE

To stand up for retail investors through educating and connecting members and influencing the investment environment.

PILLARS PATHWAYS

Influence	Educate	Connect
Advocacy Monitor companies Roundtables	Insights/News EQUITY magazine Courses/Events Webinars Podcasts Voting intentions	Investing groups Membership

ENABLERS

- People & Culture
- Financial stability
- Operational excellence
- Volunteer Community

VALUES

Courage Respect Integrity Accountability Supportive



GOVERNANCE

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

It has a national Board, supported by a network of State Chairs and committees and the ASA management team.

The Board is responsible for the overall governance and strategy of the organisation. Its directors have a balance of skills and experience and undergo annual performance reviews to ensure that they are contributing appropriately. The ASA Board skills matrix highlighting the strengths of the current Board can be found on the following page. At present, the directors come from the larger states.

The Board has established four committees to help with its responsibilities:

- the Policy Committee;
- the Remuneration and Nomination Committee;

- the Education Committee; and
- the Finance, Risk and Audit Committee.

All Board Committees have a Charter, reviewed annually, and ASA has policies in place protecting privacy and whistleblowing, encouraging diversity, and requiring all members, volunteers, and staff to comply with a Code of Conduct.

The Finance, Risk, and Audit Committee oversees the Association's risk framework and register, which is used to identify and manage organisational risks and to ensure that all activities sit within the risk appetite of the Board.

Key focuses of the risk framework are the relevance of membership, the mitigation of operational risks such as cyber security, and the ongoing viability of the organisation.

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

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 jurisdiction. This ensures that the Board has direct feedback and input from the state branches, enabling it to represent all members.

In addition, a **Company Monitoring Committee** helps guide monitoring activities, and has representation from monitors in each of the states.

All Board and committee members volunteer their time and are only remunerated for travel expenses.

The Board and management of ASA review the operations of the Association regularly, and are focused on strengthening all governance practices.

BOARD SKILLS MATRIX

In 2022 the Board undertook a thorough skills assessment with the assistance of leading Australian Institute of Company Directors facilitator and governance expert, James Beck. The extensive assessment looked at both a series of skills and the level of competence for each. The exercise highlighted the strengths of the current Board and the skills needed when recruiting new Directors. We will publish the matrix each year, just like we ask ASX listed companies to do, so that members can be fully informed when assessing and voting on directors. The matrix will also allow us to identify suitable development opportunities for directors, when needed.

The matrix can be found below*:

		Directors						
		Michael Jackson	Andrew Kearnan	Carol Limmer	Steven Mabb	Julianne Mills	Mike Robey	Lel Smits
Tenure (years)		2	3	3	2	0	3	1
Industry	ASX-Listed Company Experience		✓	✓			✓	✓
	Generic Industry		✓	✓				✓
	Mergers and Acquisitions		✓					
	Not-for-Profit Sector (Just for ASA)		✓	✓		✓		
	Membership Organisation (Just for ASA)		✓			✓		
	Member Based Experience			✓	✓		✓	
	Sustainability							
Technical	Accounting		✓					
	Finance	✓	✓					
	Law	✓				✓		
	Strategic Marketing and Communications					✓	✓	✓
	Information Technology						✓	
	Risk Management	✓	✓	✓				
	Human Resource Management			✓				
	Strategy Development and Implementation		✓		✓			
	CEO/Senior Management Experience in Substantial Organisations	✓	✓	✓	✓		✓	
	Contemporary Corporate Governance	✓	✓	✓		✓		✓
	Commercial/Business Experience Acumen	✓	✓	✓	✓		✓	✓
Governance	Strategy	✓	✓	✓	✓		✓	
	Financial Literacy	✓	✓					
	CEO Selection, Monitoring and Evaluation		✓	✓				
	Monitoring	✓	✓	✓	✓	✓	✓	
	Compliance	✓	✓					
	Risk Management	✓	✓	✓				
	Policy Frameworks	✓					✓	
	Networking		✓	✓	✓	✓		
	Stakeholder Communication		✓	✓			✓	
	Decision Making	✓	✓	✓	✓		✓	
	Effective Governance	✓	✓	✓	✓	✓		

* Checkmarks on the matrix indicate the Director skill level is Advanced.

VOLUNTEERS



ACT

Diane Diprose
Ed Roberts
Eden Zanatta
Elton Ivers
Ian Gardner
Jane Strang
Jill Roberts
John Green
John O'Callaghan
Lachlan Lewis
Peter Barker
Richard Williams
Robert Cason
Rodney Peters
Roger Penhale
Viveca Moodie

NSW

Alan Lowe
Allan Goldin
Bill Radley
Carol Limmer
Chad Moffiet
David Allen
Don Adams
Doug Gannon
Elizabeth Fish
Gareth Eastwood
Gary Barton
Helen Manning
Ian Anderson
Ian Graves
Ian Sellers
Joan Lampe
John Cowling
John Lin
Julianne Mills
Karen Kundicevic
Keith Ready
Kerrie Bible
Len Child
Les Renfrey
Lewis Gomes
Linda Martin
Margaret Thorn
Meg Bannigan
Mei McGlynn
Michael Batchelor
Michael Campbell

Michael Jackson
Miles Wu
Nick Bury
Norman Windell
Orlene McKinlay
Patricia Beal
Peter Gregory
Peter Metcalf
Philip Laird
Raja Rajagopal
Ray Trevisan
Raymond Wheeler
Richard McDonald
Rod Jeffery
Roger Ashley
Sue Erbag
Sue Howes
Sue Peters
Tony Soffer
Warren Dennis
Wayne Parry

NT

Christine Silvester
Frieda Evans

QLD

Alison Harrington
Clive Hart
David Loosemore
David Midwood
Don Matthews
Gheslaine Holmes
Graeme Thistlethwait
John Collins
John Virgona
Judie Groves
Kelly Buchanan
Kevin Stiff
Lee Sackett
Mike Sackett
Mike Stalley
Noel Ambler
Paul Donohue
Peter Cory
Peter McNally
Sally Mellick
Melissa Watson

Shirley Watson
Steven Mabb
Warren Thomson

SA

Brad Martin
Cynthia Loh
Des Moriarty
Donald Fairweather
Greg O'Connell
Ian Humphrys
James Hahn
John Connell
Karen Roberston
Ken Wakeman
Kevin Parken
Malcolm Holden
Malcolm Keynes
Robert Ritchie
Samantha Bell
Stephen Howie

TAS

Andrew McMahon
Ian Chalk
Ian Day

VIC

Adam Raymond
Bill Grint
Brett Morris
Brian McCarthy
Chris Lobb
Christine Haydon
Claudio Esposito
Dennis Shore
Duncan Seddon
Eric Pascoe
Frank Thompson
Geoff Forryan
Gill Fryatt
Graham Neal
Heather Knight
Henry Stephens
Ian Thomson
Jacques Nicolas
Janet Allan
Jason Cole

John Parrott
John Virgona
John Whittington
Katja Bizilj
Lindsay Gordon
Lionel Werbeloff
Lyall Knight
Maree Harris
Margit Alm
Meena Wahi
Michael Muntisov
Michael O'Keefe
Mike Middleton
Mike Robey
Nick Edrington
Noel Miller
Norm West
Paul Fanning
Peter Aird
Peter Bacon
Richele Janjatovic
Robert Koop
Rod McKenzie
Roderick Schulz
Sally Holywell
Stephen Van Emmerik
Stewart Burn
Viki Gieseemann

WA

Alan Dickson
Alyse Daams
Belinda Leyland
Bernie Masters
Bob Kelliher
Chris Klisc
Daryl Houghton
David Brooke
Derek Miller
Geoff Corrick
Geoff Read
Geoff Sherwin
Ian Berry
Joe Yozzi
John Campbell
John Ferguson
Kaye Haslam
Keith Mellis
Kevin Bowman

Leanne Harrison
Len Roy
Lorraine Graham
Lynda Newland
Mark Dixon
Matthew Whelan
Peter Adams
Peter Scales
Tony McAuliffe



JADE ELLUL
CUSTOMER SERVICE OFFICER

MEMBERSHIP

ASA's membership growth in 2022 was aided by a new initiative aimed at attracting new members with a trial membership.

As a result of the freemium initiative ASA's membership increased by 30% to 6,215 (individual and corporate membership) in 2022. ASA began testing a trial membership incentive with appropriate third-party organisations. Some of the trial members also invested in activities such as Investor Conference and the Virtual Investor Summit, which contributed to ASA's revenue and ultimately helped to support all members.

ASA will continue to evaluate the benefits of this incentive throughout 2023, as we are focused on significantly increasing the size of the ASA community in the next few years. Member feedback has been that they enjoy the community ASA provides them and being with other like-minded people to discuss, learn and enjoy a variety of topics for their own personal investment ventures. Excluding the freemium initiative ASA had 573 paid new members join the ASA community in 2022, lower than 2021 (620) and underscoring the need to explore new initiatives of increasing membership growth

and revenue. Our commitment to growth is aided by the help of our six office volunteers who come in each month to help us send out renewal letters for our members and assist our members keep up to date, so they do not miss any of the benefits of being an ASA member.

From a corporate perspective, ASA was pleased to welcome five new corporate members but did not retain nine companies mostly due to restructuring leading to businesses becoming privately owned. Many of ASA's corporate members are listed on the ASX. Our corporate members connect with retail shareholders through speaking at ASA events, webinars and member meetings. They bring value to our members through sharing corporate developments, future plans and topics of interest.

"From the CEO's Desk" weekly email from CEO, Rachel Waterhouse, continues to have a high readership. The emails contain information about what is coming up in the weeks and months ahead, the hot topics in the investment industry, and demonstrate how ASA is representing our members, providing a valuable and tangible tool to connect with our members and the broader community.

MEMBER MEETINGS

With the pandemic enforced travel restrictions being lifted Australia-wide, ASA's CEO was invited to attend member meetings in Western Australia, South Australia, Victoria, and Tasmania. Rachel wanted to connect with not only our convenors who volunteer their time to help the ASA run member meetings, but also to connect and meet our members in-person.

While most of our member meetings are back to face to face, some convenors use Zoom to bring in guest speakers from around Australia right to their members, no matter the distance. This has been valuable mostly for our members in the regional areas of Australia.

We are pleased to report a rise in member meeting attendance in the second half of 2022. Two new member meeting groups were added throughout the year, Prahran (Melbourne) and North Shore (Sydney). The latter group, is now at capacity and there are plans to start a second North Shore meeting group in 2023. The ASA held 490 meetings with 9,517 individual attendances. The meetings were provided in face to face, hybrid and Zoom formats. We are continuing to find beneficial ways for our members to get the

most out of their membership by enabling local communities of like-minded people to catch up.

As a result of receiving feedback from working members that the majority of meeting times may not suit them, ASA will trial new times in 2023.

We have supported local member convenors with a list of interesting speakers that include ASA collaborators and look forward to supporting member meeting convenors to add further value in the year ahead.





CEO Rachel Waterhouse and Steven Mabb, Chair, presented the inaugural ASA Awards at last year's Investor Conference in Melbourne.

INAUGURAL ASA AWARDS

The successful launch of the ASA Awards program in 2022 marked the first time ASA had awarded ASX-listed companies and its own volunteers. While ASA has been the voice of retail shareholders for more than 60 years through educating investors and standing up for shareholder rights, this inaugural awards program enabled ASA to celebrate its community with formal recognition.

The awards were presented at the 2022 Investor Conference in Melbourne and sought to shine a spotlight on ASX companies who had achieved peak governance standards and ASA's own volunteer members who had successfully contributed to our organisation over the last year.

The judging panel consisted of State company monitors responsible for oversight of ASA's monitoring, State Chairs who

oversee member meetings, ASA management, and ASA's Board. The judging panel reviewed the final list of State nominations and voted for the recipient in each category.

ASA acknowledged all the winners and congratulated them on their strong commitment to service and good governance. There were four awards presented on the night, with 2022's winner listed as follows:

- BHP Limited (ASX: BHP) was awarded Best Company Governance
- OZ Minerals Limited (ASX: OZL) received the award for Enhanced Company Governance
- John Campbell from Western Australia was named Monitor of the Year
- Lorraine Graham from Western Australia was named Convenor of the Year



John Campbell and Lorraine Graham from Western Australia were named Monitor of the Year and Convenor of the Year, respectively.



**“INAUGURAL ASA AWARDS LAUNCHED IN
2022.”**

ADVOCACY AND MONITORING

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



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

ADVOCACY

ASA's policy and advocacy focus saw a year of two halves in 2022, due to the change of federal government on 21 May, as ASA navigated with key developments across proxy advice regulation, sustainability issues and franking credits advocacy.

Proxy advice regulation

The year kicked off with ASA fighting to loosen proposed restrictive proxy advice regulation, which we saw as a loss to thought leadership on corporate governance. We lobbied for change and the regulations were disallowed by the Senate.

ASA has long championed the use of polls, which reflects the number of shares held rather than the ability to attend the meeting. In the first half of the year, legislation was implemented that required listed company resolutions to be determined by a poll. That same legislation included the introduction of “scrutineering” of polls.

The new *Design and Distribution Obligation Legislation* (DDO), was introduced to the Corporations Act in 2022. This new legislation required companies to identify target market definitions for financial products. This resulted in restrictions for members who are not sophisticated investors or have not received professional advice accessing hybrid security opportunities (initial offer). ASA engaged with the previous government and regulators and will continue to raise the importance of access to appropriate investments without incurring excessive professional fees.

Sustainability issues

Most of the largest Australian companies report sustainability issues using the Taskforce on Climate-Related Financial Disclosures (TCFD) framework and a myriad of other frameworks. ASA provided its support to the introduction of mandatory standardised reporting of sustainability issues by the International Sustainability Standards Board (ISSB). ASA was part of a joint peak bodies submission comprising 20 peak professional, industry, and investor bodies in Australia. International standards that apply in most jurisdictions should reduce the reporting burden for companies and standardise the reports for investors to understand with greater clarity.



FIONA BALZER
POLICY & ADVOCACY MANAGER



DAMIEN STRAKER
ADVOCACY COORDINATOR

Franking credits

During the second half the year, the Labor Government reintroduced several initiatives that had been flagged in 2016, only to be stalled by the huge regulatory load arising from the Financial Services Royal Commission and the immediate need to address the COVID-19 pandemic. Several of the matters related to franking credits. ASA believes it is important for market confidence that any change is done in a measured way and that legislation is not applied retrospectively.

Policy awareness

Part of the advocacy challenge is to ensure policy decision-makers are aware of ASA's positions and ASA works consistently to generate awareness of our policy positions. Media reporting provides additional airing of these positions and we were pleased to see mentions of ASA in the media for 2022 increase by 10% on the previous year. Through building a program of regular engagement with media we are seeing a lift in the profile of the voice of all retail shareholders. In addition, ASA is taking opportunities to build regular contributions to newsletters and podcasts and expand the awareness of our advocacy.

COMPANY MONITORING

Streamlining efficiencies

Following a review of how ASA "does company monitoring" we introduced three tiers of coverage by our monitors to streamline efficiencies. With most AGMs being held in October and November we are often faced with capacity constraints and find we can't fully cover all the companies our members would like us to cover. By restricting our coverage on some companies, we aim to have better and more consistent timely reports. By being more focussed we can more effectively communicate our voting positions.

Schemes of arrangement

The year was characterised with schemes of arrangement (Sydney Airport, Crown Resorts, Ausnet, Pental), demergers (BHP petroleum assets) and corporate restructures which introduced a non-operating holding company at the top of the corporate entity (Telstra, ANZ Bank).

AGL Energy developments

Your company monitor for AGL Energy had a busy year. A meeting for shareholders to consider its demerger proposal was cancelled a week or so out from the meeting, and then the AGM included the shareholder nomination of four

directors for election, of whom only one had the support of the existing board. Deciding the voting was challenging, requiring weighing up the skills and experience of these directors and their independence from the nominating shareholder, and the ability of the new board to work together. Each of these directors was elected to the board. From the outside the company looks to be tackling its decarbonisation challenge – but only the long-term outcomes will tell us how effective the strategy has been.

AGMs

While the ASX200 Index ended the year down 5.45% and the ASX200 Accumulation Index fell by 4.25%, the general downward trend was not reflective of individual companies' share price performance. The top performer for the year rose 261%, and the poorest performer fell by 85.6%.

Our company monitors represented and engaged companies on behalf of retail shareholders, despite the continuing disruption of holding in-person meetings as COVID-19 waxed and waned through the year. Gathering in numbers became easier in the second half of the year.

While we congratulate the many companies that ran hybrid member meetings, larger companies, such as Commonwealth Bank (AGM), chose to hold physical-only meetings with a webcast, which prevented greater participation by those shareholders who couldn't make the trip to Melbourne.

Our representative company monitor spent 10 hours with travel time to represent ASA and proxy givers at the CBA AGM. This was a marked contrast to the hybrid Djerriwarrh AGM held the next day, which allowed for face to face and online participation. Our monitor representative was still able to attend the meeting virtually, despite his house facing rapidly rising flood waters and he was preparing for potential evacuation.

ASA Areas of focus

For 2022, our areas of focus for our monitoring of companies included fair treatment of shareholders in communications and capital raising issues, accountability of Directors and Boards for overseeing risk management, especially cyber-risk, sustainability and management and disclosure of ESG risks, and developing an appropriate and resilient culture within the company. The fourth area of focus is the continued monitoring of the boards' oversight of remuneration, especially CEO rewards.

We also highlighted the need for an adequate board skills matrix containing individual director's accredited skills. Not only will this equip companies to build a capable board with good decision-making outcomes, but it will also assist shareholders' decisions on voting for a director's election or re-election. It also largely removes the opportunity to appoint underqualified mates to lucrative board positions.

ASA consulted widely on our existing voting guidelines and revised them. We also launched our ESG policy at our Investor Conference, which was held in May 2022. Furthermore, we opened up access to our Voting Intention and AGM reports on our website, so a broader audience could access the reports. Members appreciated being able to go directly to the reports linked in the weekly CEO email to members.

ASA introduced a greater focus on company selection with a slightly reduced number of companies covered with the intent to be able to free up monitor resources to respond to newly arising opportunities.

Remuneration decisions

Companies were generally professional with remuneration decisions, in most cases avoiding the use of positive discretion by directors; that is, paying out variable executive pay in full despite missed targets. 112 of the 135 AGMs we attended (83%) attracted "for" votes on the resolution of over 90% (up from 127 of 165 [77%] in 2021).

Goodman Group, however, attracted a second strike on its report, and after the meeting committed to moving away from using an abstruse method called fair value rather than market price to allocate its awards. Use of fair value leads to a large discount to the market price, and consequently, excessive awards. ASA campaigned for many years for this change and is glad to see Goodman Group will adopt this change.

ASA voted *against* the remuneration reports of a total of 29 companies in 2022 (43 in 2021), representing approximately 22% of companies where a resolution to adopt a remuneration report was put to the meeting. Of the monitored companies, 11 companies received a "strike" on remuneration (being a vote of more than 25% against; the figure was 18 in 2021).

YEAR	2022	2021	2020	2019	2018
Companies monitored/observed	175	174	176	168	172
Proxy attendance	58	94	137	79	31
Monitors	113	119	116	116	111
Value of ASA proxies (\$m)	3,614	3,399	2,992	3,801	3,661
Proxies received (000's)	35.9	35.3	33.8	43.6	45.9
Remuneration reports voted against	29	41	55	41	54
Companies holding AGM voting polls*	100%	100%	100%	93%	87%

*During the year the law was changed to require voting on all company resolutions on the Notice of Meeting to be conducted by poll for a listed company



“A MAJOR GOAL FOR 2022 WAS TO HOLD A CONSULTATION PROCESS TO UPDATE THE VOTING GUIDELINES AND TO LAUNCH THEM AT THE INVESTOR CONFERENCE. WE ALSO ENHANCED MONITORING EFFORT WITH THE DEVELOPMENT OF THREE TIERS.”

EDUCATION, EVENTS AND MARKETING



LEIGH GANT
CHIEF MARKETING & EDUCATION OFFICER

The past twelve months can be summarised as a time of transition as we emerged from the restrictions of the pandemic to again accelerate education, events, and marketing in the physical realm with a stronger-than-ever digital presence.

While COVID-19 presented two challenging years, including a changeover of leadership and key personnel, ASA's operating procedures improved, in particular in the digital realm. Our internal team proceeded with determination to integrate what we learned from operating mostly online in 2020 and 2021. When we returned to face-to-face events that we were used to pre-pandemic to be in a strong position for 2023.

The momentum from Conference continued in October as we hosted the Virtual Investor Summit. Beyond the incredible attendance and support from sponsors, we are proud of the speaker list assembled for the event. To feature high-profile international guests such as Christopher Mayer, Jonathan Boyar, Caleb Silver, and Spencer Jakab, is a first for the ASA and something we aim to continue in the future.

The efforts towards revitalising the ASA's digital footprint and synchronising outbound media with education are showing early

signs of success. Digital marketing is essential for any organisation in the modern age. By utilising digital marketing techniques, the ASA can reach a broader audience, target its marketing efforts, increase engagement with the wider community, and measure the success of campaigns accurately.

The ASA is making steady progress towards our long-term goals and building processes to ensure the long-term viability of our approach. The increase in database size, social media following, and media mentions are critical to supporting our mission to be a leading authority and community for Australian investors.

Each component of our education offerings is incrementally improving. Last year saw the average webinar live attendance lift from 137 to 184 people, a steady flow of Insights articles on the website and the launch of the ASA book club.

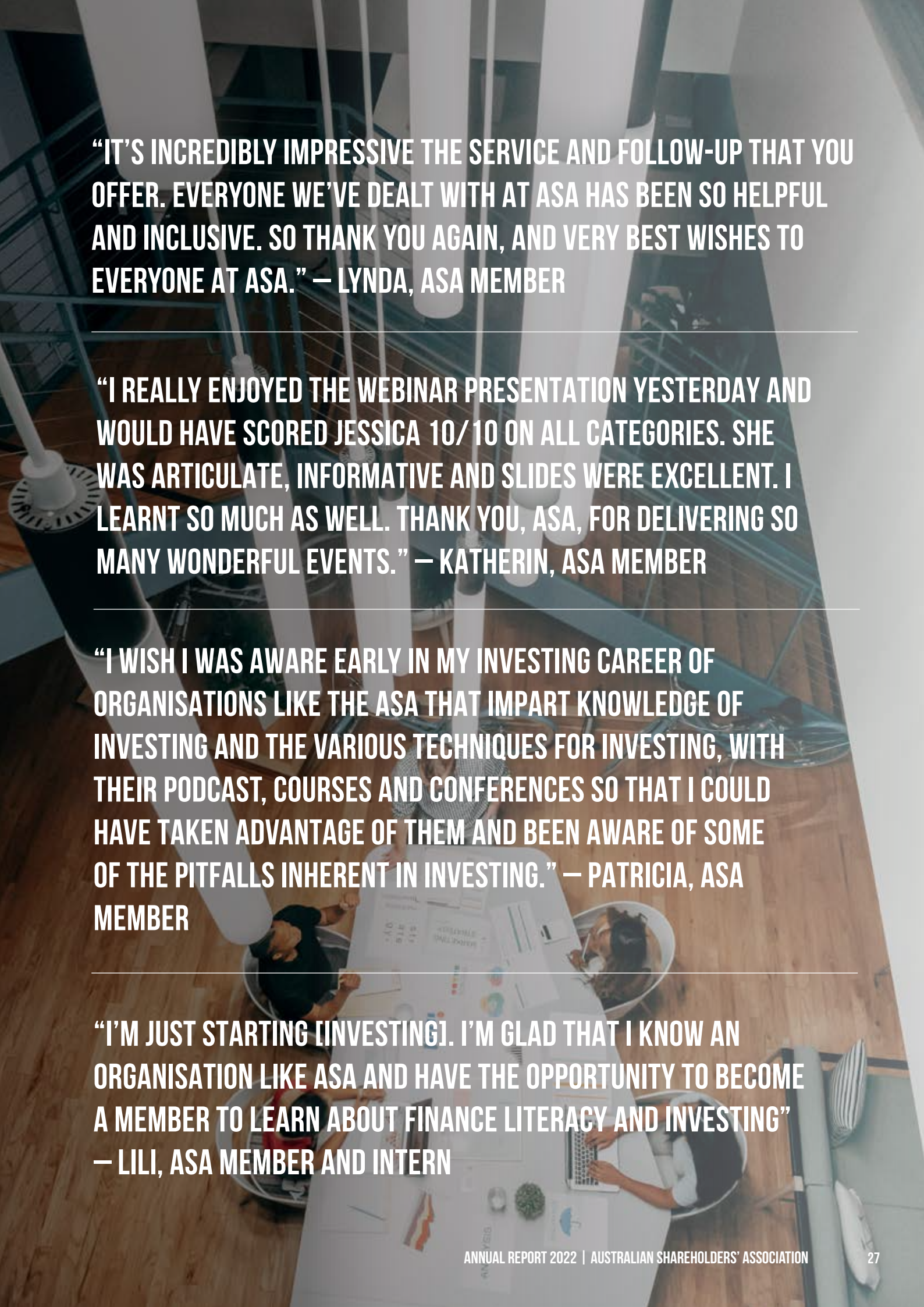
Looking ahead to 2023, the team are set to raise the bar again. A new partnership with Rask Group will help improve the number of podcasts (over double year-on-year) and provide the ASA with regular educational communication to more than 50,000 investors who are not members of the association.



CAITY SOMERS
MARKETING & EDUCATION OFFICER

The production of two new online investor education courses in collaboration with Rask Group will also be made available.

Additionally, the launch of a new website will enhance our ability to connect with retail shareholders through education, advocacy, and monitoring. We look forward to combining these with the Investor Conference in Sydney and another Virtual Investor Summit later in the year.



“IT’S INCREDIBLY IMPRESSIVE THE SERVICE AND FOLLOW-UP THAT YOU OFFER. EVERYONE WE’VE DEALT WITH AT ASA HAS BEEN SO HELPFUL AND INCLUSIVE. SO THANK YOU AGAIN, AND VERY BEST WISHES TO EVERYONE AT ASA.” — LYNDA, ASA MEMBER

“I REALLY ENJOYED THE WEBINAR PRESENTATION YESTERDAY AND WOULD HAVE SCORED JESSICA 10/10 ON ALL CATEGORIES. SHE WAS ARTICULATE, INFORMATIVE AND SLIDES WERE EXCELLENT. I LEARNT SO MUCH AS WELL. THANK YOU, ASA, FOR DELIVERING SO MANY WONDERFUL EVENTS.” — KATHERIN, ASA MEMBER

“I WISH I WAS AWARE EARLY IN MY INVESTING CAREER OF ORGANISATIONS LIKE THE ASA THAT IMPART KNOWLEDGE OF INVESTING AND THE VARIOUS TECHNIQUES FOR INVESTING, WITH THEIR PODCAST, COURSES AND CONFERENCES SO THAT I COULD HAVE TAKEN ADVANTAGE OF THEM AND BEEN AWARE OF SOME OF THE PITFALLS INHERENT IN INVESTING.” — PATRICIA, ASA MEMBER

“I’M JUST STARTING [INVESTING]. I’M GLAD THAT I KNOW AN ORGANISATION LIKE ASA AND HAVE THE OPPORTUNITY TO BECOME A MEMBER TO LEARN ABOUT FINANCE LITERACY AND INVESTING” — LILI, ASA MEMBER AND INTERN

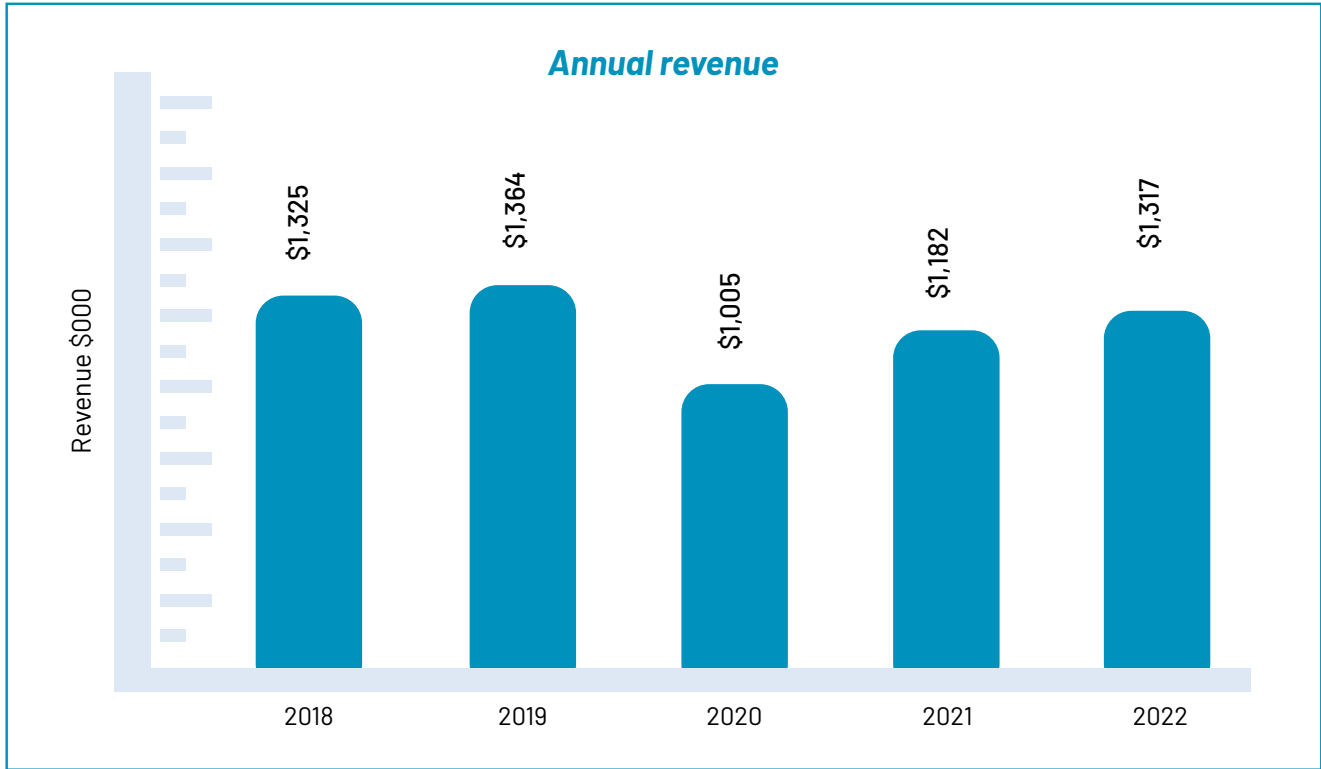


Following the challenges of the pandemic, 2022 represented a return into what we now know as the “new normal” and ASA benefitted from a pleasing financial turnaround.

ASA achieved an increase in membership revenue and sponsorship revenue over 2022. Membership revenue increased across both individual members and corporate members. Sponsorship revenue was associated with the Investor Conference and Virtual Investor Summit and shows potential for the 2023 financial year and beyond. ASA’s digital services continued to remain in demand in 2022, despite lockdowns ending and a return to face-to-face events. The Virtual Investor Summit grew over the year, indicating that members still place a high emphasis on this digital format.

The Association ended the year with a surplus of \$65,426, largely attributable to an increase in revenue and cost savings across employee costs. The employee cost savings were only short-term, until the employee mix was reinforced mid to late 2022. Higher costs in 2021 to implement the infrastructure around the Investor Conference led to year-on-year savings in 2022.

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



“HIGHER REVENUE WAS ACHIEVED THROUGH INCREASED CORPORATE MEMBERSHIP AND SPONSORSHIP AND COSTS WERE CLOSELY MANAGED.”

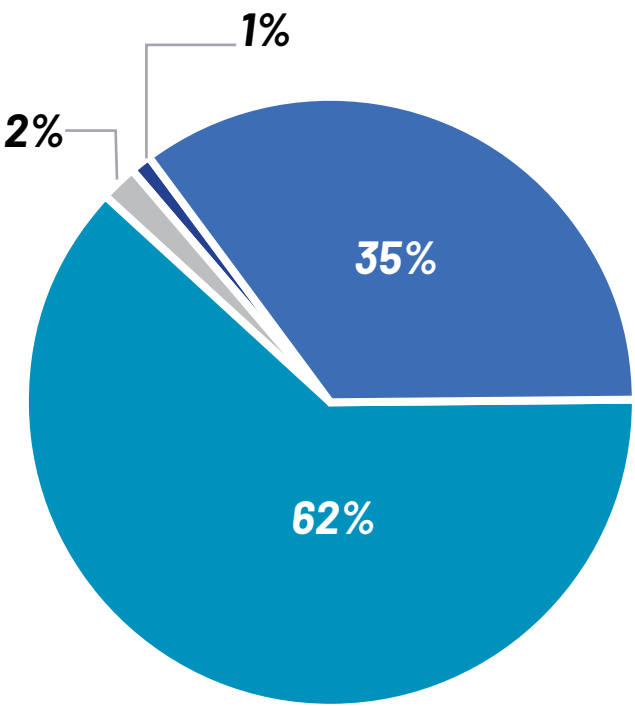


STACEY PRICE, ASA CHARTERED ACCOUNTANT

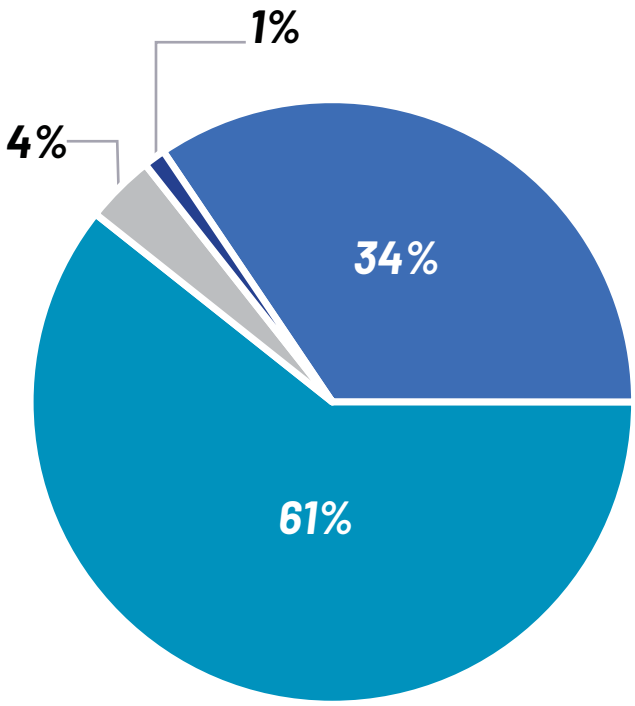
While ASA is a membership-based organisation, meaning membership will always make up most of our income, the strategic impact from being faced with lockdowns highlighted the need to foster diversity across the revenue streams.

From the below chart you will see that membership income still dominates. There was no government support in 2022 (JobKeeper/JobSaver).

Revenue analysis



2022

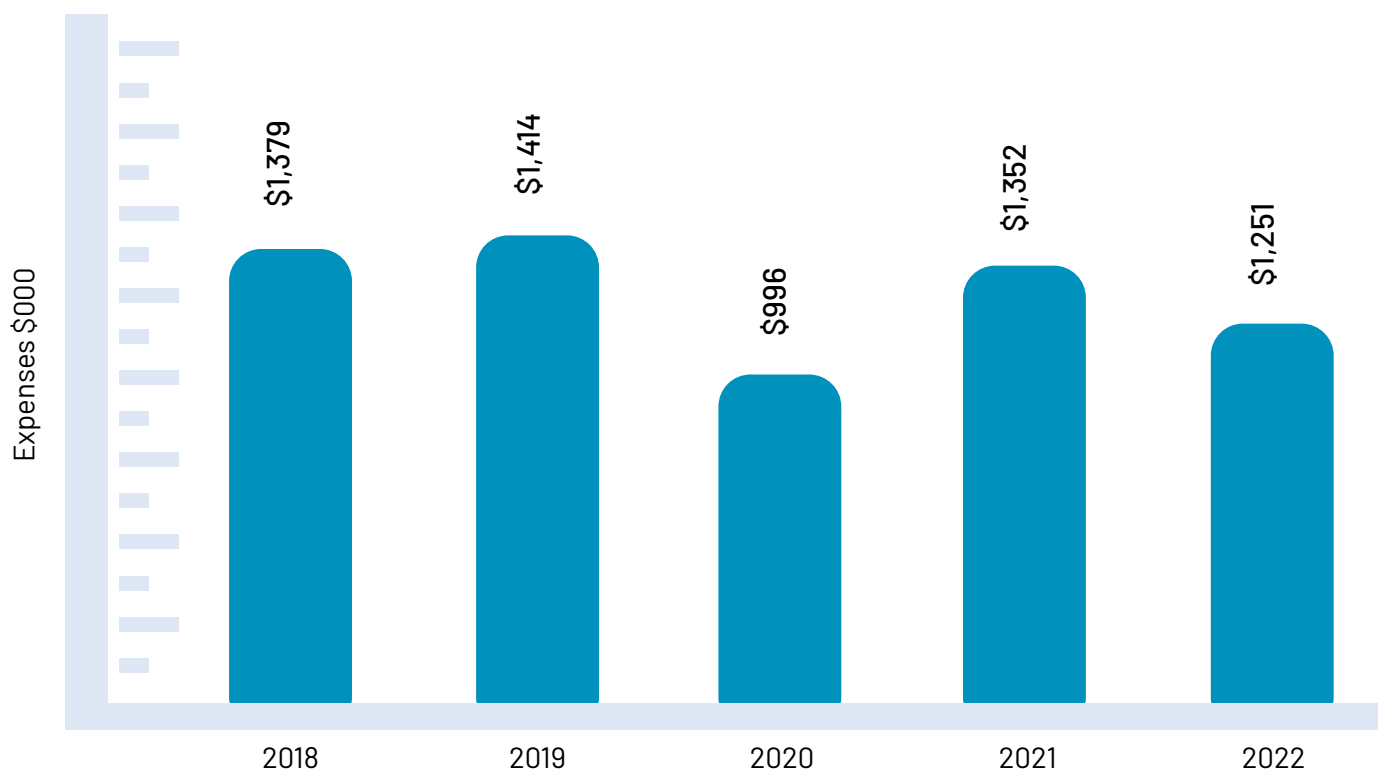


2021

- | | |
|------------|--|
| Conference | Other income (including Jobkeeper/Job saver) |
| Membership | Education |



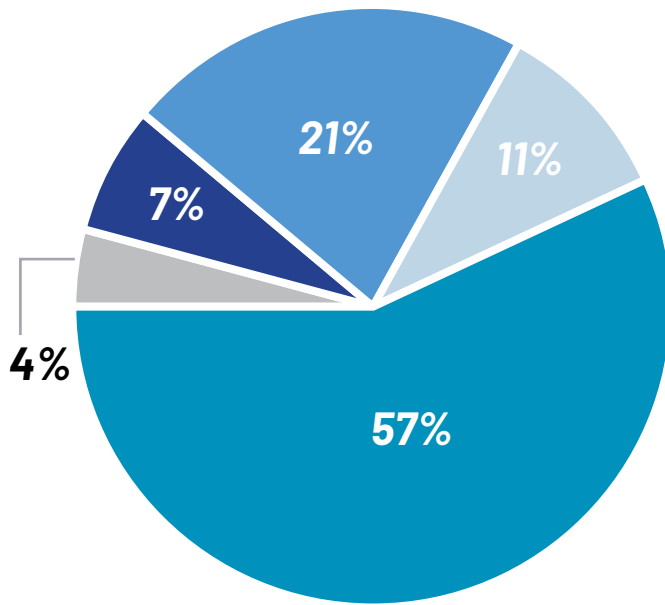
Annual expenses



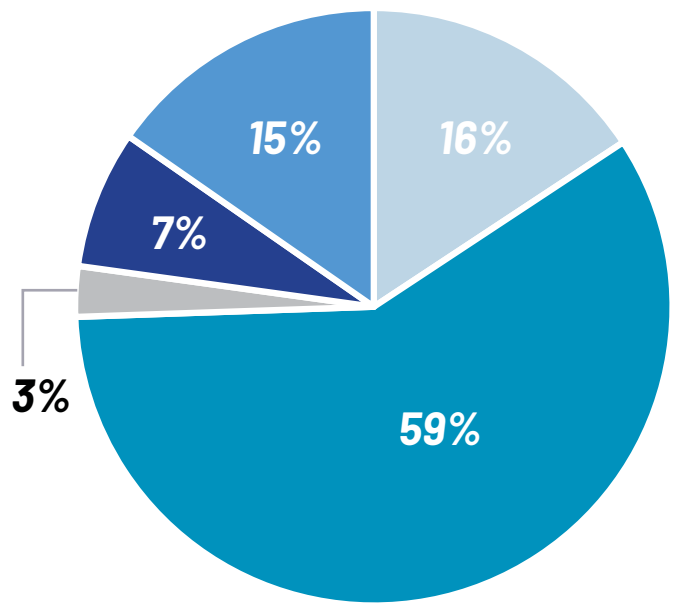
For ASA to deliver the array of member services we provide, the two main expenses we incur are employee costs and conference expenses. Conference expenses saw a significant drop in comparison to 2021 due to additional infrastructure required to have the online component up and running in the previous year.

Despite being the largest cost, employee expenses saw an overall reduction due to a strategic review of the staffing required by the organisation. ASA elected to outsource some of the functions to obtain the skills required while also keeping costs under control.

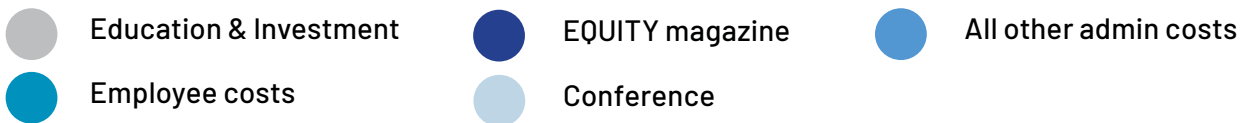
Expenses analysis



2022



2021



The 2022 year has been defined by ASA's commitment to bringing back physical events and resources for our members after two years of pandemic-enforced uncertainty. Growing our Association over 2022 while managing overall costs has put us in a strong position. We look forward to 2023 and investing in our infrastructure platform to deliver a better member experience. A new website is a high priority, which we anticipate will be in operation in 2024. The year ahead will also present a focus on corporate membership opportunities in 2023 to drive growth.

A low-angle, upward-looking photograph of a modern glass skyscraper. The building's facade is composed of large glass panels held by a dark metal frame. The sky is a vibrant blue with scattered white clouds. The perspective creates a sense of height and architectural scale.

5 YEAR SUMMARY

FINANCIAL PERFORMANCE

OPERATING REVENUE (\$000)	2022 \$	2021 \$	2020 \$	2019 \$	2018 \$
Retail membership	583.7	527.2	488.9	535.3	571
Corporate membership	221.4	189.8	118	114.2	101.4
Total membership fees	805.1	717.0	606.9	649.5	672.4
Investor conference, education, and meetings	473.2	421.1	105.9	607.6	587.9
Other operating revenue	29.9	3.6	22.8	84.0	41.0
Total operating income	1307.9	1141.7	735.6	1341.1	1301.3
Interest & Non Operating Income (includes JobKeeper)	8.6	40.1	269.4	23	23.8
Total income from all sources	1316.5	1181.8	1005.0	1364.1	1325.1
EXPENSES (\$000)					
Employee & contractor	712.8	794.3	703.6	635.5	578.4
Rent & depreciation	56.3	57.0	51.9	55.00	60.6
Conference costs	139.8	249.4	29.3	388.6	337.1
IT infrastructure & software	27.9	34.4	19.0	46.1	90.1
EQUITY magazine	88.6	101.2	92.7	84.3	86.8
General office & admin	225.6	115.8	99.7	204.5	225.8
Total expenses	1251.1	1352.2	996.2	1414.0	1378.8
Deficit/Surplus	65.4	-170.4	8.8	-49.9	-53.7
OPERATIONAL PERFORMANCE					
Retail members	6,215	4,698	4,941	4,753	4,674
Corporate members	57	61	60	65	65
Member meeting groups	53	53	53	55	55
Member meetings held	490	341	328	537	512
Companies monitored/observed	175	174	176	168	172
Proxy collections	58	94	137	79	31
Monitors	113	119	116	116	111
Value of ASA proxies (\$m)	3,614	3,399	2,922	3,801	3,661
Proxies received (000's)	35.9	35.3	33.8	43.6	45.9
Remuneration Reports voted against	22%	25%	32%	25%	32%
Conference delegates (Investor Conference and Virtual Summit)	738	774	495	329	357
Seminars and webinars held	27	49	56	14	14
Employee cost % of Revenue	54%	67%	70%	47%	44%
General expense % of Revenue	17%	10%	10%	15%	17%



DIRECTORS' REPORT

The Directors present this report on the company for the financial year ended 31 December 2022.

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



Allan Goldin (appointed 17 May 2016, retired 4 March 2022)

Carol Limmer (appointed 1 March 2019)

Peter Rae, Deputy Chair (appointed 21 May 2019, retired 4 March 2022)

Mike Robey (appointed 21 May 2019)

Andrew Kearnan (appointed 27 February 2020)

Steven Mabb, Chair (appointed 16 June 2020, Chair 3 March 2022)

Lelde (Lel) Smits (appointed 24 February 2021)

Michael Jackson (appointed 24 February 2021)

Julianne Mills (appointed 4 March 2022)

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



JULIANNE MILLS

GAICD BA DESIGN, MA FINE ART

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."



ANDREW KEARNAN
BSC HONS, MBA, MAICD

Andrew was appointed to the ASA Board as an independent Non-Executive Director in February 2020 and has joined both the Audit and the Policy committees. He has extensive Executive, Corporate Advisory and Non-Executive Director experience, across a number of companies, at various life stages, and in multiple industries.

As a Country Head, Equity and Macro Research at Bank of America Merrill Lynch, Andrew helped lead a significant transformation of the business and concurrently was consistently rated as one of Australia's best equity analysts, advising investors on portfolio composition and stock selection.

At CBA, he led a team of investment specialists accountable for making strategic, financial and risk-based recommendations to the Executive team on all internal and external investments including oversight of M&A, divestments and significant annual project spend and accountability for some of CBA's responses to various regulatory actions.

He is a past Director of the Australian Accounting Standards Board, Complii FinTech Solutions, Hollard Insurance Australia, Greenstone Financial Services, Colonial First State Group Limited, Merrill Lynch Equities Australia and various CBA entities in Insurance, Wealth Management and Platforms markets. He is currently a Director of multiple APRA and ASIC regulated companies in the financial service sector.

Andrew has an Honours degree in Science (Biochemistry), an MBA and is a Graduate of the AICD's Company Directors Course. He is 55, married with twin, 23 year old daughters. His passions include most water sports, including sailing, for which he has won National titles and competed in multiple Sydney to Hobart yacht races.



CAROL LIMMER
BBUS FAICD FGIA FIML CHAHRI

Carol was appointed to the Board on 1 March 2019. She is currently a non-executive director of The Whiddon Group and a member of its People & Culture and Quality Care Committees. She was previously a member of its Audit & Risk and Property & Services Committees, Chair of its HR & Nominations Committee, and a member of its Governance Committee. Until recently Carol was Deputy Chair of Pymont Community (Bendigo) Bank where she is still an Adviser.

She is a member of Jacksons Landing Pymont Community Association, and is also actively engaged in a range of 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 10 years.



LEL SMITS
BA BMA MA (JOURNALISM) DIPINVREL

Lel is an experienced finance journalist and awarded entrepreneur and director, including being named Director of the Year by Women in Finance and Women in Banking and Finance Rising Star Finalist in 2022. As advisor to ASX listed companies Lel has more than 15 years of experience as a communications and governance professional working to drive economic empowerment in our community. Following a successful career as a broadcast finance journalist in Australia, Lel relocated to Wall Street to work as the New York foreign correspondent for Australian Financial Review's digital division and a markets reporter inside the New York Stock Exchange for an independent media company in New York.

Returning to Sydney, Lel co-founded Australia's premier investor and media relations consultancy - The Capital Network. Under Lel's leadership the growing team has serviced more than 200 listed companies and fund managers and has been recognised with industry awards. Lel specialises in digital investor communications and has guided hundreds of people and companies to establish and grow their profiles and enhance communications. While her own online professional, informative and educational investor video content has been viewed more than 1 million times she has dedicated her voluntary work to providing independent thought leadership and service to the investment community to foster economic empowerment.

Lel has completed AICD's Governance Foundations for Not-for-Profit Directors.



MICHAEL JACKSON
LLB GAICD

Michael was appointed as a director and company secretary of ASA in February 2021. He has over 30 years' experience as a director, company secretary and corporate executive. His experience includes setting strategy, managing risk and structuring, negotiating and implementing complex projects and contracts. He has experience in both the private sector and government.

Michael led a team of lawyers and contract managers at a global aerospace, space, transportation, defence, and security group. Earlier in his career he was Chief Operating Officer at a financial institution, with responsibility for a diverse range of corporate services. He is an experienced General Counsel and Company Secretary. Michael has worked in environments with complex stakeholder relationships and has deep experience working with regulators. He is a keen investor.



MIKE ROBEY
BSC PHD

Mike 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 middle and senior 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 Telstra in 2009 to form his own business consultancy. He brings a range of skills to the board, from strategic planning, customer service management in digital businesses, technical management and organisational development to marketing and 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 served as a Director of an ICI Credit Union and as an adviser to entrepreneurs in the Fudan Software Park in Shanghai.

He has been a company monitor for three years and is currently joint Company Monitoring Committee Chair for Victoria.

Mike has completed AICD's Governance Foundations for Not-for-Profit Directors.



STEVEN MABB
GAICD, CHAIR

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, Risk & Audit 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 required skills to the board including strategic planning and better ways to develop culture and staff retention. 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 served as Queensland State Chair from 2020 to 2022 and was appointed Chair of the ASA Board in March 2022.

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 Foundations for Not-for-Profit Directors.

COMPANY SECRETARY



JOLY MARIE BATAÇ BBUS
MICHAEL JACKSON LLB GAICD

Joly Marie Batac was appointed joint company secretary on 28 September 2020 and resigned on 26 May 2022.

Michael Jackson was appointed 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 direction 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, and staff for the Board strategy meeting in November 2022.

The Board also reviews progress against 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.



2022 TABLE OF ATTENDANCE

During 2022 attendance by individual directors at meetings they were eligible and entitled to attend as set out in the table below:

BOARD	APPOINTED	RESIGNED	NO. ELIGIBLE	NO. ATTENDED
Allan Goldin	17/05/2016	04/03/2022	1	1
Julieanne Mills	04/03/2022	Current	3	3
Lel Smits	24/02/2021	Current	4	4
Peter Rae	21/05/2019	04/03/2022	1	1
Michael Jackson	24/02/2021	Current	4	4
Carol Limmer	01/03/2019	Current	4	4
Mike Robey	21/05/2019	Current	4	4
Andrew Kearnan	27/02/2020	Current	4	4
Steven Mabb	16/06/2020	Current	4	4

BOARD SUBCOMMITTEES

The following are the membership of the Board subcommittees:

Remuneration & Nomination

Chair: Carol Limmer

Members: Michael Jackson and Steven Mabb

Finance, Risk & Audit

Chair: Andrew Kearnan

Members: Michael Jackson, Steven Mabb, Mike Robey

Policy

Chair: Mike Robey

Members: Carol Limmer, Andrew Kearnan and Julieanne Mills

Education

Chair: Lel Smits

Members: Julieanne Mills and Steven Mabb

Marketing & Membership Contact Point

Steven Mabb and Lel Smits

MEMBERSHIP

Member revenue increased 12% and the total number of members increased by 30% to 6,215 (individual and corporate membership) year over year.

We began testing a trial membership incentive with appropriate third-party organisations, which contributed a large part of the overall increase in the total number of members. Some of these trial members also invested in activities such as Investor Conference and the Virtual Investor Summit, which contributed to ASA revenue and ultimately helped to support all members. We will continue to evaluate the benefits of this incentive throughout 2023, as we are focused on significantly increasing the size of the ASA community in the next few years.

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 surplus from ordinary activities of \$65,426 resulted for the 2022 year (2021: deficit \$170,394). Revenues in 2022 were \$1,316,505, up 11% on the previous year (2021: \$1,181,785)

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 2022 the association had cash and deposit balances totalling \$1,071,612 (2021: \$1,015,846).

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

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 2022.



STEVEN MABB

Chair

Sydney, 24 March 2023



ANDREW KEARNAN

Director

24th March 2023

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

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

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2022 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



Edward Chow
Principal

FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTE	2022 \$	2021 \$
Revenue from continuing operations:			
Operating revenue	2	1,307,910	1,141,672
Interest income		2,664	3,126
Government Stimulus (JobKeeper & Cash Flow Boost)		-	36,987
Other income		5,931	-
Total revenue		1,316,505	1,181,785
Employee benefits expense	3	(712,803)	(794,267)
General administration expenses	3	(342,136)	(288,417)
Conference expenses		(139,800)	(212,533)
Depreciation expenses	3	(56,340)	(56,962)
Total expenses		(1,251,079)	(1,352,179)
Surplus/(Deficit) before income tax		65,426	(170,394)
Income tax expense		-	-
Total income/(deficit) after income tax		65,426	(170,394)
Other comprehensive income		-	-
Total comprehensive income/(deficit) for the year		65,426	(170,394)
Total comprehensive income/(deficit) attributable to members of the entity		65,426	(170,394)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	NOTE	2022	2021
ASSETS		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	5	1,071,612	1,015,041
Trade and other receivables	6	108,350	127,440
Other assets	7	57,527	33,365
TOTAL CURRENT ASSETS		1,237,489	1,175,846
NON-CURRENT ASSETS			
Other assets	7	11,300	11,300
Property, plant and equipment	8	1,773	1,773
Right-of-use asset	12	103,288	159,628
TOTAL NON-CURRENT ASSETS		116,361	172,701
TOTAL ASSETS		1,353,850	1,348,547
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	125,424	75,221
Provisions	10	33,967	28,863
Contract liabilities	11	658,426	722,476
Lease liability	12	60,065	57,321
TOTAL CURRENT LIABILITIES		877,882	883,881
NON-CURRENT LIABILITIES			
Provision	10	7,059	4,297
Lease liability	12	54,727	111,613
TOTAL NON-CURRENT LIABILITIES		61,786	115,910
TOTAL LIABILITIES		939,668	999,791
NET ASSETS		414,182	348,756
EQUITY			
Retained surpluses		414,182	348,756
TOTAL EQUITY		414,182	348,756

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	RETAINED SURPLUSES	TOTAL EQUITY
	\$	\$
Balance at 1 January 2022	348,756	348,756
Surplus for the year	65,426	65,426
Other comprehensive income/deficit	-	-
Total comprehensive income	65,426	65,426
Balance at 31 December 2022	414,182	414,182
Balance at 1 January 2021	519,150	519,150
Deficit for the year	(170,394)	(170,394)
Other comprehensive income/ deficit	-	-
Total comprehensive deficit	(170,394)	(170,394)
Balance at 31 December 2021	348,756	348,756

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTE	2022	2021
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		1,378,478	1,200,176
Government assistance received		-	36,987
Payments to suppliers and employees		(1,261,755)	(1,375,720)
Interest received		2,664	3,126
Net cash provided by (used in) operating activities	18	119,387	(135,431)
CASH FLOWS FROM INVESTING ACTIVITY			
Payment for plant and equipment		-	(1,773)
Net cash used in investing activity	19	-	(1,773)
CASH FLOWS FROM FINANCING ACTIVITY			
Payments of lease liability		(62,816)	(56,339)
Net cash used in financing activity		(62,816)	(56,339)
Net increase (decrease) in cash held		56,615	(193,543)
Cash and cash equivalents at beginning of financial year		1,015,041	1,208,584
Cash and cash equivalents at end of financial year	5	1,071,612	1,015,041

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 – Simplified Disclosure as set out in AASB 1060: *General Purpose Financial Statements – Simplified Disclosures for For-profit and Not-For-Profit Tier 2 Entities*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures 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).

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:

Class of Fixed Asset	Useful Life
Office Furniture & Equipment	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. Cash and Cash Equivalents

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

e. 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.

f. 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

g. 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.

h. 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.

i. 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.

Leases

Significant judgement is used to determine the lease term of contracts with renewal options. The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised. The Company applies judgement in evaluating whether it is reasonably certain it will exercise an option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) an option to renew (e.g. a change in business strategy). The Company also applies judgement and estimates when determining the net present value of the lease liabilities recognised in the Statement of Financial Position, in particular the determination of an appropriate discount rate.

Provision for long service leave

Provision for long service leave expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

j. Lease Accounting

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 2022

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 Shareholders' 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. Depreciation on the Right of Use Asset and lease liability interest expense were also recognised for the financial year ended from 31 December 2019 as a result of adopting AASB 16.

k. Accounting Standards Applicable in Future Periods

A number of new standards, amendments to standards and interpretations have been published but are not yet mandatory and have not been applied in preparing these financial statements. Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the year ended 31 December 2022.

The business has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTE	2022 \$	2021 \$
NOTE 2: REVENUE			
Operating Revenue			
Membership fees		804,778	717,008
Investor conference, education and meetings		473,190	421,038
Other revenue		29,942	3,626
Total operating revenue		1,307,910	1,141,672

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

	NOTE	2022 \$	2021 \$
NOTE 3: SURPLUS FOR THE YEAR			
Expenses			
Depreciation:			
Right-of-use asset (AASB 16)		56,340	56,339
Computer equipment		-	623
Total depreciation and amortisation		56,340	56,962
Employee benefits expense:			
Salaries and wages (i)		599,292	717,145
Superannuation		57,789	64,900
Contractor costs		32,881	-
Leave expenses		7,866	(3,310)
Other employee expenses		14,975	15,532
Total		712,803	794,267
(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. This resulted in a higher salary cost for the year ended 31 December 2021.			
General administration expenses:			
General and administration expenses		125,507	87,813
Newsletter expenses		88,557	101,230
Education and meetings		47,452	36,896
Professional fees		44,080	17,539
IT Infrastructure & website development		27,866	34,444
Interest expense – AASB 16 lease liability	i	8,674	10,495
Total		342,136	288,417

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTE 4: TAX EXPENSE	NOTE	2022 \$	2021 \$
a. The components of tax (expense)/income comprises:			
Current tax		-	-
Deferred tax		-	-
b. The prima facie tax on profit from ordinary activities before income tax is reconciled to income tax as follows:			
Prima facie tax payable on surplus / (deficit) from ordinary activities before income tax at 25% (2021: 26%):		16,357	(44,302)
Add: Tax effect of:			
other non-allowable items		307,240	347,930
losses not brought to account as a deferred tax asset		10,333	15,483
Less: Tax effect of:			
deductible expenses		64,902	(16,090)
non-assessable income		(269,027)	(303,021)
Income tax attributable to entity		-	-
c. Available tax losses		524,987	483,654
Tax losses are available for non-mutual income to the extent that it exceeds non mutual deductible expenses.			

NOTE 5: CASH AND CASH EQUIVALENTS

CURRENT			
Cash at bank		531,759	477,715
Cash on deposit	(i)	539,853	537,326
		1,071,612	1,015,041

- (i) Term Deposits are made up of 2 deposits:
- \$250,000 - Maturing 30 December 2023, earning 4.1%
 - \$289,893 - Maturing 28 December 2023, earning 4.1%

Cash on Deposit is considered to be Term Deposits. 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	2022 \$	2021 \$
CURRENT			
Trade Debtors		108,350	126,545
Interest receivable		-	895
		108,350	127,440

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTE 7: OTHER ASSETS

CURRENT			
Prepaid expenses		57,527	33,365
NON-CURRENT			
Bonds Paid		11,300	11,300
TOTAL		68,827	44,665

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

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

NOTE 9: TRADE AND OTHER PAYABLES

	NOTE	2022 \$	2021 \$
CURRENT			
Trade creditors		45,129	7,056
Accruals		42,924	13,261
Other creditors		37,371	54,904
	9a	125,424	75,221
a. Financial liabilities classified as payables			
Payables:			
Total current		125,424	75,221
Financial liabilities as payables	17	125,424	75,221

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTE 10: PROVISIONS

CURRENT			
Annual leave	10a	33,967	28,863
NON-CURRENT			
Long Service Leave	10a	7,059	4,297

(A) ANALYSIS OF TOTAL PROVISIONS:

**EMPLOYEE
BENEFITS
\$**

Opening balance at 1 January 2022		33,160	36,470
Net provisions raised/(used) during year		7,866	(3,310)
Balance at 31 December 2022		41,026	33,160

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: CONTRACT LIABILITIES

	2022 \$	2021 \$
Membership fees in advance	519,031	574,939
Conference income in advance	138,500	143,017
Unallocated Membership payments	895	4,520
	658,426	722,476

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 recognises contract liabilities for the unexpired portion of the cash paid for membership renewals during the year (i.e. that portion that does not fall into 2022 income) at 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTE 12: LEASE

	2022 \$	2021 \$
Right-of-use asset		
At cost:	269,668	269,668
Less accumulated depreciation	(166,380)	(110,040)
Carrying amount	103,288	159,628
Balance at the beginning of the year	159,628	217,898
Additions at cost	-	-
Write-backs	-	(1,931)
Depreciation expense	(56,340)	(56,339)
Carrying amount at the end of the year	103,288	159,628
Lease liability		
Current	60,065	57,321
Non-current	54,727	111,613
	114,792	168,934

Lease liability represents a non-cancellable operating lease contracted and has been capitalised in the financial statements. The current lease for Elizabeth St Sydney has been renewed and will expire in October 2023.

NOTE 13: EVENTS AFTER THE REPORTING PERIOD

Apart from any as yet undetermined impacts from any re-emergence of coronavirus outbreaks (COVID-19) which may 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.

NOTE 14: 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:

	2022 \$	2021 \$
Total key management personnel compensation (i)	417,410	435,233

(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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTE 15: 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 16: 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	2022 \$	2021 \$
Financial assets			
Cash and cash equivalents	5	1,071,656	1,015,041
Trade and other Receivables	6	108,350	127,440
Total financial assets		1,180,006	1,142,481
Financial liabilities at cost:			
Trade and other Payables	9	125,424	75,221
Lease liabilities	12	114,792	168,934
Total financial liabilities		240,216	244,155

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 2022

NOTE 17: 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 18: NOTE TO THE STATEMENT OF CASH FLOWS

	2022 \$	2021 \$
Reconciliation of operating loss to net cash generated from operating activities:		
Surplus/(Deficit) for the year	65,426	(170,394)
Non-cash flows in surplus:		
Depreciation – Right of use assets	56,340	56,962
Interest Expense – lease liability	8,674	-
Changes in assets and liabilities:		
Decrease/(increase) in receivables	19,090	(82,668)
Decrease/(increase) in prepayments	-	19,445
Decrease/(increase) in other assets	(24,162)	-
Decrease/(increase) in contract liabilities	(63,050)	21,187
(Decrease)/increase in payables	50,203	23,347
(Decrease)/increase in provision	7,866	(3,310)
Net cash provided by/(used in) operating activities	119,387	(135,431)

NOTE 19: 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 2022 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.



STEVEN MABB

Chair



ANDREW KEARNAN

Director

Sydney, 24 March 2023

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Shareholders' Association Limited (the Company), which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) giving a true and fair view of the Association's financial position as at 31 December 2022 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosure 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* (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

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

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 2022 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 – Simplified Disclosure and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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



Walker Wayland NSW
Chartered Accountants



Edward Chow
Principal

Dated this 5th day of April 2023, Sydney

ANNUAL REPORT 2022

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