From strength to strength

Despite difficult economic conditions, the Institute continues to gain financial strength and its net worth has provided a secure financial footing for future success.

The year ahead will largely be one of consolidation, rebuilding and embarking on some new directions in response to widespread industry changes over recent years. I have no doubt that we will still build on rather than draw on our reserves during 2003.

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STRATEGY
Strategically, industry education remains at the top of our agenda. The provision of practical, contemporary and innovative education is the Institute’s main pathway in the constant pursuit of our mission—raising industry standards.

Major achievement throughout 2002 included:

- Renewal of our RTO (Registered Training Organisation) status under the new Australian Quality Training Framework (AQTF)—a major exercise we have to address every five years—in addition to annual self-audit.
- Re-accreditation of our Higher Education status for postgraduate programs—again, a demanding five-yearly review required to satisfy the education departments of every state and our university peer group.
- The revision and restructure of our postgraduate awards—certificate, diploma and masters—into more contemporary programs.
- Fundamental reshaping of our open-entry curriculum to address the competency-based requirements of the ASIC-endorsed Financial Services Training Package—the FSTP.
- Further development of online capabilities and our website Subject Rooms.

Our aspiration to be the pre-eminent provider of financial services qualifications continues to be our highest and probably most challenging priority.

Positioning the Institute as the preferred choice for professional development and continuing education in financial services has ranked high on our strategic agenda.

Our PD offerings to members were well supported throughout 2002. We delivered 75 seminars nationally, headlined by the ASIC Speaks series, which alone attracted more than 3500 attendees. Our other seminars, workshops, corporate briefings and luncheon events were equally well received throughout all states—the Prime Minister’s Luncheon event in Sydney, which drew a capacity audience of more than 500 was probably the highlight.

In addition, we organised and co-hosted the Institute’s first industry conference (in conjunction with the US-based AIMR and its local chapters)—The Australasian Investment Management Conference. The two-day event was a resounding success—widely applauded for the quality of the speakers and technical excellence of the program.

Our objective for 2003 and beyond is to add elements of educational rigour to supplement and extend the range of our traditional PD offerings. The ever-increasing demands on our members for regulatory compliance and best practice warrant more innovative and proactive support from the Institute.
To this end we have established a dedicated PD team within our Knowledge and Learning Development department to draw on and leverage the intellectual property embedded in our award education programs. The team’s objective is to create opportunities for practitioners to continually update their technical skills and participate in readily accessible learning activities of topical interest.

A deeper commitment to the financial planning sector featured strongly in our strategic planning last year and promoted the development of a range of new award education offerings at open-entry and postgraduate level—launched at the commencement of 2003.

Recent industry disquiet generated by the high profile and highly critical ACA/ASIC survey has firmed our resolve to support professional financial advisers more fully.

It is becoming increasingly clear that education alone is an insufficient basis for the Institute to assert its presence and further the cause of raising industry standards in the sector. We are currently engaging in discussion with a wide range of industry leaders and practitioners, canvassing the options and possibilities for more fulsome Securities Institute representation and advocacy.

In addition to those strategic objectives we are pursuing an international agenda that aims to position the Institute as a credible, highly regarded global organisation with a strong market presence in Asia. We have some 1500 students who study with the Institute via distance education from over 50 countries worldwide. Our project work in developing economies under the auspices of agencies such as AusAID and the Asian Development Bank is gaining acclaim. Groundwork laid down during 2002 is producing an impressive series of activities in South East Asia, enhancing the stature of the Institute both domestically and abroad.

We are also cementing productive education and membership alliances, extending the Institute’s reach through collaboration with like-minded organisations. Our long-standing relationship with the Institute of Chartered Accountants in Australia (ICAA) is a prime example of the productive and mutually beneficial alliances that we have fostered both locally and internationally.

A year of growth

The Institute is gaining more members and while education remains a core business, it is also necessary to become a stronger advocate on a range of industry issues.

It is a pleasure to report another profitable year, with a net surplus of $2.6 million for the year—compared with just over $3 million in 2001. This is particularly pleasing in light of the uncertainty in financial markets, resulting in pressure on enrolments in the Institute’s traditional courses.

However, membership grew by 10% to 10,138 members at year-end which is a pleasing result.

We are also grateful to the committed involvement of industry practitioners in our educational endeavors as this is the major factor which differentiates the Institute’s courses from other educational offerings for the industry. Our thanks goes to the more than 1400 practitioners who so willingly lecture, present training courses, write materials, serve on task forces, committees, and Regional and National Councils.

Without their expertise and contribution the Institute would be unable to provide such high quality courses.

It is also pleasing to inform members that the Scholarships for Disadvantaged Students—two scholarships a year (one in open entry and the other in postgraduate) will be available through the Smith Family Learning for Life Program. They will be known as the “Roslyn Allan Scholarships” in recognition of Roslyn’s 20 years as Managing Director of the Institute.

POLICY

The Institute has again been active on a number of key policy and regulatory issues facing the industry. A submission was made on CLERP 9 advocating a principles-based approach to corporate governance. We also achieved capital gains tax rollover relief for companies demerging.

A series of “President’s Forums” was introduced in 2002. Industry and community leaders gathered, giving us