

# Directors' Report

Your directors submit this report for the year ended 30 June 2008. The names of the company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated. Their qualifications, experience and special responsibilities are set out in the Annual Report.

Director
Arthur Barker (ceased 7 March 2008)
Robert Bruce
Ged Byrnes
Fraser Duff
Antony Elliott
Peter Johnson
Christopher Luhrmann (appointed 8 March 2008)
Kevin McDonald
Thomas Roche

## Corporate Structure

The Company is limited by guarantee. The liability of each member in respect of liabilities of the company, as specified in the Constitution, is limited to \$100.

## Nature Of Operations And Principal Activities

The principal activity of the Company during the financial year was as an Industry Association within the Australian Security Industry.

No significant change in the nature of this activity occurred during the year.

## Employees

The company employed 12 employees as at 30 June 2008 (2007: 13 employees).

## Operating Results For The Period And Review Of Operations

The Association earned a net surplus for the year of \$12,551 (2007: \$1,455,891). The Association's reserves rose to \$2,113,415.

The Association remains committed to its policy of reinvesting a significant proportion of prior year surpluses into improving services to members nationally and promoting the use of member companies by consumers, whilst directing the balance in building reserves for when they are needed.

The investment of \$250,000 on the national consumer awareness campaign is evidence of this.

Over the past year continued improvements have been made to the Association's communications channels. This included a major overhaul of the ASIAL web site and further enhancements to the electronic newsletter service, *First Alert*. Additionally, resources have been directed towards local branch functions which has resulted in improved levels of attendance and participation by members.

An ongoing priority over the past year has been the resolution of long-standing compliance issues involving ASIAL members. This has resulted in a number of members being terminated or expelled from the Association.

The significant fall in gross overall revenue from last year can be explained by the sale of the exhibition and the loss of revenue from exhibition stand sales. When the revenue generated from the exhibition is excluded, income from all other activities was up just over 7% for the year.

Total expenses for the year rose 7.4%, a key component of this increase was the \$250,000 investment in the national awareness campaign.

## Significant Changes In The State Of Affairs

No significant change in the state of affairs of the Company occurred during the financial year.

## Significant Events After Balance Date

No significant events have taken place after the balance date.

## Likely Developments And Expected Results

The Directors have budgeted on a small surplus for the coming year. Depending on the results of non-mutual activities, tax may again be payable.

Over the coming year the Association will explore the possibility of purchasing a property to accommodate the needs of the Secretariat and to provide an ongoing revenue stream from tenants.

The Association is planning to build on the consumer awareness program launched in 2007, to further consolidate the message to always use a licensed security professional, and to ensure that they are a member of the Association.

Ongoing support as an industry partner will be provided to the benchmark research into our industry, which will conclude over the next year.

Compliance continues to be a key focus for the Association, with a range of initiatives planned. The balance in the fund established for the Centre of Compliance is expected to be sufficient to cover this. The Association continues to benefit from the support of AON and Liberty in raising standards and the compliance monitoring of members.

The Association's obligations under State legislation for compliance and continuing professional development have been provided for in the budget.

The Association is exploring opportunities to develop industry certification and assessment schemes across a range of sectors to further raise levels of professionalism.

### Indemnification And Insurance Of Directors And Officers

During the year, the company has paid a premium in respect of a contract insuring directors and officers against:

- (a) liability arising from wrongful acts committed in their capacity as directors and officers of the company, but excluding dishonesty, fraud, malicious conduct or wilful breach of duty; and
- (b) the costs of legal representation in relation to such liabilities.

The premium paid was \$6,140, which also includes cover for the company in respect of loss it suffers as a result of wrongful, wilful or fraudulent acts of its directors, officers and employees. This contract complies with Section 199B of the Corporations Act 2001.

### Proceedings On Behalf Of The Company

No person has applied for 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.

### Auditors

Foster Raffan continues to act as auditors in accordance with Section 327 of the Corporations Act 2001.

### Directors' Emoluments And Transactions

No emoluments have been received or are due and receivable by Directors from the company or any related body corporate.

No Director has received or become entitled to receive, during or since the end of financial year, a benefit because of a contract made by the company or a related body corporate with the director, a firm of which a director is a member or an entity in which a director has a substantial financial interest.

### Directors Meetings

Attendance by each director at board and board committee meetings, held during the period each director held office this year, is shown in the table below. The number of meetings is in brackets.

Director	Attendance at Board meetings
Arthur Barker	3 (4)
Bob Bruce	6 (6)
Ged Byrnes	6 (6)
Fraser Duff	6 (6)
Antony Elliott	6 (6)
Peter Johnson	6 (6)
Chris Luhrmann	1 (2)
Kevin McDonald	6 (6)
Tom Roche	5 (6)

National Council	Attendance at Council meetings
Arthur Barker	2 (2)
Bob Bruce	2 (2)
Ged Byrnes	2 (2)
Paul Corson	1 (2)
Fraser Duff	0 (2)
Antony Elliott	2 (2)
Peter Johnson	2 (2)
Neville Kiely	1 (2)
Chris Luhrmann	2 (2)
Kevin McDonald	2 (2)
Tom Roche	2 (2)
Bill Whalley	1 (2)
Malcolm Wolfe	1 (2)

A copy of the auditors' independence declaration, as required under section 307C of the Corporations Act 2001, is set out on page 18.

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



**Ged Byrnes**  
Director



**Fraser Duff**  
Director

Crows Nest, 22nd July, 2008