



# Report and Accounts 2004/2005

Presented to the Staple Inn Actuarial Society on Tuesday  
25<sup>th</sup> October 2005

## Members of the Committee 2003/2004

### Honorary Officers

Peter Gatenby	Chairman
Adrian Hartshorn	Honorary Secretary
Paul Sweeting	Honorary Treasurer

### Ordinary Members

Amanda Prest  
Daire O'Neill, *Convenor, Social Subcommittee*  
Emily Demetriades, *Programme Subcommittee*  
Leza Engelbrecht  
Margaret DeVelois  
Panayiotis Demetriades  
Ross Leach  
Ross Pritchard,  
Simon Jeffery, *Convenor, The Actuary Subcommittee*  
Steve Longworth,  
Trevor Fannin, *Convenor, Marketing & Communications Subcommittee*  
William Bennet (Co opted)

### Representation

Our representatives on professional committees during the year were:

<i>Careers Committee</i>	Paul Sweeting
<i>CPD Committee</i>	temporary vacancy
<i>Younger Members Conference</i>	Daire O'Neill
<i>Education Committee</i>	Ross Leach
<i>Membership Committee</i>	temporary vacancy
<i>Sessional Meetings Committee</i>	Adrian Hartshorn
<i>Student Consultative Committee</i>	Hannah Cook

### Objectives of the Society

Our main aim is to provide opportunities for younger members of the actuarial profession to attend and participate in open discussion of professional interest and to prepare papers for publication and discussion. SIAS also organises many social events so that members can meet each other on an informal basis. We publish The Actuary magazine on behalf of the profession, maintaining editorial independence from the Faculty and Institute of Actuaries.

## **Chairman's Report 2005**

The past year has been another successful one for the Society. A strong programme of sessional meetings has seen a series of well-written, accessible and in some cases interesting papers on a wide variety of topical subjects.

A wide array of social events has also been on offer, the highlights once again being the Annual Supper and the summer river cruise. In addition, the Society has provided bursaries to students at City University and funded travelling expenses for a member providing tuition to actuarial students in China. In doing all this we have been guided, but not constrained, by the Society's Long Term Plan.

The Committee has worked very hard to put all these activities in place. I would like to thank all of them for their efforts, with special mention of Adrian Hartshorn, Secretary and Paul Sweeting, Treasurer. Adrian is retiring from the Committee along with Leza Wells, Panayiotis Demetriades and Steve Longworth.

**Peter Gatenby, Chairman**

## **Review of the Year**

During 2004/05 we have sought to continue to build SIAS in line with the Long Term Business Plan. This has resulted in repeating some of the successful aspects from previous years and also developing some new areas that will lead to SIAS providing an enhanced service to its members.

Some of the successful events that took place in 2004/05 included:

- § A very successful Annual Supper which had a 'black & white' theme
- § Papers on diverse topics including share valuation and climate change; and
- § A number of mortality related papers, which have been particularly topical.

Turning to the new areas that SIAS have developed during the year, our new website is under development and will be available in the 2005/06 session and we have introduced a matching sponsorship arrangement during 2004/05 which has been very successful.

Once again this year has been both exciting and challenging for the SIAS committee. I shall be retiring at the AGM. In reflecting on the 6 years I have served the committee (2 as Honorary Secretary) I can honestly say that I have enjoyed my time as a committee member. I wish my successor all the very best in taking matters forward into 2005/2006.

**Adrian Hartshorn, Honorary Secretary**

## **Marketing and Communications**

The Marketing and Communications subcommittee, led by Trevor Fannin, has been responsible for encouraging membership of SIAS, publicising upcoming events and improving the marketing of the Society and its events.

## **Membership**

The total number of members as at September 2005 was 8,113, including 3,181 Fellows and 4,714 Students, an increase of almost 40% on the previous year.

In view of the Society's aim to cater for the needs of younger members, our focus remains on improving the membership profile by attracting more students and newly qualified actuaries. In order to improve awareness of SIAS and upcoming events, this year we have:

- § provided all members of the profession with a desktop calendar of events;
- § included a presentation in the graduate induction week for a number of companies; and
- § are currently working on improving our email distribution.

We are aware that many people have found it difficult to determine whether they are a member of SIAS or not. This year we have worked with the Institute in communicating membership status on yearly subscription forms and have made it easier to become a member.

We continue to offer free membership in the first year for new members of the profession, provide sponsorship for the Younger Members Convention and, working with the Institute, sponsor some actuaries to travel to China to provide lectures for the professions examinations.

### ***Website [www.sias.org.uk](http://www.sias.org.uk)***

The SIAS website is regularly updated and has all the latest information on forthcoming meetings (including papers) and social events (including application forms).

SIAS is in the process of reviewing and updating the website and a small subcommittee, made up of William Bennett, Margaret deValois and Steve Longworth aim to complete this by Spring 2006. The main objectives of the review are to improve the presentation of the website, the information available for members and to make the site easier for the committee to add information quickly.

SIAS welcomes suggestions for improvements and feedback on the website and it's marketing through [info@sias.org.uk](mailto:info@sias.org.uk).

## Programme

SIAS continues to present a full programme of papers and lectures covering a diverse array of topics in all areas in which actuaries have an involvement. This year we were fortunate to have a number of interesting and topical issues discussed in each of the main actuarial disciplines as well as talks from wider areas and external viewpoints.

SIAS would like to thank all of the authors and presenters for the time involved in producing and delivering the material, and offer our congratulations on maintaining the high standard of contributions. Our thanks also go to those who volunteered to act as chairmen, journalists and contributors on the night, as well as the Institute staff who are key to the success of the programme.

The meetings held during the 2004/2005 session were as follows:

### 2004/2005 Program of Meetings

<b>Date</b>	<b>Title</b>	<b>Author</b>
21-Oct-04 (AGM)	Financial Aspects of Longevity Risk	Stephen Richards and Gavin Jones
05-Nov-04	The Management of the Discontinuance of Large Defined Benefit Schemes Working Party	Costas Yiasoumi, Dennis Canham, Neil Wharmby and James Miller
09-Dec-04	Movement in Life Insurers Fair Value Accounts	Adrian Parkes & Penny Burnham
20-Jan-05	Valuation of Share Options	John Ball
10-Feb-05	Jubilee Lecture - Is The Ageing Population A Disaster Or A Triumph For Us All?	Baroness Greengross
16-Mar-05	Pension Board	Margaret Marchetti
04-May-05	Communication and Financial Education	Laura Brown & Neil Wharmby

15-Jun-05	Impacts of Climate Change on Financial Institutions' Medium to Long Term Assets and Liabilities	Louis Perroy
20-Jul-05	Mortality Experience Analysis	Grigory Spivak & Hai Luc
31-Aug-05	Modelling Dependencies: An Overview	Martyn Dorey and Phil Joubert
04-Oct-05	'Welcome to The Staple Inn Actuarial Society' - Welcome Drinks & Education Overview	Georgina Warren

## **SIAS Prize**

The Committee have awarded the annual SIAS prize to **Martyn Dorey and Phil Joubert** for their paper on Modelling Dependencies: An Overview.

## **Program for 2005/2006**

We are currently putting together the program for the 2005/2006 session. All meetings, except the Annual General Meeting (AGM), start at 6pm in Staple Inn with refreshments from 5.30pm. There is a free buffet supper after the meeting, normally held in the nearby Citty of Yorke.

The AGM on 25 October 2005 starts at 5.30pm and will be followed by a paper presented by the Chronic Disease Working Party.

## **Provisional Program of Meetings 2004/2005**

Anyone considering writing a paper for the next session should contact the SIAS Program Convenor (see The Actuary or visit the SIAS website for contact details).

Meetings are currently scheduled for the following dates, with topics and authors to be confirmed nearer the time:

25 Oct 2005 (AGM – see above)	9th May 2006
15 November 2005	6th June 2006
13 December 2005	4th July 2006
10th January 2006	8th August 2006
28th February 2006	26th September 2006
28th March 2006	

## Social

There were two new joiners to the SIAS Social Sub-Committee this year, Amanda Prest and Ross Leach who together with Stephen Longworth (previously the marketing convenor of SIAS) and Daire O’Neill (Social Convenor) were assigned the task of running the social events throughout the year. Yet again, it proved to be a busy one.

To recap on some of the highlights:

- § The Annual Supper took place in November 2004. It was a first in two ways: it was the first time an Annual Supper was held on a Friday night, allowing people to ‘let their hair down’ a little bit more without worrying about sore heads at work the next morning; and
- § It was also the first time a theme was used – the theme was ‘Black & White’. It was a well attended event with people making a special effort – police women, Storm Troopers and even Darth Vader were present on the night!
- § The Pool tournament at the start of the year has been gaining in popularity each year. With 40 teams battling through the group stages, it was well-contested throughout the night.
- § The Wine Tasting held in February proved a popular event with plenty of fine Burgundy wine consumed over the course of the night and many hoping that it would become a regular event.
- § The over-subscribed St Patrick’s Day quiz which had a mix of unusual rounds, one of which was a popular ‘Famous Patricks’ round, was a great success with a full complement of teams taking part on the night.
- § The 5-a-side football tournament, despite being held on Father’s Day, was a success with even the weather on our side this year. Fewer teams took part than last year but those that did certainly enjoyed it.

§ The Summer Surprise was a boat party with a 'Beach' theme on the newly renovated Sundance moored down by Temple Pier. With a BBQ on the open deck, plenty of beach balls (although some ended up floating down the Thames), and even a candy floss machine, it was a night enjoyed by all. In fact, most people decided to continue the partying in the nearest bar afterwards in their beach attire along with the odd remaining beach ball!

Other events held throughout the year included the 10 Pin Bowling and the Go-Karting.

Events to come later this year include the Welcome drinks on Tuesday October 4<sup>th</sup>. This is an excellent opportunity for new members of SIAS to meet and mingle and it will be combined with a talk on Education. The Treasure Hunt takes place on Thursday October 27<sup>th</sup> and promises, as ever, to be a really fun night. For further information on future SIAS events and indeed to read reviews on previous events, check [www.sias.org.uk](http://www.sias.org.uk).

## **The Actuary**

Publication of The Actuary magazine continues to provide a substantial income for SIAS. The majority of the income derives from advertising revenue, which amounted to £575k in 2004/5, an increase of 13% on the previous year. The net income from the magazine attributable to SIAS this year was just under £50k, an increase of 30%.

The production of the magazine is outsourced to a specialist publication company, Three Rivers Publishing. On 31<sup>st</sup> December 2004, the long-standing contract with Three Rivers Publishing was renewed for a further period of three years.

The activities and performance of Three Rivers Publishing are guided by two prime mechanisms:

- The Actuary Management Committee. This committee meets around 4 times a year, and is currently chaired by the CEO of The Actuarial Profession. The objective of this committee is to monitor the operational and financial performance of Three Rivers Publishing. The rest of the committee is made up from members of the SIAS Committee, and members and staff of The Actuarial Profession.
- The Editorial Advisory Panel. This committee consists of the magazine's editors, and of volunteers from The Actuarial Profession. It serves primarily as a forum to discuss and generate a flow of material for the magazine content.

On a day-to-day basis, the content is controlled and managed by a team of voluntary editors - appointed by SIAS. This year has seen a larger than usual change in the editorial team. Matthew Edwards, Joanne Alder, Mary Ann McNally and Hannah Cook have completed their contributions to the magazine. And we welcome four new members – Timothy Bramham (Editor), Wendy Crockford (Features Editor), Paula Jackson (Deputy Features Editor), and Tristan Walker-Buckton (Student Page Editor). The SIAS Committee, as always, extends its gratitude and thanks to everyone who plays their part in making the magazine a success.

There are a number of initiatives underway this year, worthy of mention. We are currently reviewing the 'look and feel' of the magazine, and are planning to implement a redesign by the end of 2005. There is also a project underway to broaden the editorial content, thus supporting The Actuarial Profession in its 'wider fields' aspirations.

The Actuary website ([www.the-actuary.org.uk](http://www.the-actuary.org.uk)) continues to prove popular. In addition to the current issue, and extensive search facilities, site now includes discussion groups, an education resource centre, and an expanded appointments section. All magazine Features going back to January 2000 are available on-line, and advertisers have the opportunity to purchase on-line space in addition to their magazine adverts. The website has a regular base of readers across the world and receives around 7,000 visits (37,000 page visits) and in excess of 2,000 job queries every month.

There are plenty of opportunities to get involved and contribute to the magazine – your magazine - in various ways, including helping with editing, generating ideas for or writing articles, or contributing puzzles. If you are interested, or have other feedback on The Actuary, please contact a member of the SIAS Committee or the Editor.

## **Acknowledgements**

The Committee would like to thank all members who assisted SIAS during the year by chairing discussions, organising and assisting with social events and contributing to the Actuary magazine. We would also like to thank the Institute Staff, both at Staple Inn and Oxford, for the assistance they have given us in running the Society.

## **Treasurer's Report**

### **Comment on financial results**

For the financial year ended 30 June 2005, the Society made an operating surplus, after taxation, of £9,459 [prior year: £28,889].

The cost of services provided to members exceeded membership subscriptions by £57,337 [prior year: £7,605].

The significant increase in costs in comparison to the previous year was due to increased subsidy of both social and programme events. The former was largely in relation to the annual supper, and the latter was largely through increased printing costs to enable papers other than those coming from actuarial employers to be published. Part of the increase in administration cost also reflects increased fees for book keeping and auditing (and part of this is reflects a change from annual to quarterly payment). Payments have also been made in respect of the redesign of the Society's website.

Income from the Actuary Magazine rose from £38,066 (gross of tax) in the prior year to £58,760. Interest on our cash reserves, post tax, of £7,934 was received [prior year: £5,052]. The Society's reserves have risen to £425,305 [prior year: £415,846].

## **Application and investment of surplus**

During the year the Committee has made, and agreed to make, a number of sponsorship payments. As announced at the 2004 AGM, matching sponsorship was made available to SIAS members, and by the end of the financial year £1,500 had been paid to various charities. The remaining £2,553 was in respect of the Younger Members Convention.

Although money had been set aside for postgraduate scholarships at City University, the University did not request these funds this year. However, the funds are expected to be utilised in the coming financial year.

Subscriptions are being kept unchanged for the 2004/2005 year.

**Paul Sweeting**  
**Honorary Treasurer**

## **Auditor's Report**

[Auditors to provide].