What is a Prospectus?

A Prospectus is a legal document lodged and/or registered with the Australian Securities Commission setting out the complete history and current status of a company share/security issue or fund. When an offer is made to the public the prospectus must be made available to all interested investors in advance of their investment.

It is also used as a selling tool for the shares, to encourage investors and can consist of:

- information about the company including such things as the structure, the functions, mission statements
- history and future of the company
- reports such as financial and Directors' reports
- information about the share offer and how to obtain shares
- application forms
- expected returns with tables and graphs
- why the investor should invest in the company

Before beginning the project you will need to have a look at some prospectuses to be familiar with what they look like. You can obtain hard copies from stockbrokers or through the companies themselves but you can also view some on-line.

The following web sites may help you to locate a couple of prospectuses that belong to other organisations (not ValleyView) but be prepared for some waiting as they may take time to download.

http://www.prospectus.datafast.net.au/