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Through our MEMBERS
WE STAND with
AUSTRALIANS
for a BETTER
financial FUTURE

In the last five years we have laid the foundations for our profession. We are now building on those foundations. There are challenges ahead and we need to face into them, but financial planners, and clients, will benefit as our profession is built.

Over the past year, financial planning has been under scrutiny like never before. As a profession, we are transitioning to a higher level. We are undergoing important changes, to prepare for a future where all consumers can be confident they are receiving sound financial advice.

It is important that we learn, understand and upgrade where necessary. Similarly to the medical profession that keeps developing new medical treatments, we must also commit to evolving and growing. There is always room for improvement.

The FPA has continued to play a leading role in defining these improvements. We have worked hard to broaden our recognition and influence as the leading professional community of financial planners in Australia – with consumers, Government and other key stakeholders.

We have been heavily involved in key inquiries and will continue to champion higher education, professional and ethical standards to ensure that consumers are adequately protected. To achieve this, we need to introduce measures that ensure these standards. FPA members have been leading the way and it is only right that these standards are consistent and applicable to every financial planner in Australia.

This year, we also remained committed to continuing to raise consumer awareness. In April, we launched our consumer campaign, *It's all you need to know*, with a simple message that positions CFP® certification as the sign of good advice. This year, for the first time, a prospective client asked me if I was a CERTIFIED FINANCIAL PLANNER® – it was personal confirmation our message is getting through. I am confident that our advertising is delivering results, and that more consumers understand the significance of the three letters, CFP.

Whilst we need to improve and change, it is important to remember what we do.

"Ultimately it's about the people we serve and the lives we change."

A client called Lesley epitomises what advice means to me.

Those who came to the FPA Professionals Congress in Adelaide, will remember that Lesley is a lady with brain cancer, who came to me with an enormous amount of worry. Not about herself, but about the financial security of her 17 year old son.

By embracing the change that is upon us, and providing our clients with good advice, we stand with all Australians for a better financial future.



She was worried about paying her medical bills, mortgage and also funding her son's university education. Lesley was completely unaware that she had a \$400,000 insurance entitlement sitting within her super funds. Thanks to professional financial advice, she is now debt-free, has an investment income, can meet her medical costs and is calm about the future.

That's the story of just one of my clients. Every professional financial planner in this country has their own library of stories where they have changed clients' lives for the better. As financial planners, that's what we do every day, and we must never underestimate the meaningful, positive difference we make.

By embracing the change that is upon us, and providing our clients with good advice, we stand with all Australians for a better financial future.

Neil Kendall CFP® FPA CHAIR





The leadership of our past Presidents, Chairs and prominent members has been the foundation upon which the FPA has been built. The FPA acknowledges the dedication shown by these leaders in our profession.

FPA CHAIRS

Neil Kendall CFP®	2014 - present
Matthew Rowe CFP®	2010 – 2014
Julie Berry CFP®	2007 – 2010
Corinna Dieters	2005 – 2007
Kathryn Greiner	2004 – 2005
Steven Helmich	2002 – 2004
John Godfrey	2002
John Hewison CFP®	2001 – 2002
Raymond Griffin	2000 – 2001
Wes McMaster CFP®	1997 – 2000
Ted Thacker	1996 – 1997
Tony Beal	1995 – 1996
Russell McKimm	1994 – 1995

FPA PRESIDENTS

Paul Clitheroe CFP®	1993 – 1994
Bernie Walshe CFP®	1992 – 1993
Greg Devine CFP®	1991 – 1992

FPA CEOS

Mark Rantall CFP®	2009 – present
Jo-Anne Bloch	2006 – 2009
Kerrie Kelly	2004 – 2006
Ken Breakspear	2000 – 2003
Michael McKenna	1998 – 1999
David Butcher	1996 – 1997
Jock Rankin	1994 – 1995
Martin Kerr	1992 – 1994

FPA LIFE MEMBERS

Dominic Alafaci CFP®
Julie Berry CFP®
Corinna Dieters
James Doogue
John Godfrey
Raymond Griffin
Steven Helmich
Ian Heraud CFP®
John Hewison CFP®
John McNeil
Matthew Rowe CFP®
Bernie Walshe CFP®

FPA FELLOWS

Dominic Alafaci CFP®
Scott Alman CFP®
Rick Arnheim CFP®
Kevin Bailey CFP®
Julie Berry CFP®
Glen Boath CFP®
Max Bourne CFP®
Paul Brady CFP®
Nick Bruining CFP®
Salvatore (Sam) Calarco CFI
Geoff Catt CFP®
Ian Chester-Master CFP®
Bruce Christie CFP®
Greg Cook CFP®
Chris Craggs CFP®
Sue Dahn CFP®
John D'Alessandri CFP®
Christine Davie
Robert de Lepervanche CFP
Lou Delfos AFP®
Corinna Dieters
Max Dixon
Malcolm Dobson AFP®
Tim Donohue CFP®
Ken Drummond CFP®
Peter Dunn
Philip Eley CFP®
George Flack CFP®
Geoff Fry
Trevor Gibson
Peter Gilkison CFP®
Tony Gillett CFP®
David Haintz CFP®
Benjamin Hancock CFP®
Ian Heraud CFP®
John Hewison CFP®
Paul Hocking CFP®
Ron Issko
Geoff Jakeman
Gary Jones AFP®
Terry Kays CFP®
Neil Kendall CFP®

Denis Kennedy CFP®

Peter Lake CFP® Louise Lakomy CFP® Rodney Lavin CFP® Paul Lawrence Wayne Leggett CFP® Stefan Lipkiewicz AFP® Gary Lucas CFP® William Mackay CFP® Tim Marshall Philip Mason-Cox CFP® Wes McMaster CFP® Ian Mein CFP® Craig Meldrum AFP® Laura Menschik CFP® Wayne Moriarty CFP® Delma Newton CFP® Peter Nonnenmacher CFP® Peter O'Toole CFP® Suren Pather CFP® Kyle Pearson CFP® Rob Pyne CFP® Ian Redpath Peter Roan CFP® David Rosenberg CFP® David Rowlands Nigel Sands CFP® Colin Scully Rod Scurrah Mark Spiers CFP® Anthony Stedman CFP® Nigel Stewart AFP® Dean Stokes CFP® Chris Taylor Stephen Wait CFP® Lyn Walker CFP® Owen Weeks CFP® Timothy George White Simon Wu CFP®

DISTINGUISHED SERVICE AWARDS

2015

Paul Brady CFP® Patrick Canion CFP®

2014

Ian Donaldson CFP®
Michael Farmer CFP®
Dimity Kingsford-Smith
Matthew Rowe CFP®

2013

Dr Mark Brimble Scott Hay-Bartlem

2012

Debbie Gampe AFP® Andrew Gricks CFP® Hari Maragos CFP®

2011

Pippa Elliott CFP®
Bev Ferris CFP®
Sandy Hopps CFP®
Gary Jones AFP®
Colleen Peffer
Laurie Pennell CFP®
Rob Pyne CFP®
Sue Viskovic CFP®
Stephen Wait CFP®
Deidre Walsh CFP®

2010

Kerrin Falconer Rodney Lavin CFP® Antony Seymour CFP® Donald Stephens

2009

Lyn Heaysman AFP® Julian Place CFP® Joe Saveniji Guy Thornycroft

2008

Sharon Knightley Louise Lakomy CFP® Delma Newton CFP® Jo Tuck CFP® Thomas Russell Tym CFP®

2007

Max Bourne CFP® Lin Burgess Steven Helmich Toni Roan Phil Thompson

2006

Ian Chester-Master CFP®

2005

Louise Biti CFP® Kym Harris Geoff Morris Peter Roan CFP®

2004

Chris Drummer Deborah Kent CFP® Bill Kouvas

2003

Kevin Bailey CFP®
Tom Collins
Ian Gillies CFP®
Peeyush Gupta
David Middleton CFP®
Kate Stephenson

2002

Corinna Dieters
John Hewison CFP®
Nina Hope
Neil McKissock CFP®
David Squire
David Williams

2001

Sarah Brennan Raymond Griffin Laura Menschik CFP® Arthur Orchard Terry Power

2000

David Barnett
Tony Beal
Julie Berry CFP®
Paul Clitheroe CFP®
Clive Herrald CFP®
Wes McMaster CFP®
Colin Scully
Ted Thacker
Peter Van West CFP®

1999

David Catchpole Geoff Catt CFP® Jim Clegg Greg Devine CFP® James Doogue Peter Dunn CFP® Rick Forster Tony Gillett CFP® David Hartgill Leonie Henry Glenese Keavney Robert Keavney Tom Laidlaw Tony Lewis Russell McKimm Brian Nankivell Graham Reeve Arthur Russell Mike Sargeant Roslyn Shirlaw Dean Stokes CFP® Geoff Taylor Bernie Walshe CFP® Max Weston Kevin Wyld

In the face of adversity and turbulence, we have fought hard to achieve some great outcomes this year. We could not have achieved these outcomes without the support of our membership.

GOVERNMENT ADVOCACY

Over the past months, our profession has continued to experience uncertainty. We have also continued to watch the public debate unfold, often with discomfort. I am a firm believer that nothing worth having comes easily and I also believe the opportunity we find ourselves in, is a golden one.

Imagine, if the professional financial planning community gained the public trust, respect and recognition it deserves. Imagine a day, where consumers can feel confident about where to find sound financial advice that is always in their best interests.

The FPA has continued, and will continue, to seize the current moment and advocate high education, professional and ethical standards. We stand behind the measures we announced last year in the FPA 10 Point Plan, as a holistic solution to a complex problem.

This year we have remained a respected and fair voice with Government on the PJC Inquiry, Financial Systems Inquiry and the debate around Life Insurance. In all cases, we have taken a position that is in the public interest and the interests of financial planners. We have also collaborated with our peers to come up with sensible solutions that foster sustainability, advice affordability and the appropriate protection for consumers.

Whilst we await final Government response on many of these initiatives, we can feel confident that through our members, we are standing with Australians for a better financial future.

PROFESSIONAL COMMUNITY

Last year, through our professional community, the FPA raised \$267,000 for the Future2 Foundation.

"To me, there is no better reflection of the integrity and values our community stands for."

Our community is growing too. At 30 June 2015, we had 11,252 members, a 5% increase on the previous year.

Enrolments into the CFP® Certification Program have also increased by 34% across the year, reflecting a growing desire by the profession to raise the bar.

During 2014/15, we brought together more FPA members than ever before. This year's FPA National Roadshow broke records on many fronts. The event, which took place in 33 locations around Australia, attracted 3,000 registrations.

...we can feel confident that through our members, we are standing with Australians for a better



More people turned up on the day than ever before and feedback was outstanding. We have also had extremely positive feedback about the *Taking Other Steps* 36-page workbook we produced for the event and are delighted that members have found it a valuable resource.

The 2014 FPA Professionals Congress was also an outstanding success. I was delighted to see almost 1,000 delegates gather in Adelaide to celebrate the greatness we achieve as a professional community, and as individuals working hard for clients. What I saw in Adelaide was a supportive, encouraging and committed group of professionals, ready to secure the future.

The FPA community is also growing online. The LinkedIn community remains a lively hub of discussion on the many facets of financial planning. Our following on Twitter is up 50% from last year and we are committed to leveraging Facebook with consumers.

CONSUMER AWARENESS

This year, we stepped up our efforts to raise consumer awareness of the CFP® designation, with an advertising campaign that reached 4.8m consumers online, and many more through print and radio.

We are extremely passionate about raising the profile of the CFP® mark and securing recognition for financial planners who have undertaken world class education. Our campaign this year included over 3,000 radio adverts, 120 print adverts and also generated over 26,000 hits to Find a Planner.

Through the campaign, we launched a landmark logo lock-up *The sign of good advice* and this lock-up is now being used by CFP® professionals around Australia.

Our consumer efforts extended well past advertising. We held our 14th Financial Planning Week, an annual campaign to raise awareness and understanding about the value of professional financial advice. The campaign generated over 22,000 hits to the Ask an Expert forum across a six week period and generated almost 7,000 planner profile views on Find a Planner.

In the financial literacy space, we were delighted to support social enterprise, 10thousand Girl, in their quest to improve the financial wellbeing of women and families across Australia. Our partnership with 10thousand Girl has given 20 FPA members the opportunity to speak at local workshops around the country and be listed in Australia's *Top 100 Trusted Advisers For Women* online directory.

HEARTFELT THANKS

I never underestimate the level of support we receive from the FPA community. Through our committee structure, Chapter network, member consultation process, LinkedIn members forum, countless phone calls and emails of support – my team and I are constantly humbled by our members.

When I think about all we have achieved together this year, I feel profound gratitude for the many members who have dedicated time and energy to support a bigger cause. We couldn't have done it without you.

When I look ahead to the coming year, I see a journey that is by no means smooth sailing. But, by standing together, we can achieve anything. From the bottom of my heart, thank you.

Mark Rantall CFP®
CHIEF EXECUTIVE OFFICER

At 30 June 2015

11,252

members

= 5% increase

CFP® Certification Program enrolments increased by

34%

Raised

\$267k

for the Future2 Foundation Following on Twitter up by

50%

3,011 radio adverts 120

print adverts

Consumer campaign generated over

26,000

hits to Find a Planner





FPA members represent the future of financial planning.
It is only right that we serve them with a first class program of education, professional development and networking.

During 2014/15, FPA membership numbers grew steadily, reaching 11,252 at 30 June. The composition of the membership at this time was:

TOTAL	11,252
FPA Professional Partners	80
FPA Professional Practices	268
Retired Associates	139
Student Associates	459
Associates	2,121
AFP® Practitioners	2,704
CFP® Practitioners	5,481

ONLINE LEARNING

During 2014/15, we ran a comprehensive webinar program to support FPA members with technical learning, practice management and updates on key areas of legislation. Topics this year included the Tax Agent Services Act (TASA), FoFA, 2015 Federal Budget, a Policy and Regulatory Update, Best Interest and Gearing, and Aged Care.

Each webinar provided members with CPD points. The program once again proved a valuable resource for members, attracting a total of 1,877 webinar registrations and 2,127 recording requests.

This year, members also had access to a free eLearning module to help them better understand the FPA Code of Professional Practice, and acquire 1.5 CPD points in the area of ethics upon successful completion.

The CPD Assessor program was refreshed with new content, in line with changes in the FPA CPD Policy, commencing on 1 July 2015. Alongside this content update, the eLearning module within the program was reinvigorated to make the customer experience more engaging and conducive to learning. The new module has been modernised in appearance, and now reflects the same look and feel of the Code of Professional Practice eLearning module.

MEMBER RESOURCES

The financial planning profession has been heavily scrutinised this year. The uncertainty created by numerous parliamentary inquiries, the mooted changes to the Future of Financial Advice (FoFA) reforms, and the commencement of the Tax Agent Services regime, have been exacerbated by changing priorities under different governments.

In response, we expanded the Member Resource Centre with additional tools to help members and FPA Professional Practices adapt to the changing regulatory environment. These tools included fact sheets, webinars, FAQs, videos and reference articles exclusively for FPA members. Specifically, the following tools were created:

Future of Financial Advice (FoFA)

We provided members with a comprehensive toolkit on FoFA that included guidance on complying with Opt-in by the 1 July deadline. The toolkit included a *Taking Other Steps* 36-page workbook on best interests duty, an Opt-in fact sheet, Opt-in video, two FoFA webinars and FoFA FAQs which were updated throughout the year.

Tax Agents Services Act (TASA)

Building on the TASA Guidance Booklet which we released during the 2014 FPA National Roadshow, we hosted a follow-up TASA webinar to help members understand their new obligations. Members have also received updates on TASA via regular FPA update webinars.

Anti-Money Laundering (AML)

The Foreign Account Tax Compliance Act (FATCA) commenced on 1 July 2014. While FATCA is primarily an obligation for product issuers, there are requirements that impact the AML customer identification role performed by financial planners.

Jointly with the Financial Services Council (FSC), we revised our set of 12 AML customer identification forms to help members collect the information required to comply with the FATCA obligations. These forms are for FPA and FSC member use only. In addition, an FPA/FSC Guidance Note on implementing the customer identification aspects of FATCA was produced.

2015 Federal Budget

Once again, the FPA was invited to attend the Federal Budget stakeholder lock-up. This enabled us to produce and distribute the FPA Budget Wrap 2015 to members on Budget night. The Budget Wrap provided a brief summary of the Budget announcements that are potentially relevant to members and their clients.

The FPA Budget Wrap was followed with an FPA Budget webinar the following day.

FINANCIAL PLANNING MAGAZINE

Financial Planning Magazine continues to be a highly valued resource by FPA members.

In 2015, Wealth Insights surveyed a representative sample of financial planners around the country. The objective of the survey was to measure financial planner attitudes towards the industry publications on offer. The survey found that:

- Readership of *Financial Planning Magazine* is now at 48% (up 4% from 2014)
- The magazine is the second preferred source of news (up 3% from 2014)
- The magazine is the second most valued hard copy publication (up 5% from 2014).

Taking into account the restricted circulation of the magazine to FPA members only, these results reflect the calibre of content the magazine provides.

FPA PROFESSIONAL PRACTICE PROGRAM

The FPA Professional Practice program continues to foster professionalism in financial planning practices, and create consumer recognition for high quality practices around the country.



As part of our commitment to continually enrich the value and support offered within the FPA Professional Practice program, this year we introduced a series of new initiatives. Reflective of this expanded offering, the number of practices signed up to the program rose by 19%, from 226 to 268 in the last twelve months.

The program highlights during 2014/15 were:

Referral programs

On 19 September 2014, we launched a landmark roll-out of the successful Cbus advice referral program, designed to connect Australian consumers with CFP® professionals within the FPA Professional Practice community.

As at 30 June 2015, the referral program has generated 1,377 client referrals for 55 practices around the country.

The program was followed up with a partnership with public offer fund Sunsuper, to support the fund in building their own advice referral panel.

Personalised service

This year, we recruited a dedicated resource to provide support, guidance and personalised service to FPA Professional Practices. Over the past twelve months, we handled over 1,000 enquiries from our FPA Professional Practice community.

Business HealthCheck

In June 2015, we announced a partnership with Business Health, an independent provider of solutions for financial services businesses. Through the partnership, the FPA subsidised a complimentary Business HealthCheck for FPA Professional Practices, enabling them to gain a better understanding of the practice management drivers in their business and the opportunities for improvement. Normally retailing at \$750, the HealthCheck provided practices with a comprehensive, independent and objective benchmarking review of their business against the industry average.

Practice forums

In November 2014, we hosted an FPA Professional Practice forum at the FPA Professionals Congress, facilitating peer-to-peer learning and networking within the practice community. In June, we held the first state-based forum in Adelaide, where practice principals discussed real-life practice issues, exchanged ideas and spoke about their experiences in the FPA Professional Practice program.

This year, we also made a commitment to increase the profiling of FPA Professional Practices, to provide higher levels of professional recognition for practices who uphold high professional standards. As part of this initiative, we introduced regular practice profiling in *Financial Planning Magazine*.

FPA CHAPTERS

The FPA Chapter network continues to thrive. During 2014/15, 31 FPA Chapters held a total of 117 events, including masterclasses, Women in Finance seminars, breakfast briefings, golf days, sporting lunches, dinners, networking receptions and events tailored to new and young planners.

This year, we established the Regional Chapter Committee (RCC), a Board Committee with one Chapter representative from each state and region. The committee is designed to strengthen the voice of Chapter members and engage local Chapters in decision making, member engagement and the implementation of new ideas.

The RCC also played an integral part in the Future2 grants process, reviewing all grant applications this year, and providing a recommended shortlist to the Future2 Grants Committee.

FPA PROFESSIONALS CONGRESS

The financial planning community gathered in Adelaide for the 2014 FPA Professionals Congress. This year's Congress theme, *Inspiring Greatness*, was designed to arm delegates with the tools, techniques and mindset to achieve better outcomes for both clients and their practice.

An intensive workshop program of 24 workshop sessions were divided into four categories: technical skills, best practice, personal development and leadership.

The highlights this year were:

- 99% of respondents rated the Congress 'excellent', 'very good' or 'good'
- Almost 1,000 financial planners and other delegates attended
- Over 600 guests attended the Future2
 Gala Dinner
- 83 dedicated pieces of media coverage were achieved.

The Congress speakers included many high profile personalities, including Ray Martin AM; Ita Buttrose AO, OBE; Jihad Dib; Tara Moss; Andrew Denton; Carl Richards; Michael McQueen; and Maggie Beer.

FPA NATIONAL ROADSHOW

In partnership with Challenger and Zenith Investment Partners, the 2015 National Roadshow, *Securing the Future*, visited 33 locations around Australia. In a recordbreaking event series, 3,000 delegates registered and capital city locations were standing room only. Attendance was complimentary and included a sit-down breakfast or lunch.

The first half of this year's roadshow addressed key regulatory updates on FoFA, the PJC Inquiry and FSI Report, all of which have created significant uncertainty for the financial planning community. Delegates were provided with practical guidance on meeting their best interest obligations, brought to life with a 36-page workbook.



Presented by Challenger and Zenith Investment Partners, the second session gave delegates access to information on best practice retirement planning and how retirees require a different approach to portfolio construction. Feedback on the event was extremely positive: 89% of attendees told us they were satisfied with the event.

10THOUSAND GIRL PARTNERSHIP

10thousand Girl is a not-for-profit social enterprise improving the financial wellbeing of women and families across Australia. Earlier this year, the FPA entered into a partnership with 10thousand Girl to support their 2015-17 Regional Women's Financial Literacy Project.

Over the next two years, the project will include 16 regional workshops, 12 webinars and a downloadable toolkit with resources for women living in regional communities. As part of this partnership, we subsidised 20 FPA practitioner members to play an active part in this initiative, which involves speaking opportunities at local workshops and a listing in the online directory of Australia's *Top 100 Trusted Advisers For Women*.

The current program locations are fully subscribed, however new locations will be announced later this year.

SOCIAL MEDIA

During 2014/15, engagement through social media increased significantly and social media has become an increasingly important channel of communication.

Through LinkedIn and Twitter, we have kept FPA members up to date on the latest developments, consulted with members on legislation and engaged members with FPA events. Facebook has rapidly become an effective channel to reach consumers, therefore in June we took the decision that the FPA Facebook page will become a consumer-only channel.

Here are some highlights:

- The LinkedIn members forum reached 3,043 members (up 23% from last year)
- Twitter followers reached 3,830 followers (up 52% from last year)
- Facebook likes reached 1,927 (up 300% from last year)
- Facebook advertising created 3,733 clicks during Financial Planning Week
- LinkedIn Inmail was used in the advertising campaign and generated over 7,000 opens.



1,927 Facebook likes



3,830 Twitter followers







FPA members work hard on behalf of clients, every single day. We believe it is only right that they receive widespread recognition and respect.

NATIONAL CONSUMER ADVERTISING

During April, May and June, we ran a consumer advertising campaign called *It's all you need to know*.

The campaign was designed to deliver a simple, clear message to the Australian public about the higher education and ethical standards of a CERTIFIED FINANCIAL PLANNER® professional.

This landmark campaign introduced a brand new CFP® logo lock-up, which is now being used on email signatures and personal business stationery by CFP® professionals around the country.

As part of the campaign, CFP® professionals were given a full advertising campaign kit, including downloadable artwork to use around the office.

We also produced a hard copy consumer brochure *All you need to know about choosing a financial planner,* for use with clients.



CAMPAIGN HIGHLIGHTS

Approx

4.8 million

consumers were reached online

A total of

37,000

clicks online

26,000+ hits to Find a Planner

120

print adverts ran in

46

national, metro and regional newspapers

3,011 radio adverts ran on

42

national, metro and regional radio stations

4,000+

consumer brochures were ordered by CFP® professionals



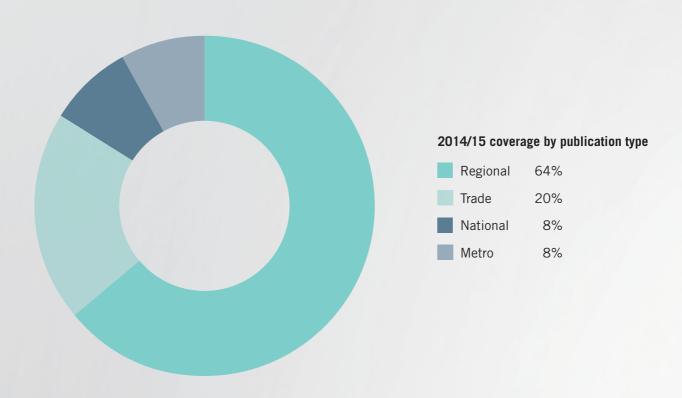
Press creative 1



Press creative 2

MEDIA RELATIONS

Over the course of 2014/15, we secured 4,390 FPA mentions in the media, up from 3,190 the previous year. Reflecting our increased focus on consumer awareness, coverage within consumer-facing media accounted for an incredible 80% of media mentions.



FINANCIAL PLANNING WEEK

In 2014/15, we celebrated our 14th annual *Financial Planning Week*, a consumer campaign designed to raise awareness and understanding about the value of professional financial advice.

Each of the five days focused on a specific life stage (Financial planning 101, young to mid-life, mid-life, pre-retirees and retirees) and blog content was created to appeal to each segment.

The signature element of the campaign was once again 'Ask an Expert'. A total of

58 FPA practitioner members participated in a panel to answer consumer questions about their finances. 'Ask an Expert' was promoted via Facebook advertising and Outbrain, a content platform designed to amplify the content we created for the campaign.

A big thank you to FPA members who participated in the 'Ask an Expert' panel and helped amplify our social media efforts.

This year's campaign was digitally focused and resulted in the following outcomes:

22,749
hits to Ask an Expert forum in 6 weeks

50

media articles about Financial Planning Week

6,986
views of planner profiles on Find a Planner

23,117
hits to the consumer FPA blog

FPA AWARDS PROGRAM

FPA AWARDS

FPA Awards recognise financial planners who deliver financial advice, using the highest standard of ethics, practice standards and professional conduct. This year, the FPA Awards program attracted a large number of entries and outstanding examples of best practice. The awards were presented at the 2014 FPA Professionals Congress. The categories this year were:

- FPA CERTIFIED FINANCIAL PLANNER®
 Professional of the Year Award
- FPA Financial Planner AFP® of the Year Award
- Future2 Community Service Award

We are extremely grateful to our judging panel for their role in shaping the award criteria, and ensuring a fair and wellconsidered assessment process.

The 2014 judging panel comprised:

- 1. Paul Aspropotamitis CFP®
- 2. Patrick Canion CFP®
- 3. Steven Helmich
- 4. Mark O'Leary CFP®
- 5. Robert Pyne CFP®
- 6. Wayne Roggero CFP®
- 7. Palminder Sodhi CFP®
- 8. Michelle Tate-Lovery CFP®
- 9. Lisa Weissel CFP®

Winners were selected on a national and state basis. The 2014 national award winners were:

FPA CERTIFIED FINANCIAL PLANNER® Professional of the Year



Randall Stout CFP® HPH Solutions

FPA Financial Planner AFP® of the Year



Stephen Godfrey AFP®

Tupicoffs

Future2 Community Service Award



Kathy Havers CFP® Catalyst Financial Group

DISTINGUISHED SERVICE AWARDS

FPA Distinguished Service Awards recognise exceptional contribution to the FPA and the common good of the profession, through voluntary service to FPA Chapters, Committees or taskforces.

During 2014/15, Distinguished Service Awards were presented to:

Dimity Kingsford-Smith

Ian Donaldson CFP®

Matthew Rowe CFP®

Michael Farmer CFP®

Patrick Canion CFP®

Paul Brady CFP®

FPA LIFE AWARDS

FPA Life Awards recognise exceptional contribution to the development and reputation of the financial planning profession and the FPA, over an extended period of time.

During 2014/15, a Life Award was presented to:

Matthew Rowe CFP®

FPA FELLOW AWARDS

The FPA Fellow Awards recognise those who have demonstrated leadership and made an outstanding and selfless contribution to the profession, and the community.

During 2014/15, Fellow Awards were presented to:

Robert de Lepervanche CFP®

Stefan Lipkiewicz AFP®

Louise Lakomy CFP®

GWEN FLETCHER MEMORIAL AWARD

Last year we announced the institution of the Gwen Fletcher Memorial Award, a prize awarded to the highest achieving student in the CFP® certification program each semester. The award honours the memory of the late 'First Lady of Financial Planning' and her lifelong endeavours to champion professionalism within financial planning.

During 2014/15, the Gwen Fletcher Award was presented to:

Amy Early, Crowe Horwath

John Moran, APT Wealth Partners



new STANDARDS NEW HEIGHTS

The FPA is committed to lifting the education standards in financial planning, and promoting financial planning as an academic discipline.

EDUCATION

During 2014/15, we placed much focus on promoting and enhancing the CFP® Certification Program and deepening our relationship with the academic community.

CFP® Certification Program

This year has brought unprecedented focus on the education and professional standards of financial planners, creating heightened interest in the CFP® Certification Program by financial planners and their licensees.

Enrolments into the program increased by 34% on the previous financial year. We were pleased to introduce a 20% saving on enrolment for students employed by, or aligned to, an FPA Professional Partner or FPA Professional Practice. Pre-admission became complimentary for this community, and all FPA members.

We also took the decision to increase the flexibility of the program, enabling students to enrol into any unit of their choosing, from units CFP1 -4. This change has been extremely well received.

The student experience remains a high priority. As such, we continued to capture feedback at the end of each semester, to ensure the program delivered an optimum student experience.

This year, we offered a comprehensive range of student resources:

- Specialised webinars for all units, covering assignments and exams
- Access to study groups
- Student mentoring (this has been trialled)
- An enhanced student portal with access to subject matter experts and source materials
- Double marking of all papers not meeting the required standard
- Comprehensive feedback to students who did not meet the standard.

Financial Planning Education Council (FPEC)

This year, the FPEC accreditation process for approved degrees was recommended by the Parliamentary Joint Committee as the benchmark for the whole industry. A significant milestone, the recommendation is independent confirmation that the FPA definition of financial planning education should be the basis for all financial planners.

FPEC curriculum requirements mandate at least eight subjects within a degree covering the financial planning process, and underpinning legislation, insurance, investment, superannuation, commercial law, taxation, estate planning advice skills and financial plan creation. They include both ASIC and TPB requirements in preparing people for the CFP® Certification Program.

To date, FPEC has audited nine Bachelor degree programs and seven postgraduate programs against its accreditation standards.

The FPA is committed to supporting academic research that furthers the financial planning profession.

Academic Research Grants

During 2014/15, a second round of FPA Academic Research Grants was awarded to Dr. Adrian Raftery CFP® at Deakin University, and Sharon Taylor and Suzanne Wagland at University of Western Sydney. A call for expressions of interest for the 2015 awards has been made.

The Financial Planning Research Journal

In June, we partnered with Griffith Business School to announce the country's first academic journal dedicated to financial planning. The new publication is an important step for the financial planning profession and reinforces strong links between the FPA and the academic community.

The new journal is designed to provide a focal point for research around financial planning that can be used to inform debate and policy, and ultimately raise standards across the industry. The journal will be available to FPA members electronically later this year.

FPA PROFESSIONAL PARTNER PROGRAM

During 2014/15, we worked hard to enhance the value we deliver to our FPA Professional Partner community.

The development of Partner Advisory Forums, such as the Education Leaders Forum, has enabled us to deepen engagement with our partners across different interest areas. Over the coming months, we will establish additional forums to broaden our discussions around education, professional standards and other industry topics.

We engaged with our partners this year at Professional Development Days around the country.

During 2014/15, we attended over 40 PD days to conduct presentations or host an FPA stand.

GOVERNMENT ADVOCACY

During 2014/15, the FPA advocated on a number of critical reform areas in financial planning, in particular the PJC Inquiry, FoFA reforms, and the Financial Systems Inquiry. Our advocacy efforts support the FPA vision to stand with Australians for a better financial future, and drive outcomes that are fair and workable for the financial planning profession.

Some of the outcomes we secured this year are:

Bi-partisan political support of the *FPA 10 Point Plan*, reflected in the recommendations made by the PJC Inquiry into lifting education, professional and ethical standards in the financial services industry

New regulations to resolve issues around the equity of grandfathered remuneration and restrictions of trade under the FoFA reforms

Inclusion of professional membership and qualifications on the Financial Adviser Register

Exemption from the TPB tax and commercial law course requirements for voting FPA members who meet the experience requirements.

PJC Inquiry

On 19 December 2014, the Parliamentary Joint Committee on Corporations and Financial Services (PJC) released the report of its Inquiry into proposals to lift the professional, ethical and education standards in the financial services industry. The FPA provided two submissions to the PJC, and also appeared as a witness at a public hearing held as part of the Inquiry.

The reform package proposed by the PJC overwhelmingly reflected the recommendations made in our submission and the *FPA 10 Point Plan* we released in May 2014.

The PJC reform package included the following model for raising education and professional standards of advice providers:

EDUCATION AND TRAINING STANDARDS

- Degree qualification at AQF level 7.
 - Structured professional year, administered by the adviser's professional association.

ONGOING PROFESSIONAL DEVELOPMENT (CPD)

- Requirements set by professional associations.
- Achieves a level of cross-industry standardisation recommended by FPEC.

REGISTRATION

- ASIC to only list an adviser on the register, when advised they have completed the requirements of FPEC's approved professional year and passed a registration exam.
 - Register of financial advisers be expanded to include any censure or limitation placed on a financial adviser by a professional body, ASIC or licensee.

STRUCTURE AND ROLE OF STANDARD SETTING BODY

- FPEC to establish set curriculum requirements, develop the structured professional year, develop and administer a registration exam and establish professional pathways.
- FPEC to comprise of representatives from approved professional associations, academics, consumer advocates and an ethicist.

PROFESSIONAL AND ETHICAL STANDARDS

- Financial advisers required to be members of a professional body approved by the Professional Standards Council.
- Professional associations representing individual financial advisers to each establish a code of ethics approved by the Professional Standards Council.

EXAM

- A registration exam set by FPEC at the end of the structured year of professional development.
- Individuals required to pass the exam in order to be registered as financial advisers.

The FPA has been extensively involved in the Government's consultation process on the PJC recommendations, providing submissions to Treasury and participating in round table discussions held by the Assistant Treasurer, The Hon. Josh Frydenberg, MP. This consultation process was still ongoing at the end of June 2015.

Future of Financial Advice (FoFA)

The year started with the Coalition Government putting in place new regulations to amend some of the costly red-tape of the FoFA reform package. On 19 November 2014 however, the Senate voted to disallow the *Corporations (Streamlining of Future of Financial Advice) Regulations 2014.* As a result of the significant uncertainty created by the disallowance motion, ASIC took a facilitative approach to enforcing the FoFA requirements until 30 June 2015.

As part of the FoFA disallowance motion, the Opt-in requirement was reinstated and became applicable to all licensed financial planners. The FPA has since re-submitted the FPA Code of Professional Practice to ASIC, to seek Opt-in exemptions for FPA members. This process is still under way.

Importantly, the FPA was successful in having new Grandfathering Regulations implemented to ensure that financial planners can move licensees, while retaining grandfathered remuneration; and to remove the restriction of trade issues related to grandfathered benefits, and the sale and purchase of advice businesses.

Financial Adviser Register

In October 2014, the then Acting Assistant Treasurer, Senator Mathias Cormann, announced the details of the Government's Financial Adviser Register. The FPA was a member of the Government's Industry Working Group (IWG) responsible for identifying the detail and content required for the register.

Phase one of the register was launched on 31 March 2015. The second phase, including education and professional membership details, was launched in May. To help licensees meet their obligations, we conducted over 2,500 education and membership verifications.

Financial System Inquiry (FSI)

The Government established the Financial System Inquiry (FSI) to develop a 'blueprint' for the financial system over the next decade. On 7 December 2014, Chair of the FSI, Mr David Murray, released the final report of the panel's examination of the Australian financial services sector.

The report addressed a wide range of measures around efficiency, stability and reliability, and fairness and accessibility. The aim was to encourage a financial system that 'meets the needs of Australians and facilitates a growing and productive Australian economy'.

The FPA contributed four submissions to the Financial System Inquiry and government consultation process on the Inquiry's recommendations. We met with the FSI Panel and participated in their roundtable discussions on the FSI Terms of Reference, financial advice, and retirement income matters. We also discussed our recommendations with ASIC and Treasury as part of the government's consultation process.

Importantly, the FPA participated in several FSI forums for the Centre for International Financial Regulation, and was invited to represent the profession as a panel member of a Q&A session held by this vital research organisation.

The FPA proposed a conceptual framework for the financial system which defined the rights and responsibilities of financial citizens, regulators, and financial institutions based on behavioural economics, financial literacy and capability. We supported the need for greater accountability for product issuers, and called for government to consider affordability of advice solutions.

FPA Insurance Blueprint

Over the past twelve months, life risk advice has been considered by the Financial Systems Inquiry (FSI), and been the subject of an ASIC review. Both noted the need for industry to address issues in this advice specialisation.

The FPA sought member input to help develop a workable professional solution for lasting change in the life risk sector, driven by higher professional standards and improving the public perception of the life risk advice service offering.

Using member feedback, we proposed *The FPA Life Insurance Blueprint*, a package of industry-led reforms to drive a competitive, professional, and sustainable model for providing life risk advice.

71% of members who responded to our survey supported our proposed Blueprint.

Following a challenging consultation period, the Government announced a reform package in response to the life insurance debate. We now await more detail and the next steps for implementation.

Tax Agents Services Act (TASA)

Since 1 July 2014, financial planners have been required to meet the obligations of TASA. To help members understand the new requirements, we developed a TASA Toolkit including a guidance booklet, webinars, videos and FAQs, which were initially released during the 2014 FPA Roadshow and have been subsequently updated.

We participated in four consultation processes with the Tax Practitioners Board and Government to finalise, among other matters, the course requirements for financial planners.

We secured the additional registration option of membership of a TPB recognised professional body, which includes an exemption from the tax and commercial law course requirements for FPA voting members who meet the six in eight years experience criteria. To this end, we provided the TPB with evidence and confirmation that we have continued to meet our obligations as a Recognised Tax Agent Association.

FPA Advocacy Kits

Around Australia, there are 150 Members of Parliament, each representing an electorate of approximately 94,000 voters, and 76 senators. Each MP and senator has a right to vote on matters put before the Parliament. It is therefore vitally important that as many politicians as possible have a clear understanding of the key issues affecting financial planners and their clients.

To assist with our advocacy efforts, we develop advocacy kits to help members interact with local politicians and educate them on the important issues. The kits typically include a range of practical tools, such as letter and factsheet templates that can be personalised by members.

During 2014/15, we produced the following advocacy kits:

- Coalition Government's FoFA changes
- General advice exemptions
- Government consultation on the recommendations of the PJC Inquiry.

GOVERNMENT PARTICIPATION

During 2014/15, we participated in more than 200 stakeholder meetings (see Table 1) with politicians, Government agencies and other stakeholder groups. We also contributed to a number of key Government and parliamentary inquiries, including:

- PJC Inquiry into lifting education, professional and ethical standards in the financial services industry
- Financial Systems Inquiry
- Senate Economics Reference Committee
 Inquiry into the Scrutiny of Financial Advice
- Tax White Paper
- Senate Economics References
 Committee Inquiry into Forestry Managed
 Investment Schemes
- Proposed Coalition Government's FoFA changes.

Table 1: Stakeholder meetings

монтн	WHO
July 2014	 Insurance Council of Australia (ICA) (multiple meetings) 20 / 20 Workshop held by Treasurer, The Hon. Joe Hockey, MP Senator David Leyonhjelm Financial Planning Standards Board (FPSB) Australia-Israel Chamber of Commerce Age Discrimination Commissioner Financial Services Council (FSC) Institute of Chartered Accountants of Australia (ICAA) Tax Institute of Australia Acting Assistant Treasurer, Senator Cormann, and Industry Working Group Centre for International Financial Regulation (CIFR) Treasury (multiple meetings) Sydney Compliance Forum
August 2014	 ASIC (multiple meetings) Association of Financial Advisers (AFA) Industry Working Group (IWG) (multiple meetings) Financial Services Council (FSC) Professional Standards Authority (PSA) (multiple meetings) Financial System Inquiry (FSI) Roundtable – Retirement Income System Financial Ombudsman Service (FOS) University of Sunshine Coast Tax Practitioners Board (TPB) Centre for International Financial Regulation (CIFR) Treasury (multiple meetings)

Table 1: Stakeholder meetings cont'd

MONTH	WHO				
MONTH September 2014	 Treasury (multiple meetings) Acting Assistant Treasurer, Senator Mathias Cormann (multiple meetings) Senator David Fawcett Mr Tim Watts, MP Senator John Madigan The Hon. Bernie Ripoll, MP Senator Peter Whish-Wilson Senator Chris Ketter Mr Michael Sukkar, MP Senator Deborah O'Neill Senator John Williams Mr David Coleman, MP Adviser Ratings Boutique Financial Planners (BFP) Industry Working Group (IWG) (multiple meetings) ASIC (multiple meetings) Institute of Chartered Accountants of Australia (ICAA) CFP Board Tax Institute of Australia Association of Financial Advisers (AFA) Financial Planning Standards Board (FPSB) Financial Services Council (FSC) 				
October 2014	 Life Insurance and Advice Working Group ASIC (multiple meetings) Industry Working Group (IWG) PJC Inquiry public hearing Treasury (multiple meetings) Australian Taxation Office (ATO) (multiple meetings) Financial Ombudsman Service (FOS) Lonsec Financial Services Council (FSC) Financial System Inquiry (FSI) Association of Financial Advisers (AFA) Office of Acting Assistant Treasurer, Senator Cormann 				
November 2014	 ASIC (multiple meetings) Senate Inquiries Working Group Financial Ombudsman Service (FOS) Treasury (multiple meetings) Tax Practitioners Board (Consultative Forum) Tax Practitioners Board (Financial Advice Forum) Financial Services Council (FSC) 				

Table 1: Stakeholder meetings cont'd

MONTH	WH0
December 2014	 ASIC (multiple meetings) Financial Services Council (FSC) Treasury (multiple meetings) Australian Taxation Office (ATO) AFSL Working Group (Treasury) SMSF Association (SPAA)
January 2015	 ASIC (multiple meetings) Financial Services Institute of Australasia (FINSIA) Professional Standards Authority (PSA) Kaplan Financial Services Council (FSC) Office of the Assistant Treasurer, the Hon. Josh Frydenberg, MP Treasury
February 2015	 ASIC (multiple meetings) Tax Practitioners Board (Consultative Forum) Tax Practitioners Board (Financial Adviser Forum) Treasury (multiple meetings) SMSF Association (multiple meetings) Assistant Treasurer, The Hon. Josh Frydenberg, MP
March 2015	 Australian Bankers Association (ABA) (multiple meetings) Treasury (multiple meetings) Centre for International Financial Regulation (CIFR) Office of the Treasurer, the Hon. Joe Hockey, MP Senator Deborah O'Neill Senator John Williams ASIC (multiple meetings) Assistant Treasurer, The Hon. Josh Frydenberg, MP The Hon. Bernie Ripoll, MP Senator David Fawcett Senator Mathias Cormann Education and Professional Standards Stakeholder Working Group Financial System Inquiry (FSI) Roundtable – Superannuation and Retirement Incomes Financial System Inquiry (FSI) Roundtable – Consumer Outcomes CPA Australia Industry Super Australia (ISA) Financial Ombudsman Service (FOS)

Table 1: Stakeholder meetings cont'd

MONTH	WHO
April 2015	 Financial Service Council (FSC) (multiple meetings) CPA Australia Treasury (multiple meetings) Australian Tax Office (ATO) (multiple meetings) Australian Bankers Association (ABA) (multiple meetings) Australian Superannuation Funds Association (ASFA) (multiple meetings) Association of Financial Advisers (AFA) (multiple meetings) Lonsec Financial Planning Standards Board (FPSB) ASIC Professional Standards Authority (PSA)
May 2015	 Life Risk Guidance Development Working Group ASIC Australian Superannuation Funds Association (ASFA) Treasury (multiple meetings) Office of Assistant Treasurer, the Hon. Josh Frydenberg, MP (multiple meetings) Professional Standards Authority (PSA) SMSF Associations Consumer groups Financial Services Council (FSC) (multiple meetings) Senator David Fawcett Association of Financial Advisers (AFA) Senator Mathias Cormann The Hon. Joe Hockey, MP, post-Budget lunch Financial Planning Standards Board (FPSB) Financial Ombudsman Service (FOS) Education and Professional Standards Stakeholder Working Group
June 2015	 Financial Services Council (FSC) Office of Assistant Treasurer, The Hon. Josh Frydenberg, MP Life Insurance and Advice Working Group Australian Bankers Association (ABA) The Hon. Bernie Ripoll, MP CPA Australia Australian Tax Office (ATO) (multiple meetings) ASIC Education and Professional Standards Stakeholder Working Group Professional Standards Authority (PSA) Treasury

This year, we continued to represent members through participation in key Government committees and working groups:

Table 2: FPA Government committee participation

COMMITTEE	GOVERNMENT AGENCY	PURPOSE
Industry Working Group	Acting Assistant Treasurer, Senator the Hon. Mathias Cormann. Administered by Treasury	A dedicated industry working group established to develop an enhanced public register of financial advisers. The IWG also considered proposals to lift professional and education standards put forward by the Parliamentary Joint Committee on Corporations and Financial Services.
AML/CT Financial Consultative Forum	AUSTRAC	An industry forum to discuss issues and concerns regarding AML/CT obligations.
Superannuation Industry Advisory Group (SIAG)	Australian Taxation Office	A group focused on stewardship of the tax and superannuation systems. This group commissions the Superannuation Industry Relationship Network (SIRN) to undertake work.
Superannuation Industry Relationship Network (SIRN)	Australian Taxation Office	A group designed to identify issues around the operations of the superannuation industry, and provide a forum for consultation.
Tax Practitioners Board Consultative Forum	Tax Practitioners Board	A forum for the TPB to discuss matters relating to its role in regulating tax advice with its Recognised Associations.
Tax Practitioners Board Financial Advice Stakeholder Forum	Tax Practitioners Board	A forum of key stakeholders for the TPB to discuss the regulation of financial advice under the Tax Agent Services Act.

During 2014/15, the FPA produced 20 public submissions, and numerous private submissions to Government, Treasury and ASIC, plus countless informal submissions and letters to Government and other stakeholders.

We would like to thank members who participated in these submissions, by offering feedback through committees, email, phone call or member surveys.

Table 3: Public submisions

SUBN	MISSION ISSUE	RECIPIENT	DATE
1	Exposure Draft – Tax Agent Services Regulations 2009	The Treasury	9 July 2014
2	Draft Class Order CO14 record keeping and draft update to RG 175	ASIC	24 July 2014
3	Corporations Amendment (Statements of Advice) Regulation 2014 and Corporations Amendment (Streamlining of Future of Financial Advice) Bill 2014	The Treasury	30 July 2014
4	Consultation on proposed Terms of Reference changes	Financial Ombudsman Service	1 August 2014
5	Financial System Inquiry – Final Report	Financial System Inquiry	26 August 2014
6	Inquiry into proposals to lift the professional, ethical and education standards in the financial services industry	Parliamentary Joint Committee on Corporations and Financial Services	5 September 2014
7	Review of Retirement Income Stream Regulation	The Treasury	5 September 2014
8	Tax and commercial law course requirements for tax (financial) advisers	Tax Practitioners Board	17 September 2014
9	Reforming the Superannuation Excess Non-Concessional Contributions Tax	The Treasury	23 October 2014
10	Exposure Drafts TBP(I) D23/2014 – Fee or other reward; TPB(I) D24/2014 – Sufficient number requirement	Tax Practitioners Board	24 October 2014

Table 3: Public submisions cont'd

SUBN	MISSION ISSUE	RECIPIENT	DATE
11	Inquiry into Scrutiny of Financial Advice	Senate Economics Committee	5 December 2014
12	Inquiry into Forestry Managed Investment Schemes	Senate Economics Reference Committee	15 December 2014
13	Consultation Paper 224 – Facilitating electronic financial services disclosure	ASIC	12 January 2015
14	Submission to the 2015-16 Pre-Budget process	The Treasury	6 February 2015
15	Exposure Drafts TPB(I) D26/2015 – Relevant experience requirement; TPB(I) D25/2015 – Sufficient experience requirement	Tax Practitioners Board	24 February 2015
16	Financial System Inquiry: Final Report	The Treasury	31 March 2015
17	Review of Retirement Income Stream Regulation	The Treasury	10 April 2015
18	Lifting the professional, ethical and education standards in the financial services industry – Government Consultation on PJC recommendations	The Treasury	7 May 2015
19	Regulator Performance Framework – ASIC measures	ASIC	22 May 2015
20	Tax White Paper – Discussion Paper	The Treasury	5 June 2015

PROFESSIONAL ACCOUNTABILITY

The FPA is committed to informing members, and the wider community, of trends, complaint outcomes and disciplinary action within the financial planning profession.

By responding to breaches of professional expectations, we work to instil widespread confidence in a profession that takes a strong position on consumer protection, and the protection of financial planner reputation.

The FPA Conduct Review Commission (CRC) has responsibility under the FPA Constitution and the FPA Disciplinary Regulations, for determining disciplinary actions brought by the FPA against members. Disciplinary action against a member often follows FPA investigation of a consumer complaint. The FPA Investigating Officer may report suspected breaches of the FPA Code of Professional Practice to the Conduct Review Commission.

In such situations, the CRC Chair may issue a Notice of Charge to the member, for the alleged breach. A CRC Disciplinary Panel may be subsequently formed, to hear and determine the matter, and if necessary, impose appropriate sanctions.

Sanctions can include expulsion and suspension of membership in the most serious cases, and more commonly professional education, supervision, fines, and formal reprimand.

This year, our Professional Accountability program resulted in the following:

- We received a total of 30 formal complaints, a 36% increase from last year
- We finalised a total of 29 complaints, a 20% increase from last year
- As at 30 June 2015, we had eight outstanding complaints, compared to seven at the same time last year
- We received a total of 17 FPA Confidential matters and finalised a total of 19 (including some open cases). As at 30 June 2015, we had five outstanding matters, compared to six at the same time last year
- We dealt with 84 instances of misuse or unauthorised use of either the FPA brand or CFP designation. This is an increase of 200% from last year

We conducted a total of 74 Advice Reviews as part of the Cbus Referral Program

The Conduct Review Commission delivered a determination as a result of a Disciplinary Hearing. The member was expelled, fined and ordered to pay the hearing costs (see Table 4)

The Conduct Review Commission issued an Infringement Notice for a Special Breach due to the member's non-cooperation

A matter was finalised by Summary Disposal, enabling us to work cooperatively with the member (under the watchful eye of the CRC), to achieve a corrective professional regulatory outcome that fosters the protection of the profession and the community. The member was reprimanded, required to complete professional education and fined (see Table 5)

We automatically terminated the membership of four FPA members by operation of the FPA Constitution (see Table 6).

We further fostered the protection of the profession and the community, in responding to over 368 enquiries from members, consumers and other stakeholders in relation to professional standards related activity and guidance.

It should be noted that ASIC banned 19 individuals from practising as financial planners. Of these, only one was a member of the FPA. Furthermore, of the 46 individuals banned by ASIC since 1 July 2012, only two were members of the FPA.

Table 4: CRC Determinations

CASE	MEMBER	MEMBER	EFFECTIVE	MEMBER	SANCTION
NUMBER	DETAILS	NUMBER	Date	Category	
CRC 2014_1	Robert (Bob) Jones	38582	19 Sep 2014	CFP	Expelled, fined and costs of CRC Hearing

Table 5: Summary Disposal

CASE	MEMBER	MEMBER	EFFECTIVE	MEMBER	SANCTION
NUMBER	DETAILS	NUMBER	Date	CATEGORY	
SD2015_1	Blinded	Blinded	15 Jan 2015	CFP	Reprimanded, fined and professional education

Table 6: Automatic Termination pursuant to FPA Constitution

MEMBER DETAILS	MEMBER NUMBER	EFFECTIVE DATE	MEMBER Category	CLAUSE	REASON
Stuart Jamieson	29884	17 May 2012	CFP	16.1(d)	Authority terminated by AFSL for breach of the law
Michael Irwin	13235	18 Sep 2014	CFP	16.1(e)	Banned by ASIC
Alan Kenyon	592	29 May 2012	AFP	16.1(b)	Insolvent under Administration
Shane Thompson	26732	17 Feb 2015	CFP	16.1(f)	Failure to pay monetary penalty

Note: The Effective Date refers to the date of the event triggering the Automatic Termination, rather than the date the FPA became aware of the event.

CPD & DESIGNATIONS AUDIT

This year, we continued our commitment to maintaining high professional development standards within the FPA membership.

We undertook two CPD audits, the first in September 2014 and the second in March 2015.

The auditing process is primarily designed to help practitioner members meet their CPD obligations, and ensure correct use of FPA and FPSB branding.

During 2014/15, a total of 566 practitioner members were audited. The audit results are below:

Table 7: Audit of Practitioner Members 2014/15

MEMBERSHIP CATEGORY	SEPTEMBER 2014	MARCH 2015
Financial Planner AFP®		
Members audited	81	76
Members passed	79	69
Members to be re-audited	2	7
CFP® Professional		
Members audited	198	211
Members passed	194	189
Members to be re-audited	4	22





Through guidance, resources and a personalised service, we support FPA members in the provision of best practice advice.

Our members sit at the heart of everything we do at the FPA. United by a common purpose, team FPA is driven to provide the best possible member experience. Our culture is built on the following values:

Member Focus

Members are front-of-mind each day, and we set and meet their expectations reasonably, earning their trust along the way.

Integrity

We are ethical, honest and transparent, and show respect in all our dealings with members, staff and others.

Professionalism

We utilise our skills and experience towards creating a competent organisation, capable of achieving effective outcomes.

Accountability

We take ownership of our actions and commit to delivering end-to-end solutions.

Care & Respect

We support each other, we respect our differences, and we value diversity.

FUTURE2 FOUNDATION



the Foundation of the Australian Financial Planning Association

A long-term, open-ended Memorandum of Understanding between Future2 and FPA was established this year, to reflect an ongoing commitment to work together.

Renowned financial literacy advocate, philanthropist and media commentator, Paul Clitheroe AM, accepted an invitation to be Patron of the Future2 Foundation. Paul is a CERTIFIED FINANCIAL PLANNER® professional, former Chair of the FPA and among a handful of people who have spearheaded the development of the modern financial planning profession.

We were also delighted to appoint Anne Graham CFP® of McPhail HLG Financial Planning and Joseph Hoe CFP® of Wealthwise as Future2 Board members. Additionally, three FPA members were appointed Future2 ambassadors, in recognition of their outstanding contribution to the foundation: David Dyson CFP®, Randall Stout CFP® and Petra Churcher AFP®.

Fundraising highlights

Donations from FPA members during membership renewals amounted to \$72,900, up from \$21,000 the previous year

FPA Chapters significantly increased the funds raised through a large range of local events, including golf and tennis days, and the signature AFL Grand Final Lunch in Melbourne. The 2014 WA Melbourne Cup Luncheon raised \$31,870 alone, through collaboration between the Future2 Western Australia Committee and local FPA Chapter

The 2014 Future 2 Gala Dinner, held in Adelaide at the FPA Professionals Congress, raised \$83,650 with the help of the South Australia Chapter fundraising initiatives and corporate pledges

The 2014 Future2 Wheel Classic took a route from Melbourne to Adelaide and raised \$140,000 after expenses from donations in support of the cyclists, and corporate sponsorship. The cyclists arrived at the opening reception of the FPA Professionals Congress.

Grant making

For the first time ever, all 2014 grant applications received from community not-for-profits and charities (90 in total), were endorsed by FPA members. Regional Chapters played a key role in the first stage review of applications in each state and territory, each recommending a shortlist to the Future2 Grants Committee.

Also a first, applicants had the choice of applying for a short-term grant of up to \$10,000, or a multi-year grant of up to \$30,000 over three years, to help with longer-term financing for community projects. This year, four multi-year grants were awarded, together with three one-year grants.

A total of \$110,000 has been committed to fund grants: \$70,000 allocated to new projects and \$40,000 to the multi-year grants announced in 2014.





DIRECTORS

The names and short biographies of the Association's directors during the financial year are as follows. Directors were in office for the entire financial year up until the date of this report unless otherwise stated.



Neil Kendall CFP®, BBus, Dip FP, FFPA, MAICD CHAIR (from 19 November 2014) Appointed 26 November 2010

Neil is the Managing Director of Tupicoffs Pty Ltd, an FPA Professional Practice based in Brisbane.

Neil has won a national and two state FPA Value of Advice awards in 2006, as well as being a national finalist in 2009. He was nominated for Australian of the Year in 2011 and 2013. Neil was the Money Management Financial Planner of the Year in 2006 and runner-up in 2009. Neil has qualified in the Masterclass Top 50 in 2006, 2008, 2010 and 2012.

Neil was treasurer of the FPA Brisbane chapter for four years, and also spent time on the Legislation and Regulation Committee. A CERTIFIED FINANCIAL PLANNER® he has a degree in business, and a Diploma in Financial Planning. He is a Fellow of the FPA and a Member of the Australian Institute of Company Directors. Neil is currently a member of the Remuneration and Succession Planning Committee of the Board and Chair of the Policy and Regulations Committee of the Board.



Matthew Rowe
CFP®, CPA (FPS) GAICD, BEc, Dip FP,
GradDipAcct

CHAIR AND ADDITIONAL DIRECTOR Appointed 30 November 2007 Retired 19 November 2014

Matthew is Managing Director of Hood Sweeney and has 17 years' experience in the financial planning profession. Matthew was elected to the FPA Board in 2007 as a practitioner elected member and subsequently appointed the Chair of the Board at the AGM in November 2010. Matthew is currently Chair of the Board Governance and Remuneration Committee.

Matthew has also worked on a number of FPA committees including; Chair of the Board Member Engagement Committee, Chair of the Board Strategy Working Group, Chair of the FPA committee responding to the PJC (Ripoll) Inquiry, Chair of the FPA Financial Planner Remuneration Committee, Chair of the Board Professionalism Committee, Chair of the Professional Conduct Committee and Chair of the Principal Representatives Committee.

Matthew is also a current Director and Trustee of Future 2, the charitable foundation for the financial planning profession.



Mark Rantall
CFP®, CPA

DIRECTOR & CHIEF EXECUTIVE OFFICER Appointed 1 July 2010

Mark is the Chief Executive Officer of the FPA and a Certified Financial Planner® professional. Following a 25-year financial services career, he was appointed by the FPA Board in 2010 to lead the FPA in raising the standing of Australia's professional financial planners.

In his time at the FPA, Mark has achieved key constitutional changes to the FPA membership structure to focus on individual practitioners and secured more than \$2 million of funding from members for a national consumer advertising initiative. In addition, Mark has spearheaded the campaign to raise awareness of the higher standards of FPA members to the Government, media and other industry stakeholders on behalf of the FPA's 8,500 practitioner members and the 5 million clients they advise.



Marisa Broome CFP®, Dip FP, B.Ec Appointed 19 November 2014

Marisa is the Managing Director of Wealthadvice, an FPA Professional Practice operating in Sydney. Marisa has over 30 years' experience in financial services – with the last 18 years owning her own firm and practising as a financial planner. Marisa is currently the Chair of the Professional Standards and Conduct Committee and has been an interim Chair of the Policy and Regulations Committee. Marisa has been an active member of the FPA since its inception, being involved in national committees on Education, Annual Conferences and the Sydney Chapter.



Matthew Brown CFP®, Dip FP, MAICD

Appointed 18 November 2011

Matthew is Practice Principal and Certified Financial Planner of MiQ Private Wealth, one of the largest private wealth planning groups in Australia, and has over 26 years' experience in the financial planning profession. Matthew was elected to the FPA Board as a practitioner elected member at the AGM in November 2011. Matthew is currently a member of the Board Audit and Risk Management Committee, the Governance and Remuneration Committee and the Chair of the Regional Chapter Committee. Matthew has been an active member of the Gold Coast FPA Chapter since 2000. holding the role as Treasurer for 5 years, and more recently Chapter Chair of Gold Coast since 2007.

Matthew is a CFP® Practitioner licensed through MiQ Private Wealth under Magnitude. Matthew also holds the position of Chairman of Broadbeach Alliance Pty Ltd, a not-for-profit organisation that runs and controls the precinct and events within Broadbeach on the Gold Coast. Matthew is a member of the Australian Institute of Company Directors.



Patrick Canion CFP®, MAppFin, GAICD, Dip FP, F Fin

Appointed 18 November 2011 Retired 19 November 2014

Patrick is Chief Executive Officer of ipac Western Australia and has 30 years' experience in financial services. Patrick was elected to the board in November 2011 as a practitioner elected representative. He was Chair of the Interim Regional Chapter Committee.

As well as a Master in Applied Finance and Investment degree, Patrick is a graduate of the Company Director Course. He is the past President of the Western Australian Club Inc, a leading business and professional association based in Perth. Patrick has also acted as an expert witness.

Patrick is also a current Director and Trustee of Future2, the charitable foundation for the financial planning profession.



Bruce Foy
B.Com, LL.B, FAICD

ADDITIONAL DIRECTOR

Appointed 1 January 2006

Bruce is a professional non-executive director and has served on a number of public and private boards. Previously Bruce was managing director and country manager for Australia of ING Bank N.V., and over 25 years held a number of chief executive roles in wholesale and investment banking, and stockbroking. He was admitted as a barrister to the Supreme Court of New South Wales in 1989, and he is a Fellow of the Institute of Company Directors. In addition to being a director of the FPA, Bruce is currently a director of Avant Group Holdings Limited, Avant Insurance Limited, the Doctors' Health Fund Limited and Chairman of SMSF Owners' Alliance Limited.



Louise Lakomy
CFP®, MBA, LRS, GDFP, GDCCN, BN, JP
Appointed 21 November 2008
Retired 19 November 2014

Louise Lakomy is currently working as a Senior Financial Planner at Crystal Wealth Partners. She was appointed as Director of the Board of the Financial Ombudsman Service (FOS) 1 June 2015. Previously she was Principal of Investment Advice at Yellow Brick Road Investment Services, an executive Financial Planner at Westpac Private Bank, Senior Financial Adviser with St George Private Bank and Senior Financial Adviser at Lanham & Associates, a boutique advisory firm. Louise is a CFP®, has a Master of Business Administration majoring in Finance and Funds Management, a Graduate Diploma in Personal Financial Planning and the Life Risk Specialist (LRS®) designation. Louise has been actively involved in the FPA including FPA Sydney Chapter Chair from 2004-2008, Sydney Chapter treasurer 2003, a member of the FPA Careers Expo Committee from 2003-2009, Chair of the National Conference Committee in 2009, a member of the FPA Financial Planner Remuneration Committee 2010, a member of the Audit & Risk Management Committee 2008-2014 and a member of the Financial Planning Education Council 2012-2014.



Julie Mattheson CFP®, LRS®, BA, Dip FP Appointed 26 November 2010

Julie has been a member of the IAFP/FPA since 1989, and in 1992, became one of the first 200 CERTIFIED FINANCIAL PLANNER® professionals to be registered in Australia. Julie originally started her career in financial planning as a dealer's representative in 1987, and over the years has worked as a representative for small and large licensees. More recently, she owned and managed a small licensee for ten years until the business was sold. Julie joined Apt Strategy as a representative in 2010. In 2012, Julie graduated from University of Western Australia with a Bachelor of Arts degree in political science, international relations and history. In 2015, Julie furthered her education to achieve the LRS® Life Risk Specialist designation.

Julie was first elected an FPA Board Member in 2006, with a short break in 2010. She was re-elected in 2010 and again in 2013. Julie has also served as the Western Australia Chapter Chair from 2005-2006, in addition to committee appointments over the past 20 years in the areas of regulations, the Diploma of Financial Planning DFP8, Pl insurance, SOA and risk management. Her board committee responsibilities have included Audit, Chair of the Education and Member Services, Member Engagement, Remuneration and Succession Planning Committee. She is currently Chair of the Professional Designations Committee, and a member of the Governance and Remuneration Committee.

Julie provides specialist consultancy to Aboriginal trustees in the Pilbara identifying financial needs of members, and is an elected member for the City of Subiaco.



Delma NewtonCFP®, BEc, BBus, Dip FP *Appointed 19 November 2014*

Delma has been a financial planner for over 20 years and has been a member of the FPA since 1995. She is a Certified Financial Planner® and holds degrees in Economics and Accounting. Delma runs her own Financial Planning business, Total Portfolio Management Pty Ltd.

Prior to being elected to the FPA board in 2014, Delma had served on the Brisbane Chapter Committee for over 10 years, 5 of these as Chapter Chair. Delma also served on the FPA Membership Committee. Delma's current role on the Board is as the Chair of the 2015 FPA National Congress.



Peter O'Toole CFP®, FFPA Appointed 26 November 2010 Retired 15 May 2015

Peter has worked in the financial service industry since 1982. In the early eighties Peter and several colleagues established and developed one of the first national securities licensees.

From 1987 to 2001 Peter worked with Deutsche Bank (formerly Bain & Company) where he:

- established the Melbourne office in 1987
- worked as a successful adviser
- became Director and Head of Financial Planning in 1996 (and later in addition the Portfolio Management Division) a position he held until the businesses were sold in 2001.

Since 2001 Peter has been licensed through Godfrey Pembroke Ltd as a full time adviser in his own practice in Melbourne, Portfolio & Wealth Management Pty Ltd. Prior to Peter being elected to the Board he served for a number of years as a member of the FPA's Strategic Policy Committee as well as various task forces and working groups dealing with policy/regulatory issues. During the last year Peter also served as the Chair of the Board Professional Standards and Conduct Committee and later the Policy & Regulation Committee as well as being a member of the Audit and Risk Management Committee.



Philip Pledge
BEc, FCA
ADDITIONAL DIRECTOR
Appointed 1 January 2009

Philip became a Partner in one of the antecedent firms of Ernst & Young in 1966 and remained a Partner until his retirement from Ernst & Young in 2001. He practised in a range of disciplines over his career with his special interests being in the field of transaction support and performance improvement. In these roles he was involved in a number of capital raisings by IPO and private equity. His passion for corporate performance improvement was the skill that led to his promotion through the Ernst & Young organisation to be South Australian Managing Partner from 1979 to 1998 and National Chairman from 1992 –1994. Philip has held a number of Board positions. Philip is the Chair of the Audit & Risk Management Committee of the Board.

COMPANY SECRETARY



Pene Lovett *Appointed 31 October 2012*

CORPORATE INFORMATION

Corporate Structure

The Financial Planning Association of Australia Limited (FPA) is a company limited by guarantee and does not have share capital. The Association is incorporated and domiciled in Australia.

Nature of Operations and Principal Activities

The FPA is a not-for-profit membership entity. The principal activities of the FPA during the year were to:

- represent members' views to Government, regulators, media and other stakeholders, contributing to public policy and legislative decision making which affects the financial planning profession
- establish, monitor and enforce high professional and ethical standards
- provide appropriate education and continuing professional development for the members
 - deliver professional services to members to enhance their businesses and assist with meeting policy, compliance and client obligations
 - deliver the CERTIFIED FINANCIAL
 PLANNER® and other professional
 designation programs, certification renewals
 and promotion of the CERTIFIED
 FINANCIAL PLANNER® (CFP®) brand
 in Australia
- raise the awareness of Australians of the need for, and value of, professional financial advice.

Review and Results of Operations

The FPA recorded a before tax surplus of \$894,562 for the year ending 30 June 2015 (2014: surplus \$932,055) and an after tax surplus of \$444,544 (2014: surplus \$980,524) increasing accumulated members' funds to \$8,764,862 at 30 June 2015 (2014: \$8,320,318).

Significant Changes

The significant changes that have occurred in the financial year to 30 June 2015 are as follows:

- the increase in member numbers and revenue without increasing our membership fees
- the continuing investment made in the advertising campaign funded from members' advertising levy contributions, this year we invested more funds than collected
- the investment in the new CRM (customer relationship management) system is now being amortised.

Subsequent Events

There are no significant subsequent events that have occurred since the financial year ended 30 June 2015.

Likely Developments and Expected Results

The Association will continue to pursue its principal activities as a not-for-profit membership entity.

Directors' and Senior Executives' Emoluments

Directors' and senior executives' emoluments for the year are included in *note 19* to these financial statements.

Directors' Meetings

The number of meetings of the directors held during the year and those attended by each director was as follows:

Directors' Meetings 2014-15

	Eligible to attend	Number attended
Matthew Rowe (to November 2014)	3	3
Mark Rantall	6	6
Philip Pledge	6	5
Bruce Foy	6	4
Louise Lakomy (to November 2014)	3	3
Julie Matheson	6	6
Peter O'Toole (to May 2015)	5	1
Neil Kendall	6	6
Matthew Brown	6	6
Patrick Canion (to November 2014)	3	3
Marisa Broome (from November 2014)	3	3
Delma Newtown (from November 2014)	3	3

BOARD COMMITTEE MEMBERSHIP

Members acting on these committees of the board during the year were:

Audit and Risk Management Committee

Philip Pledge (Chair), Peter O'Toole CFP® FFPA, Matthew Brown CFP®

Resigned: Louise Lakomy CFP® LRS® FFPA (November 2014)

The Audit and Risk Management Committee met six times during the period under review.

Governance and Remuneration Committee

Neil Kendall CFP® FFPA (Chair from November 2014), Julie Matheson CFP®

Resigned: Matthew Rowe CFP® (Chair) (November 2014)

Joined: Matthew Brown CFP® (November 2014)

The Governance and Remuneration Committee met four times during the period under review.

Policy and Regulations Committee

Jason Bragger CFP®, Frank Camilleri CFP®, Elisha Forde CFP®, Adrian Hanrahan CFP®, Tim Mackay CFP®, Craig Meldrum AFP®, Peter Richards CFP®, Anne Graham CFP® LRS®

Resigned: Neil Kendall CFP® FFPA (Chair) (November 2014)

Joined: Peter O'Toole CFP® FFPA (Chair) (November 2014), Nick Amore CFP®, Adrian Gervasoni CFP®, William Johns CFP® (March 2015)

The Policy and Regulations Committee met four times during the period under review.

Professional Designations Committee

Julie Matheson CFP® (Chair), Dario
Bartolomeo CFP®, Elson Goh CFP® LRS®,
Benjamin Jessop CFP®, Robert MacLean
CFP® AEPS®, Martin McIntosh CFP®,
Paul Moran CFP®, Thabojan Rasiah CFP®,
Peter Roan CFP® LRS® AEPS® FFPA

Joined: Paul Garner CFP® (June 2015)

The Professional Designations Committee met six times during the period under review.

Professional Standards and Conduct Committee

Guyon Cates, Benjamin Marshan CFP®, Dacian Moses CFP®, Hanny Youcef AFP®, James Cotis CFP®.

Resigned: Peter O'Toole CFP® FFPA (Chair) (November 2014), Danny Maher CFP®, Christine Cupitt (March 2015)

Joined: Marisa Broome CFP® (Chair) (November 2014), Claire Mackay CFP® (March 2015)

The Professional Standards and Conduct Committee met twice during the period under review.

Regional Chapter Committee

Vicky Ampoulos, Petra Churcher AFP®, Gary Jones AFP® FFPA, Todd Kennedy CFP®, Randall Stout CFP®.

Resigned: Patrick Canion CFP® (Chair) (November 2014), Alex Brown CFP® (November 2014), Danny Maher CFP® (May 2015)

Joined: Matthew Brown CFP® (Chair) (November 2014), Susie Erratt CFP® (November 2014), Steven O'Donoghue CFP® (April 2015)

The Regional Chapter Committee met three times during the period under review.

Mark Rantall CFP®, as Chief Executive Officer, sat on all the above committees in an ex-officio capacity.

Indemnification and insurance of directors and officers

The company has an insurance policy that indemnifies all the directors and officers of the company for any breaches in law or claims brought against them in their capacity as directors and officers of the company, except as prescribed by the Corporations Act 2001. The liabilities insured against include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the directors or officers in their capacity as officers of the Association, except as prescribed by the Corporations Act 2001.

The insurance policy limits of liability are \$10,000,000 each and every claim, and \$20,000,000 in the aggregate. The total amount of insurance premiums (excluding indirect taxes) paid for directors and officers in 2015 were \$11,799 (2014: \$11,215). This policy is renewed annually and the current policy expires on 31 March 2016.

Indemnification of auditors

To the extent permitted by law, the Association has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount).

No payment has been made to indemnify Ernst & Young during or since the financial year.

Corporate governance

The FPA is a non-disclosing entity and is therefore not required to meet all the reporting and corporate governance requirements of a disclosing or listed entity. In recognising the need for the high standards of corporate behaviour and accountability, the directors of the FPA support and adhere to the principles of corporate governance.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

For the year ended 30 June 2015

The directors received the following declaration from the auditors of Financial Planning Association of Australia Limited.



Ernst & Young 680 George Street Sydney NSW 2000 Australia GPO Box 2646 Sydney NSW 2001 Tel: +61 2 9248 5555 Fax: +61 2 9248 5959 ey.com/au

Auditor's Independence Declaration to the Directors of Financial Planning Association of Australia Limited

In relation to our audit of the financial report of Financial Planning Association of Australia Limited for the financial year ended 30 June 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Crnst & Young
Ernst & Young

Rita Da Silva

Pastina

Partner

24 September 2015

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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Financial Planning Association of Australia Limited, we state that:

In the opinion of the directors:

- a. The financial statements and notes of the Association are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Association's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and *Corporations Regulations 2001*; and
- b. The financial statements and notes also comply with International Financial Reporting Standards as disclosed in *note 1*.
- c. There are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Neil Kendall Director

Philip Pledge

Director

24 September 2015 Sydney, New South Wales



Ernst & Young 680 George Street Sydney NSW 2000 Australia GPO Box 2646 Sydney NSW 2001 Tel: +61 2 9248 5555 Fax: +61 2 9248 5959 ey.com/au

Independent Auditor's Report to the Members of Financial Planning Association Of Australia Limited

We have audited the accompanying financial report of Financial Planning Association of Australia Limited (the "Association"), which comprises the statement of financial position as at 30 June 2015, the statement of 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.

Directors' responsibility for the financial report

The directors of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1(b), the directors also state that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal controls.

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An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion:

- a. the financial report of Financial Planning Association of Australia 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 30 June 2015 and of its performance for the year ended on that date: and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(b).

Ernst & Young

Const + Loung

Rita Da Silva

P. Da Litra

Partner

Sydney

24 September 2015

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STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2015

Note	2015 \$	2014
2	11,816,068	11,109,138
3(c)	(4,683,309)	(4,554,136)
3(a)	(229,596)	(119,483)
	(2,919,670)	(2,614,997)
3(b)	(372,984)	(370,059)
	(536,204)	(591,972)
	(1,240,683)	(1,213,291)
	(643,043)	(714,624)
	(10,625,489)	(10,178,562)
	1,190,579	930,576
3(d)	(296,017)	1,479
	894,562	932,055
5	(450,018)	48,469
	444,544	980,524
		_
	444,544	980,524
	2 3(c) 3(a) 3(b)	Note \$ 2 11,816,068 3(c) (4,683,309) 3(a) (229,596) (2,919,670) 3(b) (372,984) (536,204) (1,240,683) (643,043) (10,625,489) 1,190,579 3(d) (296,017) 894,562 5 (450,018) 444,544

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Note	2015 \$	2014
Current assets			
Cash and cash equivalents	17	4,065,473	2,825,401
Trade and other receivables	6	194,737	605,079
Income tax receivable		328,673	75,335
Other current assets	7	13,779,132	14,105,519
Total current assets		18,368,015	17,611,334
Non-current assets			
Plant and equipment	9	140,395	209,478
Intangible assets	10	324,413	415,837
Deferred tax assets	5	<u> </u>	450,018
Total non-current assets		464,808	1,075,333
Total assets		18,832,823	18,686,667
Current liabilities			
Trade and other payables	11	2,194,093	2,438,184
Provisions	12	265,806	264,245
Other liabilities	13	7,366,386	7,403,646
Total current liabilities		9,826,285	10,106,074
Non-current liabilities			
Provisions	12	241,676	239,187
Other liabilities	13	- (21,088
Total non-current liabilities		241,676	260,075
Total liabilities		10,067,961	10,366,349
Net assets		8,764,862	8,320,318
Members' funds			
Retained earnings	8	8,764,862	8,320,318
Total members' funds		8,764,862	8,320,318

The Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2015

	Note	Retained Earnings \$	Equity Total \$
At 1 July 2013		7,339,794	7,339,794
Total comprehensive income for the year		980,524	980,524
At 30 June 2014	8	8,320,318	8,320,318
Total comprehensive income for the year		444,544	444,544
At 30 June 2015	8	8,764,862	8,764,862

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2015

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Receipts from members and non-members		12,821,645	10,480,431
Payments to suppliers and employees		(11,940,637)	(9,184,575)
Interest received		398,602	601,348
Income tax paid		(253,338)	(87,068)
Net cash flows from operating activities	17	1,026,272	1,810,136
Cash flows from investing activities			
Funds placed on term deposit – net of maturities		282,889	(1,047,790)
Purchase of plant and equipment		(32,292)	(34,965)
Purchase of intangible assets		(36,797)	(374,421)
Net cash flows used in investing activities		213,800	(1,457,176)
Net increase in cash and cash equivalents		1,240,072	352,960
Cash and cash equivalents at beginning of period		2,825,401	2,472,441
Cash and cash equivalents at the end of the period	17	4,065,473	2,825,401

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The Financial Planning Association of Australia Limited (the "Association"), which is a non-profit organisation, is limited by guarantee.

The financial report has been prepared on a historical cost basis, except when applicable for certain financial instruments measured at fair value through the profit and loss. The concept of accrual accounting has also been adopted in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated. The financial report is presented in Australian dollars.

The financial report of the Association for the year ended 30 June 2015 was authorised for issue in accordance with a resolution of the directors on 24 September 2015.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

(c) New Accounting Standards and Interpretations

(i) Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous year except as follows: The company has adopted all new and amended Australian Accounting Standards as of 1 July

- AASB 2012-3 Offsetting Financial Assets and Financial Liabilities
- AASB 1031 Materiality

2014 including:

- AASB 2013-9 Conceptual Framework, Materiality, and Financial Instruments
- AASB 2014-1 Part A Annual Improvements 2010-2012 Cycle
- AASB 2014-1 Part A Annual Improvements 2011-2013 Cycle

The adoption of the above Standards has not had a material impact on the financial position, performance or disclosures in the financial statements of the Association.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [CONT'D]

(c) New Accounting Standards and Interpretations (cont'd)

(ii) Accounting Standards and Interpretations issued but not yet effective

Certain Australian Accounting Standards have recently been issued or amended but are not yet effective and have not been adopted by the Association for the annual reporting period ended 30 June 2015. The assessment of the impact of these new standards and interpretations are outlined in the table below:

Reference	AASB 2014-4
Title	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)
Summary	AASB 116 Property Plant and Equipment and AASB 138 Intangible Assets both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset.
	The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.
	The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.
Application date of standard*	1 January 2016
Impact on Association's financial report	No significant impact expected
Application date for Association	1 July 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [CONT'D]

(c) New Accounting Standards and Interpretations (cont'd)

Reference	AASB 2015-2
Title	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101
Summary	The Standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative project. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.
Application date of standard*	1 January 2016
Impact on Association's financial report	No significant impact expected
Application date for Association	1 July 2016
Reference	AASB 9
Title	Financial Instruments
Summary	AASB 9 (December 2014) is a new standard which replaces AASB 139. This new version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a new model for classification, measurement and de-recognition of financial assets and liabilities, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting. Under the new requirements, the four current categories of financial assets will be replaced with two measurement categories, fair value and amortised cost. AASB 9 is effective for annual periods beginning on or after 1 January 2018 and will therefore apply to the Association from 1 July 2018. The Association does not expect this Standard to have a significant impact on the financial statements of the Association.
Application date of standard*	1 January 2018
Impact on Association's financial report	No significant impact expected
Application date for Association	1 July 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [CONT'D]

(c) New Accounting Standards and Interpretations (cont'd)

Reference	AASB 15
Title	Revenue from Contracts with Customers
Summary	AASB 15 Revenue from Contracts with Customers replaces the existing revenue recognition standards AASB 111 Construction Contracts, AASB 118 Revenue and related interpretations. AASB 15 specifies the accounting treatment for revenue arising from contracts with customers (except for contracts within the scope of other accounting standards such as leases or financial instruments). The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps: (a) Step 1: Identify the contract(s) with a customer (b) Step 2: Identify the performance obligations in the contract (c) Step 3: Determine the transaction price (d) Step 4: Allocate the transaction price to the performance obligations in the contract (e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation
Application date of standard*	1 January 2018
Impact on Association's financial report	The Association is currently evaluating the impact of the new standard
Application date for Association	1 July 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [CONT'D]

(d) Accounting judgements, estimates and assumptions

In applying the Association's accounting policies management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Association. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. These are reviewed on an ongoing basis to ensure the resulting financial information meets the concepts of relevance and reliability. Actual results may differ from the judgements, estimates and assumptions.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and the carry forward of unused tax losses as management considers that it is probable that future taxable profits will be available to utilise those temporary differences and unused tax losses. The related carrying amounts are disclosed in *note* 5.

Impairment of non-financial assets other than goodwill

The Association assesses impairment of all assets at each reporting date by evaluating conditions specific to the Association and to the particular asset that may lead to impairment. These include intangible asset performance, expected future use and benefits, technology, economic and political environments and future product service expectations. If an impairment trigger exists the recoverable amount of the asset is determined. The related carrying amounts are disclosed in *note 10*.

Make good provisions

A provision has been made for the present value of anticipated costs of future restoration of leased premises. The provision includes future cost estimates associated with office dismantling, closure and permanent storage of historical residues. The calculation of this provision requires assumptions such as application of environmental legislation, office closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the Statement of Financial Position by adjusting both the expense or asset (if applicable) and provision. The related carrying amounts are disclosed in *note 12*.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [CONT'D]

(e) Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight line basis over the estimated useful life of the assets as follows:

Computer equipment 2 to 5 years
Plant and equipment 3 to 8 years
Leasehold improvements The lease term
Furniture and fittings 5 to 10 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Impairment and recoverable amount of assets

At each reporting date, the Association assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, management makes an estimate of the recoverable amount. Where the carrying values exceed the estimated recoverable amount, the asset is written down to its recoverable amount.

The recoverable amount is the greater of fair value less costs to sell and value in use. As a not-for-profit entity whose future economic benefits of an asset (or class of asset) are not primarily dependent on the assets' ability to generate cash flows, and it would be replaced if the Association was deprived of it, value in use is the depreciated replacement cost. Impairment losses are recognised in the income statement.

Disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [CONT'D]

(f) Taxes

Income Taxes

The Association applies the principle of mutuality to its revenue and expenses in assessing its income tax liability. Under this principle, income derived from members of the Association represents mutual income and is not subject to income tax. Accordingly, expenses in association with mutual activities are not deductible for taxation purposes. All other receipts and payments are classified in accordance with taxation legislation.

Deferred income tax is provided on all temporary differences at the statement of financial position date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax amounts are recognised for all taxable and/or deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

The Association offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(g) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position and for the purposes of the statement of cash flows comprise cash at bank and on hand, short term deposits and bank bills with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [CONT'D]

(h) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Association and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Subscriptions and education fees

The subscription year runs from 1 July to 30 June. Subscriptions are payable annually in advance. Education fees are payable each semester in advance. Only those fees that are attributable to the current financial year are recognised as revenue.

Conferences and forums

Revenue is recognised when the events take place.

Interest

Interest is recognised as revenue on an accrual basis using the effective interest method.

(i) Trade and other payables

Trade payable and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Association prior to the end of the financial year that are unpaid and arise when the Association becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

Financial guarantees

Financial guarantees issued by the Association have not been recognised as a liability. These guarantees are issued in the form of bank guarantees which are assets pledged as security and included as part of the balance of short term deposits. Refer to *note* 17(iii).

(j) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis at an operating unit level. Individual debts that are known to be uncollectable are written off when identified. An impairment provision is recognised when there is objective evidence that the Association will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [CONT'D]

(k) Provisions

Provisions are recognised when the Association has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the position of financial position date using a discounted cash flow methodology. The risks specific to the provision are factored into the cash flows and as such a risk-free government bond rate relative to the expected life of the provision is used as a discount rate. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

(l) Employee leave benefits

Provision is made for employee leave benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

Liabilities arising in respect to wages and salaries, annual leave and any other benefit expected to be settled within twelve months of the reporting date are measured at amounts which are expected to be paid when the liability is settled.

The liability for long service leave is recognised and measured as the present value of the expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. In determining the present value of future cash outflows, the market yield as at the reporting date on high quality corporate bonds, which have terms to maturity approximating the terms of the related liabilities are used.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [CONT'D]

(m) Members' funds

The Association is limited by guarantee and does not have share capital (refer to note 20).

(n) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Association as a lessee

Operating leases are recognised as an expense in the statement of comprehensive income on a straight line basis over the lease term. Lease incentives are recognised in the statement of comprehensive income as an integral part of the total lease expenses.

(o) Investments and other financial assets

Investments and other financial assets in the scope of *AASB 139 Financial Instruments: Recognition and Measurement* are classified as either financial assets at fair value through profit and loss, loans and receivables, held to maturity investments, or available for sale financial assets. Currently the Association holds only 'loans and receivables'.

Loans and receivables

This category includes trade and other receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables are initially recognised at fair value plus transaction costs that are attributable to the acquisition of the financial asset. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method, less impairment.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [CONT'D]

(p) Intangible assets

Intangible assets acquired are initially measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset is reviewed at least at each financial year-end.

The useful lives of the intangible assets recognised are assessed as finite. The intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Amortisation is calculated on a straight line basis over the estimated useful life of the intangible assets as follows:

Website development costs 4 years Computer software 4 years

Website development costs

An intangible asset arising from development expenditure on the FPA website is recognised only when the Association can demonstrate the technical feasibility of completing the website so that it will be available for use, the intention to complete and the ability to use the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the website during its development.

Following the initial recognition of the development expenditure, the asset is to be carried at cost less any accumulated amortisation and accumulated impairment losses. Any expenditure so capitalised is amortised over the period of expected benefits from the related development. All development, maintenance and operational expenditure that do not meet the criteria set out in AASB 138 Intangible Assets have been treated as expenses incurred in the period.

Computer software

Computer software is classified as an intangible asset when the criteria set out in AASB 138 Intangible Assets is met. Expenditure incurred on computer software is capitalised when it is probable the future economic benefits attributable to the asset will flow to the Association. Computer software recognised relates to applications and systems used by the Association in their operations, including financial, general ledger and member management and platform systems.

(q) Comparative figures

Where necessary comparatives have been reclassified and repositioned for consistency with current year disclosures.

2. REVENUE

	2015 \$	2014
Revenue	*	Ψ
Membership subscriptions	7,171,540	6,991,207
Conferences and seminars	1,646,141	1,619,930
CFP course	1,507,919	1,096,419
CFP certification	445,741	431,161
Specialist programs	19,727	32,924
Continuing education	370,733	330,335
Interest received – non-related persons/corporations	477,754	519,991
Other revenue	176,513	87,171
Total revenue	11,816,068	11,109,138

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

3. EXPENSES

	2015	2014
	\$	\$
(a) Depreciation and amortisation expenses		
Depreciation and amortisation of non-current assets		
Computer equipment	8,243	11,809
Furniture and fittings	5,611	3,328
Plant and equipment	2,345	3,749
Leasehold improvements	85,176	30,066
Intangible assets	128,221	70,531
Total depreciation and amortisation of non-current assets	229,596	119,483
(b) Occupancy expenses		
Minimum lease payments – operating lease	372,984	370,059
Total occupancy expenses	372,984	370,059
(c) Employee benefits expenses		
Wages and salaries	4,237,791	4,078,901
Workers' compensation costs	27,787	45,782
Superannuation costs	297,740	303,722
Staff training and recruitment	119,991	125,731
Total employee benefits expenses	4,683,309	4,554,136
	5 (1)	
(d) Strategic Advertising – costs incurred for the strategic investment		
<i>in the advertising manifesto on behalf of members and affiliates.</i> Advertising levies received	(987,599)	(1,457,746)
Advertising expenditure	1,283,616	1,456,267
	296,017	(1,479)

4. AUDITORS' REMUNERATION

Income tax (benefit) attributable to operating surplus

	2015 \$	2014
	Ψ	Ψ
Amounts received, or due and receivable, by Ernst & Young for:		
 an audit of the financial report of the Association 	47,000	46,100
- other services - taxation	15,000	15,000
	62,000	61,100
5. INCOME TAX		
Income tax expense/ (benefit) consists of:		
	2015	2014
	\$	\$
Current income tax	_	-
Deferred income tax	450,018	(48,469)
	450,018	(48,469)
A reconciliation between tax expense and the product of the accounting surplus before income tax multiplied by the Association's applicable income tax rate is as follows:		
Accounting surplus before tax from ordinary activities	894,562	932,055
At statutory income tax rate of 30 per cent	268,369	279,616
Net income derived from members not assessable	315,820	(333,316)
Expenditure not allowable for income tax purposes	3,796	4,003
Recognition/ (derecognition) of temporary differences	(137,967)	1,228
. 1999	(.0.,00.)	1,220

(48,469)

450,018

5. INCOME TAX [CONT'D]

o. moome tax [ook! b]	Opening balance at 1 July 2014	(charged)/credited to profit or loss	Closing balance at 30 June 2015
Movements in deferred taxation			
Deferred tax assets			
Employee provisions	34,360	(34,360)	
Other provisions and accruals	34,558	(34,558)	_
Deferred revenue	375,648	(327,168)	48,480
Tax losses	26,915	(26,915)	d nd=
Other	3,217	(3,217)	
Total deferred tax assets	474,699	(426,218)	48,480
Deferred tax liabilities			
Accrued interest	(24,388)	(23,746)	(48,134)
Other	(293)	(53)	(346)
Total deferred tax liabilities	(24,681)	(23,799)	(48,480)
Net deferred tax	450,018	(450,018)	-
	Opening balance at 1 July 2013	(charged)/credited to profit or loss	Closing balance at 30 June 2014
Deferred tax assets			1.1
Employee provisions	24,680	9,680	34,360
Other provisions and accruals	28,479	6,079	34,558
Deferred revenue	392,808	(17,160)	375,648
Tax losses	- 11 1 1 1 -	26,915	26,915
Other	4,376	(1,159)	3,217
Total deferred tax assets	450,344	218,255	474,699
Deferred tax liabilities			
Accrued interest	(48,795)	24,407	(24,388)
Other		(293)	(293)
Total deferred tax liabilities	(48,795)	24,114	(24,681)
Total deferred tax	401,548	242,369	450,018

Unrecognised deferred tax balances

At 30 June 2015, deferred tax asset has not been recognised on deductible timing differences and tax losses totalling \$492,201 (2014: Nil) as it has been assessed that it is not probable that future taxable profits will be available.

6. TRADE AND OTHER RECEIVABLES

	2015 \$	2014 \$
Trade Debtors (i)	34,682	533,388
Less: Allowance for impairment loss (ii)	(694)	(10,668)
	33,988	522,720
Sundry Debtors (iii)	160,749	82,359
	194,737	605,079

Terms and conditions

Terms and conditions relating to the above financial instruments:

- (i) Trade debtors are non-interest bearing and generally on 30 day terms.
- (ii) A provision for impairment loss is recognised when there is objective evidence that an individual debtor is impaired. No individual amount within the impairment allowance is material.
- (iii) Sundry debtors and other receivables are non-interest bearing and have repayment terms between 30 and 90 days, with the exception of accrued interest on term deposits, which are payable on maturity. These do not contain impaired assets and are not past due.

7. OTHER CURRENT ASSETS

Prepaid conference expenditure	237,767	405,371
Prepaid chapter expenditure	33,830	39,936
Other prepayments	194,734	64,522
Term deposits maturing between 4-12 months	13,312,801	13,595,690
	13,779,132	14,105,519

8. RETAINED EARNINGS

544 980,524
7,339,794

9. PLANT AND EQUIPMENT

	Computer equipment at cost \$	Furniture and fitting at cost \$	Plant and equipment at cost \$	Leasehold improvement at cost \$	Total \$
Gross carrying amount					
Balance at 1 July 2013	124,399	114,096	105,305	734,105	1,077,905
Additions	23,173	5,916	5,876	_	34,965
Disposals	_	/ / / · -	/ _	-	1 4 -
Balance at 30 June 2014	147,572	120,012	111,181	734,105	1,112,870
Additions	7,151	25,141	1-1	- 3 1 7 5 1	32,292
Disposals	_	J. C	_	1 1 -	
Balance at 30 June 2015	154,723	145,153	111,181	734,105	1,145,162
Accumulated depreciation	& impairments				
Balance at 1 July 2013	(111,778)	(98,166)	(96,615)	(547,881)	(854,440)
Depreciation	(11,809)	(3,328)	(3,749)	(85,403)	(48,952)
Disposals	_	J	-		_
Balance at 30 June 2014	(123,587)	(101,494)	(100,364)	(577,947)	(903,392)
Depreciation	(8,243)	(5,611)	(2,345)	(85,176)	(101,374)
Disposals	_	441-1	_	_	3 7-
Balance at 30 June 2015	(131,830)	(107,105)	(102,709)	(663,123)	(1,004,767)
Net book value					
As at 30 June 2014	23,985	18,518	10,817	156,158	209,478
As at 30 June 2015	22,893	38,048	8,472	70,982	140,395

The gross amount of fully depreciated fixed assets still in use was \$823,486 (2014: \$536,731).

10. INTANGIBLE ASSETS

	Website development at cost \$	Computer software at cost \$	Total \$
Gross carrying amount			
Balance at 1 July 2013	287,632	346,109	633,741
Additions	28,430	345,991	374,421
Disposals	-	_	_
Balance at 30 June 2014	316,062	692,100	1,008,162
Additions	21,670	15,127	36,797
Disposals	-	<u>-</u> 1	-
Balance at 30 June 2015	337,732	707,227	1,044,959
Accumulated amortisation & impairments Balance at 1 July 2013	(236,589)	(285,205)	(521,794)
Amortisation Disposals	(29,500)	(41,031)	(70,531)
Balance at 30 June 2014	(266,089)	(326,236)	(592,325)
Amortisation Disposals	(39,246) –	(88,975) –	(128,221)
Balance at 30 June 2015	(305,335)	(415,211)	(720,545)
Net book value			
As at 30 June 2014	49,973	365,864	415,837
As at 30 June 2015	32,397	292,016	324,413

The gross amount of fully amortised intangible assets still in use was \$546,678 (2014: \$471,059). No impairment losses were recognised during 2015 or 2014.

11. TRADE AND OTHER PAYABLES

	2015 \$	2014 \$
Trade creditors and accruals (i)	1,755,464	1,958,581
GST payable	438,628	479,603
	2,194,093	2,438,184

⁽i) Trade creditors and accruals are non-interest bearing and are normally settled on 30 days terms.

12. PROVISIONS

	Restoration of leased properties \$	Annual leave \$	Long service leave \$	Total \$
Balance at 1 July 2014	139,158	246,711	117,563	503,432
Arising during the year	7 1 -	282,898	4,532	287,430
Utilised	_	(263,803)	(15,115)	(278,918)
Unused amounts reversed	-	1	(4,462)	(4,462)
Balance at 30 June 2015	139,158	265,806	102,518	507,482
			15 50 50	
Current 2015	- 1	265,806	7 11 1 -	265,806
Non-Current 2015	139,158		102,518	241,676
	139,158	265,806	102,518	507,482
Current 2014	- 1	246,711	17,534	264,245
Non-Current 2014	139,158		100,029	239,187
	139,158	246,711	117,563	503,432

13. OTHER LIABILITIES

	2015	2014
	\$	\$
Current		
Income in advance:		
- conference income	418,001	661,978
- education income	547,707	203,455
– membership income	5,492,907	5,853,263
- advertising levies	858,803	637,097
- chapter income	27,550	30,982
- other income	330	-
	7,345,298	7,386,775
Lease incentive	21,088	16,871
	7,366,386	7,403,646
Non-Current Non-Current		
Lease incentive	- 1	21,088
	-	21,088
14. COMMITMENTS FOR EXPENDITURE		
	2015	2014
	\$	\$
Operating lease commitments – Association as lessee		
Future minimum rentals payable under non-cancellable operating leases at balance date but not recognised as liabilities are:		
No later than one year	376,759	359,673
Later than one year but not later than five years	95,268	472,027
Aggregated lease expenditure contracted for at balance date	472,027	831,700

15. EMPLOYEE BENEFITS AND SUPERANNUATION CONTRIBUTIONS

	2015	2014
	\$	\$
Employee benefits		
The aggregate employee entitlement liability is comprised of:		
Accrued wages, salaries and on costs	48,007	391,873
Provisions (current)	265,806	264,245
Provisions (non-current)	102,518	100,029
Accrued superannuation	49,455	73,550
Performance bonuses	378,447	188,125
	844,233	1,017,822

Superannuation Commitments

All employees are entitled to varying levels of benefits on retirement, disability or death. The superannuation plans provide accumulated benefits. Employees contribute to the plans at various percentages of their wages and salaries. Contribution by the Association of up to 9.5% of employees' wages and salaries are legally enforceable.

16. CONTINGENT LIABILITIES/ASSETS

There are no contingent liabilities/assets that exist at the reporting date that have a financial effect on this financial report, other than those disclosed in the financial statements.

17. CASH AND CASH EQUIVALENTS

	2015 \$	2014
(i) Reconciliation to Statement of Cash Flows		
For the purposes of the statement of cash flows, cash and cash equivalents comprise the following at 30 June:		
Cash at bank and on hand	2,565,473	1,708,290
Short-term money market deposits	1,500,000	1,117,111
Closing balance as per the statement of cash flows	4,065,473	2,825,401
(ii) Reconciliation of surplus after income tax to net		
cash flows from operations		
Surplus from ordinary activities after income tax	444,544	980,524
Non-cash items		
Depreciation and amortisation	229,596	119,483
Loss on disposal of plant and equipment	- 1	
Change in operating assets and liabilities		
Decrease/ (Increase) in trade and other receivables	410,342	(78,209)
Increase in income tax receivable	(253,338)	(87,068)
Decrease in other current assets	43,498	50,850
Decrease/ (Increase) in deferred tax assets	450,018	(48,470)
Increase/ (Decrease) in trade and other payables	(244,090)	66,973
Increase in current provisions	1,561	40,539
Increase/ (Decrease) in other current liabilities	(37,260)	739,818
Increase in non current provisions	2,489	42,567
Decrease in other non-current liabilities	(21,088)	(16,871)
Net cash flows from operating activities	1,026,272	1,810,136

The Association does not have any bank overdraft or loan facilities available.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Association, and earn interest at the respective short-term deposit rates.

17. CASH AND CASH EQUIVALENTS [CONT'D]

(iii) Assets pledged as security

Included in the balance of short-term deposits comprises \$282,801 of which has been granted as security under the lease of premises. If the Association breaches the lease the landlord may request payment of an amount from the security and apply it to monies owed under the lease.

Also, included in the balance of short-term deposits is \$200,000 being security required for the set up of the corporate card facility with the National Australia Bank.

18. RELATED PARTY DISCLOSURES

Directors

The names of persons who were directors of the Financial Planning Association of Australia Limited during or part of the year are as follows:

M Broome J Matheson
M Brown D Newton
P Canion P O'Toole
B Foy P Pledge
N Kendall M Rantall
L Lakomy M Rowe

Information on compensation of directors is disclosed in *note 19*.

There were no transactions with any related parties, directors or director related entities during the year.

19. COMPENSATION OF KEY MANAGEMENT PERSONNEL

Compensation paid or payable, or otherwise made available, in respect of the financial year, to all directors and key management personnel of the Association of Australia Limited, directly or indirectly, from the Association or any related party:

	Directors			Executives
	2015	2014	2015	2014
	\$	\$	\$	\$
Short-term	772,023	772,601	858,755	996,761
Post-employment	37,921	24,725	91,110	93,131
Total	809,944	797,326	949,866	1,089,892

Directors Compensation

Short-term directors compensation consists of a fee paid and payable to each director for being a director of the Association.

Post employment directors compensation consists of the component of directors fee paid and payable as superannuation.

Executive Compensation

Short term executive compensation consists of salaries, annual leave paid within the 12 month period, non-cash benefits and bonuses payable.

Post employment executive compensation consists of the component of salaries paid and payable as superannuation.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

20. MEMBERS' FUNDS

The Association is limited by guarantee, and is prohibited by the Constitution from making distributions to its members. In the event of winding up, the assets of the Association shall be applied in satisfaction of its debts and liabilities and any surplus after such application shall be given or transferred to some other institution or institutions having objects or activities similar to the activities of the Association and whose Constitution prohibits the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Association. The recipient institution or institutions are to be determined by the members of the Association at or before the time of dissolution. Each member is liable to a maximum of \$100 in the event of the Association being wound up whilst they are a member and within one year after they cease to be a member.

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Association's principal financial instruments comprise cash and short term deposits, receivables and payables. The main purpose of these financial instruments is to generate a return on members' funds. The Association has various other financial instruments such as trade receivables and trade creditors, which arise directly from its operations.

The Association manages its exposure to key financial risks in accordance with the Association's financial risk management policy. The objective of the policy is to support the delivery of the Association's financial targets whilst protecting future financial security.

The Association does not enter into or trade financial instruments for speculative purposes. The main risks arising from the Association's financial instruments are interest rate risk and credit risk.

The Board reviews and agrees policies for managing each of these risks as summarised below. Primary responsibility for identification and control of financial risks rests with the Audit and Risk Management Committee under the authority of the Board.

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES [CONT'D]

Risk Exposures and Responses

Interest rate risk

The Association's exposure to interest rate risks is minimal as the Association does not have any debt instruments. The only interest rate exposure relates to the cash and term deposits balances.

At balance date, the Association had the following mix of financial assets exposed to Australian variable interest rate risk that are not designated in cash flow hedges:

	2015 \$	2014 \$
Financial assets		
Cash and cash equivalents	2,565,473	1,708,290
Term deposits	14,812,801	14,712,801
	17,378,275	16,421,091

At 30 June 2015, if interest rates had moved as illustrated in the table below, with all other variables held constant, profit and equity would have been affected as follows:

	Post Tax Profit – Higher/(Lower)	
	2015	2014
	\$	\$
Judgements of reasonably possible movements		
+1% (100 basis points)	173,783	164,211
+.5% (50 basis points)	86,891	82,105
5% (50 basis points)	(86,891)	(82,105)
-1% (100 basis points)	(173,783)	(164,211)

The movements in profit are due to higher/lower interest costs from variable rate cash balances. Exposures arise predominantly from assets bearing variable interest rates as the Association intends to hold fixed rate assets until maturity. Trade account receivables and payables are interest free.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES [CONT'D]

Credit Risk

The credit risk on financial assets of the Association which have been recognised on the statement of financial position is generally the carrying amount, net of any provisions for doubtful debts. The Association does not have a significant exposure to any individual counterparty. Receivable balances are monitored on an ongoing basis with the result that the Association's experience of bad debt has not been significant.

It is the Association's policy to enter into money market deposits with reputable counterparties. Management closely monitor the creditworthiness of the counterparties by reviewing their credit ratings and press releases on a regular basis.

Net Fair Value of Financial Assets and Liabilities

The net fair value of cash and cash equivalents and monetary financial assets and financial liabilities approximate their carrying value.

22. EVENTS AFTER THE BALANCE SHEET DATE

There are no subsequent events that have occurred after reporting date that have a financial effect on this financial report.

Financial Planning Association of Australia Limited

ABN 62 054 174 453

DIRECTORS

N. Kendall

Chair

M. Rantall

Chief Executive

M. Broome

M. Brown

B. Foy

J. Matheson

D. Newton

P. Pledge

COMPANY SECRETARY

P. Lovett

Registered Office

Level 4,

75 Castlereagh Street Sydney NSW 2000

Telephone: 02 9220 4500 Facsimile: 02 9220 4580

Solicitors

Kemp Strang Level 17, 175 Pitt Street Sydney NSW 2000

Bankers

National Australia Bank 330 Collins Street Melbourne VIC 3000

Auditors

Ernst & Young 680 George Street Sydney NSW 2000