



FINANCIAL PLANNING
ASSOCIATION *of* AUSTRALIA



CELEBRATING
30
YEARS

ANNUAL REPORT

2021/22





FINANCIAL PLANNING
ASSOCIATION *of* AUSTRALIA

THROUGH OUR
MEMBERS WE STAND
WITH AUSTRALIANS
FOR A BETTER
FINANCIAL FUTURE

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“ Working for, and on behalf of, our members in the profession is at the heart of everything we do. ”

DAVID SHARPE CFP®
FPA CHAIR

A bright future ahead

Laying a foundation for growth – we've paved the way and done the hard yards

In May 2022 I was privileged to take the helm as Chair of the FPA, building on the legacy of Marisa Broome CFP®. After a series of tough periods for many in the profession, amplified by the hardships of the COVID-19 pandemic, it was great to see some level of 'normalcy' return with a relaxing of restrictions. We saw a resurgence in FPA in-person events, which fostered some much-needed physical connection amongst peers across the country after one-too-many Zoom calls.

Despite an external climate filled with much change, the FPA's focus remained unchanged: we are for our members. Working for, and on behalf of, our members in the profession is at the heart of everything we do.

This financial year, despite the broader financial headwinds, the FPA has been committed to investing and progressing projects which lay a foundation for growth, to ensure there's a bright future for our profession ahead.

At the time of preparing this report, the FPA is in a period of member consultation to explore a potential merger with the Association of Financial Advisers (AFA). The board is of the belief that a merger will allow us, the association, to present a united voice to decision makers for the benefit of members. We expect to take this to a member vote in the 2022/23 financial year.

New member portal and membership structure

The 'new world' in a post-COVID environment is one that relies increasingly on technology and digital intelligence, and congruent with this the FPA launched a new member portal for an improved online member experience. The portal is

linked to the FAR for automatic updates, and offers a more streamlined approach to FPA resources, designations, and membership renewals.

Its release follows a comprehensive review of the FPA membership structure, which prompted the launch of new membership tiers that were developed in response to a changing external landscape, which includes falling adviser numbers. The FPA also continues to collaborate with academic providers and students to attract the next generation of talented and qualified financial planners for the future of our profession.

Effective policy and advocacy

Policy and advocacy remain an ongoing priority for our members and our organisation. We finally have a sense that Government and Regulators understand that the existing regulatory framework simply isn't fit for purpose. As a result, we find ourselves primed to advocate for major reform, coupled with the welcome of a new government.

This year, we saw the commencement of major reviews into the regulation of financial advice including the Quality of Advice Review and the Australian Law Reform Commission review. The FPA responded by establishing multiple member working groups, and conducted member surveys to develop considered submissions in response, and ensure its members' and the profession's interests were represented.

We continued to work closely with both Minister Hume and Minister Jones to make substantial progress on a range of key Policy Platform issues, and our members remain highly engaged in advocacy on an individual and local level using FPA advocacy tools.

The FPA also continues to collaborate with several other associations on key issues, when appropriate, to help prosecute our argument for sensible changes for the benefit of our members and the profession.

Legacy leadership

I'd like to extend a special thank you to my fellow FPA directors, CEO Sarah Abood and the FPA staff who have worked tirelessly in a season of continued change and burgeoning workloads. We have worked together to make in-roads on projects that pave the way for a bright future and this report celebrates that.

A special thank you to former CEO Dante De Gori CFP® and Chair Marisa Broome CFP®, it's a privilege to stand on the shoulders of the work you've left behind and I am excited for what lies ahead for the profession and the FPA.

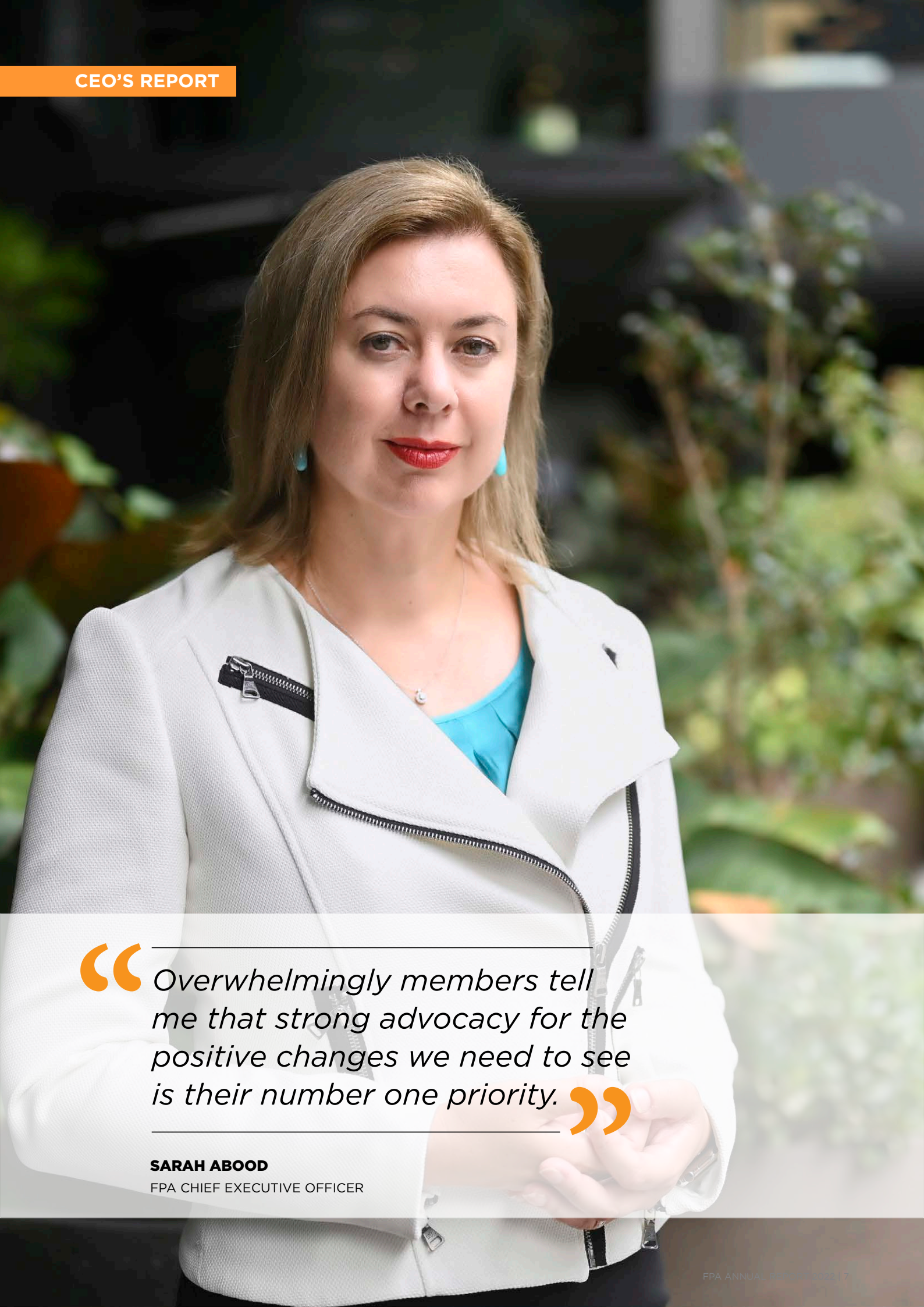
To our members

Finally, thank you to all our members, being in the company of such inspiring people is one of the reasons I'm proud to be a part of this profession, and a CERTIFIED FINANCIAL PLANNER®.

We will continue to consult, advocate, and respond effectively to the issues that matter for the benefit of members, ensuring they can continue with the life-changing work they offer to Australians everyday.



DAVID SHARPE CFP®
FPA CHAIR



“Overwhelmingly members tell me that strong advocacy for the positive changes we need to see is their number one priority.”

SARAH ABOOD
FPA CHIEF EXECUTIVE OFFICER

Celebrating 30 years of the FPA

Investing in the future of our profession, for the benefit of members and all Australians

It's been a great privilege to join the FPA as CEO in January 2022. It is a critical time for our profession, with real opportunities now for positive change after many years of challenges and stress for our members. In my first few months in this role, I've been inspired by the passion and dedication of the team and our members, to support Australians to achieve better financial futures.

I am also extremely grateful to the many members who have been willing to reach out and help me during the transition. I've really enjoyed our daily interactions - via phone, email and video, and recently face-to-face across Australia, meeting on-the-ground at local chapter sessions and at national events. I very much appreciate your generosity with your time and insights, particularly as you are so busy running your own practices!

Bold advocacy for needed change

The last few years have seen significant change for the financial planning profession - not always for the better. Overwhelmingly members tell me that strong advocacy for the positive changes we need to see is their number one priority - this area remains our number one priority as an association. Our approach this year has been to find areas where the many disparate stakeholders across financial services agree, and to spotlight and amplify these areas of agreement with policy makers and regulators. Our alliance through the Joint Associations Working group - bringing together 12 associations and groups across the industry - has been a highlight and we continue

to work together on submissions on the many major reviews and proposals that have been introduced in year.

In total we responded to 49 submissions this financial year, and attended 502 stakeholder, government and regulatory meetings - a substantial increase over the previous year. Many FPA members have also been highly engaged in organised advocacy efforts, taking part in surveys and working groups to consult on reviews, submitting individually and advocating directly with local members. We are seeing all these activities starting to pay off in a genuine recognition of the need for change amongst policymakers and regulators.

A united voice for the profession

At the time of preparing this report we are in a period of member consultation over a proposed merger with the (AFA). The intention to explore the merger was publicly announced in September 2022, following several periods of confidential discussion across both organisations. We thank our members for your involvement in the consultation to date, and look forward to continued feedback as we head to a vote.

I encourage you to get involved in the consultation, to ensure your views are reflected in this critical proposal.

A focus on sustainability

This financial year saw a big reduction in the number of financial planners in Australia - shrinking just over 14% as a profession to under 16,400 planners as of June 2022.

These numbers are a big concern, and demand for financial advice in Australia now outstrips supply by a considerable margin. We need more great financial planners in this country and many of our longer-term initiatives are focused on this, retaining and supporting our existing practitioners while growing the numbers of financial planning students, and helping them through the new Professional Year.

Adapting to change and paving a foundation for growth

Behind the scenes this year, we've been making major investments to update, modernise and better secure the FPA's online technology platform. We expect this will pay dividends for many years to come with easier-to-use, more secure, and better-connected technology support for our members.

Our 30th birthday

2022 marks our 30th birthday - a great milestone and one I'm very much looking forward to celebrating with our members at Congress in November 2022! This will be the first face-to-face Congress in three years, it's a fantastic opportunity to re-connect with peers, celebrate award winners and hear from the most knowledgeable and inspiring speakers in our profession.

Inspiring leadership

I'd like personally to thank former CEO Dante De Gori CFP® and former Chair Marisa Broome CFP® for their hard work and achievements over many years of service on behalf of members. Their legacy is most clearly seen in the turnaround in recent years in trust and respect for our profession with consumers, policymakers, and regulators alike. I believe that "Profession" is a label we can now truly and confidently claim.

I want to thank our members once again - your passion, engagement and energy are shaping the future of this profession. Great financial advice is life-changing for clients, and supporting members to do your best work is at the heart of everything we do.



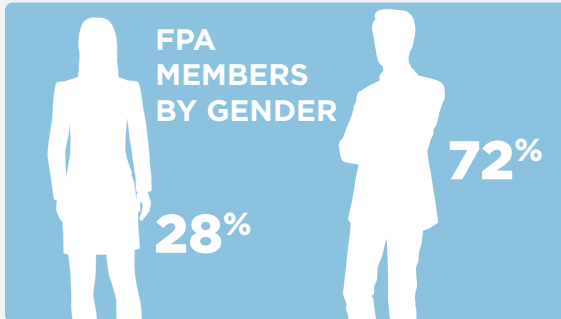
SARAH ABOOD

FPA CHIEF EXECUTIVE OFFICER

FPA YEAR AT A GLANCE 2021/22

About our members

10,954 FPA MEMBERS



 **NEW MEMBERS** **891**












 **AVERAGE MEMBER AGE** **46 yrs**
AVERAGE YEARS' M'SHIP **12 yrs**

4,966 CFP® PROFESSIONALS  **203,000** WORLDWIDE 

 **223** FPA AGED CARE SPECIALISTS



Member benefits

-  Strong advocacy for needed changes to laws and regulation
-  Connection with peers: online, events, networking
-  Promoting our profession
-  Latest news and policy updates
-  CPD and specialist designations
-  Integrated CFP® designation and Master's
-  Education, exam support and discounts
-  Best practice guidance
-  Professional Year support
-  Wellbeing program
-  Client referrals

Professional Standards



OF 17 ASIC BANS, ONLY 3 WERE FPA MEMBERS

1 CASE RESULTED IN IMPOSED SANCTIONS

FPA YEAR AT A GLANCE 2021/22

Advocacy



49

SUBMISSIONS TO
GOVERNMENT &
REGULATORS*

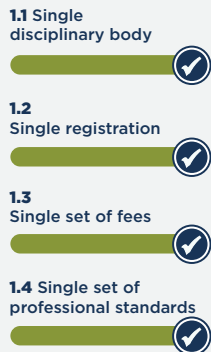
500+

GOVERNMENT &
STAKEHOLDER
MEETINGS

FPA POLICY PLATFORM: AFFORDABLE ADVICE, SUSTAINABLE PROFESSION



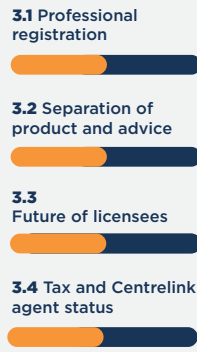
REGULATION



CONSUMER PROTECTION



LICENSING OF INDIVIDUALS



TECHNOLOGY



COST OF FINANCIAL ADVICE



TO BE COMMENCED

IN PROGRESS

COMPLETED

Consumers

Promoting the value of advice



153,000

VISITS TO
MONEY & LIFE

3.02 mins

AVE TIME
ON SITE

Connecting consumers with members



14,283

SEARCHES ON
FIND A PLANNER

46,158

VISITS TO
FIND A PLANNER

2,476

CLIENT MESSAGES ON FIND A PLANNER

Pro bono work with Cancer Council

143

CLIENT
CASES

135

MEMBERS
REGISTERED



Giving back through Future2

FUTURE2 ACHIEVED

\$1.5m+

IN GRANT GIVING



* Includes 9 submissions to confidential stakeholder consultations



About FPA

FPA Vision

THROUGH OUR
MEMBERS WE STAND
WITH AUSTRALIANS
FOR A BETTER
FINANCIAL FUTURE

As Australia's leading professional association for financial planners, the Financial Planning Association (FPA) represents the interests of the public and close to 11,000 members.

FPA VISION

Through our members, we stand with Australians for a better financial future.

FPA'S MAC STRATEGY

FPA's MAC strategy stands for Members, Advocacy and Consumers and guides our work from 2020 – 2025.



Lead the profession on the financial planning/planner model of the future.

Uphold the CFP® designation as the number one choice for the profession.

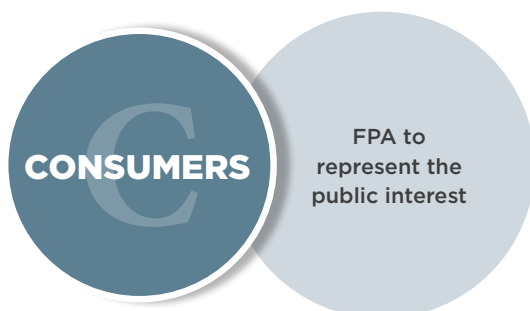
Expand our education, CPD and specialisation offers for members.



Lead the policy and reform debate for the financial planning profession.

Implement a policy vision to ensure a growing and sustainable future for financial planning.

Be the voice and professional body for the financial planning profession.



Increase consumer awareness and use of financial planning.

Elevate the financial planning profession's role and contribution to the community.

Represent the consumer in the development in public policy.

OUR MEMBERS

FPA membership composition 2021/22

CATEGORY	2022	2021
CFP® Professional	4,966	5,207
Practitioner member – AFP®	3,107	3,286
Associates	1,050	1,151
Allied Professional Affiliate	436	509
Leave of Absence Affiliate	171	195
Retired Affiliate	229	206
Student Affiliate	995	1,257
Total individual Members and Affiliates	10,954	11,811
FPA Professional Practices	174	189
FPA Professional Partners	N/A	49
Total Practices and Partners	174	238

2021/22

891

**NEW MEMBERS
THIS YEAR**

FPA member numbers decreased by 7 per cent this year. This drop is in line with expectations due to several factors which continue to impact

the financial planning profession, such as industry reform, new FASEA education and professional standards, plus changes to business models and adviser numbers within a few large Australian Financial Services Licensees. These factors have caused a number of financial planners to leave the profession. This is also reflected by an approximate 14.4 per cent reduction in financial advisers listed on ASIC’s Financial Adviser Register (FAR) during 2021/22.

The FPA no longer runs the Professional Partner program. In line with the Constitution, only individual persons can be members of the FPA (as reflected in the membership summary above).

UPDATES TO THE MEMBERSHIP STRUCTURE

The FPA has continued to roll-out changes to its membership categories following a comprehensive review last year. The changes are designed to simplify the membership pathway and provide a home for all professionals who work in financial planning – taking effect for membership renewal from May 2022.

FPA Membership is now grouped into the following categories:

CFP® professionals

Practitioner members

(including Financial Planner AFP® members), and;

Affiliates

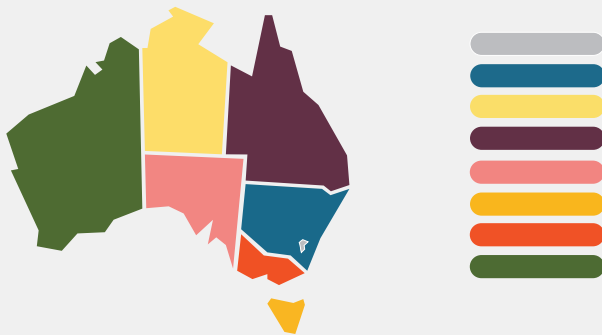
(including Student, Retired, Leave of Absence and Academic Affiliate members)

A review of membership categories has enabled the FPA to support each membership group with clear, simple, and customised services which are specifically designed for the unique needs of that group.

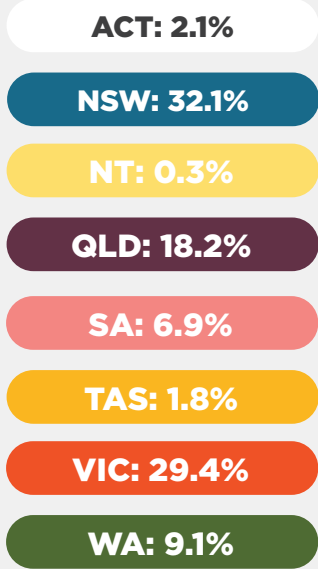
Additionally, the FPA continues to actively support the attraction of quality, new talent to build the next generation of financial planners, and hosts a variety of educational events and activities often in collaboration with educational providers.

FPA PROFESSIONAL PRACTICE PROGRAM

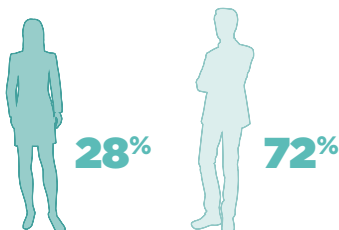
The FPA Professional Practice program is specifically designed to recognise financial planning practices that go above and beyond, by adhering to the highest professional standards to deliver best practice financial advice in the local community. In 2021/22, there were 174 practices in the FPA Professional Practice program.



FPA MEMBERS BY STATE



FPA MEMBERS – KEY DEMOGRAPHICS



A NEW MEMBER PORTAL

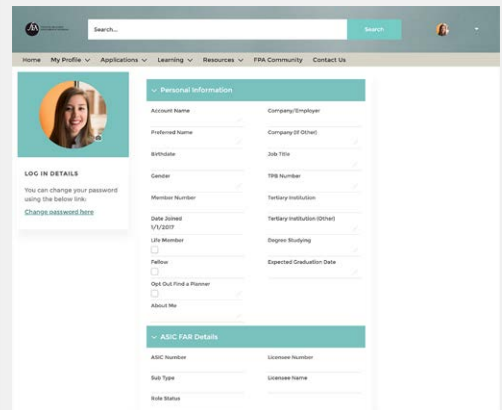
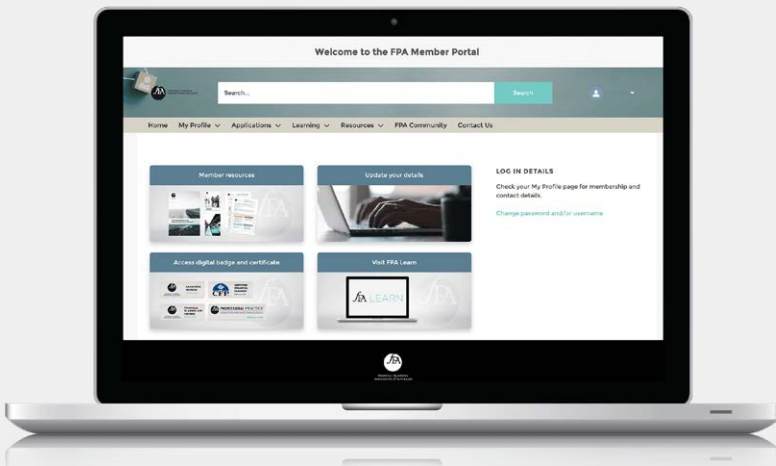
To complement changes to its membership structure, the FPA launched a revamped Member Portal to offer users a more personalised online experience. The investment in software seeks to provides members with a clearer, streamlined access point to FPA resources.

Improvements have provided a range of benefits including fast access to member-only professional development resources, the convenience of ‘one-step login’ to all FPA services, plus a linked profile to the ASIC Financial Adviser Register (FAR) for automatic updates.

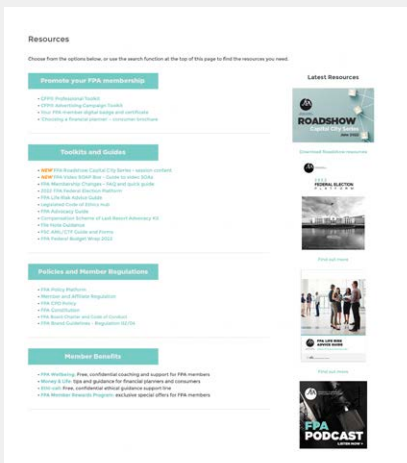
The new portal also provides an easier membership renewal process plus access to simpler online applications for a range of specialist designations.

Investing in the member portal enables the FPA to respond to the evolving needs of members in a post-pandemic digital world.

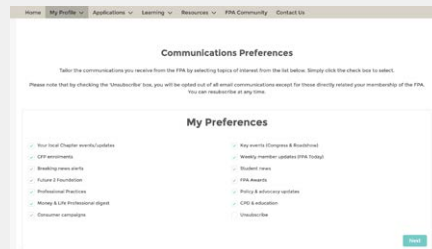
THE NEW FPA MEMBER PORTAL POWERED BY SALESFORCE



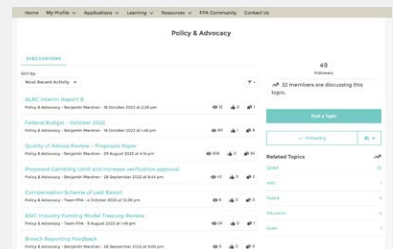
Update personal and professional details.



Take advantage of our range of FPA resources and guides.



Tailor your communications preferences so you receive what is relevant to you.



Take part in FPA Community, our updated discussion forum.



Members

FPA strategic priority

THE PROFESSIONAL
BODY OF CHOICE
FOR THE FINANCIAL
PLANNING PROFESSION

FPA Awards

Through the FPA Awards program, we aim to change the conversation and share the good stories about financial advice.

The FPA Awards recognise members who deliver the highest standards of professional and trusted advice to Australian consumers, as well as highlighting outstanding university students who are the future of our profession. The 2021 FPA Award winners were:



FPA CFP® PROFESSIONAL OF THE YEAR

Kathryn Creasy CFP®
Capital Wealth Partners Private Wealth Advice (WA)



FPA PARAPLANNER OF THE YEAR

Andrew Mann CFP®
Tupicoffs (QLD)



FPA PROFESSIONAL PRACTICE OF THE YEAR Apt Wealth Partners (NSW)



FPA COMMUNITY SERVICE AWARD

supported by Future2
Peter O'Connell CFP®
PPT Financial (VIC)



FPA FINANCIAL PLANNER AFP® OF THE YEAR

Leanne Bielik AFP®
2020 Wealth (VIC)



FPA UNIVERSITY STUDENT OF THE YEAR

Nicole Gardner
Kaplan Professional



FPA ADVICE INNOVATION AWARD

Daniel Thompson AFP®
Finnacle (NSW)

GWEN FLETCHER MEMORIAL AWARD

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. The recipients of the Gwen Fletcher Award during the 2021 financial year were:



SEMESTER ONE 2021
Phillip Turvey CFP®



SEMESTER TWO 2021
Susan Buda CFP®



SUMMER SEMESTER 2021
Danica Lozada CFP®



SEMESTER ONE 2022
Brigitta Gersey CFP®

CFP[®] Certification Program



The CERTIFIED FINANCIAL PLANNER[®] designation is the highest certification for financial planners globally.

COMBINING A MASTER WITH CFP[®] CERTIFICATION

The FPA continues to progress with the integrated CFP[®] and Master's degree pathway which is available for students of 4 universities across Australia. As at the end of June 2022, 12 students have become professionals through this pathway, with more currently enrolled.

GOLD STANDARD IN FINANCIAL PLANNING

The CFP[®] designation continues to be respected as the global certification for those committed to competent and ethical financial planning advice. The FPA remains the sole association licensed to deliver and administer the designation in Australia. More than ever, it's important for financial planners to invest in differentiators to stand out professionally and the CFP[®] designation remains the pinnacle in financial planning.

The FPA continues to undertake activities which maintain the value of the CFP designation, an aspect that member feedback reflects high value towards.

PROMOTING THE DESIGNATION

This year, the FPA rolled-out a series of specialised digital marketing campaigns to grow awareness of the designation. These multi-faceted campaigns captured leads, increased brand exposure, and further drove awareness of the certification to a targeted online audience. We also ran a joint promotion with Swinburne University on LinkedIn, with a cost sharing arrangement.

Additional efforts included improved SEO of CFP landing pages, plus automated email journeys.

The professionalism team undertook 205 checks to ensure that the CFP[®] designation is used appropriately and only by those authorised. As a result of these checks 66 cease and desist letters were issued.

GLOBAL REACH

Demand for CFP[®] professionals continues to rise. As at June 2022, there are over 203,000 CFP[®] professionals globally - 4,966 of these are within Australia.

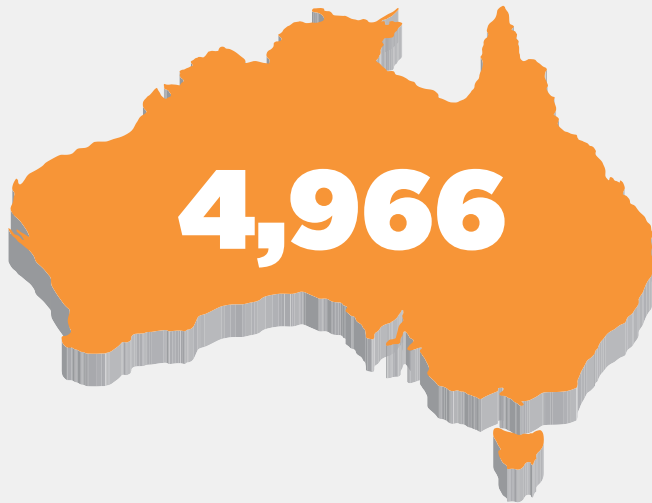
SUMMER SEMESTER

The FPA has continued to offer the CFP certification unit over summer in order to provide greater flexibility to students. This has assisted students from the integrated Master's program to complete the CFP certification unit as part of their post-graduate studies.

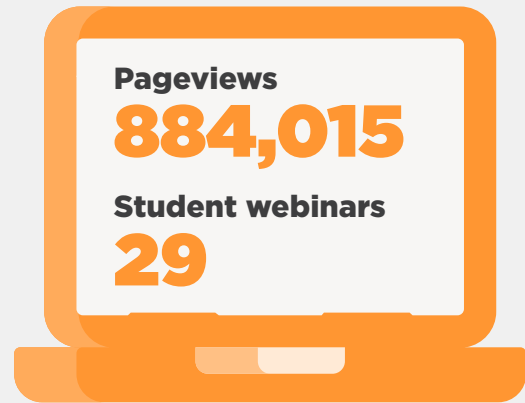
INCREASED LEARNING SUPPORT

The FPA has continued to invest in improvements in the way it delivers the CFP Certification Program. This year that included drop-in tutorial programs and updated technical content.

CFP® professionals in Australia



FPA Learn



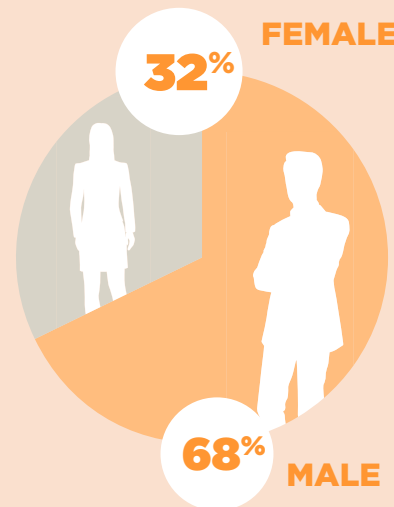
CFP Certification enrolments **281**

Admitted this year **136**

Assignments marked **270**

Average exam pass rate **77%**

Student demographic



YOUNGEST STUDENT

24
YRS

OLDEST STUDENT

66
YRS

Congratulations to the following members who became practising CERTIFIED FINANCIAL PLANNER® professionals during 2021/22:

Theodore Holland CFP®	Danielle Ablett CFP®	Anthony Broad CFP®
Katherine Spitzkowsky CFP®	Kathryn McDonald CFP®	Rui Shi CFP®
Darren Topps CFP®	Jessica Nesbitt CFP®	Shane Harris CFP®
Anthonie Bosch CFP®	Jodie Wickham CFP®	Henry Mortlock CFP®
Karl Brooke CFP®	William Huynh CFP®	Joel Fricker CFP®
Donald Sampson CFP®	Andrew Saikal-Skea CFP®	Natalie Lackner CFP®
Fatuma Akalo CFP®	Peng Yang CFP®	Benjamin Neal CFP®
Andrew Colvin CFP®	Adrian Dalzotto CFP®	James Weir CFP®
Panbo Ye CFP®	Geoffrey Isaacs CFP®	Andrew Parish CFP®
David Robertson CFP®	Nourah Zezulka CFP®	Elene Worthington CFP®
Rebecca Scarrabelotti CFP®	Susan Buda CFP®	Isabelle McClanachan CFP®
Debra Smith CFP®	Glen Belcher CFP®	Daniel Wilson CFP®
Justin Walch CFP®	Ruby Haase CFP®	Margaret Stewart CFP®
Anna Wells CFP®	Ricky Truong CFP®	William Johnston CFP®
James Horsley CFP®	Hope Rawnsley CFP®	Sam Dignam CFP®
Damien Kirby CFP®	Rhiannan Smit CFP®	Frank Fotopoulos CFP®
Emma Pittman CFP®	Ross Potter CFP®	
Joanne Dale CFP®	Cody Findlay CFP®	
Kristina Coffey CFP®	Anthony Smith CFP®	
Stephan Marianne CFP®	Kelly Stubberfield CFP®	
Renee Souster CFP®	Daniel Stokes CFP®	
Kathleen Dean CFP®	Jake Duivenvoorden CFP®	
Craig McGowen CFP®	Eric Mercer CFP®	
Minyu Wang CFP®	Benjamin Jongebloed CFP®	
Karl Hunting CFP®	Ashley Bishop CFP®	
Lyndsay Rushforth CFP®	Lynda Griffith CFP®	
Mona Moorjani CFP®	Sebastian Darcy CFP®	
Jonathan Wilkes CFP®	Mina Cao CFP®	
Thi Tran CFP®	Prashneel Karan CFP®	
Paul Turner CFP®	Kieran Menzie CFP®	
Zachary Morden-Jones CFP®	Lincoln Rego CFP®	
Jenny Wong CFP®	Paul Wratten CFP®	
Christopher Simm CFP®	Zachary Dodds CFP®	
Steven Liu CFP®	Yvonne Parasuraman CFP®	
Michael Pavani CFP®	Pooja Chadha CFP®	
Jessica Cooke CFP®	Shaowei Fang CFP®	
Shane Gourley CFP®	Fei Kong CFP®	
Rebecca Cameron CFP®	Christopher Watt CFP®	
Baron Lynch CFP®	Chris Colman CFP®	
Georgia Au-Nheu CFP®	Yolande de Klerk CFP®	
Michael Watt CFP®	Zhou Fang CFP®	
Diana Antonious CFP®	Vukasin Stjepovic CFP®	
Bhanu Lokubalasuriya CFP®	Nadia Cassidy CFP®	
Patrick Abrams CFP®	Anne Maguire CFP®	
Julian Stephenson CFP®	Stephanie Uchino CFP®	
Zain Rizvi CFP®	Ashlee Bunyan CFP®	

CPD, specialist designations and scholarships

In-depth education and ongoing development including speciality areas of advice.

CONTINUING PROFESSIONAL DEVELOPMENT

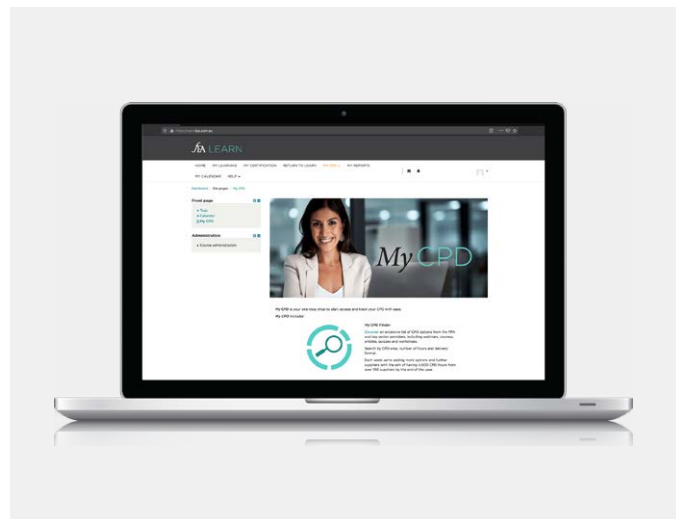
FPA members gain access to a comprehensive program of continuing professional development (CPD) through online materials, webinars, events and articles – accessible via the FPA My CPD portal.

The 2021/22 CPD webinar series provided members access to 30 hours of free online webinar sessions across practice management, technical, regulatory and professional value capabilities.

The FPA also accredited 1687 hours of CPD through our accreditation service, which offers independent evaluation of professional development activities outside the FPA. In addition, our CPD partners accredited another 1,000+ hours of CPD.

FPA AGED CARE SPECIALIST PROFESSIONAL DESIGNATION

Now in its second year, there are 223 members who hold the FPA Aged Care Specialist designation, developed in collaboration with the Aged Care Steps Accredited Aged Care Professional™ program. The FPA is committed to providing its members and the wider financial planning profession with the skills and resources to meet the needs of the increasing number of Australians moving into the later stages of life.





My CPD

2,687 Total FPA accredited
CPD hours


Access to
750 CPD hours
via the FPA Learn
catalogue and webinars

50
hours
of free CPD
webinars

100+
CPD suppliers



19,508
searches in FPA My CPD

33.7%
increase in
new visitors to
FPA My CPD

55,172
visits to FPA
My CPD Tracker

FPA SCHOLARSHIPS PROGRAM

The FPA is a strong supporter of the education and upskilling of all financial planners and prospective financial planners. For 2021/22, the organisation administered a scholarship program of over \$2.2m on behalf of generous donors and grant schemes.

WOMEN IN FINANCE AND ECONOMICS SCHOLARSHIP PROGRAM

The FPA has continued to play a key role in providing scholarships valued at up to \$50,000 each which encourages more women to pursue careers in financial planning or other business streams, or to renew, upskill or refresh their skills in these areas. It comes after the FPA was selected to manage and deliver a \$2.2 million scholarship program for women in finance and economics in May 2021, as part of the Women's Leadership and Development Program by the Department of the Prime Minister and Cabinet's Office for Women.

35 scholarship agreements were finalised with 21 education providers supporting places in

undergraduate and postgraduate degrees, designations, internships, mentoring programs, work placements, conferences and short courses.

32 scholarship programs were opened and closed, with 9 programs still running as of 30 June 2022.

441 applications were processed, and 246 applicants were awarded a scholarship.

FPA programs supported by this funding included:

An inaugural FPA mentoring programme for women in financial planning, which 112 women took part in.

A Professional Year Grant program through which 10 financial planning practices were supported

8 women who were awarded CFP® CERTIFICATION scholarships

6 recipients who received 40 hours of CPD scholarships.

Chapter network

30 FPA Chapters nationwide support our strong community of members.

FPA members connect locally through a network of 30 chapters across Australia, each backed by a volunteer Chapter Chair (CFP® professional or Financial Planner AFP® member) and committee. They are tasked with the mandate to engage with local members and facilitate connection amongst peers in the profession.

The FPA greatly appreciates the commitment and dedication of the Chapter committees in supporting engagement with members at a local level.

The Chapters are coordinated and strengthened by input from the Regional Chapter Committee (RCC) Board Committee, together with regular State Chapter Chair meetings.

The members of the RCC are:

Chair: Kearsten James CFP®

Mark Alexander CFP®

Naomi Alletson AFP®

Susie Erratt CFP®

Michael Smith AFP®

Naomi Mee-Martino CFP®

Gary Jones AFP®

Todd Kennedy CFP®
(resigned December 2021)



Chapter events

33

Total attendees

1,177

Member services and resources

EDUCATION PROVIDER COURSE DISCOUNTS

The FPA partnered with the following education providers to arrange discounts (between 10% - 52%) on postgraduate course fees for FPA members.

The discounts are available for courses at:

- Central Queensland University
- Deakin University
- Kaplan
- Monarch Institute
- Queensland University of Technology
- RMIT University
- Swinburne University
- TAFE NSW
- University of Newcastle
- University of New England
- University of South Australia
- Victoria University

PROFESSIONAL YEAR SUPPORT

The FPA continues to support businesses and members conducting the Professional Year - this is the program that all new professional entrants are required to complete before they become able to provide personal financial advice. The FPA's Professional Year (PY) tool simplifies the PY process and includes a workflow tool to track a PY training plan, alongside mentoring and coaching resources.

FPA WELLBEING

The FPA remains committed to supporting the mental health and wellbeing of its members, through the FPA Wellbeing program.

The program offers free, confidential access to professional counselling and psychologist services delivered through our partner Benestar®.

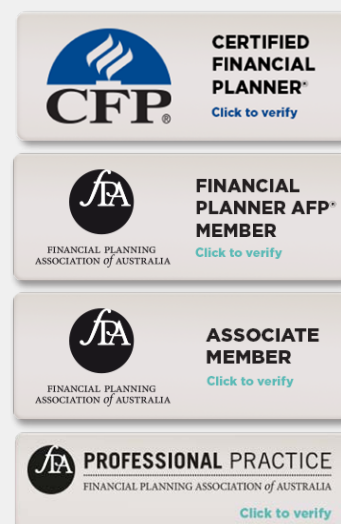
FPA COMMUNITY

The FPA Community portal is a secure, online discussion forum for members to connect, collaborate and communicate with their peers and was refreshed following an IT infrastructure update for better data management. The channel is used for a variety of purposes seeking member input on policy submissions and consultations.

DIGITAL MEMBERSHIP BADGE AND CERTIFICATE

FPA members receive a digital badge and certificate to promote and verify their membership affiliation publicly (e.g. on an email signature or website). The digital badge links to a member's virtual membership certificate which automatically updates each year upon renewal.

The FPA has worked to expand this offering to additional membership tiers in the current financial year.



MONEY & LIFE MAGAZINE

The Money & Life Magazine is the organisation's member print publication and this year 7 issues were published and printed to members. The print publication accompanies a dedicated digital content site and fortnightly newsletter. This year it was decided that the FPA will evolve its print publication into a more interactive digital version from 2023, accompanied by e-books and other valuable collateral.

MEMBER COMMUNICATIONS

Our focus remains on delivering timely and accurate member communication activities that offer opportunities for input and regular touchpoints to advise of industry updates and professional opportunities or events.

Members can rely on the weekly FPA Today newsletter for regular updates. This newsletter is supplemented by standalone alerts to students and academics, those in the FPA Professional Practice and other programs.

New communication channels this year included the dedicated 'Policy & Advocacy Bulletin' which was introduced following member feedback, and the refreshed FPA Community online forum.

MEMBER REWARDS PROGRAM

The FPA works alongside strategic partners who deliver strong service and value to our members. We partner with Goodlife Health Clubs, The Accommodation Brokers, Lexus, Audi, BMW and MINI to provide our members with special offers and discounts. Visit the FPA website for the latest offers.

MEMBER TOOLKITS

The FPA publishes a library of guidance, tools, and online resources for members containing practical guidance to support members in their businesses and provide updates on legislative issues and topics.

This year, the FPA developed the following guidance to assist members to implement and understand new regulatory requirements:

- Breach reporting Guidance
- Target market determinations Guidance
- Reference checking framework
- TPB transition and QTRP Registration with ASIC
- Exam outcomes for existing financial planners
- FPA Video SOAP Box - Guide to video SOAs
- FPA Life Risk Advice Guide incorporating the legislated Code of Ethics
- Legislated Code of Ethics Hub
- File Note Guidance
- FPA Federal Budget Wrap 2022

Member events

In response to a lifting in COVID-19 restrictions, the FPA was able to restart many of its in-person program of events throughout the year. Catering to the new 'hybrid world,' a combination of virtual and face-to-face events were held, allowing members to benefit from learning and connection.

FPA CONGRESS

The FPA's flagship event, FPA Professionals Congress, was restored to an in-person event following an easing of COVID-19 restrictions and a virtual offering in 2020. The 2021 Congress was postponed from November of that year due to an upheaval in restrictions and was moved to November 2022 with the potential for a larger event.

Under the banner of 'reunite and reset,' the FPA Professionals Congress 2022 is the first time members can gather together in this capacity in three years.

2022 FPA NATIONAL ROADSHOW

Over 1,122 FPA members registered to attend the 2022 FPA National Roadshow. We ran 5 local Roadshow events between 1 June - 10 June. This year's Roadshow focus was to provide an update on the latest policy and reform agenda and the ways the FPA is supporting the profession to manage evolving legislation, such as the policy & regulatory insights affecting financial planning, Quality of Advice Review, and election outcomes.

Roadshow event partners, Generation Life and AB Phillips, shared insights at each event.

Generation Life CEO, Grant Hackett spoke about 'Building confidence in retirement - the future of retirement planning' at each event. An in-depth panel discussion on Professional Indemnity was facilitated by FPA CEO Sarah Abood, with panellists including David Martin from AB Phillips and Thomas Cavanagh, Suzanne Craig and Dean Pinto from Wotton Kearney.



FPA WOMEN IN FINANCIAL PLANNING PROGRAM

The FPA Women in Financial Planning program (formally known as FPA Women in Wealth) has been rebadged to sharpen the organisation’s focus for attracting more women into the profession. It seeks to foster community, innovation and leadership among existing financial planners who identify as female.

As part of the program in March 2022 the FPA celebrated International Women’s Day by hosting a webinar entitled ‘What could The Great Resignation mean for your business?’. The event was hosted by then current FPA Chair, Marisa Broome CFP®, who was joined by an all female panel.

Also throughout the year, several FPA Chapters hosted Women In Financial Planning events for their local members.

CHAPTER EVENTS

Events offer members great opportunities to hear from expert speakers on professional development topics, and network with peers and colleagues. Events may include presentations from subject matter experts on professional development topics, and supporting Future2’s charitable initiatives.

A total of 33 local events took place during 2021/22 and were attended by nearly 1,177 members, consistent with a relaxation of COVID-19 health restrictions.



Academic engagement

The FPA's close ties with academics across Australian universities continues to help the organisation promote financial planning as an attractive career choice. These efforts seek to grow the number of financial planning students in Australia, as well as negotiate valuable education offers for FPA members.

FINANCIAL PLANNING EDUCATION COUNCIL (FPEC)

Established by the FPA, the Financial Planning Education Council (FPEC) is an independent body chartered with raising the standard of financial planning education, and promoting financial planning as a distinct learning area and a career of choice.

During the year, the key focus of FPEC was the proposed changes to the education standards. FPEC also welcomed a new Chair and CFP representatives to the Council.



**FINANCIAL PLANNING
EDUCATION COUNCIL**
FINANCIAL PLANNING ASSOCIATION of AUSTRALIA

FINANCIAL PLANNING RESEARCH JOURNAL

A joint initiative of the FPA and Griffith Business School, the Financial Planning Research Journal is a dedicated academic publication on financial planning. It provides a focal point for research around financial planning that can be used to inform debate and policy, and ultimately raise standards across the profession. It also reinforces the strong links between the FPA and the financial planning academic community.

Available on the FPA website, the journal incorporates peer-reviewed academic articles covering the full spectrum of the financial planning profession. The academic research journal published this year covered impacts of COVID-19 on investment risk and retirement security, predicting financial risk tolerance and risk-taking behaviour, analysis of the proposed single disciplinary body and the impacts of the Hayne Royal Commission on the operating model of financial advice firms.



PROMOTING FINANCIAL PLANNING AS A CAREER

This year, the FPA maintained a focus on raising awareness of financial planning as a career of choice among students, as it seeks to grow the number of financial planning students across Australia.

Though the COVID-19 pandemic reduced the opportunities for the FPA team to attend university open days, career expos and present as guest lectures, a successful student podcast series was launched and webinars on career development were held.

Face-to-face events have re-commenced in the 2022/23 financial year.

Professional standards

The Professional Standards Team sits within the Education and Professionalism Department. Its role is to promote the high standards of professional conduct within the FPA's membership and the wider financial planning profession. The division fulfils this mandate by holding members accountable via FPA disciplinary powers, and supporting members with advice, guidance, and support.

In 2021/22, the FPA's Professional Standards program resulted in the following activity and results:

The FPA received 9 formal complaints over the course of the year and closed 12 complaints.

We terminated the memberships of four FPA members under clause 16 of the FPA Constitution:

- Graham Yates - Automatic expulsion due to Clause 16 of the FPA Constitution
- Douglas Allen - Banning order under Corporations Act
- Craig Allen - Banning order under Corporations Act
- Gerald Cummings - Banning order under Corporations Act

Of the 17 ASIC bans in 2021/22, three were current FPA members (Craig Allen, Gerald Cummings and Douglas Allen)

The CRC conducted one disciplinary hearing and handed down a decision of breach in that matter.

- Komyal Pandya - Fine of \$10,000 costs of hearing and membership terminated

SUPPORT AND GUIDANCE

The FPA undertook a significant review of its Professional Code, involving extensive consultation with members, regulators and other stakeholders. Following this, the organisation has decided to move from a prescriptive and detailed rules-based Code - standing at over 30 pages - to a new single page, principles based, 'Code of Ethics.'

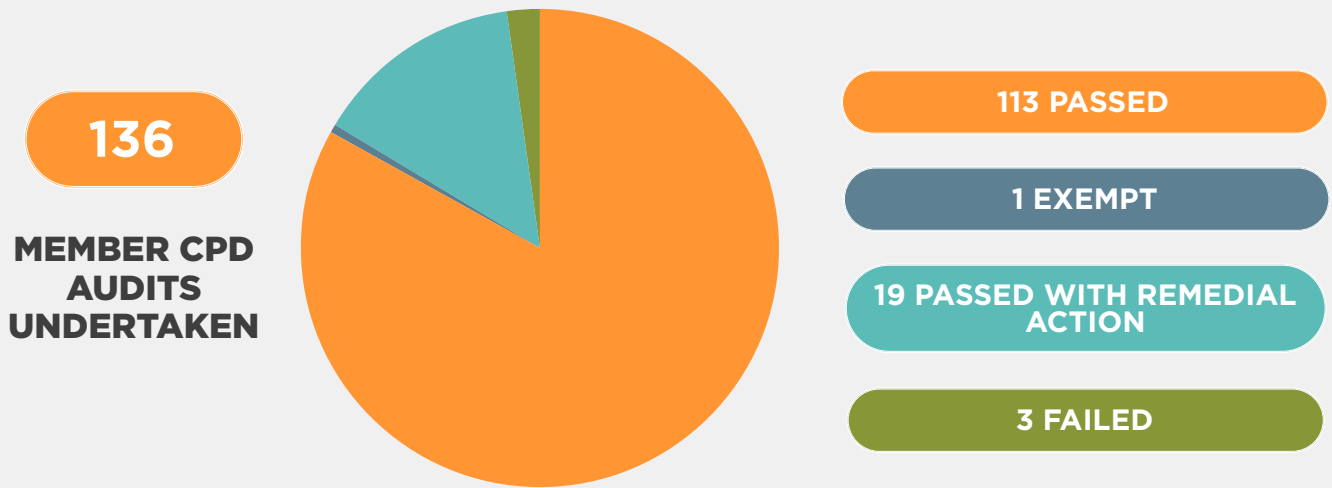
The Professional Accountability Team supports FPA members by upholding the highest professional standards through responding to individual member queries regarding best practice and compliance with the FPA Code. The FPA also responded to many requests for guidance and clarification from members of the public.

During the year, the Professional Standards Team responded to over 240 enquiries, handled 394 background checks, completed 205 CFP trademark checks, and issued 66 cease and desist letters.

CPD AND DESIGNATIONS AUDIT

Maintaining high professional development standards within the FPA membership is an important priority. Typically, the FPA conducts a number of Continuing Professional Development (CPD) audits each year. The auditing process is designed to help practitioner members meet their CPD obligations, and ensure correct use of FPA and CFP® certification branding.

This year of the 136 audits undertaken, 3 members failed outright. A further 19 members required remedial work to be undertaken, but the FPA CPD team was able to support them to ensure that the necessary standard was achieved in the appropriate time. The remaining members passed or were exempt.





Advocacy

FPA strategic priority

FPA TO BE
THE VOICE OF
THE PROFESSION

Advocating for affordability and sustainability

2021/22 was another busy year for FPA advocacy.

This year, we saw the commencement of major reviews into the regulation of financial advice being conducted by the Treasury (in response to Royal Commission recommendation 2.3) and the Australian Law Reform Commission. Concurrently, Treasury’s Quality of Advice Review commenced, examining the impact of the regulatory environment on Australians’ access to high quality, affordable financial advice. The ALRC’s Review of the Legislative Framework for Corporations and Financial Services Regulation is considering how the framework of legislation that regulates financial services can be simplified.

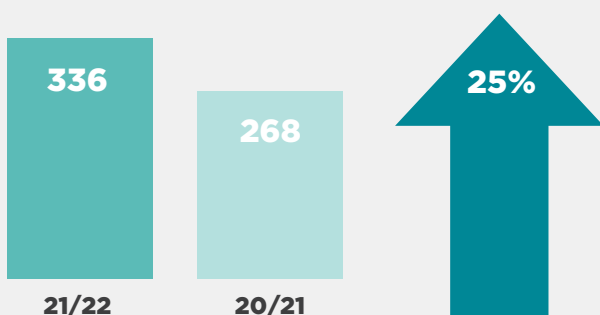
In response, the FPA convened multiple member working groups and ran several member surveys to build considered submissions to reviews, and ensure both members’ and the profession’s interests were represented. We also released guidance (see page 27) on several key Financial Services Royal Commission measures that commenced during 2021/2022 to assist members

to implement and understand the new regulatory requirements.

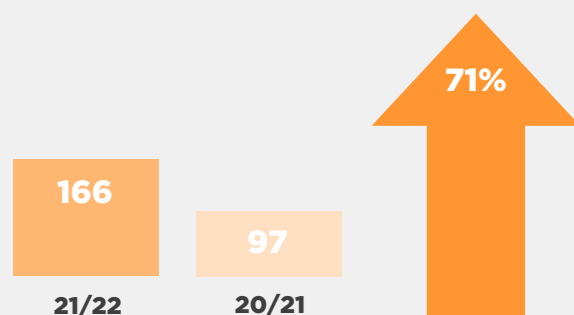
The FPA worked closely with Minister Hume (and post the election, Minister Jones) and the Treasury to make substantial progress on a range of key Policy Platform issues. FPA members also continued to be highly engaged in advocacy on an individual and local level using FPA advocacy tools.

The FPA worked collaboratively with many other associations on key issues affecting the profession to present a united voice to government. Advocacy efforts continued following the Federal Election and the swearing-in of the new Labor Government in May.

STAKEHOLDER MEETINGS



GOVERNMENT AND REGULATOR MEETINGS



FPA POLICY PLATFORM

AFFORDABLE ADVICE, SUSTAINABLE PROFESSION



REGULATION

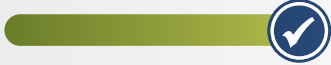
1.1 Single disciplinary body



1.2 Single registration



1.3 Single set of fees



1.4 Single set of professional standards



CONSUMER PROTECTION

2.1 General Advice



2.2 Restricted and like terms protected



2.3 Sophisticated Investor



2.4 PI Insurance



LICENSING OF INDIVIDUALS

3.1 Professional registration



3.2 Separation of product and advice



3.3 Future of licensees



3.4 Tax and Centrelink agent status



TECHNOLOGY

4.1 Access to data



4.2 Electronic disclosures and transactions



COST OF FINANCIAL ADVICE

5.1 Ability to buy the advice you want



5.2 Small investment advice



5.3 tax deductibility of advice



5.4 Fees from super



5.5 Insurance advice fees



TO BE COMMENCED

IN PROGRESS

COMPLETED

POLICY PLATFORM PROGRESS

The financial year saw significant progress in all areas of FPA's Policy Platform.

REGULATION

1.1 SINGLE DISCIPLINARY BODY

A new single disciplinary body established within ASIC under the Financial Services and Credit Panels (FSCP).

1.2 SINGLE REGISTRATION

The regulation of tax advice provided by financial planners was transferred from the Tax Practitioners Board (TPB) to ASIC. Financial planners registered on the ASIC Financial Adviser Register (FAR) no longer need to register with the TPB.

1.3 SINGLE SET OF FEES

Financial planners registered on the FAR only pay one set of Regulator fees to ASIC. The FPA has actively advocated for the continued freeze of the ASIC Levy and a review of the ASIC Industry Funding Model which the Government agreed to and formally announced.

1.4 SINGLE SET OF PROFESSIONAL STANDARDS

Single set of professional standards – The 'Better Advice Act' introduce a single set of professional standards (the Code of Ethics) for financial planners registered on the ASIC FAR.

CONSUMER PROTECTION

2.1 GENERAL ADVICE

With both the government's Quality of Advice Review (QOAR) and the Australian Law Reform Commission's (ALRC) Review of Legislation of Corporations and Financial Services Regulation, the FPA advocated for a change to the regulation of general advice - advice should only be used in relation to personal financial advice; all other interactions with consumers are information.

2.2 RESTRICTED AND LIKE TERMS PROTECTION

The FPA requested ASIC action against individuals using 'like terms' with the Regulator stepping up monitoring of finfluencer conduct and online promotion. Appropriate enforcement and the expansion of restrictions on the use of the terms financial planner and financial adviser to those on the ASIC FAR was a primary recommendation in our responses to the QOAR and ALRC reviews.

2.3 SOPHISTICATED INVESTOR

The need for appropriate thresholds and consumer protections for sophisticated investors formed a key part of the FPA's response to the ALRC's Interim Report A and the QOAR. The FPA has also continued its advocacy on this issue at a ministerial level and as part of submissions to the Senate Economics Committee hearings in relation to the Sterling First Collapse.

2.4 PROFESSIONAL INDEMNITY INSURANCE

Following FPA advocacy, the Government requested Treasury conduct a review of professional indemnity insurance for financial planners. Addressing the issue of the availability of affordable and adequate PI insurance for advice providers was a key recommendation made by the FPA to the QOAR, ALRC Review, AFCA funding model consultation; as well as the Senate inquiries into the collapse of the Sterling First, and on the establishment of a Compensation Scheme of Last Resort (CSLR). The FPA also continued liaising with ASIC to closely monitor the PI market and adequacy of policy offerings, and participated in an ongoing joint FPA/ICA PI working group.

LICENSING OF INDIVIDUALS

3.1 PROFESSIONAL REGISTRATION

Financial planners are individually registered with the ASIC Financial Services and Credit Panel. The FPA has further advocated to Government Ministers, the ALRC and QOAR that financial planners should be individually registered with the Regulator and personally responsible for the advice they provide, replacing the AFSL authorisation of financial planners.

3.2 SEPARATION OF PRODUCT AND ADVICE

The ALRC and Quality of Advice reviews provided an opportunity for the FPA to advocate for financial advice to be regulated as a professional service rather than a financial product. This issue was also raised during the consultations and meetings on the Retirement Income Covenant.

3.3 FUTURE OF LICENSEES

The FPA has advocated to Government, the ALRC and QOAR that financial planners should be individually registered with the regulator and personally responsible for the advice they provide, replacing the AFSL authorisation of financial planners. This would better place licensees as service providers to support professionals to provide advice to their clients.

3.4 TAX AND CENTRELINK AGENT STATUS

Financial planner access to the ATO portal continues to be a priority item of discussion in the FPA's liaison with the ATO and TPB, particularly through the appointment of the FPA to the Tax Practitioners Standards and Governance Forum.

TECHNOLOGY

4.1 ACCESS TO DATA

Ongoing dialog with the FPA assisted the Government to finalise the design and operation of the CDR framework to enable clients to authorise the continuous and live collection of data from financial products. The Government has recently supported FPA's calls for the extension of CDR to superannuation and insurance products in phase 3.

4.2 ELECTRONIC DISCLOSURES AND TRANSACTIONS

The FPA continued active discussions and assisted a number of organisations with design specifications to create solutions for electronic authorisation and automatic implementation of advice recommendations by clients. AUSTRAC accepted the FPAs request for changes to Rule 4.15 to permit electronic customer identification verification.

COST OF FINANCIAL ADVICE

5.1 ABILITY TO RECEIVE THE ADVICE YOU WANT

The FPA responses to the ALRC, QOAR, FASEA and Government recommended an ability for clients to both receive advice and pay for advice on a spectrum from simple single issue advice, layering of advice, to holistic advice as they require and an expansion of fee authorisation and collection methodologies across all payment and product options.

5.2 SMALL INVESTMENT ADVICE

The FPA has advocated to the ALRC and QOAR that the small investment advice (SOA) disclosure exemption threshold should be increased and expanded to include superannuation strategies and implementation.

5.3 TAX DEDUCTIBILITY OF ADVICE

The FPA has continued to advocate for all financial advice services to be eligible for clients to receive a tax deduction including in its Budget submission, to the QOAR and directly with the ATO.

5.4 FEES FROM SUPERANNUATION

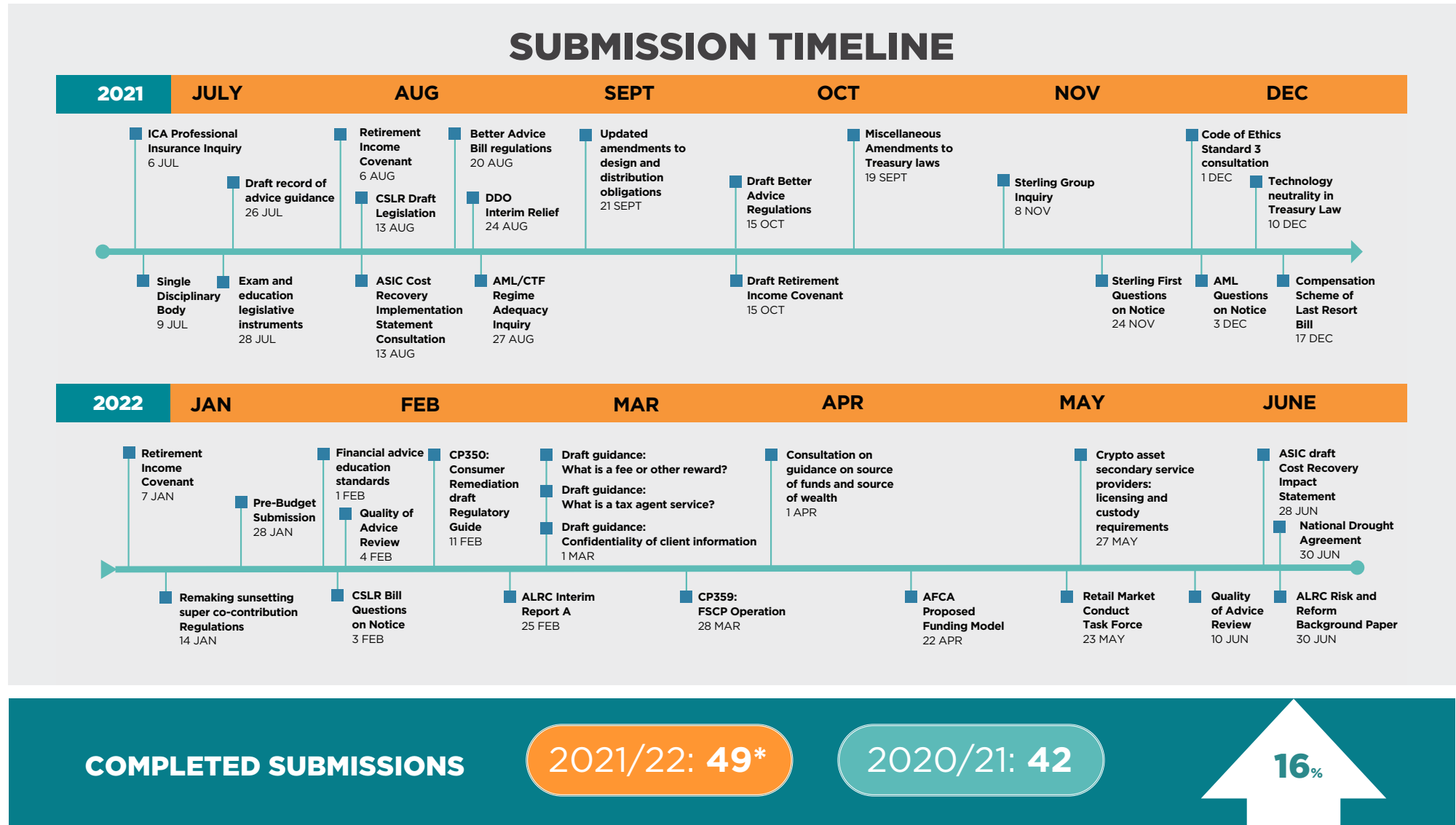
The FPA was successful in advocating to ensure financial advice fees could be collected from clients' superannuation accounts on a one off, upfront and ongoing basis where the advice is in relation to the clients' interests in the superannuation benefits.

5.5 INSURANCE ADVICE FEES

The FPA has worked collaboratively with the AFA under the FPA/AFA Joint Life Insurance Taskforce to ensure clients have a choice of methods to pay for life insurance advice including commissions. This work has included engagement with ASIC, APRA, Government and the QOAR.

SUBMISSIONS

A total of 42 submissions were completed during this year. The below timeline outlines the public submissions made.



*Includes 9 submissions to confidential stakeholder consultations. Public submissions are available to view on the FPA website.

WORKING COLLABORATIVELY WITH INDUSTRY BODIES

During the reporting period the FPA worked collaboratively with a number of other associations on key issues affecting the profession.

JOINT ASSOCIATIONS WORKING GROUP (JAWG)

- Association of Financial Advisers (AFA)
- Boutique Financial Planning Principals Association Inc. (BFP)
- Chartered Accountants Australia and New Zealand (CA ANZ)
- CPA Australia
- Financial Planning Association (FPA)
- Financial Services Council (FSC)
- Financial Services Institute of Australasia (FINSIA)
- Institute of Public Accountants (IPA)
- Licensee Leadership Forum (LLF)
- Self Managed Super Fund Association (SMSFA)
- Stockbrokers and Investment Advisers Association (SIAA)
- The Advisers Association Ltd (TAA)

FPA/AFA LIFE INSURANCE WORKING GROUP

- Financial Planning Association
- Association of Financial Advisers
- Council of Australian Life Insurers

REGULATORY BURDEN WORKING GROUP

- Chartered Accountants ANZ
- CPA Australia
- Financial Planning Association
- Institute of Public Accountants
- SMSF Association

FINANCIAL ADVICE WORKING GROUP

- Association of Financial Advisers
- Financial Planning Association
- Financial Services Council

MEMBER SURVEYS

The FPA thanks its members for participating in policy surveys throughout 2021/2022. This research provided critical evidence that gave strength to our advocacy efforts and the important member insights and experience into FPA's policy work.



Consumers

FPA strategic priority

TO SHOWCASE THE
VALUE OF FINANCIAL
ADVICE, INCREASING
AWARENESS AND USE
OF FINANCIAL PLANNERS

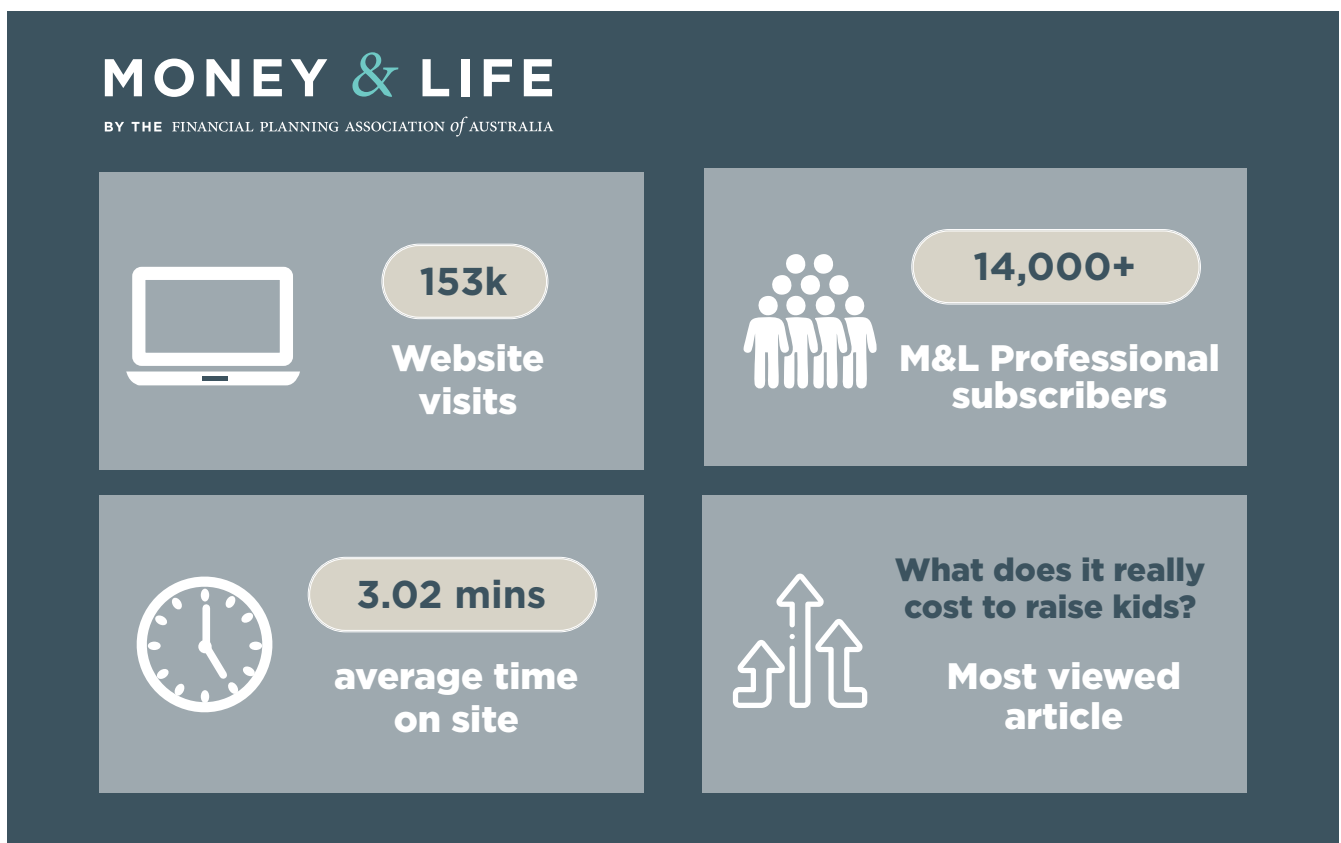
Raising awareness of financial planning

MONEY & LIFE

Money & Life is the FPA's digital content platform designed to help Australians improve their financial capability and increase their awareness of financial planning. It also seeks to grow the marketplace for financial advice. Much of the content is contributed by FPA members and showcases their expertise.

The site also caters for financial planning professionals and offers a digital newsletter which has on average over 14,000 subscribers.

Money & Life Professionals publishes industry news, insights and analysis, and provides access to CPD articles and quizzes for practitioners.



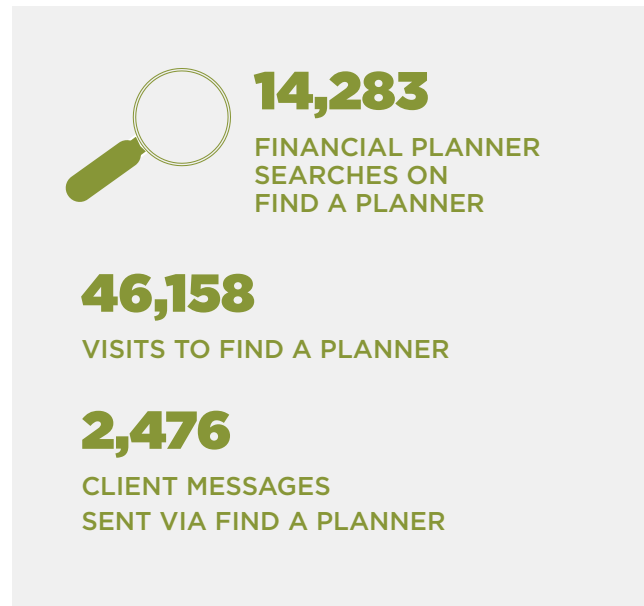
Connecting consumers with FPA members

The FPA plays an important role in helping to connect consumers looking for a financial planner with FPA members. Research shows that visiting an association’s website to search for a planner is most preferred, behind only word of mouth recommendation and general online search.

FPA FIND A PLANNER

Find a Planner is the FPA’s online search directory which lists CFP® professionals, Financial Planner AFP® members and FPA Professional Practices. The search tool allows a consumer to verify if a financial planner is an FPA member, or to search for an FPA member in their location. It provides a list of planners and their profiles. The Send a Message feature allows a consumer to make email contact with the FPA member.

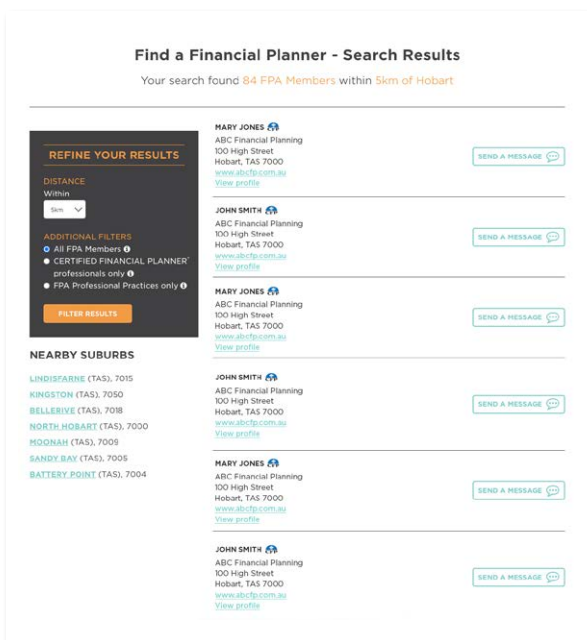
The online directory is accessible at fpa.com.au/find-a-planner.



14,283
FINANCIAL PLANNER SEARCHES ON FIND A PLANNER

46,158
VISITS TO FIND A PLANNER

2,476
CLIENT MESSAGES SENT VIA FIND A PLANNER

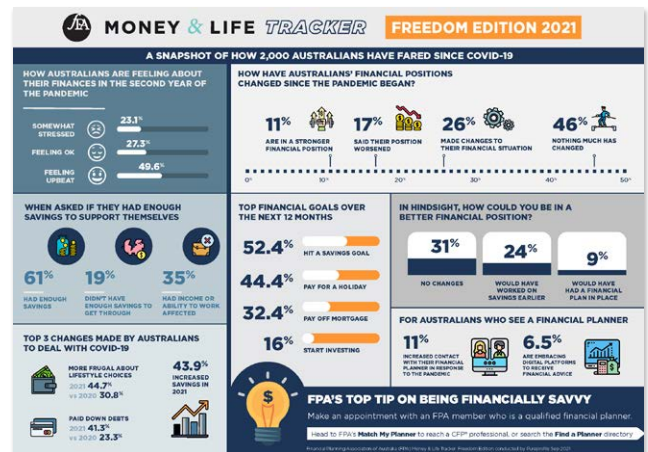


FPA MATCH MY PLANNER

A review of the FPA’s tech stack resulted in the decision to retire the ‘Match My Planner’ service, in favour of using ‘Find my Planner’ for a more streamlined consumer experience and a focusing of our marketing efforts on promoting a single site.

Financial Planning Week

During 4-9 October 2021, the FPA celebrated its 21st consecutive Financial Planning Week. We joined forces with our counterparts from around the world to celebrate and raise awareness of financial planning, coordinated by the Financial Planning Standards Board (FPSB). Financial Planning Week in Australia was aligned with World Financial Planning Day on 6 October 2021.



In line with the global theme, *Live your today, Plan your tomorrow*, Financial Planning Week 2021 focused on raising awareness of the value of financial advice through new national research, the FPA Money & Life Tracker: Freedom Edition examining how Australians have fared financially in the second year of the COVID-19 pandemic. The research demonstrated Australians have opted to take a financial health check and focus on getting the basics right: reducing discretionary spending, increasing savings, paying down debt and creating a budget.

The campaign included PR and media outreach, social media content and news articles on the FPA's Money & Life website. FPA members were provided with a toolkit of resources to share a snapshot of the research with their community.

Future2 Foundation

SUPPORTING FUTURE2

Future2 is the charitable foundation of the Financial Planning Association. The foundation makes a lasting difference in the lives of disadvantaged young Australians in need. Through its annual Future2 Make the Difference! Grants program, Future2 supports Australians aged 12 - 25 years experiencing social, financial, or physical hardship.

For 2021/22 the Future2 charity awarded over \$148,600 in grants to 15 not-for-profit organisations. Grant recipients were selected from charity organisations who completed an online application for the program, and were nominated by an FPA member.



Pro bono work

CANCER COUNCIL PRO BONO FINANCIAL PLANNING PROGRAM

The FPA partners with the Cancer Council to support a national referral program helping families affected by cancer who are unable to afford the cost of financial advice. There are 135 CFP® professional and Financial Planner AFP® members registered for the program, and we sincerely thank them for generously donating their time to help cancer patients and their families with a wide range of financial issues on a pro bono basis. This year, 143 client cases were provided pro bono financial advice.





Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

FINANCIAL PLANNING ASSOCIATION
OF AUSTRALIA LIMITED
(Limited by guarantee)

ABN 62 054 174 453

FINANCIAL PLANNING ASSOCIATION OF AUSTRALIA LIMITED

ABN 62 054 174 453

DIRECTORS

- D. Sharpe** Chair
- M. Broome** (resigned 29 April 2022)
- J. Bowd** (resigned 28 February 2022)
- D. D'Ambra**
- A. Henderson**
- K. James**
- W. Johns**
- J. Matheson**
- J. Place**

CHIEF EXECUTIVE OFFICER

- S. Abood** (appointed 17 January 2022)
- D. De Gori** (left 31 January 2022)

COMPANY SECRETARY

- W. Smith**

Registered Office

Suite 603 Level 6
55 Clarence Street
Sydney NSW 2000
Telephone: 02 9220 4500
Facsimile: 02 9220 4580

Solicitors

Henry William Lawyers
Suite 2, Level 10
64 Castlereagh Street
Sydney NSW 2000

Bankers

National Australia Bank
330 Collins Street
Melbourne VIC 3000

Auditors

LNP Audit and Assurance Pty Limited
Level 8, 309 Kent Street
Sydney NSW 2000

DIRECTORS

The names and short biographies of the Financial Planning Association of Australia Limited's ("FPA" or the "Association") directors during the financial year are as follows. Directors were in office for the entire financial year and to the date of this report unless otherwise stated.



David Sharpe

CFP®, B.Com, Dip FP,
MAICD

Appointed 22 November 2016

David is Chair of the FPA Board and has been a financial planner and FPA member since 2003. He is a CERTIFIED FINANCIAL PLANNER® professional, has completed a Diploma in Financial Planning and holds a Bachelor of Commerce (Distinction) from Curtin University. David runs his own self-licensed financial planning firm, Globe Financial Planning, based in West Perth. In 2016 he was shortlisted for the FPA CFP® Professional of the Year Award.

Prior to being elected onto the board David spent four years on the WA FPA Chapter, including two years as Chapter Chair. David can often be found in various media roles (TV, radio and print) advocating strongly for the value of advice.

David chairs the Governance and Remuneration Committee, and is a member of the Board Finance, Risk and Audit Committee.



Jane Bowd

Associate GIA, ICSA,
AGIA, ACIS, GradDip,
LLM, LLB, BA

Additional Director

Appointed 1 March 2018

Resigned 28 February 2022

Jane Bowd is the Executive General Manager for Board Services and Governance, Insurance Australia Group. Jane holds a Graduate Diploma of Applied Corporate Governance, Master of Laws, Graduate Diploma of Legal Practice, Bachelor of Laws, Bachelor of Arts, and is a graduate of the Royal Military College Duntroon. Jane brings deep knowledge and expertise in legal and governance matters from her prior financial services roles and private practice, and membership of the Governance Institute Australia's Legislative Review Committee. Jane was a member of the Finance, Risk and Audit Committee, and of the Governance and Remuneration Committee, of the Board.



Marisa Broome
CFP®

Appointed 19 November 2014

Resigned 29 April 2022

Marisa chaired the FPA's Board until May 2022. She is the Managing Director of Wealthadvice, an FPA Professional Practice operating in Sydney. Marisa has over 35 years' experience in financial services – and for the last 25 years has been running her own firm and practising as a financial planner.

Marisa was the Chair of the Governance and Remuneration Committee of the Board and has remained as the Chair of the Professionals Congress Committee for 2022. Marisa has been an active member of the FPA since its inception, being involved on national committees on Professional Designations, Code Monitoring Australia, Policy and Regulation, Professional Standards, Audit, Education, Annual Conferences and the Sydney Chapter.



Diana D'Ambra
B.Com, M.Com, FCA,
GAICD, FGIA

Appointed 1 December 2020

Diana is an experienced non-executive director and independent adviser.

Diana's executive career includes more than 30 years as lead executive director in a "Big 4" global accounting firm delivering corporate finance, business valuation, and investment (merger & acquisition) advice across a number of industry sectors.

Diana currently is a board member on six boards, four of which she chairs. Diana is also an independent member of the audit, governance, and risk committee of the NSW Independent Commission Against Corruption (ICAC). Diana is the Chair of the Board Finance, Risk and Audit Committee of the FPA.



Alison Henderson

CFP®, B.Com, M.Com,
Dip FMB, MAICD

Appointed 22 November 2016

Alison is a Director and a Practice Principal of SWA Financial Planning (originally known as Symes Warne & Associates), an FPA Professional Practice based in Wollongong, NSW. She has been a CERTIFIED FINANCIAL PLANNER® professional since 1999, and holds a Bachelor of Commerce, two Masters of Commerce (Financial Planning and Economics), and a Diploma of Finance and Mortgage Broking. In addition to her financial planning role at SWA, Alison also oversees compliance, HR management and positive culture development for the business.

Alison has been an active FPA member for over 20 years, during which she has spent time on the Policy and Regulation Committee and chaired the FPA Professional Designations Committee. Alison is the current Chair of the Policy and Regulations Committee, a member of the Board Finance, and Risk and Audit Committee and Governance and Remuneration Committee.



Kearsten James

CFP®, LRS®

Appointed 25 November 2020

Kearsten James joined the financial planning profession in 2004 and has been a CERTIFIED FINANCIAL PLANNER® professional since 2009. In addition to completing the CFP® certification program, she holds a Bachelor of Commerce (Financial Planning & Investments) and is also a Life Risk Specialist®. Kearsten runs her own self-licensed financial planning firm, Addi House, based on the Gold Coast.

Kearsten won the FPA Paraplanner of The Year Award in 2018 and was a finalist in the FPA Certified Financial Planner Professional of The Year Award in 2019.

Prior to joining the board in November 2020, Kearsten was the Gold Coast FPA Chapter Chair. Since joining the board, Kearsten has been involved in the development of the FPA Masterclass Series and the FPA Professionals Congress.

Kearsten is the Chair of the Regional Chapter Committee and a member of the Board Finance, Risk and Audit Committee.



William Johns
CFP®, BBus, MDisSt

Appointed 27 November 2019

William is a practitioner member of the Board with a special interest in human rights, government policy relating to vulnerable Australians and disability policy. William has been a member of the FPA since 2008 and became a CERTIFIED FINANCIAL PLANNER® professional in 2010. In addition he holds a Bachelor of Business (Applied Finance, Financial Planning) and a Master of Disability Studies.

He was a member of the FPA Board Policy and Regulations Committee from 2011 to 2016, as well as the NSW State Winner in the CFP® Professional Best Practice Award in 2012, the NSW State Winner for the Future2 Community Service Award in 2014 and in 2016 a finalist in the CFP® Professional of the Year Award. Notably, he has been acknowledged by State and Federal Governments for his work with people with disabilities and their families and was chosen as a finalist in the National Disability Awards (UN, Commonwealth) in the Emerging Leader category. William is currently the Chair of the Professional Designations Committee.



Julie Matheson
CFP®

Appointed 25 November 2020

Julie Matheson CFP® is a long standing member of the FPA, an FPA Distinguished Service Award recipient and has previously served on the FPA Board and many FPA committees. Julie is passionate about the profession of financial planning and ensuring advice is accessible and cost effective through a balanced approach to the regulatory burden. Julie is a member of the Board Finance, Risk and Audit Committee.



Julian Place
CFP®

Appointed 25 November 2020

An FPA member since 1998, Julian Place CFP® was appointed to the FPA Board in 2020. He has been an active member of the FPA Melbourne Chapter Committee for over 20 years including the past 14 years as Chair. A past recipient of the FPA Distinguished Service Award, Julian is current Deputy Chair of the Financial Planning Education Council (FPEC), Chair of the Professional Standards & Conduct Committee, and member of RMIT University Industry Advisory Committee.

A past director of not for profit organisations, Julian is currently a director of the Future2 Foundation. A CERTIFIED FINANCIAL PROFESSIONAL® since 2005, Julian is passionate about the value of financial advice, sensible regulation making advice more accessible and economical to deliver, and the promotion of financial advice an attractive and sustainable profession.

Company Secretary

Wendy Smith
(Appointed from 31 March 2020)

Corporate structure

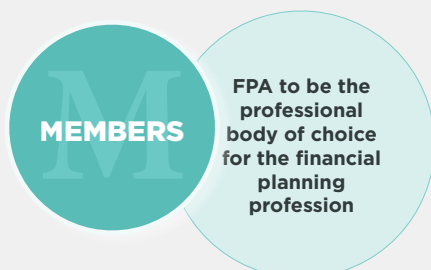
The FPA is a company limited by guarantee and does not have share capital. The amount required to be contributed by members in the event that the company is wound up is disclosed in Note 17. The FPA is incorporated and domiciled in Australia.

Objectives, strategy, nature of operations and principal activities

The FPA is a not-for-profit membership entity. Its five key roles are:

1. Represent the interest of the public,
2. Represent the interest of members,
3. Foster high professional standards,
4. Facilitate world class education,
5. Provide professional development.

FPA'S STRATEGIC OBJECTIVES



- Lead the profession on the financial planning/planner model of the future.
- Uphold the CFP® designation as the number one choice for the profession.
- Expand our education, CPD and specialisation offers for members.



- Lead the policy and reform debate for the financial planning profession.
- Implement a policy vision to ensure a growing and sustainable future for financial planning.
- Be the voice and professional body for the financial planning profession.



- Represent consumers in the development of public policy.
- Increase consumer awareness and use of financial planning.
- Elevate the financial planning profession's role and contribution to the community.

Review of progress against objectives and results of operations

The Association recorded a before-tax deficit of \$1,195,000 for the year ended 30 June 2022 (2021: surplus \$1,347,000) and an after-tax deficit of \$1,195,000 (2021: surplus \$1,347,000), decreasing accumulated members' funds to \$11,632,000 at 30 June 2022 (2021: \$12,827,000).

The key highlights that have occurred in the financial year to 30 June 2022 is the completion of FPA digital transformation which includes changing Customer Relationship Management (CRM) and Enterprise Resource Planning (ERP) systems.

Significant changes in state of affairs

The directors are not aware of any other material events occurring after balance date of this report that would require further disclosure in these financial statements.

Subsequent events

Since the year ended, the Association has been in dialogue with the AFA on a potential merger of the two associations. Consultations have opened with voting by members of both associations expected to occur within the 2022/23 financial year.

DIRECTORS' REPORT

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

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 16 to these financial statements.

Directors' Meetings

The number of Board and Board Committee meetings held during the year and each director's attendance at those meetings was as follows:

	Board Meetings		Board Committees ³											
			Finance, Risk & Audit		Governance & Remuneration		Policy & Regulations		Professional Designations		Professional Standards & Conduct		Regional Chapter	
			A ¹	B ²	A	B	A	B	A	B	A	B	A	B
David Sharpe ^{7,8}	8	7	7	7	6	6					1	1	1	1
Jane Bowd	6	4	4	3	4	4								
Marisa Broome ⁴	7	7			5	4								
Diana D'Ambra ⁵	8	8	7	7										
Alison Henderson ⁶	8	8	1	1	6	6	5	5						
Kearsten James ⁷	8	8	3	3		1							2	2
William Johns	8	6							3	3				
Julie Matheson	8	8	6	6										
Julian Place ⁸	8	8			2	1					4	4		

Notes to table of meeting attendance

¹ Columns headed 'A' indicates the number of meetings the director was entitled to attend.

² Columns headed 'B' indicates the number of meetings attended by the director.

³ With respect to Committee meetings, the table above records attendance of committee members. Any director is entitled to attend these meetings and from time to time, directors attend meetings of committees of which they are not a member.

⁴ Marisa Broome chaired the Board Governance & Remuneration Committee prior to May 2022 when David Sharpe assumed this role.

⁵ Diana D'Ambra chairs the Board Finance, Risk & Audit Committee.

⁶ Alison Henderson chairs the Policy & Regulations Committee. This committee has a number of non-director members as detailed below.

⁷ David Sharpe chaired the Regional Chapter Committee prior to September when Kearsten James assumed this role. This committee has a number of non-director members as detailed below.

⁸ David Sharpe chaired the Professional Standards & Conduct Committee prior to September 2021 when Julian Place assumed this role. This committee has a number of non-director members as detailed below.

The Board gratefully receives assistance from non-director members on a number of committees as follows:

Policy & Regulations Committee

Leanne Bull CFP®, Graham Cotter CFP®, Assyat David, Paul Garner CFP®, Jonathan Grigg CFP®, Tim Mackay CFP®, Angela Martyn CFP®, John McCormack CFP®, Shane Nicholas CFP®, Mark O'Flynn CFP®, Thabojan Rasiah CFP®, Peter Richards CFP®, Joanna Ryan CFP®, Conrad Travers

Professional Designations Committee

Neville Chiavaroli, John Green, Paul Moran CFP®, Cris Parker, Michael Perkins

Professional Standards & Conduct Committee

James Cotis CFP®, Claire Mackay CFP®, Michael Miller CFP®, Dacian Moses CFP®, Marc O'Flynn, Lisa Papachristoforos AFP®, Dean Pinto, Evan Poole CFP®, Stephanie Shrinet, Cheyenne Walker

Regional Chapter Committee

Mark Alexander CFP®, Naomi Alletson AFP®, Susie Erratt CFP®, Gary Jones AFP® FFPA, Todd Kennedy CFP®, Naomi Mee-Martino CFP®, Michael Smith AFP®

Insurance of officers and indemnification of auditors

The Association has insured the directors and officers against liabilities incurred in their role as directors and officers of the Association. The terms of the insurance policy, including the premium, are subject to confidentiality clauses and therefore, the Association is prohibited from disclosing the nature of the liabilities covered and the premium paid.

The Association does not maintain insurances for the indemnification of the auditor of the Association. No indemnities have been given during or since the end of the financial year, for any person who is or has been an auditor of Financial Planning Association of Australia Limited.

Auditor independence

The directors have received the independence declaration from the auditors set out on page 8 of the financial statements.

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 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. Further information is presented at the FPA's internet site: <https://fpa.com.au/about/governance/>.

Rounding

The Association is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off to the nearest \$1,000 (where rounding is applicable) where noted (\$000) in accordance with the instrument.

Signed in accordance with a resolution of the directors.



David Sharpe
Director



Diana D'Ambra
Director

Sydney
11 October 2022

LNP Audit + Assurance

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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF FINANCIAL PLANNING ASSOCIATION OF AUSTRALIA LIMITED

As lead auditor of Financial Planning Association of Australia Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

LNP Audit and Assurance Pty Ltd



Chin Ding Khoo
Director

Sydney 11 October 2022

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Revenue	2	7,255	10,247
Employee benefits expenses	3(c)	(4,619)	(4,503)
Depreciation and amortisation expenses	3(a)	(188)	(389)
Conference, event, program and education expenses		(593)	(943)
Property occupancy expenses	3(b)	(396)	(404)
Advertising and marketing expenses		(388)	(656)
Administration expenses		(473)	(858)
Other expenses	3(e)	(1,793)	(1,147)
Total expenses from operations		(8,450)	(8,900)
OPERATING (DEFICIT)/SURPLUS BEFORE INCOME TAX		(1,195)	1,347
Income tax benefit/(expense)	5	-	-
OPERATING SURPLUS AFTER TAX YEAR		(1,195)	1,347
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		(1,195)	1,347

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	Note	2022 \$'000	2021 \$'000
CURRENT ASSETS			
Cash and cash equivalents	15(a)	5,280	7,019
Trade and other receivables	6	123	1,534
Investments in financial assets	7	14,733	13,999
Other assets	8	545	559
TOTAL CURRENT ASSETS		20,681	23,111
NON-CURRENT ASSETS			
Plant and equipment		15	7
Intangible assets	10	98	330
Right-of-use assets	9	845	95
TOTAL NON-CURRENT ASSETS		958	432
TOTAL ASSETS		21,639	23,543
CURRENT LIABILITIES			
Trade and other payables	11	2,749	1,881
Provisions	12	312	658
Other liabilities	13	6,030	8,001
Lease liabilities	9	357	107
TOTAL CURRENT LIABILITIES		9,448	10,647
NON-CURRENT LIABILITIES			
Provisions	12	44	69
Lease liabilities	9	515	-
TOTAL NON-CURRENT LIABILITIES		559	69
TOTAL LIABILITIES		10,007	10,716
NET ASSETS		11,632	12,827
MEMBERS' FUNDS			
Retained earnings		11,632	12,827
TOTAL MEMBERS' FUNDS		11,632	12,827

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 2022

	Retained Earnings \$'000	Total Equity \$'000
AT JULY 2020	11,480	11,480
Total comprehensive income for the year	1,347	1,347
AT 30 JUNE 2021	12,827	12,827
Total comprehensive income for the year	(1,195)	(1,195)
AT 30 JUNE 2022	11,632	11,632

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 2022

	Note	2022 \$'000	2021 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and non-members		7,979	10,453
Payments to suppliers and employees		(8,329)	(8,011)
Interest and distributions received		224	696
Interest on lease payments		(15)	(15)
COVID-19 government stimulus received		-	896
Income tax refunded		-	3
Net cash flows (used in) / from operating activities	15(b)	(141)	4,022
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment (purchases)/sales - net		(1,157)	(2,446)
Purchase of plant and equipment		(13)	-
Purchase of intangible assets		(68)	(20)
Net cash flows used in investing activities		(1,238)	(2,466)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease payments		(360)	(404)
Net cash flows used in financing activities		(360)	(404)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		1,739	1,152
Cash and cash equivalents at beginning of period		(7,019)	5,867
Cash and cash equivalents at the end of the period	15(a)	5,280	7,019

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

For the year ended 30 June 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Planning Association of Australia Limited (the “Association”) is a non-profit organisation limited by guarantee. The financial report of the Association for the year ended 30 June 2022 was authorised for issue in accordance with a resolution of the directors on 11 October 2022.

(a) Basis of preparation

This general purpose financial report is prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards (AAS) and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

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. Comparatives are consistent with prior years, unless otherwise stated.

The financial report is presented in Australian dollars which is the Association’s functional currency. The Association is of a kind referred to in ASIC Legislative Instrument 2016/191 and in accordance with the instrument, amounts in the financial statements and directors’ report have been rounded off to the nearest thousand dollars unless otherwise stated.

(b) New and revised Accounting Standards and Interpretations

(i) Changes in accounting policy and disclosures

The Association adopted all new and revised Accounting Standards and Interpretations that became effective for the financial year commencing 1 July 2021. The nature and effect of the changes as a result of adoption of the new accounting standards has not caused any material adjustments to the accounting policies or the reported financial position, performance or cash flows of the Association.

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

The Association has not early adopted any new standards, amendments to standards and interpretations that are not yet effective. None of these are expected to have a significant effect on the Association in the current and future reporting periods and on foreseeable transactions.

For the year ended 30 June 2022

(c) 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 temporary differences at the reporting 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 reporting 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
- when 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 are classified as operating cash flows.

For the year ended 30 June 2022

(d) Revenue recognition

Revenue from sale of services

Revenue from services is recognised at the point the services are provided. Revenue from the sale of services is 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.

Revenue from Contracts

Revenue is recognised on a basis that reflects the transfer of promised goods or services to “customers” at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows: (i) Identify the contract with the customer; (ii) identify the performance obligations; (iii) Determine the transaction price; (iv) Allocate the transaction price to the performance obligations; (iv) Recognise revenue as and when control of the performance obligations is transferred.

Membership 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 seminar fees

Revenue is recognised when the events take place.

CFP® program revenue

Education fees are payable each semester in advance. Only those fees that are attributable to the current financial year are recognised as revenue. Fee payments that relate to future periods are shown in the Statement of Financial Position as deferred income under Other Liabilities.

Continuing education

Revenue is recognised when the events take place.

Marketing levies

The marketing levies year runs from 1 July to 30 June. Levies are payable annually in advance. Only those fees that are attributable to the current financial year are recognised as revenue. Fee payments that relate to future periods are shown in the Statement of Financial Position as deferred income under Other Liabilities.

Interest

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

Fair value changes

Changes in the fair value of financial assets are included in revenue.

For the year ended 30 June 2022

(e) Financial instruments

Recognition

Financial Assets

The Association determines the classification of its financial instruments at initial recognition in accordance with the categories outlined below and re-evaluates this designation at each financial year-end. When financial instruments are recognised initially, they are measured at fair value, being the transaction price plus, in the case of financial assets and financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Financial assets measured at fair value through profit or loss.

Financial assets measured at fair value through profit and loss are financial assets that are not classified and measured at amortised cost or as fair value through other comprehensive income. Financial instruments at fair value through profit or loss are carried in the Statement of Financial Position at fair value with gains or losses recognised in profit and loss and other comprehensive income. They include the Association's investments in securities. Refer to Note 7.

Financial assets measured at amortised cost.

Financial assets measured at amortised cost are non-derivative financial assets which are held to collect the contractual cash flows. The contractual terms of the financial assets give rise to payments on specified dates that are solely payments of principal and interest on the principal amount outstanding. They are included in current assets. The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents.

Trade receivables, which generally have 30-day terms, are recognised initially at the transaction amount with represents fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

The Association applies the simplified approach and records lifetime expected losses on all eligible financial assets at each reporting date.

Financial liabilities

The Association's financial liabilities include trade and other payables. They represent liabilities for 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.

These are measured subsequently at amortised cost using the effective interest method. The interest expense is calculated each reporting period by applying the effective interest rate, and the resulting charge is reflected in finance costs on the statement of profit and loss and other comprehensive income.

Financial guarantees which are pledged as security and included as part of the balance of long-term deposits have not been recognised as financial liabilities. Refer to Note 7.

For the year ended 30 June 2022

Impairment of financial assets

Expected credit losses or lifetime losses are recognised if required for trade receivables, cash and cash equivalents and other receivables. Expected credit losses are calculated as the difference between the contractual cash flows that are due to the Association and the cash flows that the Association expects to receive given the probability of default and loss given default, discounted at the original effective interest rate. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Recoveries of amounts previously written off are credited against other income in profit or loss in the event the amounts are subsequently collected.

(f) 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. Term deposits with original maturity of more than three months are classified as long-term deposits under investments. Refer to Note 7.

(g) 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 statement 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.

(h) 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 expect 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.

For the year ended 30 June 2022

(i) Leases

Right of use assets

The Association recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the relevant commencement date less any lease incentives received. Unless the Association is reasonably certain to obtain ownership of the leased asset at the end of the relevant lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the relevant lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the relevant lease, the Association recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate (initially measured using the index or rate as at the relevant commencement date), and amounts expected to be paid under residual value guarantees. The Association applies the practical expedient to not separate non-lease components from lease components, and instead accounts for each lease component and any associated lease components as a single lease component.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Association uses the incremental borrowing rate at the relevant lease commencement date if the interest rate implicit in the lease is not readily determinable. After the relevant commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

(j) Intangible Assets

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

Website development costs	4 years
Computer software	4 years

Website development costs

An intangible asset arising from development expenditure on the Association 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 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 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 are 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.

(k) 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.

Impairment of intangible assets

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.

For the year ended 30 June 2022

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.

Tax

Income tax obligations reflect management's judgement as to the expenses that relate to member and non-member activities, the former not being subject to income tax. The income tax expense is disclosed in Note 5.

Leases

The Association has applied judgement to determine the incremental borrowing rate, which affects the amount of lease liabilities or right-of-use assets recognised. The Association reassesses and applies the incremental borrowing rate on a lease-by-lease basis at the relevant lease commencement date based on the term of the lease (or the remaining term of the lease at the initial date of application).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

2. REVENUE

		2022 \$'000	2021 \$'000
Revenue	(a)	7,467	8,475
Income from investments	(b)	(212)	876
Government stimulus		-	896
Total revenue		7,255	10,247

(a) Revenue

Membership subscriptions		6,157	6,599
Practice fees		180	189
Partner fees		-	395
FPA Commercial		36	-
Conferences and seminars		-	216
CFP® program		284	373
Continuing education		650	519
Other revenue		160	184
Total revenue		7,467	8,475

(b) Income from investments

Change in fair value of investments		(423)	297
Interest - non-related persons/corporations		64	80
Distribution income net of management fee		146	499
Total income from investments		(212)	876

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

3. EXPENSES

	2022 \$'000	2021 \$'000
(a) Depreciation and amortisation expenses		
Plant and equipment	5	98
Intangible assets	183	291
Total depreciation and amortisation	188	389

(b) Property occupancy expenses

Interest expense	15	15
Depreciation of right-of-use assets	381	389
Total lease expenses	396	404

(c) Employee benefits expenses

Wages and salaries including on-costs	3,964	4,000
Workers' compensation costs	23	25
Superannuation costs	364	316
Staff training and recruitment	268	162
	4,619	4,503

(d) Strategic advertising - costs incurred for the strategic investment in the advertising manifesto on behalf of members and affiliates.

Advertising levies received	271	459
Advertising expenditure	(271)	(459)
Net strategic advertising	-	-

(e) Other expenses

Total systems upgrade & customisation (ERP & CRM)	563	-
Directors' fees	380	369
Computer expenses	423	417
Loss on disposal of assets	115	39
Other	312	322
	1,793	1,147

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

4. AUDITOR'S REMUNERATION

	2022 \$'000	2021 \$'000
Amount received, or due and receivable, by LNP Audit & Assurance for:		
An audit of the financial report of the Association	40	34
Other services	-	-
Total auditor's remuneration	40	34

5. INCOME TAX

	2022 \$'000	2021 \$'000
Income tax expenses consist of:		
Current income tax	-	-
Adjustment for current tax of prior year	-	-
	-	-

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 (deficit) / surplus before tax from ordinary activities	(1,195)	1,347
At statutory income tax rate of 25% (2021: 26%)	(299)	350
Net income derived from members not assessable	(238)	(249)
Income not allowable for income tax purposes	-	(6)
Expenditure not allowable for income tax purposes	1	2
Increase in losses due to excess franking credit	(26)	(15)
Recognition of temporary differences	265	(100)
Taxable loss not recognised	297	18
Income tax (benefit) / expense attributable to operating surplus	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

Unrecognised deferred tax balances

At 30 June 2022, deferred tax assets have not been recognised on deductible timing differences totalling \$312,000 (2021: \$114,000) and on tax losses of \$2,836,915 (2021: \$1,188,561) as it has been assessed that it is not probable that future taxable profits will be available against which the deductible temporary differences and unused tax losses can be utilised, in accordance with the tax accounting policy set out in Note 1(c).

6. TRADE AND OTHER RECEIVABLES

	2022 \$'000	2021 \$'000
Trade debtors (i)	82	1,478
Allowance for expected credit loss	(8)	(8)
	74	1,470
Accrued interest income (ii)	23	39
Other receivables (iii)	26	25
Total trade and other receivables	123	1,534

- i. Trade debtors are non-interest bearing and generally are on 30-day terms.
- ii. Represents accrued interest on term deposits, which is payable on maturity. These do not contain impaired assets and are not past due.
- iii. In the current year, the balance relates to BAS refunds. In the prior year, the balances relate to Jobkeeper and Cashflow Boost grants receivable from the Government.

7. INVESTMENTS

	2022 \$'000	2021 \$'000
Term deposits held at amortised cost (i)	9,894	8,806
Financial assets at fair value through profit and loss (ii)	4,839	5,193
Total investments	14,733	13,999

- i. Relates to fixed rate term deposits with original maturity between 4-12 months that have been granted for security deposits of the Associations' leased premises for the amount of \$116,000 and the set-up of a corporate credit card facility with National Australia Bank for the amount of \$100,000.
- ii. Comprises investments in a portfolio of managed funds.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

8. OTHER ASSETS

	2022 \$'000	2021 \$'000
Current		
Prepaid conference expenditure	228	90
Prepaid capital expenditure	-	54
Other prepayments	317	415
Total current other assets	545	559

9. LEASES

	2022 \$'000	2021 \$'000
Right-of-use asset		
Balance at start of year	99	498
Additions	1,126	-
Amortisation during the year	(380)	(403)
Net carrying value at the end of the year	845	95

	2022 \$'000	2021 \$'000
Lease liabilities		
Lease liability recognised start of year	107	511
Additions	1,125	-
Payments made during the year	(360)	(404)
Net carrying value at the end of the year	872	107

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

9. LEASES (CONTINUED)

The lease liability and corresponding right-of-use asset relates to the Association's office premises. The lease is for a term of 3 years and began on 1 October 2021.

Current	357	107
Non-current	525	-
	872	107

10. INTANGIBLE ASSETS

Cost	Website Development \$'000	Computer Software \$'000	Total \$'000
Balance at July 2020	1,168	686	1,854
Additions	20	-	20
Disposals	(13)	(30)	(43)
Balance at 30 June 2021	1,175	656	1,831
Additions	68	-	68
Disposals	(251)	(540)	(791)
Balance at 30 June 2022	992	116	1,108

Accumulated amortisation and impairment

Balance at 1 July 2020	(767)	(486)	(1,253)
Amortisation	(222)	(69)	(291)
Disposals	13	30	43
Balance at 30 June 2021	(976)	(525)	(1,501)
Amortisation	(148)	(30)	(178)
Disposals	190	479	669
Balance at 30 June 2022	(934)	(76)	(1,010)

Net book value

As at 30 June 2021	199	131	330
As at 30 June 2022	58	40	98

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

Customisations made to the Association's latest CRM and ERP systems, does not meet the definition and recognition criteria of AASB 138 Intangibles and therefore, has not been capitalised. All costs incurred have been expensed and are included in the Statement of Profit or Loss and Other Comprehensive Income as at 30 June 2022. The project has been completed at a cost of \$563,000.

11. TRADE AND OTHER PAYABLES

	2022	2021
	\$'000	\$'000
Trade creditors and accruals (i)	2,353	1,265
GST payable	396	616
	2,749	1,881

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

12. PROVISIONS

	Restoration of leased properties \$'000	Annual leave \$'000	Long service leave \$'000	Total \$'000
Balance at 1 July 2021	194	303	230	727
Arising during the year	15	-	-	15
Utilised	(194)	(53)	(138)	(385)
Balance as at 30 June 2022	15	250	92	357
Current 2022	15	250	47	312
Non-current 2022	-	-	44	44
	15	250	92	356
Current 2021	194	303	161	658
Non-current 2021	-	-	69	69
	194	303	230	727

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

13. OTHER LIABILITIES

Current	2022	2021
	\$'000	\$'000
<i>Deferred income:</i>		
Conference income	1,221	360
Education fees	18	89
Membership subscriptions	3,535	5,374
Marketing levies	1,090	1,262
Chapter income	96	-
Sponsorship	25	31
Continuing education	45	71
Total deferred income	6,030	7,187
Grants provided by the Commonwealth	-	814
	6,030	8,001

14. 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 (2021: nil).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

15. CASH AND CASH EQUIVALENTS

(a) Reconciliation to Statement of Cash Flows

Cash and cash equivalents comprise the following at 30 June:

	2022 \$'000	2021 \$'000
Cash at bank and on hand	5,159	6,976
Cash as part of investment portfolio	121	43
	5,280	7,019

(b) Reconciliation of operating profit after income tax to net cash flows from operations

	2022 \$'000	2021 \$'000
Operating profit after income tax	(1,195)	1,347
Non-cash items		
Depreciation and amortisation	685	792
Allowance for expected credit losses	-	1
Change in fair value of financial assets	423	272
Change in operating assets and liabilities		
Increase in trade and other receivables	1,410	199
Increase / (decrease) in other assets	13	(142)
Increase in trade and other payables	53	571
(Decrease) / increase in current provisions	(233)	87
(Decrease) / increase in other current liabilities	(1,158)	867
(Decrease) / increase in non-current provisions	(139)	28
Net cash flows (used in) / provided by operating activities	(141)	4,022

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

16. RELATED PARTY DISCLOSURES

Related parties include the directors who are the key management personnel, close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(a) Compensation of Directors and Key Management Personnel (KMP)

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

	Directors		KMP*	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Total	380	327	1,831	1,677

*The KMP of the Association is made up of ten heads of departments within the Association.

KMP costs of \$1.831 million include payments of \$452,000 to Chief Executive officers of the Association comprising:

D. De Gori until 31 January 2022, which includes termination payments \$287,000 (2021: \$464,000)

S. Abood from 17 January 2022 \$165,000

(b) Other related parties

The following are transactions with related parties during the year:

	2022 \$'000	2021 \$'000
Administration income from Future2	60	60
Sponsorship to Future2	10	20

Future2 is the philanthropic arm of the Association with a vision of empowering the lives of disadvantaged young people through a community program, combining creative and personal mentoring.

Other than those disclosed above there were no other transactions with any related parties, directors or director-related entities during the year with the exception of out of pocket expense reimbursements in the normal course of business.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

17. 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. In the event of the Association being wound up, each member is liable to a maximum of \$100. As at 30 June 2022, the Association has 9,000 voting members and therefore, the members will be liable to a maximum of \$900,000. This would apply to members who have ceased to be a member within one year.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Association's principal financial instruments comprise cash at bank and on hand, short and long-term deposits, financial assets held at fair value through profit or loss, receivables and payables.

The Association manages its exposure to key financial risks in accordance with the Association's investment 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, price risk and credit risk.

Responsibility for the oversight of financial risks rests with the Audit and Risk Management Committee under the authority of the Board.

Risk Exposures and Responses

Interest rate risk

The Association's exposure to interest rate risks as relates to the cash and term deposit balances.

At the reporting date, the Association had the following financial assets exposed to interest rate risk:

	2022 \$'000	2021 \$'000
Financial assets (affected by interest rate)		
Cash and cash equivalents (Note 15(a))	5,280	7,019
Term deposits (Note 7)	9,894	8,806
	15,174	15,825

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

At 30 June 2022, 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)	
	2022 \$'000	2021 \$'000
Judgements of reasonably possible movements:		
+1% (100 basis points)	53	70
+0.5% (50 basis points)	26	35
-0.5% (50 basis points)	(26)	(35)
-1% (100 basis points)	(53)	(70)

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 receivables and payables are interest-free.

Price Risk

Price risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from Interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments. The Association's exposure to price risk is limited to its financial assets within investments which are carried at fair value through profit or loss amounting to \$4,839,000 (2021: \$5,193,000) per Note 7.

The analysis below demonstrates the impact of a 10% movement in the redemption unit price of the underlying managed funds.

	Post-tax Profit - Higher/(Lower)	
	2022 \$'000	2021 \$'000
Judgements of reasonably possible movements:		
+10% increase	484	519
-10% decrease	(484)	(519)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

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 allowance for expected credit losses. 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 monitors the creditworthiness of the counterparties.

Liquidity Risk

The Association manages its liquidity risk by maintaining adequate cash reserves and continuously monitoring forecast and actual cash flows while matching the maturity profiles of financial assets and liabilities.

	On demand \$'000	Less than 3 months \$'000	3 to 12 months \$'000	Total \$'000
2022				
Trade and other payables	-	2,749	-	2,749
Total	-	2,749	-	2,749
2021				
Trade and other payables	-	1,881	-	1,881
Total	-	1,881	-	1,881

Other liabilities are largely deferred revenue, which would not have an impact on liquidity risk.

A cash balance of \$5,280,000 (Note 15(a)) is available to pay the short-term financial liabilities in relation to trade and other payables due within 3 months.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

Fair Value of Financial Assets and Liabilities

In accordance with AASB 13 Fair Value Measurement, the Association's financial assets and liabilities measured at fair value are categorised under a three-level hierarchy, reflecting the availability of observable market inputs when estimating the fair value. If different levels of inputs are used to measure a financial instrument's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. The three levels are:

- a. Level 1 - Quoted price (unadjusted) in active market for identical assets or liabilities;
- b. Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- c. Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of cash and cash equivalents, other monetary financial assets and financial liabilities which are not carried at fair value in the statement of financial position approximate their carrying value due to the short-term maturities of these instruments.

The following tables present the Association's financial instruments measured and recognised at fair value as at the reporting date:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 30 June 2022				
Financial assets (note 7)				
Financial assets at fair value through profit and loss				
- Listed shares	1,496	-	-	1,496
- Unlisted registered managed funds	-	3,343	-	3,343
	1,496	3,343	-	4,839

As at 30 June 2021

Financial assets (note 7)

Financial assets at fair value through profit and loss

- Listed shares	1,916	-	-	1,916
- Unlisted registered managed funds	-	3,277	-	3,277
	1,916	3,277	-	5,193

The fair value of financial assets at fair value through profit and loss is based on the redemption unit price quoted by the underlying responsible entity at the close of trading on the reporting date.

There were no transfers between the levels during the reporting period.

For the year ended 30 June 2022

19. EVENTS AFTER THE REPORTING DATE

Since the year ended, the Association has been in dialogue with the AFA on a potential merger of the two Associations. Consultations have opened with voting by members of both Associations expected to occur within the 2022/23 financial year.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

DIRECTORS' DECLARATION

FOR THE YEAR ENDED 30 JUNE 2022

In accordance with a resolution of the directors of the 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 2022 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and *Corporations Regulations 2001*; and
- (b) 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



David Sharpe
Director



Diana D'Ambra
Director

Sydney
11 October 2022

LNP Audit + Assurance

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FINANCIAL PLANNING ASSOCIATION OF AUSTRALIA LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Financial Planning Association of Australia Limited (the Association), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 of the Association.

In our opinion the accompanying financial report of Financial Planning Association of Australia Limited, is in accordance with the Corporations Act 2001, including:

- a) Giving a true and fair view of the Association's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- b) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia; and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based upon the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

LNP Audit + Assurance

Directors' Responsibilities

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 control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Association or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting in the preparation of the financial report. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial report about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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From the matters communicated to the Directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

LNP Audit and Assurance Pty Ltd



Chin Ding Khoo
Director
Sydney

11 October 2022



FINANCIAL PLANNING
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