FOR OVER 130 YEARS, FINSIA HAS BEEN EMPOWERING CONNECTIONS TO SUPPORT YOU, OUR MEMBERS.

TODAY, OUR MEMBERS CAN GET AHEAD AND BUILD PROFILE THROUGH INSPIRING PROFESSIONAL DEVELOPMENT INITIATIVES, INSIGHTFUL CONTENT AND THOUGHT LEADERSHIP, AND HIGHLY REGARDED NETWORKS.

EVERYTHING WE DO AT FINSIA IS DRIVEN BY OUR COMMITMENT TO CREATE A BRIGHTER FUTURE FOR OUR MEMBERS, AND ULTIMATELY THE COMMUNITY, BY RAISING THE PROFESSIONALISM OF FINANCIAL SERVICES.

THIS IS YOUR INDUSTRY ASSOCIATION — ONE THAT IS INDEPENDENT AND INCLUSIVE. FINSIA IS WHERE THE FINANCIAL LEADERS GO.
As a 27-year career banker, I am passionate about the financial services sector and the significant contribution it makes to our economy.

FINSIA has a long and proud history of nurturing and developing the careers of its members through professional development programs, thought leadership and by providing opportunities for students, finance professionals and leaders from across the industry to connect and share knowledge, skills and expertise.

However, like many membership organisations, FINSIA is facing significant challenges and needs to change. The 2015 membership and financial results were not in line with the Board’s expectations. The Board is accountable and committed to transforming FINSIA to enhance the value proposition to our members.

Our priority is to deliver on the plan and changes the Board initiated last year which include:

• Establishing a simplified and leaner organisational cost structure that is aligned to our strategic goals and value proposition for members;
• Delivering new development initiatives that meet our members’ needs for professional, technical and leadership growth;
• Strengthening engagement and connections across the industry including with major employers and financial institutions; and
• Building digital capability to enable members to access and share thought leadership and insights.

FINSIA also has a critical role to play in shaping the future of our industry. Our focus on raising standards and integrity through professional development, thought leadership and networks will also help restore and build trust in our industry.

I would like to thank Acting CEO, Jane Endacott and her leadership team who are spearheading these changes and working extremely hard to execute a plan for the benefit of our members.

As part of changes to our governance, we have streamlined FINSIA’s Board composition and announced a new skills-based appointment process. In August we welcomed Cathy Aston to the Board. Cathy is an experienced executive and non-executive director and has a background in marketing, strategy and business transformation.

I would also like to thank my predecessor, Marianne Birch, for her significant contribution as President of FINSIA. During her time as President, Marianne oversaw the renewal of FINSIA’s Board, improvements in governance, the establishment of Industry Councils and an enhanced value proposition for all our members.

I would also like to thank outgoing Board members Malini Raj, Kevin Smout and Patrick Waite for their long-term contributions to FINSIA.

Finally the support of our loyal members has been fantastic. Your knowledge, contribution and enthusiasm in mentoring our young professionals will ensure the success of our industry. The management team and Board also appreciate all the communication, feedback and advice from members during the year. Your views and insights are incredibly valuable and have helped us to shape and set the initiatives and changes the management team are now implementing. I encourage you to continue the communication and open dialogue throughout 2016.

David Gall
SF Fin President
CHIEF EXECUTIVE OFFICER’S REPORT

EDUCATION IS MY ABSOLUTE PASSION, AND THE OPPORTUNITY TO LEAD AN ASSOCIATION THAT HAS HELPED THOUSANDS OF CAREERS FLOURISH THROUGH ACCESS TO KNOWLEDGE, PROFILE AND NETWORKS IS A PRIVILEGE.

FINSIA may have sold an education business, but we are very much in the business of education. Through mentoring, university partnerships, scholarships, events and thought leadership, FINSIA facilitates environments and relationships for the professional development of our members.

Coming into the role in January 2016, my first few months as FINSIA’s Acting CEO have been fast-paced and challenging. I am excited by the enthusiasm so many new and long standing members have for FINSIA. But I also know that the task ahead is significant. Our focus in 2016 is on:

• improving member value
• delivering member growth
• raising market profile.

These priorities are supported by a strategy blueprint that has three objectives:

1 Stabilise FINSIA’s business by revitalising our member offerings and minimising member attrition.
2 Build momentum to accelerate member acquisition primarily in young finance professional segments.
3 Achieve a sustainable business model.

The strategy blueprint has received enthusiastic support from members and stakeholders because it is underpinned by a vision that is credible and meaningful. It is ambitious, but achievable.

As at the end of Q1 2016, we have delivered:

• Career Connect and Career Builder — new mentoring programs for students, recent graduates and finance professionals. Both programs combine face-to-face and virtual mentoring and are supported by a best-practice online platform with the tools and content to deliver a rich and structured experience for mentors and mentees.

• 2016 Scholarship Program that includes the FINSIA–Monash MBA Scholarship, Hugh DT Williamson Scholarship, Ignite Leadership Scholarship and Australis Project Management Scholarship.

• A refreshed and optimised website to connect visitors to our mission — to be where the financial leaders go.

Shortly we will launch our first membership offering to international students studying in Australia.

FINSIA doesn’t just confer a technical designation, it does something far deeper. As a member of FINSIA you demonstrate ethical integrity, a commitment to advancing your career, and the capacity and leadership to create a diverse and innovative future for financial services.

I am confident about the future success of FINSIA. And my door is always open to work together to advance FINSIA’s mission — supporting our members’ careers, and raising professionalism in finance.

Jane Endacott
Acting Chief Executive Officer
OVERVIEW OF 2015

IN 2015 WE MODERNISED OUR GOVERNANCE AND UPGRADED OUR BUSINESS SYSTEMS. BY DOING THIS, WE HAVE LAID THE FOUNDATION TO MOTIVATE AND INSPIRE THE NEXT GENERATION OF FINANCE PROFESSIONALS, AND DELIVER A COMPREHENSIVE SUITE OF PROFESSIONAL DEVELOPMENT OPPORTUNITIES AND THOUGHT LEADERSHIP IN 2016 AND BEYOND.

Q1

Overhaul: Work begins to migrate our membership data to Salesforce, and to map the career journeys of professionals across the industry for our members’ portal.

Male Champions of Change: Nearly 500 FINSIA members and industry professionals join the conversation about diversity in leadership at an event in Melbourne with Ian Narev SF Fin (CBA CEO), Simon Rothery (Goldman Sachs CEO), Mike Smith (ANZ CEO), Elizabeth Broderick SF Fin (Sex Discrimination Commissioner) and award-winning journalist Catherine Fox.

Career journeys: Over 100 members share insights about their career development and the advice they’d give to students and graduates starting out in the industry. This rich information brings the My Plan and career diagnostic tools to life on our members’ portal.

Q2

Modernise: Members vote in support of governance changes to facilitate skills-based appointments to FINSIA’s Board.

Financial Integration in the Asia-Pacific — Fact and Fiction: RBA Governor Guy Debelle launches this FINSIA-sponsored research in Sydney, authored by Australian Centre for Financial Studies Executive Director Amy Auster and Research Officer Martin Foo.

Members’ portal released: Backed by in-depth career journeys, members can now map their career plans, register for events and access exclusive content.

Young innovators: Participants from Australia and China gathered in Sydney for the China–Australia Millennial Project (CAMP). FINSIA sponsored the CAMP ThinkTank on the China–Australia Free Trade Agreement, which explored the opportunities for businesses in both countries to connect.

Q3

2015 FINSIA Forum: Over 350 finance leaders gather in Sydney to examine the impact of digital disruption on regulation, product development and customer experience.

Stone & Chalk opens: FINSIA is named as a foundation partner in the fintech hub, which now exceeds 80 resident start-ups.

Roundtables and submissions: FINSIA brings the finance establishment, start-ups and the regulators together to identify the reforms necessary to improve access to capital for fintechs, and the impact of robo-advice. Through member consultation we support proposals to lift ethical and professional standards in financial services.

Hugh DT Williamson Scholarship: Jenny Taing SA Fin, a senior lawyer at ASIC, is announced the winner of our prestigious $16,500 scholarship. She plans to complete the High Potentials Leadership Program at Harvard Business School in 2016.

Q4

Activate: FINSIA boosts its mentoring programs and professional development opportunities to reach a wider audience in key membership markets: students, graduates and young finance professionals. The stage is set for 2016.

Regulators Panel: Greg Medcraft (ASIC), Wayne Byres (APRA) and Philip Lowe (RBA) reveal the regulatory agenda for 2016 to an audience of over 350 FINSIA members and guests.

Fintern Fever: FINSIA connects over 100 student interns with residents of Stone & Chalk. The 20 successful finterns completed their placements in February 2016 at an innovative event where they pitched to potential investors and customers.
ENGAGE
ENHANCE
ENERGISE

WE’RE REIMAGINING THE BEST ELEMENTS OF OUR ASSOCIATION’S HERITAGE TO REIGNITE ITS FUTURE.

THESE ARE THE PRACTICAL THINGS WE DO TO SUPPORT OUR MEMBERS THROUGHOUT THEIR CAREERS — PROVIDING EDUCATION, NETWORKS AND CONNECTIONS TO RAISE PROFILE AND INSPIRE.

AS FINSIA MEMBERS YOU KNOW THAT BEING A FINANCE PROFESSIONAL IS ABOUT MORE THAN TECHNICAL COMPETENCE, IT’S ABOUT BELONGING TO A COMMUNITY.

AND WE’RE COMMITTED TO ENRICHING YOU BECAUSE OF THE CONTRIBUTIONS YOU MAKE TO YOUR PROFESSIONAL COMMUNITY BY SHARING KNOWLEDGE AND BUILDING THE INTEGRITY OF FINANCIAL SERVICES.
In 2015 we marked the 10th anniversary of the merger of the Australasian Institute of Banking and Finance, and the Securities Institute of Australia. This merger brought together two associations dedicated to the professional and personal development of their members. The commitment to professionalism that inspired each association’s founder continues to guide us in everything we do.

Henry Gyles Turner founded the Banker’s Institute of Australasia in 1886. He is widely credited with building the Commercial Bank of Australia into one of significance. And he kept course. Following the banking crisis of 1893, Turner devoted the remainder of his career to restore the bank to its former glory.

Commercial Bank of Australia eventually became part of Westpac, Australia’s oldest and one of its largest banks.

In his professional endeavours, Turner was described as “a man who performs herculean labours with enthusiasm and ease”.

These qualities of character guided Turner in the formation of the Banker’s Institute of Australasia which promoted “the dissemination of professional knowledge and inculcation of sound banking practice”.

Nearly a century later, Alastair Urquhart founded the Securities Institute of Australia.

A member of the committee of the Sydney Stock Exchange, Urquhart saw that there was a growing need to educate the members of Australia’s stock exchanges about securities trading, accounting and the law.

This led to the development of a formal qualification for securities professionals, which the SIA administered for nearly 50 years. In this, Urquhart established a community dedicated to upholding the highest professional and ethical standards.

Explaining the enduring importance of FINSIA in the finance community, Urquhart singled out ethics and professionalism: “There is immense responsibility to completely understand the ethics of the profession so that you can stand up always in support of the securities industry.”

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FINANCIAL SERVICES HAS COME A LONG WAY IN THAT TIME, WITH BRICKS AND MORTAR BANK BRANCHES GIVING WAY TO MOBILE BANKING, CASH TO CONTACTLESS PAYMENTS, PEGGED CURRENCY TO FREE FLOATING EXCHANGE, AND MUCH MORE.
Today, financial services contributes more to GDP than any other industry sector and is one of Australia’s largest employers.

Our industry is internationally renowned for the integrity of its governance and its innovation, and now more than ever there are unique opportunities to export Australian financial services and talent.

In charting FINSIA’s course for the future of finance, we are inspired by our history, because education, personal and professional development and sound ethical practice are as important now as they were in 1886 and 1966.

But we also know that technology is a game changer — removing frictions in sharing knowledge and building networks.

In 2015, we overhauled the systems we use to engage with our members, and modernised our governance.

We also asked challenging questions about our purpose and our value proposition. We did this so that we are equipped to support and inspire finance professionals and drive a step change in member value.

**Business systems**

An important part of our strategy is to create a more compelling digital member proposition to support our members’ professional development.

Our approach is continually being refined as we learn more about the professional development needs of students, graduates, young and senior finance professionals.

In 2015 we significantly invested in system upgrades to enhance our delivery of member services. This included migrating our member database to Salesforce, a best-of-breed customer relationship management (CRM) system, as well as developing, testing and building the FINSIA members’ portal.

We are now able to deliver greater value to members in services such as mentoring, content, professional development and career support.

In the following section you’ll find detail about our exciting suite of programs that will be rolled out in 2016.

Our members’ portal includes content and tools to help members manage their professional development and make more informed career decisions.

We have drawn on members’ own career experiences to profile over 100 career journeys across the finance sector.

These career journeys have been curated so that members can plan, record and track career progress, no matter what stage they’re at.

The next chapter in our evolution is about bringing scale to the connections and networks that have made a difference to thousands of members, past and present, and making them accessible and inspiring to finance professionals.

**FINSIA MEMBER PROFILE**

Philip Chronican SF Fin was recently appointed non-executive director of NAB. Previously, he was the CEO of ANZ Australia. He joined the board of the AIBF in 1998, and has been part of the association’s evolution.

Broadening his networks has been a key benefit of FINSIA membership throughout his career. “I found it a really good platform to start thinking about broader industry issues, including that of the professional development of young people.”

Philip recognises that financial leaders increasingly need to call upon more than technical skills.

Developing a deep understanding of how finance can build prosperity in the wider economy and the role of ethics and technology is paramount.

“What’s appropriate and what’s not appropriate? What are the right principles that we should be thinking about? How do you navigate between the demanding customer base and a regulatory environment that puts so much restriction on businesses? These are higher level questions but they are the ones that the next generation of businesses need to be more adept at.”

FINSIA members are galvanised by the professionalism of the finance industry.

“I AM ACTUALLY REALLY PROUD OF THE ROLE THAT FINANCE CAN PLAY IN SOCIETY AND THE ECONOMY AND THEREFORE I WANT TO BE ASSOCIATED WITH PEOPLE WHO FOCUS ON THOSE THINGS.”
Governance changes
To position FINSIA for a step change in member satisfaction and acquisition, we reviewed our board structure, composition and processes against best-practice for corporate governance.

At the May 2015 Annual General Meeting, members voted and approved changes to FINSIA’s governance:

- The FINSIA Board now has a minimum of seven and a maximum of nine directors to promote optimal decision making.
- FINSIA has established the Director Nominations Committee to ensure that the Board has the right skills and diversity to meet FINSIA’s strategy.

Our Board of Directors has diverse experience and skills, and with modernised governance FINSIA is better equipped to help its members lead and succeed.

Purpose and position
To enhance our proposition to members we have rallied around the role we play in raising professionalism, because it is our heritage and our future.

Lifting educational standards is a vital part of raising professionalism in financial services.

We have taken a contemporary view of education and what it means to FINSIA’s future, because the next generation of finance professionals need more than the technical knowledge that kick starts their career — they need to understand the interplay of technology, ethics and regulation to make smart and principled business decisions.

Because of this, education in all its forms — whether formal or informal, social or applied, online or face-to-face — is the foundation for our ‘get ahead’ approach.

You’ll see it in our enhanced mentoring and scholarship programs, and the increasing number of opportunities to contribute to FINSIA’s thought leadership agenda.

To get ahead and have an edge, young professionals need connections, profile and inspiration. And they can find this at FINSIA — the association where the financial leaders go, and where they are born.

Nicholle Lindner

FINSIA MEMBER PROFILE

Nicholle Lindner F Fin is a mentor, strategist and innovator. She has played key leadership roles in major transformation projects at CBA, Westpac and NAB, and has just joined a new innovation initiative for NSW Government.

FINSIA has expanded her networks and inspired her to take her career in different directions. “It’s the relationships and all the people I’ve met” she says of the meaning of FINSIA membership to her.

The peers Nicholle has met through her role as Deputy Chair of the Retail and Business Banking Industry Council are a powerful source of inspiration. Being on that council “has encouraged me to strike out and follow my interest in fintech.”

She has mentored start-ups at Stone & Chalk, including Map My Plan, Loan Dolphin and IDATS.

Innovators are showing “that financial services is more than branches, it’s about facilitating people’s goals” Nicholle explains.

Nicholle participated in one of FINSIA’s 2015 fintech roundtables, which discussed the reforms needed to connect start-ups with funding to take their ideas to the next stage.

“FINSIA brings the thinking in and makes it accessible in an easy way.”

Reforms, including a scheme for crowd-sourced equity funding, “are on the table” because FINSIA can bring stakeholders across the financial services value chain together.

Nicholle has been accepted to the London School of Economics executive summer school in innovation and entrepreneurship. “Education is a lifelong journey, and I was inspired to apply after being on the 2015 Hugh DT Williamson Scholarship panel.”

“The Members reflect the quality of who you are — that’s FINSIA.”
ENGAGE ENHANCE ENERGISE

FINSIA BONDS PEOPLE WHO TAKE PRIDE IN THE RESPECTED ROLE THEY PLAY AS FINANCIAL CUSTODIANS.

AS TECHNOLOGY BREAKS DOWN BARRIERS, CUSTOMERS WILL RIGHTFULLY BE AT THE HEART OF FINANCIAL SERVICES. TO MEET THEIR NEEDS, FINANCIAL LEADERS NEED TECHNOLOGICAL SAVVY AND ETHICAL INTEGRITY.

AND NOW, MORE THAN EVER, FINSIA IS THE PROFESSIONAL ASSOCIATION FOR INNOVATORS. PEOPLE WHO SEE THE BIGGER PICTURE, WHO ARE INSPIRED BY THEIR PEERS, WHO ARE PREPARED TO TEST, REFINE AND CHALLENGE THEIR THINKING.
WE’RE ENTHUSIASTIC ABOUT HELPING YOUNG PROFESSIONALS AND EMERGING LEADERS TO REACH THEIR GOALS.

THE FIRST PART OF 2016 HAS BEEN AN EXCITING TIME AT FINSIA WITH A NUMBER OF NEW OPPORTUNITIES ROLLING OUT TO FINSIA MEMBERS.

We have been working with great energy and purpose to deliver programs and initiatives that align with our fundamental purpose — to help our members have careers that thrive through access to education, connections and profile.

New look mentoring programs
When you’re starting out, it’s the people and the connections that matter.

In 2015, our professional development offerings for young professionals grew in profile. We also embarked on an innovative collaboration with fintech hub Stone & Chalk to introduce budding student interns (finterns) to start-ups looking to take their ideas to the next level.

These initiatives taught us more about the mentoring needs of early career professionals.

That’s why we have boosted our market-leading mentoring programs to offer great opportunities for young and emerging leaders who want to get ahead.

Career Connect is aimed at graduates and entry level professionals who want to build networks and develop a game plan to fit their career goals.

Career Builder is designed to provide career acceleration for those with experience under their belts.

"AS AN ECONOMICS GRADUATE, I DEVELOPED A KEEN INTEREST IN THE BANKING AND FINANCE SECTOR AND ITS IMPACT ON THE DOMESTIC AND GLOBAL ECONOMY. AS A RESULT, MY AMBITION IS TO POSITIVELY CONTRIBUTE TO THE FINANCIAL SERVICES INDUSTRY."

Rumesh Stoner Student, Class of 2015
Both programs are delivered through a platform that helps to match people to the right mentor, taking the guesswork out of making a connection.

With best practice content and support services included in the Career Connect and Career Builder platforms, trusted relationships built around mutual learning develop more seamlessly than ever before.

The hundreds of members who have volunteered so far to bring our new mentoring programs to life is testament to the relevance of the program and the strength of the FINSIA community.

Amplified scholarship program

For many years we have recognised outstanding young professionals through the Hugh DT Williamson Scholarship — an award of $16,500 to put towards a leadership or educational program. Our 2015 winner, Jenny Taing SA Fin (featured opposite) will attend Harvard’s High Potentials Leadership Program in June 2016.

Making career defining opportunities like this available is at the heart of FINSIA’s mission.

In the first half of 2016, we are proud to offer a comprehensive suite of professional development opportunities through our scholarship program.

The program has been designed to boost the professional development opportunities available to FINSIA members across the career spectrum, and includes:

• FINSIA-Monash MBA Scholarship
• Hugh DT Williamson Scholarship
• Ignite Leadership Scholarship
• Australis Project Management Scholarship

More scholarships will be added to the program in the second half of the year.

Kickstart International

Because of the strength of our networks, we are in an ideal position to enrich the experience for international students studying finance in Australia.

In the second half of 2016 we’ll launch Kickstart International, a membership package for international students that includes unique opportunities to build Australian networks and understand financial services in its local and regional context.

The ‘get ahead’ approach

We have clarified our purpose and sharpened our messaging. At the start of 2016, we unveiled the ‘get ahead’ approach.

In all of our resources and activities for members, we help finance professionals to leverage their technical skills and grow into true leaders by:

• Getting connected through mentoring and networks
• Getting known through opportunities to build profile and leadership skills
• Getting inspired through access to thought leading content.

“MENTORING CAN TRANSFORM CULTURE AS IT INHERENTLY INVOLVES DEVELOPING A CONNECTION, LEARNING ABOUT EACH OTHER’S GOALS AND VALUES AND BUILDS MUTUAL RESPECT AND UNDERSTANDING — THIS IS FUNDAMENTAL TO BREAKING DOWN UNCONSCIOUS BIAS AND DEVELOPING A CULTURE THAT SUPPORTS DIVERSITY.”

Jenny Taing SA Fin Senior Lawyer, ASIC
<table>
<thead>
<tr>
<th>REGIONAL COUNCILS IN 2015</th>
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| **New South Wales**  
  and Australian Capital Territory |
| Rob Sinclair F Fin  (Chair) |
| Kate McCallum F Fin  (Deputy Chair) |
| Belinda Cooney F Fin |
| Giles Gunasekera SF Fin |
| Su-Lin Ong F Fin |
| Bettina Pidcock F Fin |
| Ian Pollari F Fin |
| Karolina Popic F Fin |
| Mark Talbot F Fin |
| Victoria Weekes SF Fin |
| **Victoria and Tasmania** |
| Loretta Venten SF Fin  (Chair) |
| Catherine Macleod F Fin  (Deputy Chair) |
| Tania Hudson SF Fin  (Tasmanian Chair) |
| Andrew Baines A Fin  (retired December 2015) |
| James Canny F Fin |
| Paul Chin SF Fin |
| Fiona Gomez SA Fin |
| Anne Kuleshova F Fin |
| Ian Marshall F Fin |
| **Victoria and Tasmania - cont’d** |
| Stephen Minns F Fin |
| Mark O’Keefe SA Fin |
| Brad Upton F Fin |
| **Queensland** |
| Kerry McGowan SF Fin  (Chair) |
| Matt Baxby F Fin |
| Michael Drew SF Fin  (retired August 2015) |
| Joanne Dwyer A Fin |
| Alasdair Jeffrey F Fin |
| Philip Lee SF Fin |
| Noel Lord SF Fin |
| Russell Mann F Fin |
| Maxwell Morley SF Fin |
| Peter Pontikis SF Fin |
| Richard Somerville F Fin |
| Peta Tilse F Fin |
| Philip Vickery F Fin |
| Andrew Weeden SA Fin |
| Gordon Wilkie A Fin |
| **South Australia**  
  and Northern Territory |
| Bruno Bellon SF Fin  (Chair) |
| Blake Halligan SA Fin  (Deputy Chair) |
| Jane Dharam SF Fin |
| Amanda Heyworth SF Fin |
| Richard Hockney SF Fin |
| Nick Karagiannis SA Fin |
| Joe Formichella F Fin |
| Lan Lam Aff |
| Helen Lorigan F Fin |
| John Montague SF Fin |
| Philip Roberts SF Fin  (retired October 2015) |
| Andrew Swaffer F Fin |
| Stuart Symons SA Fin |
| Peter Tyson SA Fin |
| David White SF Fin |
| **Western Australia** |
| John Boyle F Fin  (Chair) |
| Adrian Arundell SF Fin |
| Phil Dolan SF Fin |
| Pamela-Jayne Kinder SF Fin |
| Shaun McRobert SA Fin |
| Kevin Smout SF Fin |
| Irshaad Songerwala F Fin |
| Emma Wright SA Fin |
| Heather Zampatti SA Fin |
| **New Zealand** |
| Rowena Wilkinson F Fin  (Chair) |
| Ian Boyce F Fin  (retired September 2015) |
| Philip Doak F Fin |
| Leon Grandy F Fin |
| David Kidd F Fin |
| Shashi Kumar F Fin |
| Louise Lawton F Fin  (retired September 2015) |
| David Mayes SF Fin |
| Bernard McCrea SF Fin |
| Phillip Meyer F Fin |
| David Tripe SF Fin |
INDUSTRY COUNCILS IN 2015

Financial Advice and Services

Megan Aikman F Fin Hillross
Glenda Berry F Fin Bell Potter
Sandra Bowley SF Fin Sandra Bowley Financial Planning
Prof Christine Brown SF Fin Monash University
Diana Bugarcic SA Fin Sydney Institute of TAFE
Jeremy Cooper SF Fin Challenger
Diego del Rosso SA Fin Bendigo and Adelaide Bank
Steve Helmich SF Fin AMP
Rob Johnston SA Fin Macquarie
Bruce Lanyon SF Fin Morgan Stanley
Gary Mitchell SF Fin Shadforth Financial Group Ltd
Peter Pontikis SF Fin Westpac
Susan Raillings F Fin RBS Morgans
Mark Spiers SF Fin BT Financial Group Ltd
Peta Tilse F Fin Levantine Wealth

Funds and Asset Management

Keri Pratt SF Fin (Chair) Franklin Templeton
Nicholas Allton SA Fin Macquarie Funds Group
Jonathan Armitage F Fin NAB
Stewart Bretnall F Fin OnePath
Paul Chin F Fin Vanguard
Jacki Chorazy SA Fin Mercer
Sharon Davis AMP Capital Investors
Sylvia Falzon SF Fin Perpetual
Patrick Farrell BT Financial Group
Katrina Glendinning SF Fin Pengana Capital
Susanna Gorogh SF Fin MTAA
Giles Gunsekera SF Fin Principal Global Investors
Simon Hudson SF Fin UniSuper
Paul Koury F Fin State Street
Camilla Love F Fin Perennial
Justin McMinn HESTA
Dr Carsten Murawski University of Melbourne
Brendan O’Connor Challenger
Vivek Prabhu F Fin Perpetual
Dr Adam Walk SF Fin Griffith University

Institutional Markets

Catherine Black F Fin Queensland Treasury Corporation
Tony Carlton SA Fin Macquarie University
Ashley Conn Goldman Sachs
David Cox F Fin (Chair, retired Nov 2015) PwC
Chris Dalton Australian Securitisation Forum
Joanne Dawson SA Fin Westpac
Anastasia Economou SF Fin Credit Suisse First Boston
Jaye Gardner SF Fin Grant Samuel Group
Andrew Kincaid CBA
Steven Lambert SF Fin NAB
Yura Mahindroo PwC
Luke Marriott ANZ
Chris McLachlan (retired August 2015) CBA
Assoc Prof Jerry Parwada UNSW
Sophie Polednik Bank of America Merrill Lynch
Clare Porta F Fin Consultant
Liz Smith F Fin Grant Thornton Australia
Anthony Sweetman SF Fin UBS
Paul Travers SF Fin KPMG
Itay Tuchman Citi Markets Australia

Retail and Business Banking

David Bannantyne NAB
Philippa Bartlett BOQ
Tony Beck SA Fin Members Equity
Daniel Biondi F Fin Hewlett-Packard
David Boromeo Bendigo and Adelaide Bank
Mike Currie F Fin Queensland Police Credit Union
Frank Ganis Macquarie
Cindy Hansen F Fin Qantas Credit Union
Graham Heunis HSBC
Prof Allan Hodgson University of QLD
Nicholle Lindner F Fin NSW Department of Industry, Trade and Investment
Gai McGrath (retired July 2015) Westpac
Lyn McGrath (retired June 2015) CBA
Jason Murray Credit Union Australia
Julian Potter Citi
Paul Presland F Fin ANZ
Monique Reynolds AT Suncorp
Dr Harry Scheule UTS
# COUNCILS AND COMMITTEES

## COMMITTEES IN 2015

### Women in FINSIA
- Linda Maniaci F Fin (Chair)
- Maebhe Garcia F Fin (Deputy Chair)
- Belinda Cooney F Fin
- Katherine Howard F Fin
- Anita Mustac
- Jillian Rezsdovics F Fin (retired July 2015)
- Malini Raj F Fin
- Maria Trinci
- Loretta Venten F Fin
- Anne Voursoukis F Fin
- Victoria Weekes SF Fin

### JASSA Editorial Board
- Aaron Minney F Fin (Chair)
- Professor Kevin Davis SF Fin (Managing Editor)
- Marion Fahrer F Fin (Editor)
- Lakshman Alles F Fin
- Dr Bruce Arnold
- Dr Jean Canil
- Professor Carole Comerton-Forde
- Professor Michael Drew SF Fin (retired December 2015)
- Dr Kim Hawthrey SF Fin
- Dr Alexandra Heath
- Professor Kevin Jameson SF Fin
- Professor Paul Kofman (retired December 2015)
- Professor Fariboz Moshirian
- Associate Professor Maurice Peat F Fin
- Professor Alireza Tourani-Rad F Fin
- Dr sharks
- Dr Alex Cottrell
- Jonathan Hanley
- Aya Haruyama (retired October 2015)
- Dean Holloway A Fin
- Hong Hon F Fin
- Richard Janko (retired October 2015)
- Mitchell King
- Aaron Lane
- Alex Lee
- Coral Lou
- Thuy Ngo
- James Simpson
- Dzung Tran A Fin
- Xing Zhang (retired October 2015)

### Queensland
- Gordon Wilike A Fin (Chair)
- Clair Barrett A Fin
- Naomi Benten A Fin
- Samantha Bird A Fin
- Harriet Campbell A Fin
- Alex Cottrell A Fin
- Elizabeth Evans (retired July 2015)
- Luke Fraser SA Fin
- Camille Grassick (retired July 2015)
- Michael Hamlin A Fin
- Janis Luhrs
- Andrew McAfee
- Sam O’Connor A Fin
- Merrick Studders (retired November 2015)
- Sean Trainor A Fin

### New South Wales
- Charlie Chen SA Fin (Chair)
- Jasmine Tan SA Fin (Chair)
- Katherine Chen
- Sean Cornell (retired November 2015)
- Eloise de Cure-Ryan
- Kyra Hannaford
- Dane Kobus
- Rowena O’Neill SA Fin
- Andrew Sabo (retired November 2015)
- Oliver Sieur (retired November 2015)
- Biljana Tasevska

### Victoria
- Anne Kuleshova F Fin (Chair)
- Ernie Turner SA Fin (Deputy Chair)
- Chad Barendse A Fin
- Jarryd Begbie A Fin
- Alex Cottrell
- Yoni Cukierman A Fin
- Jonathan Hanley
- Aya Haruyama (retired October 2015)
- Dean Holloway A Fin
- Hong Hon F Fin
- Richard Janko (retired October 2015)
- Mitchell King
- Aaron Lane
- Alex Lee
- Coral Lou
- Thuy Ngo
- James Simpson
- Dzung Tran A Fin
- Xing Zhang (retired October 2015)

### South Australia and Northern Territory
- Peter Tyson SA Fin (Chair)
- Chris Eddington (Deputy Chair)
- Nicole Bradshaw
- Michael Calabrese
- Blake Halligan SA Fin
- Aditya Harsh A Fin
- Alyssa Hennessy
- Sarah Mackay
- Annabel West A Fin
- Jarrod Wilksch

### Western Australia
- Lachlan Stretton F Fin (Chair)
- Sean Vincent SA Fin (Deputy Chair)
- Sebastian Bednarczyk SA Fin
- Olivia Cole A Fin
- Damien Cribben A Fin
- Jeffrey Gibson A Fin
- Ian O’Brien SA Fin
- Sevi Rich A Fin
- Hedley Roost
- Imogen Sturrock A Fin
- Richard Tan (retired August 2015)
- Juanita Vlok A Fin (retired September 2015)
CORPORATE GOVERNANCE

FINSIA IS A FOUNDING MEMBER OF THE ASX CORPORATE GOVERNANCE COUNCIL AND FINSIA’S CHIEF EXECUTIVE OFFICER IS A MEMBER OF THE COUNCIL.

FINSIA’S BOARD HAS ENDORSED THE CORPORATE GOVERNANCE COUNCIL PRINCIPLES AND RECOMMENDATIONS THIRD EDITION.

The Board is focused on ensuring stakeholders are informed of our activities and that the confidence of our members is preserved.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

» The Board is responsible for the overall corporate governance of FINSIA, including its corporate planning.

» The Board has a management framework, including a system of internal control, a business risk management process and established ethical standards.

Board performance

» The Board regularly undertakes board performance reviews.

Diversity

» FINSIA discloses the proportion of women in the whole organisation, at senior executive and board levels in accordance with the recommendations in Principle 1.

Measurable objectives

The FINSIA Board has adopted the following measurable objectives for achieving gender diversity across the organisation’s business.

The objectives were to be met by December 2015.

Proportion of women in FINSIA as at December 2015

FINSIA employees ......................... 58%
Senior executive positions .......... 50%
On the Board........................................... 33%

Objective Measurement

as at December 2015

Membership 33%
35% of new members recruited in 2014–15 are female

Professional development 23%
33% of speakers at all FINSIA events are female

Publication 9%
40% of all authors in all publications are women

Career programs:

Mentors 22%
Registrants 47%
50% increase in female participation in FINSIA mentoring programs on 2010 figures

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

» The FINSIA constitution determines the composition of the Board, with directors subject to election by a direct national vote by members.

» The Chief Executive Officer and Managing Director is the only director who is a member of management. The Chair and other Board members are independent directors. The Acting Chief Executive Officer is not a director.

» As a membership organisation, we derive strength from the involvement of the directors as members committed to the enhancement of FINSIA’s objectives.

Selection of directors

» The directors in office at the date of this statement are set out in the directors’ report on page 26.

» Biographical details outlining skills, experience and expertise relevant to the position of the director are provided in the Board profile on pages 21 and 22. Other directorships are also included.

» FINSIA is committed to ensuring gender diversity in the composition of its Board of directors in accordance with Principle 1 of the ASX Corporate Governance Principles and Recommendations. Three of eight elected directors in 2015 are women. The Board has an induction program in place for new directors.
Nominations committee
» The Nominations and Remuneration Committee comprises the President, Vice President, Managing Director and two other directors or as otherwise determined by the Board from time to time.
» The composition and attendance at meetings of the Nominations and Remuneration Committee are shown in the directors’ report on page 28.
» The constitution provides for a maximum of nine directors and a minimum of seven. No director may serve more than three three-year terms.
» In its consideration of candidates for the Board, the Nominations and Remuneration Committee seeks continuity of expertise and representation of regions and industry sectors, as serving directors conclude their tenure on the Board. This committee utilises a Board skills matrix to identify potential directors with diverse skills.

The Board-endorsed guidelines for attributes required of directors are outlined in the Board Charter, which is available at finsia.com/about

Directors Nominations Committee – the Board has established a new sub-committee of the Nominations and Remuneration Committee to assist the selection and election of Directors to the Board. Details of the terms of reference and the current members of the committee are available on our website at finsia.com/about

Regional representation
» The Board appoints Regional Councils, which include representatives from various business sectors. Members of regional councils are FINSIA members.

Independent professional advice
» Each director has the right to seek independent professional advice at FINSIA’s expense. The President’s prior approval is required, which is not to be withheld unreasonably.

PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY
» The Board acts ethically and responsibly in its decision-making and the Code of Conduct is available at finsia.com/about

» Directors are required to disclose transactions between themselves, their firms or associated entities and FINSIA, including payment for services.
» The Board takes seriously its legal obligations and has regard to the reasonable expectations of all stakeholders.

Conflicts of interest
» Board policy requires that if there is, or could be, a conflict of interest for directors, then those directors do not receive relevant board papers, do not participate in those discussions or vote, and also absent themselves from the meeting room when those discussions are held.
» The policy provides for a register of interests and directors are required to notify any changes to their register of interests at each board meeting.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING
» In accordance with the ASX principle, the Acting Chief Executive Officer and the Chief Operating Officer have provided signed statements to the Board that the company’s financial reports present a true and fair view, in all material respects, of the company’s financial condition and operational results and are in accordance with relevant accounting standards.
» To provide rigour and accountability, declarations are made by each of the operational managers that all material liabilities have been identified and communicated to the finance department as part of the year end accounting process.
» Members of the Audit, Finance, Risk Management and Compliance Committee (Audit Committee) are all non-executive directors, and the chair of the committee is not the chair of the Board.
» Membership of the committee during 2015 is set out in the directors’ report on page 28.
PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

» FINSIA discloses to members and other key stakeholders material information that may affect the organisation from time to time.

» Our website, finsia.com, provides comprehensive and up-to-date information about member benefits and services, professional development events, careers information, FINSIA news and media releases, advocacy initiatives and corporate governance.

PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

» The Board carefully considers the rights of all members of FINSIA and provides members with information about FINSIA’s financial situation, performance and governance, major initiatives and future strategy, alliances and partnerships, and policy and advocacy by a range of methods.

» Communications include the annual report, JASSA and INFINANCE, the FINSIA website and the annual general meeting (AGM).

» The external auditor is invited to attend the AGM and be available to answer questions on the conduct of the audit, and the preparation and content of the auditor’s report.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

» The Board has established policies on risk oversight and management. In addition, the Acting Chief Executive Officer and the Chief Operating Officer have stated to the Board in writing that:
  - the integrity of financial statements is founded on a system of risk management and internal compliance and control which implements the policies adopted by the Board.
  - the risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

» FINSIA has adequate risk management and compliance controls in place.

» The Board also, on a regular basis, receives reports about the strength of the risk management framework and processes.

» IT infrastructure and services are outsourced to an external hosting facility. In the event of a significant business disruption the outsourced provider has a Business Continuity Plan (BCP) in place for effective recovery procedures that are reviewed on an annual basis.

» The Audit, Finance, Risk Management and Compliance Committee reviews the status of risk and compliance. The risk register, which is used to identify, assess, monitor and manage material risk throughout the organisation, is considered by management on a monthly basis and reported to each meeting of the Audit, Finance, Risk Management and Compliance Committee and the Board.

» A whistleblower policy is also in place.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

Remuneration Committee

» The Remuneration Committee is combined with the Nominations Committee and comprises the President, Vice President, Managing Director and two other directors, or as determined by the Board from time to time.

» Attendance at meetings of the committee is shown in the directors’ report on page 28.

» We have an annual salary and bonus review process for all staff. Payments of any salary and bonus amounts are market-driven, performance-based and discretionary.

» We structure role descriptions to drive individual employee accountability and promote high performance to support FINSIA’s culture.

» The constitution prohibits remuneration of any director in his or her capacity as a member of the Board, other than any salary payment due to the director as a FINSIA employee.
from left to right: Victoria Weekes, Jane Endacott, David Gall, Cathy Aston (absent: Alasdair Jeffrey)
David Gall  
BSc BBus (Banking and Finance)  
MBA (Exec) SF Fin  
**President** appointed May 2015  
**Region:** Victoria and Tasmania  
Mr Gall, 4B, is Group Chief Risk Officer, National Australia Bank.  
Previous roles at National Australia Bank include Executive General Manager, Working Capital Services, and Executive General Manager Corporate Banking and Specialised businesses. He worked at St George Bank (including five years with Barclays Bank Australia) between 1989 and 2008.  
During that time he held various senior roles including Group Executive Strategy, Group Executive Retail Business and General Manager Corporate and Business Banking.  
Mr Gall joined the Australasian Institute of Banking & Finance in 1991 and was named its Young Banker of the Year in 1995.  
**Vice President** since May 2014  
**Director since August 2015**  
**Member, Nominations and Committee** 2010–2014  
**Management and Compliance Director** since January 2010  
**Vice President** since May 2014  
**Region:** New South Wales and Australian Capital Territory  
Ms Weekes, 54, is a professional non-executive director with more than 25 years' experience as a financial services senior executive.  
Victoria is the Independent Chair of OnePath Funds Management and OnePath Custodians. Victoria is a non-executive director of ETRADE and previously was a director of ANZ Trustees.  
Victoria is a non-executive director of the Sydney Local Health District and a director of SGCH Portfolio, one of NSW’s largest community housing groups.  
Additionally, Victoria is a member of the ASIC Markets Disciplinary Panel and Chairman of the NSW State Library Audit and Risk Committee.  
During her executive career Victoria was the Co-General Counsel of Citigroup Australia and the General Manager responsible for compliance and operational risk for the Westpac Group. Victoria was previously a director of the Cure Brain Cancer Foundation, the Livestock Health & Pest Authority of NSW and a member of the Comcover Advisory Council.  
**Director since March 2013**  
**Member, NSW Regional Council**  
**Member, Women in FINSIA Committee**  
**Member, Audit, Finance, Risk Management and Compliance Committee**  
**Cathy Aston**  
BComm (Macq), MComm (UNSW), GAICD, TFASFA, FFin  
**Director** appointed August 2015  
**Region:** New South Wales and Australian Capital Territory  
Ms Aston, 52, is an experienced executive and non-executive director of digital and telecommunications businesses across Asia-Pacific.  
Cathy is currently Chair of Pillar Administration, Non-Executive Director of Southern Phone and the Australian Brandenburg Orchestra and an Advisory Board Member of Avanseus Holdings (Singapore).  
Previous board positions include Non-Executive Director of Reach Ltd (HK), Hong Kong CSL Ltd, TelstraClear NZ Ltd and Beijing Australia Telecommunications Technical Consulting Svs Limited (China).  
Executive roles included Executive Director, Marketing and Digital Business at Telstra Corporation, Finance Director, Telstra International (Hong Kong) and Managing Director, Mobitel Pvt Ltd (Sri Lanka).  
Board experiences include establishing audit committee governance frameworks, addressing funding issues, corporate structuring IPOs, acquisitions and divestments as well as the development of technology strategies and evaluation of investment proposals.  
**Director since August 2015**  
**Member, Audit, Finance, Risk Management and Compliance Committee**  
**Alasdair Jeffrey**  
MBA BBus BA F Fin  
**Director** appointed October 2010  
**Region:** Queensland  
Mr Jeffrey, 47, is Executive Director of the financial communication practice of Rowland in Brisbane. He has 20 years’ communication experience in Australia and overseas.  
Prior to joining Rowland he managed corporate and investor communication programs for clients in Australia, the United Kingdom and the United States.  
Mr Jeffrey was Executive Vice President of investor relations at data and communications network company Marconi PLC in London from 1997 to 2003.  
**Director since October 2010**  
**Member, Queensland Regional Council since 2007**  
**Jane Endacott**  
BEd BApSc GCertBusAdmin MAICD  
**Acting CEO** appointed January 2016  
Ms Endacott is highly skilled in creating and executing strategic roadmaps for developing business growth, operational efficiency and cultural change.  
Since joining FINSIA in August 2015 as EGM, Commercial and Capability, Jane has led the overhaul of FINSIA’s member value proposition.  
She has deep experience in the professional services, not-for-profit and professional education sectors. As EGM at AIM Business School, Jane created the business architecture of the school and its online MBA.  
**Member, Asian Securities and Investments Federation (ASIF) Executive Committee**  
**Member, ASX Corporate Governance Council**  
**Member, Australian Centre for Financial Studies (ACFS) Advisory Board**  
**Member, Ethical Literacy Program Steering Committee (The Ethics Centre / BFO)**  
**2015 ANNUAL REPORT**  
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<table>
<thead>
<tr>
<th>Name</th>
<th>Degree</th>
<th>Position</th>
<th>Appointed Date</th>
<th>Region</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bruno Bellon</td>
<td>BCom GDipAppFin (SecInst) GAICD SF Fin</td>
<td>Director</td>
<td>February 2015</td>
<td>South Australia and Northern Territory</td>
<td>Mr Bellon, 45, is a Director, Financial Markets with the Commonwealth Bank of Australia. He previously worked as Portfolio Manager for the South Australian Government Financing Authority (SAFA). Prior to this, he held corporate banking and treasury roles with ANZ Bank and SGIC. He has been a member of FINSIA since 2011 and previously the Securities Institute of Australia (SIA) since 1995. He is a member of the SA/NT Regional Council and a former lecturer and course assessor for SIA in several subjects.</td>
</tr>
<tr>
<td>Loretta Venten</td>
<td>BCom GDip (Banking &amp; Finance) SF Fin MAICD MFTA</td>
<td>Director</td>
<td>June 2005</td>
<td>Victoria and Tasmania</td>
<td>Ms Venten, 52, is an Executive Director, Loan Markets &amp; Syndications at Commonwealth Bank of Australia. She has had various roles at the bank since 1984 in loan markets/syndicated lending, debt capital markets, corporate banking, branch lending and branch banking. She is a director of MIS Funding No 1 Pty Ltd and a past member of the management committee of the Asia Pacific Loan Market Association (APLMA) Australian Branch (2000–2010).</td>
</tr>
<tr>
<td>Warwick Negus</td>
<td>BBus MComm SF Fin</td>
<td>Director</td>
<td>March 2010</td>
<td>New South Wales and Australian Capital Territory</td>
<td>Mr Negus, 54, was appointed as VP of FINSIA in April 2010. He was CEO of Colonial First State Global Asset Management 2005 to 2008. Prior to this position he was CEO of 452 Capital Pty Ltd, a boutique Australian fund management company he co-founded in 2002. Mr Negus worked in various management roles as a MD of Goldman Sachs (1993–2002), including the investment banking division, the Asian asset management business, and global emerging markets and global equities located in Hong Kong, Singapore, London and Sydney. Previously, he was VP and Portfolio Manager at Bankers Trust Australia, and International Lending Manager at CBA. Mr Negus is a member of The Salvation Army’s Sydney advisory board, a member of the UNSW Council, Chairman of the UNSW Finance Committee and a Director of the UNSW Foundation. He is a member of the Advisory Council at the Australian School of Business and a member of the Centre for Social Impact Advisory Board. He is a member of the Council of the Cranbrook School and Chairman of the Cranbrook Foundation.</td>
</tr>
<tr>
<td>Mark Spiers</td>
<td>BA CFP Dip All CIP F Fin GAICD</td>
<td>Director</td>
<td>March 2013</td>
<td>New South Wales and Australian Capital Territory</td>
<td>Mr Spiers, 56, is General Manager of BT Financial Group’s advice business. In this role, Mark is responsible for bank financial planning (Westpac Financial Planning, St George Financial Planning, Bank of Melbourne, Bank of South Australia) and dealer groups (Securitor, Magnitude, Licensee Select and BT Select). During his 30-year career Mark has demonstrated a strong commitment to improve the professionalism, standards and reputation of the industry and is committed to leaving a legacy that enables more Australians to access professional financial advice. Mark is actively involved in the development of the financial planning profession through board and committee positions in industry associations, representing industry for regulatory reform and using his voice in the media. He has served as Director and Deputy Chair for the Financial Planning Association (FPA) including 12 years as Chair of the FPA’s Policy and Government Committee.</td>
</tr>
</tbody>
</table>

FINSIA – FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA
from left to right: Bruno Bellon, Loretta Venten, Warwick Negus (absent: Mark Spiers)
In this context, the focus was on delivering a leaner organisation during 2015, while re-orientating the resources of the organisation and the governance structures towards growth and renewal.

The Board will continue to drive operational efficiencies and ensure tight cost control to ensure savings made in 2015 flow through to 2016 and beyond. At the same time, it is important to continue leveraging our digital capability to build our suite of professional development initiatives and strengthen our value proposition for both new and existing members.

FINSIA continues to enhance its value proposition for individuals — students, young professionals, emerging leaders and senior professionals — as well as employers and major institutions in financial services. This includes our flagship events such as the Male Champions of Change and the Regulators Panel, market leading mentoring programs, and publications.

The Board’s priorities for the coming year remain on achieving revenue growth, by ensuring high member retention levels, growing member numbers in the young finance professional segments, implementing new professional development initiatives, and unlocking new revenue opportunities and partnerships.

We will introduce new education and professional development programs and services to members that increase FINSIA’s relevance and value, and continue to source and deliver unique and compelling insights, thought leadership, news and content.
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 35
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The directors present their report together with the consolidated financial report of the Financial Services Institute of Australasia (the “Group”), being the Company and its controlled entities for the financial year ended 31 December 2015 and the lead auditor’s report thereon.

**DIRECTORS**

The names of the Group’s directors in office during the financial year and until the date of this report are:

<table>
<thead>
<tr>
<th>DIRECTOR</th>
<th>APPOINTED</th>
<th>RETIRED</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Gall BSc, BBus (Banking and Finance), MBA (Exec), SF Fin President</td>
<td>29 January 2010</td>
<td></td>
</tr>
<tr>
<td>Victoria Weekes BComm, LLB, FAICD, SF Fin Vice President</td>
<td>4 March 2013</td>
<td></td>
</tr>
<tr>
<td>Marianne Birch BEcon, MEcon, GDipAppFin (SecInst), FCA, FAICD, SF Fin Immediate Past President</td>
<td>29 June 2005</td>
<td>18 August 2015</td>
</tr>
<tr>
<td>Catherine Aston BA, MCom, GAICD, F ASFA, F Fin</td>
<td>18 August 2015</td>
<td></td>
</tr>
<tr>
<td>Bruno Bellon BEcon, GDipAppFin (SecInst), GAICD, SF Fin</td>
<td>13 February 2015</td>
<td></td>
</tr>
<tr>
<td>Alasdair Jeffrey BBus, MBA, BA, F Fin</td>
<td>26 October 2010</td>
<td></td>
</tr>
<tr>
<td>Warwick Negus BBus, MCom, SF Fin</td>
<td>8 March 2010</td>
<td></td>
</tr>
<tr>
<td>Malini Raj BAcc, M App Fin &amp; Inv, F Fin</td>
<td>15 August 2013</td>
<td>18 August 2015</td>
</tr>
<tr>
<td>Michael Skully BSBA, MBA, GradDipEc, FCPA, FAIST, SF Fin</td>
<td>1 October 2008</td>
<td>21 April 2015</td>
</tr>
<tr>
<td>Kevin Smout BCom, Accounting (Hons), ICAA, CIMA, GAICD, FTA SF Fin</td>
<td>15 August 2013</td>
<td>18 August 2015</td>
</tr>
<tr>
<td>Mark Spiers BA, CFP, Dip AII, CIP, F Fin</td>
<td>21 March 2013</td>
<td></td>
</tr>
<tr>
<td>Russell Thomas BA LLB, LLM, MCom, F Fin Chief Executive Officer and Managing Director</td>
<td>10 February 2011</td>
<td>16 January 2016</td>
</tr>
<tr>
<td>Loretta Venten BEc, GDip (Banking &amp; Finance), MAICD, MFTA, SF Fin</td>
<td>29 June 2005</td>
<td></td>
</tr>
<tr>
<td>Patrick Waite QSM, JP, FCA, FCIS, SF Fin</td>
<td>4 March 2008</td>
<td>18 August 2015</td>
</tr>
</tbody>
</table>
PRINCIPAL ACTIVITIES
The principal activities of the Group during the course of the financial year were the provision of membership services, professional development and networking events, information services, mentoring, and policy research.

REVIEW OF FINANCIAL RESULT
The total comprehensive loss before tax for the year was a loss of $3,485,537 (2014: loss of $2,478,821).

The objective of the Group is to be self-financing and to ensure the maintenance of its high standards of service and professionalism.

The Group is a company limited by guarantee and no dividends are payable.

REVIEW OF OPERATIONS
Group revenue was generated primarily from member subscription fees of $3,597,365 (2014: $3,880,176) reflecting a decline in total membership numbers during the year. Membership services, professional development (PD) and conference income of $333,484 was slightly lower (2014: $360,254), with slightly fewer PD events run, compared with the previous year. Income from Other Services comprises of income from our programs, such as Mentoring, as well as income from sub-leasing office space. Investments generated an income of $777,759 (2014: $1,198,571), significantly lower than the previous year, due to a mix of lower return on the term deposits held by the Group, combined with a lower return on the investment in the Perpetual Credit Income Fund.

Total expenses increased by 0.3%. Staff expenses of $3,642,602 (2014: $4,034,997) reduced by 9.7%. Full time equivalent (FTE) employee numbers as at the end of the year reduced to 22.4 (2014: 26 FTE) in line with the reduction of staff costs. Contractor and consulting costs of $655,162 remained constant (2014: $655,071), and consisted largely of costs relating to the development of our digital offering and the launch of our members portal in May 2015. Generally other costs remained steady or slightly declined, partially offset by an increase in Policy related research costs and in amortisation and depreciation costs, with an additional $308,499 cost incurred in amortisation of intangible assets.

The short and long-term objectives of the Group are to advance our members’ careers, to connect our members to admired content, resources and professional networks, to strengthen the financial services industry’s future and to undertake charitable activities within the financial services industry. In the long term it is also the objective of the Group that its operations will return to a sustainable cash flow positive and profitable position. This will enable the Group to maintain a high level of reserves, which is a prudent measure as it protects the ongoing interests of members and provides a sound underpinning for the Group’s future. The Group will continue to invest in our digital offering, as a platform to launch a number of new professional development products and services to the market. The Group measures its performance in relation to a wide range of quantitative and qualitative key performance indicators (KPIs) including but not limited to net profit/(loss), various revenue, cost and margin KPIs, the number, retention and acquisition of members, member satisfaction, engagement, and participation rates, the number of attendees at professional development programs and satisfaction outcomes, the quality of the Group publications and policy campaign outcomes.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS
There was no significant change in the state of affairs of the Group during the financial year.
SIGNIFICANT EVENTS AFTER YEAR END
There were no subsequent events after year end which in the directors’ opinion would significantly affect the operation of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

LIKELY DEVELOPMENTS AND FUTURE RESULTS
There are no likely developments in the operations of the Group which would affect the results of future operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS
During the financial year, the Group paid a premium in respect of a contract insuring the directors, company secretary and executive officers of the Group and of any related body corporate against a liability incurred as such a director, company secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Group has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Group or of any related body corporate against a liability incurred as such an officer or auditor.

MEETING ATTENDANCES
The meeting attendance of directors during the year is set out below.

<table>
<thead>
<tr>
<th>DIRECTOR</th>
<th>BOARD, FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA</th>
<th>AUDIT, FINANCE, RISK MANAGEMENT &amp; COMPLIANCE COMMITTEE</th>
<th>NOMIATIONS &amp; REMUNERATION COMMITTEE</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Gall</td>
<td>7 of 7</td>
<td></td>
<td>3 of 3</td>
</tr>
<tr>
<td>Victoria Weekes</td>
<td>6 of 7</td>
<td>4 of 4</td>
<td>1 of 1</td>
</tr>
<tr>
<td>Marianne Birch</td>
<td>4 of 4</td>
<td></td>
<td>2 of 2</td>
</tr>
<tr>
<td>Catherine Aston</td>
<td>4 of 4</td>
<td>1 of 1</td>
<td></td>
</tr>
<tr>
<td>Bruno Bellon</td>
<td>7 of 7</td>
<td>1 of 1</td>
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<tr>
<td>Alasdair Jeffrey</td>
<td>7 of 7</td>
<td></td>
<td>1 of 1</td>
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<tr>
<td>Warwick Negus</td>
<td>5 of 7</td>
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<td>2 of 3</td>
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<tr>
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<td>3 of 4</td>
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<td>Kevin Smout</td>
<td>3 of 4</td>
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<tr>
<td>Mark Spiers*</td>
<td>4 of 4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell Thomas</td>
<td>7 of 7</td>
<td>4 of 4</td>
<td>3 of 3</td>
</tr>
<tr>
<td>Loretta Venten</td>
<td>7 of 7</td>
<td>2 of 4</td>
<td></td>
</tr>
<tr>
<td>Patrick Waite</td>
<td>4 of 4</td>
<td></td>
<td>2 of 2</td>
</tr>
</tbody>
</table>

* Mr Mark Spiers had a period of sick leave from the Board in the second half of 2015, which meant that he could not attend three of the Board meetings in the period August – November 2015.
DIRECTORS’ REPORT CONTINUED

LIABILITIES OF MEMBERS
The liability of the members of the Company is limited. Every member undertakes to contribute to the assets in the event of it being wound up whilst they are a member or within one year after they cease to be a member. The contribution is for payment of the debts and liabilities contracted before the time at which they cease to be a member, and the costs, charges and expenses of winding up and for an adjustment to the rights of contributories among themselves. The amount of contribution is limited to a maximum of two dollars per member.

LEAD AUDITOR’S INDEPENDENCE DECLARATION
A copy of the lead auditor’s independence declaration is set out on page 32.
Signed in accordance with the resolution of the directors by:

David Gall SF Fin
President
Dated: 6 April 2016
We have audited the accompanying financial report of Financial Services Institute of Australasia, which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors’ declaration of the consolidated entity, comprising the company and the entities it controlled at the year’s end or from time to time during the financial year as set out on pages 33 to 51.

DIRECTORS’ RESPONSIBILITY FOR THE FINANCIAL REPORT
The directors of the company 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.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the entity’s preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Liability limited by a scheme approved under Professional Standards Legislation
Member of Deloitte Touche Tohmatsu Limited
AUDITOR’S INDEPENDENCE DECLARATION
In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Financial Services Institute of Australasia, would be in the same terms if given to the directors as at the time of this auditor’s report.

OPINION
In our opinion:
(a) the financial report of Financial Services Institute of Australasia is in accordance with the Corporations Act 2001, including:
   (i) giving a true and fair view of the consolidated entity’s financial position as at 31 December 2015 and of its performance for the year ended on that date; and
   (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU

Gaile Pearce
Partner
Chartered Accountants
Sydney, 6 April 2016
The Board of Directors
Financial Services Institute of Australasia
Level 18, 1 Bligh Street
Sydney NSW 2000

6 April 2016

Dear Board Members

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Financial Services Institute of Australasia.

As lead audit partner for the audit of the financial statements of Financial Services Institute of Australasia for the financial year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

Gaile Pearce
Partner
Chartered Accountant

Liability limited by a scheme approved under Professional Standards Legislation
Member of Deloitte Touche Tohmatsu Limited
The directors of Financial Services Institute of Australasia (the “Company”) declare that:

(a) in the directors’ opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(b) in the directors’ opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the directors

David Gall  SF Fin
President

Dated: 6 April 2016
# Consolidated Statement of Financial Position

**As at 31 December 2015**

<table>
<thead>
<tr>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>7</td>
<td>3,096,346</td>
</tr>
<tr>
<td>Interest-bearing deposits</td>
<td></td>
<td>3,127,146</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>8</td>
<td>95,121</td>
</tr>
<tr>
<td>Prepayments</td>
<td></td>
<td>210,252</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>6,528,865</td>
<td>12,179,671</td>
</tr>
<tr>
<td><strong>Non-Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other deposits</td>
<td></td>
<td>605,974</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>9</td>
<td>354,273</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>10</td>
<td>2,005,246</td>
</tr>
<tr>
<td>Financial assets – available for sale</td>
<td>11</td>
<td>16,570,248</td>
</tr>
<tr>
<td><strong>Total Non-Current Assets</strong></td>
<td>19,535,741</td>
<td>18,149,163</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>26,064,606</td>
<td>30,328,834</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>12</td>
<td>356,024</td>
</tr>
<tr>
<td>Members’ subscriptions received in advance</td>
<td></td>
<td>1,757,247</td>
</tr>
<tr>
<td>Employee provisions</td>
<td>13</td>
<td>152,978</td>
</tr>
<tr>
<td>Other liabilities</td>
<td></td>
<td>89,911</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>2,356,160</td>
<td>3,168,240</td>
</tr>
<tr>
<td><strong>Non-Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee provisions</td>
<td>13</td>
<td>107,297</td>
</tr>
<tr>
<td>Provision for restoration of leased premises</td>
<td>14</td>
<td>35,000</td>
</tr>
<tr>
<td>Other liabilities</td>
<td></td>
<td>301,007</td>
</tr>
<tr>
<td><strong>Total Non-Current Liabilities</strong></td>
<td>443,304</td>
<td>409,915</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>2,799,464</td>
<td>3,578,155</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td>23,265,142</td>
<td>26,750,679</td>
</tr>
<tr>
<td><strong>Members’ Funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retained earnings</td>
<td></td>
<td>23,032,671</td>
</tr>
<tr>
<td>Foreign currency translation reserve</td>
<td>(25,552)</td>
<td>(20,785)</td>
</tr>
<tr>
<td>Other reserves – OCI unrealised gain</td>
<td></td>
<td>258,023</td>
</tr>
<tr>
<td><strong>Total Members’ Funds</strong></td>
<td>23,265,142</td>
<td>26,750,679</td>
</tr>
</tbody>
</table>

The notes on pages 38 to 51 are an integral part of these consolidated financial statements.
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

<table>
<thead>
<tr>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member fees</td>
<td>3,597,365</td>
<td>3,880,176</td>
</tr>
<tr>
<td>Membership services</td>
<td>333,484</td>
<td>360,254</td>
</tr>
<tr>
<td>Other services</td>
<td>177,075</td>
<td>249,291</td>
</tr>
<tr>
<td><strong>Total revenue from operating activities</strong></td>
<td>4,107,924</td>
<td>4,489,721</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff expenses</td>
<td>3,642,602</td>
<td>4,034,997</td>
</tr>
<tr>
<td>Consultants and contractor expenses</td>
<td>655,162</td>
<td>655,071</td>
</tr>
<tr>
<td>Premises expenses</td>
<td>820,696</td>
<td>935,295</td>
</tr>
<tr>
<td>Course and conference expenses</td>
<td>421,503</td>
<td>419,313</td>
</tr>
<tr>
<td>Promotion and advertising expenses</td>
<td>494,712</td>
<td>335,833</td>
</tr>
<tr>
<td>Digital media content</td>
<td>279,054</td>
<td>235,834</td>
</tr>
<tr>
<td>Policy and publication expenses</td>
<td>375,971</td>
<td>268,683</td>
</tr>
<tr>
<td>IT and telecommunication expenses</td>
<td>299,898</td>
<td>386,933</td>
</tr>
<tr>
<td>Travel and accommodation expenses</td>
<td>309,171</td>
<td>256,111</td>
</tr>
<tr>
<td>Printing, postage and stationery</td>
<td>148,203</td>
<td>126,495</td>
</tr>
<tr>
<td>Other expenses</td>
<td>428,934</td>
<td>472,398</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>432,431</td>
<td>153,297</td>
</tr>
<tr>
<td><strong>Total expenses from operating activities</strong></td>
<td>8,308,337</td>
<td>8,280,260</td>
</tr>
<tr>
<td><strong>Results from operating activities</strong></td>
<td>(4,200,413)</td>
<td>(3,790,539)</td>
</tr>
<tr>
<td><strong>FINANCE INCOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>264,192</td>
<td>523,443</td>
</tr>
<tr>
<td>Trust distribution</td>
<td>513,567</td>
<td>675,128</td>
</tr>
<tr>
<td><strong>Net finance income</strong></td>
<td>777,759</td>
<td>1,198,571</td>
</tr>
<tr>
<td><strong>Loss before tax</strong></td>
<td>(3,422,654)</td>
<td>(2,591,968)</td>
</tr>
<tr>
<td>Income tax</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td><strong>Loss for the year</strong></td>
<td>(3,422,654)</td>
<td>(2,591,968)</td>
</tr>
<tr>
<td><strong>ITEMS THAT MAY BE RECLASSIFIED TO THE PROFIT AND LOSS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign currency translation differences</td>
<td>(4,767)</td>
<td>(10,602)</td>
</tr>
<tr>
<td>Unrealised gains on investments</td>
<td>(58,116)</td>
<td>123,749</td>
</tr>
<tr>
<td><strong>Other comprehensive (loss)/income, net of tax</strong></td>
<td>(62,883)</td>
<td>113,147</td>
</tr>
<tr>
<td><strong>Total comprehensive loss for the year</strong></td>
<td>(3,485,537)</td>
<td>(2,478,821)</td>
</tr>
</tbody>
</table>

The notes on pages 38 to 51 are an integral part of these consolidated financial statements.
The notes on pages 38 to 51 are an integral part of these consolidated financial statements.

The entity has no share capital, hence the Consolidated Statement of Changes in Equity only contains retained earnings and other comprehensive income.
## CONSOLIDATED STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 DECEMBER 2015**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH FLOWS FROM OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash receipts in the course of operations</td>
<td>4,490,505</td>
<td>5,127,224</td>
</tr>
<tr>
<td>Cash payments in the course of operations</td>
<td>(8,950,616)</td>
<td>(8,062,994)</td>
</tr>
<tr>
<td>Interest received</td>
<td>264,190</td>
<td>1,236,361</td>
</tr>
<tr>
<td><strong>Net cash flows used in operating activities</strong></td>
<td><strong>(4,195,921)</strong></td>
<td><strong>(1,699,409)</strong></td>
</tr>
<tr>
<td><strong>CASH FLOWS FROM INVESTING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments for plant and equipment and intangible assets</td>
<td>(1,358,866)</td>
<td>(996,236)</td>
</tr>
<tr>
<td>Proceeds from interest-bearing deposits</td>
<td>6,791,320</td>
<td>3,386,926</td>
</tr>
<tr>
<td><strong>Net cash flows from investing activities</strong></td>
<td><strong>5,432,454</strong></td>
<td><strong>2,390,690</strong></td>
</tr>
<tr>
<td><strong>Net increase/(decrease) in cash and cash equivalents</strong></td>
<td>1,236,533</td>
<td>691,281</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of the financial year</td>
<td>1,864,580</td>
<td>1,183,900</td>
</tr>
<tr>
<td>Effect of exchange rate fluctuations</td>
<td>(4,767)</td>
<td>(10,602)</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at end of the financial year</strong></td>
<td><strong>3,096,346</strong></td>
<td><strong>1,864,580</strong></td>
</tr>
</tbody>
</table>

The notes on pages 38 to 51 are an integral part of these consolidated financial statements.
1. CORPORATE INFORMATION
The consolidated financial statements for the year ended 31 December 2015 comprise the accounts of Financial Services Institute of Australasia, Finsia Education and Finsia NZ Limited (together referred to as the “Group”).

The consolidated financial statements were authorised for issue in accordance with a resolution of directors on 23 March 2016.

2. BASIS OF PREPARATION
(A) STATEMENT OF COMPLIANCE
These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group, as well as other requirements of the law.

The directors have elected under section 334(5) of the Corporations Act 2001 to apply the following Accounting Standards:

(i)  AASB 1053 Application of Tiers of Australian Accounting Standards; and
(ii)  AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

AASB 1053 established a differential financial reporting framework consisting of two tiers of reporting requirements for general purpose financial statements:

(i)  Tier 1 - Australian Accounting Standards
(ii)  Tier 2 - Australian Accounting Standards - Reduced Disclosure Requirements (RDR).

AASB 2010-2 makes amendments to each standard and interpretation indicating the disclosures not required to be made by Tier 2 entities or inserting RDR paragraphs requiring simplified disclosures for Tier 2 entities.

The Group complies with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting standards Board.

The adoption of these standards has resulted in reduced disclosures in respect of related parties, statement of cash flows, and financial instruments. There was no other impact on the current year or prior year financial statements.

(B) BASIS OF MEASUREMENT
The consolidated financial statements have been prepared on the basis of historical cost, except for certain properties and financial instruments that are measured at fair value. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted.

(C) USE OF ESTIMATES AND JUDGEMENTS
The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(D) FUNCTIONAL AND PRESENTATION CURRENCY
These consolidated financial statements are presented in Australian dollars, which is the Group’s functional currency.
(E) GOING CONCERN
The consolidated financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business for a period of at least 12 months from the date these consolidated financial statements are approved.

The directors note the following conditions which they have considered in assessing the appropriateness of the going concern assumption:

• The Group reported a loss before income tax of $3,422,654 for the year ended 31 December 2015 (2014: $2,591,968), generated net cash outflows from operations of $4,195,921 (2014: $1,699,409), and had net current assets of $4,172,705 (2014: $9,046,148) and net assets of $23,265,142 (2014: $26,750,679) at year end.

• Financial Services Institute of Australasia (the Company) incurred a loss before income tax for the year ended 31 December 2015 of $2,929,061 (2014: $2,260,061), had a deficiency in current liabilities over current assets at 31 December 2015 of $18,285,104 (2014: $15,431,353) and a deficiency in net assets of $16,361,337 (2014: $13,412,754).

The continuation of the Company as a going concern is dependent on Finsia Education, a controlled entity of the Financial Services Institute of Australasia, providing continued financial support to the Company.

Finsia Education has issued a letter of support to the Company, Financial Services Institute of Australasia, committing to provide financial support to enable it to continue to operate and meet its obligations as and when they fall due. This letter of support will remain in place until the later of, a minimum of 12 months from the date of the letter, or 12 months from the date of signing the consolidated financial statements for the year ended 31 December 2015. As a result, the financial statements have been prepared on a going concern basis.

3. SIGNIFICANT ACCOUNTING POLICIES
The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

(A) BASIS OF CONSOLIDATION
Subsidiaries are entities controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

The consolidated financial statements comprise the aggregated accounts of Financial Services Institute of Australasia and its subsidiaries, Finsia Education and Finsia NZ Limited. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(B) FOREIGN CURRENCY

(I) FOREIGN CURRENCY TRANSACTIONS AND BALANCES
Transactions in foreign currencies are translated to the functional currencies at exchange rates at the dates of the transactions. Monetary items denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.
(II) FOREIGN OPERATIONS
The assets and liabilities of foreign operations are translated to Australian dollars at exchange rates at the reporting
date. The income and expenses of foreign operations are translated to Australian dollars at exchange rates at the
dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and presented in the foreign currency
translation reserve in equity.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor
likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered
to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are
presented within equity in the foreign currency translation reserve.

(C) REVENUE RECOGNITION
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the
revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is
recognised.

(I) MEMBERSHIP FEES
Annual membership subscriptions are recognised as revenue pro rata over the period of the membership. The date
of payment of the initial annual membership subscriptions runs from the date of joining for 12 months and is not
refundable. Subscriptions relating to periods beyond the current financial year are shown in the statement of
financial position as members’ subscriptions in advance.

(II) MEMBERSHIP SERVICES AND OTHER SERVICES
Revenue from rendering of a service is recognised upon delivery of the service to the members.

(D) FINANCE INCOME
Finance income comprises interest income on funds invested with financial institutions that are recognised in
profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

(E) LEASE PAYMENTS
Operating lease payments are recognised in profit or loss on a straight-line basis over the term of the lease.
Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

(F) EMPLOYEE BENEFITS
(I) WAGES, SALARIES, ANNUAL LEAVE
Liabilities for wages and salaries and annual leave expected to be settled within 12 months of the reporting date are
recognised in other payables in respect of employees’ services up to the reporting date. They are measured at the
amounts expected to be paid when the liabilities are settled.

(II) LONG SERVICE LEAVE
The liability for long service leave is recognised in the provision for employee benefits and is measured as the
present value of expected future payments to be made in respect of services provided by employees up to the
reporting date using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures, and periods
of service. Expected future payments are discounted using publicly available, standardised set of discount rates
for the purpose of discounting employee benefits liabilities under Australian Accounting Standards (AASB 119).
(III) SHORT-TERM EMPLOYEE BENEFITS
Short-term employee benefit obligations are recognised in the provision for employee benefits and measured as the present value of expected future payments and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(IV) DEFINED CONTRIBUTION PLANS
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

(G) TAXES

(I) INCOME TAXES
The Company 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 Group represents mutual income and is not subject to income tax. Accordingly, expenses in association with mutual activities are not deductible for taxation purposes. All other receipts and payments are classified in accordance with taxation legislation.

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

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

(II) GOODS AND SERVICES TAX (GST)
Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

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

(H) FINANCIAL INSTRUMENTS

(I) NON-DERIVATIVE FINANCIAL ASSETS
The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.
The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets:

**Loans and receivables**
Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables are recognised at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise cash and cash equivalents, interest-bearing deposits and, trade and other receivables.

An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

**Cash and cash equivalents**
Cash and cash equivalents comprise cash balances held by financial institutions which are regulated. Cash and cash equivalents in the Consolidated Statement of Financial Position comprises of cash at banks and on hand and short-term deposits with maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

**Interest-bearing deposits**
Interest-bearing deposits comprise fixed term deposits with original maturities of 12 months or less that are not otherwise classified as cash or cash equivalents. Interest-bearing deposits are held by financial institutions which are regulated.

**Available for sale financial assets (AFS financial assets)**
AFS financial assets are non-derivatives that are either designated as AFS or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at fair value through profit or loss.

AFS investment funds held by the Company are classified as AFS and are stated at fair value at the end of each reporting period. Changes in the carrying amount of AFS investment funds are recognised in other comprehensive income and accumulated under the heading of unrealised gains on investments. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the unrealised gains on investments is reclassified to profit or loss.

Distributions on AFS investment funds are recognised in profit or loss when the Company’s right to receive the distributions is established.

**(II) NON-DERIVATIVE FINANCIAL LIABILITIES**
The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.
Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classified non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise trade and other payables.

(I) PLANT AND EQUIPMENT
Plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful life as follows

- Plant and equipment: 3 years
- Leasehold fixtures and fittings: 1-6 years.

The asset's residual values and useful life are reviewed at the end of each financial year end and adjusted if appropriate. Gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and are recognised net within expenses from operating activities.

(J) INTANGIBLE ASSETS
Intangible assets are measured at cost less accumulated depreciation and accumulated impairment losses.

Amortisation is recognised in profit or loss on a straight-line basis over the asset's estimated useful life of five years to the company commencing from the time the asset is ready for use. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes being accounted for on a prospective basis.

When certain events or changes in operating conditions occur, an impairment review is performed in order to ensure that the carrying value of an intangible asset is not lower than its recoverable amount.

(K) IMPAIRMENT

(I) NON-DERIVATIVE FINANCIAL ASSETS
A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, and indications that a debtor will enter bankruptcy. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Group considers evidence of impairment for receivables at a specific asset level.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset’s original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised.
When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(II) NON-FINANCIAL ASSETS
The carrying amounts of the Group’s non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount. The Group is considered one CGU.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

Impairment losses are recognised in profit or loss. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(L) PROVISIONS
Provisions are recognised when the Group has a present legal or constructive obligation 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 determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of a discount is recognised as a finance cost.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY
In the application of the Group’s accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(A) KEY SOURCES OF ESTIMATION UNCERTAINTY
The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.
RECOVERABILITY OF INTANGIBLE ASSET
During the year, the directors have considered the recoverability of the Company’s intangible asset which comprise of development costs relating to the Company’s customer relationship management system, content management system as well as member portal. This intangible asset is included in the consolidated statement of financial position at 31 December 2015 with a carrying amount of $2.0 million (31 December 2014: $0.98 million).

The intangible asset is expected to provide economic benefits to the Company through cost savings as well as various efforts aimed at developing and tailoring new membership offering to attract new members while retaining existing members. A detailed analysis has been carried out and the directors are confident that the carrying amount of the asset will be recovered in full. The recoverability of the intangible will be closely monitored and an adjustment will be made in future periods if future market activity indicates that such adjustments are appropriate.

5. LIABILITIES OF MEMBERS
The liability of the members of the Group is limited. Every member undertakes to contribute to the assets in the event of it being wound up whilst they are a member or within one year after they cease to be a member. The contribution is for payment of the debts and liabilities contracted before the time at which they cease to be a member, and the costs, charges and expenses of winding up and for an adjustment to the rights of contributories among themselves. The amount of contribution is limited to a maximum of two dollars per member.

6. INCOME TAX

In assessing its potential income tax liability, the Company applies the principle of mutuality to its revenue and expenses. Revenue in the form of receipts from members represents mutual receipts and is not subject to income tax. Expenses associated with mutual activities are not deductible by the Company for income tax purposes. All other receipts and payments of the Company are classified for income tax purposes in accordance with income tax legislation.

The deferred tax assets relating to timing differences and any deferred tax assets relating to tax losses are not carried forward unless it is probable there will be future taxable profit, against which the unused tax losses can be utilised. Potential deferred tax assets not brought to account at 31 December 2015 amounted to $510,099 (2014: $433,039).

The potential deferred tax assets will only be obtained if taxable income is derived in future periods, relevant taxation laws remain unchanged and the conditions for deductibility imposed by law continue to be met.
Finsia Education, a subsidiary entity, is a charitable institution and is income tax exempt under subdivision 50-B of the *Income Tax Assessment Act 1997*. As a result tax effect accounting is not required for Finsia Education.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prima facie income tax benefit calculated at 30% on the loss</td>
<td>(1,026,796)</td>
<td>(777,590)</td>
</tr>
<tr>
<td>Increase in income tax expense due to non-assessable items</td>
<td>994,443</td>
<td>742,895</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32,353</strong></td>
<td><strong>34,695</strong></td>
</tr>
</tbody>
</table>

Income tax benefit attributable to loss is made up of:
- Current income tax benefit: (32,353) (34,695)
- Current year tax benefit not recognised: 32,353 34,695
- Income tax expense/(benefit): - -

### 7. CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>3,095,846</td>
<td>514,080</td>
</tr>
<tr>
<td>Term deposits with less than three months maturities</td>
<td>-</td>
<td>1,350,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,096,346</strong></td>
<td><strong>1,864,580</strong></td>
</tr>
</tbody>
</table>

### 8. TRADE AND OTHER RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td>5,720</td>
<td>8,556</td>
</tr>
<tr>
<td>Less allowance for doubtful debts</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,720</strong></td>
<td><strong>8,556</strong></td>
</tr>
<tr>
<td>Other receivables</td>
<td>38,852</td>
<td>7,804</td>
</tr>
<tr>
<td>Accrued income – interest receivable</td>
<td>50,549</td>
<td>256,589</td>
</tr>
<tr>
<td><strong>Total Trade and Other receivables</strong></td>
<td><strong>95,121</strong></td>
<td><strong>272,949</strong></td>
</tr>
</tbody>
</table>

Trade receivables are non-interest-bearing and are generally on seven-day (2014: seven-days) terms.

An allowance for doubtful debts is made when there is objective evidence that a trade receivable is impaired.
9. PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th></th>
<th>OFFICE EQUIPMENT</th>
<th>LEASEHOLD FURNITURE AND FITTINGS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Balance at 1 January 2015</td>
<td>965,254</td>
<td>701,801</td>
<td>1,667,055</td>
</tr>
<tr>
<td>Additions</td>
<td>14,725</td>
<td>7,882</td>
<td>22,607</td>
</tr>
<tr>
<td>Disposals</td>
<td>(49,601)</td>
<td>-</td>
<td>(49,601)</td>
</tr>
<tr>
<td>Effect of movement on exchange rates</td>
<td>1,259</td>
<td>-</td>
<td>1,259</td>
</tr>
<tr>
<td>Balance at 31 December 2015</td>
<td>931,637</td>
<td>709,683</td>
<td>1,641,320</td>
</tr>
<tr>
<td>ACCUMULATED DEPRECIATION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 January 2015</td>
<td>893,256</td>
<td>318,196</td>
<td>1,211,452</td>
</tr>
<tr>
<td>Depreciation for the year</td>
<td>60,724</td>
<td>62,167</td>
<td>122,891</td>
</tr>
<tr>
<td>Disposals</td>
<td>(48,525)</td>
<td>-</td>
<td>(48,525)</td>
</tr>
<tr>
<td>Effect of movements in exchange rates</td>
<td>1,229</td>
<td>-</td>
<td>1,229</td>
</tr>
<tr>
<td>Balance at 31 December 2015</td>
<td>906,684</td>
<td>380,363</td>
<td>1,287,047</td>
</tr>
<tr>
<td>CARRYING AMOUNT</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 31 December 2014</td>
<td>71,998</td>
<td>383,605</td>
<td>455,603</td>
</tr>
<tr>
<td>As at 31 December 2015</td>
<td>24,953</td>
<td>329,320</td>
<td>354,273</td>
</tr>
</tbody>
</table>
10. INTANGIBLE ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DIGITAL PLATFORM, CRM, CMS DEVELOPMENT COSTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost</td>
<td>2,313,745</td>
<td>977,486</td>
</tr>
<tr>
<td>Accumulated amortisation expense</td>
<td>(308,499)</td>
<td>–</td>
</tr>
<tr>
<td><strong>Net carrying value</strong></td>
<td>2,005,246</td>
<td>977,486</td>
</tr>
</tbody>
</table>

**RECONCILIATION OF INTANGIBLE ASSETS**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January</td>
<td>977,486</td>
<td>–</td>
</tr>
<tr>
<td>Additions</td>
<td>1,336,259</td>
<td>977,486</td>
</tr>
<tr>
<td>Amortisation expense</td>
<td>(308,499)</td>
<td>–</td>
</tr>
<tr>
<td><strong>Closing carrying amount at 31 December</strong></td>
<td>2,005,246</td>
<td>977,486</td>
</tr>
</tbody>
</table>

Intangible assets are measured at cost less accumulated depreciation and accumulated impairment losses. The Group carries out an impairment review of its intangible assets when a change in circumstances or situation indicates that those assets may have suffered an impairment loss and impairment is measured by comparing the carrying value of the asset with the “recoverable amount” or “value in use”. Value in use is calculated by discounting the expected future cash flows.

Amortisation is recognised in profit or loss on a straight-line basis over the asset’s estimated useful life of five years to the company commencing from the time the asset is held ready for use, which occurred in mid-2015. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes being accounted for on a prospective basis.

11. OTHER FINANCIAL ASSETS

The Perpetual Credit Income Fund (The Fund) invests in a diversified range of income generating assets and aims to provide the Group with regular income, consistent above benchmark returns, and with low volatility. The Fund’s approach to delivering returns and managing risk is through an active and risk-aware investment process which invests in a diversified core portfolio of liquid investment grade securities. The Fund can also invest in other fixed income securities such as mortgages, infrastructure debt and private debt. The Fund aims to outperform the UBS Bank Bill Index by 2% (before fees) over rolling three year periods.

The Group holds units in The Fund which change in price based on the unpaid distribution income and movement in asset value. The multiplication of the unit price by the number of units held is deemed to be the fair value of the Fund at the reporting date. Unrealised movement in the Fund’s unit price is recognised by the Group in other comprehensive income, whilst distributions are reinvested back into the Fund quarterly and are taken as income by the Group at that time.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit purchased initial investment</td>
<td>15,000,000</td>
<td>15,000,000</td>
</tr>
<tr>
<td>Unrealised gains on investment</td>
<td>258,023</td>
<td>316,139</td>
</tr>
<tr>
<td>Trust distribution (accumulative)</td>
<td>1,312,225</td>
<td>798,657</td>
</tr>
<tr>
<td><strong>Perpetual Credit Income Fund</strong></td>
<td>16,570,248</td>
<td>16,114,796</td>
</tr>
</tbody>
</table>
### 12. Trade and Other Payables

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables</td>
<td>356,024</td>
<td>572,684</td>
</tr>
<tr>
<td>Digital development costs</td>
<td>-</td>
<td>414,934</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>356,024</strong></td>
<td><strong>987,618</strong></td>
</tr>
</tbody>
</table>

### 13. Employee Benefits

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual leave</td>
<td>82,368</td>
<td>68,892</td>
</tr>
<tr>
<td>Long service leave</td>
<td>70,610</td>
<td>97,875</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>152,978</strong></td>
<td><strong>176,767</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NON-CURRENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long service leave</td>
<td>107,297</td>
<td>63,158</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>260,275</strong></td>
<td><strong>229,925</strong></td>
</tr>
<tr>
<td>Number of employees at 31 December (FTE)</td>
<td>22.4</td>
<td>26.0</td>
</tr>
</tbody>
</table>

### 14. Provision for Restoration of Leased Premises

In accordance with the provisions of its lease agreements, the Group must restore leased premises to their original condition at the termination of the leases. The greatest uncertainty in estimating the provision is the costs that will ultimately be incurred, however a reliable estimate has been made based on the size and fit-out of the premises.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for restoration of leased premises</td>
<td>35,000</td>
<td>35,000</td>
</tr>
</tbody>
</table>

### 15. Operating Leases

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-cancellable operating lease rentals</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Within one year</td>
<td>554,970</td>
<td>772,456</td>
</tr>
<tr>
<td>Between one and five years</td>
<td>1,406,680</td>
<td>2,664,508</td>
</tr>
<tr>
<td>More than five years</td>
<td>187,619</td>
<td>224,449</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,149,269</strong></td>
<td><strong>3,661,412</strong></td>
</tr>
</tbody>
</table>

The Group leases all its offices under operating leases. These leases run for periods up to six years. The Group does not have any option to purchase the leased assets at the expiry of the lease period.
16. KEY MANAGEMENT PERSONNEL

DIRECTORS
The directors of Financial Services Institute of Australasia during the year were:

<table>
<thead>
<tr>
<th>Name</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Gall</td>
<td>Malini Raj</td>
</tr>
<tr>
<td>Victoria Weekes</td>
<td>Michael Skully</td>
</tr>
<tr>
<td>Marianne Birch</td>
<td>Kevin Smout</td>
</tr>
<tr>
<td>Catherine Aston</td>
<td>Mark Spiers</td>
</tr>
<tr>
<td>Bruno Bellon</td>
<td>Russell Thomas</td>
</tr>
<tr>
<td>Alasdair Jeffrey</td>
<td>Loretta Venten</td>
</tr>
<tr>
<td>Warwick Negus</td>
<td>Patrick Waite</td>
</tr>
</tbody>
</table>

The non-executive directors of the Company are appointed on an honorary basis and as result do not receive remuneration directly or indirectly in their capacity as directors from the company or any related party. The CEO was appointed by the board as an executive director and was remunerated as an employee of the company.

Transactions entered into during the year with directors and their related parties were within normal customer relationships on terms and conditions no more favourable than those available to other members or customers.

Russell Thomas Chief Executive Officer & Managing Director (resigned 18 January 2016)
David O’Kane Chief Operating Officer & Company Secretary
Angie Corkhill Director, Member Relations
Jane Endacott Executive General Manager – Commercial & Capability

Jane Endacott was appointed Acting CEO on 18 January 2016.
17. CONTROLLING ENTITY DISCLOSURE

As at, and throughout the financial year ended 31 December 2015 the parent entity of the Group was Financial Services Institute of Australasia.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Loss for the period</strong></td>
<td>(2,929,061)</td>
<td>(2,260,061)</td>
</tr>
<tr>
<td><strong>Total comprehensive loss for the period</strong></td>
<td>(2,929,061)</td>
<td>(2,260,061)</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td>881,803</td>
<td>427,494</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>3,241,321</td>
<td>2,499,777</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td>19,166,906</td>
<td>15,858,847</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>19,602,659</td>
<td>15,912,531</td>
</tr>
<tr>
<td><strong>Members’ Funds</strong></td>
<td>(16,361,338)</td>
<td>(13,412,754)</td>
</tr>
</tbody>
</table>

Current liabilities include:
- Loan from Finsia Education 16,994,159 12,364,708

Total assets include:
- Loan to Finsia NZ Limited 620,808 640,375

The loans represent the intercompany transfer of revenue received by Financial Services Institute of Australasia to Finsia Education, net of cost of recharge. The loan payable to Finsia Education is a non-interest-bearing loan and there is no set time period for the repayment of this loan.

FINSIA NZ LIMITED

This represents a loan from Financial Services Institute of Australasia to Finsia NZ Limited. The loan is non-interest-bearing and without a fixed repayment schedule. The Company has issued a letter of support to Finsia NZ Limited to provide ongoing support to enable it to continue to meet its obligations as, and when, they fall due. The loan has been recognised as an additional investment in the subsidiary.

GOING CONCERN – LETTER OF SUPPORT

The controlled entities of Financial Services Institute of Australasia are Finsia Education and Finsia NZ Limited.

As outlined in note 2(e), Finsia Education has issued a letter of support to Financial Services Institute of Australasia to assist it in continuing to meet its obligations as, and when, they fall due.

18. EVENTS SUBSEQUENT TO BALANCE DATE

There were no subsequent events after year end which in the directors’ opinion would affect the operation of the Group.