

# 2014 Annual Report



**SPAA**

®

SMSF  
Professionals'  
Association  
of Australia

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## Did you know

The Mercer World Pension Index released in October 2014 recognised the Australian retirement system as the second best system in the world, with the third largest pool of pension assets in the OECD.

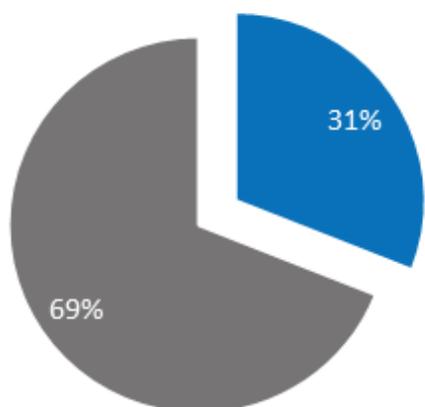
SMSFs are the best performing, most efficient, largest and fastest growing sector of Superannuation in Australia, holding 65% of all Australian post retirement assets.



## 2014 Sector Highlights

BY 2033, SMSF ASSETS ARE PROJECTED TO REACH

# \$2.23 TRILLION

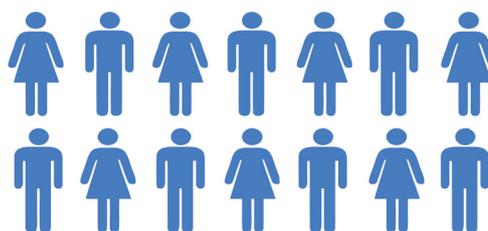
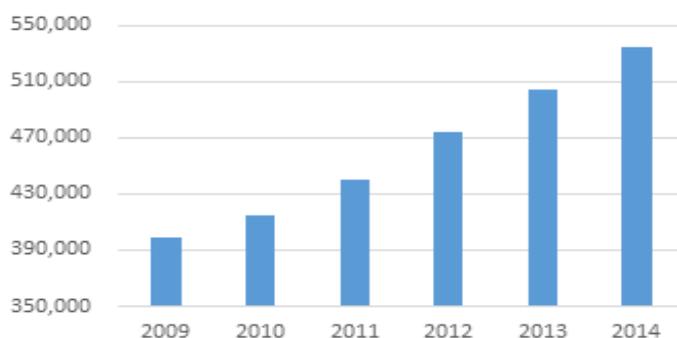


■ SMSFs ■ APRA Regulated

# 31%

SMSFs represent 31% of current Super balances

Total number of SMSFs

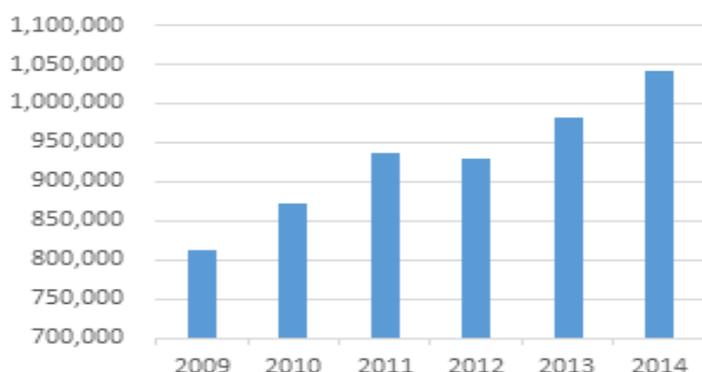


1 IN 15 AUSTRALIAN ADULTS HAVE AN SMSF

# 28%

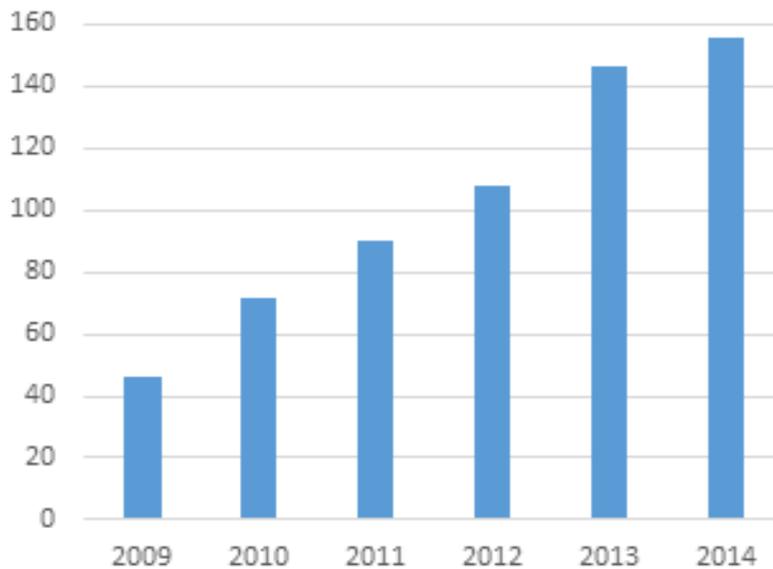
SMSF Balances have increased by 28% over the past 6 years

SMSF Average Fund Balance



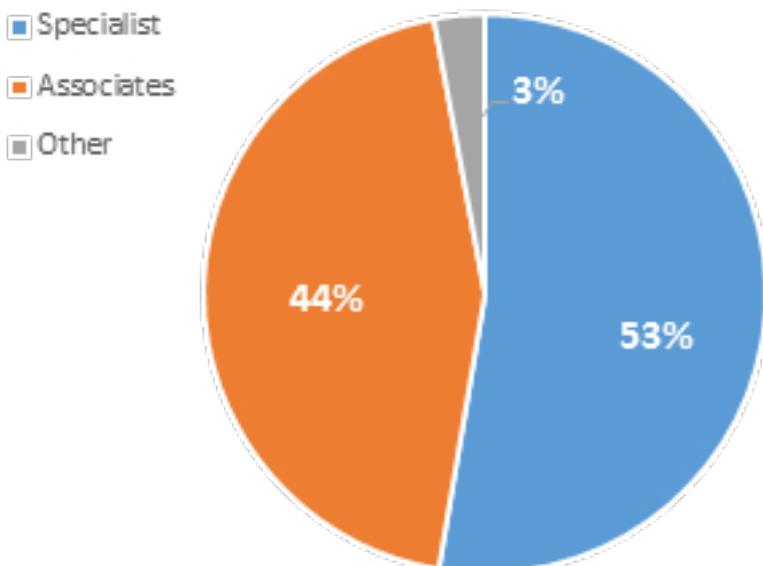
# 2014 SPAA Highlights

## SPAA Education Events



**7,500+** People participated in SPAA Education

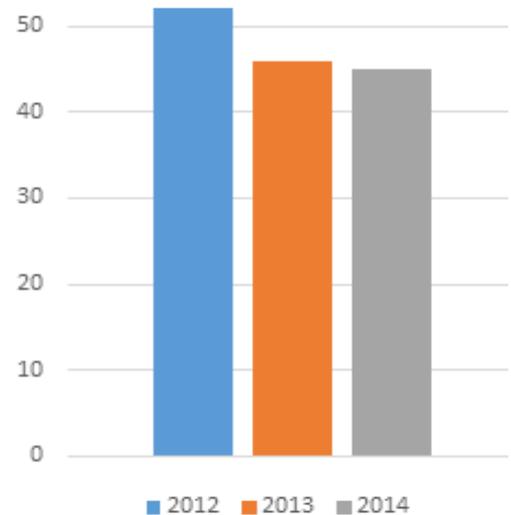
## SPAA Membership Categories



## Advocacy and Submissions

**93,417**

Submissions totalled 93,417 words over 271 pages, 38% of which were for the FSI



## Social Media

**11,000**

SPAA has more than 11,000 social media connections

## Financial Performance

	2014 ('000)
Revenue	5,404
Expenses	5,351
Profit (before income tax)	53
Member Funds	2,029



# CEO Report

In the next few weeks, David Murray will deliver the Financial System Inquiry's (FSI) final report to the Federal Government. If it follows in the footsteps of its two predecessors, Campbell (1981) and Wallis (1997), it will have far-reaching ramifications for the finance and superannuation industries.

SPAA has been thinking long and hard how best to use this forum to quarantine the SMSF sector from any negative outcomes and to promote our agenda relating to financial advice and retirement incomes policy.

To this end, SPAA has achieved a significant win when the FSI adopted our recommendation to re-categorise "general" financial advice as "product information" or "sales information". The draft report, handed down in July, highlighted the important role SMSFs play in getting Australians engaged with their retirement savings, in delivering greater flexibility and control to SMSF members, as well as increasing competition across the super sector – all arguments SPAA advanced in its submission.

When delegates arrive at Melbourne's Convention and Exhibition Centre on 18 February for SPAA's 2015 National Conference there will be a new focus: to help delegates understand the self managed super fund lifecycle of accumulation, transition and drawdown, and how they can use that knowledge to benefit their clients. At a time when our industry is seeing the ongoing emergence of the SMSF professional, with a specialist skill set, having such a conference theme can only prove invaluable for all delegates and their businesses.

The decision to focus on trustees, their behaviours and motivations, and how this changes during the three stages of the SMSF "lifecycle" – fittingly the 2015 conference's title – reflects the emphasis SPAA is placing on delivering what members want from the Association. We know this to be true because the Feedback from more than 1,400 members at the 2014 National Conference, as well as the State Technical conferences, showed both events received their highest satisfaction ratings ever for the quality of their educational content – a tribute to the organising committees.



In terms of Education we are pleased to confirm that the SSA certification is recognised as RG146 SMSF Compliant.

Of course, none of this happens without people and this year SPAA has been fortunate to entice three new people into its ranks. Richard Hockney, with 27 years in banking, has joined as General Manager Corporate Development, Bruno Confalone as Superannuation Technical Legal Adviser and Joshua Geers, a Chartered Accountant, as Finance & Corporate Services Manager.

All are bringing valuable industry expertise to the SPAA team.

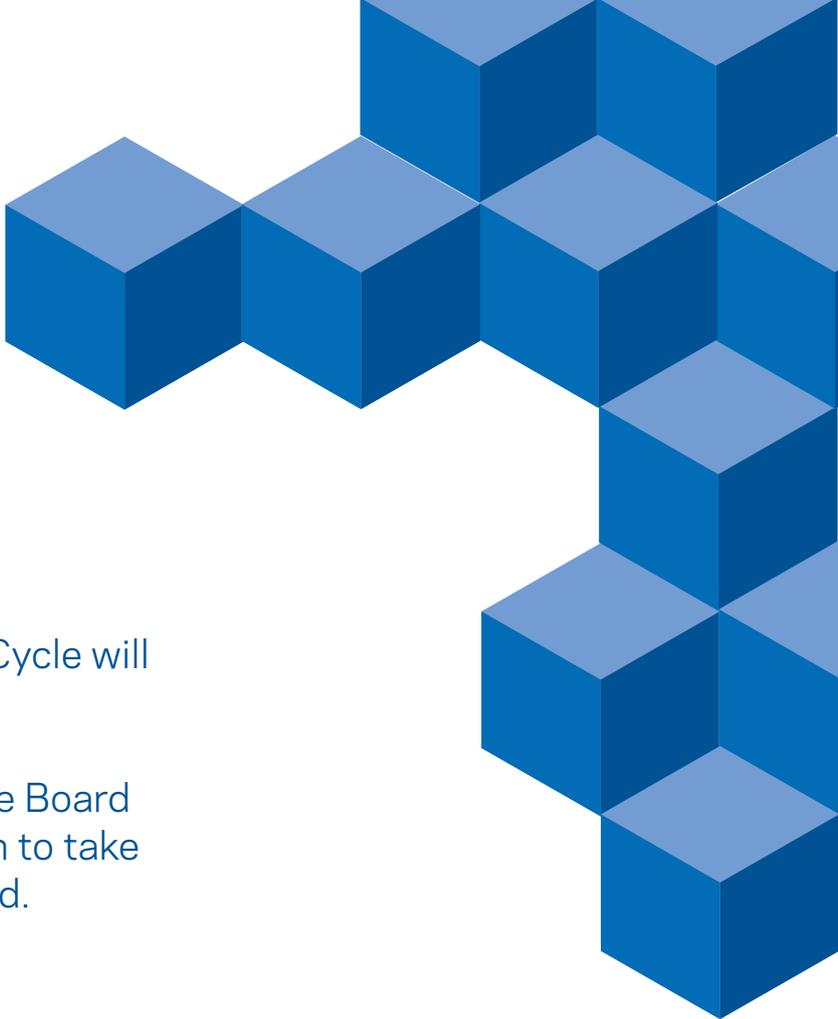
With 2015 on the horizon, SPAA is well into the planning stages for the next strategic planning cycle. The initiatives we have in the pipeline include:

- Development of the 2016-2020 Strategic Plan;
- Targeted national marketing campaign to educate trustees on why it is important to seek out a SPAA Specialist;
- Completing the development of a career pathway and multiple entry and exit points for SPAA Specialist Accreditation;
- Development of a three-year technology road-map to ensure that SPAA keeps up with technological change.

“ It all makes for an exciting year as we continue to build on our position of being the recognised leader in the SMSF space. But just as self managed superannuation is continually evolving, so too must SPAA to ensure we give our members all the support they need to remain at the forefront of our exciting industry. That is our commitment to you. ”



**Andrea Slattery** SSA™  
Managing Director/ CEO



# 2012-2015 Strategic Planning

SPAA's current Strategic Planning Cycle will be complete in 2015.

The 2015 Financial Year will see the Board and Executive build a Strategic Plan to take the Association to 2020 and beyond.



### VISION

The pre-eminent professional body leading a vibrant SMSF Sector

### PURPOSE

The peak professional association for best practice in the SMSF Sector



# Thought Leadership

## What we have achieved this year and positions we have taken

- A key contributor in influencing the new Coalition Government to publicly pledge not to make any unexpected detrimental changes to Superannuation
- Effectively advocated for the proposed tax on pensions earnings over \$100,000 not to be introduced by the Government
- Advocated for the refunding of excess non-concessional contributions, as announced in the 2014 Budget
- Submitted two major submissions to the Financial System Inquiry (FSI) advocating the health of the SMSF sector and suggesting significant policy reforms to financial advice and retirement income policy
- Recommended to the FSI to re-categorise “general” financial advice as “product information” or “sales information”, this was adopted by the FSI panel
- Substantial submission to the Government’s income stream regulation review, suggested a need for comprehensive tax and social security settings review to incentivise sensible drawdown of retirement savings
- Released three major research projects

## Committee Representation

SPAA is a significant participant in consultation across the superannuation and financial advice industries including representation on the following:

- Treasury Tax Industry Advisory Group
- Treasury Revenue Group Stakeholder Committee
- Treasury Industry Working Group
- National Tax Liaison Group (ATO)
- Consultation Steering Group (ATO)
- Superannuation Industry Advisory Group (ATO)
- Superannuation Industry Relationship Network (ATO)
- Industry Advisory Group (ASIC)
- Superannuation Industry Austrade delegation to China

## Focus for the next 12 months

# 1

The FSI Final Report is expected in November 2014 and will have a significant influence on the financial and superannuation system for years to come

# 2

SPAA’s Thought Leadership Theme: ‘Retirement Systems in 40 Years’

# 3

The Government will review the tax system through the Tax White Paper. SPAA will be a keen participant in ensuring taxation of Superannuation is measured appropriately and achieves superannuation’s policy goals. We expect this to be a keenly contested policy area

# 4

SPAA will look to its 2015-2016 Budget Submission to continue advocating for sensible policy adjustments to superannuation and professional advice



# Professionalism

## What we have achieved this year

- SPAA developed the SSA Pathways Program to provide a support structure for those wishing to refresh their SMSF knowledge prior to completing the SPAA SMSF Specialist Advisor™ Accreditation
- Launch of the CPD Education Hub with appropriate classifications to navigate each member's CPD journey
- CPD Compass to give members an understanding of their CPD requirements.
- SSA Certification being recognised as RG146 SMSF Compliant
- SPAA Trustee Education Directive approved by the ATO
- Our National Conference and State Technical Conferences received their highest satisfaction ratings ever for quality educational content
- Developed case studies to stimulate group discussions at State Chapter events

## Continuing Professional Development

- SPAA conducted over 150 CPD events across a variety of learning and education platforms
- Our biggest National Conference ever with over 1,400 delegates
- 40 webinars both live and recorded
- Face to face training via our Master Class Series to over 150 attendees
- More than 7,500 people involved in our CPD education program throughout the year

## New Initiatives in 2015

1

Completing the development of a career pathway and multiple entry and exit points for SPAA Specialist Accreditation

2

Launch of an SMSF Higher Education Qualification

3

An innovative new format for the SPAA National Conference, playing to our strengths as the leader in SMSF Education

4

Advocacy work with the Parliamentary Joint Committee on Corporations and Financial Services (PJC) to lift the education standards in the Financial Services Industry and formal recognition of an emerging SMSF Profession

# Member Services

## What we have achieved this year in response to Member feedback

Increase profile of the Brand to trustees

- Analysis undertaken to inform our strategy to increase brand profile

Demand for Technical Desktop support

- Developing a Technical Resource Centre
- Pilot the SPAA Professional Mentoring Program to offer a technical help desk service for Specialists

Easier access to SPAA CPD

- Launch of the CPD Hub on the SPAA website
- Development of the CPD Compass to assist members to identify their CPD requirements
- Introduced case studies to stimulate quality group discussion at State Chapter events

Improve member understanding of SPAA services

- Improved daily news format for quality viewing on mobile devices
- Launched Linked-in Group
- Improved website to enhance the member experience
- Introduced a Retired Member category

## Member Conduct & Discipline

As part of SPAA's ongoing commitment to professional excellence, CPD reviews were conducted on 10% of Specialist Members. As a result 13% of those members reviewed were advised that they need to do further education to maintain their SPAA membership.

	2014/15	2013/14	2012/13
Exclusion from Membership	0	1	3
Cancellation of Membership for a defined period	0	0	1
Reprimand	0	5	0
Practice Review	0	0	0
No action required	0	2	2
Investigation Ongoing	4	2	1

NB. The SPAA Disciplinary Table above records the action taken by SPAA against those members that have had a complaint made against them.

## Focus for the next 12 months

# 1

Development of a 3 year Technology Roadmap to lead SPAA's planning to provide a quality experience for the members to maximise use of their member benefits

# 2

Engage the trustee to build trust and confidence in SPAA Specialists and seek them out

# 3

Improve the 'Find a Professional' experience

# 4

Work with state chapter committees to enhance local networking and learning opportunities