



SMSF Association
Annual Report
2018



SMSF Association
Annual Report

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SMSF Association Annual Report

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Chair's Report

There is no denying that this is a time of uncertainty in the self-managed super fund sector. But while there are many challenges before us, it is important not to lose focus on the opportunities existing for well-qualified SMSF professionals. The need for quality advice from trusted advisors has never been greater.

As a professional body, the SMSF Association is vitally aware of the role we play in supporting your endeavours and building value for your membership. We do that through our on-going CPD and education offerings, technical updates and through undertaking advocacy on your behalf.

As members you will be well aware of the range of CPD and education activities undertaken by the Association; our public policy responses and advocacy may be less evident. Through this work we pride ourselves in being a trusted source of advice on the sector, especially with policy makers in Canberra, in representing the views of members, as well as protecting the long-term integrity of SMSFs.

It has been an incredibly busy time for policy and advocacy this year, with the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, the Productivity Commission Draft Report into Competition and Efficiency in Superannuation, the ASIC SMSF Advice Report, budget

recommendations on a three-year SMSF audit cycle, and the FASEA reforms.

Although we saw some disappointing insights into advisor conduct through the Royal Commission and the ASIC report, a common and dominant theme has been the importance of professionalism and specialist education when advising on SMSFs. We reaffirm our commitment to bring you the most current and highest quality on-going technical education, enshrining the SMSF Specialist Advisor and SMSF Specialist Auditor designations as the pinnacle of professionalism.

Both the Productivity Commission and ASIC have noted the need for greater financial literacy on the part of SMSF trustees. Indeed, we have seen a real drive from trustees to have a better understanding of their own responsibilities and to connect with SMSF professionals. This was well demonstrated at the SMSF Trustee Expo held in Melbourne in April, and we will take that further with SMSF Week in November, bringing together advisors and SMSF members for shared insights.

The draft Productivity Commission report released in May contained some surprising recommendations. Despite acknowledging the difficulties involved in comparing the performance of APRA-regulated superannuation funds and SMSFs, the draft report made some courageous statements concerning the minimum efficient size of SMSFs.

Our response was thorough and included not only very detailed performance data from platform providers BGL and Class, but also the views of our practitioner members on this subject. The submission was compelling, and well refuted



the proposed \$1m threshold. We look forward to the Productivity Commission's response on the issue.

The Federal Budget announcement concerning a proposed three-year SMSF audit cycle caught us somewhat unaware. Since then we have conducted extensive consultation with our members. Our final submission concluded that, while there may be a subset of SMSFs that would benefit from the small economies of scale achievable, the policy would not achieve a reduction in costs and efficiency or provide sufficient incentives for the entire sector. Furthermore, the design and application to alter the current system to incorporate what is a good fund, trigger events, monitoring and staggering of three-year audits, especially early on, may be so difficult that the costs and complexity would outweigh the benefits.

FASEA reforms have also been a key focus of our deliberations. Once again, we have consulted widely with members and made several submissions to reflect your views on education standards, CPD, and recognised prior learning.

One of the major public policy issues facing Australia is to ensure that we have a fair, coherent and sustainable retirement income policy framework that deals with the drawdown phase in an efficient manner with appropriate incentive structures. Accordingly, we have established the Alliance for a Fairer Retirement System with eleven other national associations to promote the shared goals of encouraging self-funded retirees to maintain confidence in our retirement framework and to reduce pressure on the public purse during their retirement. The ALP's stated intention to remove cash

refunds on franking credits has been a matter of great concern both to our professionals and trustees.

From a Board perspective we take the issue of governance very seriously. We are going through a period of Board renewal at present and we are very sad to lose long standing Board members Peter Crump and Brett Kenny. Peter is a former Chair of the SMSF Association Board and Chair of the Governance and Risk Committee, and Brett has given outstanding service as Chair of both the Membership and Finance Committees. Our latest appointment to the Board is Liam Shorte, who will now Chair the Membership Committee. Liam has been a member for the better part of a decade and has received several awards recognising his skills as an SMSF Specialist Advisor.

I would be remiss if I did not on behalf of the Board recognise the outstanding and hard-working team at the Association. Under the leadership of CEO John Maroney, the team continues to punch well above its weight and delivers excellent value for members.

A handwritten signature in black ink, appearing to read 'Deborah Ralston'.

Professor Deborah Ralston
Chair



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CEO's Report

It has been an extremely challenging year for your Association. After working diligently with members to bed down the momentous changes to superannuation that took effect on 1 July 2017, our super sector could have been forgiven for thinking 2018 would usher in quieter times. As we all know, it's been anything but quiet.

A raft of inquiries, reports and industry changes, including the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, a Productivity Commission draft report into Competition and Efficiency in Superannuation, an ASIC SMSF advice report and the ongoing FASEA reforms, have demanded time and resources to ensure we responded in a considered way to deliver the best outcomes for our members and the SMSF sector.

With all these different and often difficult issues, we have been able to rely on our members' support. After my first full calendar year in the CEO role, I can say how rewarding it is to lead an organisation where the membership is actively involved, whether it be volunteering, providing feedback, attending events or participating in our educational activities.

Over the past 18 months, I have come to recognise the professionalism, diligence, and competence of our members and the valuable services they provide to many of the 600,000 SMSFs. Our professional members provide outstanding support to the SMSF sector.

However the bar is being frequently lifted by the Government and regulators, and all advisors will need to respond accordingly. Your Association, as the primary voice for SMSF advisors, will continue to advocate strongly on your behalf. But, at the same time, we must all acknowledge that higher standards will be expected. We will work diligently through the consultation process to deliver the best outcome for members and the SMSF sector.

The Association strives to support all members via our education and accreditation activities, including technical conferences, masterclasses, the National Conference and many other activities. We have a solid foundation in higher education via our partnership with the University of Adelaide and Kaplan and intend to build upon these partnerships. CPD should be regarded as the life-long learning complement to higher education.

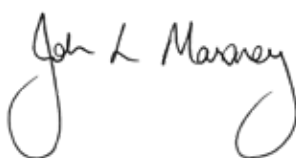
We are also continuing to develop our trustee initiative, to help improve the knowledge and understanding of SMSF trustees and to encourage them to seek professional advice from SMSF specialists. In this vein, your Association, with like-minded partners, arranged the inaugural SMSF Expo in Melbourne in April, attracting thousands of registrations. We will also launch an upgraded Trustee Knowledge Centre soon and continue encouraging SMSF trustees to use the Find a Specialist facility.

In another initiative, in November we will launch the inaugural SMSF Week, an event designed to promote awareness and understanding about the SMSF sector via media visibility, social media activity, thought leadership contributions, local community activities and engagement with SMSF professionals and SMSF trustees. Other SMSF promotional activities, including an annual SMSF Trustee Festival, remain in the pipeline as part of our long-term strategy to enhance education and accreditation of SMSF professionals and SMSF trustees.

In what has been a challenging year, it should not be forgotten that we have achieved some good policy outcomes. The Government increased the number of members allowed in an SMSF from four to six, offering greater flexibility about how funds can be structured. The release of draft regulations to extend SuperStream to SMSF rollovers was also welcome. Treasury's discussion paper on the proposal to allow three-year audits for some SMSFs has ensured that all legitimate concerns regarding this proposal received full consideration. We have responded to that discussion paper and called on the Government to reconsider its proposal as our analysis indicates that the intention to reduce red tape and audit costs is unlikely to be achieved. We look forward to the Government's response.

The Board is reviewing the Association's strategic plan and is scheduled to complete the review early next year in advance of setting next year's budget and operational plans. Membership input to the review will be provided by the National Membership Committee, local communities and via membership surveys. Preliminary Board discussions indicate that an evolutionary approach from the existing strategy is appropriate as the starting point for discussion. We look forward to receiving input from members and continuing to work with all stakeholders to further develop the SMSF sector in a positive manner.

I want to conclude by thanking all Board members, volunteers and Association staff for the contributions they have made to supporting the Association's activities during the year and helping protect and promote the credibility and health of a vibrant SMSF community.

A handwritten signature in black ink that reads 'John L. Maroney'.

John Maroney
CEO





Welcome t

S M S F

We are here to improve the quality of advisors, the knowledge of trustees and the credibility and health of a vibrant SMSF community.

SMSF Association

Patron's Report

During one of my first roles as Patron of the SMSF Association, I had the privilege of addressing the delegates at this year's National Conference held in Sydney.

I spent much of my address speaking about responsible investment and how socially responsible investing is a growing market globally. It is becoming an increasingly important principle guiding the investment strategies of many Australians including SMSF trustees. Many people are becoming more engaged and rewarded by ethical investment.

Since the National Conference in February quite a lot has happened in the SMSF and wider superannuation sectors. The commencement of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry and other reports released by the Productivity Commission and ASIC have brought to light some examples of questionable behaviour. Unfortunately, the industry as a whole is being painted with this broad, negative brush, including many professionals who are doing the right thing for their clients.

One of the conundrums that the Royal Commission has highlighted is the difficulty for large, complex organisations to meet community expectations for fair and proper conduct, despite many well intentioned and ethical individuals being employed by such organisations. We await with interest how the Royal Commission will deal with these seemingly intractable problems.

Many members would say the reason they became SMSF Specialists is to assist others in each of their life stages and advise them of the best financial opportunities available. It may be a challenge, particularly in the current climate, to navigate increased and constantly changing regulation and to also keep up to date with professional development obligations. In turn, keeping clients up to date and providing the best advice and services for them is a constant challenge.

As I mentioned in my last Patron report in the 2017 Annual Report, I continue to challenge you to take the time and the effort to give back to your community. This will not only enrich the lives of those amongst the wider community, but also enrich you as an individual.



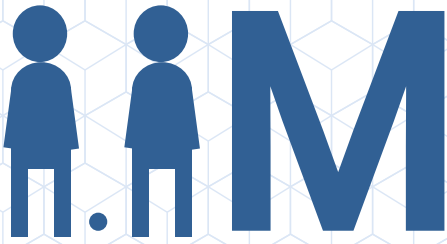
Rev Tim Costello
Patron



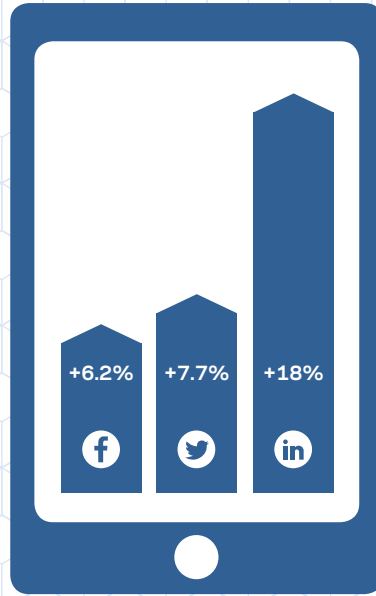


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Highlights

The Association has an active social media presence and has seen a steady increase in followers engaging with regular updates.

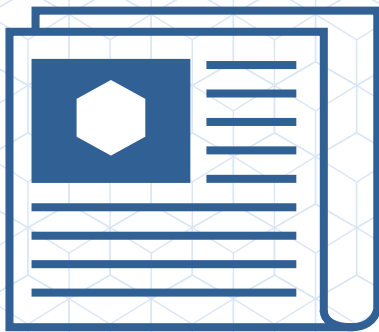


The SMSF sector is comprised of 1.1 million SMSF members who have over \$750 billion of funds under management.



The Association presented 86 face-to-face events over the year including Local Communities, Intensive workshops and Masterclasses.

32.3% of funds established in the March 2018 quarter were by those aged 35-44 years.



The Association was featured 2,756 times in a range of online trade publications, mainstream and social media.



Superannuation funds, SMSF, assets, property, income, advice, clients & shares are some of the trending words over the last 12 months in regards to SMSF sector news.



“As the industry leading standard for providing SMSF advice it (SMSF Specialist accreditation) does give my clients confidence as it demonstrates my area of expertise within the industry. ”

James Bradford SSA™,
Partner, Yap Bradford & Associates
Member since: February 2004





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The Year in Review

November 2017
Annual General Meeting held in the Association's Adelaide Office Boardroom.



February 2018
Largest National Conference held at Sydney ICC, with over 1,600 attendees.

February 2018

Announcement of new Chair, Professor Deborah Ralston at National Conference 2018.

August 2018

Technical Day Series for SMSF professionals travelled around the country (Beginning in Adelaide, then Melbourne, Sydney, Brisbane and finishing in Perth).

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The Year in Review



April 2018

Inaugural SMSF Expo held at the Melbourne Convention & Exhibition Centre with 1,680 visitors attending over 3 days.

February 2019

National Conference will be held at the Melbourne Convention & Exhibition Centre on Wednesday 20 - Friday 22 February 2019.



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Our Strategy

The SMSF Association is coming to the end of the latest 5-year strategic planning cycle that commenced in July 2014.

Since then there has been a number of achievements that have built on the past success. Through our vision to 'enable Australians to take greater control of their own destiny through a sustainable SMSF community' the Association targets 5 key objectives. This table highlights some of the key achievements against these objectives since July 2014.

1.	FINANCIAL	Achieve performance that enables reinvestment for future development and growth
2.	LEADING THE SMSF SECTOR	The standard setter for SMSF education and professionalism
3.	CUSTOMER—CLIENT CENTRIC	Drive an exceptional client experience for all members and stakeholders
4.	EMPLOYEES	A skilled, passionate and engaged workforce
5.	STRATEGIC PARTNERSHIPS	Sustain and grow strong mutually and financially beneficial partnerships.

Our Strategy

As part of the framework for the 2020 strategic plan and beyond the Association will continue our role in leading the professionalism, integrity and sustainability of the SMSF sector.

In accordance with our Constitution we will continue to represent all segments of the SMSF sector to ensure that we have a vibrant and sustainable community into the future.

We look forward to involving members and sharing further details of our upcoming strategic plan in early 2019.

- Achievement of overall budget targets to allow for investment into the Association

- Significant reinvestment into systems and processes to better serve members

- 15% increase in Gross Revenue

- Maintained SSA™ / SSAud@ as peak recognition for SMSF advisors

- Strong key relationships with all major political parties

- Recognised as primary sector voice

- Invited to all key regulatory advisory groups

- Continued growth in the SMSF sector's biggest Conference

- Changed our name to reflect our position as "the" industry voice

- 18% increase in the number of Specialist members

- Consistently achieving high member satisfaction levels'

- More complimentary CPD pathways for members

- Awareness campaigns to engage directly with trustees on why they need an SMSF Specialist

- Growing recognition within consumer market for requirement of an SMSF Specialist

- Establishment of first Graduate Certificate in SMSFs for professionals to extend their education

- Relocation of Adelaide office to new premises after end of existing lease

- Successful recruitment and retention of key management personnel

- High staff satisfaction ratings and engagement scores

- Higher education providers

- ATO memorandum of understanding

- Engagement of key commercial relationships to broaden reach and delivery of services



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Financial Summary

The 2018 financial result was a deficit of \$255,032. This reflected a year of consolidation and ongoing investment into resources for members following a year of regulatory change and a step towards returning the Association to break even as planned in 2019.

Financial Results for 2018 \$255,032 deficit compared to \$481,900 deficit in 2017

Revenue

\$6.22 million equivalent to
\$6.22 million in 2017

Operating Expenses

\$6.49 million compared to
\$6.75 million in 2017

Other key results:

- 6% increase in membership income
- 15% decrease in phone expenses
- 12% decrease in travel expenses
- Exiting of managed financial investments to protect member capital
- Entry into new 5 year lease and fit out of new premises in Adelaide (including some one off relocation costs)
- 3.5% decrease in overall staffing costs
- Increased depreciation and amortisation as a result of past investment in CRM & website and new premises

Below is a summary of the key projects and initiatives that the Association has invested in during the past financial year.

Customers

- Launching of pilot of Technical Research Service for members
- Improved access to trustee white label information
- Improved Trustee Knowledge Centre for trustees to access with a focus on directing trustees to seek SMSF Specialist advice
- National roadshow seeking member input into FASEA changes

Education

- Development of a range of white label documents and Go-To Guides to assist members with the changes in super legislation
- Increase in surveys and communication with members to seek policy input

Other Projects

- Relocation of Adelaide office
- Key submissions to FASEA, Treasury and Productivity Commission on important policy issues
- Establishment of the Regulatory Panel to seek further input into policy issues



“SMSF Association accreditation provides the opportunity for me to connect with people, consult with them, and learn from them.”

**Naomi Kewley SSA™SSAud®,
Managing Director, Peak Super Audits.
Member since: May 2015**





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Policy and Advocacy

One of the pillars of the SMSF Association is to maintain the strength and integrity of the wider SMSF and superannuation sectors. To do this, a large portion of our advocacy work is done through relationships with Government, key stakeholders and our valuable members.

During 2017-18 our advocacy has focused on a range of key policy issues and submissions. These submissions aim to best represent our members' views to Government and regulators while also aiming to maintain the integrity and sustainability of the SMSF sector.

ALP franking credit proposal

The announcement by the Australian Labor Party in March 2018 that if elected they would ban cash refunds for franking credits was strongly opposed by the SMSF Association given its detrimental impacts on SMSFs, especially those in retirement phase. The Association led with a strong voice in media and to policymakers on the drawbacks and unfairness of the proposal. Our advocacy work included writing policy papers, opinion piece articles, media interviews and letter templates for writing to MPs. We also formed the Alliance for a Fairer Retirement System with other leading retirement, investor and financial advice organisations to oppose this policy.

Productivity Commission submission

Based on the Productivity Commission's draft report – Superannuation: Assessing Efficiency and Competiveness, we asked for member feedback to help prepare our submission to argue that SMSFs do not need a \$1 million balance to be viable compared to large funds.

Our submission focused on the weaknesses of the Commission's analysis to reach this conclusion, especially the flawed data and investment return methodology they used. We also explained how SMSF demographics and different costs incurred by SMSFs and APRA-regulated funds impacted their analysis. These issues made it unreasonable for the Commission to appropriately make a finding that SMSFs are not cost-effective with a balance below \$1 million. Alternative data supported this statement that SMSFs are in fact cost effective with a balance below \$1 million.

Another recommendation within our submission was asking that the Commission considers the impact on choice in superannuation that establishing a minimum balance required for SMSFs would have as well as the weaknesses inherent in such a policy. In addition, in regards to the Commission's concerns regarding the quality of SMSF advice, we recommended that any advisor providing advice to SMSF trustees should have relevant SMSF education and qualifications.

Proposed three-yearly audit cycle for some self managed super funds

The 2017-18 Federal Budget announcement to allow certain SMSFs to have a three-yearly audit cycle was another significant policy issue for the Association in 2018. While the Association supports ways to improve efficiency in the SMSF sector, after consulting our members we ascertained that this would not be achieved by the Government's proposal. Our member survey on this issue recorded 86% of our members believing that it was unlikely to result in significant cost reduction for eligible SMSFs.

The proposal also had the potential to undermine the integrity of the SMSF sector and make compliance more complex. Accordingly, we recommended that the Government reconsider progressing the proposal.

Other notable submissions and policy achievements for the year

- Technical amendments including that transition to retirement income streams should not enter retirement phase unless it is acknowledged by the member.
- Improving practical implementation of exempt current pension income for the 2016-17 income year.
- Input on ATO guidance for SMSFs on new superannuation laws.
- Refining the Government's Total Superannuation Balance (TSB) limited resource borrowing arrangements (LRBA) amendments to restrict the amendments to targeting behaviour that seeks to manipulate the TSB rather than applying to all LRBAs.
- Australian Law Reform Commission (ALRC) Report into Elder Abuse - the ALRC utilised our recommendations in their final report to Government to help mitigate the risks that could face aging SMSF members.
- The ATO followed our recommendation to 'carve out' SMSF members with a total superannuation balance under \$1 million from transfer balance cap event-based reporting, which commenced as at 1 July 2018. We also impacted the frequency of reporting to quarterly instead of monthly.
- A more sensible approach to means testing for lifetime retirement income streams.

Jordan George
Head of Policy

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Policy and Advocacy





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Education and Technical

Much of the past year has been focused on the Financial Adviser Standards and Ethics Authority (FASEA) and their proposed education standards for financial advisors. The Association strongly supports enhanced professionalism for financial advisors and raising education standards but also believes that this must be done in an efficient, fair and reasonable manner without causing damage to the profession.

Submission on FASEA Education Standards for Advisers

As a result of valuable member consultation that included Australia-wide round table discussions and an online member survey, many members raised concerns that more needs to be done to transition existing financial advisors into the new framework, specifically for long-term experienced advisors and for accountants with limited financial advice licenses.

Our submission, based on member feedback, has recommended that FASEA should consider:

- Ensuring advisors that have already completed high quality financial advice and accreditation have this recognised under the new regime, especially when they have completed all that could be reasonably expected to ensure they are giving quality financial advice.
- Providing increased guidance on how recognised prior learning for existing financial advisors will be accounted for in the transition of existing advisors to the new standard, without a cap of 50%.
- A simpler approach when determining related degrees which looks at specialisation and majors rather than specific underlying subjects.
- Ensuring bridging courses encompass flexibility in their design and delivery, providing value to advisors rather than merely a hurdle an advisor needs to clear to continue giving advice.
- Adding a relevant new related pathway for accountants with a limited licence as those accountants have not been adequately considered as yet.

Education and Technical

The importance of Specialisation

FASEA and the general feeling amongst financial professionals is the importance, more so now than ever, of having higher education standards.

The Association has a high proportion of Specialist members with 59% of members being able to call themselves SMSF Specialists and use the designation(s) that comes with this. This title does come with the responsibility of continual professional development which is ongoing. Despite the time and cost associated with this, it is vital that your SMSF technical knowledge remains at the highest level and you are continually working to extend this level.

Technical update

From a technical viewpoint, this year hasn't seen as many superannuation legislation changes as it has in recent memory. However, many of you are working on the implementation of these changes and the potential opportunities they have presented.

The 2018 Technical Day Series focused on your clients and how to best arm yourself for a range of different scenarios you may find yourself in during day-to-day office life. The sessions explored the practical applications of the superannuation changes with a strong focus on due diligence for new and existing clients. The sessions also allowed attendees to analyse the

advantages or disadvantages of wider wealth creation strategies, the role of alternative investment structures to assist clients in building wealth all whilst navigating the tough legislative and regulatory changes taking place. It was a worthwhile Series and one that allowed a deeper conversation around key topics with multi-disciplinary SMSF professionals.

What are the SMSF Association's next steps?

At the time of publishing, we are waiting further information from FASEA regarding our submission and what this will involve. The Association will continue to deliver updates as and when they become available and consult with our members on the potential implications they may deliver.

We are currently working on the delivery of our accreditation programs to ensure they are of the highest standard possible and continue to provide the latest SMSF information to those undertaking them.

Peter Hogan
Head of Education and Technical





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Membership

SMSF Association Membership as at 30 June 2018:

Membership type	% of total membership
Specialist	59%
Associate	37%
Affiliate	3%
Retired	1%

Profession	% of total membership
Accountant	41%
Financial Planner	41%
Auditor	4%
Corporate	2%
Lawyer	2%
SMSF Administration	2%
Other	8%

Membership distribution across the country:



2018 Member Survey

Thank you to those members who provided valuable feedback in our annual Member Survey. We value your input as it helps us to shape the future of the Association so that we continue to meet and surpass your expectations as a professional Association.

Some specific suggestions we will be looking to action in the short term:

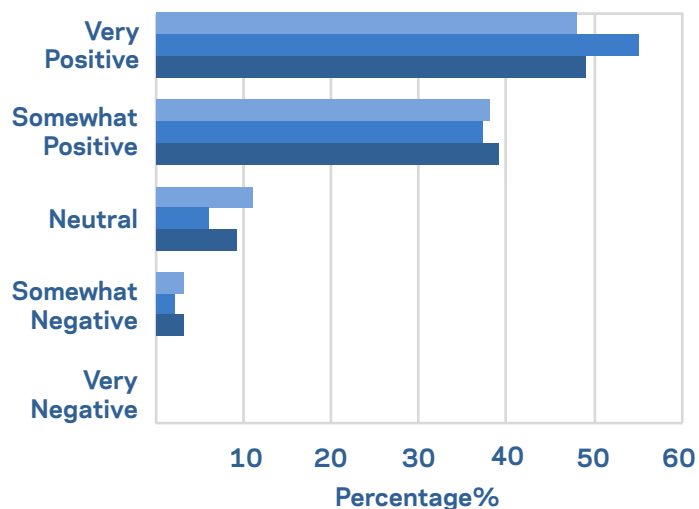
- Review our Daily News offering and its frequency
- Further ways that we can engage and seek feedback from our members as part of our submissions process
- Expanding provision of white label trustee resources for members' websites
- Full roll out of the Technical Research Service to all members
- A review of our CPD policy to align with broader FASEA and industry requirements
- A pathway for our members to assist with meeting FASEA education requirements

We are undertaking a broader review of our education programs to determine if there are changes that we can make to provide greater access and flexibility for members to meet their CPD requirements.

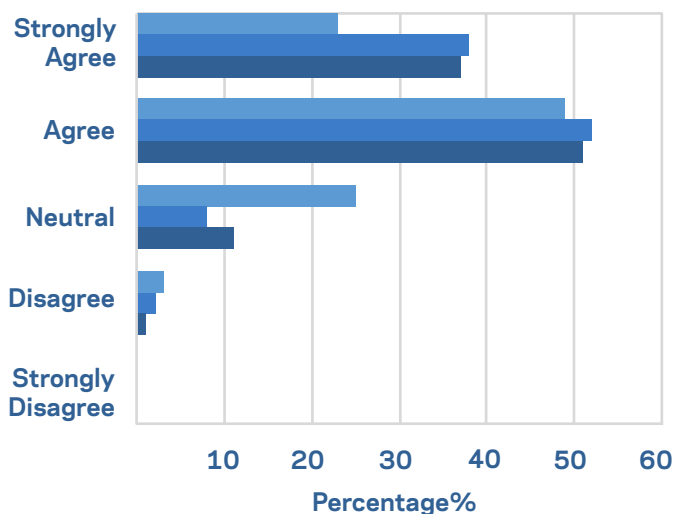
Perception of value of SMSF Association membership

Key:

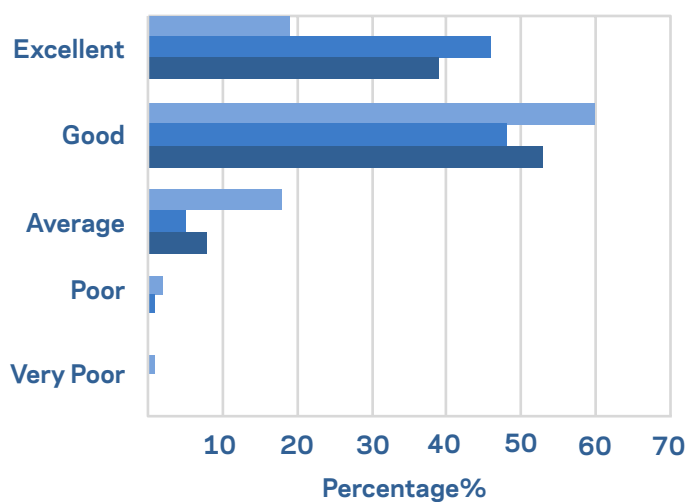
- 2016
- 2017
- 2018



SMSF Association membership meets my professional needs



How would you rate our customer service and responsiveness





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Membership

Nature of Complaint	2018/19 (YTD)	2017/18	2016/17
Criminal conviction	1		1
Statutory offence bringing discredit to member, association or profession			1
Failure to observe proper standard of professional care, skill and competence	3	1	1
Breach of Association Code of Conduct and Rules	1	10	3
Breach of Association Branding policy			
Other			

Action taken by SMSF Association	2018/19 (YTD)	2017/18	2016/17
Cancellation of Membership	4	1	2
Suspension of Specialist designation or Membership for a defined period		9	3
Reprimand			2
Practice review			
No action required		1	
Other	1		
Investigation ongoing			



Disciplinary actions against SMSF Association members failing to uphold professional standards

The SMSF Association is a self-regulating professional Association whose members voluntarily agree to be bound by various professional, technical and ethical standards.

SMSF Association members are required to conduct themselves in a professional and business-like manner at all times. These Conduct and Disciplinary Procedures are the expected minimum requirement of all members.

To uphold the level of professional conduct that we require of all our members, we keep up-to-date records of complaints and the action taken by the Association as determined by our Professional Standards Committee.

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Membership



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**Member Milestones
15 years with the SMSF
Association**

We value all our members, however we want to say a special thank you to those who are celebrating their 15 year anniversary with the SMSF Association during 2018. The members listed have been great supporters of the Association from the beginning and we want to thank them for their ongoing loyalty.



Founding members ▪ Andrea Slattery ▪ Adam Goldstien ▪ Brian Williams ▪ David Busoli ▪ James Cotis ▪ Nicholas Aston ▪ Peter Fry

15 year anniversary ▪ Aaron Dunn ▪ Alan Baker ▪ Allen Truslove ▪ Amanda Chick ▪ Andrew Jones ▪ Andrew Hamilton ▪ Andrew Sherlock ▪ Anna Garuccio ▪ Anthony Jackson ▪ Anthony O'Keefe ▪ Bernie O'Connor ▪ Brent McLauchlan ▪ Brian McCleary ▪ Brian Cosgrove ▪ Cameron Reed ▪ Carolyn Baker ▪ Christopher Pulley ▪ Cindy McDonald ▪ Colin Lissner ▪ Craig Banning ▪ Craig Day ▪ Craig Tschirpig ▪ Daniel Butler ▪ Daryl Smith ▪ David Bannister ▪ David Saul ▪ David Pett ▪ David Sidhu ▪ Debbie Ramage ▪ Don Jeffers ▪ Douglas McLelland ▪ Eng Sivieng ▪ Fabian McKenna ▪ Fausto Pastro ▪ Fiona Shannon ▪ Gail Freeman ▪ Gemma Kovaloff ▪ Geoff Crowe ▪ George Haden ▪ Graeme Colley ▪ Grant Lange ▪ Greg Roberts ▪ Greg Layton ▪ Ian Fehlberg ▪ Ian Glenister ▪ Ian Dodgshun ▪ James Bradford ▪ Jan Prescott ▪ Jeff Wain ▪ Jenny Power ▪ Jenny Brown ▪ Jodie Dickson ▪ Joe Walsh ▪ John Illingworth ▪ John Deakin ▪ John Gagen ▪ John Messner ▪ Ken Richmond ▪ Kenneth Allen ▪ Kim Meredith ▪ Kim Scott ▪ Kirk Maynard ▪ Leigh Mansell ▪ Lionel Werbeloff ▪ Mark Darling ▪ Mark Gashi ▪ Mark Ellem ▪ Mark Baker ▪ Meg Heffron ▪ Michael Hall ▪ Michael Wundke ▪ Michael Dietrich ▪ Michael Jewell ▪ Michelle Saunders ▪ Michelle Lang ▪ Milton Shaw ▪ Nathan Baker ▪ Paul Hewitt ▪ Paul Hocking ▪ Pauline Hammer ▪ Peter Rule ▪ Peter Sheldon ▪ Peter Davis ▪ Randall March ▪ Rex Whitford ▪ Rick Albertini ▪ Robbie Smith ▪ Robert Elletson ▪ Robert Northcoat ▪ Robert Veitch ▪ Robert Cumming ▪ Robert Huntley ▪ Robert Dunn ▪ Robert Hunter ▪ Russell Medcraft ▪ Sally Rorke ▪ Shan Zavahir ▪ Stephen Bourke ▪ Stephen Legg ▪ Stephen Garrett ▪ Terry Nestor ▪ Thomas Weir ▪ Tony Gilham ▪ Tony Simmons ▪ Vincent Anderson ▪ Wayne Promnitz ▪ Wayne Bolin



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Our Board, Association and Advisory Committees

The SMSF Association has a number of Board and Association Committees which support the management and administration of the Association to help achieve its objectives.

We are grateful to these Committee members and volunteers for their generous contribution and continued support.

Board Committees

Finance and Audit Committee

Brett Kenny — Chair
Andrew Hamilton
Cath Mulcare
John Maroney

Nomination and Remuneration Committee

David Spear — Chair
Andrew Hamilton
John Maroney
Robin Bowerman

Public Policy Committee

Robin Bowerman — Chair
Andrea Slattery
The Hon. Bernie Ripoll
Deborah Ralston
Jeremy Cooper
John Maroney
Jordan George

Governance and Risk Committee

Peter Crump — Chair
Cath Mulcare
John Maroney
Robyn FitzRoy

Association and Advisory Committees

National Membership Committee

Brett Kenny — Chair
Liam Shorte — Chair

Professional Standards Committee

Andrew Sinclair — Chair

Education Committee

Peter Hogan — Chair

Regulatory Panel

Jordan George — Chair
Bryan Ashenden
Caroline Harley
Craig Day
Dan Butler
Jemma Sanderson
Julie Steed
Lisa Papacristoforos
Liz Westover
Melanie Dunn
Peter Burgess
Peter Crump
Peter Hogan
Rebecca van Langenberg

Marketing and Communications Committee

Briar Standing — Chair

National Conference Technical Program Committee

Hannah Lennox — Chair
Craig Day
Jemma Sanderson
Jordan George
Mark Ellem
Peter Hogan
Robin Bowerman
Scott Hay-Bartlem
Shelley Banton
Tarun Malhotra

Local Community Chairs

ACT	Paul Salinas
NSW	Liam Shorte
NT	David Smith
QLD	Brett Griffiths
SA	Julie Steed
TAS	David Allen
VIC	Michael Houlihan
WA	Con Gotsis



"As the SMSF sector encompasses multiple disciplines you are able to discuss a different perspective on SMSFs from (SMSF Association) members than just what your own discipline may experience."

Jemma Sanderson SSA™,
Director, Cooper Partners

Member since: June 2005





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Corporate Governance Statement

The SMSF Association Ltd follows the AICD Ten Principles promoting good governance for Not-for-Profit Organisations.

1. Roles and Responsibilities of Directors and the Board

The Board of Directors is the principal body responsible for the corporate governance of the Association and has primary oversight of its performance and the development and approval of long term strategy.

The Board has a management framework, risk management process and system of controls and established ethical standards. The Board is responsible for:

- Determining and reviewing the Association's short & long-term strategies
- Approval of budgets
- Appointment and evaluation of the CEO
- Risk oversight
- Integrity in financial reporting
- Monitoring of the activities of the Association

In accordance with the Association's delegation authorities, the Board has delegated to the CEO responsibility for the day to day management of the Association. The detailed delegations are reviewed regularly and are also reviewed by the Board.

2. Board Composition

The Board is comprised of up to nine non-executive Directors who are appointed for three-year terms. Directors may seek re-election for a maximum of two additional terms. The CEO is invited to attend Board meetings as an observer and has speaking rights. This ensures that the decisions of the Board and the background to decisions are clearly communicated to the Executive team.

The Nomination and Remuneration Committee meets regularly to review the Board's composition and uses a skills matrix to review the needs and skills of the Board and any potential nominations for new Directors.

As part of the consideration of potential directors the Committee looks for continuity of expertise, representation across regions and different sectors and balance of skill diversity within the Board. The Association adopts a fit-for-purpose approach to Director selection to ensure the selection of the most appropriate skillsets within the Association's resource constraints.

The Committee is comprised of the CEO, two Board nominated Directors and an independent Chairman.

All new Directors receive a comprehensive induction program including information outlining their duties and responsibilities as directors. Further education is provided to the Board through internal and external presentations and strategic presentations with the senior executive.

Board members are approved at the Annual General Meeting following their appointment.

3. Purpose and Strategy

The Board determines the purpose and strategy of the Association which is monitored on a regular basis. The Association's Vision, Mission and Strategic Plans are set for a period of 5 years and are reviewed annually by the Board and executive team. The Association's vision, mission and beliefs are made available via the Association's website.

4. Risk

The Board has an established risk management framework to recognise and manage risk. The Board is responsible for the setting of the Association's risk appetite, risk monitoring and oversight of risk.

Risk management is shared across all levels of the Association. The executive team identifies, assesses, monitors and manages current and emerging risks using the risk framework. This is reviewed by the Governance and Risk Committee and at each Board meeting.

5. Organisation Performance

Organisational performance is assessed against several performance indicators that are determined as part of the strategic planning process. To ensure a balanced approach to performance management these are categorised into Financial, Leading the Sector, Customer/ Member Centric, Employees and Strategic Partnerships.

6. Board Effectiveness

The Board meets six times each calendar year and undertakes annual Board performance reviews. Every second year these are conducted by an independent external party.

To maximise Board effectiveness, some of the detailed work of the Board is considered by a number of Board Committees. Each Committee has clear terms of reference and major issues and action items are tabled at each Board meeting.

7. Integrity and Accountability

The Board's Finance and Audit Committee is responsible for assisting the Board in ensuring integrity in the Association's financial reporting. Committee members are comprised as a minimum of the CEO and two Board representatives who have an appropriate level of financial literacy.

All financial reports that are provided to the Board are reviewed by the Finance and Audit Committee for integrity and completeness.

The Association engages an external Auditor whose performance is reviewed on an annual basis.

8. Organisation Building

Remuneration for the Board and CEO is determined by the Nomination and Remuneration Committee which assists the Board in its duties relating to remuneration, CEO performance review and remuneration policy and strategy.

Any changes to Board remuneration is subject to approval at the AGM in accordance with the Constitution.

Remuneration of the CEO and Board are regularly reviewed to ensure they are in line with relevant market rates, expectations of members and based on the independent advice received by the Nomination and Remuneration Committee.

The CEO is eligible for a bonus payment subject to Board approval against a range of agreed performance indicators including the overall performance of the Association and key targets reflecting strategic objectives.

The Association has an annual salary and bonus review process for all staff. The remuneration framework is in line with market rates and is linked to the delivery of key performance measures. Review of remuneration is conducted on an annual basis against industry benchmarks to ensure it is in line with market expectations.

9. Culture and Ethics

Board policy requires that if there is, or could be, a conflict of interest for Directors the relevant Directors do not participate in those discussions or vote on that issue 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 of any changes to conflicts of interest as a standing item at each Board meeting.

10. Engagement

As part of the annual strategic planning process, the Association identifies its key stakeholders. Active engagement plans are developed for each category to maximise communication and build relationships.

Our Directors



Professor Deborah Eileen Ralston

Qualifications

Master of Economics, PhD in Finance,
Fellow of CPA Australia,

Fellow of Australian Institute of
Company Directors.

Experience

Deborah has over 20 years experience
as a Non-executive Director on public
and private sector boards. She is
currently a member of the RBA's
Payments System Board and is on the
Advisory Board of the YBF Fintech
Hub. Deborah is a Professorial Fellow
at Monash University.

Special responsibilities

Chair (from 16 February 2018)

Member of the Public Policy
Committee



Robin Lewis Bowerman

Qualifications

Member of the Australian Institute of
Company Directors.

Experience

Head of Corporate Affairs at Vanguard,
Robin holds expertise in investor
education, funds management,
industry and regulatory related topics.
Robin has over 15 years experience
as a leading financial services writer,
commentator and editor.

Special responsibilities

Vice Chair

Chair of the Public Policy Committee

Member of the Nomination and
Remuneration Committee



Andrew John Hamilton

Qualifications

Diploma of Financial Services, SMSF Association SMSF Specialist Advisor.

Experience

Andrew has a wealth of knowledge and experience, gained from more than 25 years of working in the SMSF industry, both within the private and corporate sectors. Having established and operated a successful start up SMSF company, Andrew then moved into the corporate sector, further broadening his SMSF exposure.

Special responsibilities

Director

Member of the Finance and Audit Committee

Member of the Nomination and Remuneration Committee



Andrea Elizabeth Slattery

Qualifications

Masters in Commerce (University of South Australia), Bachelor of Arts in Accountancy (University of South Australia), Member of CPA Australia, CPA Australia Financial Planning Specialist, Fellow of the Australian Institute of Company Directors and SMSF Association SMSF Specialist Advisor.

Experience

Andrea is an experienced Independent Non-Executive Director on Boards & Advisory Committees for more than 25 years in ASX, commercial, government & NFP sectors with particular experience in: financial services, finance, superannuation, infrastructure, innovation & technology, investment, public policy, governance & education. Andrea is a keynote speaker and is recognised as a senior thought leader, influencer and transformational change agent in Australia.

Special responsibilities

Director

Member of the Public Policy Committee

Our Directors



Cath Mary Mulcare

Qualifications

Bachelor of Economics, Fellow of Chartered Accountants Australia and New Zealand, Member of the Australian Institute of Company Directors.

Experience

Cath has strong finance, governance, risk management and regulatory experience and has worked across a range of industries with a strong focus on not for profit organisations.

Special responsibilities

- Director
- Member of the Finance and Audit Committee
- Member of the Governance and Risk Committee



Robyn Louise FitzRoy

Qualifications

Bachelor of Arts (Macquarie); Master of Arts (UTS), Master Coach, International Coaching Federation, USA; Diploma Information Technology Business Application (Harvard University USA); Diploma Marketing Management (Macquarie University). Accredited facilitator and course author for the Australian Institute of Company Directors. Fellow of the Australian Institute of Company Directors.

Experience

Robyn has over twenty years' experience in the financial services industry and is a former Executive Director of Macquarie Bank. She is also a non-executive director of Gateway Bank and Diversa Trustees Ltd. Robyn is a management consultant specialising in governance and has held non-executive director positions on the boards of CUSCAL, MLC School Burwood, Habitat for Humanity Australia and WealthPortal Pty Ltd.

Special responsibilities

- Director
- Member of the Governance and Risk Committee



Liam Shorte

Qualifications

Bachelor of Business in Accounting & Economics, Advanced Diploma Financial Services (Financial Planning), ASX Accredited Listed Products Adviser (ALPA); SMSF Association SMSF Specialist Advisor

Experience

Liam has been providing strategic advice on superannuation, retirement, insurance, estate planning, investment and tax strategies for the past 27 years with experience and knowledge gained from working in banking, insurance, accounting and financial planning firms.

Special responsibilities

Director (Appointed 1 September 2018),

Chair of the National Membership Committee (Appointed 1 September 2018)



Peter Ian Crump

Qualifications

Certified Financial Planner, Fellow of the Institute of Actuaries of Australia, Bachelor of Arts majoring in Actuarial Studies (Macquarie), Chartered Tax Adviser, Advanced Diploma of Financial Services (Financial Planning), Graduate of the Australian Institute of Company Directors and SMSF Association SMSF Specialist Advisor.

Experience

Peter provides strategic financial planning advice to his clients as well as actuarial advice to clients and lawyers on superannuation and family law issues.

Special responsibilities

Director (To resign 21 November 2018)

Chair of the Governance and Risk Committee



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Our Directors



Brett Nicholas Kenny

Qualifications

Bachelor of Economics, Fellow of Chartered Accountants Australia and New Zealand, SMSF Association SMSF Specialist Advisor.

Experience

Brett has been providing self managed super fund services to clients since 1983 specialising in strategic decision making and forecasting models along with tax, accounting and general commercial advice.

Special responsibilities

Director (To retire 21 November 2018)

Chair of the Finance and Audit Committee

Chair of the National Membership Committee (to 1 September 2018)



Andrew Crawford Gale

Qualifications

Fellow of the Institute of Actuaries of Australia, Bachelor of Arts majoring in Actuarial Studies (Macquarie), Masters of Business Administration (Macquarie), Fellow of the Australian Institute of Company Directors.

Experience

Andrew has over 30 years' experience in the financial services industry, with particular areas of expertise in boards and governance, M&A, operations, corporate strategy, marketing, distribution, product management, wealth management, financial planning, and new ventures.

Special responsibilities

Director (Resigned 27 June 2018)

Chair (until 16 February 2018)



Welcome t

S M S F

We believe that
how well we live
in retirement is a
function of how well
we have managed our
super and who has
advised us.

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