

FINSIA



2023

**ANNUAL
REPORT**

finsia.com

01 PRESIDENT AND CEO REPORT

NAVIGATING TO A FUTURE-FIT FINSIA

2023 MARKED THE START OF FINSIA'S TRANSFORMATION AS WE EMBARKED ON BRINGING OUR 2023-2025 STRATEGIC PLAN TO LIFE. THIS JOURNEY STARTED IN 2022 WITH A COMPREHENSIVE REVIEW, WITH THE DEVELOPMENT OF OUR NEW STRATEGY TO REPOSITION OUR ORGANISATION TO ADD MORE VALUE TO MEMBERS IN MORE WAYS ACROSS THE SECTOR.

FINSIA's long history means we have a strong foundation to build upon. Our focus now is on enhancing our value proposition, along with supporting members in practical ways and driving deeper engagement. 2023 has seen significant progress across each of the four pillars of the Strategic Plan, with more to come in both the medium and long term.

DELIVER LIFELONG LEARNING

Education has always been at the core of FINSIA's purpose. As a professional body, playing a leading role in supporting our members to develop and uplift their knowledge is essential.

2023 has seen us respond to member feedback to broaden our capacity to deliver education and learning programs outside of our historical focus on the banking sector. We thank members for their patience as we've worked to expand our learning delivery. 2023 marked the start of a partnership with the Chartered Institute of Securities and Investments in the UK. This collaboration gives FINSIA members access to 60 CPD hours of market leading knowledge programs.

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In acknowledgement of the time pressures our members are under we've also released a comprehensive suite of microlearning modules which are complimentary for FINSIA members. These 45 to 90 minute online units provide members with cost effective targeted learning, across a range of securities and investment topics as well as personal effectiveness and ethics courses.

Of course, it's also no longer enough to only be across your own domain area. Professionals need an understanding of the broader trends and themes that impact the business environment. That's why this year FINSIA has partnered with external organisations to provide access to thought leaders outside the financial services sector, like our workshop on cybersecurity with partners Max Pemberton and Richard Williams of PSG Cyber Intelligence and the FINSIA Leadership Series, presented in collaboration with Jessica Apfel and Daniel Coone of Riverstone Associates, designed to help members prepare for future C-suite and Board roles.

We also undertook a consultation and review process of the FINSIA CPD framework, with many members taking the time to share their insights. As a result of this review, a modernised CPD framework has now been released, with several other elements under consideration for a further update in 12-18 months. We thank all the members who took the time to share their thoughts as we seek to ensure FINSIA remains relevant for members with diverse skillsets across the financial services sector.

GROW OUR COMMUNITY

FINSIA continues to have a strong pipeline of members through our banking education program. In particular, our partnership with National Australia Bank resulted in over 4,600 new graduates as they undertook their Career Qualified in Banking (CQiB) training. 2023 also marked a milestone achievement in our NAB partnership, with over 13,000 team members completing the CQiB program in July 2023. This represents almost half of the bank's workforce.

An ongoing focus for FINSIA remains on retaining and building engagement with these graduates who represent the future of financial services as part of our member and alumni community.

Of course, a key element of ensuring a thriving professional body into the future means investing in our early-stage career professionals. Over the course of 2023, we've done a lot to understand the key motivators and challenges for these members, with dialogue with our Young Finance Professionals group. We know there's a lot more we need to do, and a key focus area for 2024 will be to start delivering on the necessary action and change to ensure FINSIA is a relevant and supportive professional body for young people in finance. Expect to see a greater use of technology to engage with these members, as well as more work to establish connections with university students and academia to foster an earlier relationship with FINSIA.

ADVOCATE FOR PURPOSE

In 2023, FINSIA has been a member of the Joint Association Working Group (JAWG), collaborating with financial services membership bodies to create a unified voice to the Australian government as it continues to drive financial advice reform.

Being part of JAWG is an important way to contribute, but we recognise it is an ongoing challenge for FINSIA to have a consistent seat at the table. A primary goal for 2024 and beyond is to increase our visibility so that we are more frequently seen as a go-to contributor to these important discussions. With FINSIA's strong brand recognition, we feel confident that when we have the resources to focus on this goal more thoroughly, we will very quickly gain traction and see results.

2023 saw the introduction of the updated Code of Conduct. This Code of Conduct supports our goal to help members advance their careers by embedding professionalism in financial services through enhanced, measurable standards of conduct and competence. In addition to the new code, our commitment to championing ethics is further supported by the introduction of several ethics-focused microlearning courses which are complimentary for members.

01 PRESIDENT AND CEO REPORT

CREATE CONNECTION AND BELONGING

A strong events program is at the heart of any professional body, and in 2023, FINSIA has certainly delivered. We held 32 webinars, 33 face-to-face events and one workshop. This represents a return to our pre-COVID face-to-face event numbers, plus maintaining a strong online event calendar, providing members with the flexibility and choice in event formats that fit with busy schedules. We've also worked hard to ensure all events, even those with a stronger networking and connection focus, include some form of educational element. Throughout the year, we receive strong support from many corporate partners and we gratefully acknowledge the contributions from CBA, Dimensional Fund Advisers, Judo Bank, KBH Solutions, KPMG New Zealand, PwC, Westpac and Wipro.

We were also delighted to be able to reintroduce the highly-regarded FINSIA mentoring program in 2023, after a few years on pause. The power of one-to-one connections for career progression and development is unparalleled, and we look forward to expanding this program further in 2024. It's not just our early career professionals who are benefiting – many senior members who acted as mentees reported their own gains, like a deeper understanding of early career challenges in today's world and different ways to use technology in the workplace.

Our 17 councils and committees also played an important role in FINSIA's 2023 success, providing strategic guidance and tactical engagement across a range of issues. In 2024, we want to enhance the impact of these groups and will be exploring ways to evolve the model and structure of these groups and their connections to the FINSIA Board and executive.

Finally, we have strived to create more opportunities for members to share their knowledge through our events, webinars and mentoring programs and more. This is something we want to foster further, so in 2024 we will be exploring options for online connectivity platforms to provide more opportunities for peer learning and support. We were also delighted to welcome 12 new Senior Fellows in 2023. Learn more about our new Senior Fellows on [pages 7 and 8](#).

2024 CONTINUES THE TRANSFORMATION

FINSIA faced significant financial challenges in 2023, and the financial result was disappointing. During 2023, the Board embarked on a comprehensive exercise to review the current business model and take steps to rationalise the organisation's focus to ensure that the member value proposition, and the financial sustainability of the organisation, are improved during 2024. A number of decisions were taken during 2023 to put in place a simplified business model, which includes a reduction in the size of the organisation, that is centred around supporting our members and investing in the growth of FINSIA's membership through targeted strategies to engage more extensively with early career professionals and students undertaking studies at tertiary institutions. FINSIA's short and medium-term financial sustainability relies heavily on our capacity to grow membership numbers to the greatest extent possible, and we'd love to have your support in achieving that. We're asking all FINSIA members to encourage your colleagues and others in your network to engage with the organisation, to come along to events and other learning opportunities, and to become members. We know that the financial services sector relies on relationships and networks, and we want to ensure FINSIA can become a more integrated part of those networks as well.

Thank you for being part of our community and trusting FINSIA as your professional development partner. Our ability to create a strong and supportive professional association is only possible thanks to the open communication and collaboration with our members. We look forward to connecting with many of you at our thought leadership and networking events over the year ahead.



David R Cox F FIN
President



Yasser El-Ansary F FIN
CEO and Managing
Director

02 YEAR AT A GLANCE

2023 HAS BEEN A YEAR OF ONGOING TRANSFORMATION, ENSURING FINSIA REMAINS A SUSTAINABLE PROFESSIONAL BODY, SUPPORTING THE NEEDS OF MEMBERS. HERE ARE JUST SOME OF THE HIGHLIGHTS FROM THIS YEAR.

MEMBERSHIP



DRIVING PROFESSIONALISM



EDUCATION

PARTNERSHIP WITH UK'S CHARTERED INSTITUTE FOR SECURITIES AND INVESTMENTS DELIVERING



SOCIAL MEDIA



02 YEAR AT A GLANCE

EVENTS

32
WEBINARS

**SIGNATURE
EVENT
THE REGULATORS**

INCLUDED PRESENTATIONS FROM ASIC CHAIR JOSEPH LONGO, APRA CHAIR JOHN LONSDALE AND RESERVE BANK ASSISTANT GOVERNOR DR BRAD JONES AND AUSTRAC ACTING CEO PETER SOROS.

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**CYBER-
SECURITY
WORKSHOP**
WITH PARTNER
PSG

33
**FACE-TO-FACE
EVENTS**
ACROSS
AUSTRALIA AND
NEW ZEALAND

HIGHLIGHTS

- Presentations from Senior Fellows Elizabeth Broderick AO (Principal, Elizabeth Broderick & Co), Joseph Healy (CEO, Judo Bank) and Geoff Wilson AO (Chairman and Chief Investment Officer, Wilson Asset Management) and industry experts including Allison Hill (CIO, QIC), Caroline Gurney (CEO, Future Generation), Paul Bloxham (Chief Economist, Australia and NZ), HSBC
- A special members evening in Wellington with Grant Robertson (NZ Finance Minister).
- Co-hosted events with the Australian Property Institute, SMSF Association and Stockbrokers Investment Advisors.
- Several events and webinars focused on diversity in financial services in Adelaide, Melbourne and Sydney.
- Popular webinar program continued during 2023 including a Federal budget update featuring Paul Bloxham (Chief Economist for Australia and New Zealand, HSBC).

03 SENIOR FELLOWS

THE SENIOR FELLOW MEMBERSHIP CATEGORY IS FINSIA'S MOST PRESTIGIOUS AWARD OFFERED TO SENIOR MEMBERS WHO HAVE ACHIEVED SUCCESS IN THEIR CAREER AND WHO HAVE CONTRIBUTED TO THE ADVANCEMENT OF THE FINANCE INDUSTRY AND TO FINSIA.

To be considered for the level of Senior Fellow of FINSIA, the member must have demonstrated excellence through outstanding achievement in the profession of financial services through their career and service and participation with distinction to FINSIA, to the community or business and/or teaching, research and writing within the field of financial services. Members can be nominated by the FINSIA Board, FINSIA Regional Councils or through self-nominations supported by peers within the FINSIA community.

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NEW SENIOR FELLOWS IN 2023



DR CHRIS BELL SF FIN
Academic, QUT
Member since 2012
Expertise: corporate debt theory



ANTHONY BURGESS SF FIN
Chairman, Flagstaff Partners
Member since 1982
Expertise: corporate finance, M&A and ECM transactions across Australia, the UK and the USA.



ANGELA DONOHOE SF FIN
Chief Information Officer, NSW Government Department of Enterprise
Member since 1990
Expertise: government and corporate



CLAIRE BLAKE SF FIN
Chief Financial and Operating Officer, QIC
Member since 2001
Expertise: financial services and NFP board roles



GRANT CAIRNS SF FIN
Executive General Manager, Business Lending, Commonwealth Bank
Member since 2019
Expertise: over 20 years in business banking



FIONA DRUMMOND SF FIN
Managing Partner – Western Region, EY
Member since 2004
Expertise: audit, risk and advisory services

02 SENIOR FELLOWS



STEPHEN DUERDEN SF FIN

Group CEO, Duxton Capital (Australia) Pty Ltd

Member since 2000

Expertise: experience across the financial services sector including property development, REITS, agricultural business, and more traditional asset portfolios



DR KYLIE GILBEY SF FIN

Non-Executive Director, Ocean Gardens Retirement Village and Lecturer, University of Western Australia

Member since 1996

Expertise: A PhD examining Australian IPO short and long-term return performances for small and large IPOs



JUDITH SMITH SF FIN

Non-Executive Director, Funds SA

Member since 1979

Expertise: investment management, as well as NFP board roles



MATTHEW ERWIN SF FIN

Finance Specialist and Director – Working Capital, Cash Flow Finance, Asset and Turnaround Finance, Cashman Consulting Pty Ltd

Member since 1996

Expertise: lending, funding and financial advice across cash-flow improvement, business turnaround and pre-insolvency



CLAIRE MATTHEWS SF FIN

Associate Professor and Director, Academic Quality, Massey University

Member since 1985

Expertise: retail banking, financial advice and financial literacy



NIGEL STEWART SF FIN

Executive Director, Dimensional Fund Advisors

Member since 1984

Expertise: wealth strategy and investment management

04 COUNCILS AND COMMITTEES

FINSIA COUNCILS AND COMMITTEES FORM AN IMPORTANT PART OF OUR MEMBERSHIP ENGAGEMENT STRATEGY, PROVIDING TARGETED OPTIONS TO CONNECT AROUND GEOGRAPHICAL REGION, INDUSTRY SPECIALISATIONS, AND CAREER STAGE. THESE GROUPS HELP TO INFORM FINSIA'S RESPONSE TO CURRENT AND EMERGING CHALLENGES, SHAPING POLICIES, WORKING WITH REGULATORS, DRIVING RESEARCH, AND HOSTING EVENTS.

In February 2023, FINSIA brought together all the Chairs (or a representative) of the Councils and Committees for the first time to jointly develop plans for the upcoming year. This resulted in a cohesive program of events and activities, streamlining results and outcomes.

The Regional Councils have supported us in delivering our events program, with face-to-face events being held across Australia and New Zealand.

Industry Councils also served a critical function to represent the interests of FINSIA and our members to government and other stakeholders. During 2023, these Councils have focused on education, supporting many webinars as well as contributing to the development of online microlearning courses for FINSIA members. The Financial Advice and Services Industry Council engaged in submissions around

education standards and the Quality of Advice Review, to advocate for sensible change that will assist more consumers to access quality financial advice, with advocacy efforts continuing in 2024.

Our Young Finance Professional Committees in each region have also ensured ongoing opportunities for career development and connection. Highlights have included the return of Current and Future Leaders events and regular informal networking events across Australia during 2023.

Our councils and committees have provided strategic guidance and active engagement on a wide range of issues throughout the years. During 2024, we are working closely with these groups to consider ways in which FINSIA may evolve their model and structure to enhance their impact and connections to the FINSIA Board and executive.

04 COUNCILS AND COMMITTEES

INDUSTRY COUNCILS

FINANCIAL ADVICE AND SERVICES



CHAIR

John Corcoran F FIN
(until September 2023) then
Louise Trevaskis F FIN

MEMBERS

Sandra Bowley SF FIN
Diana Bugarcic F FIN
David Lane F FIN
Bernard McCrea SF FIN
Elizabeth Rae SA FIN
Justine Shephard F FIN
Peta Tilse SF FIN

FUNDS AND ASSET MANAGEMENT



CHAIR

Wesley Hatch F FIN

MEMBERS

Paul Chin SF FIN
Sharon Davis F FIN
Susanna Gorogh SF FIN
Leon Grandy SF FIN
Giles Gunesequera SF FIN
Simon Hudson F FIN
Paul Khoury SF FIN
Mirela Malin SA FIN
Victor Rodriguez F FIN
Ándrea Titter
Scot Thompson SA FIN

INSTITUTIONAL MARKETS



CHAIR

Andrew Kinasch F FIN

MEMBERS

Andrew Butler SF FIN
Anthony Carlton SA FIN
Anastasia Economou SF FIN
Alastair Findlay F FIN
Adrienne Neilson
Jerry Parwada
Ian Perera F FIN
Jillian Roberts SA FIN
Ciorstan Smark F FIN
Connie Sokaris F FIN
Angus Young F FIN

RETAIL AND BUSINESS BANKING



CHAIR

Chris Bayliss F FIN

MEMBERS

Greg Grocombe F FIN
Cindy Hansen F FIN
Krissie Jones
Helen Michael F FIN
Carmel Speer
Adam Ward F FIN

ADVISORY COUNCIL

DIVERSITY ADVISORY COUNCIL



CHAIR

Natalie Yan-Chatonsky SA FIN

DEPUTY CHAIR

Ashika Chand

MEMBERS

Adam Fletcher
Alexander Michael Snape SA FIN
Anne Voursoukis F FIN
Daniel Armstrong F FIN
Elise Vollebregt SA FIN
Jen Pallath Sheppard
Katherine Jull
Linda Maniaci SF FIN
Lisa Lintern A FIN

EDUCATION ADVISORY COUNCIL



CHAIR

Duncan Honore-Morris SF FIN

MEMBERS

Mark Brimble SF FIN
David Tripe SF FIN
Eliza Wu

FORMER MEMBERS

Melinda Moore

04 COUNCILS AND COMMITTEES

NATIONAL AND REGIONAL COUNCILS

NEW ZEALAND NATIONAL COUNCIL



CHAIR
Bernard McCrea SF FIN

DEPUTY CHAIR
Phillip Meyer SF FIN

MEMBERS
Geoff Bascand F FIN
Leon Grandy SF FIN
Carolyn Kidd SF FIN
Claire Mathews SF FIN
Ian Perera F FIN
Amber Quinnell SA FIN
Adam Ward F FIN

NSW/ACT REGIONAL COUNCIL



CHAIR
Nathan Krieger F FIN

MEMBERS
Andrew Butler SF FIN
Samantha Clarke SA FIN
Mark Lumsden SA FIN
Mark Thomas SF FIN
Adam Morrison

VIC/TAS REGIONAL COUNCIL



CHAIR
Stephen Daniels F FIN

MEMBERS
Paul Chin SF FIN
Jim Christodouleas F FIN
Phillip Dolan SF FIN
David Doyle F FIN
Jeff Gattone F FIN
Zekija Glamocic F FIN
Sara Harman SF FIN
Alex Lord F FIN
Mandy Rashleigh SA FIN
Robert Szyszko F FIN
Mark Topy SF FIN

QLD REGIONAL COUNCIL



CHAIR
Phillip Vickery F FIN

DEPUTY CHAIR
Kristy van Horck F FIN

MEMBERS
Joanne Dwyer A FIN
Rachel Elfverson SA FIN
Veronica Kregor SA FIN
Kerry McGowan SF FIN
Peter Pontikis SF FIN
Peta Tilse SF FIN

SA/NT REGIONAL COUNCIL



CHAIR
Ben Owen F FIN

DEPUTY CHAIR
John Montague SF FIN

MEMBERS
Enza Ferraro
Joe Formichella
Paul Hutchinson F FIN
Ida Wong F FIN
Sheridan Wright F FIN

WA REGIONAL COUNCIL



CHAIR
Wayde Keyser SF FIN

MEMBERS
Sinead Bannon A FIN
Brendon Kay SA FIN
Rohan Mishra F FIN
Ian O'Brien SF FIN
Tim Sullivan F FIN
Emma Wright SA FIN

04 COUNCILS AND COMMITTEES

YOUNG FINANCE PROFESSIONAL COMMITTEES

NSW YFP COMMITTEE



CHAIR

Michael Tran

DEPUTY CHAIR

Katrina Filacourdis SA FIN

MEMBERS

Aly Merchant SA FIN
Annabelle Gillings
Eliana Dery
Hannah Petersen
James Walker
Marlene Della
Olivia Curtis
Ricky Rangra
Sruthi Sodum

VIC YFP COMMITTEE



CHAIR

Caroline Ramsden

DEPUTY CHAIR

Mercedes Poutakidis

MEMBERS

Anthony Samaras A FIN
Charmaine Shamiso
Hunzwi A FIN
Gus State A FIN
Katherine Carmichael
Maggie Tan
Marco Fantozzi A FIN
Marcus Stavrakis
Matthew Dixon
Max Dahlstrom
Natasha Cholakovski
Robert D'leema

QLD YFP COMMITTEE



CHAIR

Adam Crombie F FIN

DEPUTY CHAIR

Eloise Jolly

MEMBERS

Claire Watson
Jack Stickley A FIN
Jenna Nash A FIN
Jordan Garnsworthy A FIN
Julian Gowdie A FIN
Nadine Mudalige
Petra Kliese

SA YFP COMMITTEE



CHAIR

Maggie Nell SA FIN

DEPUTY CHAIR

Ben Caruso A FIN

MEMBERS

Charmaine Corro
Emily Tran
Hang Chea
Ivan Oulianoff
Jacob Butterick
Nathan Clarke
Noel Williams
Nukhba Mohsin A FIN
Peter Tyson

WA YFP COMMITTEE



CHAIR

Elodie Castagna A FIN

DEPUTY CHAIR

Lashan Wanigasekera A FIN

MEMBERS

Amanda Bourke
Amelia Allen-Bourke
Daniel Chiew
Emmanuel Ranga
Kevin Too
Mairead Finn A FIN
Rebecca Hanrahan SA FIN

Note: FINSIA awards members with post nominal letters for its membership levels. Members who have met the eligibility criteria are entitled to use the following:

- Affiliate** – Not applicable
- Associate** – A FIN
- Senior Associate** – SA FIN
- Fellow** – F FIN
- Senior Fellow** – SF FIN

05 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 for many years consistently supported and endorsed the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, as a demonstration of the broader industry's commitment to leading practices. The current guidance is spelled out in the 4th Edition of the Corporate Governance Principles (the CG Recommendations). The Board is focused on ensuring stakeholders are informed of our activities and that the confidence of our members is upheld and preserved.

The FINSIA CEO is a member of the ASX Corporate Governance Council and is actively involved in the work being undertaken right now to update the CG Recommendations as part of the planned 5th Edition that has been released for public consultation in early 2024.

An overview of how the FINSIA Group adopts leading practices consistent with the Principles set out in the CG Recommendations is outlined below.

PRINCIPLE 1 LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

The Board is responsible for the overall corporate governance of FINSIA, including its corporate governance planning. The Board has a Board Charter which sets out the respective roles and responsibilities of the Board and of management and includes a framework of internal controls, a business risk management process and established ethical standards. The Board has an established process for reviewing the performance of directors and of key executives annually. Performance reviews of key executives were conducted in FY2023. A performance review of the Board was conducted in FY2024.

PRINCIPLE 2 STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

FINSIA's Constitution and By-Laws together determine the composition of the Board, with new directors subject to election by a direct vote of all eligible members before each annual general meeting. The Chief Executive Officer and Managing Director is the only director who is a member of management. The Chair and remaining Board members are independent directors and are not remunerated for their role.

DIRECTORS DURING FY 2023

The directors in office at the date of this statement are set out in the directors' report. Biographical details outlining skills, experience and expertise relevant to the position of the director are provided in the Board profile. Other directorships are also noted.

GENDER DIVERSITY

FINSIA is committed to ensuring gender diversity across the organisation and monitors the proportion of women in the whole organisation, at a senior executive level and at a Board level in accordance with the CG Recommendations Principle 1. In 2023, the percentage of female elected directors of FINSIA was 30%. FINSIA also monitors the diversity scorecard of all members as well as the diversity mix of each of the 17 regional and industry councils across Australia and New Zealand.

MEASURABLE OBJECTIVES

In September 2019, the FINSIA Board adopted measurable objectives for achieving gender diversity across the organisation's membership and for speakers and attendees at FINSIA events. This framework has supported the organisation to achieve a positive shift in the gender diversity of speakers and facilitators at FINSIA events and webinars over recent years.

NOMINATIONS COMMITTEE

The Nominations and Remuneration Committee of the Board is chaired by the President of FINSIA and comprises a majority of independent directors. The composition and attendance at meetings of the Nominations and Remuneration Committee is shown in the directors' report. In its consideration and recommendation 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. The Nominations and Remuneration Committee uses a Board skills matrix to identify potential directors with skills desired for the Board.

The Board-endorsed guidelines for attributes required of directors are outlined in the Board Charter, which is available on our website at finsia.com/about-us. The Board has established a Director Nominations Committee as a sub-committee of the Nominations and Remuneration Committee to assist with the independent assessment of directors nominated to stand for election to the Board. Details of members of the committee and the committee's Terms of Reference are available on our website at finsia.com/about-us.

The Terms of Reference act as a guide but are reviewed each year, with guidance from the Nominations and Remuneration Committee, in relation to particular qualities and competencies sought and these are set out in the annual call for nominations for election as a director.

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 in respect of their role with FINSIA, at FINSIA's expense. The President's prior approval is required, which is not to be withheld unreasonably.

PRINCIPLE 3

INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

FINSIA's Board, its employees and members are expected to act lawfully, ethically and responsibly as enshrined in the FINSIA Code of Conduct available at finsia.com/about-us.

The Board has established a Disciplinary Committee which is chaired by an independent third party legal professional to review suspected or actual breaches of the Code of Conduct and determine any action required.

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 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 THE INTEGRITY OF CORPORATE REPORTS

The Audit, Finance, Risk Management and Compliance Committee (Audit and Risk Committee) of the Board comprises four non-executive directors who are independent from management, and is chaired by a director who is not the President of the Board.

Membership of the Audit and Risk Committee during 2023 is set out in the directors' report.

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 team as part of the end-of-year accounting and financial reporting.

In accordance with the CG Recommendations, the Chief Executive Officer and the Head of Finance have provided signed statements to the Board that the Group's financial reports present a true and fair view, in all material respects, of the financial position and operational results, and that the statements have been prepared in accordance with relevant accounting standards.

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.

FINSIA's 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

As a membership organisation, Principle 6 of the CG Recommendations is considered in the context of FINSIA's members. 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.

These methods include communications through the annual report, AJAF, The Standard, CPD Newsletter, CEO Updates, InFinance, the FINSIA website and the FINSIA annual general meeting (AGM).

The external auditor is invited to attend the AGM and is available at the AGM to answer questions about the conduct of the audit, and the preparation and content of the auditor's report.

Voting members have the right to participate in the AGM and to ask questions and to vote on a poll on the resolutions at the AGM.

PRINCIPLE 7 RECOGNISE AND MANAGE RISK

The Board has established policies on risk oversight and management. In addition, the Chief Executive Officer and the Head of Finance have stated to the Board in writing that the integrity of financial statements is built on a system of risk management and internal compliance processes and controls that implement the policies adopted by the Board. Additionally, management believe that the risk management and internal compliance and control systems are operating efficiently and effectively in all material respects.

FINSIA has appropriate risk management and compliance controls in place. The Audit and Risk Committee and the Board receive periodic reports about the strength of the risk management framework and processes.

A number of key components of FINSIA's IT infrastructure and support services are outsourced to external specialist service providers. In the event of a significant business disruptions, the outsourced providers have appropriate Business Continuity Plans in place for effective recovery procedures.

The Audit and Risk 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 and Risk Committee and the Board.

FINSIA's management and Board have established an operational risk framework and risk register for the Group. This register is reviewed periodically to ensure currency and completeness. Fraud control processes, along with a whistleblower policy, are also in place.

PRINCIPLE 8 REMUNERATE FAIRLY AND RESPONSIBLY

NOMINATIONS AND REMUNERATION COMMITTEE

The Nominations and Remuneration Committee (Refer Principle 2 above) has oversight of the CEO and senior executive remuneration.

FINSIA has an annual salary review process for all staff. Payments of both salary and any bonus amounts are market-driven, performance-based and discretionary.

FINSIA's 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.

The non-executive directors act in an honorary role and no board fees or remuneration was paid to the non-executive directors in 2023.

06 FINSIA BOARD MEMBERS



YASSER EL-ANSARY

BComm, MTax, CA, F FIN

CEO AND MANAGING DIRECTOR

Appointed 26 April 2022

Yasser was appointed FINSIA Chief Executive and Managing Director in April 2022. Previously, he was Chief Executive of Australian Investment Council from November 2013 to April 2022 where he was responsible for leading the strategic direction of the organisation's work in representing the private capital investment industry in Australia.

Prior to joining the Australian Investment Council, Yasser was the General Manager of Policy and Advocacy for Chartered Accountants Australia & New Zealand.

He has more than 25 years' experience as a business adviser and public policy expert, through his previous roles with PwC, Rio Tinto, Frasers Property Australia, as well as the Department of Treasury in Canberra.

In April 2016, Yasser was appointed by the Federal Government to the Medical Research Future Fund Advisory Board where he advises on the strategy and priorities for medical health research funding from the \$20B fund.

FINSIA member since 4 May 2022.



DAVID R COX

BComm, CA, GAICD, F FIN

PRESIDENT

Appointed 26 May 2022

BOARD MEMBER | Appointed 28 May 2020

Chair, Nominations and Remuneration Committee

Member, Director Nominations Committee

David has more than 25 years' experience in Australia, New York and the Middle East. David has a strong knowledge of the financial services sector, having worked with a broad cross-section of the industry, including banks, brokers, exchanges, fintech, leasing companies, payment providers, private equity and non-bank financiers.

He is also a recognised regulatory expert, having advised a range of local and international banks.

David joined the FINSIA board on 28 February 2020 and was appointed as President on 26 May 2022. David has previously served as a member of the FINSIA Consumer Finance Advisory Group and as Chair of the FINSIA Institutional Markets Council.

FINSIA member since 12 March 2004.



GRANT CAIRNS

BComm, M App Fin, FCA, Chartered Banker,
GAICD, SF FIN

VICE PRESIDENT

Appointed 20 April 2020

Member, Nominations & Remuneration Committee

Grant is the Executive General Manger, Business Lending at Common-wealth Bank of Australia with more than 20 years' experience in business banking.

Grant led the Regional & Agribusiness Banking team for five years and was recently appointed to his new role in Business Lending. He has been with the Commonwealth Bank since 2005 leading product, operations and relationship teams in business banking. Prior to joining Commonwealth Bank, Grant was a General Manager with McCarroll Automotive Group and prior to that was a Senior Accountant at KPMG.

He is also a Director of the Australian Business Growth Fund (AGBF) and has been a member of the CEO Circle since 2012. Grant Cairns joined the FINSIA Board in early June 2019 and then was appointed as Vice President to the FINSIA Board in April 2020.

FINSIA Member since 28 March 2019.



ALAN BARDWELL

BA, CA, GAICD, SF FIN

BOARD MEMBER

Appointed 8 February 2019

Member, Audit, Finance, Risk Management and Compliance Committee

Alan has over 40 years of Australian and global experience in the banking, finance and securities Industry. His career includes 16 years at Citigroup and 10 years with the Australian Securities Exchange in senior executive finance and risk positions.

He is an experienced non-executive director and currently serves as Chair of the Australian Military Bank as well as a non-executive director of FINSIA.

FINSIA member since 12 October 1992.



VANESSA BEGGS

B(AppSc)Land Economics, GAICD F FIN

BOARD MEMBER

Appointed 29 May 2023

Member, Disciplinary Committee

Vanessa has worked in the banking industry for over 20 years, predominantly in executive roles with the Commonwealth Bank, and most recently as the Chief Operating Officer and now Deputy CEO at the Australian Banking Association.

Vanessa's executive experience spans banking, government, and not-for-profit sectors, holding roles in strategy, business transformation and organisational development predominantly with the Commonwealth Bank of Australia. She previously held the position of the CEO for the YWCA NSW - leading a significant structure change from a federated model to a united national organisation.

FINSIA member since 30 October 2019.



ROD JACKSON

BEc, MBA, FCPA, SID, Certified Chair, GAICD, F FIN

BOARD MEMBER

Appointed 26 May 2022

Chair, Audit, Finance, Risk Management and Compliance Committee

Rod has worked in financial services and has been a FINSIA member for 41 years, primarily with the Westpac Banking Group of companies.

For the last 21 years of his executive career, he has been a CFO or COO in various roles domestically and globally with the last eight years in Institutional Banking. Prior to that, his extensive experience has been in Retail and Business Banking at Westpac and St George Bank. While CFO at Westpac International, Rod had responsibility for teams in eight countries.

He is known for his integrity and strong business standards, has experience in leading large teams and building culture and has significant experience in financial management and strategy.

Rod has 15 years' experience as a director, beginning with RAMS Financial Group and then extending to Westpac and St George subsidiaries.

He is a director at Newcastle Greater Mutual Group and has expanded his director and advisor roles into other industries over the last three years.

FINSIA member since 18 September 1980.



CAROLYN KIDD

BA, DipBank, MInstD, SF FIN

BOARD MEMBER

Appointed 27 May 2021

Member, Audit, Finance, Risk Management and Compliance Committee

Member, Disciplinary Committee

Member, Nominations & Remuneration Committee

Carolyn Kidd is the Chief Risk Officer for Sky City Entertainment Group, having formerly been CRO for Westpac New Zealand and an experienced Financial Services Leader with a strong track record in transformation change, including leading culture and regulatory programmes.

With more than 30 years' experience in the sector in New Zealand and Australia, she is passionate about risk management as a key enabler for strategic success and providing the best outcomes for customers, communities and stakeholders.

FINSIA member since 27 February 1991.



ANDREW MCNEIL

BA, GDipAppFin (SecInst), MIB, FCG, FGIA, SF FIN

BOARD MEMBER

Appointed 27 May 2021

Member, Disciplinary Committee

Andrew McNeil is a 20-year FINSIA member and has over 30 years of diversified financial services experience, and 20 years of investment management experience throughout Australia and the United States.

He is the founder of the Yarmouth group of companies and provides corporate advice to middle-market financial market participants, including AFSL holders and ASX-listed companies.

His clients include investment managers, fintech and proptech companies.

He is a former lecturer for the FINSIA Master of Applied Finance degree across real estate, investment management, strategic management and structuring financial products. Andrew is a foundation corporate partner of the AFL team, the Greater Western Sydney Giants.

FINSIA member since 18 July 2002.



PAUL RIORDAN

BEC, CPA, F FIN

BOARD MEMBER

Appointed 26 May 2022

Member, Audit, Finance, Risk Management and Compliance Committee

Paul is the Chief Credit & Market Risk Officer at National Australia Bank with extensive experience across global markets, risk management, governance and financial markets infrastructure. Prior to joining NAB in 2016, Paul had a number of senior roles with Commonwealth Bank across financial markets, corporate finance and risk management. His earlier career included roles in both Australia and Asia with Bank of America, UBS and Midland Bank.

In terms of industry governance, Paul is a past Chairman of the Australian Financial Markets Association (AFMA) and served as a Director of CLS Group Holdings Limited.

FINSIA member since 17 September 2021.



DR CHRISTINE YATES

BEC, MHRM, DBA, CA, GAICD, SF FIN

BOARD MEMBER

Appointed 26 May 2022

Member, Nominations & Remuneration Committee

Chris is a highly experienced executive with over 35 years' experience in banking, wealth management and insurance. She began her career at Deloitte, and has held senior management positions at Citigroup, ANZ, NAB and Australian Unity.

Chris' signature approach to business is her focus on customer-centric strategy and business design. One of her proudest achievements was the founding of Women In Banking and Finance, a not-for-profit organisation that supports women in their careers.

In her most recent executive role, Chris was the CEO of the Retail Platform at Australian Unity, where she had accountability for the group's bank and private health insurance companies and retired from this executive role in March 2024. Chris has extensive Board experience, including Board positions held on Australian Unity Bank Limited, Australian Unity Health Limited, JB Were and BNZ Life. She is also a member of the Sydney University Business School Advisory Board.

FINSIA member since 14 January 1993.



07 ANNUAL FINANCIAL STATEMENT

Financial Services Institute of Australasia and controlled entities

ABN: 96 066 027 389

Consolidated Financial Report

For the year ended 31 December 2023

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FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

DIRECTORS' REPORT

The directors present their report together with the consolidated financial report of the Financial Services Institute of Australasia (the "Company"), being the Company and its controlled entities (the "Group" or "FINSIA"), for the year ended 31 December 2023 and auditor's report thereon.

Directors names

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

David Cox, President, BComm, CA, GAICD, F FIN

Grant Cairns, Vice President, BComm, M App Fin, FCA, Chartered Banker, GAICD, SF FIN

Yasser El-Ansary, Chief Executive Officer and Managing Director, BComm, MTax, CA, F FIN

Professor Robina Xavier, Director, MBUS(Res), PhD, FPRIA, GAICD, SF FIN (retired 23 May 2023)

Alan Bardwell, Director, BA, CA, GAICD, SF FIN

Carolyn Kidd, Director, BA, DipBank, MInstD, SF FIN

Andrew McNeil, Director, BA, GDipAppFin (SecInst), MIB, FCG, FGIA, SF FIN

Dr Christine Yates, Director, BEc, MHRM, DBA, CA, GAICD, SF FIN

Paul Riordan, Director, BEc, CPA, F FIN

Rod Jackson, Director, BEc, MBA, FCPA, SID, Certified Chair, GAICD, F FIN

Vanessa Beggs, Director, B(AppSC)Land Economics, GAICD, F FIN, (appointed 29 May 2023)

The directors have been in office since the start of the year to the date of this report unless otherwise stated.

Company Secretary

The following person held the position of Company Secretary as at 31 December 2023:

Jo Becker, Head of People & Culture and Company Secretary, BBus, MHRM, SA FIN, (appointed 1 July 2023)

Principal activities

The principal activity of the Group during the financial year was supporting the professionalism of the financial services sector through learning and education programs, as well as through the delivery of member services to enhance the connectivity and career development opportunities of members. FINSIA also plays an important role in advancing the public interest through policy and regulatory changes that support a stronger financial services sector in Australia and New Zealand.

No significant change in these activities occurred during the year. However, changes to the Group business model are being implemented to support a more financially sustainable future for the organisation over the short and long-term. More detail about those changes is included in the section below relating to the revised business model.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

DIRECTORS' REPORT

Financial results

The loss of the Group for the year after providing for income tax amounted to \$4,804,732 (2022: \$2,013,550).

The objective of the Group is to deliver a range of services to members across the financial services profession through learning and development, and to be financially sustainable by supporting a growing community of members at all stages of their career development.

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

Review of operations

The Group continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

During the year, the Group continued its focus on investing in a comprehensive base of professional development and learning programs, while actively managing costs and continuing to deliver high-value member services across a range of different initiatives.

The financial result for 2023, which comes on the back of a prolonged period in which the Group has been unable to achieve financial sustainability, led the Board and CEO to put in place a series of significant changes to the Group's business model for 2024 and beyond. The changes are broadly aimed at ensuring the Group can become more financially sustainable and to help safeguard the long-term viability of the organisation. Further details about the changes are set out in the section below.

In 2023, a significant proportion of Group revenue was generated from education sales amounting to \$1,983,827 (2022: \$4,821,747), which is driven by educational commitments through various financial institutions and individual members. The challenging economic environment arising from rising interest rates, cost-of-living pressures, and prolonged high inflation saw demand for education products decline throughout the year at both an institutional and individual level. Member subscription fees of \$3,107,274, (2022: \$3,043,530) increased slightly in 2023 due to higher membership renewals from graduates of professional banking education programs in prior years.

FINSIA's total expenses increased to \$10,390,172 (2022: \$10,000,992). During the 2023 year, the Board of FINSIA took decisions to implement business model changes to restructure the organisation and to realign the strategy and resource allocation as part of a program of work to improve the financial sustainability of the Group. The changes were part-implemented at the balance date of 31 December 2023, and work is ongoing during 2024 to continue to embed changes to the Group's new business model. These changes, which have been targeted to lower the recurring cost base of the Group, have been a major factor in the increase in the expenditure for 2023. Further details about the changes are included in the section below.

Looking forward for 2024, FINSIA remains focused on disciplined cost control, and at the same time, investing in new strategies and campaigns to drive member retention and new member growth across Australia and New Zealand. These objectives underpin key aspects of the Group's revised business model, which is detailed in the section below.

The Group monitors its performance on a regular basis through a comprehensive suite of management reporting tools covering both financial and non-financial metrics. Feedback from members, and other external stakeholders such as financial institutions, government and regulators, also provides the

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

DIRECTORS' REPORT

Group with timely data upon which to evolve and adjust its work program.

Implementation of a new business model to drive long-term financial sustainability

During the second half of 2023, the Board and CEO initiated a comprehensive review of the Group's business model to identify short and long-term strategies that can address the financial challenges the Group had encountered over recent years. The work that was initiated involved a close review of the existing business model, and an assessment as to whether certain key functions should continue to be delivered in 2024 and beyond.

The project involved the formation of a dedicated Board Working Group of directors and the CEO, and over the course of several months, a revised business model for the Group was developed and presented to the full Board for review and approval in September 2023. The core features of the revised business model involve:

- realigning core features of the Group's strategic priorities to ensure greater focus on membership retention and growth;
- introduction of new revenue growth strategies as a short-term priority;
- structural changes and simplification initiatives to reduce the operating cost base of the Group;
- negotiation of new commercial terms with suppliers and external partners

Changes to the business model began to be implemented during the last quarter of 2023, and further changes to a number of key operating activities will be progressively implemented during the course of 2024.

The Board and CEO are committed to making changes that strive to support FINSIA in seeking to become more financially sustainable, and provide a platform from which the Group can aim to deliver a stronger value proposition to current and prospective members into the future.

Significant changes in state of affairs

Apart from the changes noted in the section above in relation to the Group's revised business model and other changes noted elsewhere in this report, no other significant changes in the Group's state of affairs occurred during the financial year.

Significant Events after Year End

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years. The section above dealing with changes to the Group's forward business model is directly relevant to consideration of the expected financial position in future years.

Likely developments

The section above dealing with changes to the Group forward business model is directly relevant to consideration of likely developments that can be reasonably expected (or anticipated) to occur in future years. The Board of Directors, and the CEO, are engaged in a program of work to secure the financial sustainability of the Group such that future operations of the Group can continue to be delivered to members in a manner consistent with the objectives of the Group.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

DIRECTORS' REPORT

Indemnification and insurance of directors

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 a director or officer of the Group or of any related body corporate against a liability incurred by such a director or officer.

Indemnification of auditors

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the Group.

Meetings of directors

The directors' attendance at meetings of the Company during the year is set out below.

| Directors | Board Meeting | Audit, Risk, Finance, Risk Management & Compliance | Nominations & Remuneration Committee |
|---------------------|---------------|--|---|
| David Cox | 8/8 | | 6/6 |
| Grant Cairns | 8/8 | | 6/6 |
| Yasser El-Ansary | 7/7 | 5/5 | 5/5 |
| Prof. Robina Xavier | 1/3 | | 3/3 |
| Alan Bardwell | 6/8 | 5/5 | |
| Andrew McNeil | 6/8 | | |
| Carolyn Kidd | 8/8 | 4/5 | 2/2 |
| Dr Christine Yates | 6/8 | | 4/6 |
| Paul Riordan | 6/8 | 3/5 | |
| Rod Jackson | 8/8 | 5/5 | |
| Vanessa Beggs | 5/5 | | |

Auditor's independence declaration

A copy of the auditor's independence declaration under section 307C of the *Corporations Act 2001* in relation to the audit for the financial year is provided with this report.

Short-term and long-term objectives and strategies

The Group's objectives, in both the short and long-term, are to strengthen the value proposition of its services to support members across the Australian and New Zealand markets. The key priority areas that will underpin the Group's capacity to meet those objectives are: broader and more relevant services to members, a comprehensive suite of knowledge and education programs that support professionals across the financial services industry, being a voice for members with key external stakeholders such as governments and regulators, and creating opportunities for members to come together and forge

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

DIRECTORS' REPORT

relationships with other professionals across the economy.

The short and long-term objectives of the Group feature prominently in the work that is being progressed by the Board and CEO in relation to the forward business model. Further detail about that work is included in the relevant section above.

Key performance indicators

Central to the measurement of performance against the short and long-term priorities for the Group will be constant monitoring of member sentiment and feedback around key themes such as 'relevance' and 'value' of the organisation's activities. Measurement of this progress will be completed through a combination of both quantitative and qualitative feedback, using structured and unstructured forms. The structured approach to gathering feedback on performance will be driven by regular member engagement and member experience surveys which will be completed every 15-18 months. The most recent of these surveys was completed in October 2022, and it is expected that a new survey will be rolled-out to members during the course of 2024.

Environmental regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends paid, recommended and declared

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

Information on directors

David Cox

Qualifications

Experience

President

BComm, CA, GAICD, F FIN

David has more than 25 years' experience in Australia, New York and the Middle East. David has a strong knowledge of the financial services sector, having worked with a broad cross section of the industry, including banks, brokers, exchanges, fintechs, leasing companies, payment providers, private equity and nonbank financiers.

He is also a recognised regulatory expert, having advised a range of local and international banks.

David joined the FINSIA board on 28 February 2020 and was appointed as President on 26 May 2022. David has previously served as a member of the FINSIA Consumer Finance Advisory Group and as Chair of the FINSIA Institutional Markets Council.

Special responsibilities

Chair, Nominations and Remuneration Committee

Grant Cairns

Qualifications

Experience

Vice President

BComm, M App Fin, FCA, Chartered Banker, GAICD, SF FIN

Grant is the Executive General Manger, Business Lending at

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

DIRECTORS' REPORT

He is an experienced non-executive director and currently serves as the Chair of Australian Military Bank as well as being a non-executive director of FINSIA.

Special responsibilities Member, Audit, Finance, Risk Management, and Compliance Committee (Chair, from 1 January 2023 to 7 September 2023)

Carolyn Kidd

Director

Qualifications

BA, DipBank, MInstD, SF FIN

Experience

Carolyn Kidd is the Chief Risk Officer for Sky City Entertainment Group, having formerly been CRO for Westpac New Zealand, and is an experienced Financial Services Leader with a strong track record in transformational change, including leading risk culture and regulatory programmes.

With more than 30 years' experience in the sector in New Zealand and Australia, she is passionate about risk management as a key enabler for strategic success and providing the best outcomes for customers, communities and stakeholders.

Special responsibilities Member, Audit, Finance, Risk Management, and Compliance Committee
 Member, Disciplinary Committee
 Member, Nominations & Remunerations Committee (appointed 3 August 2023)

Andrew McNeil

Director

Qualifications

BA, GDipAppFin (SecInst), MIB, FCG, FGIA, SF FIN

Experience

Andrew McNeil has been a FINSIA member for over 20 years, and has over 30 years of diversified financial services experience, and 20 years of investment management experience throughout Australia and the United States.

He is founder of the Yarmouth group of companies and provides corporate advice to middle market financial markets participants including AFSL holders and ASX listed companies. His clients include investment managers, fintech and proptech companies.

He is a former lecturer for the FINSIA Master of Applied Finance degree across real estate, investment management, strategic management and structuring financial products.

Special responsibilities Member, Disciplinary Committee

Dr Christine Yates

Director

Qualifications

BEc, MHRM, DBA, CA, GAICD, SF FIN

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

DIRECTORS' REPORT

| | |
|---------------------------------------|--|
| Experience | <p>Chris is a highly experienced executive with over 35 years' experience in banking, wealth management and insurances. She began her career at Deloitte, and has held senior management positions at Citigroup, ANZ, NAB and Australian Unity.</p> <p>Chris' signature approach to business is her focus on customer centric strategy and business design. One of her proudest achievements was the founding of Women In Banking and Finance, a not-for-profit organisation that supports women in their careers.</p> <p>In her most recent executive role, Chris was the CEO of the Retail Platform at Australian Unity, where she had accountability for the group's bank and private health insurance companies. Chris retired from this executive role in March 2024. Chris has extensive Board experience, including previously holding Board positions on Australian Unity Bank Limited, Australian Unity Health Limited, JB Were and BNZ Life. She is also a member of the Sydney University Business School Advisory Board.</p> |
| Special responsibilities | Member, Nominations & Remuneration Committee |
| Paul Riordan Qualifications | <p>Director BEc, CPA, F FIN</p> |
| Experience | <p>Paul is the Chief Credit & Market Risk Officer at National Australia Bank with extensive experience across global markets, risk management, governance and financial markets infrastructure. Prior to joining NAB in 2016, Paul had a number of senior roles with Commonwealth Bank across financial markets, corporate finance and risk management. His earlier career included roles in both Australia and Asia with Bank of America, UBS and Midland Bank.</p> <p>In terms of industry governance, Paul is a past Chairman of the Australian Financial Markets Association (AFMA), and served as a Director of CLS Group Holdings Limited.</p> |
| Special responsibilities | Member, Audit, Finance, Risk Management, and Compliance Committee |
| Rod Jackson Qualifications | <p>Director BEc, MBA, FCPA, SID, Certified Chair, GAICD, F FIN</p> |
| Experience | <p>Rod has worked in financial services and been a FINSIA member for over 40 years, primarily with the Westpac Banking Group of companies.</p> <p>For the last 21 years of his executive career, he has been a CFO or COO in various roles domestically and globally with the last eight years in Institutional Banking. Prior to that, his extensive experience has been in Retail and Business Banking at Westpac and St George Bank. While CFO at</p> |

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

DIRECTORS' REPORT

Westpac International, Rod had responsibility for teams in eight countries.

Rod has over 15 years' experience as a director, beginning with RAMS Financial Group and then extending to Westpac and St George subsidiaries. He is a director at Newcastle Greater Mutual Group and has expanded his director and advisor roles into other industries over the last three years.

Special responsibilities Chair, Audit, Finance, Risk Management, and Compliance Committee (Member from 31 December 2022, appointed Chair on 8 September 2023).

Vanessa Beggs

Qualifications

Director

B(AppSC)Land Economics, GAICD, F FIN, (appointed 29 May 2023)

Experience

Vanessa has worked in the banking industry for over 20 years, predominantly in executive roles with the Commonwealth Bank, and most recently as the Chief Operating Officer and now Deputy CEO at the Australian Banking Association.

Vanessa's executive experience spans banking, government and not-for-profit sectors, holding roles in strategy, business transformation and organisational development predominantly with the Commonwealth Bank of Australia. She previously held the position of the CEO for the YWCA NSW – leading a significant structure change from a federated model to a united national organisation.

Special responsibilities Member, Disciplinary Committee (appointed 3 August 2023).

Information on Company Secretary

Jo Becker

Qualifications

Head of People & Culture and Company Secretary

BBus, MHRM, SA FIN (appointed as Company Secretary 1 July 2023)

Experience

Jo has worked in the financial services industry for over 15 years, providing people and culture expertise within the insurance and consumer lending sectors.

Jo has been responsible for the development and execution of the people and culture strategy at FINSIA since the end of 2021, and expanded her responsibilities in 2023 to include the company secretariat function. She is currently undertaking further studies at the Governance Institute.

Members guarantee

The Company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute to a maximum of \$2 each towards meeting any outstandings and obligations of the Company. As at 31 December 2023 the number of members was 10,987. The combined total amount that members of the company are liable to

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

DIRECTORS' REPORT

contribute if the company is wound up is \$21,974.

Proceedings on behalf of the Group

No person has applied for leave of Court to bring proceedings on behalf of the group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

Signed in accordance with a resolution of the Board of Directors.

Director:



David R Cox

Director:



Yasser El-Ansary

Dated this 29th day of April 2024

Pitcher Partners Sydney
ABN 17 795 780 962

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**Auditor's Independence Declaration
To The Directors of Financial Services Institute of Australasia
ABN: 96 066 027 389**

In relation to the independent audit for the year ended 31 December 2023, to the best of my knowledge and belief there have been:

- i. No contraventions of the auditor's independence requirements of the *Corporations Act 2001*; and
- ii. No contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Financial Services Institute of Australasia and the entities it controlled during the year.



S S Wallace
Partner

Pitcher Partners
Sydney

29 April 2024

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389


DIRECTORS' DECLARATION

The directors of the Company declare that:

1. In the directors' opinion, the financial statements and notes thereto, as set out on pages 13 - 34, are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*; and
 - (b) giving a true and fair view of the financial position of the consolidated group as at 31 December 2023 and its performance for the year ended on that date.
2. 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.


This declaration is made in accordance with a resolution of the Board of Directors.

Director:



David R Cox

Director:



Yasser El-Ansary

Dated this 29th day of April 2024

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

| | Note | 2023 \$ | 2022 \$ |
|--|------|---------------------|---------------------|
| Revenue and other income | | | |
| Revenue from contracts with customers | 3 | 5,091,101 | 7,865,277 |
| Interest income from financial assets measured at amortised cost | | 66,152 | 21,873 |
| Other income | 4 | <u>428,187</u> | <u>100,238</u> |
| | | <u>5,585,440</u> | <u>7,987,388</u> |
| Expenses | | | |
| Consultants and contractor expenses | | (244,014) | (250,705) |
| Depreciation and amortisation expense | 5 | (1,442,269) | (1,387,957) |
| Staff expenses | 5 | (4,597,175) | (4,236,840) |
| Occupancy expense | | (124,198) | (167,137) |
| Promotion and advertising expense | | (267,453) | (180,850) |
| Finance costs | 5 | (5,059) | (16,053) |
| Course and conference expenses | | (151,776) | (153,261) |
| Education expenses | | (1,327,911) | (2,103,904) |
| Policy and publication expenses | | (500) | (6,100) |
| IT and telecommunication expenses | | (876,125) | (825,776) |
| Travel and accommodation | | (148,794) | (148,818) |
| Printing, postage and stationery | | (31,160) | (56,046) |
| Restructure costs | | (727,523) | - |
| Other expenses | | <u>(446,215)</u> | <u>(467,545)</u> |
| | | <u>(10,390,172)</u> | <u>(10,000,992)</u> |
| Loss before income tax expense | | (4,804,732) | (2,013,604) |
| Other comprehensive income | | | |
| <i>Items that will not be reclassified subsequently to profit and loss</i> | | | |
| Foreign currency translation differences | | <u>-</u> | <u>54</u> |
| | | <u>-</u> | <u>54</u> |
| Other comprehensive income/(loss) for the year | | <u>-</u> | <u>54</u> |
| Total comprehensive loss | | <u>(4,804,732)</u> | <u>(2,013,550)</u> |

The accompanying notes form part of these financial statements.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

| | Note | 2023 \$ | 2022 \$ |
|--|------|-------------------------|--------------------------|
| Current assets | | | |
| Cash and cash equivalents | 6 | 1,185,653 | 2,654,529 |
| Receivables | 7 | 161,750 | 43,654 |
| Other financial assets | 8 | 422,981 | 203,418 |
| Prepayments | | <u>75,726</u> | <u>110,590</u> |
| Total current assets | | <u>1,846,110</u> | <u>3,012,191</u> |
| Non-current assets | | | |
| Other financial assets | 8 | 2,571,768 | 6,030,656 |
| Intangible assets | 10 | 1,651,924 | 2,698,950 |
| Lease assets | 11 | 982,008 | 126,159 |
| Plant and equipment | 9 | 50,855 | 45,270 |
| Other deposits | | <u>-</u> | <u>10,280</u> |
| Total non-current assets | | <u>5,256,555</u> | <u>8,911,315</u> |
| Total assets | | <u>7,102,665</u> | <u>11,923,506</u> |
| Current liabilities | | | |
| Payables | 12 | 355,169 | 906,171 |
| Lease liabilities | 11 | 172,015 | 222,328 |
| Provisions | 13 | 512,514 | 156,889 |
| Members' subscriptions received in advance | | <u>1,087,653</u> | <u>1,634,947</u> |
| Total current liabilities | | <u>2,127,351</u> | <u>2,920,335</u> |
| Non-current liabilities | | | |
| Lease liabilities | 11 | 810,203 | - |
| Provisions | 13 | <u>33,888</u> | <u>67,216</u> |
| Total non-current liabilities | | <u>844,091</u> | <u>67,216</u> |
| Total liabilities | | <u>2,971,442</u> | <u>2,987,551</u> |
| Net assets | | <u>4,131,223</u> | <u>8,935,955</u> |
| Equity | | | |
| Foreign currency translation reserve | 14 | (30,726) | (30,726) |
| Retained earnings | | <u>4,161,949</u> | <u>8,966,681</u> |
| Total equity | | <u>4,131,223</u> | <u>8,935,955</u> |

The accompanying notes form part of these financial statements.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

| | Reserves \$ | Retained earnings \$ | Total equity \$ |
|--|-----------------|----------------------------|--------------------|
| Consolidated | | | |
| Balance as at 1 January 2022 | (30,780) | 10,980,285 | 10,949,505 |
| Loss for the year | - | (2,013,604) | (2,013,604) |
| Other comprehensive income for the year | <u>54</u> | <u>-</u> | <u>54</u> |
| Total comprehensive loss for the year | <u>54</u> | <u>(2,013,604)</u> | <u>(2,013,550)</u> |
| Balance as at 31 December 2022 | <u>(30,726)</u> | <u>8,966,681</u> | <u>8,935,955</u> |
| Balance as at 1 January 2023 | (30,726) | 8,966,681 | 8,935,955 |
| Loss for the year | <u>-</u> | <u>(4,804,732)</u> | <u>(4,804,732)</u> |
| Total comprehensive loss for the year | <u>-</u> | <u>(4,804,732)</u> | <u>(4,804,732)</u> |
| Balance as at 31 December 2023 | <u>(30,726)</u> | <u>4,161,949</u> | <u>4,131,223</u> |

The accompanying notes form part of these financial statements.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

| | Note | 2023 | 2022 |
|---|-------|--------------------|------------------|
| | | \$ | \$ |
| Cash flow from operating activities | | | |
| Receipts from customers | | 4,474,192 | 8,450,243 |
| Payments to suppliers and employees | | (8,994,995) | (8,371,397) |
| Distribution income received | | 312,967 | 300,396 |
| Interest received | | 66,152 | 21,873 |
| Finance costs | | <u>(5,059)</u> | <u>(16,053)</u> |
| Net cash (used in) / provided by operating activities | | <u>(4,146,743)</u> | <u>385,062</u> |
| Cash flow from investing activities | | | |
| Net proceeds/(payments) from sale/purchases of other financial assets | | 3,458,888 | 1,257,795 |
| Payment for plant and equipment | | (48,448) | (3,623) |
| Payment for capitalised intangible assets | | (228,768) | (465,144) |
| Payment for term deposits | | <u>(219,563)</u> | <u>-</u> |
| Net cash provided by investing activities | | <u>2,962,109</u> | <u>789,028</u> |
| Cash flow from financing activities | | | |
| Principal portion of lease payments | | <u>(284,242)</u> | <u>(309,410)</u> |
| Net cash used in financing activities | | <u>(284,242)</u> | <u>(309,410)</u> |
| Reconciliation of cash | | | |
| Cash at beginning of the financial year | | 2,654,529 | 1,789,795 |
| Net (decrease) / increase in cash held | | (1,468,876) | 864,680 |
| Foreign exchange differences on cash holdings | | <u>-</u> | <u>54</u> |
| Cash at end of financial year | 15(a) | <u>1,185,653</u> | <u>2,654,529</u> |

Non-cash investing activities include additions to lease assets of \$1,062,979 (2022: nil)

The accompanying notes form part of these financial statements.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 1: BASIS OF PREPARATION

General information

The financial report is a general purpose financial report that has been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards - Simplified Disclosures. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

The financial report covers Financial Services Institute of Australasia and its consolidated entities. Financial Services Institute of Australasia is a company limited by guarantee, incorporated and domiciled in Australia. Financial Services Institute of Australasia is a for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the directors at the date of the directors' report.

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

Significant accounting estimates and judgements

The preparation of the financial report requires the use of certain estimates and judgements in applying the Group's accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 2 to the financial statements.

Accounting policies

The following accounting policies have been applied in the preparation and presentation of the financial report.

(a) Principles of consolidation

The consolidated financial statements are those of the consolidated entity ("the Group"), comprising the financial statements of the parent entity and all of the entities the parent controls. The Group controls an entity where it has the power, for which the parent has exposure or rights to variable returns from its involvement with the entity, and for which the parent has the ability to use its power over the entity to affect the amount of its returns.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

All intercompany balances and transactions, including any unrealised profits or losses have been eliminated on consolidation. Subsidiaries are consolidated from the date on which control is obtained by the Group and are derecognised from the date that control ceases.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(b) Revenue from contracts with customers

The Group derives revenue from supporting the professionalisation of the financial services industry through education qualifications, professional development, networking events, information services, mentoring, and policy research. Revenue is recognised as, or when, goods or services are transferred to the customer, and is measured at an amount that reflects the consideration to which the group expects to be entitled in exchange for the goods or services.

Membership fees

Annual membership subscriptions are recognised as revenue, on a straight-line basis, over the period of the membership, which management has determined is aligned with the performance obligation being satisfied overtime. The date of payment of the initial annual membership subscriptions runs from the date of joining for twelve months and is not refundable. Subscriptions relating to periods beyond the current financial year are shown in the statement of financial position as members subscription received in advance.

Membership services and other services

Revenue from rendering of a service is recognised upon delivery of the service to the members.

Education income

Education income is recognised at a point in time upon enrolment of the student as this is the point at which the student takes control of the education module and the entities performance obligations are satisfied. At the point of enrolment access, the module is transferred, and the customer controls the right to access that module in its complete form at that date.

(c) Other income

Distribution income

Distribution income is recognised when the right to receive a distribution has been established.

Interest income

Interest income is measured in accordance with the effective interest method.

All revenue is measured net of the amount of goods and services tax (GST).

(d) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the consolidated statement of financial position.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(d) Employee benefits (Continued)

(ii) Long-term employee benefit obligations

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

Other long-term employee benefit obligations are presented as current liabilities in the consolidated statement of financial position if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as noncurrent liabilities in the consolidated statement of financial position.

(e) Financial instruments

(i) Non-derivative financial assets

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

Trade and other receivables

Trade and other receivables arise from the Group's transactions with its customers and are normally settled within 30 days.

Consistent with both the Group's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

Impairment of financial assets

For impairment assessment purposes, assets are generally grouped at the lowest levels for which there are largely independent cash flows ('cash generating units'). Accordingly, most assets are tested for impairment at the cash-generating unit level.

Assets are assessed for impairment whenever events or circumstances arise that indicate the asset may be impaired.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(e) Financial instruments (Continued)

An impairment loss is recognised when the carrying amount of an asset or cash generating unit exceeds the asset's or cash generating unit's recoverable amount. The recoverable amount of an asset or cash generating unit is defined as the higher of its fair value less costs of disposal and value in use (where 'value in use' is determined as the present value of the future cash flows expected to be derived from an asset or cash-generating unit).

Impairment losses in respect of individual assets are recognised immediately in profit or loss.

A reversal of an impairment loss for an asset measured at cost is recognised in profit or loss.

(f) Intangible assets

Separately acquired intangible assets

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in profit or loss on a straight-line basis over the asset's estimated useful life commencing from the time the asset is ready for use. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Each intangible asset had been assessed separately and each asset had been assessed to have useful life of 5 years.

Internally generated intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. The effective life of the intangible assets takes into account the estimated period in which any course material the Group has considered to remain relevant to the industry as well as factoring in any contractual agreement with vendors and/or educational partners.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(f) Intangible assets (Continued)

Depreciation

The depreciable amount of intangibles assets is depreciated over their estimated useful lives commencing from the time the asset is available for use, consistent with the estimated consumption of the economic benefits embodied in the asset. Educational course content is depreciated over a period of 5 years.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

(g) Impairment

For impairment assessment purposes, assets are generally grouped at the lowest levels for which there are largely independent cash flows ('cash generating units'). Accordingly, most assets are tested for impairment at the cash-generating unit level.

Assets are assessed for impairment whenever events or circumstances arise that indicate the asset may be impaired.

An impairment loss is recognised when the carrying amount of an asset or cash generating unit exceeds the asset's or cash generating unit's recoverable amount. The recoverable amount of an asset or cash generating unit is defined as the higher of its fair value less costs of disposal and value in use (where 'value in use' is determined as the present value of the future cash flows expected to be derived from an asset or cash-generating unit).

Impairment losses in respect of individual assets are recognised immediately in profit or loss.

A reversal of an impairment loss for an asset measured at cost is recognised in profit or loss.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(h) Leases

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the Group recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Lease assets

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the Group, and an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

Lease liabilities

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the Group's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

Leases of 12-months or less and leases of low value assets

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(i) Going concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business for a period of at least twelve 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 incurred a loss from ordinary activities of \$4,804,732 during the year ended 31 December 2023 (2022: loss \$2,013,604), generated net cash outflows from operations of \$4,146,743 (2022: \$385,062 inflows) and had net current liabilities of \$281,241 (2022: \$91,856 net current assets) at year end. Included in current liabilities is an amount of \$1,087,937 of members' subscriptions received in advance which is not expected to result in cash outflows to members in the next 12 months.

Financial Services Institute of Australasia (the 'Company') derived a loss before income tax of \$1,462,749 (2022: \$576,557 restated) and had a deficiency in current liabilities over current assets as at 31 December 2023 of \$3,699,290 (2022: \$2,372,022 restated).

The Group's restructuring, which was initiated by the Board in late 2023, has resulted in a significant reduction in operational expenses. The emphasis on disciplined cost control and efficiency, along with new initiatives and strategies centred on member retention and growth indicate a positive impact on the Group financial projections for the upcoming year. As a result, the Group financial stability has been strengthened.

The detailed budget prepared by management and approved by the directors is conservative and does not contain any material uncertainties that would cast significant doubt about the entity being able to pay its debts as and when they fall due in the next 12 months from date of the approval of the consolidated financial statements.

The continuation of the Company as 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 its parent company, Financial Services Institute of Australasia, committing to provide continued financial support to enable it to continue to operate and meet its obligations as and when they fall due and has agreed to not call any amounts due to FINSIA Education for at least eighteen months from the date of the letter. As a result, the consolidated financial statements have been prepared on a going concern basis.

(j) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

(k) New standards and amendments adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period, which includes AASB 2021-2 Amendments to Australian Standards-Disclosure of Accounting Policies and Definition of Accounting Estimates. There was no material impact to the consolidated financial statements.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the Group's accounting policies, management makes various judgements that can significantly affect the amounts recognised in the consolidated financial statements. In addition, the determination of carrying amounts of some assets and liabilities require estimation of the effects of uncertain future events. Outcomes within the next financial year that are different from the assumptions made could require a material adjustment to the carrying amounts of those assets and liabilities affected by the assumption.

The following outlines the major judgements made by management in applying the Group's accounting policies and/or the major sources of estimation uncertainty, that have the most significant effect on the amounts recognised in the consolidated financial statements and/or have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

(a) Recoverability of intangible assets

During the year, the directors have considered the recoverability of the Group's intangible assets which are comprised of development costs relating to the Group's education assets. These intangible assets are included in the consolidated statement of financial position at 31 December 2023 with a carrying amount of \$1,651,924 (2022: \$2,698,950).

The intangible assets are expected to continue to provide economic benefits to the Group through ongoing revenue generation as well as various efforts aimed at developing and tailoring new educational course content. The directors are confident that the carrying amount of the assets will be recovered in full.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 | 2022 |
|---|------------------|------------------|
| | \$ | \$ |
| NOTE 3: REVENUE FROM CONTRACTS WITH CUSTOMERS | | |
| Revenue from contracts with customers | | |
| Membership fees and services | 3,107,274 | 3,043,530 |
| Education revenue | <u>1,983,827</u> | <u>4,821,747</u> |
| | <u>5,091,101</u> | <u>7,865,277</u> |
| Revenue by timing of transfer of goods or services to customers: | | |
| Services transferred at a point in time | 1,983,827 | 4,083,347 |
| Services transferred over time | <u>3,107,274</u> | <u>3,781,930</u> |
| | <u>5,091,101</u> | <u>7,865,277</u> |
| NOTE 4: OTHER INCOME | | |
| Distribution income | 312,967 | 300,396 |
| Other income | 28,765 | 44,151 |
| Realised gain on investments | 55,679 | - |
| Change in fair value of investments | <u>30,776</u> | <u>(244,309)</u> |
| | <u>428,187</u> | <u>100,238</u> |
| NOTE 5: OPERATING PROFIT | | |
| Losses before income tax has been determined after: | | |
| Finance costs | | |
| - Lease liability - interest expense | 5,059 | 16,053 |
| Depreciation and amortisation | | |
| - Right-of-use assets, PP&E, and intangibles | 1,442,269 | 1,387,957 |
| Employee benefits | | |
| - Short term benefits | 4,187,816 | 3,881,447 |
| - Superannuation guarantee contributions | <u>409,359</u> | <u>355,393</u> |
| | <u>4,597,175</u> | <u>4,236,840</u> |

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 | 2022 |
|--|-------------------------|-------------------------|
| | \$ | \$ |
| NOTE 6: CASH AND CASH EQUIVALENTS | | |
| Cash at bank | 881,515 | 2,646,791 |
| Cash held in investments | <u>304,138</u> | <u>7,738</u> |
| | <u><u>1,185,653</u></u> | <u><u>2,654,529</u></u> |

NOTE 7: RECEIVABLES

CURRENT

| | | |
|---|-----------------------|----------------------|
| Receivables from contracts with customers | 32,963 | 40,525 |
| Other receivables | <u>128,787</u> | <u>3,129</u> |
| | <u><u>161,750</u></u> | <u><u>43,654</u></u> |

NOTE 8: OTHER FINANCIAL ASSETS

CURRENT

Financial assets at amortised cost

| | | |
|---------------|----------------|----------------|
| Term deposits | <u>422,981</u> | <u>203,418</u> |
|---------------|----------------|----------------|

NON CURRENT

Financial assets at fair value through profit or loss

| | | |
|-------------------------|------------------|------------------|
| Managed funds (Level 2) | <u>2,571,768</u> | <u>6,030,656</u> |
|-------------------------|------------------|------------------|

Basis of determining fair value

When estimating the fair value of an asset or liability, the group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to valuation techniques used to measure fair value are categorised into three levels according to the extent to which the inputs are observable:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the group can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 | 2022 |
|--|--------------------|--------------------|
| | \$ | \$ |
| NOTE 9: PLANT AND EQUIPMENT | | |
| Leasehold improvements | | |
| At cost | 7,490 | 46,143 |
| Accumulated depreciation | <u>(250)</u> | <u>(40,437)</u> |
| | <u>7,240</u> | <u>5,706</u> |
| Plant and equipment | | |
| Office equipment at cost | 203,507 | 192,281 |
| Accumulated depreciation | <u>(159,892)</u> | <u>(152,717)</u> |
| | <u>43,615</u> | <u>39,564</u> |
| Total plant and equipment | <u>50,855</u> | <u>45,270</u> |
| (a) Reconciliations | | |
| Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year | | |
| | \$ | |
| <i>Leasehold improvements</i> | | |
| Opening carrying amount | 5,706 | |
| Additions | 7,490 | |
| Depreciation expense | <u>(5,956)</u> | |
| Closing carrying amount | <u>7,240</u> | |
| | \$ | |
| <i>Office equipment</i> | | |
| Opening carrying amount | 39,564 | |
| Additions | 40,958 | |
| Depreciation expense | <u>(36,907)</u> | |
| Closing carrying amount | <u>43,615</u> | |
| NOTE 10: INTANGIBLE ASSETS | | |
| Software at cost | 2,556,951 | 2,527,676 |
| Accumulated amortisation | <u>(2,515,357)</u> | <u>(2,471,903)</u> |
| | <u>41,594</u> | <u>55,773</u> |
| Educational Course Content at cost | 4,862,406 | 4,746,432 |
| Accumulated amortisation | <u>(3,252,076)</u> | <u>(2,103,255)</u> |
| | <u>1,610,330</u> | <u>2,643,177</u> |
| Total intangible assets | <u>1,651,924</u> | <u>2,698,950</u> |

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 10: INTANGIBLE ASSETS (CONTINUED)

(a) Reconciliations

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the current financial year

| | \$ |
|-------------------------|-----------------|
| <i>Software at cost</i> | |
| Opening balance | 55,773 |
| Additions | 29,275 |
| Amortisation expense | <u>(43,454)</u> |
| Closing balance | <u>41,594</u> |

Educational course content at cost

| | \$ |
|----------------------|--------------------|
| Opening balance | 2,643,177 |
| Additions | 115,974 |
| Amortisation expense | <u>(1,148,821)</u> |
| Closing balance | <u>1,610,330</u> |

Intangible assets as at 31 December 2023 have a remaining useful life of between 2 and 3 years in the majority of instances.

| 2022 | 2023 |
|------|------|
| \$ | \$ |

NOTE 11: LEASE ASSETS AND LEASE LIABILITIES

(a) Lease assets

| | | |
|---------------------------------------|-----------------|--------------------|
| <i>Office leases</i> | | |
| At cost | 1,062,979 | 1,179,743 |
| Accumulated depreciation | <u>(80,971)</u> | <u>(1,053,584)</u> |
| Total carrying amount of lease assets | <u>982,008</u> | <u>126,159</u> |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 11: LEASE ASSETS AND LEASE LIABILITIES (CONTINUED)

Reconciliations

Reconciliation of the carry amount of lease assets at the beginning and end of the financial year:

| | \$ |
|-------------------------|------------------|
| <i>Office leases</i> | |
| Opening carrying amount | 126,159 |
| Additions | 1,062,979 |
| Amortisation expense | <u>(207,130)</u> |
| Closing carrying amount | <u>982,008</u> |

| | 2022 | 2023 |
|---|------------------|----------------|
| | \$ | \$ |
| (b) Lease liabilities | | |
| CURRENT | | |
| Office leases | <u>172,015</u> | <u>222,328</u> |
| NON CURRENT | | |
| Office leases | <u>810,203</u> | <u>-</u> |
| Total carrying amount of lease liabilities | <u>982,218</u> | <u>222,328</u> |
| (c) Future lease payments | | |
| - Not later than 1 year | 258,088 | 222,328 |
| - Later than 1 year and not later than 5 years | <u>956,271</u> | <u>-</u> |
| Total future lease payments at the reporting date | <u>1,214,359</u> | <u>222,328</u> |

A 5-year lease was entered for the office premises on Level 4, 16 Spring Street, Sydney in 16 August 2018 and has expired on 15 August 2023.

On 16 August 2023, a 5-year lease was entered into for the office premises on Level 19, Gateway Tower, 1 Macquarie Place, Sydney. The lease incentive has been applied over the term of the lease and will expire on 15 August 2028.

A 5-year lease was entered for the rental of the office printer which is set to expire on 29 February 2028.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 | 2022 |
|-------------------------------|----------------|----------------|
| | \$ | \$ |
| NOTE 12: PAYABLES | | |
| CURRENT | | |
| <i>Unsecured liabilities</i> | | |
| Trade creditors | 4,864 | 128,299 |
| Sundry creditors and accruals | <u>350,305</u> | <u>777,872</u> |
| | <u>355,169</u> | <u>906,171</u> |

NOTE 13: PROVISIONS

| | | |
|--|----------------|----------------|
| CURRENT | | |
| Make good provision | 18,848 | - |
| Employee benefits - annual leave | 173,535 | 156,889 |
| Restructure cost provision | <u>320,131</u> | <u>-</u> |
| | <u>512,514</u> | <u>156,889</u> |
| NON CURRENT | | |
| Employee benefits - long service leave | <u>33,888</u> | <u>67,216</u> |

NOTE 14: RESERVES

| | | |
|--------------------------------------|-----------------|-----------------|
| Foreign currency translation reserve | <u>(30,726)</u> | <u>(30,726)</u> |
| | <u>(30,726)</u> | <u>(30,726)</u> |

NOTE 15: CASH FLOW INFORMATION

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the consolidated statement of cash flows is reconciled to the related items in the consolidated statement of financial position as follows:

| | | |
|--------------------------|------------------|------------------|
| Cash at bank | 881,515 | 2,646,791 |
| Cash held in investments | <u>304,138</u> | <u>7,738</u> |
| | <u>1,185,653</u> | <u>2,654,529</u> |

NOTE 16: REMUNERATION OF AUDITORS

Pitcher Partners Sydney

| | | |
|---------------------------------------|---------------|---------------|
| Audit and assurance services | | |
| - Audit of the financial report | 65,200 | 65,200 |
| Other non-audit services | | |
| - Compilation of the financial report | <u>11,800</u> | <u>11,800</u> |
| | <u>77,000</u> | <u>77,000</u> |

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

| | | |
|--|-------------|-------------|
| | 2023 | 2022 |
| | \$ | \$ |

NOTE 17: KEY MANAGEMENT PERSONNEL COMPENSATION

| | | |
|--|------------------|------------------|
| Total compensation paid or payable to key management personnel | <u>2,056,439</u> | <u>1,764,112</u> |
|--|------------------|------------------|

The increase in KMP compensation is mainly due to the redundancy payments paid in the year.

The disclosure outlined above includes remuneration that is paid to the CEO and his direct reports. All Non-Executive Directors of FINSIA and its controlled entities are volunteers who contribute their time, expertise, and experience without receiving any remuneration.

NOTE 18: INTERESTS IN SUBSIDIARIES

(a) Subsidiaries

The following are the Group's significant subsidiaries:

| | Country of incorporation | Ownership interest held by the Group | |
|---------------|--------------------------|--------------------------------------|------|
| | | 2023 | 2022 |
| | | % | % |
| FINSIA NZ Ltd | | 100 | 100 |

(b) Other controlled entities

The Group fully controlled FINSIA Education for the years ended 31 December 2023 and 2022. Control is based on members' interests which are held solely by the directors of FINSIA who are committed to act in the interests of FINSIA when required. FINSIA Education is incorporated in Australia.

NOTE 19: PARENT ENTITY DETAILS

Summarised presentation of the parent entity, Financial Services Institute of Australasia, financial statements:

| | 2023 | Restated 2022 |
|---|------------------|----------------|
| | \$ | \$ |
| (a) Summarised statement of financial position | | |
| Assets | | |
| Current assets | 596,163 | 602,586 |
| Non-current assets | <u>1,110,048</u> | <u>193,536</u> |
| Total assets | <u>1,706,211</u> | <u>796,122</u> |

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 | Restated 2022 |
|---|---------------------|--------------------------|
| | \$ | \$ |
| NOTE 19: PARENT ENTITY DETAILS (CONTINUED) | | |
| (a) Summarised statement of financial position (continued) | | |
| Liabilities | | |
| Current liabilities | 4,295,453 | 2,974,608 |
| Non-current liabilities | <u>20,154,085</u> | <u>20,064,227</u> |
| Total liabilities | <u>24,449,538</u> | <u>23,038,835</u> |
| Net liabilities | <u>22,743,327</u> | <u>22,242,713</u> |
| Equity | | |
| Accumulated losses | (22,838,452) | (22,337,838) |
| Reserves | <u>95,125</u> | <u>95,125</u> |
| Total equity | <u>(22,743,327)</u> | <u>(22,242,713)</u> |
| (b) Summarised statement of comprehensive income | | |
| Loss for the year | (1,462,749) | (576,557) |
| Other comprehensive income for the year | <u>-</u> | <u>-</u> |
| Total comprehensive loss for the year | <u>(1,462,749)</u> | <u>(576,557)</u> |

(c) Intercompany balances

Non-current assets include a loan to FINSIA NZ Limited at 31 December 2023 of \$77,185 (2022: \$22,107), net of impairment of \$527,741 (2022: \$602,773).

Current and Non-Current liabilities include a loan and intercompany loan payable to FINSIA Education at 31 December 2023 of \$22,037,547 (2022: \$21,015,529 restated).

(d) Going concern

Please refer to Note 1(i) on the ability of the parent entity to continue as a going concern.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
ABN: 96 066 027 389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 19: PARENT ENTITY DETAILS (CONTINUED)

(e) Restatement

Management discovered that interest was incorrectly calculated on the Loan from FINSIA Education. This error resulted in an understatement of interest expense recognised in FY2022 and prior financial years and a corresponding understatement of the Loan payable to FINSIA Education. The comparatives have been restated in this note to correct this error.

The errors listed below have been corrected by restating each of the affected financial statement line items for the prior period as follows:

Restatement of financial position

| | 2022 Opening \$ | Increase / (Decrease) \$ | 2022 Restated \$ |
|-------------------------|--------------------------------|---|---------------------------------|
| Liabilities | | | |
| Current liabilities | 989,740 | 1,984,868 | 2,974,608 |
| Non-current liabilities | <u>21,086,961</u> | <u>(1,022,734)</u> | <u>20,064,227</u> |
| Total liabilities | <u>22,076,701</u> | <u>962,134</u> | <u>23,038,835</u> |
| Net liabilities | <u>(22,076,701)</u> | <u>(962,134)</u> | <u>(23,038,835)</u> |
| Equity | | | |
| Accumulated losses | <u>(21,375,704)</u> | <u>(962,134)</u> | <u>(22,337,838)</u> |
| Total equity | <u>(21,375,704)</u> | <u>(962,134)</u> | <u>(22,337,838)</u> |

Restatement of comprehensive income

| | 2022 Opening \$ | Increase / (Decrease) \$ | 2022 Restated \$ |
|--------------------------|--------------------------------|---|---------------------------------|
| Loss for the year | <u>(527,489)</u> | <u>(49,068)</u> | <u>(576,557)</u> |

NOTE 20: CONTINGENT LIABILITIES

The Group has issued bank guarantees amounting to \$411,818 (2022: \$192,257) in favour of landlords as security for office leases.

FINANCIAL SERVICES INSTITUTE OF AUSTRALASIA AND CONTROLLED ENTITIES
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 21: RELATED PARTY TRANSACTIONS

(a) Transactions with key management personnel of the entity or its parent and their personally related entities

The names of persons who were directors at any time during the year are set out in the “Directors’ Report”. Information relating to the remuneration of KMP is included in Note 17. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(b) Transactions with subsidiaries

Interest in subsidiaries are set out in note 18. Transactions between the parent entity and its subsidiaries are at normal commercial terms and conditions. Transactions consist of loans advanced and repaid, interest and recharge of payroll and operating costs.

Transactions between the parent and its subsidiaries which are eliminated on consolidation are not disclosed in this note.

NOTE 22: EVENTS SUBSEQUENT TO REPORTING DATE

There has been no matter or circumstance, which has arisen since 31 December 2023 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 31 December 2023, of the Group, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 31 December 2023, of the Group.

Financial Services Institute of Australasia
ABN 96 066 027 389**Independent Auditor's Report**
To the Members of Financial Services Institute of Australasia**Report on the Financial Report****Opinion**

We have audited the financial report of Financial Services Institute of Australasia and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the year then ended; and
- b) Complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Financial Services Institute of Australasia in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including independence standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Directors 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 – Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's directors report for the year ended 31 December 2023 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



S S Wallace
Partner

29 April 2024



Pitcher Partners
Sydney