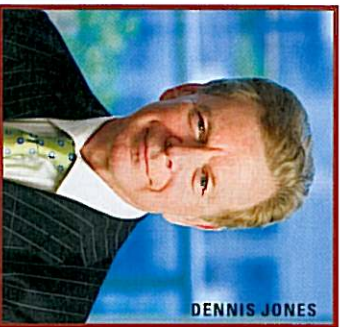
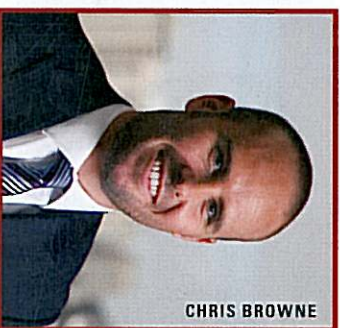




CHARLES BADENACH



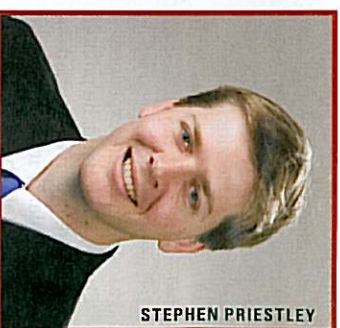
DENNIS JONES



CHRIS BROWNE



LEANNE BULL



STEPHEN PRIESTLEY

Planners on top of their game

Regulatory changes and industry shifts have kept financial planners busy for the past 12 months, yet some have taken these changes as an opportunity to shine, writes ELISE BURGESS.

Countless studies show that the vast majority of the public do not, and don't want to, understand their own finances – leaving it up to financial planners to step up and know the industry inside and out.

New regulatory changes and industry-wide shifts to monitor the planning industry are about to take affect, including the much talked about transition away from commission-based to fee-for-service remuneration.

Yet it is during this period of transition that there are those within the planning field using 2010 as their year to run ahead of the pack, with the six planners profiled below all having attracted accolades and nominations this year for their outstanding work.

CHARLES BADENACH

Principal, Private Client Adviser, Shadforth Financial Group

A fifth generation Tasmanian, Badenach holds many credentials as a certified financial planner and once-practitioner of the High Court of Australia.

Winner of the pre-retirement planning category in the Financial Planning Association (FPA) 2010 Value of Advice (VOA) Awards, Badenach believes that the main issue facing the industry is achieving that balancing act between providing affordable advice to the masses while meeting regulatory requirements.

Badenach also said that ongoing education is important for advisers.

"With the financial world changing as rapidly as it is, it is also important to continue with your professional development as what has worked in the past will not necessarily work in the future," he said.

"It does not matter which industry or profession you are in, you can always improve and continual learning is the key to maintaining the position as the "trusted adviser" going forward."

DENNIS JONES

Senior Adviser and Chief Executive, Beacon Wealth

With 25 years experience in the planning industry, Jones certainly knows a thing or two about trends and client relationships – something he said is key to his role.

"The adviser of the future is someone who can acknowledge that the client is in control of his or her decisions from an informed basis with the assistance of the financial officer," said Jones, winner of the FPA 2010 VoA Award this year in the wealth accumulation and protection category.

A founding partner in an accounting practice for health professionals, CEOs and small business owners, Jones believes that making advice real for clients by linking it to their own lives and their personal goals in life is what being an adviser is all about.

Jones said that the future of advice is closely linked to technological developments.

CHRIS BROWNE

Financial Planner and Founder Financial Design for Life

Browne founded Financial Design for Life in 2005, a holistic advice practice that targets Gen X and Y and currently has almost 2,000 clients with \$85 million in FUA.

According to Browne, 2011 is the ideal year for advisers to get on the front foot, recognise the timeframes attached to the industry and build a new model that will perform well after the regulators are gone.

"It's time for advisers to embrace areas of planning that they may not have in the past, to look at these changes as an opportunity," said Browne.

"It's an exciting time, that's why we have gone down the path we have by redeveloping our software to create something new and exciting for both client and adviser," said Jones, whose advisory firm uses its own developed program.

Browne said that his practice remains ahead of the regulation changes, preferring to be proactive and not reactive to the upcoming industry changes.

"Of course we are going to have to make some changes, but they will be minimal as we are already operating in that space," said Browne.

Browne was the winner of the Association of Financial Adviser's Rising Star of the Year Award in 2007 and nominated this year for Adviser of the Year.

LEANNE BULL

Director and Senior Financial Planner, Bull Financial Group

Working as a certified financial planner, Leanne Bull knows the importance of client relationships and communication.

Bull has continually studied during her 25 years as a financial planner and is nominated in the wealth accumulation category in the FPA 2010 VoA Awards, hav-

ing won the pre-retirement category in 2008.

Bull said that her practice maintains a clear channel of communication with their clients with frequent workshops and relaxed company-wide meetings to ensure that Bull Financial remains in touch with their clients.

"We will continue to be relevant to client needs by giving them peace of mind that they are in a good, comfortable position to afford their financial goals."

Bull Financial is one of the few practices that charge for the first appointment, but Bull said that with the majority of their clients being referrals, it was about taking the time to do things properly.

"At Bull Financial Group, it is not one size fits all. We want to ensure we can afford to do it right and we want to do it for people who appreciate that."

STEPHEN PRIESTLEY

Financial Planner, Professional Retirement Advice (NSW) Godfrey Pembroke

A high achiever from a young age, Stephen Priestley has been working for Godfrey Pembroke since 2004 where he has been responsible for advising, investing and administering clients with accumulated investments in excess of \$100 million.

Based in Godfrey Pembroke's Newcastle office, Priestley said it is the ability to walk a client through their own financial situation towards their ideal outcome that makes planning valuable.

A graduate of the MLC Adviser Scholarship program in 2008, Priestley's annual free community-based program is one way that he reaches out to attract new clients, attracting new members of the public to the advice industry.

"Attracting new clients is always difficult, especially considering the high level of competition now."

In 2009, Priestley was named

Table 1. Largest adviser groups – by number of advisers

Adviser group name	No. advisers	Market share	FUA (\$m)	Market share	FUA per adviser	No. clients
1 AMP Financial Planning Pty Limited	1,404	7.5%	37,476	7.2%	26.7	1,500,000
2 Professional Investment Services Pty Limited	1,354	7.2%	21,900	4.2%	16.2	640,000
3 Count Wealth Accountants	873	4.7%	12,800	2.5%	14.7	160,000
4 Millennium 3 Financial Services	847	4.5%	7,200	1.4%	8.5	na
5 Commonwealth Financial Planning	736	3.9%	24,295	4.7%	33.0	na
6 RBS Morgan Limited	504	2.7%	35,000	6.8%	69.4	345,682
7 Charter Financial Planning Limited	483	2.6%	10,227	2.0%	21.2	na
8 National Australia Financial Planning	475	2.5%	13,900	2.7%	29.3	45,000
9 Gevaon Financial Planning	467	2.5%	11,400	2.2%	24.4	105,000
10 SECURITOF Financial Group	458	2.4%	6,349	1.2%	13.9	70,000
11 Financial Wisdom Limited	432	2.3%	8,018	1.5%	18.6	na
12 Westpac Financial Services Ltd	406	2.2%	16,651	3.3%	41.5	231,573
13 AXA Financial Planning Limited	361	1.9%	6,411	1.2%	17.8	na
14 Genesis Wealth Advisers Limited	358	1.9%	9,000	1.7%	25.1	100,000
15 Hillross Financial Services Limited	315	1.7%	10,300	2.0%	32.7	170,000
16 ANZ Financial Planning	308	1.6%	9,939	1.9%	32.3	184,218
17 Bridges Financial Services Pty Limited	244	1.3%	7,900	1.5%	32.4	51,479
18 WealthSure Financial Services	234	1.3%	3,000	0.6%	12.8	60,000
19 RI Advice Group Pty Ltd	217	1.2%	8,840	1.7%	40.7	80,000
20 Sunopac Financial Planning Pty Ltd	200	1.1%	14,616	2.8%	73.1	186,614
The rest	6,344	34%	193,601	37%	30.5	na
Totals/Averages	18,712	100%	518,423	100%	27.7	23,942

Source: Ramnickor Advantage Report, June Quarter 2010

number one Top Financial Adviser by *Smart Investor Magazine* and winner of the FPA 2010 Val-ue of Advice (VOA) Award in the post-retirement planning and management category.

STEVE SALVIA

Financial Planner

Southern Financial Strategies

Steve Salvia, winner of this year's Association of Financial Advisers (AFA) Adviser of the Year award, presents a focus on continual accreditation, professional development and training.

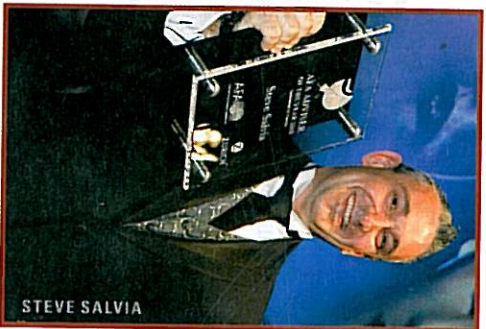
Over Salvia's 16 years as an adviser, he has completed his Advanced Diploma of Financial Planning and received recognition from a range of industry institutions including "Winner" AXA Financial Advice Network – WA adviser of the year.

Of the AFA 2010 award, Salvia said it gives him a strong platform to promote the value of financial advice.

"It allows me to go out and talk to a lot of people in the com-

munity and let them know what a good profession financial planning is. We're not sharks and crooks, we're actually decent people that are trying to improve other people's situations."

Salvia said the award is important to him because its affirmation of his hard work and his business he established in 1994 – a planning practice that boasts over 1,700 clients. ●



STEVE SALVIA

Table 2. Largest adviser groups – by FUA

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Source: *Bankmaster Advantage Report*, June Quarter 2010

2010 FPA CONFERENCE

FPA 2010 National Conference

The Financial Planning Association (FPA) ushers 2011 with a new look, new leadership and a new resolve – all in the name of building stronger links with investors and the wider community, writes JOHN McDULLING.

One of the key themes to emerge from the annual conference held at the Gold Coast last month was the Financial Planning Association's desire for financial planning to no longer be viewed merely as an industry, but – like accountants or doctors – as a profession.

Consistent with this desire, the FPA proposed a number of educational and membership changes, most notably that membership be restricted to Certified Financial Planning (CFP) professionals and Associate Financial Planners, and that the principal member category be discontinued.

From July 2013, all new members of the FPA will be required to have an approved degree and have completed one year of supervised experience before being authorised to promote themselves as an FPA professional.

"Our determination is to make the FPA a true professional association in which only individual financial planning professionals have the right to vote. If members endorse the changes, financial planning businesses will no longer be voting members of the FPA, though professional practices that meet set levels of FPA membership and CFP®

certification will be able to license the use of the FPA brand," FPA chief executive Mark Randall said.

If licensees have at least 25 per cent of their planners as FPA members, Randall said they could become "FPA Professional Partners".

Meanwhile, comments from a senior Treasury official seemed to put the kybosh on any lingering hopes planners might have had that the government's proposed "opt in" requirements could be avoided.

"Is opt in still up for debate? I would say no. I would say that as an industry it's more about looking at how to implement this policy in a way that is as beneficial as possible with the least unnecessary cost and consequences to the industry rather than about re-having the debate," said Dr Richard Sandlant, manager of the Financial Services Taskforce at the Treasury department.

Dante De Gori, the FPA's general manager of policy and government relations, said the FPA has publicly opposed the policy but will adapt to reforms.

"The FPA has publicly stated its opposition to opt in, but if it is indeed to be implemented ... we are looking at the ability of FPA

members, held by a professional code of practice and with stringent service contracts in place, could be exempted."

Sandlant said the election had put the reform process "on hiatus" but confirmed that Treasury will be bringing Financial Services Minister Bill Shorten on the Future of Financial Advice (FOFA) reforms in December, with draft legislation to be made public in mid 2011.

The revelation that opt in was, from the perspective of Treasury, a fait accompli, drew vocal criticism from advisers at the conference, who complained that the requirement was "simply", "irritating" and a one-size-fits-all approach, inappropriate for both inactive and engaged clients.

But Sandlant said Treasury was aware of these grievances and is looking at flexibility.

"Is it going to be a fixed annual opt in, could there be a grace period, should it be two years or three years. This is 'small p' policy that we are consulting on," he said.

Tony McDonald, managing director of Snowball Group, told advisers that they could not afford to sit on the sidelines any more and resist change.

"FOFA is happening, it's on. It's going to happen, it will change our business models. Make no mistake," McDonald said.

"The analogy I draw with where we are up to is this. There are those fathers that sit on the sidelines taking pot shots at the referee, at the coach at the manager, and even worse, those that are out there either coaching, managing, flipping hamburgers, bringing oranges, constructively coming up with ideas of how things can work better," he continued.

"We are at that phase. My challenge to you is: which parent are you going to be? Because FOFA is here and if you want to influence ... you've got to get into solution mode now."

And while the FPA had embraced change and is moving forward with a new strategic direction, it was still keen to defend its members against what it sees as undue criticism and unfair competition.

De Gori reiterated the FPA's opposition to intra fund advice, labeling it a consumer protection issue, and argued that problems with products should be dealt with through better regulation of products and not advisers.



Julie Berry

"We no longer want to see just the advisers being held accountable, for a failure of a product or for the wrongdoing of auditors or directors. We think everyone has proportional accountability, and should be liable," he said.

As was widely expected, Matthew Rowe was confirmed as chair of the FPA, replacing Julie Berry, who announced back in September that she would be stepping down after three years in charge.

More than 1,300 delegates attended this year's event. ●