

INSTITUTE OF FINANCIAL PROFESSIONALS AUSTRALIA

PRESIDENT'S & CEO'S REPORT

ANNUAL GENERAL MEETING

Annual General Meeting

PRESIDENT'S & CEO'S REPORT

For year ended 30 June 2023

Welcome to all our members who are attending our Annual General Meeting of Taxpayers Australia Limited (trading as the Institute of Financial Professionals Australia ("IFPA")), thank you for joining us.

STRATEGIC OUTLOOK

Our focus this year continues with repositioning the organisation to take advantage of our broader community of potential members. As members are aware, in November 2022 the organisation changed its name from *Tax & Super Australia* to *the Institute of Financial Professionals Australia*.

We will continue to build interactions between tax and superannuation practitioners and the wider financial services sector, creating a strong community network. This reflects the change in our sector where convergence of functions is occurring at an increasing rate. Tax practitioners, accountants, superannuation professionals and financial advisers are increasingly working together to benefit their clients. We have seized this opportunity to create a community where all financial professionals can meet, network and obtain supporting services, advice and education.

The message to prospective (and current) members is that we are the tax experts for the financial professional.

The organisation continues to focus on membership acquisition and retention, and ensuring the professional support and community we offer provides relevant and timely solutions to the issues facing members and their clients.

We believe the convergence of the sector will continue, and the strategic direction the board has taken will create a unique membership value proposition.

TAX, SUPERANNUATION & FINANCIAL SERVICES TECHNICAL TEAMS

Over the past year additional resources have been provided to the Tax and Superannuation Technical teams to enhance membership services including our Helpline, broader advocacy activity, and professional education products in the form of publications, webinars, podcasts, and in-person events. Spread throughout New South Wales, Victoria and South Australia, the team comprises highly experienced technical staff including our Head of Tax Technical, Neville Birthisel and Head of Superannuation & Financial Services, Natasha Panagis. We are pleased to note highly positive feedback from members regarding the quality of service and information made available to them.

TAX AUSTRALIA PTY LTD

A fully owned subsidiary of Taxpayers Australia Limited, Tax Australia continues to provide members with cost-effective formal written advice relating to questions they may have on behalf of their clients – this is in addition to our member Helpline service that can only offer general, not specific, advice to a member. Headed by Katy Nesbitt, Tax Australia assists members who may be reluctant to approach other tax or accounting companies for client advice and this offer has generated considerable interest from members. We are confident that this service will continue to be an incentive for prospective members to join the Institute of Financial Professionals Australia.

OUR FINANCIAL PERFORMANCE

The Board and Management continues to develop the strategic direction of the Company with an ongoing focus on new membership acquisition and retention, particularly to our expanded membership within the financial services area, while also building our tax and superannuation products and services. To this end, significant investment in the organisation has been undertaken and is reflected in the annual accounts.

- Consolidated operating revenue for 2022-23 was $2.657m decreased $279k or 9.5% compared to the prior year result of $2.936m.
- Gains from investment activities for 2022-23 was $1.02m, compared to prior year loss of $0.47m. This is mainly due to this year's strong market performance and the efficient management of the portfolio by the new fund manager.
- There was a consolidated loss of $1.85m operating activities for 2022-23 compared to prior year result of $1.27m loss. This is mainly due to decreased revenue of $279k (predominantly a drop in webinar revenue) and the write-off of prepaid CRM development costs of $360k.

Both the Board and Management are closely monitoring costs as we build the organisation.

NEW MEMBER ACQUISITION

In the most recent membership year (May 2022 to April 2023), we observed a noteworthy 8.91% increase in overall new membership acquisitions.

In our concerted efforts to diversify and expand our membership base, we were delighted to welcome 325 new members who come to us from a variety of new member initiatives, such as our newly launched financial adviser membership category; our marketing presence at industry conferences and trade exhibitions around Australia, as well as those who became aware of our initiatives through our advocacy efforts and media coverage during the year.

MEMBER RENEWALS

This year, we achieved a membership renewal rate of 82%. Those members that did not renew were largely long-standing members who are now retiring. It is worth noting that an impressive 37% of our community has been with us for over 16 years. We extend our appreciation to this committed and deeply engaged group of members for their continuing support of our association.

EVENTS & PROGRAMS IN 2022-23

Our inaugural annual conference, held on 21 April 2023 at the Sofitel in Melbourne and with the theme "Driving Your Practice Forward," was the highlight of our 2022-23 events calendar. The program (comprising technical and practice management sessions) offered participants an impactful series of presentations aimed at future-proofing their businesses in an evolving landscape. The conference, executed in both in-person and virtual formats, attracted 200 professionals from diverse financial sectors, providing an excellent opportunity for learning, networking, and the accumulation of 8.5 Continuing Professional Development (CPD) points.

The trade exhibition area was an unequivocal success with sold-out exhibitor space. We thank the exhibitors and presenters who supported this inaugural event and note that both exhibitors and attendees provided exceptional ratings feedback for content and the event itself. Those exhibiting have indicated their intention to participate in our 2024 Conference and we look forward to their presence at an expanded event next year.

Our twice-weekly webinars have continued to engage members with timely and highly relevant content across technical and practice management issue. Additionally, our Federal Budget special event was exceptionally well-attended, underscoring its relevance and the keen interest among our members in tax policy insights.

Our first International Women's Day event was a sell-out success, with plans to make it an annual fixture offering both in-person and online participation options.

As we broaden our offerings to include content appropriate to the wider financial services industry, we are committed to providing an increasing number of online and in-person events. These feature key sector professionals, including industry regulators, offering our members invaluable insights and networking opportunities. They will be carefully tailored to meet the evolving needs of our members, with content shaped by ongoing feedback and emerging industry trends.

MARKETING ACTIVITES

The marketing team continue to build partnerships with multiple trade media groups to present promotional material of our video content, industry-leading events and best in class services via their events, communications and mastheads. Editors from these publications and websites have also attended several of our events resulting in numerous profile-raising articles being written.

The membership and marketing team also achieved success in sales of product to supporters (non-members who make occasional product purchases) in the 2022-23 membership year. This group have continued to prove profitable, with supporter attendance at paid webinars comprising almost half of all attendees. This group now constitute a key target audience when developing not only new membership offers, but also new products and services.

Our statistics highlight that our members and supporters are highly engaged with our communications – whether via email, LinkedIn or Facebook. Over 90% of all event registrations are coming directly from email communications to our member and supporter base.

ADVOCACY & MEDIA

Targeted media engagement has been a focus this year, resulting in a significant increase to our media coverage across both industry-specific and mainstream channels. The media strategy has not only intensified our visibility and credibility in the sector but has also resulted in new memberships.

As a member-based organisation, we recognise the imperative to represent our members' interests. As such, we have increased our advocacy efforts through our technical teams with the Company actively pursuing matters that impact members through regular submissions to government and the wider media, all of which can be found on our website.
We have been well represented by our Head of Superannuation and Financial Services, Ms Natasha Panagis, who has been instrumental in developing significant submissions to the government on members' behalf. Our Tax Technical division has been ably led by our Head of Tax Technical, Mr Neville Birthisel, on the ATO's Tax Practitioner Stewardship Group; Tax Profession Digital Implementation Group and Communication Content Working Group. In addition, he is our representative at the Tax Practitioners Board consultation meetings.

INTO 2023-24

Continuous change is occurring for all financial professionals in Australia. We are committed to remaining a strong and trusted voice on behalf of our members, and we will also act as a highly valued partner in providing high quality resources and support.

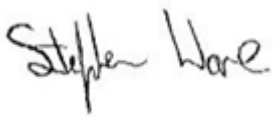
Our focus on practical solutions and expanded membership services continues to be a priority. We can assure our members that we are focused on growing and thriving in coming years and we look forward to sharing new initiatives as they are realised in the coming year.

THANK YOU

We wish to express our sincere appreciation to all our members and subscribers for their continued support and involvement during the year, and we look forward to engaging with you in the year ahead.

We would also like to thank the Board for its ongoing support and guidance throughout 2022-23.

Finally, our thanks and appreciation to our highly professional and committed executive management team and staff for their dedication to our members during the year.



Stephen Ware

President

26 October 2023



Pippa McKee

Chief Executive Officer