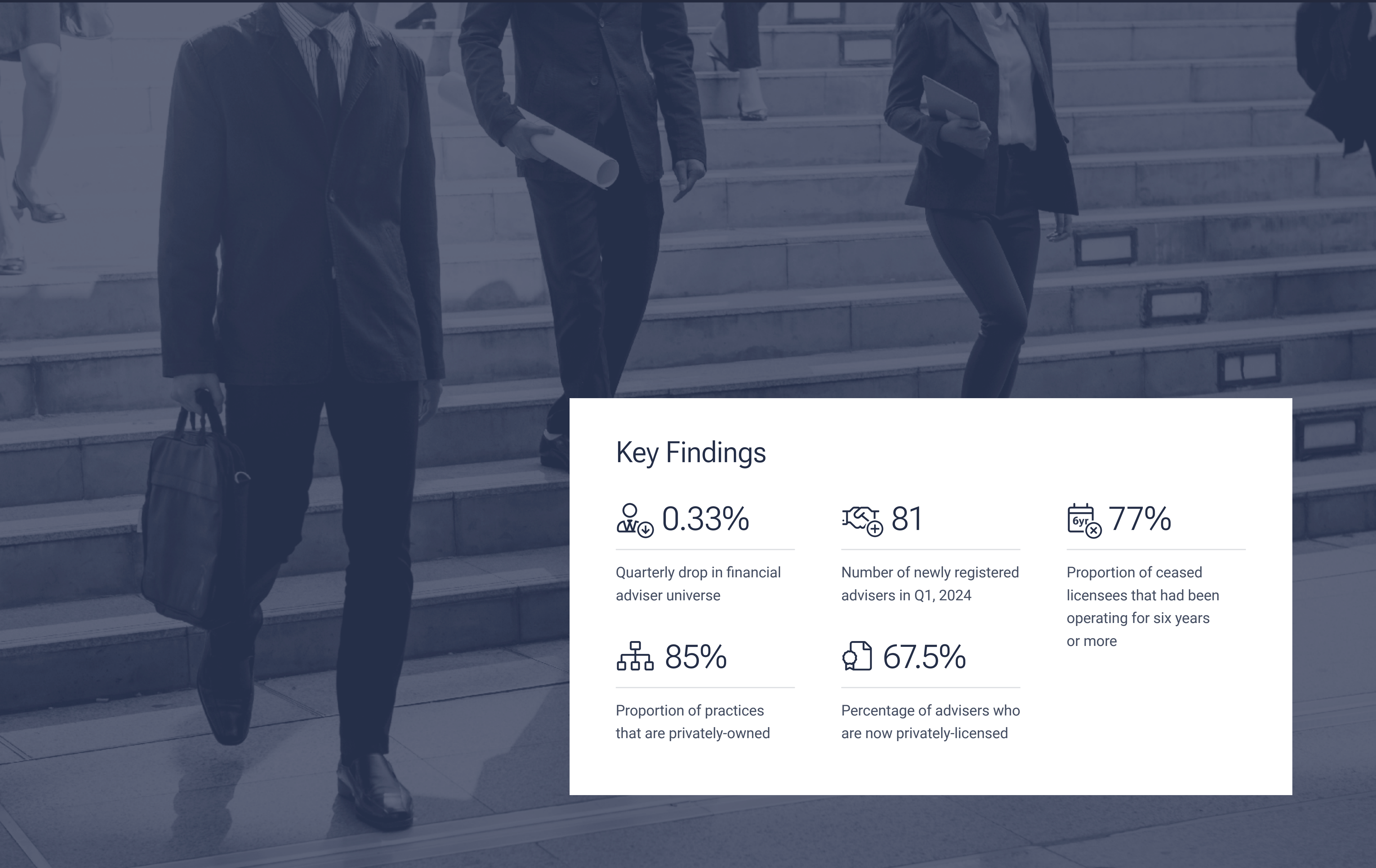
Q1
2024

Adviser Musical Chairs Report

Industry research on financial adviser and licensee movement

This research report offers insights that will help key market players, such as fund managers, super funds, life insurers, platform and software providers, to identify key focus areas to improve sales and marketing strategies. The financial planning and investment advice industry has undergone significant changes over the past ten years with the implementation of the Future of Financial Advice (FOFA) reforms. Financial advisers continuously enter and exit the industry, as well as switch from one licensee to another. This report shows some of Adviser Ratings' analysis and insight into these movements, for the benefit of those providing products and services to the industry.



Key Findings

0.33%

Quarterly drop in financial adviser universe

81

Number of newly registered advisers in Q1, 2024

77%

Proportion of ceased licensees that had been operating for six years or more

85%

Proportion of practices that are privately-owned

67.5%

Percentage of advisers who are now privately-licensed

Career pathways emerge out of the QAR

We have a shortage of financial advisers in Australia. Whilst we are seeing new entrants choosing careers in financial advice, they do not make up the number of experienced advisers who have left the industry.

This has created a gap where many Australians cannot access quality advice at the time they might need it most. Australia has an ageing population, and this brings about certain social and economic challenges. If people are living longer, how will they fund these extra years? These Australians are more likely to enjoy a secure financial future if they have access to quality advice.

Coupled with this is the question of intergenerational wealth transfer, which was worth around $1.5 trillion between 2002 to 2018. This amount is projected to increase four-fold between 2020 and 2050, in line with rising wealth among older age groups.[1] Australians who plan to give inheritances and gifts to family members and others will need advice.

In his article on regulatory developments in advice over the past ten years, BT's Head of Financial Literacy and Advocacy, Bryan Ashenden discusses how some of the recommendations from the Quality of Advice Review can close the advice gap.

For instance, the proposed introduction of a new class of adviser presents an opportunity for support staff to develop and provide some limited advice to clients on simple matters, which could potentially be a stepping stone for some towards becoming a fully qualified financial adviser.

Becoming this new class of adviser might also be an attractive career path for graduates and others commencing their professional careers, resulting in a younger and more diverse group of advisers. This next generation of advisers may connect well with the next generation of clients and continue to progress their careers in advice.

Implemented correctly, this could make a significant difference for the future of advice delivery in Australia. Not only for the Australians who need advice, but also for advice practices looking to retain and attract staff, as well as growing their business.

Career pathways have been top of mind for BT. We have an ongoing partnership with Striver, who are committed to recruiting graduates into the advice profession. This year we have also commenced a mentoring program for advisers and are planning to add to our education program.

As we celebrate the tenth anniversary of BT Panorama, at BT we are looking to the future and considering how we can further support the advice industry, and enable more people to achieve their financial goals.

Matt

BT *Matt Rady*
CEO, BT

Sources: 1. *Wealth Transfers and Economic Effects 2021, Productivity Commissioner, pp. v, 8, 36 and 61.* Source

Industry overview

As the Federal Government charged ahead with reforms to make advice more affordable and available, adviser numbers remained stable at the start of the new year. It's the fourth consecutive quarter in which we've seen little change in the adviser universe, which is a welcome trend after losing more than 12,000 advisers in a few short years. Adviser Ratings expects this optimism to continue, with our data indicating advisers are investing in their businesses and being rewarded with higher levels of profitability and revenue.

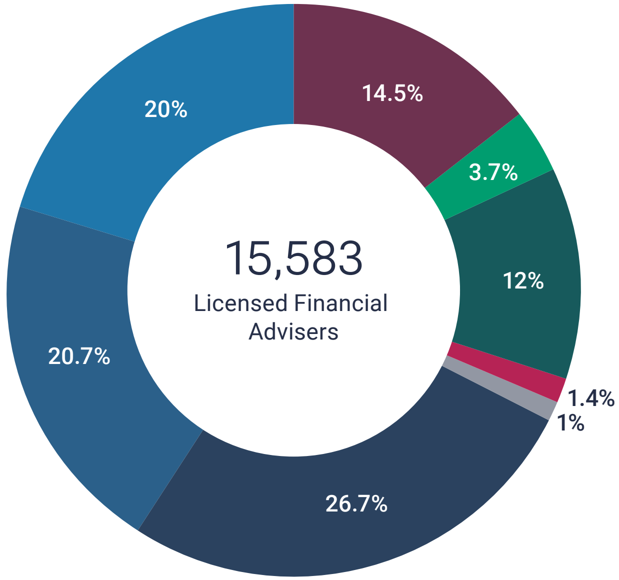
The calendar year began with changes to the national exam, with the removal of short-answer questions and an increase in multiple-choice questions. The new format debuted last month. It's hoped it will lift the pass rate, which was 66 per cent at the previous sitting, in November 2023.

At a business level, advisers have been adapting to the post-Quality of Advice Review (QAR) world, with new certainty about where they can simplify their paperwork. By the end of March, the government had released the first tranche of legislation, which involves the consolidation of fee documentation and provisions to allow Australians to pay for retirement-related advice from their super funds.

As we move into the second quarter, inflation has settled slightly above the target band of 2-3 per cent. Cost-of-living pressures are still among the top client conversation topics. Advisers say clients are worried about making their wealth stretch through retirement and then passing it on to the next generation. We expect this to be a recurring theme for the year, for both existing and new clients.

Industry overview Q1, 2024

Source: Adviser Ratings



Diversified	2,256	14.5%
Industry super fund / Not-for-profit	579	3.7%
Stockbroker	1,864	12.0%
Bank	214	1.4%
Limited licensee	153	1.0%
Privately-owned (1 - 10)	4,162	26.7%
Privately-owned (11 - 100)	3,232	20.7%
Privately-owned (100+)	3,123	20.0%

Adviser movements

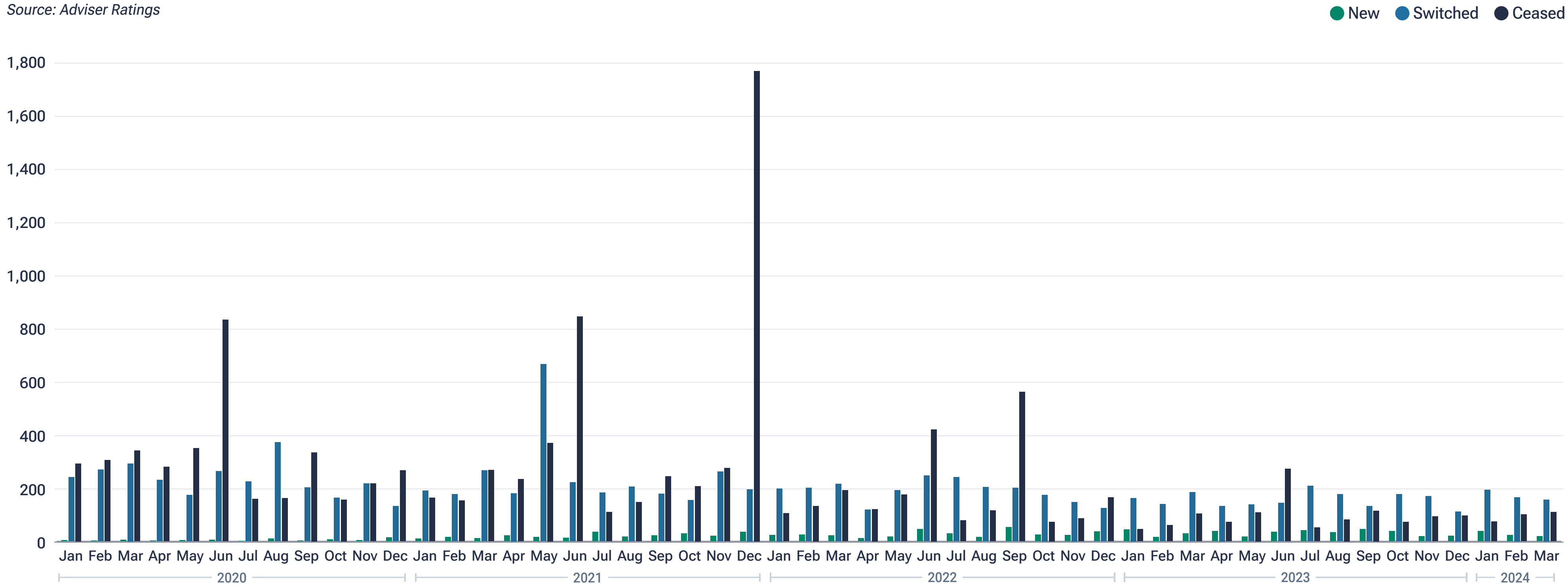
Once again, fewer than 100 new advisers joined the profession across the quarter. Only twice have we seen the new entrant number hit three digits, which is far off the level of growth required to see total adviser numbers increase.

At the same time, the number of exits was up for the quarter, but only marginally. There were 288 advisers who ceased their registration in Q1, which was broadly in line with the previous two quarters and well below the heights of 2021.

January is typically a quiet month for adviser exits and this year was no exception, with only 75 departing in the first month of the year.

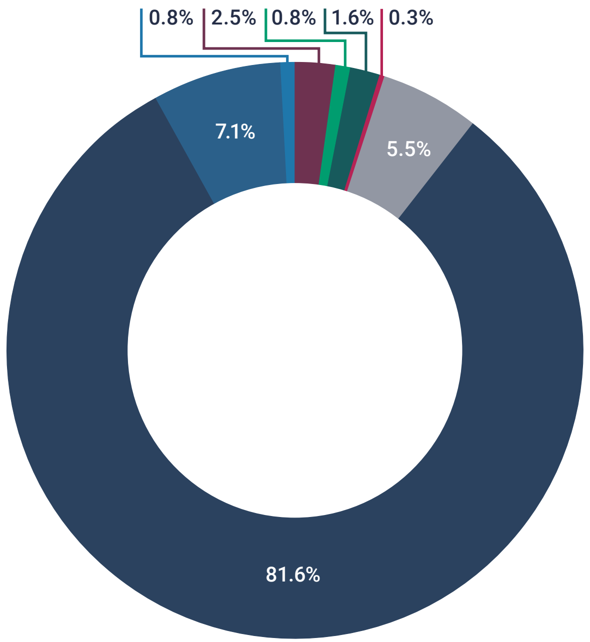
Adviser movements by type

Source: Adviser Ratings



Current licensee distribution by segment

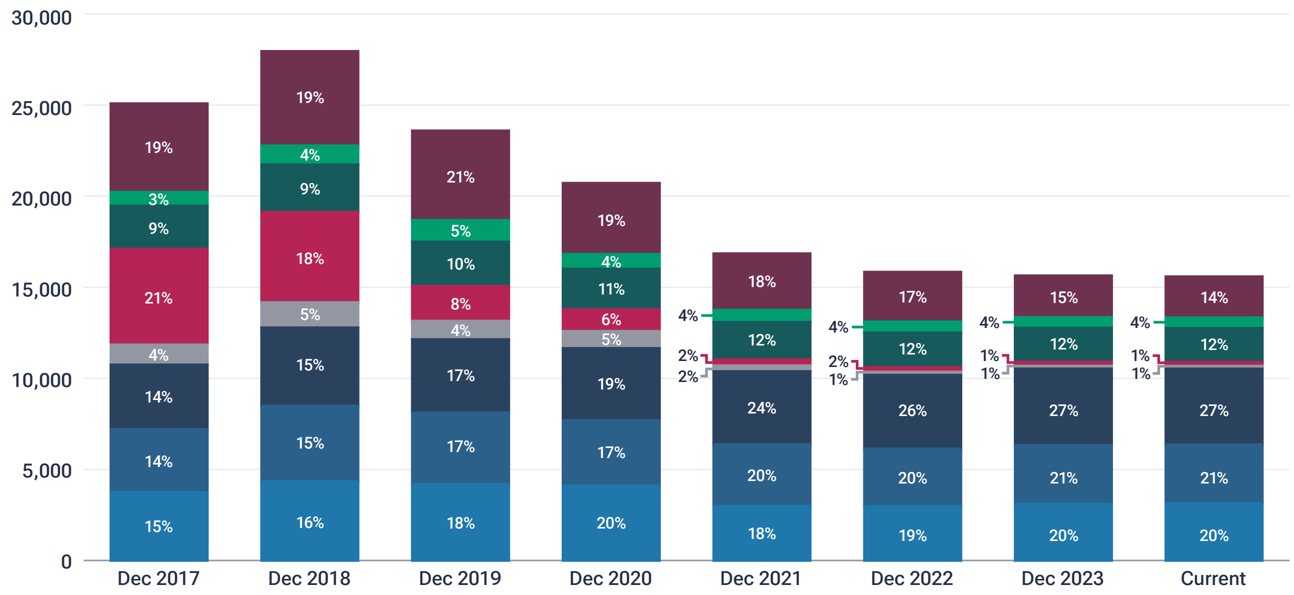
Source: Adviser Ratings



Diversified	46	2.5%
Industry super fund / Not-for-profit	15	0.8%
Stockbroker	29	1.6%
Bank	5	0.3%
Limited licensee	103	5.5%
Privately-owned (1 - 10)	1,525	81.6%
Privately-owned (11 - 100)	132	7.1%
Privately-owned (100+)	15	0.8%

Change in number of advisers by licensee segment

Source: Adviser Ratings



	Dec-17	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Current
Diversified	4,860	5,179	4,912	3,900	3,102	2,727	2,280	2,256
Industry super fund / Not-for-profit	753	1,050	1,191	808	665	610	592	579
Stockbroker	2,370	2,600	2,430	2,230	2,054	1,899	1,863	1,864
Bank	5,256	4,960	1,912	1,192	327	247	220	214
Limited licensee	1,104	1,385	1,013	940	320	172	156	153
Privately-owned (1 - 10)	3,531	4,295	4,017	3,956	4,014	4,052	4,193	4,162
Privately-owned (11 - 100)	3,477	4,143	3,932	3,588	3,380	3,152	3,235	3,232
Privately-owned (100+)	3,732	4,341	4,183	4,101	2,984	2,974	3,095	3,123

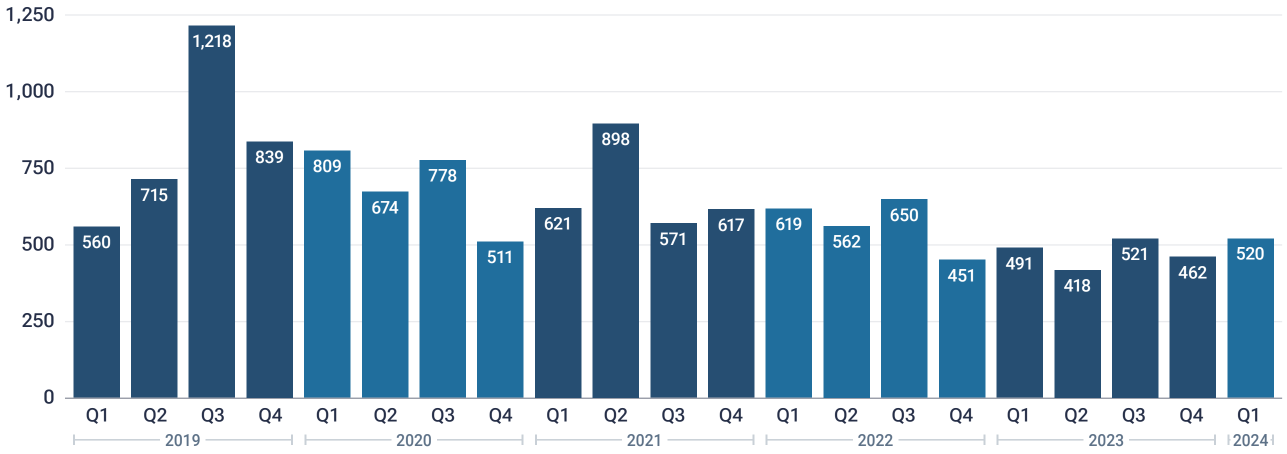
Switching advisers

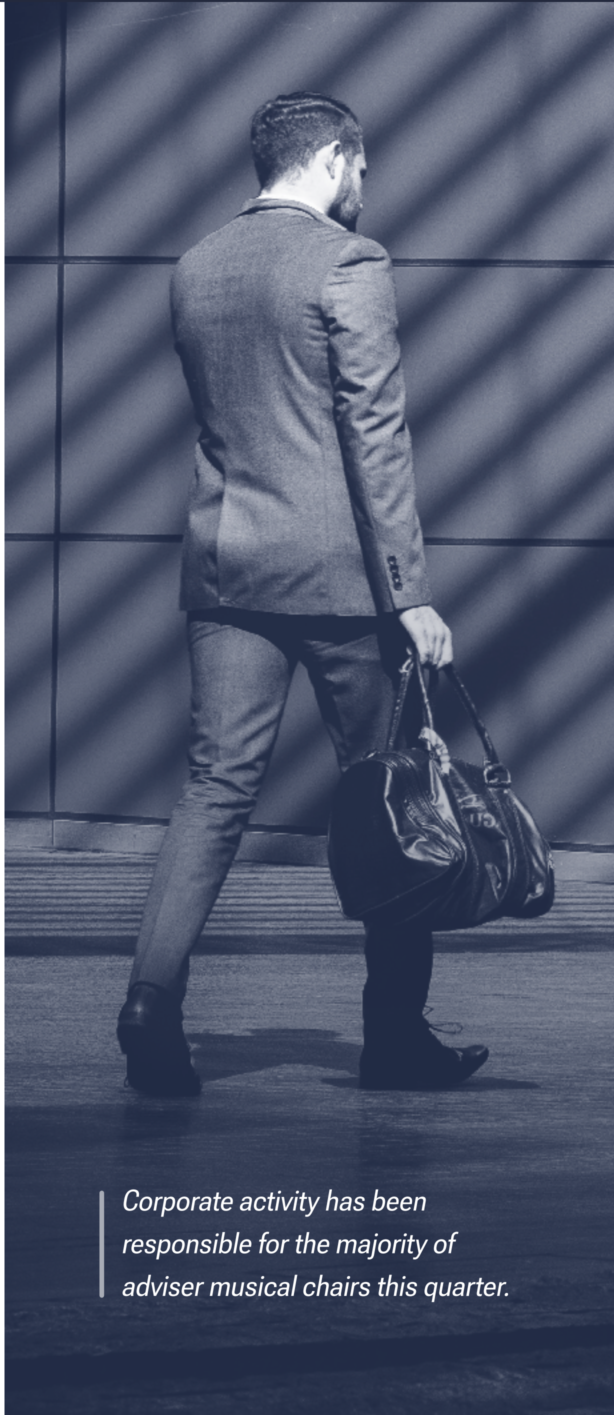
Quarterly switching activity was slightly elevated, with more advisers finding new homes than during the same period last year. Much of it can be explained by corporate activity, with Count continuing to pick up advisory firms. Typically, there's a lag effect that can last several quarters, so we're likely to see a further lift in switches next quarter.

At an individual level, advisers are facing higher costs themselves and demanding more value from their licensee. We expect to see more advisers shopping around to find AFSLs that fit their needs and circumstances.

Switching advisers

Source: Adviser Ratings



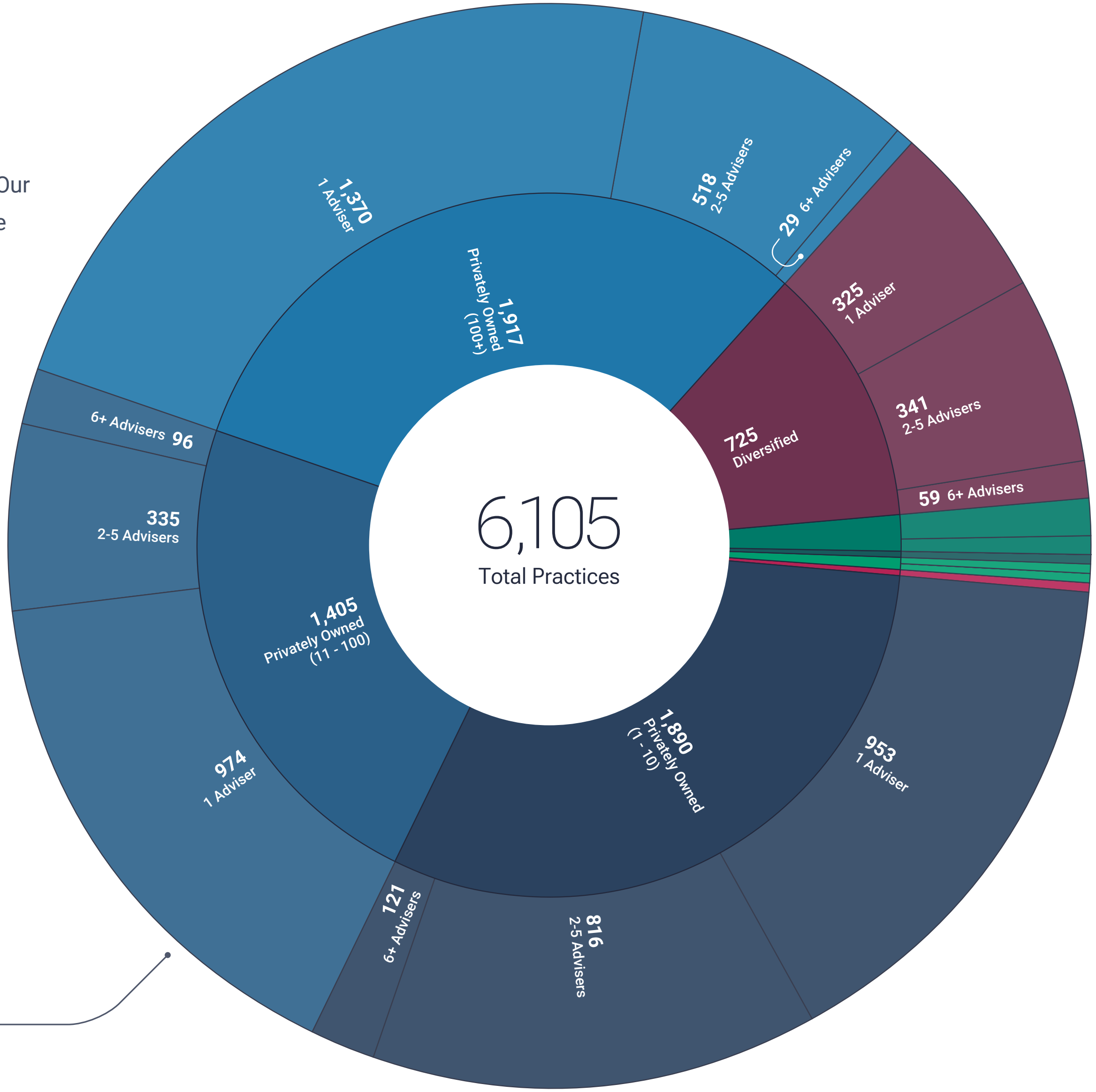


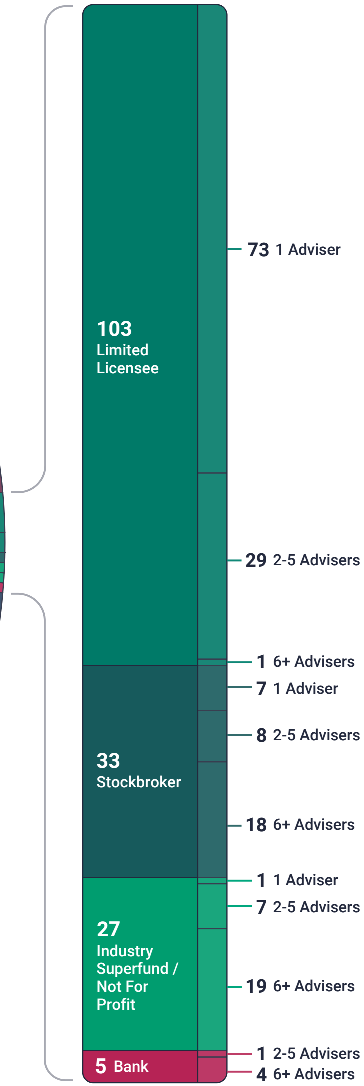
Corporate activity has been responsible for the majority of adviser musical chairs this quarter.

Focus on practices

As the financial advice market has evolved, practices have also changed shape and character, especially in the past two years. Our new section explores these changes. As the chart on the right indicates, the Australian practice ecosystem now mainly comprises privately-owned businesses, with most occupied by a single adviser. Increasingly, the boutique practice has been an attractive proposition for advisers seeking autonomy and control. Between 2022 and now, the proportion of solo practices has grown, while the footprint of diversified and limited licensee practices has shrunk.

Historically, it's been difficult for boutique practices to achieve scale and, in turn, build profitability; however, technology is enabling businesses to increase their margins, especially if they embrace outsourcing.



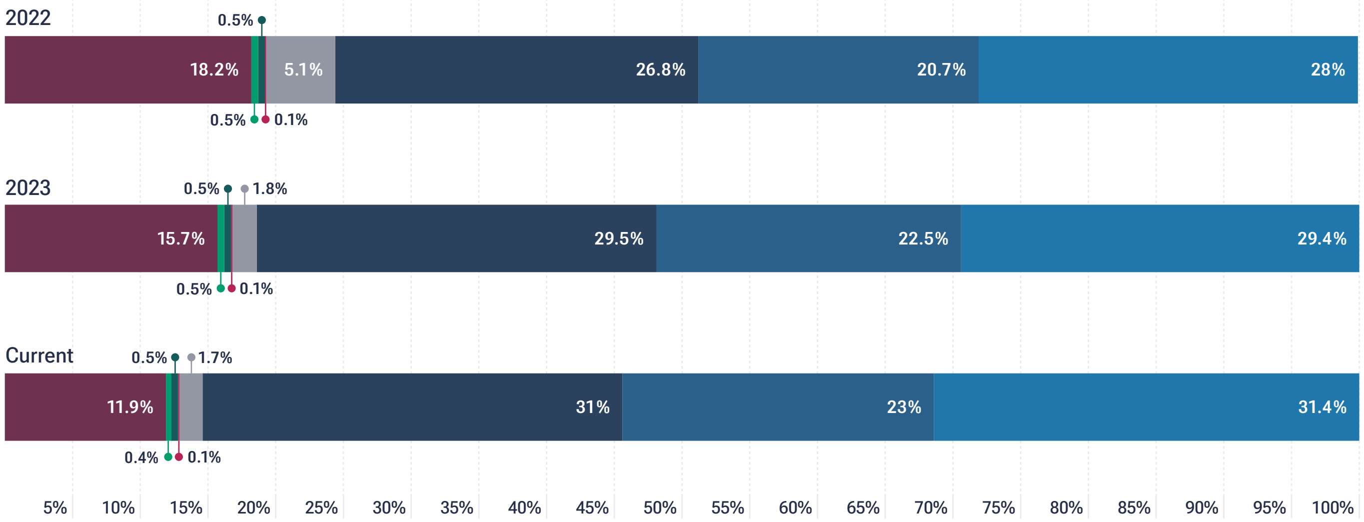


The practice universe

Source: Adviser Ratings

Practice change by licensee segment: 2022-2024

Source: Adviser Ratings



	2022		2023		Current		2023 vs Current
Diversified	1,260	18.2%	995	15.7%	725	11.9%	-3.8% ↓
Industry super fund / Not-for-profit	38	0.5%	33	0.5%	27	0.4%	-0.1% ↓
Stockbroker	34	0.5%	32	0.5%	33	0.5%	0.0% –
Bank	8	0.1%	5	0.1%	5	0.1%	0.0% –
Limited licensee	355	5.1%	113	1.8%	103	1.7%	-0.1% ↓
Privately-owned (1 - 10)	1,858	26.8%	1,874	29.5%	1,890	31.0%	1.4% ↑
Privately-owned (11 - 100)	1,434	20.7%	1,427	22.5%	1,405	23.0%	0.5% ↑
Privately-owned (100+)	1,942	28.0%	1,869	29.4%	1,917	31.4%	2.0% ↑

Much like Australian adviser numbers, the volume of practices has diminished quickly in the past two years.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FEATURE ARTICLE

Ten years on, advice reaches an inflection point

We are at an exciting point in the evolution of advice. Over the past ten years, difficult but sometimes necessary reforms have been implemented. The professionalisation of advice has set up advisers for success in the future, and they are central to solving the nationwide problem of providing better access to quality advice to more people.

The Quality of Advice Review (QAR) presents a once in a decade opportunity to reset the financial advice landscape, and help more Australians achieve a better financial future. I say "once in a decade" rather than "once in a lifetime" because so much can happen within a period of ten years.

As BT Panorama celebrates its tenth anniversary, let's consider some of the major regulatory developments in advice from the last decade.

From FoFA to QAR

Whilst the Future of Financial Advice (FoFA) reforms commenced over ten years ago, the implementation truly took effect from 1 July 2014, when the 12-month facilitative approach from ASIC ended. The FoFA reforms were significant, laying the foundation for the advice ecosystem as we know it today, with the introduction of the best interests duty and the ban on conflicted remuneration operations.

The beginning of the 2014/2015 financial year also marked the commencement of the broad requirement for financial advisers to be regulated as tax (financial) advisers under the Tax Agent Services Act in order to discuss tax consequences of financial advice strategies with clients – a necessary part of the advice process. Tied to this, from 1 July 2016 an unlicensed accountant was no longer able to recommend the establishment of a self-managed superannuation fund. These important changes brought about consistency in who could provide advice, and the relevant standards that apply in the provision of that advice.

We've seen changes to the way life insurance commissions are paid, including changes to the level of upfront and trail commissions. We have legislated educational and ethical requirements for financial advisers.

Key milestones and reforms in the financial advice sector over the last decade

Pre-July 2014:

FoFA reforms introduced, setting best interests duty and banning conflicted remuneration

2014

July 1, 2014:

Full implementation of FoFA reforms

2015

FY 2014 / 2015:

Financial advisers began regulation under Tax Agent Services Act

2016

July 1, 2016:

Ban on unlicensed accountants recommending self-managed super funds

2018

2018:

Royal Commission into the Misconduct in the Banking, Superannuation and Financial Services Industry conducted

2019

Early 2019:

Release of the Financial Services Royal Commission Final Report

2020

January 1, 2020:

Introduction of the Code of Ethics for financial advisers

2023

2023 and Beyond:

Significant demographic shifts projected, impacting retirement funding and wealth transfer

From the introduction of mandatory initial education requirements and standardised continuing professional development (CPD) requirements, through to the introduction of the Code of Ethics from 1 January 2020, these professional standards have had a significant impact on the number of advisers who are ready to help serve the needs of the Australian public.

The Royal Commission into the Misconduct in the Banking, Superannuation and Financial Services Industry occurred during 2018, with its Final Report released in early 2019 painting a damning picture of the broader financial services industry. Legislation to implement its recommendations made its way through the parliamentary process over the following years, with perhaps the last of its recommendations finally approaching conclusion in the form of the QAR.

Whilst there has been some disagreement over how the QAR recommendations might work in practice, it is important to note that the proposed changes do not impact financial advisers personally.

More importantly, the recommendations seek to build on the changes that we have seen over the last decade, the professional environment that now exists around financial advisers and the way advice is delivered.

Solving a nationwide problem

Advice reform is coming at a time when a growing number of Australians need access to quality advice. The number of Australians aged 65 years and over is expected to double in the next 40 years; and those aged 85 and over will more than triple over this period, according to the 2023 Intergenerational Report.[1]

1. Intergenerational Report 2023 Source

The ageing population brings with it questions and concerns over longevity.

Part of the solution to the retirement funding gap may be through the development of products. Annuity solutions exist in the marketplace, but historically they were not well understood by the general population. Unless you were lucky enough to lock in one of these products at the top of the interest rate cycle, the level of ongoing payments were not what many had hoped for. Ongoing product development has seen the investment options underlying these products expand, increasing their attractiveness, but there is still a shortfall in their usage compared to the retirement funding gap that will continue to grow.

Coupled with this is the question of intergenerational wealth transfer. In a 2021 report, Wealth Transfers and Economic Effects, Australia's Productivity Commissioner found that the aggregate value of wealth transfers

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between 2002 and 2018 was worth around $1.5 trillion. This amount is projected to increase four-fold between 2020 and 2050, as household wealth increases and our population ages.[2]

2. Wealth Transfers and Economic Effects 2021, Productivity Commissioner, pp. v, 8, 36 and 61. Source

How will the wealth transfers occur? Who will get what? And once received, will the beneficiaries know what to do with this wealth?

Growing the profession

Another part of the solution has to be ensuring that we have more Australians choosing a career in financial advice. One recommendation from the QAR is to introduce a new class of financial adviser to provide simple and limited advice.

This could mean an expansion of intra-fund advice offerings to members of superannuation funds about their super.

Alternatively, it could be the development of career pathways within an advice business, providing opportunities for support staff to grow and provide some limited advice to clients on simple matters, allowing the financial adviser more time to focus on holistic advice matters for clients.

Advice businesses may benefit by being able to retain support staff who are looking for career progression. They may also have an opportunity to serve a larger client base, set up succession plans and provide an important service to many more generations of Australians.

> *When I reflect on the evolution of advice, and the upcoming opportunities for the industry to grow and make an impact in helping Australians secure a better future, I am truly optimistic.*

BT

By Bryan Ashenden

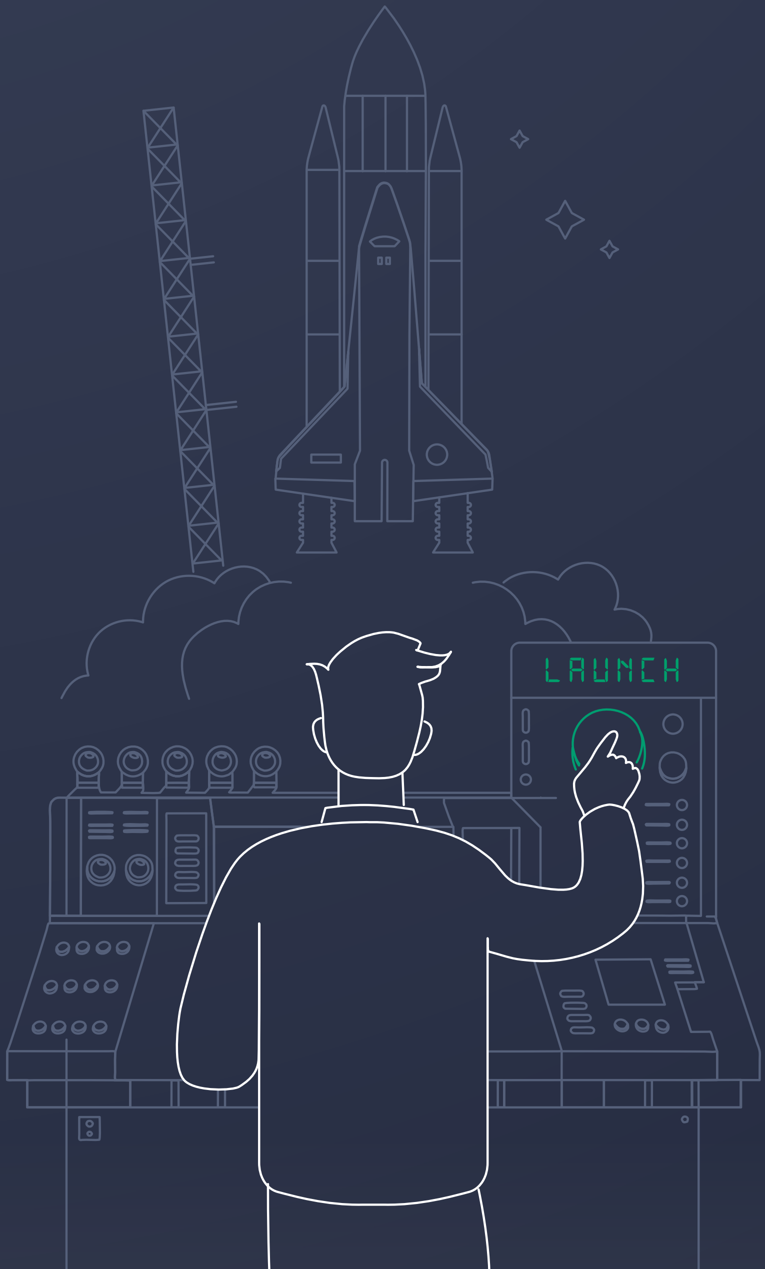
Head of Financial Literacy and Advocacy, BT

SPECIAL FEATURE

Ready to re-launch

> *For almost two years, advisers and practices anxiously awaited what would come from the Quality of Advice Review (QAR). Having experienced several inquiries and reviews and a Royal Commission, many feared negative changes could put a further cavity in an already depleted workforce.*

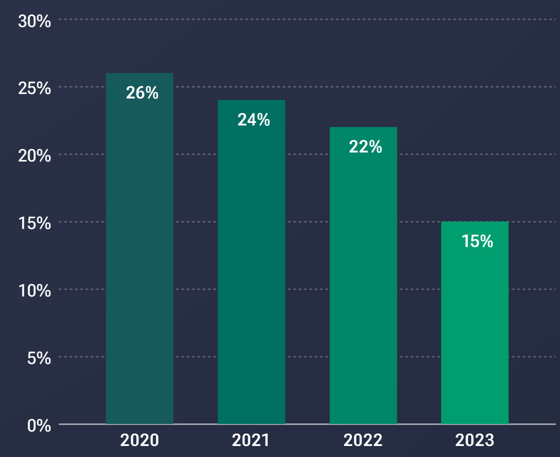
In reality, however, the response to commissioner Michelle Levy's final report and the Federal Government's Delivering Better Financial Outcomes plan has been largely positive. Advisers immediately endorsed measures to reduce their material costs and improve the affordability and availability of advice for consumers. These measures include the principles-based advice record and the modernised best-interests duty. The government's plan to introduce a "new class of financial adviser" was initially received less warmly. However, advisers we've spoken to have since indicated there's little expectation this measure will reduce the demand for fully qualified and experienced advisers.



As a result, the size of the majority of advisers now committed to remaining in the profession has grown, with a renewed focus on growth. As Figure 7 shows, only 15 per cent of advisers say they may leave the industry in the next few years, compared with 26 per cent in our 2020 survey. Just 7 per cent of advisers are certain about their intention to leave, which translates to just over 1,000 advisers.

Proportion of advisers who will or may leave profession: 2020-2023

Source: Adviser Ratings

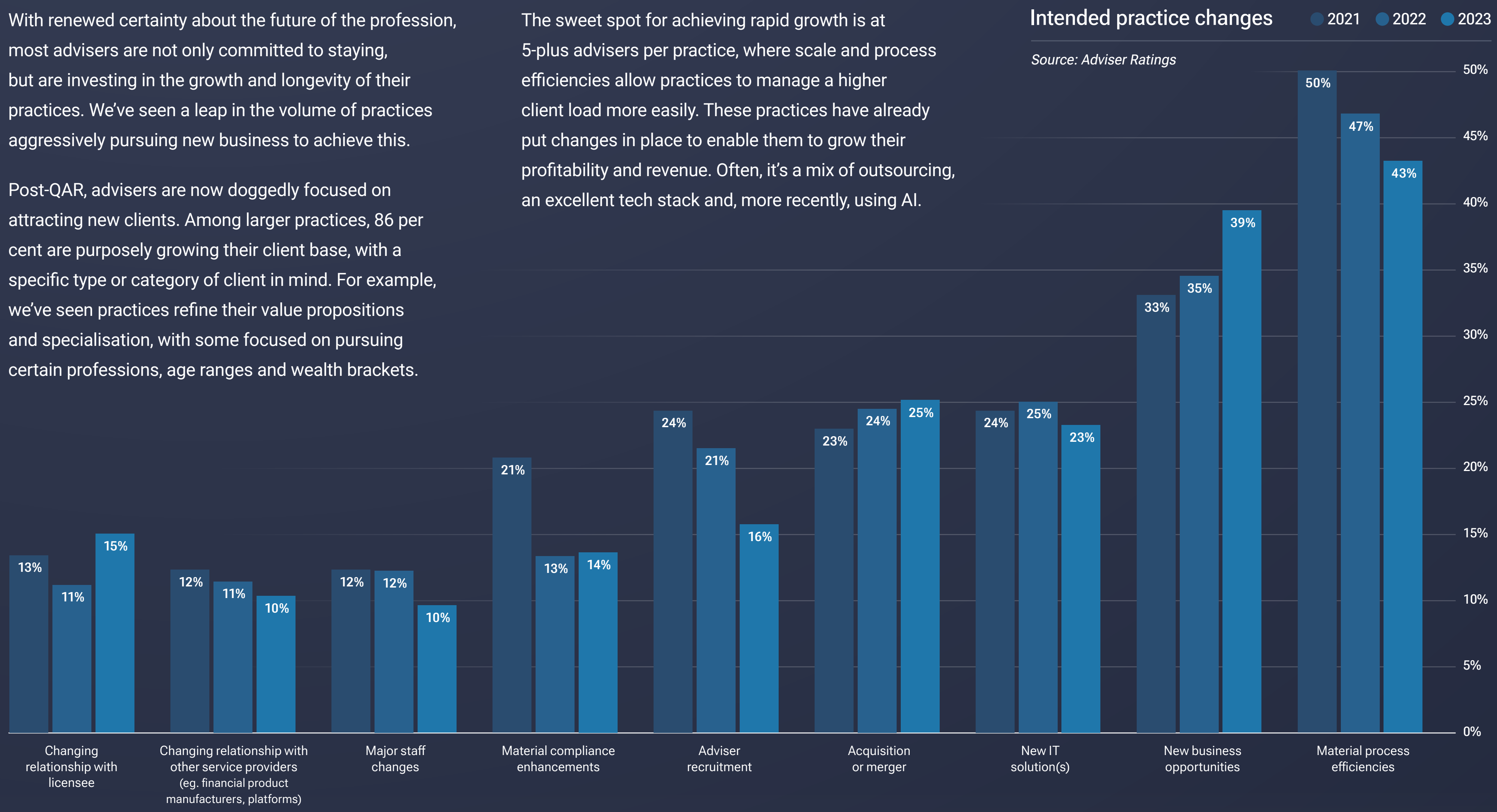


Future-focused

With renewed certainty about the future of the profession, most advisers are not only committed to staying, but are investing in the growth and longevity of their practices. We've seen a leap in the volume of practices aggressively pursuing new business to achieve this.

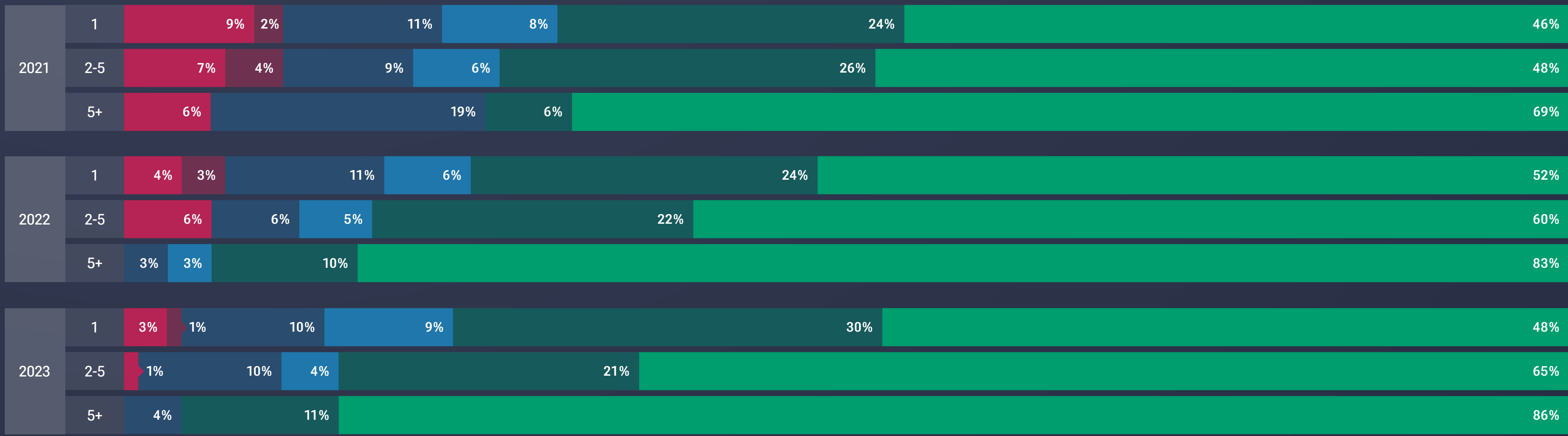
Post-QAR, advisers are now doggedly focused on attracting new clients. Among larger practices, 86 per cent are purposely growing their client base, with a specific type or category of client in mind. For example, we've seen practices refine their value propositions and specialisation, with some focused on pursuing certain professions, age ranges and wealth brackets.

The sweet spot for achieving rapid growth is at 5-plus advisers per practice, where scale and process efficiencies allow practices to manage a higher client load more easily. These practices have already put changes in place to enable them to grow their profitability and revenue. Often, it's a mix of outsourcing, an excellent tech stack and, more recently, using AI.



Client growth strategies: 2021-2023

Source: Adviser Ratings



Conversely, fewer than half of solo adviser practices are pursuing client growth strategies, with almost a third growing more reactively, with clients of all descriptions. Without the benefit of scale, almost one-in-20 solo practices is either reducing its client load or trying to find new ways to hold onto its current mix of clients. For these businesses, it will be essential to use technology to find efficiencies. It's worth noting that our survey was conducted before any post-QAR changes, so practices had not yet felt the relief of lighter documentation requirements.

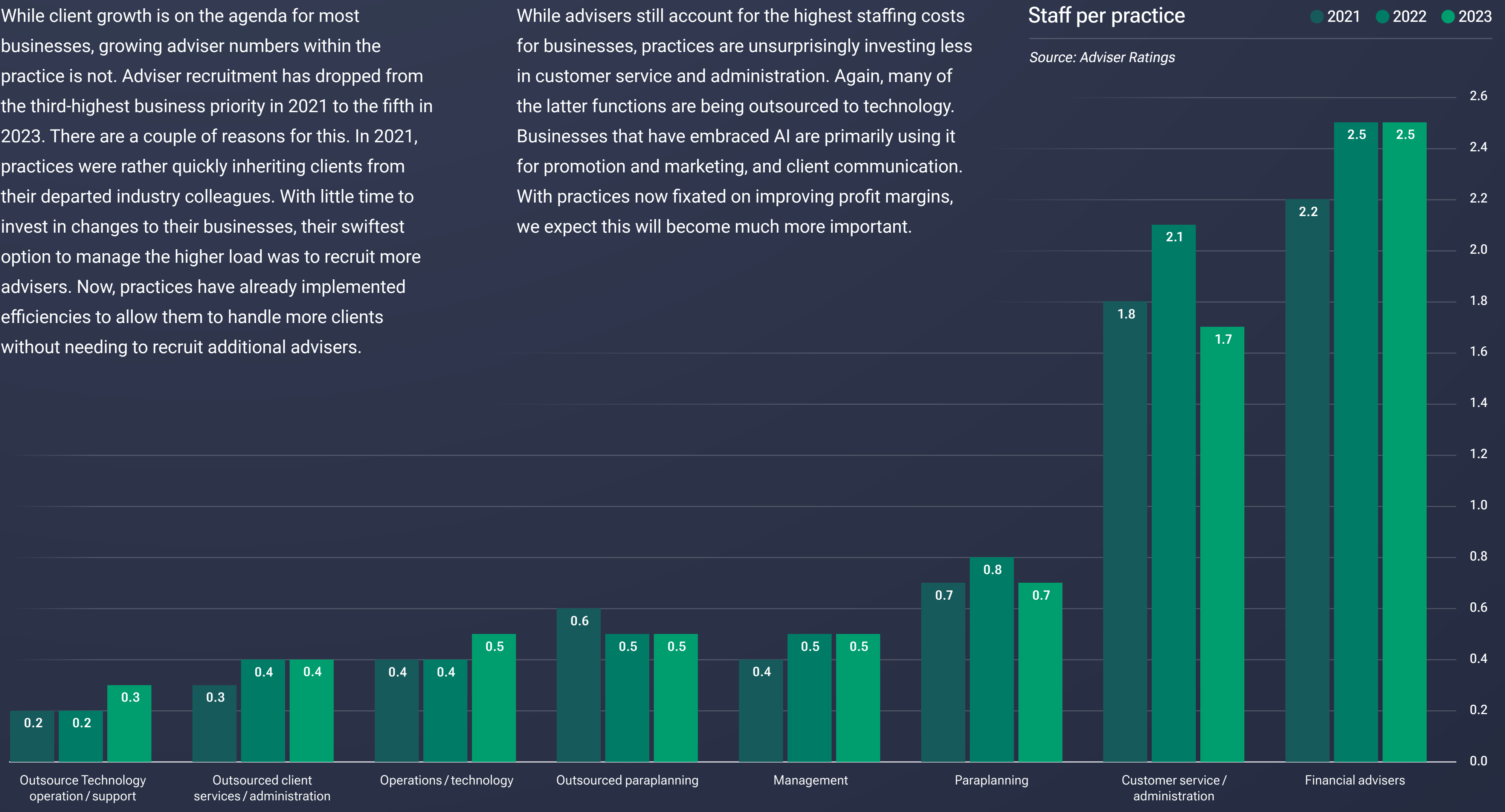
	2021			2022			2023		
Total advisers	1	2-4	5+	1	2-4	5+	1	2-4	5+
Purposely reducing *(to manage overall capacity and profitability)*	9%	7%	6%	4%	6%	0%	3%	1%	0%
Reactively reducing *(but trying to find ways to retain clients)*	2%	4%	0%	3%	0%	0%	1%	0%	0%
Staying the same size *(but changing the client mix to improve focus / profitability)*	11%	9%	19%	11%	6%	3%	10%	10%	4%
Staying the same size *(we're largely happy with what we have)*	8%	6%	0%	6%	5%	3%	9%	4%	0%
Reactively growing *(with clients of all descriptions)*	24%	26%	6%	24%	22%	10%	30%	21%	11%
Purposely growing *(but we are after certain client types)*	46%	48%	69%	52%	60%	83%	48%	65%	86%

While client growth is on the agenda for most businesses, growing adviser numbers within the practice is not. Adviser recruitment has dropped from the third-highest business priority in 2021 to the fifth in 2023. There are a couple of reasons for this. In 2021, practices were rather quickly inheriting clients from their departed industry colleagues. With little time to invest in changes to their businesses, their swiftest option to manage the higher load was to recruit more advisers. Now, practices have already implemented efficiencies to allow them to handle more clients without needing to recruit additional advisers.

While advisers still account for the highest staffing costs for businesses, practices are unsurprisingly investing less in customer service and administration. Again, many of the latter functions are being outsourced to technology. Businesses that have embraced AI are primarily using it for promotion and marketing, and client communication. With practices now fixated on improving profit margins, we expect this will become much more important.

Staff per practice

Source: Adviser Ratings



Corporate actions

In Count Financial's Q1 acquisition spree, the group picked up 41 new advisers across the quarter, with most making the lateral move from Affinia Financial Advisers. Count made the deal to buy Affinia from TAL close to a year ago. A small number of former Affinia-licensed advisers made the move to Lifespan and Havana. Count also collected a handful of advisers from AMP Financial Planning during the quarter.

Elsewhere, the voluntary administration of Crown Wealth Group – also known as A.C.N. 603 037 510 PTY LTD – led to an uptick in both Alliance Wealth and Focused Financial Advice's numbers for the quarter. Alliance also collected advisers from Millennium 3 to become the recipient of the second-highest advisers for Q1.

> *Count has continued to collect new advisers through acquisitions.*

Licensees with most adviser additions and reductions in Q1 2024

Source: Adviser Ratings

	Licensee	Segment	Number of Advisers
Most Additions	COUNT FINANCIAL LIMITED	Privately Owned (100+)	41
	ALLIANCE WEALTH PTY LTD	Privately Owned (100+)	29
	FOCUSED FINANCIAL ADVICE PTY LTD	Privately Owned (11 - 100)	17
	RI ADVICE GROUP PTY LTD	Diversified	10
	SHAW AND PARTNERS LIMITED	Stockbroker	9
	B. MOSES INVESTMENT SERVICES PTY LIMITED	Privately Owned (1 - 10)	9
	INFOCUS SECURITIES AUSTRALIA PTY LTD	Privately Owned (100+)	8
	FINDEX ADVICE SERVICES PTY LTD	Privately Owned (100+)	7
	LIFESPAN FINANCIAL PLANNING PTY LTD	Privately Owned (100+)	6
	CANACCORD GENUITY FINANCIAL LIMITED	Stockbroker	6
Most Reductions	INTERPRAC FINANCIAL PLANNING PTY LTD	Privately Owned (100+)	-6
	MORGAN STANLEY WEALTH MANAGEMENT AUSTRALIA PTY LTD	Bank	-6
	MADISON FINANCIAL GROUP PTY LTD	Diversified	-7
	FINDEX FINANCIAL ADVICE PTY LTD	Privately Owned (100+)	-7
	CONSULTUM FINANCIAL ADVISERS PTY LTD	Diversified	-8
	FITZPATRICKS PRIVATE WEALTH PTY LTD	Privately Owned (11 - 100)	-8
	MILLENNIUM 3 FINANCIAL SERVICES PTY LTD	Privately Owned (100+)	-9
	MERIT WEALTH PTY LTD	Privately Owned (100+)	-10
	A.C.N. 603 037 510 PTY LTD	Privately Owned (11 - 100)	-35
	AFFINIA FINANCIAL ADVISERS LIMITED	Privately Owned (11 - 100)	-58

Licensee movements

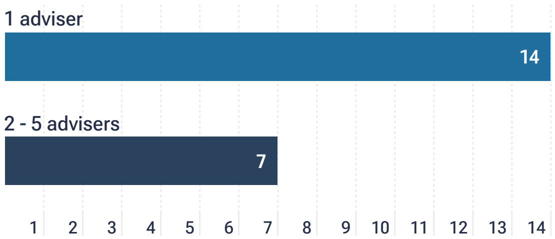
For the past year, licensee registrations and discontinuations have largely kept pace with each other. We saw this trend continue at the start of the calendar year, with a relatively low number of each. Typically, the start of the year isn't a popular time to make licensee applications.

Twice as many solo advisers as groups of 2-5 set up new licensees during the quarter. Meanwhile, almost four-in-five new setups came from those who had already been licensed in the private space.

> *Twenty-six licensees ceased operations in Q1 and most of them had been operating for six years or more.*

Size of new licensees

Source: Adviser Ratings

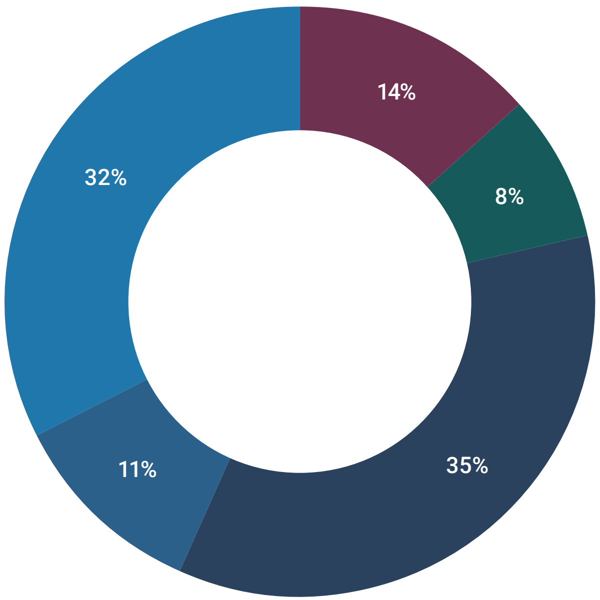


Licensees: newly registered vs discontinued

Source: Adviser Ratings

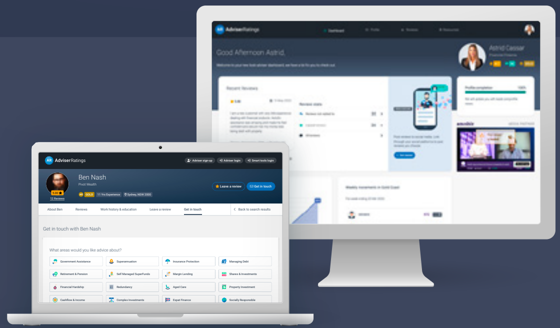
Where advisers were before going to a new licensee

Source: Adviser Ratings



Diversified	5	14%
Stockbroker	3	8%
Privately-owned (1 - 10)	13	35%
Privately-owned (11 - 100)	4	11%
Privately-owned (100+)	12	32%

Our products



Consumer Marketplace

A public website that connects consumers with 17,000 financial advisers, through articles or research, and lead generation.

Nightingale Analytics

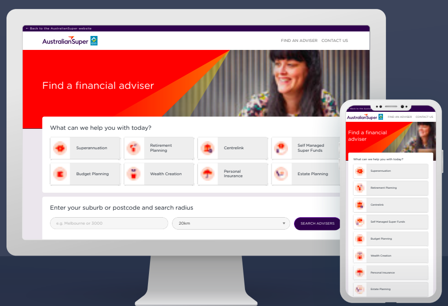
A customisable data service comprising contact and insight intelligence on the universe of advisers, practices and licensees for growth and compliance applications. Data is supplied via various means, including API and SFTP flat files.

Market Research

Essential fact-based research powered by our unique data insights. Featuring staple industry reports (free and paid), including the Financial Advice Landscape report and the quarterly Musical Chairs report.

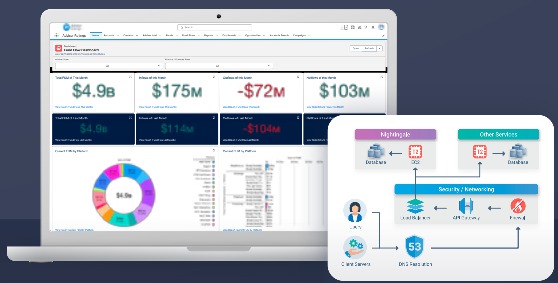
White-Label "Find An Adviser"

A customisable web service including design, hosting and data to help clients with customer retention and acquisition.



CRM integration

Certified CRM experts that use inhouse solution design packages that fully leverage the Nightingale Analytics and Fund Flow data. Data updates can be automated via our API. Tactical, specialist and flexible CRM support is available with long term agreements.



Adviser Quality Scores

A proprietary scoring systems to determine "quality of advice" benchmark and standard on financial advisers. The 'credit score' of the financial advice industry.

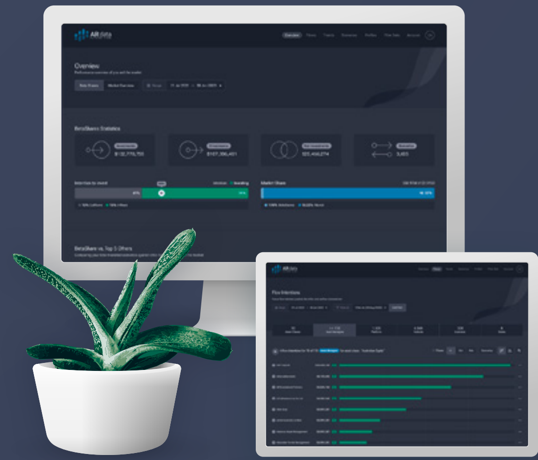
Our products

Life Insurance Barometer

An industry led and supported data sharing proposition that allows participating life insurers deep actionable insights into the retail advice market, advisers writing risk and where the opportunities reside. Under the remit of ARdata considerable investment is being undertaken in this Beddoes product to provide unique actionable data and link system growth to its consumer proposition to benefit the overall retail life industry.

Fund Flow Intention

Australia's first predictive model for investment fund flows. Harnessing the Product Rex modelling tool, it facilitates the creation of dynamic, adviser-driven scenarios to optimize client portfolios across asset classes and platforms. This robust tool correlates strongly with real investment outcomes, empowering sales, marketing, product, and research teams with actionable insights and real-time feedback on targeted campaigns.



ProductRex

ProductRex is now Australia's largest portfolio construction tool, utilised by 5,500+ advisers. It is embedded in multiple software CRMs and applications with open API access. For vendors, it is the only place in the market that has dynamic ad serving capability at the time a portfolio is being constructed.

Fund Flow Reporting

An outsourced solution for fund managers for preparation of monthly reporting on financial adviser applications and redemptions through fund products held on investment platforms and delivered through client's CRMs or external interfaces, such as PowerBI.

Quotable Quotes

January

“ Without a need for subjective marking of written answers, the marking process can be largely automated, removing the risk of human error and subjectivity and speeding up the provision of results to students.

- Financial Advice Association Australia CEO Sarah Abood said she supports the changes to the national exam.

“ For now, existing obligations around good governance and the provision of financial services don't change with new technology. That means all participants in the financial system have a duty to balance innovation with the responsible, safe and ethical use of emerging technologies.

- Australian Securities and Investments Commission (ASIC) chair Joe Longo said he is keeping an eye on AI.

February

“ The changes in the legislation are all about relief and reform – more relief for workers and better reform for our economy.

- Treasurer Jim Chalmers said tax cut changes are partly designed to address bracket creep.

“ Count continues its strategic execution to build capability and drive growth across our three segments of accounting, wealth and services. These results are a strong endorsement of this focus, with the most exciting phase still to come as we complete the acquisition of Diverger on 1 March.

- Count CEO Hugh Humphrey said when its acquisition of Diverger is complete, it will add 550 new advisers.

March

“ The legislation streamlines the delivery of financial advice by consolidating fee documents for ongoing fee arrangements into one simplified document, and allows more flexibility in how financial services guides are provided.

- Assistant Treasurer and Minister for Financial Services Stephen Jones said the new advice bill will have benefits for advisers and consumers.

“ Luke will bring his strong command of retail economics to this important role.

- Opposition leader Peter Dutton announced Luke Howarth will take on the role of Shadow Minister of Financial Services.

Weekly Adviser Movements

Adviser Ratings has a Weekly Adviser Movement video series that keeps you up to date with the latest statistics on advisers joining, switching and leaving the industry.

YouTube

These videos are posted on the Adviser Ratings YouTube channel each Thursday / Friday. You can also **link to the videos below:**

January 2024	February 2024	March 2024
11 Jan	01 Feb	07 Mar
18 Jan	08 Feb	14 Mar
25 Jan	15 Feb	21 Mar
	22 Feb	
	29 Feb	

Glossary of Terms

Adviser Movements

New adviser
A new entrant who is newly registered as a financial adviser on ASIC's financial adviser register (FAR) in the sample period.

Ceased adviser
A financial adviser whose AFSL Authorisation with a licensee has ceased during the sample period.

Switched adviser
An existing or previously licensed financial adviser who has switched-in to a new practice/licensee in the sample period.

Returning adviser
A financial adviser whose AFSL Authorisation was de-registered prior to the sample period and has switched-in to a new practice/ licensee in the sample periods.

Licensee Types

Bank
Where a bank owns the advice licensee although advisers can be self-employed.

Stockbroker
Where stockbroking is the primary business line even if owned by a bank.

Industry Superfund / Not for Profit
Includes mutual building societies, credit unions and banks.

Diversified
Where other core business lines exist within the broader group.

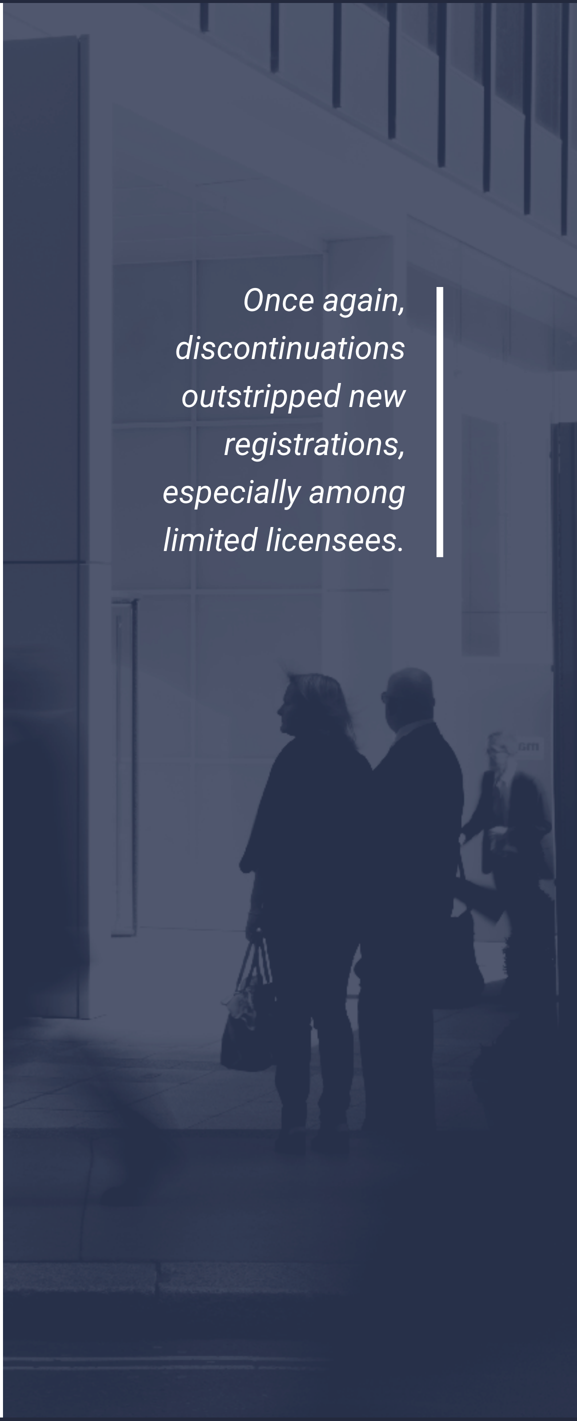
Limited Licensee
As defined through their ASIC registration under specific "classes of securities".

Privately owned (100+ advisers)
Any firm not captured in the other categories with 100+ advisers.

Privately owned (11-100 advisers)
Any firm not captured in the other categories with 11-100 advisers.

Privately owned (1-10 advisers)
Any firm not captured in the other categories with 1-10 advisers.

***Note:** Licensee type, and accordingly adviser type, is defined by its ability to authorise products and its ownership structure (we note many accountants reside in a full licence)*



ARdata

ARdata provides insights to the financial services ecosystem. We operate as a stand alone service to assist fund managers, super funds, platforms, insurers, and other industry service providers reach advisers they want to work with.

Consolidating ASIC information with our proprietary methods, our data is the most valuable, up to date, and accurate in the market.

Our Nightingale data service can be customised to any specific scope, including monthly reports on advisers switching, entering or exiting the industry.

Learn more about ARdata

2023 Australian Financial Advice Landscape Report

Key insights within this edition of the Musical Chairs Report has been taken from the 2023 Australian Financial Advice Landscape Report. This report gives a deep-dive into the current state of the financial advice industry. This report is available as a free download via the link below.

Download the report

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