

CA ANZ

Annual Professional Standards Report

2024

Annual Professional Standards Report

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1. Signing your report

1.1 Declaration and signature

We are authorised to declare on behalf of the association that, to the best of its knowledge and having made reasonable enquiries, the information in this report is complete and accurate.

On behalf of the association, we acknowledge that:

- The Councils may verify the information in this report and check it for missing information.
- If there is missing information, the Authority (on behalf of the Councils) will follow up with the association.
- Once the report is complete, the Authority (on behalf of the Councils) will accept the report.

We confirm that the association's governing body has reviewed and approved this report.

We agree that the association will report to the Councils as soon as practicable if any of the following occurs after the report is submitted:

- any significant event (as described in the guidance for Table 4.2)
- any change or development that affects the scheme
- any notification or claim against scheme participants for an amount above the monetary ceiling set by the scheme of which the association is notified or otherwise becomes aware of.

	CEO	Other authority
Signature		
Full name	Ainslie van Onselen	John Palermo
Capacity	Chief Executive Officer	Board Chair
Date	18 March 2025	18 March 2025
Attach evidence of report approval from your governing body (including Board minutes or resolutions)		Attachment 1.1 'Draft Minutes of the meeting of the Board of Chartered Accountants Australia and New Zealand' held on 18 March 2025, referencing the Board approval of the 2024 APSR.

2. Highlighting the year

2.1 Top highlights

1. Improving occupational standards

A - Changes to CA ANZ By-Laws

We have had two recent changes to our [By-Laws](#). The first changes were made to reflect the outcomes of the Professional Conduct Framework Review (**the Review**). The full details of the changes were included in our 2023 APSR. These By-Laws received Royal assent effective 25 January 2024. Refer to **Attachment 2.1 'CA ANZ By-Laws Updated January 2024'**.

By-Laws were amended again in 2024 to effect consequential amendments arising from the 2023 changes and to make minor corrections, note cross references, definitions and typographical errors. These changes were approved by a vote of Chartered Accountants Australia and New Zealand (**CA ANZ**) members in October 2024 and received Royal assent on 13 January 2025. Refer to **Attachment 2.2 'CA ANZ By-Laws Updated January 2025'**.

B - Professional Conduct Framework Review implementation

As advised in our 2023 APSR, CA ANZ completed the Review in June 2023 and published the Review findings to members and the public. We developed a PCFR Implementation Plan to roll out the changes and improvements arising from the Review. During 2024 the following key actions were completed:

1) Prioritisation of Conduct Complaints

CA ANZ disciplinary bodies have developed a policy approach to the prioritisation of complaints and disciplinary matters. A resolved policy approach to prioritisation is appropriate given that the purpose of the disciplinary framework is to ensure the maintenance of the integrity of the profession of accountancy, future compliance with the standards and to protect the public and the profession from the consequences of wrongdoing.

The approach ensures the prioritisation of serious matters which includes those where the Disciplinary Tribunal (**DT**) may terminate or suspend the membership of a member, cancel or suspend the member's Certificate of Public Practice (**CPP**) or impose Interim Orders and where the complaint involves a serious breach of the fundamental principles of integrity or professional competence and due care as identified in APES 110 Code of Ethics for Professional Accountants including Independence Standards (**APES 110 or the**

Code), a serious conflict of interest or conduct which is systemic or industry wide.

The prioritisation of complaints is regularly reviewed, including by the Professional Conduct Committee (**PCC**) Chair, so that complaints are appropriately progressed.

2) *Alternative Dispute Resolution (ADR)*

The ADR service enables the parties to a complaint, with the assistance of a CA ANZ staff member who is not involved with investigating the complaint, to identify the issues in dispute, develop options, consider alternatives and endeavour to reach an agreement. It is a free service designed to efficiently resolve minor complaints which would typically not result in significant disciplinary action against the member.

The ADR system is newly introduced. CA ANZ will report on the uptake and outcomes in next year's APSR.

3) *Expedition*

The By-Laws now provide for an expedited resolution of certain types of offences. This includes where the member has been found guilty of a criminal offence, has been found to have acted dishonestly by a competent authority, tribunal or court, has been the subject of any adverse or unfavourable binding determination by a competent authority, tribunal or court, has had a condition or restriction imposed on a professional membership, registration or licence in their name or has suffered an insolvency event (including bankruptcy).

The expedited process permits the PCC to forgo a formal investigation and to refer the matter to the DT for an expedited hearing, at which the member bears the onus of establishing that there is a genuine dispute as to whether they are the subject of the relevant matter and may make submissions on any mitigating factors.

This process permits the faster resolution of these types of matters.

C - CA ANZ Participation at Parliamentary inquiries

CA ANZ participated in four parliamentary inquiries focused on the accounting profession during 2023 and our detailed submissions accompanied our 2023 APSR.

Our [opening statement](#) to the Parliamentary Joint Committee on Corporations and Financial Services inquiry into Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry on 5 March 2024 contains important statements by CA ANZ regarding:

- The extent of our powers as a private membership body to regulate members' behaviour.
- Our role in relation to monitoring firms' quality management systems.
- Our conduct program and its treatment of the 'Big 4'.
- Actions we have taken and will take to improve and strengthen our monitoring of CA ANZ members, including the 'Going Further' Roadmap.
- Actions the government should take to strengthen regulation and improve its systems in relation to the regulation of the public accounting profession.

CA ANZ's full statement is included at **Attachment 2.3 'CA ANZ PJC Inquiry Opening statement 5 March 2024'**.

All inquiries have released their reports as detailed below:

- 1) NSW Senate's Public Accountability and Works Committee inquiry into the NSW Government's use and management of consulting services ([final report](#) issued in May 2024)
- 2) The Senate Finance and Public Administration Reference Committee into the management and assurance of integrity by consulting services ([final report](#) issued in June 2024)
- 3) The Senate Economics References Committee inquiry into the capacity and capability of the Australian Securities and Investments Commission to undertake proportionate investigation and enforcement action arising from reports of alleged misconduct ([final report](#) issued in July 2024)
- 4) The Parliamentary Joint Committee on Corporations and Financial Services inquiry into Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry ([final report](#) issued in November 2024).

We are largely supportive of the recommendations in the reports. Refer to CA ANZ media releases on [29 May 2024](#) (**Attachment 2.4 'Media Release CA ANZ Statement on Public Accountability and Works Committee Report'**) and on [8 November 2024](#) (**Attachment '2.5 Media Release CA ANZ Statement on Parliamentary Joint Committee on Corporations and Financial Services Report'**).

D - Treasury Consultation Paper

CA ANZ welcomed the Treasury consultation paper on 'Regulation of accounting, auditing and consulting firms in Australia' (refer to **Attachment 2.6 'Treasury Paper - Regulation of accounting, auditing and consulting firms in Australia, Consultation Paper'**) that shows clarifying and strengthening regulatory roles and frameworks for the accounting sector and broader professions is essential.

CA ANZ have [responded](#) to important questions arising from this conversation and presented eleven recommendations below that constructively address the potential issues raised in the paper: Refer to **Attachment 2.7 'CA ANZ Consultation Response Regulation of accounting, auditing and consulting firms in Australia'**.

- 1) There is an urgent need for government to clarify its intended roles of government and professional regulation of audit in Australia.
- 2) The government must consider clarifying and strengthening (including by extension) the Australian Securities and Investments Commission's (**ASIC**) jurisdiction and resources to effectively regulate audit firms including monitoring and enforcement of audit quality, governance and independence standards and requirements at the firm level.
- 3) The government should consider an audit firm governance code supplementing the existing governance and leadership requirements prescribed for firms in audit quality standards.
- 4) The government should consider and respond to the relevant conclusions and recommendations of the Parliamentary Joint Committee on Corporations and Financial Services inquiry into Regulation of Auditing in Australia.
- 5) The government should legislate to require Australian listed companies to implement a comprehensive periodic review of the external auditor, noting relevant guidance already issued by the Auditing and Assurance Standards Board (**AUASB**) jointly with the Australian Institute of Company Directors (as seen in Canada).
- 6) Require pre-approval of audit and non-audit services by the Audit Committee for listed companies.
- 7) Improve transparency and reporting by large professional services firms based on key stakeholder needs.
- 8) Reintroduction of reporting by ASIC on audit quality measures, indicators and other information relevant for stakeholders to understand audit quality.
- 9) Mandate digital financial reporting for listed companies in Australia.
- 10) Harmonise and strengthen whistleblower protections with consideration of [Protecting Australia's Whistleblowers: The Federal Roadmap](#) by A J Brown and Kieran Pender, which has well thought out and internationally benchmarked set of measures and extend provisions to a broader range of regulated entities, such as partnerships.

11) Amend relevant Corporations Act provisions so that audit team members as eligible whistleblower report recipients, are treated as an entity and can share information within the team.

E - Engaging with Regulators in the public interest

During 2024, CA ANZ continued to engage constructively with regulatory and oversight bodies to pursue common objectives in the public interest.

Our engagement included participating in formal and informal meetings or 'round table' discussions, providing written submissions to public consultations and facilitating key regulators' participation and sharing information with our members at conferences and other learning events.

F - TASA tax determination

We worked extensively with other relevant professional bodies to ensure that the changes to the ethical obligations for tax agents align as far as possible with the Code.

G - Formalised a Policy to assess members being 'Fit & Proper' when they apply for a Certificate of Public Practice (CPP)

In April 2023 the Board approved a change to CA ANZ [Regulation CR2](#) Certificates of Public Practice (**CR2**) to make it a condition for a satisfactory assessment of 'fit and proper' to be carried out when granting a CPP. The Professional Standards team formalised a policy regarding this. Refer to **Attachment 2.8 'CA ANZ Internal Policy CPP Application Fit & Proper Persons'**.

The assessment includes steps to check the member concerned and/or make enquiries with the Conduct team as necessary and to obtain final approval from the Board's delegate, the Group Executive General Counsel and Corporate Assurance that the application can be either approved or rejected. A register is maintained to record cases in our system and to ensure fairness and consistency is applied across our membership base.

H - Review of approach to Quality Reviews at Large Firms

In 2024, we internally reviewed the scope of large firm reviews to ensure they cover a review of information relevant to all elements of a firm's system of quality management, including governance and leadership, professional standards and human resources. The revised approach was approved by the Group Executive General Counsel and Corporate Assurance.

Other improvements we have made to our large firm review approach include:

- Rolling out more detailed guidance and checklists to reviewers to increase the consistency and comparability of completed reviews;
- Extending the list of interviewees and documentation to be provided to include areas such as: firm culture, partner appraisals and remuneration, the process for addressing contentious issues or disagreement between partners;
- Making specific inquiries as to how the firm identifies and manages conflicts of interest;
- Making inquiries about the culture of the firm and actions taken to establish an ethical culture; and
- Obtaining evidence of findings from other reviews or regulatory investigations.

During 2025, we will continue to consider outcomes and findings to determine whether the scope should be further refined.

2. Increasing consumer protection

A - Building trust in the Profession – ‘Going Further’

As advised in our 2023 APSR, on 7 February 2024, CA ANZ released 'Going Further', a roadmap to enhanced trust and accountability for the profession. 'Going Further' demonstrates CA ANZ's commitment to ensuring the highest standards of professional ethics as an important part of instilling public confidence in the expertise, professionalism and integrity of the CA designation and the profession.

There are several actions from 'Going Further' that CA ANZ has taken during 2024, and these are summarised below:

1) *Chartered Accountant's Commitment*

Introduced into the annual membership renewal process, the requirement for members to reaffirm their intention to comply with their CA ANZ membership obligations including the Code by acknowledging the [Chartered Accountant's Commitment](#) so there is no question about the standards of professionalism and behaviour the public can expect from a Chartered Accountant. Refer to **Attachment 2.9 'CA ANZ Chartered Accountant's Commitment'**.

2) *Professional Standards, Regulation and Conduct Annual Report*

Preparing and publishing a [Professional Standards, Regulation and Conduct Annual Report \(Australia only\)](#) to make the public aware of all activities undertaken by CA ANZ to educate, monitor and discipline members (including Scheme participants) and to improve

understanding and awareness of Scheme requirements and advise on the areas where members can improve compliance. Refer to **Attachment 2.10 'Professional Standards, Regulation and Conduct Annual Report June 2024'**.

3) *Increase in ethics requirements*

CA ANZ increased mandatory continuing professional development (**CPD**) ethics requirements; all members are required to complete six hours of verifiable ethics training each triennium from 1 July 2024 as opposed to two hours per triennium. The six-hour requirement is a minimum requirement and cannot be pro-rated for part time work or otherwise as we want to ensure that all members take time each triennium to reflect on their ethical obligations.

The increase in ethics hours demonstrates the critical importance CA ANZ places on professional ethics and is consistent with community expectations and the responsibility of our members to act in the public interest.

Any professional development that is relevant to a member's role and relates to the fundamental principles of the Code can be claimed as ethics training. We updated our [CPD FAQ Guide](#) to provide more information on this and set out clear examples for our members based on their industry, roles etc. Refer to **Attachment 2.11 'Continuing Professional Development Frequently Asked Questions guide'**.

We have complimentary ethics training and resources available to members on our [Ethics Hub](#) and we continue to invest heavily in complimentary and paid ethics training for members.

4) *Affiliate Admission Program*

On 1 July 2024, CA ANZ launched an Affiliate Admission Program (**AAP**) for Affiliate members and Non-Member Principals (**NMPs**) who are Principals in Public Practice. NMPs are resident in New Zealand.

This new mandatory course provides Affiliates and NMPs with an overview of the obligations and value of being a member of CA ANZ, including the trusted reputation that our members have collectively worked to build over many years. New Affiliate members need to understand the foundations of CA ANZ's reputation, as well as the professional and ethical standards that guide members' actions.

Current members who obtained Affiliate membership or NMP status after 1 July 2019 must also complete the course before 30 June 2025 to retain their Affiliate Member or NMP status. Refer to **Attachment 2.12 'CA ANZ Affiliate Admission Program'** for the course outline.

Since its launch in July 2024, 560 individuals have completed this course to date (February 2025) with a further 233 enrolled and currently completing it.

5) *Requested amendment to the Code*

In July 2023 we wrote to the Accounting Professional Ethics Standards Board (**APESB**) to request that it consider an amendment to the Code to introduce a positive duty for members to report misconduct by other members. After consultation, in June 2024, the APESB determined not to take the request any further.

6) *Implement actions arising from the Review*

Refer to the 2023 APSR and Section 2.1.1 above for our completed actions so far. Two additional items remain on our work program for 2025, as follows:

- Investigating pathways for non-partner staff and leaders to become CA ANZ members as a sub-category of Affiliates and to be subject to the Code; and
- Implementing memorandums of understanding between CA ANZ and regulators to support information sharing.

B - Quality Review webinar

The Quality Review team took part in a [webinar](#) hosted by Ignition along with other associations on 7 March 2024. This informative session was aimed at guiding practitioners in maintaining high-quality standards in their practices and provided invaluable insights and actionable strategies to ensure practices meet the standards set by professional bodies across Australia and New Zealand.

The session provided members with insights into common compliance pitfalls, the key trigger points for reviews in terms of how they are initiated, what the process looks like, outlined important strategies to prepare for a review, and steps to take if a member's practice falls short.

1,106 people attended on the day and a comprehensive CA ANZ resource pack was circulated to all 1,676 registrants thereafter.

C - Activities of the Professional Standards team

The Professional Standards team continued to review annual data obtained from monitoring activities, member complaints, claims data and member queries to identify if further monitoring activities are necessary to correct or improve members' practices or behaviour.

Based on our findings and member feedback there were several actions arising from this process during 2024:

- re-arranging CA ANZ website pages to make it easier for members to find information about designing and implementing a system of quality management;
- amending [CA ANZ Regulation CR7 Continuing Professional Development](#) to clarify when CPD exemptions may be available;
- documenting an approach for granting an exemption from the requirement to hold a CPP to members who are principals in firms who have a very small number of Chartered Accountants as principals; and
- engaging with one of the large banks to develop a non-statutory trust account product that complies with professional standards (see more below).

D - Learning events focused on ethics and professional standards

Throughout 2024, the Professional Standards team continued to provide high quality professional standards and ethics focused learning opportunities for CA ANZ members. Some examples are highlighted below.

1) *Professional Standards Roadshow for 2024*

On 26 February 2024, the CA ANZ Australian Professional Standards team hosted their Annual Professional Standards Roadshow. This virtual webinar provided an update on Professional Indemnity Insurance (**PII**), the Scheme, CPD, Quality Review, Professional Conduct and Ethics.

The Roadshow was aimed at leaders in public practice to help them to remain on top of their compliance obligations and was packed with practical suggestions to reduce the risks to their practice. We highlighted issues found in practice reviews and how to avoid similar mistakes, shared findings from professional conduct on complaints received, summarised key changes to PII requirements and provided information on where we are finding issues with compliance with professional standards.

1,850 members registered for the event with 1,230 joining the live event on the day and a further 119 watching the recording in the three weeks following. It received a Net Promoter Score of 34 which shows high member engagement and interaction.

2) *Northern Territory members forum*

In March 2024, the Professional Standards team took part in the CA ANZ Northern Territory Forum Program. Two sessions were held to provide useful and relatable content for members in public practice and members in business.

The session for members in public practice provided an overview on ethical dilemmas in public practice and members' obligations in relation to applying the essential elements of the Code. We highlighted key resources offered by CA ANZ to assist members with applying the Code and advised on common mistakes made which may result in a breach of the Code.

The session for those members in business identified the importance of ethical conduct and an ethical mindset to maintaining trust in business and the accounting profession. It reinforced members' understanding of ethical issues, developed awareness of facts and circumstances that can compromise compliance with the Code and examined personal biases that influence ethical conduct.

Some real-life examples that the Professional Standards team have encountered were shared to give the session real life context and to display some common themes with regards to ethical dilemmas.

3) *Sharing Knowledge sessions*

CA ANZ's Sharing Knowledge webinars continued in 2024 to help members keep up to date with their professional obligations and the evolving accounting landscape.

On 24 April 2024, CA ANZ held a Sharing Knowledge session for members to provide them with an update on the International Ethics Standards Board for Accountants (**IESBA's**) amendments to the Code in relation to tax planning and related services, including some observations about why the changes are being made, what the changes look like and importantly what impact they could have on Australian tax professionals if they are adopted by local standard setters.

On 5 September 2024, CA ANZ hosted a session on 'Ethical Challenges in Sustainability Reporting & Assurance' where experts

working in the area outlined the ethical challenges our members are encountering in their sustainability work and how they are addressing these, and to explain the proposed ethical standard for sustainability which was approved by IESBA in December 2024.

CA ANZ is advocating for appropriate and flexible regulatory frameworks and policy settings to integrate broader sustainability disclosures into domestic reporting frameworks, including connectivity with financial information.

A further Sharing Knowledge webinar: 'Navigate the Emerging Artificial intelligence (AI) Ethical Landscape' was hosted for members in November 2024. Over 5,000 members registered and 3,345 tuned in live to equip themselves with the knowledge to ethically leverage AI, explore AI ethics principles and learn how they interact with the Code of Ethics recent technology amendments.

E - Aon - Educational events for members

During 2024, and the Professional Standards team continued to collaborate with Aon to provide a variety of educational content around PII.

Aon delivered two webinars in 2024 relating to PII matters. The first one held on 9 April 2024, 'Business Resilience – managing your risk exposure' gave members an overview and refresher in relation to PII and the necessity to have adequate cover in the event of a successful claim against them. A total of 411 were registered for the event with 191 attending live on the day.

In September 2024, Aon co-hosted a second webinar, with CA ANZ entitled 'Professional Indemnity: Do you have the right cover for your industry?'. More than 230 members registered and 120 attended the live event. We used this complimentary webinar as an opportunity to provide an overview of the scheme and to help members better understand the professional risks they face and to remind them of their obligations under the scheme. We also provided them with an update on the progress of our 2025-2030 Scheme application.

The jointly created [Professional Indemnity \(PI\) Checklist](#) and [PI FAQ](#) document (as mentioned in our 2023 APSR) are proving useful to members. Since made available on the CA ANZ website in March 2024, the PI Checklist has been downloaded 373 times and the PI FAQ 395 times up to December 2024.

In early 2025, Aon created a ['Resource hub'](#) on their website to house all of the above content developed for CA ANZ members so

the checklists and past webinars can be accessed at any time to educate and empower members in the area of PII and risk management.

F - Ethics Resource Centre and Practical Series - Articles & Tools and resources

During 2024, CA ANZ remained committed to equipping our members with the knowledge and skills to navigate ethical challenges and mitigate risk. We continued to deliver timely and practical guidance to support our members on ethics in the profession within our [Ethics Resource Centre](#).

Ethics articles shared with members during 2024 include:

- [How can CAs make ethical decisions?](#) (October 2024).
- [Think you make good decisions?](#) (October 2024)

Perspective article with Clare Payne (Ethics, Trust and Transparency Leader – EY Oceania) on ethical decision making and provides questions to use as prompts to consider broader perspectives to improve decision-making skills.

- [Breaking up is hard to do: Five ways to leave your client](#) (November 2024). This article also provided a disengagement letter template for members to tailor to their circumstances.

Professional standards advice series articles include:

- [Are you thinking of outsourcing? Ask these seven questions first](#) (August 2024)
- [Limit the risks generated by new technology](#) (December 2024)

G - Global Ethics Day 2024

In October 2024, CA ANZ acknowledged and celebrated Global Ethics Day by releasing an engaging online panel discussion featuring CA ANZ's CEO, Ainslie van Onselen, alongside other ethics and accounting industry leaders. They delved into the crucial topic of challenging unconscious biases.

The event drew a strong audience, with nearly 10,000 members registering to watch the discussion online. Over 5,000 members tuned in live, while many others caught up with the recording later. This initiative was bolstered by publication of 'Applying the Code: Quick Reference Guide' and insightful articles and a podcast, designed to empower members to make ethical decisions with confidence.

H – Australian Human Rights Commission (AHRC) Elder Financial Abuse Coalition

We have engaged with the AHRC to explore participating in the AHRC Elder Financial Abuse Coalition. We have several resources available to members in practice to facilitate them identifying and combating elder abuse.

I - Client monies trust account support

Member feedback indicated that some were experiencing difficulties with opening a trust account that complies with APES 310 Client Monies (**APES 310**). To support our members in public practice to open a trust account, CA ANZ worked closely with National Australia Bank (**NAB**) to overcome this issue and NAB developed a compliant APES 310 product for our members. Refer to **Attachment 2.13 'CA ANZ Guide to APES 310 Client Monies product with NAB'**.

J - Tools and Resources for 'Smaller Practices'

1) *Resource Centre*

In January 2024, CA ANZ's newly created ['Smaller Practices Centre'](#) was launched. The aim of this resource centre is to provide a dedicated space for smaller practices (i.e. those with 5 or fewer principals) to access tools and resources to support their growing business and to assist with smaller practice related issues. Topical and relevant information is clearly displayed here and allows practitioners to get access quickly and efficiently to key information and resources.

The centre provides information and resources on current hot topics, compliance matters, events for smaller practices, marketing your business guides, staff and recruitment, details support channels available to smaller practices both within and external to CA ANZ and avenues to support mental health and well-being for practitioners. The compliance matters include technical news and updates, advocacy matters, CA ANZ policy submissions and public practice compliance and regulatory insights.

2) *Monthly Newsletter*

From January 2024, CA ANZ started sending members in smaller practices a monthly newsletter. The newsletter enables CA ANZ to deliver important information in a digestible format, acknowledging that practitioners are often overwhelmed by the amount of information they are required to be aware of.

The newsletter is published monthly, with separate editions for New Zealand and Australia and tailored content for paid and unpaid members in each audience.

Throughout the second half of 2024, the Australian newsletter maintained steady delivery numbers, hovering consistently around 21,700 distributed each month. The newsletter is showing signs of steady engagement, with a noticeable improvement in open rates in the last quarter to December 2024.

K - Guide and checklist for running a practice

In April 2024, CA ANZ published a comprehensive guide and checklist for members setting up their own practice or those in the early stages of running their own practice, under the campaign 'Look before you leap'.

The [guide](#) focuses on the commercial realities of running a business, so that accountants do not enter this endeavour without a clear picture of the risks. It also makes members aware of the statutory requirements, their member obligations and important procedures that accountants need to have in place to run a successful practice. Refer to **Attachment 2.14 'Look before you leap guide'**.

Informed by the experiences of seasoned accounting practitioners, the comprehensive [checklist](#) covers practical considerations such as work-life balance, business structures, clients and marketing, people and skills, financial administration, compliance, and technology. Refer to **Attachment 2.15 'Checklists for aspiring practitioners'**.

L - Creation of new CA community platform for members looking to buy or sell their practices

In early 2024, CA ANZ established a Buy/Sell community within our My CA platform to give members extra support and resources for entering or exiting a practice. This community is intended to help practices to connect regarding:

- buy/sell of practices
- buying/selling of fee parcels
- networking for practice succession
- assistance with start-up of practices.

Members can advertise their practices or fee parcels on this platform, and they connect directly with interested parties. Our members decide how much information they would like to include in their ad or posting, for example estimated fee/firm value, location, number of employees and can leave their contact details in their

post or utilise the direct message function on My CA if they wish to have private conversations with interested parties.

The feedback to date shows this platform is a good way to connect members to help them with expanding or downsizing their services/practice.

M - Succession planning tools and resources

1) Micro course

Based on member feedback, a new on-demand micro course 'Succession planning for public practice' was released in February 2024. The micro course includes 2 hours of online learning with real life examples and case studies and a video providing explanations and tips for practitioners looking to develop their succession plan. It ensures compliance with APES 325 Risk Management for Firms (**APES 325**) which makes it mandatory to have a documented succession plan that outlines how the practice will continue to perform its professional obligations to its clients.

The creation of this course recognises succession planning is an important issue for small practices/family practices and practitioners need help with creating a succession plan that is fit for purpose, enables the practice to keep running if a partner/practitioner leaves or is otherwise incapacitated.

2) Update of the Succession Planning toolkit

CA ANZ's Succession Planning toolkit was revamped and released in October 2024. The toolkit includes the following templates and checklists to assist members efficiently develop a succession plan so they and their practice can plan for the future while also complying with APES 325:

- Critical response plan checklists;
- Retirement and succession planning tools in the toolkit;
- Template for an effective 'Succession Plan'; and
- Template for 'Succession Goals'.

The above are proving very useful and practical resources for our members. Refer to **Attachment 2.16 'Succession Planning toolkit'**.

N - Small Firm, Big Impact Podcast

CA ANZ's podcast [Small Firm, Big Impact](#) continued to provide a valuable channel to members during 2024 as it provides factual

and practical content from experts, giving members the information they need to stay up to date.

Topics covered in Season 4 of the podcast:

- S4E1: Meet your 2024 CA ANZ President (2 February 2024)
- S4E2: Payday matters (20 February 2024)
- S4E3: GenAI for SMPs (Part 1) (21 March 2024)
- S4E4: GenAI for SMPs (Part 2) (4 April 2024)
- S4E5: Cost of tax debt to soar (19 April 2024)
- S4E6: What's next for ethics and the profession? (13 May 2024)
- S4E7: What the Federal Budget means for members (20 May 2024)
- S4E8: Is running an accounting practice right for you? (16 August 2024)
- S4E9: The CA ANZ complaints process (21 August 2024)
- S4E10: The benefits of your employees doing the CA Program (2 September 2024)
- S4E11: Impacts of reforms to the Australian anti-money laundering and counter-terrorism financing regime (3 October 2024)
- S4E12: Financial abuse in the tax system and how to recognise the signs (27 November 2024)

O - Practical support for practitioners who are Tax and BAS Agents

Many of our practitioners perform registered tax agent services, so must adhere to the obligations introduced by the [Tax Agent Services \(Code of Professional Conduct\) Determination 2024 \(Code of Conduct\)](#) which apply from 1 January 2025 and 1 July 2025 depending on practice size. These obligations require practitioners to ensure their system of quality management (**SOQM**) includes policies and procedures that provide reasonable confidence in their compliance with the Code of Conduct.

To support our practitioners, CA ANZ published a supplement to our Quality Management Toolkit, [Tax Agent Services Act supplement](#), specifically designed to help them update their SOQM for these new tax obligations. This supplement, first released in August 2024, was periodically updated as the Tax Practitioners Board drafted and finalised its guidance. Refer to **Attachment 2.17 'Quality Management Resources – Tax Agent Services Act Supplement'**.

We are also planning to provide additional education and resources to assist practitioners adapt to the changes throughout 2025.

P - Professional Conduct articles

During 2024, the Conduct team arranged for the following conduct articles/publications in CA ANZ Acuity magazine and on the CA

ANZ website to assist members maintain and improve professional standards and behaviours:

- [Wrongdoing has a long reach | Acuity](#) (February 2024)
- [A focus on quality | Acuity](#) (April 2024)
- [Kitchen table accounting – what could possibly go wrong? | Acuity](#) (May 2024)
- [New conduct-related by laws for chartered accountants | Acuity](#) (July 2024)
- [How accountants can avoid unprofessional behaviour | Acuity](#) (July 2024)
- [Ethical dilemmas for accountants | Acuity](#) (July 2024)
- [How accountants manage conflicts of interest | Acuity](#) (August 2024)
- [Ten hurdles of setting up an accounting practice | Acuity](#) (September 2024)
- [Key causes of integrity breaches | Acuity](#) (September 2024)
- [Workplace policy and gifting: do you know where the ethical line lies? | Acuity](#) (November 2024)

3. Operating your professional standards scheme

A - Improvements to monitoring activities to assess compliance of scheme requirements

Our compliance monitoring activities were maintained to a high level during 2024. Some minor enhancements were made to our follow up procedures in 2024. Refer to **Attachment 2.18 'Overview of CA ANZ monitoring activities in 2024'**.

B - CPD monitoring for 2024

We increased our sample selection by almost one hundred members to 1,600. We plan to increase this further during 2025.

We are currently running a pilot study for 90 members, which leverages use of the CPD log on the My CA platform as a way to collect CPD activity records and verifiable evidence. We hypothesise that receiving CPD activity records in this standard format should expedite the assessment of CPD compliance. We will evaluate our hypothesis and outcomes of this pilot study when complete and determine next steps during 2025.

C - Scheme questionnaire for 2024

In May 2024, we commenced releasing the 2024 annual scheme questionnaire to scheme participants.

The 2024 questionnaire includes the following two new questions that were also included in our 2025-2030 Scheme application survey.

- 1) *What is the maximum engagement fee* (excluding GST) received by your practice for a single engagement for year ended/ending 30 June 2024?*
- 2) *Have you changed insurer within the last year? If 'yes', please advise what was your reason for change in insurer i.e. price of premium, service levels from insurer, coverage of services etc?*

Question 1 is included to assist us assess the reasonableness of our current scheme caps and facilitate assessment of appropriate PII coverage. Where non-compliance is indicated, we have a follow up procedure to encourage and enforce compliance with CA ANZ [Regulation CR2A](#) Professional Indemnity Insurance (**CR 2A**).

Question 2 is included as a means to obtain insights about the PII market.

Other than to provide updated links to CA ANZ new tools and resources on risk management and systems of quality control there were no other significant changes to the questionnaire. **Refer to Attachment 2.19 'Professional Standards Scheme Questionnaire for 2024'**.

D - Quality Review for 2024

- 1) *Improved communications and timelines*

As noted in our 2023 APSR, we made improvements to our processes for Quality Review by modifying our member communications to include explicit timeframes for quality review completion and developed an internal guide in relation to deferrals and cancellations. During 2024, we continued to see efficiencies due to these two new measures.

In 2024, webinars were conducted for practices selected for review to help them understand and prepare for the upcoming review and to allow them the opportunity to ask any questions before the review commenced.

- 2) *Enhanced Quality Review for Large Practices*

Please refer to Section 2.1.1 – Top Highlights where we have described changes to our reviews of large practices.

3) *Quality Review Action Plan for FY2025*

CA ANZ created a Quality Review Action Plan for the 2025 financial year. This proposes several adjustments to the quality review program with a goal to increase the number of reviews completed in 2025 and future years by:

- further refinement of the risk-based selection criteria
- proactively increasing our pool of reviewers
- implementation of several IT system changes

The effect of these changes will be largely crystallised during the 2026 and 2027 financial years.

3. Informing members and consumers

3.1 Improved awareness and understanding

<p>1. Have you changed or reviewed how you tell members about their scheme obligations?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No → Go to Question 2</p>
<p>If yes, please tell us about it. Include how you are monitoring the effects of any changes.</p>	<p>As an association with a long-standing approved scheme there is a high level of awareness amongst our members and their clients.</p> <p>To keep current participants abreast of scheme requirements during 2024 and to ensure awareness of new scheme participants, we have reminded them of scheme obligations through various channels as follows:</p> <ul style="list-style-type: none"> • when issuing the 2025-2030 Scheme application survey in February 2024; • during the Professional Standards Roadshow in February 2024; • enhanced member awareness of PII and scheme requirements via our partnership with Aon through providing PII materials and conducting complimentary webinars; and • through our frequently provided updates on the 2025-2030 Scheme application process on the CA ANZ website and in newsletters. <p>As advised in the 2023 APSR, Aon and CA ANZ worked together to devise a follow up procedure for CA ANZ members who hold PII policies with Aon (currently approx. 1,201 members in total) who are identified as non-compliant with scheme requirements i.e. had less than \$2million required limit of indemnity.</p> <p>These procedures have seen a reduction in non-compliant members from 34 in December 2023 to 18 in December 2024. We note there are 11 members with run-off cover policies who cannot be brought into compliance as the run-off cover must continue based on the indemnity levels the policy holder was insured for at the time run-off cover commenced.</p>
<p>2. Have you changed or reviewed your communications to improve how well the following groups understand the scheme?</p> <ul style="list-style-type: none"> • members • members' clients 	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to Table 4.1</p>

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<ul style="list-style-type: none"> the public 	
<p>If yes, please tell us about it. Include how you are monitoring the effects of any changes.</p>	<p>N/A</p>
<p>3. Any additional information.</p>	<p>During 2024 we provided clear communication to our members about our 2025-2030 Scheme application and provided frequent updates as to how our Scheme application process was progressing. This provided opportunities to engage with the membership about the scheme and act as a reminder to adhere to scheme obligations.</p>

4. Protecting consumers

4.1 Compliance and risk management plans

1. Have you changed or reviewed your association's Scheme Compliance Plan?

- Yes
 No

If yes, please:

- attach a marked-up version
- tell us about the changes or review.

CA ANZ Scheme Compliance Management Plan was reviewed and updated in June 2024 as part of the 2025-2030 Scheme application process (refer to Annexure 21 attached to the application).

The plan was further refined in February 2025 to reflect three recommendations arising from an internal audit of our processes and controls by Crowe. Crowe's overall findings are that CA ANZ has processes and controls in place that are designed effectively and support adherence to the relevant regulations under Professional Standards Legislation (**PSL**). The recommendations along with our responses are provided below.

Recommendation 1

Strengthening processes by ensuring that all members provide verifiable evidence of having the required insurance arrangements in place.

CA ANZ response

CA ANZ supports this recommendation while recognising that there may be significant business requirements to support the collection of such documentation. As outlined in Section 7.2 below CA ANZ currently obtains evidence of a practice's complying PII policy at the time of issuing a member with a CPP, Affiliate membership or practice entity membership and during a quality review.

Our intended action regarding this measure and our indicative timeline for same is as follows:

- **30 June 2025** – CA ANZ will obtain a sample of certificates of currency for up to 100 practices and review for compliance with CR2A. This step is currently underway.
- **30 June 2026** – Amend the current scheme questionnaire process so that practices upload their certificate of currency, and CA ANZ employee/s review a sample of the certificates for compliance with CR2A.

- **30 June 2027** – Identify ways that artificial intelligence can be used to test 100% of the certificates received for compliance with CR2A.

Recommendation 2

CA ANZ should seek to incorporate innovative ways to track and assess the conduct of members. The use of data analytics, and formalised capture of information from different sources that might be relevant to the conduct of a member will enable CA ANZ to be better informed and able to ensure timely decision-making with respect to member conduct or performance.

CA ANZ response

CA ANZ is committed to integrating data in our monitoring and member tools and resource activities. We plan to complete the following additional activities to try gain a better understanding of member conduct and performance.

- **30 June 2025** - The content for the 2025 Professional Standards Roadshow will be drawn from data collected from the annual scheme questionnaire, quality review findings and conduct data.
- **30 June 2025** - A workshop for the Professional Standards Team will be held to identify possible hypotheses regarding membership and data to analyse and test these hypotheses. Examples may be analysing member demographics such as age, location and gender to conduct complaints or professional indemnity claims to see if there are predictive insights.

Recommendation 3

Improving the documentation to clearly define the controls that are in place and part of CA ANZ's management of the Scheme. This will ensure that compliance measures are more effectively and consistently implemented and monitored.

CA ANZ response

CA ANZ recognises that the Scheme Management Compliance Plan dated June 2024 contains a column entitled 'Assessment of Compliance & Controls' which is a combination of outcomes of controls and controls.

- **31 March 2025** - CA ANZ will update the compliance plan to more clearly describe the controls in place and

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	<p>better distinguish between controls and the outcomes of controls. CA ANZ will ensure that consistent terminology for the assessment of risk and risk outcomes is used in its compliance plan.</p> <p>Refer to [REDACTED] which has been updated accordingly in February 2025 for the recommendation set out above.</p>
<p>If no, please tell us about the reasons.</p>	<p>N/A</p>
<p>2. Have you changed or reviewed your association's Professional Risks and Related Treatment Plans (formerly the Risk Management Plan)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>If yes, please:</p> <ul style="list-style-type: none"> attach a marked-up version tell us about the changes or review. 	<p>A - Crowe external risk review</p> <p>To support the 2025-2030 Scheme application process CA ANZ engaged our internal auditors, Crowe to perform an independent assessment of the risk management activities applied by CA ANZ to manage the scheme. The assessment considered opportunities to improve the existing risk management processes and areas that might assist CA ANZ to align risk management practices applied for the scheme with ISO 31000:2018 Risk Management Standard.</p> <p>Crowe's final report concludes "<i>CA ANZ has made substantive improvements to its assessment of risk and evaluation of risk controls. We note that, whilst the number of risks, and in some cases severity of risk, has increased, the formalisation of risk controls has increased. This has reflected an increased maturity of CA ANZ's risk management processes in respect of the scheme. This has occurred for the risk 'Reputation of CA ANZ and its members decreases due to adverse publicity about the accounting profession' where CA ANZ has formalised risk controls to maintain this risk despite some reputational challenges to the profession in the last 1-2 years</i>".</p> <p>B - Review of 2018 findings</p> <p>Crowe completed a thorough cross check of the recommendations that were raised in their 2018 PSS Risk Management Review Report to determine if CA ANZ had satisfactorily addressed the recommendations that were raised in that report. In 2018, across 4 observations, Crowe raised 6 recommendations, and they were satisfied that CA ANZ have adequately addressed the previous recommendations raised.</p>

C - Crowe Final 2024 Review

Recommendation 1

In their 2024 final report, Crowe recommended management “implement a consistent approach in determining the overall risk rating during the risk assessment” as an inconsistent approach is used to determine the overall risk rating in the Risk Assessment and Treatment analysis i.e. 10 out of 23 risks are using the approach of tolerable or not tolerable and the other 13 risks are using the approach of low, medium or high which complicates the evaluation of overall risk ratings.

Recommendation 2

Crowe’s second recommendation was for management to “design and implement a risk appetite statement, specific for the risk categories relevant to the PSS” and “CA ANZ should articulate the risk appetite for different sub-categories of Professional Standards and Compliance.”

Both recommendations are fully supported by CA ANZ.

Management reviewed and completed the risk assessment ratings per recommendation one above in June 2024. CA ANZ has since determined the risk appetite specific for the scheme risks separately to the organisational risk appetite.

[Redacted]

Refer to [Redacted] which has been updated in February 2025 for both recommendations.

If no, please tell us about the reasons.

N/A

3. Any additional information

Changes to identified risks from our Scheme application

- 1) **Risk 2p** ‘Changes to the CA ANZ Scheme are not understood by CA ANZ staff, Members or consumers’ (risk removed in October 2024)

Risk 2p was added on the basis that our application for a new 2025-2030 scheme instrument could be different from the current scheme. Our final scheme instrument submitted for approval in October 2024 is consistent with the existing scheme including liability caps. We have updated the risk treatments to reflect that both schemes are consistent.

We will notify stakeholders (internal and external) of the approval of the new scheme in a timely manner and through various communication channels.

2) **Risk 2r** 'Members are unable to keep up to date with developments in Sustainability reporting and assurance' (new risk December 2024)

We have added this new emerging risk. Refer to Section 4.2 below for further details.

4.2 Risk analysis

1. Did you add any new or emerging risks to your Professional Risks and Related Treatment Plans?

Yes

No → Go to Table 4.3

Risk 1

Members are unable to keep up to date with developments in Sustainability reporting and assurance (**Risk 2r**) – added December 2024.

For 2024, a new risk has been added to the risk register, relating to members being unable to keep up with the advancements relating to Sustainability reporting and assurance, including the challenges and risks inherent in sustainability information, such as the use of immature data and systems, and the forward-looking nature of the information.

There is a risk of unethical conduct, including greenwashing risks, and this needs to be mitigated by raising awareness of ethical threats and helping practitioners address challenges such as: non-compliance with laws and regulations (**NOCLAR**); pressure to act unethically; independence issues; and ethical risks relating to using the work of external experts.

Members will need to foster an ethical mindset and use and develop their professional judgement and key decision-making skills to help prevent reputational risks to their practice/business and clients.

(a) Risk rating

High Medium Low

(b) What professional risk management strategies did you develop in response?

CA ANZ's main response to this risk is to provide a wide variety of learning opportunities and information via guides and similar resources to help members upskill in this emerging area of practice.

(c) How are you monitoring the strategies' effects?

We will monitor the effectiveness of these strategies via member feedback as to their level of satisfaction of the support and resources provided. In the interim insights will be obtained from quality review and member complaints data.

4.3 Risk management tools

<p>1. Did you use any of the following tools:</p> <ul style="list-style-type: none"> • root cause analysis • behavioural insights • other tools presented to Councils' forums or any other tools. 	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No → Go to Table 5.1</p>
<p>If yes, describe who used these tools how they were used and the actions they took in response.</p>	<p>N/A</p>
<p>If yes, detail your analysis, the key findings, the specific risk management strategies in response and how you are monitoring if the findings have been addressed.</p>	<p>N/A</p>
<p>2. Any additional information</p>	<p>N/A</p>

5. Responding to consumer complaints

5.1 Complaints data	
	2024
1. Formal complaints received - Include referrals from statutory regulators	200
2. Enquiries received	N/A
3. Unresolved complaints carried over from past years ¹	232
4. Complaints investigated ²	113
5. Complaints dismissed ³	64
6. Complaints referred to statutory regulator ⁴	13
7. Complaints resolved by conciliation or mediation ⁵	N/A
8. Complaints resolved by remedial or disciplinary action	
• Professional Conduct Committee (PCC) issued Professional Reminder	15
• PCC issued Caution	43
• PCC entered into Consent Order Agreement	14
• Resolved by Disciplinary Tribunal	12
• Resolved by Appeals Council (formerly Appeals Tribunal)	0
9. Complaints that were the subject of a hearing ⁶	
• complaint dismissed as unsubstantiated	0
• member cautioned or reprimanded ⁷	2
• conditions imposed on member	0
10. member required to do course or training, or seek advice from qualified person	0
11. additional reporting imposed on member	0
12. membership terminated ⁸	10

¹ This number represents the total number of unresolved complaints carried forward at 31 December 2023 for **all** Australian members of CA ANZ i.e. some may not be scheme participants. All other data provided in this section is only in respect of scheme participants.

² This refers to complaints which were investigated and finalised in the period.

³ Refers to complaints dismissed without investigation, which were dismissed in the period. Such dismissal was either by the PCC on the basis that (i) it is not suitable for investigation, (ii) the complaint lodgment requirements were not met, or (iii) the complaint was withdrawn without being put to the member.

⁴ The outcomes of DT and Appeals Council (**AC**) hearings are generally notified to the regulator where a member holds a statutory registration. Disciplinary outcomes were notified to one or more of the following bodies: Tax Practitioners Board, ASIC, a Member's Trustee in Bankruptcy and the liquidator of a Member's Practice Entity.

⁵ CA ANZ has not had any complaints resolved by ADR/mediation, although an ADR process was introduced in August 2024 as part of the Review outcomes.

⁶ This refers to decisions made by the DT or AC.

⁷ CA ANZ uses censure as a sanction at the DT and AC rather than caution or reprimand.

⁸ Showing number of members (10) not number of complaints (12) that gave rise to termination or suspension of membership. In 2024 5 members were terminated from membership as a result of 7 complaints. A further 5 members were suspended from membership because of 5 complaints.

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5.2 Causes for complaints

Causes for complaints	Number of complaints in 2024
Unprofessional Behaviour	31 (15.5%)
Conflict of Interest / Objectivity	24 (12%)
Due Care and Diligence	24 (12%)
Non-criminal Adverse Findings	21 (10.5%)
Other (less than 9% of complaints, grouped)	100 (50%)
Total	200 (100%)

5.3 Complaint resolution

1. Does your association have a policy about the timeframe to resolve complaints?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to 'Time taken' section below
2. If yes, did your association resolve complaints within this timeframe?	<input type="checkbox"/> Yes → Go to 'Time taken' section below <input type="checkbox"/> No
If not, why?	<p>While CA ANZ does not have a formal policy setting out timeframes to resolve complaints, we focus on completing the process as expeditiously and efficiently as possible. CA ANZ website provides indicative time periods for matters resolved at the PCC and DT levels. The Professional Conduct Oversight Committee (PCOC) monitors the time taken to complete matters at each of its meetings.</p>
3. Time taken⁹	2024
Less than 1 month	5
1–6 months	85
6–12 months	67
1–2 years	30
More than 2 years ¹⁰	2

⁹ This is the total active time, which excludes the time complaints are adjourned.

¹⁰ The reason for complaints taking more than 2 years to close can vary: it may be due to a regulatory investigation or another legal matter taking place, ill health of the member or complainant, availability of experts, complexity of the matter being investigated or a combination of these factors.

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5.4 Complaints systems

4. Have you changed your complaints system?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to Table 5.5
If yes, please tell us about it. Include how you are monitoring the effects of any changes.	N/A
5. Any additional information.	As set out above in Section 2.1.1, ' B - Professional Conduct Framework Review implementation ' CA ANZ has introduced several enhancements to its complaints system in 2024. New changes also took effect in 2025 which further refined the By-Laws by introducing a few minor improvements and clarifications.

5.5 Disciplinary action

1. Have you changed your member discipline system?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No → Go to Question 2
If yes, please tell us about it. Include how you are monitoring the effects of any changes.	Please refer to Section 2.1.1, ' B - Professional Conduct Framework Review implementation '.
2. What were the top 3 reasons for disciplinary action against members?	<ul style="list-style-type: none"> • Non-criminal Adverse Findings – 24 (26%) • Due Care and Diligence – 10 (10%) • Conflict of Interest / Objectivity – 9 (10%)
3. How many disciplinary actions were taken against members?	During 2024, 12 complaints were finalised by the DT involving 10 members. In addition, the PCC issued: <ul style="list-style-type: none"> • 15 members a professional reminder • 43 members a Caution • 14 members were sanctioned by a Consent Order Agreement.
4. Have you considered the top reasons in your Professional Risks and Related Treatment Plans?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No → Go to Part 6
If yes, please attach your plan and reference the relevant section.	During 2024 the PCC has undertaken several investigations regarding academic integrity. In response to this we have taken the following measures: <ul style="list-style-type: none"> • Included a specific reference to assessing a practice's response to academic integrity in our quality review checklists; • Included academic integrity in the Professional Standards Roadshow;

5.5 Disciplinary action

	<ul style="list-style-type: none">• Plan to include an article on the topic of integrity in the Acuity magazine during 2025.
5. Any additional information.	N/A

6. Responding to professional indemnity claims

6.1 Claims data collection

1. Have you changed how your association collects member professional indemnity insurance claims data?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to Table 6.2
If yes, please tell us about it.	N/A
2. Any additional information	<p>In 2024, we continue to use annual scheme questionnaires to collect claims data from members. CA ANZ continues to closely monitor reported court findings and media for possible claims involving our members.</p> <p>We also received bi-annual reports from ██████████ to gain further insights to establish PII trends. Further details are included in Section 6.5 below.</p>

6.2 Notifications, claims and settlement data

Data type	Number	Value
1. Notifications	280	-
2. Claims	120	-
3. Settlements	90	██████████

6.3 Claims monitoring committee

1. Does your association have a committee for monitoring and analysing claims against your members?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to Table 6.4
If yes, what guidance has the committee issued (if any)?	N/A
2. Any additional information.	<p>CA ANZ does not have a standing claims monitoring committee. However, as noted in Section 6.1 above, the Scheme compliance team monitor and analyse claims data through our findings in the annual scheme questionnaire, in reported court findings and the media and through our discussions with Aon/CGU and other parties.</p>

6.4 Professional indemnity insurance

<p>1. Do you have any reports from brokers or insurers on the insurance market (effects, market comments) for your members or similar professionals?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to Question 2</p>
<p>If yes, provide as an attachment</p>	<p>N/A</p>
<p>2. Has the average cost of members' professional indemnity insurance premiums increased or decreased since the last reporting year?</p>	<p><input checked="" type="checkbox"/> Increased <input type="checkbox"/> Decreased <input type="checkbox"/> Stayed the same <input type="checkbox"/> Unsure</p> <p>Out of 7,745 annual questionnaires completed so far for 2024, 894 members (approx. 11.5% of respondents) have indicated that their PII has increased by 5% or more. [REDACTED] [REDACTED] [REDACTED]</p>
<p>3. Has there been any change in the availability of professional indemnity insurance since the last reporting year?</p>	<p><input type="checkbox"/> Increased <input type="checkbox"/> Decreased <input checked="" type="checkbox"/> Stayed the same <input type="checkbox"/> Unsure</p>
<p>4. Any additional information.</p>	<p>We continue to obtain information about the cost and availability of PII for our members via member surveys, from insurance brokers who advise our members, from member feedback and from monitoring member requests for exemptions from our PII requirements.</p> <p>As part of our 2025-2030 Scheme application process, in February 2024 we sent surveys to 7,707 practices with scheme participants, with 5,232 practices completing the survey (68% response rate).</p> <p>Through conducting this survey, we gained further insights that our members can obtain PII with relative ease and at a reasonable cost, although a significant proportion of practices indicate PII costs have materially increased in the last year i.e.30% of practices experienced a premium increase greater than 5%.</p> <p>Respondents conveyed that the cost of insurance, as well as other business inputs has</p>

been increasing. Our findings show the premium paid by most practices ██████████ of practice revenue. However, as most accounting practices are ‘small practices’ i.e. fewer than five principals with average annual revenue of ██████████, any reduction in the level of PII would help to reduce their overall business expenses.

The volume of queries from our scheme participants throughout the year is another data point which shows whether collectively scheme participants are finding it difficult to obtain relevant PII. Based on member feedback in the last 12 months, there have only been a small number of queries (approx. 10-12) from scheme participants asking us to assist them with obtaining the appropriate level of PII. We try to assist where possible by referring them to Aon our Preferred Member Benefits Partner for PII or referring them to the list of current brokers on our website.

Additionally, requests for exemption from the scheme where scheme participants are unable to obtain the required level of PII for their practice or a specific engagement or if it would cause undue financial hardship indicates if the cost and availability of PII is proving difficult to obtain. Over the last five years, we have only received three applications for PI exemptions.

6.5 Engagement with insurers

1. Has your association engaged with insurers, brokers or industry experts to review the impact of the scheme on the quality, affordability and availability of insurance premiums?

- Yes
 No → Go to Table 6.6
 Other → please specify

If yes, what improvements (if any) have you secured as a result?

As indicated by the response at Section 6.4.1 above, we did not receive any reports specifically from Aon regarding market trends or additional information on PII affordability or availability in 2024.

Discussions with Aon indicate it is rare for members to be unable to renew their policies, although the premium may significantly increase, especially where they have had a

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claim. This is consistent with our members' feedback.

For those respondents reporting greater than 5% increase in their premium, we understand the increase is most likely due to historically small margins, low interest rates and increasing claims in the PII market in general, even where this does not specifically relate to claims against accountants.

6.6 Causes for claims

Top 5 causes for claims against scheme participants – those that make up 10% or more of the total claims.

Causes for claims	Number of claims in 2024
Technical Issues	28 – represents 31.1%
Negligence	21 – represents 23.3%
Failure to provide services	11 – represents 12.2%
Others	30 – represents 33.4%
Total number of claims (settled)	90

6.7 Claims over 50% of the monetary ceiling

Report each new claim over 50% of the lowest monetary ceiling and any claims finalised that have been reported to the association or which the association became aware of during the year.

Claim details

[REDACTED]

[REDACTED]

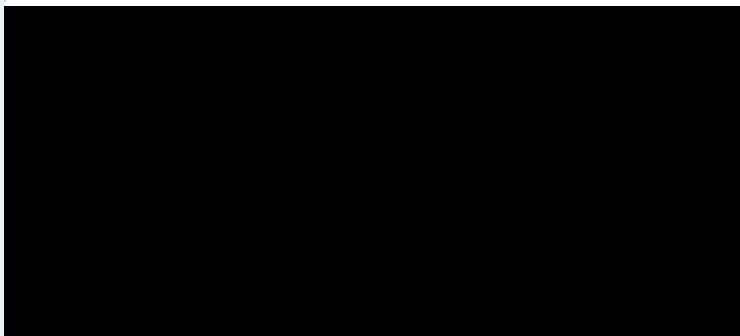
6.8 Claims over the monetary ceiling

1. Has your association been notified of any claims against scheme participants above your scheme's monetary ceiling?
- Yes
 No → Go to Table 6.9

If yes, please tell us about them.

In our 2023 APSR, we noted one claim pending [REDACTED] where the amount claimed was over the liability limit. We have been advised this claim was not pursued.

In 2024, there was one claim finalised for a large amount which **may** exceed the monetary ceiling for the engagement.



6.9 Analysis of complaints and claims

1. What risk management strategies has your association developed to respond to the risks identified in your complaints and claims data?

- Member communications
- CPD programs
- Reviews of relevant policies and procedures
- Quality review initiatives
- Other → please specify
- None of the above → Go to Table 7.1

2. Please detail your analysis, findings, each specific strategy you have developed in response, and note how you are monitoring the effects of these strategies.

Our analysis of claims data has not identified any new trends or required adjustments to risk responses. Refer to [REDACTED] for further details.

A - AON/CGU insights

In 2024, we obtained reports from Aon with details of the claims made by all accountants holding PII with Aon for the for the six-month periods ended 30 June 2024 and 31 December 2024.

The reports showed there were a total of 28 claims/notifications for 2024 (26 for 2023). These are not solely related to CA ANZ members.

We liaised with Aon/CGU in February 2025, we were able to get further insights on the claims with the higher reserve/paid figures. They advised that the claims were particular to each circumstance rather than having a common root cause but they did identify that several claims involved tax advice (mainly payroll and income tax) and trust advice (management and set up). We will share these insights with our members on our 2025 Professional Standards Roadshow.

B - Independent Actuary Report as part of Scheme application

As part of CA ANZ 2025-2030 Scheme application, we conducted a member survey from 6 February to 29 February 2024 to request notifications and claims history from scheme participants for the five-year period 1 July 2018 to 30 June 2023.

We engaged an independent actuary, [REDACTED], to complete an actuarial analysis of the responses and a copy of their report was provided with our Scheme application [REDACTED].

The main purpose of this report was to provide evidence on the limits of liability proposed for the scheme relative to the historical scheme claim experience and potential future experience. However, Section 4.2 of the actuary report provides useful information regarding the number of claims over this five-year period, the total number of claims, the settlement amounts and the service types with the highest number of claims and highest settlement sizes.

The main conclusion drawn from [REDACTED] high-level analysis in relation to causes of claims, is that accounting/compliance services receive the highest number of claim reports, albeit the amounts claimed and settled are small.

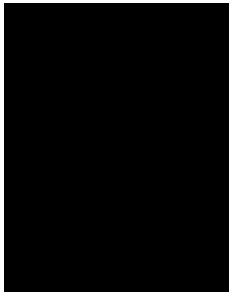
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7. Administering the scheme

7.1 Governance changes

1. Have there been changes to any of your association's governance arrangements?

- Yes → Complete the section below
 No → Go to Table 7.2

Arrangement	Check if yes	If yes, attach a marked-up version	Attach proof of the approval process
(a) Constitution or charter	<input checked="" type="checkbox"/>	<p>As noted above, CA ANZ By-Laws were updated in January 2024 with further updates approved by the Governor General in January 2025. A copy of CA ANZ current By-Laws are provided at Attachment 2.2 'CA ANZ By-Laws Updated January 2025'.</p> <p>As advised above in Section 2.1.2, 'A - Building trust in the Profession – 'Going Further'' changes were made to our Regulation CR7 to increase ethics training requirements and to include CPD requirements for current Affiliate members and NMPs.</p>	<p>The By-Laws being signed by the Governor General is evidence of approval granted after the changes were passed by member vote.</p> 
(b) Mission or goals	<input type="checkbox"/>	N/A	N/A
(c) Code of ethics or conduct	<input type="checkbox"/>	CA ANZ members continue to be bound by APES 110 – Code of Ethics for Professional Accountants (including Independence Standards).	N/A



Annual Professional Standards Report

7.1 Governance changes

		<p>As noted above in Section 2.1.2, 'A - Building trust in the Profession – 'Going Further' from 2024 onwards, CA ANZ requests members to reaffirm their intention to comply with their CA ANZ membership obligations including the Code by acknowledging the Chartered Accountant's Commitment as part of the annual membership renewal.</p>	
(d) Membership entry requirements	<input type="checkbox"/>	<p>No changes were made in 2024. However, as noted in Risk 2e in [REDACTED] [REDACTED] [REDACTED] [REDACTED]</p> <p>CA ANZ is planning to introduce alternative membership pathways for provisional membership candidates who do not have a relevant undergraduate degree from 2025.</p>	N/A
(e) Membership classes (including classes subject to the scheme)	<input type="checkbox"/>	N/A	N/A
(f) Material changes to legislation and regulations applicable to your occupation and association?	<input type="checkbox"/>	N/A	N/A

Annual Professional Standards Report

7.1 Governance changes

(g) Board and committee structure (including Professional Standards Committees)	<input checked="" type="checkbox"/>	<p>Attachment 7.2 ‘CA ANZ Annual Report 2024 (refer to pages 98-102)’</p> <p>The CA ANZ Board is listed on CA ANZ website.</p>	Attachment 7.3 ‘CA ANZ Current ASIC Extract’
(h) Board and committee members (including Professional Standards Committees)	<input type="checkbox"/>	<p>Tinashe Kamangira was appointed President from 1 January 2024 and took over from Murray Harrington.</p> <p>Murray Harrington retired as a director on 31 December 2023 and Naomi Walsh was appointed a director effective 1 January 2024.</p> <p>Robert McDonald and Carolyn Colley retired as non-executive directors from 30 June 2024.</p> <p>Rachel Walsh was appointed director from 1 July 2024.</p>	N/A
(i) Scheme administration staff and resources	<input type="checkbox"/>	<p>Resources for the scheme administration team were consistent with prior years.</p> <p></p> <p>vast experience with professional associations from her previous roles at  helped with finalisation of the 2025-2030 Scheme application and assisted with other</p>	N/A

7.1 Governance changes

compliance monitoring activities while [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED].

7.2 Professional indemnity insurance compliance

1. What did your association do to monitor members' compliance with professional indemnity insurance standards?

CA ANZ's monitoring of members' compliance with [Regulation CR2A](#) and the scheme PII requirements remains unchanged from 2023 and includes activities as follows:

A - Admission process:

The member's PII policy documents are reviewed at the time the member applies for a CPP or PEM. The Member Admissions and Pathways (**MAP**) team assesses whether the PII policy is current with a limit equivalent to or greater than the minimum required under CA ANZ's regulations and the scheme requirements.

B - Scheme questionnaire:

The practice PII contact is required to confirm their PII policy complies with specific requirements at the time of the practice's annual PII renewal through our annual scheme questionnaire.

As advised above in Section 4.1.1, from 2025 we are implementing a process that requires members to provide documentary evidence of insurance coverage when submitting their scheme questionnaire. This will enable us to further verify compliance with insurance coverage requirements.

C - Quality Review Program (QRP)

The practice's PII policy documents are reviewed during a quality review. As PII is held on a practice rather than individual member basis, monitoring is conducted at the practice level.

D - Collaboration with AON

As advised in Section 3 above, the measures introduced by Aon to increase compliance levels as outlined in 2023 APSR are proving successful, with 34 non-compliant policies at December 2023 being reduced to 18 at December 2024 (11 of the 18 are in run-off cover with the policies continuing at levels that were insured at that time so cannot be reinstated to \$2million levels).

7.2 Professional indemnity insurance compliance

	<p>As advised above in Section 2.1.3, the new comprehensive PII checklist and Insurance FAQ available on the CA ANZ website, are being utilised by members and we use every opportunity available to refer members to these.</p>																		
<p>2. What did your monitoring activities find?</p>	<p>In 2024 our monitoring activities in relation to assessing compliance with PII standards included the following:</p> <p>A - Admission process monitoring</p> <p>The MAP team received 783 applications for CPP (738 approved) and 96 PEM applications (88 approved) and assessed these for compliance with PII requirements.</p> <p>If an applicant for CPP or PEM is found to have non-compliant PII, the application does not proceed until this is rectified.</p> <p>B - Scheme questionnaire</p> <p>Scheme questionnaires were sent to 8,344 practice PI contacts in 2024 (8,210 for 2023).</p> <p>The percentage of compliant PII policies reported through the annual scheme questionnaire is included in the table below and is the same as that reported for last year.</p> <table border="1" data-bbox="614 1220 1428 1624"> <thead> <tr> <th>Category</th> <th>2024</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Compliant insurance¹²</td> <td>99.85%</td> <td>99.85%</td> </tr> <tr> <td>Non-compliant</td> <td>0.15%</td> <td>0.15%</td> </tr> <tr> <td>No insurance</td> <td>0.00%</td> <td>0.00%</td> </tr> <tr> <td>Compliant policies where excess meets CA ANZ requirements¹³</td> <td>99.58%</td> <td>99.72%</td> </tr> <tr> <td>Excess does not meet requirements</td> <td>0.42%</td> <td>0.28%</td> </tr> </tbody> </table> <p>C - QRP:</p> <p>Quality reviews were performed on 379 practices for FY2024 (305 in FY2023). Members found to have non-compliant insurance at the time of their quality review are referred to the Scheme Compliance</p>	Category	2024	2023	Compliant insurance ¹²	99.85%	99.85%	Non-compliant	0.15%	0.15%	No insurance	0.00%	0.00%	Compliant policies where excess meets CA ANZ requirements ¹³	99.58%	99.72%	Excess does not meet requirements	0.42%	0.28%
Category	2024	2023																	
Compliant insurance ¹²	99.85%	99.85%																	
Non-compliant	0.15%	0.15%																	
No insurance	0.00%	0.00%																	
Compliant policies where excess meets CA ANZ requirements ¹³	99.58%	99.72%																	
Excess does not meet requirements	0.42%	0.28%																	

¹² A member is assessed as compliant if their PII policy is compliant with the requirements for the category of service per the scheme and the policy is either a 'costs in addition policy' or has additional cover limit of at least 25% of the minimum cover limit to provide for legal costs.

¹³ CA ANZ monitors the excess levied on members' PII policies to ensure this remains affordable for members. In accordance with the current scheme, the excess must not exceed the greater of either \$10,000 per principal, 3% of the total gross fee income of the practice and 5% of the indemnity cover required.

7.2 Professional indemnity insurance compliance

	team. In 2024, only four practices were found to be non-compliant, and they subsequently became compliant.
3. Did member compliance improve since last year, or were there fewer breaches?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure Compliance rates were similar for 2024 with only 0.15% (12 questionnaire responses) showing non-compliance.
4. Please describe your remedial or enforcement response to non-compliance.	CA ANZ's response to identified non-compliance is summarised in Attachment 7.4 'Response to non-compliance with PII requirements' . There have been no changes to this in 2024.
5. How is your association monitoring the effects of your compliance monitoring strategies?	We are satisfied with the high level of our members' compliance. There were no cases of automatic suspension of a member's CPP for not taking immediate action to rectify non-compliant PII during 2024. Further no members had to be referred to the Conduct team for non-compliance with PII requirements.
6. Any additional information.	As noted in Section 4.1 above we have acted upon Crowe's recommendation for " <i>strengthening processes by ensuring that all members provide verifiable evidence of having the required insurance arrangements in place</i> ". Our immediate plan has commenced for us to obtain a sample of certificates of currency for up to 100 practices by 30 June 2025 and to manually review these for compliance with PII requirements.

7.3 Limited liability disclosure requirements

1. What did your association do to monitor members' compliance with limited liability disclosure requirements?	CA ANZ monitors members' compliance with the disclosure requirements required under CA ANZ Regulation CR3 Public Practice Regulations (CR3) and PSL through: A - Admission process monitoring: A review of business documents is undertaken when a member applies for a CPP or PEM. B - Scheme questionnaire: The practice PI contact is asked to confirm the use of the disclosure statement annually. C - QRP: The practice's business documents, and website are reviewed at the time of a quality review.
2. What did your association do to ensure that only participants in your scheme used your disclosure statement? When did this happen?	Only a very small number of CA ANZ members obtain an exemption from the scheme and therefore are exempt from using the disclosure statement. We maintain a register of exempt members.

7.3 Limited liability disclosure requirements

The risk of a member who is not a participant in the scheme incorrectly including the disclosure statement is considered extremely low. However, if we do become aware of a member or non-member incorrectly including the disclosure statement on their business documents, we request them to remove it immediately.

Further, when members cease to be a participant of the scheme, we advise them to remove the disclosure statement from their business documents as soon as practicable.

3. What percentage of scheme members did you audit to check their compliance with the limited liability disclosure requirement?

The number of members/practices included in our monitoring activities to check disclosure requirements is shown in the table below:

Numbers included in our monitoring activities	2024	2023
Applications for CPP or PEM approved & disclosures checked upon admittance	826	781
Scheme questionnaires sent to practice PI contact	8,344	8,210
Number of practices under quality review	379	305
Number of members under quality review (i.e. practitioners)	667	543

A - Admission process monitoring:

100% of applications for CPP or PEM are audited to check they meet disclosure requirements, and the application is not accepted/approved until compliant business documents are received.

B - Scheme questionnaire:

Scheme questionnaires are sent to all practices that participate in the scheme. We endeavour to audit 100% of these but it is dependent on the response rate to the annual scheme questionnaires and the resultant outcome from any referrals made to the Conduct team for non-completion of the annual scheme questionnaire.

By 11 February 2025, we have received 7,745 completed questionnaires for 2024, representing a completion rate of 93%.

Annual Professional Standards Report

7.3 Limited liability disclosure requirements

	<p>C - QRP:</p> <p>100% of practices and our members i.e. practitioners under quality review are assessed for compliance with disclosure requirements.</p>
<p>4. What percentage of audited members were non-compliant?</p>	<p>As noted above, 379 practices were checked as part of the quality review process, and our findings show 98% of practices have included the relevant limited liability disclosure requirement on their business stationery with 76% including the disclosure on their website i.e. non-compliance of 2% for 2024.</p> <p>Minor issues were noted for some practices such as the disclosure being less than minimum required font size. Practices rectify this as soon as they are notified and quickly come into compliance.</p> <p>Based on responses received to date through the scheme questionnaire for 2024, 99.13% of the CPP holders/practices have indicated they have complied with disclosure requirements i.e. 0.87% of non-compliance which is comparable to 1.07% for 2023.</p>
<p>5. Did member compliance improve since last year?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure</p>
<p>6. Please describe your remedial or enforcement response to non-compliance, and how many actions you took.</p>	<p>CA ANZ response to identified non-compliance remains unchanged for 2024 and is outlined in Attachment 7.5 'Response to non-compliance with disclosure requirements'.</p>
<p>7. How is your association monitoring the effects of your compliance monitoring strategies?</p>	<p>During 2024, all members contacted regarding non-compliance rectified the issue immediately once alerted.</p>
<p>8. Any additional information.</p>	<p>N/A</p>

7.4 CPD requirements

1. What did your association do to monitor members' compliance with CPD requirements?

CA ANZ members are obliged to maintain professional and technical competency in keeping with their employment and field of expertise pursuant to CA ANZ [Regulation CR7, Continuing Professional Development \(CR7\)](#)

Members are required to achieve a minimum of 120 qualifying hours (at least 90 hours of verifiable CPD plus up to 30 hours of non-verifiable CPD which can include technical reading) over each rolling three-year period. Two hours of verifiable ethics training (increased to six hours from 1 July 2024) must be completed in each triennium, with no pro-ration allowable for a career break or part-time work or otherwise.

The three main activities CA ANZ undertake to assess and monitor member compliance with CPD obligations are:

A - Annual mandatory notifications:

Members are required to notify CA ANZ of their total CPD hours for the year as part of their annual notifications completed at the time of renewing their annual subscriptions.

A sample of 556 members who had not submitted an annual mandatory notification or indicated in their mandatory notifications they had not met the annual requirement of 20 hours verifiable CPD were included in the 2024 CPD monitoring program (353 for 2023).

B - CPD monitoring program:

1,600 members resident in Australia or overseas (not including New Zealand) across all member segments were selected for 2024 and had their CPD compliance assessed (1,500 for 2023).

Initially 1,509 were selected in our 2024 CPD monitoring pool in September 2024. This was further increased by 91 members in January 2025. This additional pool is a pilot study for us to consider mandating the use of My CA to supply CPD activity records in the future.

C - QRP:

Each quality review includes a review of the CPD records of CPP holders and Affiliates for the practice. 667 practitioners were checked for FY2024 (543 for FY2023).

2. What percentage of scheme members did you audit to check their compliance with CPD requirements?

A - Annual mandatory notifications:

In 2024, 73,172 CA ANZ members resident in Australia completed their annual notifications, representing a 90.7% response rate (92.4%

7.4 CPD requirements

for 2023). The total number of members who have not submitted their annual notifications as of 12 February 2025 is 7,449.

As noted above, a sample of 556 members (35%) were included in the 2024 CPD monitoring selection pool and were subject to further auditing under the 2024 CPD monitoring program.

B - CPD Monitoring program:

A total of 1,600 members were selected for CPD monitoring for 2024 from the CA ANZ member management system.

This sample includes scheme participants and non-scheme participants and represents approximately 2% of CA ANZ members who reside in Australia or overseas not including New Zealand (1.88% for 2023).

The selection pool specifically included 148 members identified for review under the QRP program and referred to the Scheme Compliance team for non-compliance in a previous triennium.

C - QRP:

In FY2024, 667 members or 2.2% of members eligible to participate in the scheme were reviewed to check CPD compliance. These members are all scheme participants.

3. What percentage of audited members were non-compliant?

A - CPD monitoring program:

As advised above, our sample selection includes scheme participants and non-scheme participants. Of the 919 monitoring cases reviewed and assessed as of 13 February 2025, the table below shows the percentage of non-compliance identified thus far.

	2023 (Final outcome)	2024 (in progress)
# of members who were non-compliant	203	37
% of members who were non-compliant	13.52%	4.03%

By-Law 23(c) provides that members may be excluded from membership for repeated non-compliance with CPD requirements. 11 members were excluded from membership under the 2023 CPD monitoring program (5 members for 2022 CPD monitoring program).

7.4 CPD requirements

B - QRP:

Detailed analysis of the quality review findings for 1 July 2023 to 30 June 2024 in relation to CPD and the related remedial action, is included in the table below together with comparatives for the previous year.

	2023/2024		2022/2023	
	#	%	#	%
CPD records indicate adequate CPD hours: compliance achieved – 'compliant'	561	84	452	83
CPD records indicate adequate CPD overall, but shortfall in one or more specialty areas – 'partially compliant'	53	8	35	6
CPD records indicate inadequate CPD hours – 'non-compliant'	47	7	46	9
CPD records not provided – 'non-compliant'	6	1	10	2
Total number of members	667	-	543	-

The results above show a marginal increase in compliance (includes compliant and partially compliant categories) from 89% in FY2023 to 92% in FY2024.

The following remedial action is taken by the quality review team in relation to 'partially compliant' or 'non-compliant' members:

- Shortfall in area of speciality:**
 Reviewer reports specific area of deficiency to the practitioner. Member is required to advise of action to be taken to ensure compliance.
- Inadequate CPD hours:**
 Reviewer reports inadequate CPD hours to the practitioner. The practitioner is referred to the Scheme Compliance team for inclusion in future CPD audit reviews.
- Records not provided:**
 Reviewer reports lack of CPD records to the practitioner. The practitioner is referred to the Scheme Compliance team for inclusion in future CPD audit reviews.

For FY2025 and going forward, rather than write to the member when their triennium period has ended, the Scheme compliance team are

Annual Professional Standards Report

7.4 CPD requirements

	<p>writing to the non-compliant practitioners as soon as they are referred for non-compliance (i.e. at the end of each quarter). We hope that this earlier communication reinforces their CPD obligations for the current triennium and provides direction and support for members to address their shortfall and return to compliance in a timelier manner.</p>
<p>4. Did member compliance improve since last year?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure</p>
<p>5. Please describe your remedial or enforcement response to non-compliance, and how many actions you took.</p>	<p>CA ANZ instigates the appropriate follow-up action as described in Attachment 7.6 'Response to non-compliance with CPD requirements'.</p>
<p>6. How is your association monitoring the effects of your CPD compliance monitoring strategies?</p>	<p>In 2024, the CPD monitoring program and QRP revealed a high level of compliance with CPD obligations by scheme and non-scheme participants. As a result, we consider no further analysis is currently required.</p> <p>For 2025 and going forward we are considering increasing the scale of our CPD monitoring through automating the CPD exemption process and promoting use of the CPD log in My CA to have a standard and unified manner in which members provide their CPD activity records. We will review these measures further in 2025 and report our findings on whether new monitoring strategies should be adopted.</p>
<p>7. Any additional information.</p>	<p>N/A</p>

7.5 Scheme membership data

How many ...	2023	2024	2025 forecast ¹⁴
1. Australian residents are members of the association? ¹⁵	79,980	81,020	
2. members are excluded from the scheme? ¹⁶	49,382	50,483	
Describe why the member(s) are ineligible (e.g. class or other attributes).	Item 2 above represents Australian full members who are not in public practice (i.e. members employed in business, government, or academia).		
3. members have an approved exemption from the scheme? ¹⁷	6	6	
4. members are eligible for the scheme? ¹⁸	30,592	30,531	
5. members are eligible for the scheme (as per annual fee payments to the Councils)?	32,166	33,802 ¹⁹	-
6. What is the difference between the number of eligible members (4) and the number of eligible members per annual fee payments to the Councils (5)?	1,574	3,271	-
7. If 4 and 5 differ, explain why.	Reasons: Item 5 is as at the date our annual payment is determined on 13 July 2023 and includes adjustments for each period thereafter i.e. from 12 July 2023 to 12 July 2024. It includes an additional 994 members due to an error in the calculation of scheme participant numbers per footnote 18 below. Item 4 is members eligible at a fixed point in time being 31 December 2024.		

¹⁵ This represents total Australian members at 31 December 2024 (full members and Affiliates only).

¹⁶ Members or classes of members not specified in the scheme who are ineligible to participate.

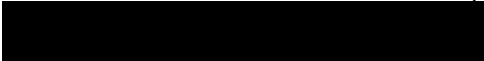
¹⁷ Eligible members or classes of members (that is, members who would otherwise be subject to the scheme) who have applied for and have been granted an exemption by the association.

¹⁸ The total number of eligible scheme participants (members or classes of members) to which the scheme applies after any compliant exclusions and exemptions.

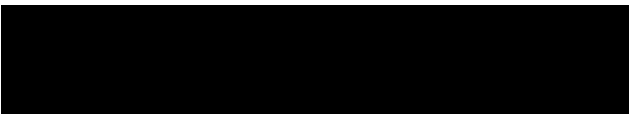
¹⁹ As per CA ANZ Annual Membership Assurance Report the cumulative number of eligible scheme members for the period 13 July 2023 to 12 July 2024 was 32,808. As per the note in the Assurance report, CA ANZ identified an error in the calculation of scheme participant numbers for the period 7 October 2017 to 12 July 2024. For completeness we have added a further 994 scheme participants that should have been included in this return.

Annual Professional Standards Report

7.6 Scheme membership trends

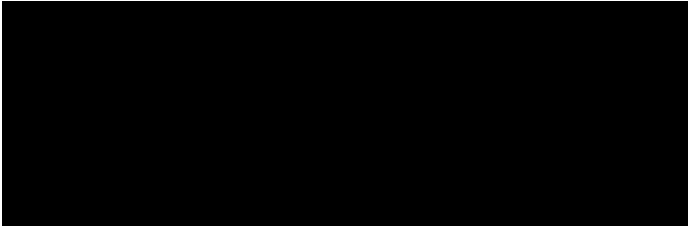
<p>1. Please note:</p> <ul style="list-style-type: none"> any trends in your association’s membership numbers your association’s response to the trends. 	<p>CA ANZ membership continues to grow. The most recent forecasts for 2025 indicate an expected </p>
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7.7 Scheme exemptions

<p>1. Does your scheme instrument provide for the association to grant exemptions from the scheme?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No → Go to Table 7.8	
<p>If yes, has your association changed its policies and approval processes in this area?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to Question 2	
<p>If yes, please tell us about it. Attach a marked-up version of your changes.</p>	<p>N/A</p>	
<p>2. Have you changed any forms, information you give members or details on your website in this area?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to Question 3	
<p>If yes, please tell us about it.</p>	<p>N/A</p>	
<p>3. During the reporting period, how many exemption applications did you:</p> <ul style="list-style-type: none"> receive grant? 	<p>Applications received: 0</p>	<p>Exemptions granted: 0</p>
<p>Please provide a copy of your scheme exemption register.</p>		
<p>4. Please note:</p> <ul style="list-style-type: none"> any trends in the number of exemption applications you received and granted your association’s response to the trends. 	<p>It continues to be a rare occurrence for a CA ANZ member to seek an exemption from the scheme.</p>	
<p>5. Any additional information.</p>	<p>N/A</p>	

Annual Professional Standards Report

7.8 Higher discretionary caps

1. Does your scheme instrument provide for the association to grant higher discretionary caps?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No → Go to Table 7.9	
If yes, has your association changed its policies and approval processes in this area?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to Question 2	
If yes, please tell us about it. Attach a marked-up version of your changes.	N/A	
2. Have you changed any forms, information you give members or details on your website in this area?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to Question 3	
If yes, please tell us about it.	N/A	
3. During the reporting period, how many higher discretionary cap applications did you:	Applications received: 1	Discretionary caps granted: 1
<ul style="list-style-type: none"> • receive • grant? 		
Please provide a copy of your higher discretionary caps register.		
4. Please note:	It continues to be a rare occurrence for a CA ANZ member to seek a discretionary cap. We have only had one request for a higher discretionary cap since 2019.	
<ul style="list-style-type: none"> • any trends in the number of higher discretionary cap applications you received and granted • your association's response to the trends. 		
5. Any additional information.	N/A	

7.9 Annual Membership Assurance Report

1. Has your association submitted its Annual Membership Assurance Report?	<input checked="" type="checkbox"/> Yes → Please return to Table 1.1 to complete your APSR. <input type="checkbox"/> No	
If no, please tell us why.	This was submitted to the PSC on 13 December 2024. An additional email was provided from Grant Thornton on 7 February 2025 to advise of a typographical error in the original report. Refer to Attachment 7.9 '2024 CA ANZ Annual Membership Assurance Report & supplementary email' .	
	N/A	

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