



Report
2024

CPA Australia

Annual Professional Standards Report

2024

Excluding redacted attachments - 1 and 2

Annual Professional Standards Report

Contents

1. Signing your report	1
1.1 Declaration and signature	1
2. Highlighting the year	2
2.1 Top highlights	2
3. Informing members and consumers	6
3.1 Improved awareness and understanding	6
4. Protecting consumers	7
4.1 Compliance and risk management plans	7
4.2 Risk analysis	7
4.3 Risk management tools	8
5. Responding to consumer complaints	9
5.1 Complaints data	9
5.2 Causes for complaints	12
5.3 Complaint resolution	12
5.4 Complaints systems	13
5.5 Disciplinary action	13
6. Responding to professional indemnity claims	15
6.1 Claims data collection	15
6.2 Optional – Notifications, claims and settlement data	15
6.3 Optional – Claims monitoring committee	16
6.4 Professional indemnity insurance	16
6.5 Optional – Engagement with insurers	17
6.6 Causes for claims	17
6.7 Claims over 50% of the monetary ceiling	17
6.8 Claims over the monetary ceiling	18
6.9 Analysis of complaints and claims	18
7. Administering the scheme	20
7.1 Governance changes	20
7.2 Professional indemnity insurance compliance	21
7.3 Limited liability disclosure requirements	22
7.4 CPD requirements	24
7.5 Scheme membership data	25
7.6 Optional – Scheme membership trends	26
7.7 Scheme exemptions	26
7.8 Higher discretionary caps	27
7.9 Annual Membership Assurance Report	27

Annual Professional Standards Report

1. Signing your report

This part of the report will need to be completed last, once the report is complete and the signatories are ready to approve it.



See page 3 in the guidance for more information on this part.

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	Chris Freeland	John Curtin Distinguished Professor Dale Pinto
Capacity	CEO	President and Chair of the Board
Date	25 March 2025	25 March 2025
Attach evidence of report approval from your governing body (including Board minutes or resolutions)	Attachment no. 13	

2. Highlighting the year

Part 2 asks about your association's highlights for the reporting year.



See page 3 in the guidance.

2.1 Top highlights

Please detail your association's top highlights during the year in these 3 areas:

1. Improving occupational standards

Implementation and update of the Annual Continuing Professional Development (CPD) Review system

In mid-2023, CPA Australia transitioned to our new Customer Engagement (CE) system. Accordingly, 2024 was the first year where we implemented an end-to-end annual CPD review in the new system.

The new system has stronger internal controls to validate CPD activities such as identifying activities exceeding allowable hours (e.g. reading), centralised record-keeping, and automated assessment reminders and outcome messages. Because the system is new, we applied an additional layer of manual checking to ensure integrity of the assessments. With more stringent verification of CPD activities, we have noted a higher non-compliance rate.

Further, improvement opportunities to the CPD Review process were identified and are scheduled for deployment in 2025 including use of additional data for the risk-based selection criteria for the next review, and additional fields for compliance review notes. These enhancements will strengthen the integrity of the annual CPD review process.

CPA Australia Best Practice Program (Program):

There were two completed cycles of assessments during the reporting period. There were 455 firms and 630 members selected and the outcomes are:

	Number of Firms	Percentage	Number of Members	Percentage
Completed	343	75.4%	509	80.8%
Cancelled	84	18.5%	93	14.8%
Deferred	23	5.1%	23	3.7%
Pending CAANZ	3	0.7%	3	0.5%
PCU Referral	2	0.4%	2	0.3%
TOTAL	455	100%	630	100%

Following our CE system transition in 2023, we reduced planned assessment numbers for cycle 1 2024 to allow for our assessment portal to transition. We then increased assessment numbers in cycle 2 2024 to allow us to assess 630 members from 455 firms. Of the members selected, 77% of firms completed

	<p>their assessment and the remaining 23% were either cancelled, deferred, or referred to Professional Conduct before the finalisation of their assessment.</p> <p>During the year, we added a pilot program of firm-only assessments to trial a limited assessment approach. The approach was applied to a sample of 67 firms who were not currently providing public accounting services or hold a limited public practice certificate and provide services other than audit and assurance or taxation. The limited assessment focused on members professional and ethical obligations as well as their membership obligations. This approach excludes assessment across client files. Following a successful pilot we will implement these assessments in 2025 for lower risk members. This will enable us to increase the number of members assessed each year.</p> <p>In addition to adding a new assessment type we also commenced a review of our assessment methodology for members who provide audit and assurance services. We engaged an experienced external auditor, with significant quality assurance experience at the Australian Security and Investment Commission (ASIC). Our revised audit and assurance assessment methodology will be piloted for a sample of assessments in February 2025 before full implementation. This methodology update will also correspond to an update to our member resource, Small Entities Audit Manual (SEAM).</p> <p>A key milestone in 2024 was our review and update of the Program’s risk model used to for member assessment selection. We have set our risk approach based on the member’s service offering, the type of clients and the risk to the public. We introduced automatic risk ratings for some services and member profiles to align assessment frequency to IFAC. This updated model was applied for our 2025 cycle 1 selections. Our member notifications for 2025 cycle 1 selections were sent in November 2024 to give members two months’ notice before the February 2025 cycle start.</p> <p>Collaboration on Tax Agent Code of Professional Conduct</p> <p>In 2024, CPA Australia collaborated with leading industry bodies in Australia to advocate for tax agents and request amendments to the Australian government’s Tax Agent Services (Code of Professional Conduct) Determination 2024. Through numerous communications and a full-page ‘open letter’ published in the national media, we conveyed our serious concerns regarding specific elements of the Determination and their potential impact on our members, small accounting practices, and the profession.</p> <p>After productive discussions with the Assistant Treasurer and Treasury, many of our concerns were addressed and subsequent amendments were made to the Determination. We developed a dedicated webpage to keep our members informed about the progress of these ongoing discussions, in our weekly e-newsletter TaxNews and published articles in InPractice (our monthly newsletter to members in public practice) in May, July, and November.</p>
2. Increasing consumer protection	<p>Review of compulsory ethics CPD requirement:</p> <p>From 1 October 2023, all members (except those exempt from the requirement as set out in By-Law 4.1 (c)), are required to complete a minimum of two (2) hours of CPD hours per year on Ethics and Professional Responsibility, and at least 10 hours over three years (per triennium).</p>

	<p>In 2024, our CPD annual review included a focus on compliance with this new requirement by members selected for the review. The review noted a 75% compliance rate with this requirement.</p> <p>CPA Australia is committed to ensuring our members maintain the highest professional standards in ethics and integrity. The analysis of ethics CPD completed will be used in the ongoing development of resources to support our members and increase consumer protection.</p> <p>Professional development offers</p> <p>We continue to offer members quality and relevant professional development. In 2024, our professional development ethics offer was recognised at the prestigious LearnX Awards. Our complimentary 'Professional Ethics in Focus' and the premium 'Ethical Dilemmas in Accounting' micro-credential won three diamond awards for:</p> <ul style="list-style-type: none"> • Best eLearning Project (Industry Specific) • Best eLearning Project for On-Demand Learning • Best eLearning Project for Refresher Training (Industry Specific). <p>We continue to grow our suite of micro-credentials. To support members with mandatory climate reporting requirements, we launched the first of three new sustainability micro-credentials in November 2024. It covers preparation for IFRS Sustainability Standards disclosure requirements. Two additional courses have since released, which cover how businesses can incorporate sustainability into their operations, sustainability reporting and disclosure.</p> <p>Promoting ethics and professional conduct</p> <p>CPA Australia is committed to upholding the highest standards of ethics and professional conduct. In May 2024, we hosted events in Sydney and Melbourne with the Chair of the International Ethics and Standards Board (IESBA), Ms. Gabriela Figueiredo Dias. Ms Dias discussed the vital work being undertaken by IESBA on topics such as Ethics in Sustainability Reporting and Firm Culture and Governance. The two events were attended by more than 3,500 members, and other guests, in-person and online.</p>
3. Operating your professional standards scheme	<p>Supported significant re-write to the Public Practice Program content and preparing for change to PP Program finalisation in 2025</p> <p>The Public Practice Program is a pre-requisite for members to obtain our public practice certificate.</p> <p>We commenced a re-write of the of the eLearning modules included in this program in the second half of 2024. The update was to provide aspiring public practitioners with more practical content on risk management and systems of quality management. This was based on our learnings from CPA Australia's Best Practice Program assessments and Peer Consultations. We also reviewed the technology section to ensure practitioners are aware of opportunities and risks in the current environment such as cybersecurity, AI and programming languages (PAS Risk 3). The new program released at the end February 2025.</p> <p>In addition to updating the eLearning content we also refreshed the classroom content. A significant change has been made to the finalisation of the Public Practice Program. Previously members who had recently been granted their public practice certificate were offered a free two-hour consult with an</p>

experienced practitioner as part of the CPA Australia Best Practice Program's Peer Consultation. Common findings from the Peer Consultation Program over the last two years identified that new public practice certificate holders had struggled to fully implement a system of quality management and risk management while establishing their practices. As these are essential compliance elements which may also impact on a member's professional indemnity insurance, we believe they are critical components of ensuring our members are set up for success when starting out in practice. As a result we have stopped offering the Peer Consultation Program and from 2025 onwards Best Practice Team will review members systems of quality and risk management prior to them being granted a public practice certificate.

Update of claims and notifications reporting thresholds

We monitor insurance claims and overall insurance market trends to inform our professional standards risk management activities, and our insights framework so we can reduce claims and in turn insurance premiums. Members must annually confirm the currency and the appropriateness of their professional indemnity insurance (PII) to our By-Law requirements within our PII Portal. They must also inform us through the portal of any claims and notifications as per the By-Law requirements.

Previously, the threshold for claims and notifications reporting per by-law Part 9.8(f) was where the claim was above the minimum sum insured amount. In September 2024, the Board approved the addition of by-law Part 9.8(g) which requires members to also report claims and notifications of \$50,000 and over.

This will provide additional data points to assess common claim types, identify root causes and determine support or information we could provide our members to avoid ongoing claims of the same nature.

3. Informing members and consumers

Part 3 asks you to report on any changes you made during the reporting year to how you communicate with your members and consumers and raise awareness about your scheme.



See page 4 in the guidance.

3.1 Improved awareness and understanding

1. Have you changed or reviewed how you tell members about their scheme obligations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to Question 2
If yes, please tell us about it. Include how you are monitoring the effects of any changes.	Add your response here
2. Have you changed or reviewed your communications to improve how well the following groups understand the scheme? <ul style="list-style-type: none"> • members • members' clients • the public 	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to Table 4.1
If yes, please tell us about it. Include how you are monitoring the effects of any changes.	Add your response here
3. Any additional information (optional).	As part of our scheme remake, we conducted a survey with members to understand their experience in obtaining cover. This survey also acted as a mechanism to remind members of the operation of the Scheme.

4. Protecting consumers

Part 4 asks you to report on changes to your Scheme Compliance Plan, Professional Risks and Related Treatment Plans, risk management tools and risk analysis during the reporting year.



See page 4 in the guidance.

4.1 Compliance and risk management plans

1. Have you changed or reviewed your association's Scheme Compliance Plan?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, please: <ul style="list-style-type: none"> attach a marked-up version tell us about the changes or review. 	Attachment no. 01 Updated changes to organisational structure and staff movement, and to align the compliance plan to the new ways of working. No significant changes to the governance and management process.
If no, please tell us about the reasons.	
2. Have you changed or reviewed your association's Professional Risks and Related Treatment Plans (formerly the Risk Management Plan)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, please: <ul style="list-style-type: none"> attach a marked-up version tell us about the changes or review. 	Attachment no. 02 Updated the plans to includes causes, impacts and additional mitigation activities, as discussed and approved by PESMC at the annual risk workshop.
If no, please tell us about the reasons.	
3. Any additional information (optional).	

4.2 Risk analysis

1. Did you add any new or emerging risks to your Professional Risks and Related Treatment Plans?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to Table 4.3
If yes, please complete questions (a)–(c) in the table below for each new or emerging risk that you added relating to: <ul style="list-style-type: none"> professional or occupational standards scheme compliance practitioner-client relationship consumer protection significant events. 	
We have provided space for 3 new risks. Please add or delete table rows as needed.	
Risk 1	Add the first risk here
(a) Risk rating	<input type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low

Annual Professional Standards Report

(b) What professional risk management strategies did you develop in response?	Add your response here
(c) How are you monitoring the strategies' effects?	Add your response here

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 checked="" type="checkbox"/> Yes</p> <p><input 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>The CPA Australia Best Practice Program (Program) assessments continue to use root cause analysis for any identified findings within a member's assessment. The root cause is used to provide members with corrective action recommendations that will ensure findings are not recurring.</p> <p>Analysis of Program assessment findings enables us to view issues raised with members by areas of required compliance and root cause. This enhances our ability to provide tools and resources to members to ensure ongoing compliance but also deepens our insight into risks of our members causing harm to the public.</p> <p>Root cause analysis continues to be a focus within our regulatory compliance function in the management of PII. In April 2024 we formalised a new professional indemnity insurance partnership with Marsh for the provision of a professional indemnity policy which meets the requirements of our By-Laws. The shift to Marsh during 2024 has meant that we ceased our regular claims root cause analysis meetings with QBE and Fenton Green. While no claims have been made with Marsh, we commenced claims and risk meetings with Marsh to ensure we continue to gain insights into the current insurance market and when applicable any claims and their root causes.</p> <p>Our Insights Framework has continued to allow us to analyse insights from across Professional Standards and Professional Conduct to provide direction to marketing, education, member services, professional conduct, and the CPA Australia Best Practice team concerning the of members and areas of concern or weakness.</p>

Annual Professional Standards Report

	An example in 2024 was identifying findings from the Program assessment where members have not undertaken an appropriate risk assessment of their quality risks as required by the auditing standard <i>Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements</i> (ASQM 1). As a result of these findings and associated member feedback in determining the root cause we have commenced work on replacing our Excel based ASQM 1 tool with a new automated tool which will prevent members from skipping the inherent risk rating step.
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.	The capturing of insights from root cause analysis into the Insights Framework ensures that these are considered in the annual review of our Scheme risk management strategies. The effectiveness of these strategies is captured within the assessment of the risk responses.
2. Any additional information (optional).	

5. Responding to consumer complaints

Part 5 asks you to report on your association's:

- complaints data and systems
- disciplinary systems and actions



See page 5 in the guidance.

5.1 Complaints data	
Answer questions 1–9. Do not leave any cells blank. If any of these actions are not applicable to your members, please note this in your response.	2024
1. Formal complaints received Include referrals from statutory regulators	389 total complaints received in 2024 (excluding enquiries).
2. Enquiries received Include enquiries that did not escalate to a formal complaint. If your association does not collect this information, add 'n/a'.	42 enquiries received in 2024 (not logged as formal complaints).
3. Unresolved complaints carried over from past years	102 complaints were carried over from previous years.

Annual Professional Standards Report

4. Complaints investigated

225 complaints were formally investigated in 2024 (the number excludes the 102 complaints carried over from previous years and those deemed Unviable as per the By-Law 5 definition).

The source of the 225 complaints investigated was:

- 117 complaints initiated internally based on allegations of breaches relating to:
 - 10 criminal adverse findings
 - 26 adverse regulatory findings
 - 7 adverse professional findings
 - 14 APES 310
 - 2 APES 110
 - 10 By-Law - CPD
 - 8 By-Law - PPC
 - 17 By-Law - Practice Review
 - 14 academic misconduct
 - 5 conduct derogatory - dishonesty
 - 1 closely associated with an insolvent practice entity
 - 1 insolvent
 - 1 professional care
 - 1 obtain admission by false declaration.
- 108 complaints received from the public via complaint form (including 1 reported under new TASA breach reporting requirements) alleged breaches of:
 - 49 professional care
 - 50 APES 110
 - 1 closely associated with an insolvent practice entity
 - 8 conduct derogatory.

Of the 26 complaints initiated based on adverse findings by regulatory authorities:

- 11 were referred by the Tax Practitioners Board (TPB)
- 13 were based on media releases from ASIC
- 1 was an adverse finding by the Inspector General in Bankruptcy
- 1 was from the FMA in New Zealand.

5. Complaints dismissed

Include complaints that are frivolous, vexatious, or lacking in substance

Of the 389 complaints received in 2024, 309 were closed in the same year:

- 46 complaints resulted in a sanction on the papers
- 9 complaints were closed after being heard by a Disciplinary Tribunal
- 90 were closed as having 'no case to answer' after having been investigated
- 164 were deemed unviable (not investigated) as per the By-Laws (fee disputes, over 5 years old, not a member, unsupportable on the available evidence).

Annual Professional Standards Report

<p>6. Complaints referred to statutory regulator Include resulting action/s if known</p>	<p>3 disciplinary complaint outcomes were formally referred to the TPB as per the DT outcomes.</p>
<p>7. Complaints resolved by conciliation or mediation</p>	<p>N/A - CPA Australia does not provided mediation services</p>
<p>8. Complaints resolved by remedial or disciplinary action Provide details</p>	<p>Of the 225 complaints received and investigated in 2024, 9 were determined by disciplinary tribunal and 46 complaints were resolved with internal sanctions applied, such as a reprimand, caution, CPD or Practice Review imposed.</p> <p>A total of 44 matters progressed to a Disciplinary Tribunal in 2024 (complaints initiated in 2024 year plus previous years).</p> <p>43 members appeared before a Disciplinary Tribunal for the hearing of 44 separate complaints (1 member had two formal complaints initiated against them). 18 complaints heard by the Disciplinary Tribunal contained multiple allegations per complaint.</p> <p>46 complaints initiated in 2024 resulted in an internal reprimand / caution / CPD / Practice Review, being issued to the member. A record is retained of those members who are sanctioned on the papers, to be used as a prior outcome, should the member appear before a future Disciplinary Tribunal (13 complaints from previous years also resulted in an internal disciplinary outcome).</p>
<p>9. Complaints that were the subject of a hearing Include the hearing outcome(s), for example:</p> <ul style="list-style-type: none"> • complaint dismissed as unsubstantiated • member cautioned or reprimanded • conditions imposed on member • member required to do course or training, or seek advice from qualified person • additional reporting imposed on member • membership terminated. 	<p>44 complaints proceeded to a Disciplinary Tribunal for hearing, including complaints initiated in the years prior to 2024.</p> <p>The breakdown of allegations, heard by Disciplinary Tribunals is as follows:</p> <ul style="list-style-type: none"> • 15 adverse regulatory (7 TPB, 1 ASIC, 8 Other) • 8 adverse criminal • 17 breaches of the By-Laws / Code / Regulations • 18 conduct dishonourable / derogatory (6 for academic misconduct) • 1 insolvent • 5 failed to comply with Board Direction • 1 obtained admission by improper means • 5 standard of professional care. <p>The penalties imposed for the allegations sustained resulted in:</p> <ul style="list-style-type: none"> • 34 penalties of forfeiture, resulting in 27 members forfeited • 2 suspension of membership • 29 severe reprimands issued • 4 admonishments issued • 21 fines imposed • 5 members required to complete a Practice Review

Annual Professional Standards Report

- 12 members required to undertake CPD
- 1 lowering of designation
- 7 other.

Conditions were imposed for any applications for re-admission – primarily Practice Reviews and CPD.

5.2 Causes for complaints

List the main causes for complaints about scheme participants. Only list those that make up 10% or more of the total complaints. Group all remaining causes as 'Other'.

Add or delete table rows as needed.

Causes for complaints	Number of complaints in 2024
APES 110 (the Code)	52 Complaints
Professional Care	49 Complaints
Adverse Regulatory Findings	26 Complaints
Other	99 Complaints
Total	225 Complaints

5.3 Complaint resolution

Use this table to report how long your organisation takes to resolve complaints. A complaint is considered resolved if:

- it is dismissed as frivolous, vexatious or lacking in substance
- it is referred to a statutory regulator
- conciliation or mediation is successful
- disciplinary action is taken
- a hearing has concluded.

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
If yes, did your association resolve complaints within this timeframe?	N/A
If not, why?	N/A

Use the section below to show the number of complaints resolved in the last reporting year by time.

Time taken	2024
Less than 1 month	154 (includes complaints deemed unviable)
1–6 months	173

Annual Professional Standards Report

6–12 months	38
1–2 years	17
More than 2 years	11
Any additional information (optional).	The numbers above, include Complaints opened in previous years and closed in 2024. Many of these matters were subject to court proceedings which extended the timeframe for investigation.

5.4 Complaints systems

1. 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
2. Any additional information (optional).	N/A

5.5 Disciplinary action

1. Have you changed your member discipline system?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No →
If yes, please tell us about it. Include how you are monitoring the effects of any changes.	N/A
2. What were the top 3 reasons for disciplinary action against members?	Adverse findings by a regulatory body Adverse criminal court findings Lack of professional care and competence
3. How many disciplinary actions were taken against members?	The penalties imposed by a Disciplinary Tribunal for the allegations sustained resulted in: <ul style="list-style-type: none"> • 34 penalties of forfeiture, resulting in 27 members forfeited • 2 suspension of membership • 29 severe reprimands issued • 4 admonishments issued • 21 fines imposed • 5 members required to complete a Practice Review • 12 members required to undertake CPD • 1 lowering of designation • 7 other.

Annual Professional Standards Report

	<p>Conditions were imposed for any applications for re-admission – primarily Practice Reviews and CPD.</p> <p>In addition, 59 sanctions were imposed on members (including Reprimand, Caution, CPD, Practice Review) for matters adjudicated on the papers by CPA Australia.</p>
<p>4. Have you considered the top reasons in your Professional Risks and Related Treatment Plans?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Where certain trends are detected, particularly in relation to a lack of knowledge, understanding or professional care, the Professional Standards team is advised together with the Learning and Innovation team so that appropriate steps can be taken in relation to the education of members and the focusing of CPA Australia Best Practice Program assessments.</p>
<p>If yes, please attach your plan and reference the relevant section.</p>	<p>N/A</p>
<p>5. Any additional information (optional).</p>	<p>We update our website annually with complaint statistics. This report can be found on our website, Member conduct and discipline CPA Australia. We also publish to this webpage the outcome of all disciplinary hearings.</p>

6. Responding to professional indemnity claims

Part 6 asks you to report on your association's:

- claims data and systems
- professional indemnity insurance
- risk management for complaints and claims.



See page 6 in the guidance. Note that Tables 6.2, 6.3 and 6.5 are optional.

6.1 Claims data collection

1. Have you changed how your association collects member professional indemnity insurance claims data?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No → Go to Table 6.2
If yes, please tell us about it.	<p>In April 2024, we formalised a new professional indemnity insurance partnership with Marsh for the provision of a professional indemnity policy which meets the requirements of our By-Laws. This change over during 2024 has meant that we ceased to receive claims information from QBE.</p> <p>No claims have been made with Marsh to date. Members are still required to inform us of claims above the minimum sum insured amount. In September 2024, the Board approved the addition of by-law Part 9.8(g) which requires members to also report claims and notifications of \$50,000 and over.</p> <p>In 2025, we will continue member education activities to remind members of these requirements. This will mean we will collect more claims information directly from members during 2025 for reporting next year.</p>
2. Any additional information (optional).	

6.2 Optional – Notifications, claims and settlement data

 This table is optional.

Enter the total number and value of professional indemnity insurance notifications, claims and settlements in the reporting year.

Note: Previously, CPA Australia's by-laws required our members to only report claims above the minimum sum insured (by-law 9.8(f)) We received notification of one such claim in 2024. In September 2024, the Board approved a change to the threshold to claims and notifications to \$50,000. With the change in insurance partnership, there is no claims information available from the insurer. The information below is sourced from information reported by members to us.

Data type	Number	Value
1. Notifications	1	Not advised
2. Claims	1	\$1,331,821.00

Annual Professional Standards Report

3. Settlements

1

\$7,500

6.3 Optional – Claims monitoring committee

i This table is optional.

1. Does your association have a committee for monitoring and analysing claims against your members?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No → Go to Table 6.4
If yes, what guidance has the committee issued (if any)?	While no claims have been made with Marsh to date, in November 2024, we commenced claims and risk meetings with Marsh to ensure we continue to gain insights into the current insurance market and when applicable any claims and their root causes. No guidance was issued in the November meeting.
2. Any additional information (optional).	

6.4 Professional indemnity insurance

1. Do you have any reports from brokers or insurers on the insurance market (effects, market comments) for your members or similar professionals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No → Go to Question 2
If yes, provide as an attachment	Attachment no. 03 We attach the report for Q3, 2024 from Marsh Insurance Brokers. The 'Financial Lines' insurance category incorporates professional indemnity. Whilst it relates to the entire professional services industry, not just accounting, it does provide an overall trend for how the market is tracking. Cyber Insurance is represented as a stand-alone class of insurance.
2. Has the average cost of members' professional indemnity insurance premiums increased or decreased since the last reporting year?	<input type="checkbox"/> Increased by XX% <input type="checkbox"/> Decreased by XX% <input type="checkbox"/> Stayed the same <input checked="" type="checkbox"/> Unsure
3. Has there been any change in the availability of professional indemnity insurance since the last reporting year?	<input type="checkbox"/> Increased <input type="checkbox"/> Decreased <input checked="" type="checkbox"/> Stayed the same <input type="checkbox"/> Unsure
4. Any additional information (optional).	In response to question 2, Marsh Insurance Brokers' latest update is that competition is still quite strong in the accounting space – particularly for those standard practices who do not engage in advisory work. Low-income practices may see premium reductions. For higher revenue practices,

Annual Professional Standards Report

premiums vary, depending on the specific areas of specialty. Overall, Marsh estimate reductions for those in the \$4m-\$8m revenue bandings by up to 15%, however a clean claims history is usually a factor in achieving these levels of decreases. Overall, there are some savings to be had, but it is practice specific.

As reported to the PSA in our Scheme Remake in September 2024 a survey of our members in 2024 indicated sufficient availability of cover and that overall premiums were affordable, with 80% of surveyed members reporting costs under 2% of gross fees or business costs.

6.5 Optional – Engagement with insurers

i This table is optional.

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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to Table 6.6 <input type="checkbox"/> Other → please specify
If yes, what improvements (if any) have you secured as a result?	
2. Any additional information (optional).	

6.6 Causes for claims

List the top 5 causes for claims against scheme participants in the reporting year. Only list those that make up 10% or more of the total claims.

Delete rows if you have less than 5 causes.

Causes for claims	Number of claims in 2024
General tax advice	1
Total number of claims	1

6.7 Claims over 50% of the monetary ceiling

Complete questions (a)–(g) for each new claim over 50% of the monetary ceiling and any claims finalised that have been reported to the association or which the association became aware of during the year. If there were none, add 'n/a' and go to Table 6.8.

We have provided space for 3 claims. Please add or delete table rows as needed.

Annual Professional Standards Report

6.7 Claims over 50% of the monetary ceiling

Claim 1			
(a) Year of notification or claim	2024	Year of cause of action	2023
(b) Cause of action and root cause	General tax advice; root cause not identified		
(c) Amount claimed	\$ 1,331,821.00		
(d) Amount paid	Claim: Not advised	Plaintiff's costs: not advised	Defence costs: not advised
(e) Status	<input type="checkbox"/> Notified <input type="checkbox"/> Outstanding <input type="checkbox"/> Finalised by court <input type="checkbox"/> Finalised by settlement		
(f) Source	<input type="checkbox"/> Member survey <input type="checkbox"/> Insurance industry data <input type="checkbox"/> Legal search <input type="checkbox"/> Media report		
(g) Other relevant information	N/A		

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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No → Go to Table 6.9
If yes, please tell us about them.	Add your response here

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?	<input checked="" type="checkbox"/> Member communications <input checked="" type="checkbox"/> CPD programs <input type="checkbox"/> Reviews of relevant policies and procedures <input checked="" type="checkbox"/> Quality review initiatives <input type="checkbox"/> Other → please specify <input type="checkbox"/> 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.	<p>Our professional standards risks are provided in Attachment 2, including details of the above strategies applied to each risk.</p> <p>In summary:</p> <p>(i) Member communications – these are captured as ongoing member support tools and resources, and professional development articles, courses and events, which are preventative controls in our professional risks register.</p> <p>We have a suite of tools and resources available to members on our website, specifically:</p> <ul style="list-style-type: none"> • https://www.cpaaustralia.com.au/public-practice

Annual Professional Standards Report

- <https://www.cpaaustralia.com.au/public-practice/my-firm-my-future>
- <https://www.cpaaustralia.com.au/tools-and-resources>

Below are some InPractice articles in response to complaints, claims and Best Practice findings:

- [professional standards scheme](#)
- [ethical dilemma](#)
- [best practice findings](#)
- [independence](#)
- [cybersecurity](#)
- [employee fraud](#).

- (ii) **CPD programs** – we review CPD compliance of scheme participants through our annual CPD review process as well as through the Best Practice Program assessments. Details of the CPD review process are provided in sections 2 and 7.4 of this report. In 2024, we noted that scheme participants had a higher compliance rate (94%) compared to non-scheme members (76%). The CPD review is a detective control in our professional risks register.
- (iii) **Quality review initiatives** – quality review is conducted through our Best Practice Program. The results of the Program are provided in section 2, with further details in sections 7.2 and 7.3 of this report. The Best Practice assessment is a detective control in our professional risks register.

Annual Professional Standards Report

7. Administering the scheme

Part 7 asks about:

- changes to your governance arrangements
- activities to monitor member compliance
- scheme membership and coverage
- scheme exemptions
- discretionary higher caps.



See page 8 in the guidance. Note that Table 7.6 is optional.

7.1 Governance changes

1. Have there been changes to any of your association's governance arrangements?	<input checked="" type="checkbox"/> Yes → Complete the section below <input type="checkbox"/> 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 (By-Laws have been updated in both October and December 2024)	<input checked="" type="checkbox"/>	Attachment no. 04	Attachment no. 05
(b) Mission or goals	<input type="checkbox"/>		
(c) Code of ethics or conduct	<input checked="" type="checkbox"/>	Attachment no. 06	Attachment no. 06
(d) Membership entry requirements	<input type="checkbox"/>		
(e) Membership classes (including classes subject to the scheme)	<input type="checkbox"/>		
(f) Material changes to legislation and regulations applicable to your occupation and association?	<input type="checkbox"/>		
(g) Board and committee structure (including Professional Standards Committees)	<input checked="" type="checkbox"/>	Attachment no. 07	Attachment no. 08
(h) Board and committee members (including Professional Standards Committees)	<input checked="" type="checkbox"/>	Attachment no. 09	Attachment no. 10
(i) Scheme administration staff and resources	<input checked="" type="checkbox"/>	Attachment no. 11	N/A

7.2 Professional indemnity insurance compliance

<p>1. What did your association do to monitor members' compliance with professional indemnity insurance standards?</p>	<p>The Public Practice Operations team processes all applications for a public practice certificate (PPC) and ensures all professional indemnity insurance (PII) requirements are met by the applicant before issuing a PPC.</p> <p>The Operations team provides members with on-going information and reminders regarding their PII obligations.</p> <p>PPC holders confirm that they continue to hold and maintain a current PII policy in accordance with the By-Laws as part of their annual membership renewal declaration.</p> <p>The Best Practice team also monitors ongoing compliance through the CPA Australia Best Practice Program's assessments. Assessment includes review of the currency of the members PII policy and whether it meets the By-Law requirements.</p>
<p>2. What did your monitoring activities find?</p>	<p>During 2024 the CPA Australia Best Practice program identified 29 members (6%) that had policies that did not meet all the By-Laws requirements. Two members who were not providing any public accounting service had no PII policy, otherwise coverage, losses arising, or defence costs were the main contributors to member non-compliance.</p>
<p>3. Did member compliance improve since last year, or were there fewer breaches?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure</p> <p>CPA Australia notes a marked increase in non-compliance from 1.1% to 6% this year.</p>
<p>4. Please describe your remedial or enforcement response to non-compliance.</p>	<p>For each of the 29 members a finding was reported in their support plan with a required timeframe for completion, if not addressed in the required time the member would be referred to Professional Conduct. Members often contact their insurer or broker during the assessment process to confirm that their policy meets the requirements, or to address any areas identified. Members are very proactive at addressing any PII findings during the assessment. We have not had to refer any members to professional conduct for failing to address PII policy compliance recommendations.</p>
<p>5. How is your association monitoring the effects of your compliance monitoring strategies?</p>	<p>In response to the increase in PII policy non-compliance reported above, a review and update of the PII member portal will be completed in 2025. Following this activity, we will host a member webinar to inform members of any changes to the PII portal and to remind them of the By-Law</p>

Annual Professional Standards Report

	requirements. In addition, we will ensure member communications in InPractice and public practice forums throughout 2025 continue to remind members of their PII requirements.
6. Any additional information (optional)	

7.3 Limited liability disclosure requirements

1. What did your association do to monitor members' compliance with limited liability disclosure requirements?	<p>Disclosure requirement compliance is monitored by the Public Practice Operations team and the Best Practice team in the completion of Program assessments. Assessments include a review of all the member's/firm's promotional materials and client facing documentation to ensure inclusion of the limited liability statement. Spot checks of compliance occur outside of assessments when the Operations team respond to member queries or requests. The Operations team also confirms members have the appropriate disclosure statement prior to being granted their PPC.</p> <p>The Best Practice team also monitors ongoing compliance through the CPA Australia Best Practice Program's assessments. Assessment includes review to ensure the limited liability statement is included at all required locations.</p>
2. What did your association do to ensure that only participants in your scheme used your disclosure statement? When did this happen?	<p>While our monitoring activities focus on ensuring our members meet their disclosure requirements, our publicly available information on the operation of our Professional Standards Scheme clearly outlines the Schemes application to eligible members in public practice only.</p> <p>When firms are reported to Public Practice Operations or identified by the Best Practice as inappropriately branding as a CPA firm, including reported inclusion in our Scheme our legal team issues a letter requiring them to remove branding and disclosures.</p>
3. What percentage of scheme members did you audit to check their compliance with the limited liability disclosure requirement?	7%
4. What percentage of audited members were non-compliant?	30%
5. Did member compliance improve since last year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure
6. Please describe your remedial or enforcement response to non-compliance, and how many actions you took.	These findings were reported in the non-compliant member support plans and these members were required to complete the action within set timeframes.

Annual Professional Standards Report

	<p>Failure to address the recommendation within the set timeframe would result in a referral to Professional Conduct.</p> <p>Once identified members are very proactive at correcting their limited liability disclosures, often providing the assessor with the updated documentation on the assessment day.</p> <p>We have not had to refer any members to professional conduct for failing to address recommendations requiring them to implement the appropriate limited liability statement.</p>
<p>7. How is your association monitoring the effects of your compliance monitoring strategies?</p>	<p>As reported in the prior year member education and communications was our primary response in 2024 to the prior year increase in findings. Assessments results in 2025 show a larger increase to a 30% non-compliance rate. While we will continue member education and communications, we will now look to include members sign off on their limited liability disclosure statement compliance within the PII Portal. This will be undertaken as part of the update to the PII portal reported above in item 7.2.5.</p>
<p>8. Any additional information (optional)</p>	

Annual Professional Standards Report

7.4 CPD requirements

1. What did your association do to monitor members' compliance with CPD requirements?	850 members underwent a CPD review in 2024. These members were assessed on whether they met their overall CPD obligation of 120 hours over the triennium, including 2 hours of ethics-related CPD in 2024. We also reviewed CPD compliance against capped categories, to ensure hours claimed did not exceed allowable limits for the category.
2. What percentage of scheme members did you audit to check their compliance with CPD requirements?	2%
3. What percentage of audited members were non-compliant?	Scheme participants: 5% non-compliant; 1% referred to PCU for non-engagement
4. Did member compliance improve since last year?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
5. Please describe your remedial or enforcement response to non-compliance, and how many actions you took.	<p>If we assess members as non-compliant with CPD requirements, we issue them with a support plan which requires them to complete additional CPD in the following year.</p> <p>These members are reviewed at the end of the following year, as well as at the end of the triennium to check for ongoing compliance.</p> <p>During the review period, members are sent emails, letters and/or text messages to remind them to update their CPD diary / records for assessment.</p> <p>Members who fail to complete their support plan requirements are referred to our Professional Conduct Unit for formal disciplinary action.</p>
6. How is your association monitoring the effects of your CPD compliance monitoring strategies?	<p>We monitor the CPD compliance rates in comparison to previous years, taking into consideration changes in enforcement measures and risk-based selection criteria year on year. We report the results of the CPD review to PESMC, and use learnings from the post-implementation review to inform our review for the following year.</p> <p>To improve compliance, we are developing a CPD policy to provide consistent CPD requirements to members and to aid staff in assessment as well as in development of learning content. In 2025, we plan to deliver more products tailored to members' field of expertise (tax, audit, etc) and have coordinated messaging of professional development offers and CPD compliance reminders. The results of the 2024 CPD review were also tabled at the ARCC in March 2025.</p>

Annual Professional Standards Report

7. Any additional information (optional)

7.5 Scheme membership data

Do not leave any data cells blank. Add 0 where applicable.

How many ...	2023	2024	2025 forecast
1. Australian residents are members of the association?	118,480	118,731	118,800
2. members are excluded from the scheme? ¹	ASA = 19,301 CPA/FCPA without a PPC = 91,949	ASA = 18,965 CPA/FCPA without a PPC = 92,579	ASA = 19,000 CPA/FCPA without a PPC = 92,600
Describe why the member(s) are ineligible (e.g. class or other attributes).	To be eligible a member must be a CPA/FCPA and hold a PPC.	To be eligible a member must be a CPA/FCPA and hold a PPC.	To be eligible a member must be a CPA/FCPA and hold a PPC.
3. members have an approved exemption from the scheme? ²	0	0	0
4. members are eligible for the scheme? ³	Calculate: (1) – (2) – (3) = 7,230	Calculate: (1) – (2) – (3) = 7,187	Calculate: (1) – (2) – (3) = 7,200
5. members are eligible for the scheme (as per annual fee payments to the Councils)?	7,228	7,185	N/A
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)?	Calculate: (4) – (5) = 2	Calculate: (4) – (5) = 2	N/A
7. If 4 and 5 differ, explain why. For example, ‘The Councils granted fee waivers for XX members’ or ‘XX members left practice’			
Reasons:	The variance is attributed to new members and those who cancel during the period.	Two members became eligible between 23 to 31 December 2024. They will be included in the adjustment payment.	N/A

¹ Members or classes of members not specified in the scheme who are ineligible to participate.

² 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.

³ The total number of eligible scheme participants (members or classes of members) to which the scheme applies after any compliant exclusions and exemptions.

Annual Professional Standards Report

7.6 Optional – Scheme membership trends

i This table is optional.

- | | |
|--|------------------------|
| <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. | Add your response here |
|--|------------------------|

7.7 Scheme exemptions

1. Does your scheme instrument provide for the association to grant exemptions from the scheme?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No → Go to Table 7.8	
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 exemption applications did you:	Applications received: Zero (0)	Exemptions granted: Zero (0)
<ul style="list-style-type: none"> receive grant? 		
Please provide a copy of your scheme exemption register.	N/A	
4. Please note:	N/A	
<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. 		
5. Any additional information (optional).	No exemptions exist	

Annual Professional Standards Report

7.8 Higher discretionary caps

1. Does your scheme instrument provide for the association to grant higher discretionary caps?	<input type="checkbox"/> Yes <input checked="" 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 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: <ul style="list-style-type: none"> • receive • grant? 	Applications received: XX	Discretionary caps granted: XX
Please provide a copy of your higher discretionary caps register.	N/A	
4. Please note: <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. 	N/A	
5. Any additional information (optional).		

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. Attachment 12 <input type="checkbox"/> No
If no, please tell us why.	Add your response here

Annual Professional Standards Report

Index of attachments

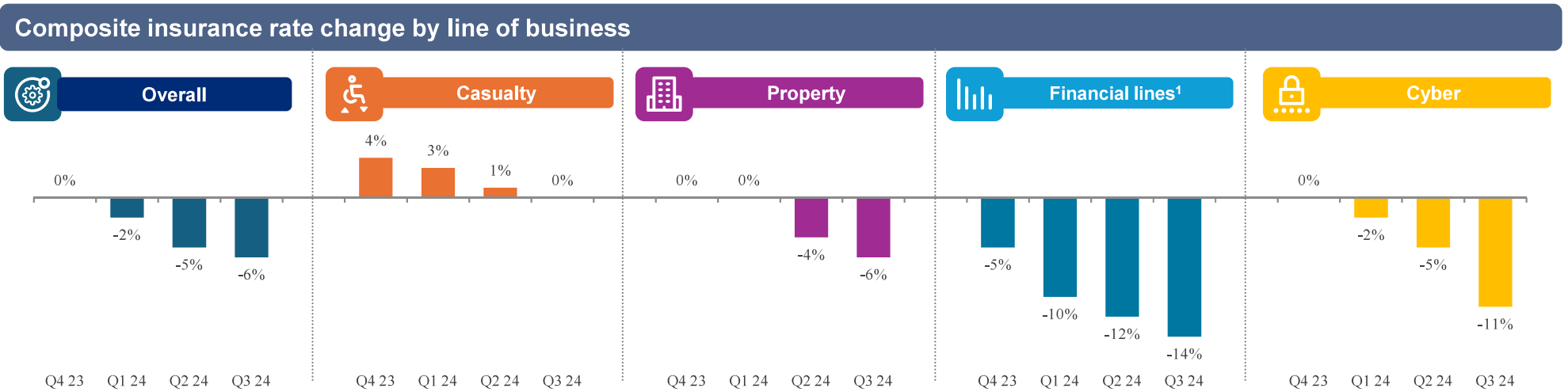
Use the table below to list all the attachments you reference throughout this report. The first row is an example. Delete this example, and add rows as needed.

No.	Document	Pages
1	[REDACTED]	
2	[REDACTED]	
3	Q3 2024 Global Insurance Market Index – Pacific provided by Marsh Insurance Brokers	
4	2024 By-law updates	
5	Proof of Board approval of by-law changes	
6	Changes to the Code of Ethics	
7	Board and committee structure (including Professional Standards Committees)	
8	Proof of Board approval of committee structure changes	
9	Board and Committee appointments (including Professional Standards Committees)	
10	Proof of election of directors and office bearers	
11	Scheme management staff	
12	2024 Annual membership assurance report	
13	Board approval of 2024 APSR	

Attachment 3

Q3 2024 Global Insurance Market Index – Pacific

Commercial insurance rate decreased 6%, compared to a decrease of 5% in Q2 2024



Source: Global Insurance Market Index Q3 2024

Market overview

The market index showed decreases in property, financial lines, and cyber and flat in casualty.



Casualty

0%



Property

-6%



Financial lines¹

-14%



Cyber

-11%

Pacific insurance composite rate decrease of 6% (compared to a decrease of 5% in the prior quarter)

¹Financial lines reporting is not inclusive of cyber.

Attachment 4

2024 By-Law Updates

CPA Australia's By-Laws were amended by the Board twice in 2024, on:

- 23 September 2024 (effective 1 October 2024); and
- 9 December 2024 (effective 9 December 2024).

The Current By-Laws are available on the website at:

[About CPA Australia / Governance / Constitution and By-Laws / Our By-Laws / CPA Australia By-Laws effective 9 December 2024](#)

Summaries of the amendments made are also available on the website at:

[About CPA Australia / Governance / Constitution and By-Laws / Our By-Laws / Summary of By-Law changes October 2024](#)

[About CPA Australia / Governance / Constitution and By-Laws / Our By-Laws / Summary of By-Laws – Comparison table December 2024](#)

Attachment 5

Proof of Board approval of By-Law changes



Extract of Minutes of Meeting

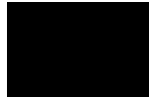
Board of Directors of CPA Australia Ltd

Date and time Monday 23 September 2024 from 9:00am AEST

Location CPA Australia, Boardroom, Level 20, 28 Freshwater Place, Southbank VIC

Item	Minutes	Outcome
12.3	By-Law Review - Proposed amendments The Board APPROVED the changes to the By-Laws as marked up in Attachment 1 to the report, except for the proposed changes to Part 4 of the By-Laws and the relevant definitions.	RESOLUTION

Signed as a correct record, this 3rd day of October 2024.



.....
Dale Pinto FCPA
John Curtin Distinguished Professor
President and Chair of CPA Australia Ltd

APPROVED



Extract of Minutes of Meeting

Board of Directors of CPA Australia Ltd

Date and time Monday 9 December 2024 from 9:00am AEST

Location CPA Australia, Boardroom, Level 20, 28 Freshwater Place, Southbank VIC

Item	Minutes	Outcome
	The Board NOTED the outcomes of items 11.1 to 11.10 which were unanimously pre-approved by all Directors prior to the meeting via the voting tool in the Diligent Board Portal.	
11.9	By-Laws - proposed amendment to By-Law 3.11 The Board APPROVED the changes to the <u>By-Law</u> 3.11 as marked up in Attachment 1 to the paper, effective 9 December 2024.	PRE-APPROVED

Signed as a correct record, this 20TH day of December 2024.



Dale Pinto FCPA
John Curtin Distinguished Professor
President and Chair of CPA Australia Ltd

Attachment 6

Code of Ethics

CPA Australia and its members uphold the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards) (the Code)* issued by the Accounting Professional and Ethical Standards Board. It is the organisation's primary Code. The compiled Code containing the restructured Code of Ethics issued in 2018 and all Amending Standards issued up until the end of June 2024 may be viewed via the link below. The Code is accessible via CPA Australia's website.

[APES 110 code of ethics for professional accountants | CPA Australia](#)

[Code of Ethics – Home \(apesb.org.au\)](#)

Attachment 7

Part 7.1(g) Board and Committee structure (including Professional Standards Committees)

(i) Board and Committee Structure

For the last reporting year, the number of Board Committees remained the same, however the Member Engagement and Culture Committee became the Member Engagement Committee effective 1 January 2024 (approved by the Board on 23 September 2023). The Charters for both the Board and the Member Engagement Committee were amended effective 1 January 2024 to reflect the change of name and responsibilities (approved by the Board on 4 December 2023).

There were no amendments to the structure of the Board.

(ii) Charters

The Board, Board Committee Charters and the Advisory Committee Charters are reviewed annually by the Board and were most recently approved by it on 9 December 2024. The Charters with tracked changes are Board agenda items and Board Papers and minutes are confidential with restricted access.

The refreshed Charters are available to view on the CPA Australia website:

[CPA Board of Directors | CPA Australia](#)

[Committees of directors | CPA Australia](#)

[Advisory committees | CPA Australia](#)

NOTE: On 26 September 2023 the board approved the merging of the existing Public Practice Advisory Committee (PPAC) and Best Practice Advisory Committee (BPAC) to form a new committee named the Public Practice Advisory Committee. The newly formed Public Practice Advisory Committee will report to the Education, Policy, and Innovation Committee (EPIC). The revised Charter for the new Public Practice Advisory Committee (effective 1 January 2024) was provided in this report last year. The current year's charter is available on our website as per the link above for the Advisory committees.

(iii) Professional Standards Committees

(a) Professional Ethics and Standards Management Committee (PESMC)

The PESMC continued in 2024, providing strategic oversight of regulatory compliance responsibilities, with an emphasis on the Professional Standards Scheme in accordance with the PSL. There was no change to the structure. Members changed due to staff movement, as noted in Attachment 9.

(b) PII Risk and Claims Committee

The PII Performance and Risk Committee changed in 2024 to be the PII Risks and Claims Committee. This change followed the move from our previous PII partnership with Fenton Green and QBE to Marsh effective April 2024.

Attachment 8

Part 7.1 (g) Proof of Board approval of Committee Structure Changes



Extract of Minutes of Meeting

Board of Directors of CPA Australia Ltd

Date and time Tuesday 26 September 2023 from 8.30am AEST

Location CPA Australia, Boardroom, Level 20, 28 Freshwater Place, Southbank VIC
and via MS Teams

Item	Minutes	Outcome
1.3	<p>2023 Board Committee Structure - Preliminary Discussion</p> <p>The Board DISCUSSED potential options regarding the Board Committee structure and Board meeting procedures, to be effective from 1 January 2024.</p> <p>The Board RESOLVED that the Member Engagement and Culture Committee will revert to the Member Engagement Committee effective from 1 January 2024.....</p> <p>...</p>	RESOLUTION

Signed as a correct record, this 12th day of October 2023



John Curtin Distinguished Professor Dale Pinto FCPA
President and Chair of CPA Australia Ltd



Extract of Minutes of Meeting

Board of Directors of CPA Australia Ltd

Date and time Tuesday 26 September 2023 from 8.30am AEST

Location CPA Australia, Boardroom, Level 20, 28 Freshwater Place, Southbank VIC
and via MS Teams

Item	Minutes	Outcome
8.3	<p>Outcomes of Member Engagement and Culture Committee Meetings</p> <p>The Board noted the items endorsed by the MECC and;</p> <p>(a)</p> <p>(b)</p> <p>(c) APPROVED the merging of the existing Public Practice Advisory Committee (PPAC) and Best Practice Advisory Committee (BPAC) to form a new committee named the Public Practice Advisory Committee. The newly formed Public Practice Advisory Committee will report to the Education, Policy, and Innovation Committee (EPIC); and</p> <p>(d)</p>	RESOLUTION

Signed as a correct record, this 12th day of October 2023



John Curtin Distinguished Professor Dale Pinto FCPA
President and Chair of CPA Australia Ltd



Extract of Minutes of Meeting

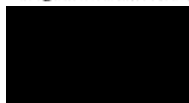
Board of Directors of CPA Australia Ltd

Date and time Monday 4 December 2023 from 9.00am AEDT

Location CPA Australia, Boardroom, Level 20, 28 Freshwater Place, Southbank VIC

Item	Minutes	Outcome
	The Board NOTED the outcomes of the items 11.1 to 11.6 which were unanimously pre-approved by Directors prior to the meeting via the voting tool in the Diligent Board Portal.	
11.3	<p>Annual Review of Board and Board Committee Charters</p> <p>The Board NOTED the outcomes of the annual review of the Charters and APPROVED the amendments to the following Charters (as set out in the Diligent Resource Centre):</p> <ul style="list-style-type: none"> (a) Board of Directors Charter; (b) Audit, Risk and Compliance Committee (ARCC) Charter, endorsed by the ARCC; (c) Education, Policy and Innovation Committee (EPIC) Charter, endorsed by the EPIC; (d) Member Engagement Committee (MEC) Charter, endorsed by the Member Engagement and Culture (MECC); (e) Nomination Committee (NC) Charter, endorsed by the NC; (f) Appointments Council (AC) Charter, endorsed by the AC; and (g) Council of Presidents (CoP) Charter, reviewed by the CoP, <p>subject to the Board Secretariat checking the Charters of the Board, Board Committees and Councils following on from all Board, Committee and Council reviews (including of any key words or terms), numbering and wording of clauses (allowing for any necessary differences) to ensure consistency and quality control of the suite of Charter documents.</p>	PRE-APPROVED

Signed as a correct record, this 12th day of December 2023



John Curtin Distinguished Professor Dale Pinto FCPA
President and Chair of CPA Australia Ltd

Attachment 9

Part 7.1 (h) Board and Committee appointments (including Professional Standards Committees)

(i) Board appointments

The process for appointing Directors to the Board remained unchanged in 2024. There were, however, changes in the directorship.

The following Director and Company Officer finished their term or resigned during 2024:

- Professor Yew Kee Ho, resigned from the Board, the Audit Risk and Compliance Committee and the Education, Policy and Innovation Committee effective 30 September 2024

The following Director and Company Officer commenced their term during 2024:

- Julie Crisp, Director, commenced her term on 1 October 2024

Note: there were no changes to the Office bearers of the Board during 2024

The current Board and Committee membership is available on our website at:

[About CPA Australia / Governance / Directors](#)

[About CPA Australia / Governance / Councils and Committees / Committees of Directors](#)

and is as set out below (including commencement dates).

[ASIC extract follows]

1/22/25, 2:14 PM

[View company details](#)



ASIC

Australian Securities & Investments Commission

Forms Manager

Company Officeholders

Company: CPA AUSTRALIA LTD ACN 008 392 452

Company details

Date company registered 13-10-1952
Company next review date 13-10-2025
Company type Australian Public Company
Company status Registered
Home unit company No
Superannuation trustee company No
Non profit company Yes

Registered office

LEVEL 20 , 28 FRESHWATER PLACE , SOUTHBANK VIC 3006

Principal place of business

LEVEL 20 , 28 FRESHWATER PLACE , SOUTHBANK VIC 3006

Officeholders

COX, LOUISE MICHELLE
Born 26-09-1957 at SYDNEY NSW
1 TORRENS STREET , KARALEE QLD 4306
Office(s) held: Director, appointed 01-10-2019

CRISP, JULIE CHRISTINE
Born 20-04-1973 at WARREN NSW
7 BAYFIELD ROAD , MALAK NT 0812
Office(s) held: Director, appointed 01-10-2024

WRIGHT, ANTHONY DAVID
Born 03-08-1979 at BRISBANE QLD
40 PROSPECT ROAD , CERES VIC 3221
Office(s) held: Director, appointed 01-10-2022

QUINN, ANNA
Born 21-07-1981 at CANBERRA ACT
UNIT 6A , 2-22 KNOX STREET , DOUBLE BAY NSW 2028
Office(s) held: Director, appointed 01-10-2023

ADAM-GEDGE, SARAH ELIZABETH
Born 25-12-1964 at AUCKLAND NEW ZEALAND
2A JAMES STREET , BRIGHTON VIC 3186
Office(s) held: Director, appointed 01-10-2023

PINTO, DALE ANTHONY MARK
Born 26-08-1966 at INDIA
51 TODD AVENUE , COMO WA 6152
Office(s) held: Director, appointed 01-10-2018

<https://www.edge.asic.gov.au/004/compportal?update/request/viewCompany/s=f1d11c20d7dc4a8f191028d28eff7ce8698838e>

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[View company details](#)

MCRAE, WARREN DONALD

Born 15-11-1970 at ARMIDALE NSW

25 LISA ROAD , CHEVALLUM QLD 4555

Office(s) held: Director, appointed 01-10-2021

CHUNG, YEW PONG

Born 13-01-1973 at SEREMBAN MALAYSIA

33, JALAN KENYALANG 11/9 , BAYU DAMANSARA , 47810 PETALING JAYA , MALAYSIA

Office(s) held: Director, appointed 01-10-2022

SLADE, WARREN ALLEN

Born 28-05-1980 at BOX HILL VIC

56 WOODGEE STREET , CURRUMBIN QLD 4223

Office(s) held: Secretary, appointed 01-01-2023

POON, BERNARD CHE WAI

Born 29-12-1967 at HONG KONG CHINA

G/F 28 STUBBS ROAD , HANAEVILLA , HONG KONG

Office(s) held: Director, appointed 01-10-2021

JAYALATH, KAUSHIKA NIMANTHA

Born 19-06-1992 at COLOMBO SRI LANKA

20 SOUDAN STREET , COBURG VIC 3058

Office(s) held: Director, appointed 01-10-2023

Document history

These are the documents most recently received by ASIC from this organisation.

Received	Number	Form	Description	Status
08-10-2024	7ECZ52803	484	CHANGE TO COMPANY DETAILS	Processed and imaged
08-10-2024	7ECZ52753	484	CHANGE TO COMPANY DETAILS	Processed and imaged
15-04-2024	7ECR10265	388	FINANCIAL REPORT	Processed and imaged

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(ii) Professional Standards Committees

(a) Professional & Ethical Standards Management Committee (PESMC)

The following members discontinued their membership of PESMC during 2024:

- Andrew Vincent

The committee in 2024 consisted of:

- Elinor Kasapidis
- Melissa Read
- Gloria Sutcliffe
- Katherine Psomas
- Timothy Neal
- Belinda Zohrab-McConnell
- Ram Subramanian
- Seema Prasad (from September 2024)

(b) PII Claims and Risk Committee (formerly PII Performance and Risk Committee)

The following members discontinued their membership of the PII Claims and Risk Committee during 2024:

- Belinda Zohrab-McConnell

The committee in 2024 consisted of:

- Melissa Read
- Gloria Sutcliffe
- Seema Prasad
- Eenu Monga
- Katherine Psomas
- John Zerella (CPA Australia public practice member representative to Committee)

Due to the change in our PII partnership guests for 2024 committee meetings moved from representative of Fenton Green and QBE to Marsh and AIG:

- Leigh Harper (Marsh)
- Chris Ristevski (Marsh)
- Hannah Morgan (Marsh)
- Meredith Evans (AIG)
- Richard Adamczyk (AIG)

Attachment 10

Part 7.1 (h) Proof of Elections of Directors and Office Bearers



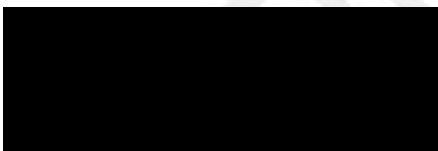
Extract of Minutes of Meeting

Appointments Council of CPA Australia Ltd

Date and time	Monday 26 August 2024 at 9:00 a.m. AEST
Location	Level 20 Boardroom, 28 Freshwater Place Southbank VIC 3000 and MS Teams

Item	Minutes	Outcome
11	<p>Appointment of up to three Directors to the Board of CPA Australia for a term of three years commencing 1 October 2024 and concluding on 30 September 2027</p> <p>.....</p> <p>In accordance with the Election Rules contained within Part 6 of CPA Australia's By-Laws, a secret ballot was conducted electronically via the Diligent Boards portal for the election of three Directors with the Company Secretary acting as Returning Officer.</p> <p>....</p> <p>The Company Secretary as Returning Officer advised the Deputy Chair and Chair of the outcome of the ballot. The Deputy Chair advised the Council that Warren McRae had been duly elected as a Director of CPA Australia Limited for a three-year term commencing 1 October 2024.</p> <p>....</p> <p>The Company Secretary as Returning Officer advised the Deputy Chair and the Chair of the outcome of the ballot. The Deputy Chair advised the Council that Dale Pinto had been duly elected as a Director of CPA Australia Limited for a three-year term commencing 1 October 2024.</p> <p>....</p> <p>The Company Secretary as Returning Officer advised the Deputy Chair and Chair of the outcome of the ballot. The Deputy Chair advised the Council that Julie Crisp had been duly elected as a Director of CPA Australia Limited for a three-year term commencing 1 October 2024.</p>	RESOLUTIONS

Signed as a correct record, this 8th day of October 2024



Louise Cox FCPA
Chair, Appointments Council



Extract of Minutes of Meeting

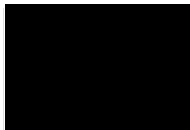
Board of Directors of CPA Australia Ltd

Date and time Monday 23 September 2024 from 9:00am AEST

Location CPA Australia, Boardroom, Level 20, 28 Freshwater Place, Southbank VIC

Item	Minutes	Outcome
3.2	<p>Election of Office Bearers for 2024/25</p> <p>The Board NOTED the procedures set out in the Constitution and By-Laws for electing the President and Deputy Presidents for the term 1 October 2024 to 30 September 2025.</p> <p>The CoSec noted that as one nomination was received for the role of President and two nominations for the role of Deputy President, no ballot would be required, and the following nominees were declared elected under the By-Laws:</p> <ul style="list-style-type: none">(a) Dale Pinto FCPA as President and Chair; and(b) Warren McRae FCPA and Louise Cox FCPA as Deputy Presidents, for the 12 month term commencing 1 October 2024. <p>The Board congratulated the office bearers on their re-election for a further term.</p>	ELECTION

Signed as a correct record, this 3rd day of October 2024.



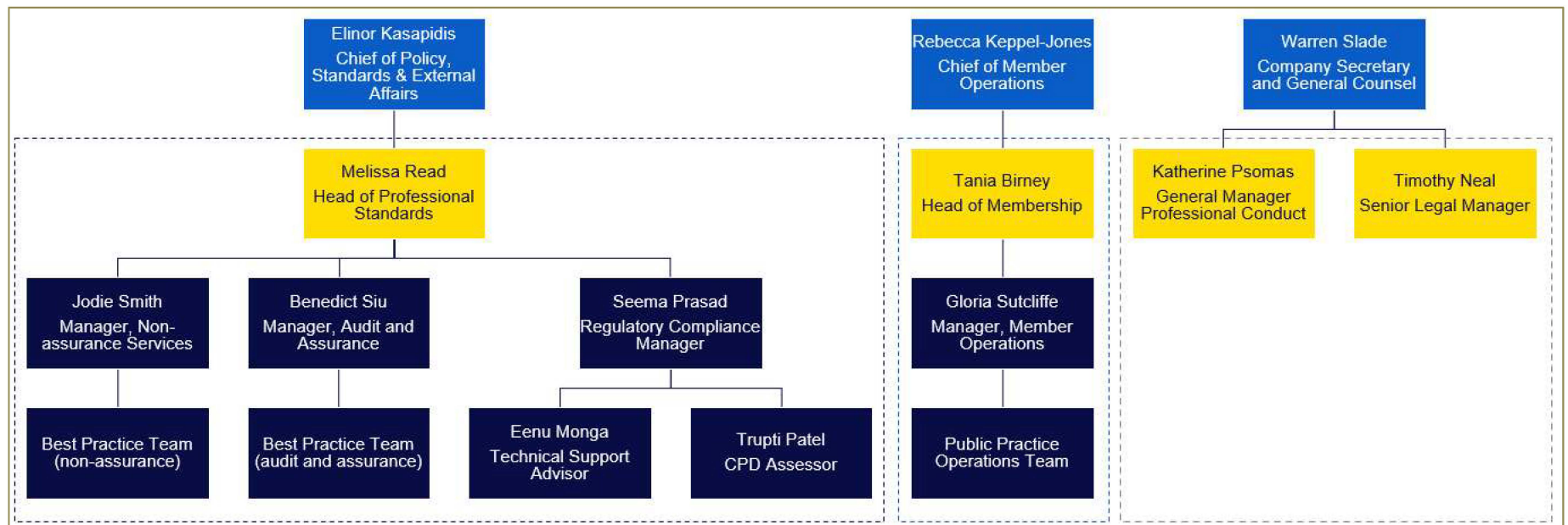
Dale Pinto FCPA
John Curtin Distinguished Professor
President and Chair of CPA Australia Ltd

Attachment 11

Part 7.1 (i) Scheme administration staff and resources

The below diagram shows key staff contributing to the administration of the Professional Standards Scheme in 2024.

The Professional Standards Department leads the management of the scheme, with support provided from teams within Member Operations and Company Secretariat and Legal.





RSM Australia Pty Ltd

Level 27, 120 Collins Street
Melbourne
VIC 3000
Australia
T +61 (03) 9286 8000
+61 (03) 9286 8199 rsm.com.au

14 February 2025

Mr Warren Slade
General Counsel, Company Secretary and
Head of Risk and Compliance
CPA Australia Ltd
Level 20, 28 Freshwater Place
SOUTHBANK, VIC 3006

Annual Membership Verification Certificate

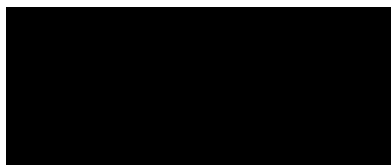
Dear Warren,

We have completed the audit of CPA Australia's scheme participant fees payable to the Professional Standards Council ("PSC") for the annual fee period from 23 December 2023 to 22 December 2024.

The scope of works performed by RSM were detailed in the engagement letter dated 20 February 2024. We have attached the Membership Assurance Report for the annual fee period from 23 December 2023 to 22 December 2024.

We would like to take this opportunity to thank CPA Australia staff members involved in this engagement. Should you have further questions, please do not hesitate to contact me.

Sincerely,



J KAPITAN

Partner, Risk Advisory Services

RSM Australia

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ASSURANCE | TAX | CONSULTING

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction. RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM Liability limited by a scheme approved under Professional Standards Legislation



ANNUAL MEMBERSHIP VERIFICATION CERTIFICATE

Verification of CPA Australia Limited (CPA Australia) members covered by the CPA Australia Ltd Professional Standards (Accountants) Scheme in Victoria, New South Wales, Queensland, South Australia, Western Australia, Northern Territory, Australian Capital Territory and Tasmania.

Scope

We have examined the attached Returns for CPA Australia for the annual fee period being 23 December 2023 to 22 December 2024. CPA Australia is responsible for the preparation and presentation of the Returns and the information they contain. We disclaim any assumption of responsibility for any reliance on this report or on the Returns to which it relates to any person other than the Professional Standards Council; or for any purpose other than that for which it was prepared.

We have conducted an independent examination of the Returns in order to express an opinion on them to the Professional Standards Council. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the Returns. These procedures have been undertaken to form an opinion whether in all material respects, the attached Returns are presented fairly in accordance with Professional Standards Councils requirements.

Our Opinion

Our opinion expressed in this report has been formed on the above basis. In our opinion, the information contained in the CPA Australia Returns and detailed in the table below is presented fairly, in all material respects, and in accordance with the underlying records of CPA Australia.

Table 1: Summary of CPA Australia returns to PSC

	Cumulative no. of eligible scheme members	Amount due to PSC	Amount paid	Date paid	Interest due to PSC (if any) as at certification date	Interest paid	Date paid
Opening statement	7,228	\$361,400	\$361,400 ¹	01/02/2024	Nil	-	-
1 st adjustment	2	\$100	\$100	01/02/2024	Nil	-	-
2 nd adjustment	51	\$2,550	\$2,550	16/04/2024	Nil	-	-
3 rd adjustment	75	\$3,750	\$3,750	12/07/2024	Nil	-	-
4 th adjustment	184	\$9,200	\$9,200 ²	31/02/2025	Nil	-	-
Total	7,540	\$377,000	\$377,000		-	-	-

- During the 2024 audit, CPA Australia identified that the 2023 Anniversary payment excluded 8 to 10 members that had been previously included. These are overseas public practice certificate holders who are connected to Australian practices. Hence, they have been included in CPA Australia's payment as they are providing public accounting services in Australia even though not living in Australia. CPA Australia confirmed that these members have been included in the 2024 Anniversary payment. CPA Australia has contacted the Professional Standards Authority ("PSA") on 11 February 2025, proposing a backpay separate to the 2024 Anniversary payment, for the impacted members (up to \$500), including any associated interest. This is to allow CPA Australia to conduct a detailed investigation and ensure no other applicable members have been excluded. The PSA acknowledged CPA Australia's notification on 12 February 2025 highlighting that they do not have any concerns about CPA Australia's approach and interest will be calculated based on the annual fee due date until the balance is paid (the date payment is received). The PSA will engage with CPA Australia regarding the interest payment once CPA Australia has completed its investigation and payment is received.
- The payment for 1 July 2024 to 22 December 2024 included payment for three members who signed up prior to 1 July 2024 (\$150). Payment for these members were excluded from prior payments due to timing differences, i.e. delay in processing vs timing of data extraction.
- The impact of the above adjustments will equate up to \$650 (plus interest, if applied). The amount was immaterial compared to the total payment for the annual fee period of 23 December 2023 to 22 December 2024, i.e. 0.17% of total amount, and therefore has no impact on our opinion noted above.

ANNUAL MEMBERSHIP VERIFICATION CERTIFICATE (CONT.)

Table 2: Number of eligible scheme members by state

	Opening Statement	1 st Adjustment	2 nd Adjustment	3 rd Adjustment	4 th Adjustment	Total
NSW	1,968	1	12	20	52	2,053
SA	322	-	4	3	4	333
VIC	2,577	-	17	27	69	2,690
QLD	1,397	1	11	16	42	1,467
ACT	69	-	3	1	0	73
NT	31	-	0	0	2	33
TAS	79	-	0	1	2	82
WA	785	-	4	7	13	809
Total	7,228	2	51	75	184	7,540

SIGNATORY

NAME OF AUDITOR Jayesh Kapitan, Partner, Risk Advisory Services
RSM Australia

PROFESSIONAL BODY AND MEMBERSHIP CLASS Chartered Accountants Australia and New Zealand

PROFESSIONAL BODY MEMBERSHIP NUMBER 43974

Declaration: I am not a member of the occupational association for which this opinion is expressed.

SIGNATURE OF AUDITOR



DATE OF CERTIFICATION: 14 February 2025



EXTRACT OF MINUTES

CPA Australia Ltd

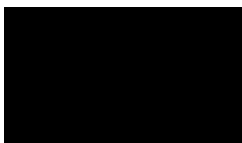
BOARD OF DIRECTORS

Meeting date	Monday, 24 March 2025	Meeting time	9:00am
Meeting location	CPA Australia Ltd, Level 20, 28 Freshwater Place, Southbank, VIC and via MS Teams		

MINUTES OF MEETING

ITEM	MINUTES	OUTCOME
11	ITEMS FOR PRE-APPROVAL	
	The Board NOTED the outcome of items 11.1-11.4 which were pre-approved by a majority of Directors prior to the meeting via the voting tool in the Diligent Board Portal.	
11.3	Annual Professional Standards Report The Board APPROVED the Annual Professional Standards Report (APSR) before submission to the Professional Standards Councils (PSC).	PRE-APPROVED

CONFIRMED AS A CORRECT RECORD



Dale Pinto FCPA
John Curtin Distinguished Professor
President and Chair of CPA Australia Ltd

26th March 2025

Date