

2020 AGM

QUESTIONS TAKEN ON NOTICE

Following are questions taken on notice by the Chair at CPA Australia's 2020 AGM, submitted in advance via the AGM microsite or received after the close of questions at CPA Australia's 2020 AGM.

Questions taken on notice during the meeting

Regarding Table 13 on page 55 of the Integrated Report - the 2018 column doesn't add up to 20 - shouldn't it be 13?

The total of 20 for 2018 is correct. Unfortunately, there is an error in the numbers listed in the 2018 column – there were 12 staff (not five) who received remuneration between the band of \$200,000 - \$300,000. We apologise for this error.

Page 122 of the Integrated Report shows there are two key management personnel - Deborah Leung and Simon Eassom - earning in the \$500,000 + bracket during 2019, however in table 13 on page 55 of the Total remuneration of highest 20 paid employees, there are no executives listed in the bracket \$500,001-\$600,000?

The table on page 122 of the Integrated Report includes accrued leave that has not been taken, while Table 13 on page 55 of the Report reflects fixed salary (gross remuneration plus superannuation) for key management personnel only.

Questions submitted after the close of questions

To follow up from Melissa's question and Andrew's answer: while the flexibility of new member pathways and study options are improved, what measures are going to be put in place to ensure the quality (and perceived quality) of our designation is maintained or improved to be comparable to similar bodies such as being accredited by TEQSA (such as a GradDip recognition) or some other suitable alternative.

We are very conscious of the importance of maintaining the integrity and reputation of the CPA designation as we open new pathways to study.

We are approaching this in three main ways – we are developing and implementing a new future-fit Capability Framework; attracting high-quality graduates from related degree courses and professions; and establishing a micro-credentials framework that enables CPA certification and professional development with university undergraduate and post-graduate credit recognition.

Firstly, the revision of CPA Australia's Capability Framework as a benchmark document against which ASA and full members' competencies are assessed and measured will demonstrate the high-quality certification that CPA Australia members achieve, especially in the context of new competencies around digital and data that employers now demand.

Secondly, the review of CPA Australia's policies and processes around the admission requirements for students from non-accredited degree programs will create attractive and simplified entry to the CPA Program, without affecting quality and the achievement of the necessary IFAC-required technical skills. This will lower our traditional "barriers to entry" that can make it difficult for good graduates from non-accounting degrees to make a late-change direction in their career and become accountants.

Finally, in conjunction with the aforementioned approaches, CPA Australia's new micro-credentials framework creates the rule structure and principles around the awarding of short-form credentials, and has been endorsed by higher education subject-matter experts. These are aligned with the Australian Qualifications Framework and enable reciprocal credit transfer between CPA Australia and the university sector.

At this stage, CPA Australia has no plans to offer qualifications aligned to the higher education sector, such as a GradDip. However, the micro-credentials framework (along with the Capability Framework) gives in-principle alignment of CPA Australia assessment standards with university assessment standards following the AQF at Levels 7, 8, and 9. In other words, employers and education institutions will clearly be able to see that CPA credentials are evidence-based, assessed, and relate directly to post-graduate level qualifications from the university sector.

Peter, given the voting outcome of Resolution 1 where, even without the Chair undirected votes the resolution would have failed the 75% test & votes were less than 2k %u2026 the apathy & lack of participation of the other odd 163,000 members is something I hope the Board can address to encourage wider participation.

We share your wish for wider participation by members in the AGM, and we encourage all members to participate. AGMs provide an opportunity for members to hear from the Board, and to have the opportunity to ask questions of the Board.

We communicate details of the AGM to all members via a number of channels, including the CPA Update, INTHEBLACK, statements from the Board, emails, website, and via social media. We also send every member a copy of the Notice of Meeting by post and/or email.

In the past three years, we have increased the opportunities for members to participate in the AGM by broadcasting a live webcast so that members who can't attend in person can view proceedings. We have also enabled members to appoint a proxy online, ask questions of the Board during the meeting via text format and, for the first time this year, by voice.

The Board will continue to look for opportunities to encourage greater member participation in the AGM.

Are members who dial into this meeting considered as attending the AGM?

Under CPA Australia's Constitution, members need to be physically present to be counted as attending the AGM. However, technology is used to enable members to participate in the AGM. This year, members had the opportunity to lodge and direct their proxy how to vote online ahead of the meeting, and were able to ask questions of the Board and Auditor during the meeting in text format and by voice. Members were also able to watch the meeting via a live webcast.

Indicatively, do you think the flagship event Congress will be cancelled this year?

Our priority is ensuring the health and wellbeing of our members, and we are continuously monitoring the easing of COVID-19 restrictions with respect to gatherings of people and travel restrictions.

There is still uncertainty about what restrictions may be in place in certain states from late September through to early November, which is when Congress is normally held; there is also uncertainty about speakers being able to travel to present at Congress.

However, we are still making preparations to hold Congress in some form or other. We look forward to providing more information in due course.

I have never heard from the CEO since his appointment despite numerous resolutions and Q&A in past and current years. How do we reach him?

CPA Australia's CEO Andrew Hunter has communicated directly with members on numerous occasions since his appointment in April 2018, both in writing and in person at various member events throughout Australia and the global locations where CPA Australia operates, including visiting Congress in 2018 and 2019, the World Congress of Accountants (WCOA) held in Sydney in 2018, and various Divisional events.

In particular, Andrew communicated directly with members throughout 2018 to seek their input in developing the CPA Strategy, both in the design phase and during consultation on the draft strategy.

More recently, Andrew has written to members to outline CPA Australia's involvement in the regulatory burden project in Australia, and to share details of our response to the Australian bushfire crisis and the COVID-19 pandemic. Andrew also addressed the 2019 and 2020 AGMs.

Members are always able to contact Andrew directly at ceo@cpaustralia.com.au.

A process question - I believe our constitution says any member can call a poll at an AGM (e.g. to defer the AGM etc.) but if we are online and not in attendance due to COVID-19, how can a member call a poll? Should members attending online be classed as attending the AGM and included in the quorum?

Under CPA Australia's Constitution, members need to be physically present to be counted as attending the AGM. There is no provision in our Constitution for members online to be included in a quorum.

However, technology is used to enable members to participate in the AGM. This year, members had the opportunity to lodge and direct their proxy how to vote online ahead of the meeting, and were able to ask questions of the Board and Auditor during the meeting in text format and by voice. Members were also able to watch the meeting via a live webcast.

Regarding the calling of a poll:

Article 33 of our Constitution provides that a poll on a resolution at a meeting of Members may be demanded by a Member only in accordance with the Corporations Act or by the chair of that meeting. Section 250L of the Corporations Act sets the circumstances where a Poll can be effectively requested by Members, being:

- (a) at least 5 members entitled to vote on the resolution; or
- (b) members with at least 5% of the votes that may be cast on the resolution on a poll; or
- (c) the Chair.

At the 2020 AGM, the Chair advised that voting would be by a poll and not on a show of hands, and, prior to the AGM, all members had the opportunity to lodge their proxy and to direct their proxy how to vote.

Will all the questions asked at the AGM be published (eg on website or in a member email) and responses be supplied?

A full recording of the AGM is available on our [website](#).

Questions submitted in advance via the online portal that were not answered during the meeting, taken on notice during the meeting, or were received after the close of questions, are published along with CPA Australia's answers.

How many members are watching this AGM live?

272 people viewed the AGM via the live webcast.

The download link provided on the page, indicating that prior questions submitted prior to the AGM, can be viewed does not appear to work. The link downloads a document called "Sample" which turns out to be blank. Has this link been checked?

We apologise for any confusion. This is a new functionality that is still in development by Link Market Services, and is not yet operational. We are advised by Link Market Services that it is intended to enable those watching the live webcast to review questions asked prior to the meeting. Unfortunately, Link Market Services was not able to remove the link from the platform ahead of CPA Australia's AGM.

Having heard the Chairman's response to the question about quorum, if quorum can simply be satisfied by Board members and staff present the particular objection raised in the Notice of Meeting to the Resolution appears somewhat superfluous, does it not?

Under CPA Australia's Constitution, members need to be physically present to be counted as attending the AGM. There is no provision in our Constitution for members online to be included in a quorum.

As advised on the night of the AGM, there was a quorum of at least six members present consisting of CPA Australia directors and staff who are also members of CPA Australia.

Normally, CPA Australia and the Board encourage members to attend the AGM and vote in person. Unfortunately, due COVID-19 restrictions, Members (and their representatives) were not able to attend the physical venue of the AGM in person, other than Members who are CPA Australia staff working at the AGM.

However, technology is used to enable members to participate in the AGM. This year, members had the opportunity to lodge and direct their proxy how to vote online ahead of the meeting, and were able to ask questions of the Board and Auditor during the meeting in text format and by voice. Members were also able to watch the meeting via a live webcast.

Why does CPA default the proxies default to open (which in this case means against)? If members are to submit a proxy, will CPA commit to, in the future, leaving the proxy blank and allow members to select for themselves if they should be For, Against, Abstain, or submit as Open?

Members had the opportunity to direct their proxy how to vote. This was outlined in the Notice of Meeting published on 2 April 2020 and on the AGM microsite.

Members were specifically advised that they “should consider directing their proxy as to how to vote on the resolution by crossing either the “For”, “Against”, or “Abstain” box when completing their Proxy Form to ensure that their proxy is permitted to vote on their behalf in accordance with their instructions. If Members do not mark any of the boxes on the items of business, the Member’s proxy will decide for the Member”.

Members were also advised that the Chair intended to vote any undirected proxies against Special Resolution 1.

Is it possible to display the member questions as they are asked please to make it easier for members to follow the question and response?

Unfortunately, Link Market Services advises that there is currently no functionality to enable this. During the meeting, the Chair reads questions aloud for the benefit of those watching online before responding.

Multiple members asked questions regarding reductions to CPA membership fee due to COVID-19:

CPA Australia is very much aware of the impact the outbreak of COVID-19 is having on many people in the community, including CPA Australia members and their families, as well as the businesses and communities in which they work.

CPA Australia reviews membership fees every year, and COVID-19 will be a consideration in our review for 2021.

CPA Australia also has policies in place that provide members with an opportunity to apply for reduced fees if their working circumstances have changed or their ability to earn an income was significantly impacted for a lengthy period in 2020. Applications for a reduced rate are assessed on a case-by-case basis and can be made online from early November each year.

Questions submitted in advance

The following four questions were submitted by multiple members.

Question 1

Should reported 2019 profit be restated as a \$11 million loss? Why was a material \$17 million loss making CPA Advice investment written off in the profit and loss? Why does it not appear in the 2019 profit and loss statement as a \$17 million loan or investment write -off?

The financial statements and notes are correct. The accounting for the loan between CPA Australia Ltd (the Parent Entity) and CPA Australia Advice Pty Ltd (wholly-owned subsidiary of CPA Australia Ltd) in the individual stand-alone financial records for these entities and also in the consolidated Group accounts is consistent with accounting standards and the long-held accounting principles of consolidated financial statements.

These principles being that intra group transactions such as the loan from CPA Australia Ltd, the parent entity of the Group, to CPA Australia Advice Pty Ltd, a wholly-owned subsidiary within the consolidated group, eliminate on consolidation as they reflect transactions between two entities within the consolidated group and not between the consolidated group and an external party. As disclosed in Note 17 to the 2019 Integrated Financial Report the loan was impaired in the stand alone financial records of CPA Australia Ltd during the 2018 and 2019 financial years, this was in addition to the original impairment in 2017. The forgiveness of the loan in 2019 was also disclosed in Note 17.

Question 2

Why does a non-trading and Board sanctioned financially not viable CPA Advice Pty Ltd still pay \$1.9 million (2019) and \$3.4 million (2018) dollars to a defunct entity that includes related parties but does not include any useful detail?

As was announced to members in 2018, CPA Australia is exiting the CPA Advice business. The external costs incurred in 2019 relate to operating costs incurred including staff costs (\$0.3m) and run-off PI insurance (\$0.4m). In addition, as required by accounting standards, the stand-alone financial statements include a non-cash implied interest charge relating to the interest free loan from CPA Australia Ltd (\$0.9m). The implied interest charge is a non-cash expense and is eliminated as part of the consolidation of CPA Australia Advice Pty Ltd into the 2019 Integrated Financial Report of CPA Australia Ltd. The costs relating to CPA Australia Advice Pty Ltd in 2020 are expected to be significantly lower.

Question 3

Why do they make CPA Advice Pty Ltd disclosures so complex to understand? Where do these material write-off numbers appear disclosed on the consolidated financial statements? They appear to be orphaned notes to the accounts.

The integrated report of CPA Australia Ltd includes a consolidated financial report of the CPA Australia Ltd Group, as required by the Corporations Act 2001. The consolidated group includes CPA Australia Ltd (the Parent Entity) and its controlled entities, including the wholly-owned subsidiary CPA Australia Advice Pty Ltd.

Transactions between CPA Australia Ltd (Parent Entity) and CPA Australia Advice Pty Ltd (wholly-owned subsidiary) are eliminated on consolidation of the Group as these transactions are between two entities within the consolidated group and are not between the Group and an external party.

CPA Australia Ltd is not required under the Corporations Act 2001 to prepare a stand-alone, single entity set of financial statements on the basis a consolidated set of financial statements is prepared. Accounting standards require that consolidated financial statements include disclosure of summary financial information for the parent entity of the consolidated group. This information is presented in Note 17 of the 2019 financial statements. This note discloses the initial impairment, subsequent forgiveness and overall treatment of the loan between the Parent Entity and the wholly-owned subsidiary CPA Australia Advice Pty Ltd, from the perspective of the stand-alone parent entity.

The information in Note 17 represents summary financial information of the parent entity only and is on a pre-consolidation basis, as required by the Accounting Standards.

Question 4

Why the big increase in KPMG audit fees \$380k p.a. compared to Deloitte's \$86k p.a.?

The fees paid to KPMG were \$380k in both 2019 and 2018. In 2017, when Deloitte were the auditors, their fees were \$410k. In 2018 the reference to the fees paid to Deloitte related to finalising items for the 2017 Audit incurred in 2018.

Please advise members percentage of executive expenses as a proportion of revenue for the last 5 years.

The Board and CEO continue to focus on having an effective executive management team focused on delivering the member focused strategy.

The percentage of executive expenses as a proportion of revenue for the last 5 years has averaged 3.7%. In 2019 it was lower at 3.3%.

Please advise members percentage of administration expenses as a proportion of revenue for the last 5 years.

The percentage of administration expenses as a proportion of revenue for the last 5 years has averaged 29%. In 2019 it was lower at 27% demonstrating our on-going focus on managing CPA's administration costs.

Can we the members have a few options when paying our membership instead of just money order or credit card. Can CPA Australia have a Bpay or direct debit to pay as well.

We are reviewing alternative payment options as part of the Member Management & Finance system review.

Students, in particular those who are overseas and many who have experienced poor internet quality due to network overload, have expressed concern about internet connectivity and site overload on the day of the exam. How will CPA support students who are experiencing such difficulties during the exam?

We have undertaken a thorough and wide-ranging assessment of the technology requirements for the online exam, including load-testing in relevant geographic locations and in areas with variable internet capacity. The online exam environment has been designed to require the lowest load on systems that we can effectively operate under, making it accessible to as many people as possible.

The exam has also been prepared in such a way that students whose signal drops out during the exam will not lose their responses to questions and can get back onto the system to continue where they left off.

In addition, we are endeavouring to provide comprehensive online and direct telephone support before and during the exams (in all locations) to assist members with technical issues. We have launched two practice exams in every subject whereby students can test their knowledge as well as experience the exam environment first hand and test their equipment.

Finally, if any student feels that their exam environment will not be suitable then they may defer their exam to next semester at no cost.

Students have expressed concern about cheating. The exams have not been designed to be completed remotely. There is no verification in place. In short, there is nothing preventing someone taking the exam in place of the intended student, or the student using books, internet or other materials to cheat on the exams. What measures has/will CPA put in place prior to the exams to maintain exam integrity?

CPA Australia takes exam integrity extremely seriously. It is not true that the exams have not been designed to be completed remotely. There are security measures in place and candidates have been notified of these with full disclosure of the process and policies affecting their conduct during exams. The details are available on the CPA website.

CPA Australia has chosen not to use technology online which enables students to be watched via their webcam by a remote exam supervisor, however we will be using a range of security and monitoring processes that require the use of the student's webcam to capture information, manage identity authentication, and observe the candidate's working environment.

Video will be captured, recorded, and audited and used in any investigation of alleged rule infraction.

In addition, CPA Australia has engaged the services of a specialist in exam data analytics that can detect anomalies in student performance with a very high degree of reliability. Students whose performance or behaviour raises concerns, as well as further students from a random sample, will undergo a post-exam one-on-one viva voce.

Students and lecturers have expressed concern that pushing ahead with exams will negatively impact the CPA brand. Has CPA considered postponing exams until such time that the exams are re-designed for online testing, or restrictions are lifted and exams may be taken at exam centres where students can be verified and supervised to ensure that there is a level playing field?

CPA Australia considered all options, including postponing exams entirely.

A number of factors contributed to the decision to proceed with examinations in Semester 1, not least of which was the overwhelming desire of our ASA members to have the opportunity to be assessed after the considerable investment of time, effort, and money in their studies and the negative impact cancellation of exams might have on their employment opportunities and progress to full membership.

It was also considered, at the time of the decision, to be unlikely that test-centres would be available again for Semester 2.

CPA Australia has engaged subject matter experts, including its psychometricians, to ensure that the exam construct in place for Semester 1 tests the same learning outcomes, at the same level, in the same proportions as its normal exam construct.

It has consulted with examination experts in the university sector and sought approval from regulators, such as the Tax Practitioners Board, who have all endorsed CPA Australia's exam format, construct, and alternative arrangements.

We are confident in our exam format and the security and integrity issues in particular.

Why is the AGM scheduled on the Anzac Day public holiday? Don't you have any regard for the members from WA?

We apologise to WA members that this year's AGM has fallen on a public holiday. In setting the date of the AGM, the Board has to work around a range of constraints, including its Corporations Act obligations, public holidays in different jurisdictions, production timelines, and venue availability. (While a venue outside the CPA Australia Melbourne office hasn't been required this year due to COVID-19, one did have to be booked when the date was originally set.)

There is nothing in the Constitution that states that an individual versus a group may submit a resolution (other than the form requesting the Name of the submitter). In 2019 NSW DC requested that resolutions be submitted by the DC but were told "No." Going forward, can resolutions be submitted by a DC, DG, COP or Committee - all of which are officially recognised and authorised by CPA. If the response is no, please state the portion of the constitution that supports a No response.

The matter is governed by Section 249N of the Corporations Act where at least 100 members who are entitled to vote at a general meeting may give a company notice of a resolution that they propose to move at a general meeting. The request is member based and not group based.

Why, has the board instead decided to take proxies from a proxy holder who cannot be present and give them to the chair who may vote any open proxies differently than the proxy holder, thereby changing the outcome of the meeting?

As Members and their representatives are not able to attend the physical venue of the AGM due to COVID-19 restrictions, we encouraged Members to submit their proxies online as soon as possible and direct their proxy how to vote.

If your chosen proxy (other than the Chair) was not attending the meeting, the Chair became the proxy. In this circumstance, the Chair was directed by the voting preferences (if any) provided in your proxy form.

We provided this advice in the FAQ on the microsite and Link Market Services contacted those who could be reached provided their proxy with an undirected voting preference to ask if the member wished to provide a directed instruction. There were only a few members in this category.

30b allows for Member direct voting (submitting a proxy) and that a Member may vote at that meeting without the Member or any proxy or attorney appointed to represent that Member being present at that meeting.

Given the current restrictions resulting from Covid-19 and proposed board restrictions to the physical AGM, why has the board not allowed members to vote at this AGM without being present?

CPA Australia and the Board ordinarily encourage members to attend the AGM and vote in person. However, in view of the circumstances with respect to COVID-19, and in line with the Statement from the Board of CPA Australia dated 20 April 2020, Members (and their representatives) are not able to attend the physical venue of the AGM in person, other than Members who are CPA Australia staff working at the AGM.

As set out in the Notice, the physical venue for the AGM was the CPA Australia Melbourne office, which is not a public space and all staff present at the AGM were required to adhere to strict safety and social distancing requirements.

As Members and their representatives were not able to attend the physical venue of the AGM, we encouraged Members to submit their proxies online as soon as possible. Members were able to complete their Proxy Form online and direct their proxy how to vote. If your chosen proxy (other than the Chair) is not attending the meeting, the Chair will become the proxy. In this circumstance, the Chair was directed by the voting preferences (if any) provided in your proxy form.

Given the current COVID 19 situation, does the Board anticipate any changes to CPA semester 2 timelines? For example, enrolments open 9 June and the exam period is from 26 September to 11 October. Is there a possibility this will be pushed back and if so when will CPA candidates be advised?

Due to the delayed Semester 1 exams (from mid-April to mid-May) there will be a corresponding delay to enrolment for Semester 2, which will be after the results release in late June. The whole of semester 2 will be pushed back by the same amount of time. Full details will be communicated to students soon.

Can the board members resolve to donate whatever their full remuneration is for COVID relief?

COVID-19 has had a significant impact on individual, communities, businesses, organisations, all around the world.

Like many organisations, CPA Australia has been impacted by COVID-19, and we have taken a number of measures to manage costs during this period, including:

- No domestic or international travel for all staff in all regions;
- A pause on hiring new staff;
- A pause on all discretionary spend;
- All staff will be required to take their 4 weeks of annual leave this year; and,
- Some of our planned projects have been paused or will be completed over a longer time period.

CPA Australia will continue to manage our costs responsibly and take appropriate action as the crisis evolves.

As a professional body, we are continuing to provide advice and support to and for our members during this period, and the Board is focusing on initiatives to help members navigate through the crisis.

Insidious climate change is tearing us apart. CPA Australia has shown the right sentiment & some low level compliance. However, not game enough and too conservative to take the strong action needed. It would make a huge difference if CPA's demanded company boards eliminate fossil fuels for good. When are we going to do it?

CPA Australia recognises that a coordinated international approach is required to combat the impacts of climate change. We believe that governments and policymakers need to develop environmental and economic policies that interact with each other and operate in tandem. Furthermore, we believe accountants are well placed and qualified to assist businesses in this challenge.

To that effect, in February this year CPA Australia, in conjunction with CAANZ and 14 worldwide accounting bodies, issued a joint media release committing to a call to action in response to climate change which acknowledged the need for swift action towards meeting a net zero carbon emission position within the terms of the Paris Agreement. The call to action – available [here](#) – recognises the crucial role of the accounting profession and the actions the profession can take to help organisations address climate change. Professional accountants are represented in every sector across the economy, and are uniquely positioned to enact meaningful and positive change through a collective effort.

This is a continuation of our commitment that has seen CPA Australia provide input into, and promote uptake, of the Financial Stability Board's Taskforce on Climate-related Financial Disclosure recommendations, and work closely with such groups as the Commonwealth Climate Law Initiative and the Climate Disclosure Standards Board.

In Australia, we have played an influential role with the Senate Economic References Committee 2017 inquiry into “Carbon risk: a burning issue”, and have engaged actively with associated developments including the 4th edition of the ASX Corporate Governance Principles and Recommendations which now give greater recognition to climate risk and proactive response from business.

A detailed outline of CPA Australia’s policy position on climate change is available on our website in our Business and the Environment Policy Bulletin. We continue to seek to equip accountants in terms of their capacity to advise boards on the critical nature of climate change risk and have developed cutting edge research and resources to these ends – available [here](#).

When will this ICA & CPA organizations merge? Will there be an amalgamation of the two other professional bodies being Chartered Accountants Australia & New Zealand and Institute of Public Accountants?

CPA Australia is not considering merging with any other organisation. Our focus is on better engagement and delivering value for our members.

We’re not in a position to comment on other professional accounting bodies.

Why does the board recommend that member vote against the resolution put by Vittoria Anderson?

As set out in the Notice of Meeting sent to members on 2 April 2020, and explained at the AGM, the Board agrees with the intent of the resolution, but disagrees that a change to CPA Australia’s Constitution is required as the Board already has the power to implement the proposed changes.

Over recent years CPA Australia has been gradually introducing technology to conduct a hybrid AGM: Members have the opportunity to lodge and direct their proxy how to vote online ahead of the meeting, are able to ask questions of the Board and Auditor during the meeting in text format and by voice, and able to watch the meeting via a live webcast.

The main difference between the resolution and the way the 2020 AGM was conducted is the ability for members to vote online during the meeting.

CPA Australia remains committed to continue introducing technology to increase member participation in the AGM as appropriate. However, we must ensure that the technology is safe, fair, and secure.

At this stage, the Board is not satisfied that there is an appropriate technology available that can facilitate reliable and secure online voting in real time in the more than 100 countries where our members reside.

CPA Australia look to establish monthly direct debit payment system for fees/subs. CPA improve its online education presence - In effect all material should be available online.

We are reviewing alternative subscription and payment options that can be implemented for all members as part of the Member Management and Finance System Review.

With respect to enhancing the online component of the CPA Program:

We continue to invest in making more materials available online. In Semester 2 of 2019, we introduced guided learning – a series of online learning resources including webinars, videos, quizzes and practice exams. This has been a considerable investment on the part of CPA Australia and provided to the student as part of their enrolment fee. This was supplemented by a trial of a mobile learning app called Quitch, a mobile app to help candidates track their learning progress through study prompts and gamification. Guided learning was expanded in Semester 1 of 2020, and we also introduced online exams to ensure candidates could continue with their study during the COVID-19 pandemic.

CPA Australia is committed to increasing our online education presence, including making available a CPD package that provides members with access to a wide range of online courses and webinars.

We have now rolled out a move to digital e-books across all CPA program subjects. We have introduced a micro-credentials framework, and are developing a new digital learning ecosystem combining products, tools and offerings to personalise the learning experience.

Are there any proposed changes / relief measures for the CPA Australia members considering the social financial impact of COVID-19?

CPA Australia is very much aware of the impact COVID-19 has had, and is having, on many people in the community, including CPA Australia members and their families, as well as the businesses and communities in which they work.

CPA Australia is continuing to provide services to assist members and the community, including:

- Engaging with government, regulators and standard setters on behalf of members;
- Increasing our policy work;
- Continuing to make available a range of resources, guides and advice materials for members;
- Increasing the amount of complimentary and discounted CPD available to members;
- Developing new pathways to a Public Practice Certificate;
- Ensuring our ASAs can continue their study by offering online exams;
- And, we have launched a TV campaign to highlight to the community the value professional accountants can provide – especially during times like these.

Also, we have published a mental health toolkit to support members, which that includes helpful links and reference material, including a link to Beyond Blue's [Coronavirus mental wellbeing support service](#) that contains helpful information to help people seek the support they need.

CPA Australia will certainly continue to consider what additional support can be provided to members during this time.

Will there be changes made to the CPA program? Are there new courses planned for the future?

CPA Australia is committed to maintaining the high standards and the relevance of the CPA Program by ensuring that it keeps pace with emerging trends in the accounting profession.

In line with this, we are implementing a variety of initiatives, including expanding the online guided learning support package, continuing the rollout of e-books across all subjects, and reviewing the delivery format of the CPA Program to introduce an on-demand model that will provide candidates with more flexibility around when to study and sit their exams. We are also looking to establish a micro-credentials framework that will enable CPA certification and professional development with university undergraduate and post-graduate credit recognition.

In addition, we are developing new CPA Program electives to focus on areas of increasing importance to the profession. The new CPA Australia Capability Framework includes new competencies around Data and Digital Technologies. Over the course of the next two to three years we will be introducing specific courses in corresponding areas. Plus, we will continue to engage and consult with members, academia, and industry to ensure the CPA Program provides future-ready insights and skills to members, while exploring new pathways for candidates to study the program.

The CPA Australia integrated report for 2019 is complex for retired members - keep it KISS. Too confusing information; Financial reports should be presented in a manner for all members to understand; CPA has to restructure after COVID19. Is over too much staff. CPA should have more day functions at a reduced cost for retired members.

CPA Australia's Integrated Report was prepared in accordance with the concepts, guiding principles of, and content elements of the International Integrated Reporting Councils' Integrated Reporting Framework. We believe the Integrated Reporting Framework provides a more complete picture as to how the business creates value now and into the future. The report is structured around the organisation's six strategic goals, and includes a separate general purpose financial report, prepared in accordance with the Accounting Standards, Interpretations of the Australian Accounting Standards Board and the Corporations Act 2001.

Regarding CPA staff: Like many organisations, CPA Australia has taken a number of measures to manage our costs during this period, including:

- No domestic or international travel for all staff in all regions;
- A pause on hiring new staff;
- A pause on all discretionary spend;
- All staff will be required to take their 4 weeks of annual leave this year; and,
- Some of our planned projects have been paused or will be completed over a longer time period.

All of our team are continuing to provide advice and support to and for our members during this period and we have not needed to implement significant staff cuts as a direct result of COVID-19.

Regarding functions and associated costs for retired members: We continue to increase our online offer to members, which can be accessed at a time that suits individual members. We schedule events at times that we think will best suit members, and we endeavour to keep events priced at an affordable rate.

With reference to the special resolution, please do not use zoom to conduct online meetings as there is a lawsuit against this company in California due to some security issues. Details are available on the internet.

CPA Australia remains committed to continue introducing technology to increase member participation in the AGM as appropriate, however, we agree that the technology must be safe, fair, and secure. At this stage, the Board is not satisfied that there is an appropriate technology that can facilitate reliable and secure online voting in real time in the more than 100 countries where our members' reside, and did not support the special resolution.

CPA Australia does not use Zoom to conduct its meetings.

(a) Change name to: Institute of CPAs of Australia, and CPA to stand for: Certified Public Accountant

(b) New logo required & a fresh look & simplify things quite a bit after Covid-19 is over. Concentrate on good member services rather than creating an ivory tower.

As stated at the AGM, there is no intention to change the name of CPA Australia.

With respect to CPA Australia brand: We did commence work in 2019 on a project to look at the perception of our brand to ensure that the designation continues to inspire trust, confidence and respect. Unfortunately, given COVID-19, work on this project has been put on hold at this time.

Why don't we offer many more scholarships to candidates studying to be CPAs?

CPA Australia has a program that provides scholarships and subsidies to assist members to undertake the CPA Program. We actively promote applications for scholarships from a number of groups who are under-represented in the accounting profession, including Aboriginal and Torres Strait Islanders and students of Maori descent. More information about our scholarship program is available on the website.

(a) How can our industry evolve to remain a separate entity not to be subsumed into the IT category?

(b) How can the accounting industry stay relevant in the digital and automation of data & information?

Accountants have an essential part to play in the digital age. As the collection of data becomes increasingly automated with the use of AI and robotics, accountants will play an increasingly important role in data analysis, risk management, audit and assurance and thought leadership. The big technological changes impacting the profession present an opportunity for accountants to play a more strategic role in business and become valued and trusted interpreters of complex data and to harness these technological instruments for the benefit of firms and their clients.

Where can I find the Annual report?

An electronic copy of the CPA Australia Annual Report is available at <https://www.cpaaustralia.com.au/annualreport-2019>

I recommend to set up a separate charity fund that can donate to small businesses, small audit firms or hospitals during difficult times, e.g. bushfires or pandemics.

CPA Australia supports members and the communities in which they live and work in a number of ways, including offering advice and guidance materials, and by engaging with, and maintaining ongoing advocacy on behalf of members with governments, regulators and standard setters.

For example, in the case of the Australian bushfires, CPA Australia donated \$100,000 to bushfire recovery efforts, while the Greater China Divisional Council and committee members in Hong Kong donated \$30,000 to St Vincent de Paul Society to support relief work.

Plus, we published a list of authorised national and state charities to which members could donate, updated our Disaster Recovery Toolkit for members, and, together with other industry organisations, participated in meetings of the Financial Services Roundtable convened by the Federal Treasurer in Canberra, and the National Bushfire Recovery Agency.

We will continue to look at opportunities to most effectively support members and communities in times of crisis, and we thank you for your suggestion.

The Board can also set up a risk & public relationship committee to handle any cancellations and postponements of exams, workshops or events in future.

One of the Board's five specialist committees is the Member Engagement Committee, which is responsible for:

- providing advice to the Board on member-related strategies
- providing advice to the Board on member services and product (at a strategic level)
- advising on and maximising the effectiveness of communications with members and other key stakeholders
- doing all it reasonably can to protect and enhance the external reputation of CPA Australia.

You can read the Member Engagement Committee's charter [here](#).

In addition, CPA Australia has dedicated Education and Events teams that manage the day-to-day running of exams, workshops and events across our global network.

I recommend a crisis management committee or risk management committee to be set up at CPA AUST while crisis management teams are assigned at different regional offices throughout the world.

CPA Australia has implemented a robust risk management framework that is embedded throughout the organisation as part of our governance arrangements. It incorporates a comprehensive Business Continuity Plan and Incident Management Framework, including Incident Management Team oversight as required.

A recent example of this was the establishment of a COVID-19 response team to manage CPA Australia's approach to the outbreak with respect to members, staff and our ongoing operations.

The Board has oversight of risk management activities via quarterly reporting to the Audit, Risk and Compliance Committee and through workshops to assess existing, new and emerging risks. You can read more about CPA Australia's risks and opportunities on page 29 of the 2019 integrated Report.

With lots of CPA members working from home, support for members for their mental health has never been more important. Stress on CPA's has never been higher. Lots of members working in non-accounting firms could now be working from home, having reductions in working hours & pays or have even been placed on unpaid leave. Public Practice members would also be struggling to support clients with the new government incentives, supporting their own businesses and their staff. On top of this are the issues of personal freedom and family pressures (safety, etc.) Would CPA Australia consider including with our membership fees the benefit of access to a support program similar to an Employee Assistance Program to support all CPA members with their mental well-being?

CPA Australia is acutely aware of the impact on the mental health of professional accountants and their clients due to the COVID-19 pandemic, and the need to offer support to members.

We have created a mental health toolkit for members that includes helpful links and reference material, including a link to Beyond Blue's [Coronavirus mental wellbeing support service](#) that contains information, advice and strategies to help people manage their wellbeing and mental health.

CPA Australia will certainly continue to consider what additional support can be provided to members. Thank you for your suggestion.

If I appoint a proxy and my proxy will "attend" online, will my proxy have the ability to cast both my vote and their own vote? How will this be managed?

As stated in the Notice of Meeting published on 2 April 2020:

The Chair will be taken to have been appointed as a Member's proxy for the purposes of voting on a particular resolution, even if the Member has not expressly appointed the Chair as their proxy, where:

- the appointment of proxy specifies the way the proxy is to vote on a particular resolution; and
- the appointed proxy is not the Chair; and
- a poll is called on the resolution; and
- either of the following applies:
 - the appointed proxy is not recorded as attending the AGM; or
 - the appointed proxy attends the AGM but does not vote on the resolution.

Members were advised in the Notice of Meeting to consider directing their proxy as to how to vote on the resolution by crossing either the "For", "Against", or "Abstain" box when completing their Proxy Form, to ensure that their proxy was permitted to vote on their behalf in accordance with their instructions. If Members did not mark any of the boxes on the items of business, the Member's proxy, or in default, the Chair, decided for the Member.

A Member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. This option is a requirement under the Corporations Act even though it does not apply to CPA Australia, as a company limited by guarantee.

Any undirected proxies were voted by the Chair against special resolution 1, as indicated in the Notice of Meeting.

Can we the members have a few options when paying our membership instead of just money order or credit card. Can CPA Australia have a Bpay or direct debit to pay as well. Can the membership be broken in 6 monthly amounts instead of a large amount at the end of the year. This would make it easier on members instead of trying to find the large amount around Christmas time when everyone has a lot of expenses at this time of year.

CPA Australia is considering alternative subscription and payment approaches that would be suitable for all members.

At this time, member engagement research has shown that this is not a high priority for many members, and there is no one clear preference for any payment model. Having said that, we are reviewing alternative payment options as part of the new Member Management and Finance system review.

To propose discontinuation of sending hard copies of In the Black magazine to members and encourage digital download of the magazine to save costs and reduce carbon footprint.

CPA Australia announced on 12 May 2020 that the July issue of INTHEBLACK will be the last printed edition of the magazine.

After this date, the magazine will be published online only. We have invested in an enhanced digital flipbook that will continue the great tradition of bringing members the content they value, in a more flexible and sustainable way. This evolved flipbook will retain the same layout and quality of content as the printed version, but with additional benefits of an interactive experience.

I have a question on how professional body like CPA Australia helps to protect members right in public practice. I am very disappointed at the big firms cut wages and terminate employees at the COVID crisis, while the ordinary staff never had any bonuses either by way of overtime or performance at the booming time. It is a disgrace that some big firm is irresponsible and disrespectful in the ways it treat employees. Can and will a professional body like CPA Australia help to protect the position and remuneration of accountants and right this industrial issue?

COVID-19 is having an overwhelming effect on individuals, businesses, and communities – and as you highlight, many accountants and accounting practices have been severely impacted by the economic repercussions of COVID-19. We cannot comment on how individual businesses are responding to the COVID-19 pandemic. Each organisation will devise an approach according to their circumstances.

At CPA Australia we have developed a range of resources, guides and advice materials to support members and their clients during this time, including creating a [mental health toolkit](#) to help members in public practice. It includes helpful links and reference material, including a link to Beyond Blue and other support services. We are also engaging with regulators and the government on public policy measures for businesses and the community to respond to the unprecedented economic impact of COVID-19.

CPA Australia has a dedicated hub on the website that offers members a range of information and resources, including:

- Business advice and tips
- Financial reporting and auditing resources
- Fact sheets, FAQs and other guidance materials
- Information about relevant regulatory responses
- Advocacy and outreach on behalf of members (and we have a strong media presence on radio and news sites)

We will continue to update and add to these resources as required.

We are also:

- Communicating information and updates to members via email, social media, CPA Update, InPractice, Tax news, In The Black.
- Providing webinars focusing on government announcements, regulator updates and support materials.
- Developing new pathways to a Public Practice Certificate in the absence of workshops
- Ensuring continuity of study for ASA members by introducing online exams for semester 1.

Is it possible that our member at their age 60 in Hong Kong are exempted from the Annual Membership Fee automatically?

CPA Australia recognises the loyalty and contribution to the profession of long-term members in all regions by offering a permanent fee waiver for members who reach 50 years of continuous membership, or 80 years of age. There are currently over 4900 members benefiting from this fee waiver.

Has any consideration been given to offering aged retired members the choice of paying a "one-off" fee to continue membership for life instead of the ongoing discounted membership fee? For example as offered by A.C.C.A. based in the United Kingdom.

Thank you for your suggestion. This is not something that has been considered and is not something that members have raised previously. However, we will be happy to include this suggestion in our review of membership subscriptions and payment methods as part of our member management finance project.

Why has the Board not adopted the ASIC guidelines released on 22 March that encourage companies to hold hybrid meetings or postpone their AGM's?

CPA Australia and the Board closely reviewed the guidelines issued by ASIC on 22 March 2020, and the AGM held on 27 April 2020 was a hybrid meeting held in accordance with the guidelines.

CPA Australia confirms that, in accordance with the ASIC guidelines, Members who were unable to physically attend the AGM venue due to COVID-19 restrictions were able to:

- watch the AGM by live webcast by following the instructions set out in the Notice of Meeting;
- vote by proxy by following the instructions set out in the Notice of Meeting; and
- ask questions of the auditor, Board and management via text or by dial-in online live during the AGM (in addition to having had the opportunity to ask questions prior to the AGM).

CPA Australia also confirms that voting on the single resolution occurred by poll rather than a show of hands, which is consistent with the practice adopted by CPA Australia in previous AGMs, as well as guidance from ASX, ASIC and the Governance Institute.

Can it be considered that any measures the Board proposes to put in place to record attendance at this year's AGM, where no members are physically present, could reasonably be applied in a scenario where online attendance is provided for in the Constitution?

Under CPA Australia's Constitution, members need to be physically present to be counted as attending the AGM. There is no provision in our Constitution for members online to be included in a quorum.

As advised on the night of the AGM, there was a quorum of at least six members present consisting of CPA Australia directors and staff who are also members of CPA Australia.

Normally, CPA Australia and the Board encourage members to attend the AGM and vote in person. Unfortunately, due COVID-19 restrictions, Members (and their representatives) were not able to attend the physical venue of the AGM in person, other than Members who are CPA Australia staff working at the AGM. However, technology is used to enable members to participate in the AGM. This year, members had the opportunity to lodge and direct their proxy how to vote online ahead of the meeting, and were able to ask questions of the Board and Auditor during the meeting in text format and by voice. Members were also able to watch the meeting via a live webcast.

What has CPA done in 2019 and planning to do in 2020 to increase the capacity of CPA members to develop resilience for example events like bushfire and Covid 19?

The events of 2020 have certainly highlighted the importance of resilience – both on a personal level, and for businesses – and professional bodies have a key role to play in offering support and guidance to members during such times.

At the time of the Australian bushfires, CPA Australia updated our Disaster Recovery Toolkit, an online resource that provides guidance to businesses impacted by a disaster. The Toolkit covers topics such as developing post-disaster business plans, long-term disaster recovery, preparing business continuity plans, and financing issues such as business liquidity and future profitability. It offers checklists, templates and links to a range of resources to assist businesses and their clients. You can access the [Disaster Recovery Toolkit](#) here.

In addition, at the outset of the COVID-19 outbreak, CPA Australia set up a dedicated [COVID-19 resources hub](#) on the homepage of the website that offers members a range of information and resources, including:

- Business advice and tips
- Financial reporting and auditing resources
- Fact sheets, FAQs and other guidance materials
- Information about relevant regulatory responses
- Advocacy and outreach on behalf of members (and we have a strong media presence on radio and news sites).

We will continue to update and add to these resources as required, as well as continue to communicate information and updates to members via email, social media, CPA Update, InPractice, Tax news, In The Black.

We also created a [mental health toolkit](#) to assist members, which includes helpful links and reference material, including a link to Beyond Blue's [Coronavirus mental wellbeing support service](#) that contains information to help people seek the support they need.

Will time be added on for those who are affected by covid 19 and have had to defer or miss semester's due to financial strain?

Students are currently able to apply for Extensions of Time if they are nearing the end of their six-year enrolment period. This process is still in place and student requests are dealt with on a case-by-case basis.

I am interested in joining the Young Professionals Committee and other discussion groups and assist the CPA in ventures. From my experience, it has been difficult to identify how and when to apply for these groups though I have been monitoring the CPA website fairly regularly. Hence my question is two fold.

1) Can the CPA forum send out an email/online letters advising members when to apply for the above mentioned types of positions?

2) How are the meetings of the above committees going to be conducted in the current COVID-19 situation and going forward as well?

Thank you for expressing your interest in participating in CPA Australia's Young Professionals Committee and Discussion Groups.

With respect to the Young Professionals Committees, which are in place in most regions, members are notified of vacancies via the Divisional newsletter and invited to submit an expression of interest. The committees range from 8 to 12 people and committee members are appointed for a three-year term.

Discussion Groups exist in each Australian Division as well as in Europe, India and Vietnam. Members are encouraged to join Discussion Groups near to them or within their sector/area of discipline. Information on the Discussion Groups in each Division is available on the [website](#).

During the current climate of social distancing, groups and committees that wish to continue meeting are connecting via virtual platforms. As we navigate through the recovery phase of COVID-19, meetings will be conducted in accordance with government restrictions and health and safety requirements in each of the respective jurisdictions.

In the past I have worked in London I have found lots of value added events specifically for FCPAs during lunch times whereas in Malaysia, all events tend to be after work hours. It doesn't work for Mums with young children like me. I hope in future, we can have more events for FCPAs during lunch time - perhaps zoom exchange of ideas amongst like minded etc.

CPA Australia schedules events at times that are convenient for most members. In Malaysia we have found that events held outside work hours generally enable more members to attend. However, with the introduction of the Movement Control Order due to COVID-19, we have moved many of our face-to-face events to an online platform and increasingly we are holding webinars during office hours, including lunch time talks. Members are notified of these webinars via email. Your comments have been passed on to our Malaysia office for their information.