



ANNUAL REPORT 2008

our vision

CPA Australia is the global professional accountancy designation for strategic business leaders.

Front cover

CPA Australia President Alex Malley (in real life) in front of the CPA Congress venue in Second Life (see page 10 for details).



strong growth

CPA Australia Ltd

ACN 008 392 452

ABN 64 008 392 452

Who we are

CPA Australia is one of the world's largest accounting bodies. Our brand and our market is global. We have more than 122,000 members working in 100 countries, and we have operations in chosen markets throughout the world.

We can trace our origins back to 1886. Throughout our history, we have anticipated and embraced change to better serve the needs of our members and their employers.

Today, knowledge – knowledge of how to lead, knowledge of how to do things – is a valuable asset, one that we deliver to members and facilitate the exchange of between members.

What sets us apart from other similar bodies is our focus on strategy, leadership and international business – all essential in the modern world.

highlights

Strategic

- ▶ Broadened membership pathways (see page 14)
- ▶ Developed 2009-11 corporate plan
- ▶ Reviewed and restructured organisation
- ▶ Signed strategic agreements with major professional accounting bodies in Canada and the UK (see page 10)
- ▶ Produced first stand-alone sustainability report (see page 16)

Operational

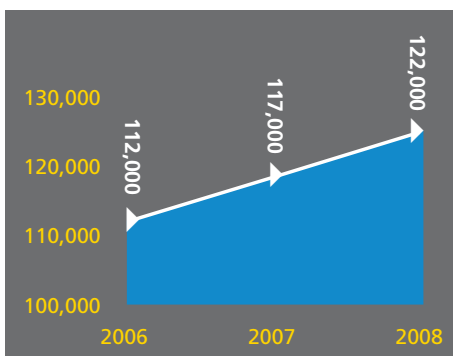
- ▶ **Strong growth:** (see page 14)
 - ▶ Membership reaches 122,000
 - ▶ Mentor Program attracts a record 42,000 participants
 - ▶ CPA Program course enrolments reach a record 51,520
 - ▶ Female enrolments made up a greater proportion of total enrolments for the first time
- ▶ Multi-million dollar technology investment to boost member support systems (see pages 8 to 10)
- ▶ Two offices opened in Vietnam
- ▶ Awards
 - ▶ Learn to Love Your Super video on YouTube wins industry award (see page 13)
 - ▶ *INTHEBLACK* judged Best Customer Magazine 2008

Financial

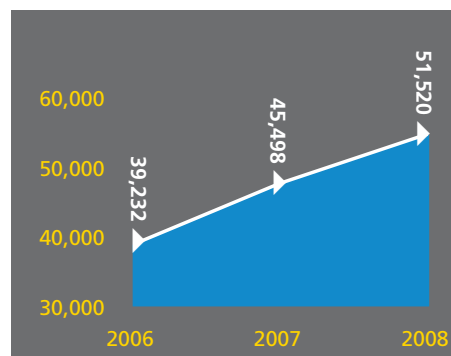
- ▶ Surplus of \$1.8m before tax (see page 34)
- ▶ Strong operating performance

operating performance
membership pathways

Membership highlights



CPA Program enrolments



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president's report

Engaging openly, stretching boundaries, creating opportunities

It has been an exhilarating year for us. For me, 2008 has been about CPA Australia engaging more openly with its members, expanding pathways to membership and developing innovative ways to access knowledge.

Meeting our members' knowledge needs is a primary function of our organisation. Our members have diverse careers and require knowledge that extends well beyond core accounting skills. Advances in technology have significantly altered the way people learn, develop and communicate.

This changing knowledge environment has both compelled and enabled us to reshape our business as a knowledge exchange hub for the benefit of our members. The Board made a commitment through a multi-million dollar investment in new technology (see page 8) to facilitate active communication and collaboration across our membership, which extends across 100 countries.

As one example, our cover image is a snapshot taken from our CPA Congress in Second Life, where we delivered a virtual presentation to members across the globe in real time. I have also enjoyed being in discussions with many of you through my online blog, which I began early in January as a way of sharing my views and canvassing your opinions and concerns on matters facing the profession.

Several issues that have increased in significance relate to sustainability and carbon emission trading schemes. As trained strategic resource managers, accountants have a major opportunity here to provide advice on practical measures that address these issues.

This year we produced our first Sustainability Report on the journey to adjusting our own behaviours and as part of our campaign. It was my pleasure during the Congress season to host both the Chairman and the Chief Executive of the Global Reporting Initiative, Mervyn King and Ernst Ligteringen, who delivered a simple but poignant message: 'You cannot manage what you do not measure'. Page 16 shows our approach to CSR management and the Sustainability Report can be viewed at cpaaustralia.com.au/sustainability.

Our members will be increasingly sought out to provide analysis and innovative thought leadership as financial reporting becomes intractably coupled with non-financial reporting of environmental and human resources, corporate governance and social responsibility, tangible and intangible assets.

I have used many of my dealings with the media to demonstrate that accounting provides a career with the choice to work at home or overseas in a variety of roles, utilising both technical and creative skills.

We have increased accessibility to an accounting career, through recognition of learning competencies developed across a wider range of study (see page 14). This is an exciting development in terms of attracting people to a wonderful profession and addressing employers' needs.

We have further stretched our boundaries by creating an exciting new vision for CPA Australia – the global professional accountancy designation for strategic business leaders. A new Corporate Plan based on members' feedback has been endorsed by the Board and will take us through to 2011. As shown opposite, brand development is a key component and extends beyond marketing activities to drive our strategic relationships with employers and international business, as well as our advocacy and thought leadership.

The changes we have made throughout the organisation will ensure that our membership is supported through continuously adding value to the designation, increasing opportunities for new recruits and encouraging knowledge exchange between our members.

I am indebted to my fellow Directors, our members, management and staff who have shared their own knowledge and creativity to get us where we are today. As the global financial crisis continues to present many challenges to businesses and individuals all over the world, I am certain that our members' expertise will be much in demand as they try to find their way through these extreme circumstances.



Alex Malley FCPA
President CPA Australia

CPA Australia corporate plan 2009 – 2011

Our Vision - CPA Australia is the global professional accountancy designation for strategic business leaders
Our Market - Our brand and our members are global - we have operations in chosen markets throughout the world

Our Goal - Maximise share of people who want a career built on professional accounting skills

Build the CPA Australia and market for growth

Position the designation as the premier global brand for strategy, leadership and international business

Partner with employers and recruiters to increase demand for CPAs

Implement integrated marketing and communication strategies to drive growth in all markets

Provide CPA Program and entry pathways that are globally competitive

Enhance the CPA Program's global relevance and align with our brand positioning

Provide more ways for people to become CPAs whatever their education background

Provide members with ready access to knowledge that enhances their career

Provide a career pathway framework that supports members through a diversity of roles

Increase the use of alliances and partnerships to deliver knowledge
Utilise innovative mediums for knowledge exchange with and between members

Develop organisation capability

Create a change ready culture, with a focus on execution and performance supported by strong leadership
Improve cost efficiencies and margin management, and build commercial rigour into everything we do
Recruit and retain people with desired skills, whose values are aligned with the business
Align and adapt structures, systems and processes to support goals and strategies

We will:

Align all we do to enhance the value of the brand
Drive strategies and operations with global application
Provide high quality products and services, executed with excellence



Alex

See Alex speaking with Ray Hammond, Europe's leading futurologist, on the technological challenges to business and the accounting profession at cpaaustralia.com.au/ClimateChange

ceo's report

Individually capable, collectively supported, globally connected

Throughout 2008 we focussed on the connections we have with and between our membership, continuing our aim to support our members' ability to deliver their best to business – anywhere and anytime.

The first operational year of our new governance structure precipitated a stronger relationship between the Board and the Executive Management Group, which firmed the ground for the progressive transition towards our 2009-11 Corporate Plan. We provided a leadership development program and change coaching to guide a holistic implementation of many new initiatives that will support our expanding membership through strategic global partnerships, membership pathways development and the exchange of knowledge.

A more cohesive approach to forming partnerships with education providers has been designed to comprehensively source and deliver the full spectrum of resources required by our members to support them as they move through their careers from the graduate-level to more senior and complex roles. Our CPA Program will integrate a wider range of existing skills with a broader set of learning opportunities.

Building a knowledge hub

We recognised and established enhanced knowledge networks throughout our membership with the development of many online tools, discussion pages and multimedia publications. For the first time, CPA Congress trialled many technological initiatives such as a paperless Congress in Canberra, a presentation held in an online Second Life environment along with many videos and speeches accessible from our website.

Through member-to-member exchanges we have been able to leverage benefits to our wider membership. One such example was the development this year of an XBRL Webinar to assist accountants in Singapore fulfil new reporting requirements of the local regulatory authority. Our Mentor Program surpassed the 40,000 milestone for the first time, reaching around 43,000 participants. The CPA Program was also expanded in terms of course offerings, delivery and enrolments. A new International Business subject, added to reflect the growing need to understand the profession in an international context, was heavily subscribed.

Working across the globe

The global financial crisis and economic climate demonstrated how today's marketplace reacts to chains of events across continents, countries and companies, giving rise to implications and opportunities for the accounting profession overall. These events proved beyond doubt that we make decisions and operate in a globally connected environment, and makes knowledge exchange vitally important to our membership, which now spreads across around 100 countries. We have further boosted our capacity to facilitate knowledge exchange by establishing new relationships with professional accounting bodies in Canada, China, India, Malaysia and the UK.

To support our global presence, we have expanded our office network into Vietnam, where we have opened two representative offices in Hanoi and Ho Chi Minh City.

Advocacy

We continued to participate in and contribute to government policy initiatives that affect the accounting profession, across both developed and emerging economies. Examples include our representations to Australia's 2020 Summit and the Henry Tax Review, commentary on its proposed Carbon Pollution Reduction Scheme, and several submissions to the International Accounting Standards Board, with which we enjoy a close relationship (see page 12 for details).

As part of a campaign to encourage the take-up of sustainability reporting, we have produced our first Sustainability Report, brought out the heads of the Amsterdam-based Global Reporting Initiative to address Congress, established a formal relationship with the GRI, and contributed funding towards the St James Ethics Centre to establish a base for the GRI in Australia. We also took a Corporate Reporting Pulse by surveying respondents in Hong Kong, London and Melbourne on their views on non-financial reporting. The results were released in Beijing.

Summing up

It's been a successful year in which we have achieved the targets agreed with the Board for our Performance Contract (see opposite). I would like to extend my thanks to the Board, to the members who volunteer, and all the staff for their hard work during the year. There are challenges ahead of us because we are operating in a more difficult economic environment, but we remain firmly focussed on building a dynamic and sustainable future.



Geoff Rankin FCPA
Chief Executive Officer

individually capable

Performance Scorecard

<i>Key Performance Indicators</i>	<i>2007</i>	<i>2008 Target</i>	<i>2008 Performance</i>	<i>Year on Year Growth %</i>
<i>Net Membership</i>	116,790	122,857	122,743	5.10%
<i>New Member Growth</i>	8,887	9,500	10,709	20.50%
<i>Member Retention</i>	96.41%	96.52%	96.17%	(0.24%)
<i>CPA Program Sales</i>	45,498	50,700	51,520	13.24%
<i>Staff Turnover (%)</i>	34.50%	25.00%	26.47%	N/A



collectively supported
globally connected

Geoff

'...continuing to support our members' ability to deliver their best to business - anywhere and anytime.'

CPA Australia - a global brand

As demand for qualified accountants continues to exceed supply in all key markets in which we operate, CPA Australia faces unprecedented competition to attract new talent into the profession. This competition has become truly global as more and more students and professionals travel between countries and continents, and face a number of choices in professional bodies.

Through careful planning, and increasing our focus on international growth, CPA Australia has evolved to meet the ever changing demands of our membership and, more broadly, the accounting profession. We have a global brand and established ourselves as one of the pre-eminent global professional accountancy bodies.

We believe our main purpose is to enhance the career advantage for our members and that we are uniquely placed to do so. As the seventh largest accounting body in the world and the second largest in terms of fully qualified international members, it stands to reason others think so too.

Employers and clients alike look for reassurance that their accountants are the best they can be, and for us, being clear about what CPAs stand for, and reinforcing that through our actions as a business, are essential.

Much investment and resources at CPA Australia are devoted to identifying opportunities to provide services that will assist our members gain a competitive advantage over other accountants.

It is difficult to differentiate between some accounting bodies on technical ability, because standards of competence are high. What sets CPA Australia apart is our additional focus on strategy, on leadership, and on international business, which is now a component of our CPA Program. We believe these attributes and knowledge are vital to succeed in business today, and that the total package we offer makes CPA Australia the global professional accountancy designation for strategic business leaders.

With an evolving landscape, the expectations and benchmarks that contribute to the 'competitive advantage' are dynamic, and we monitor them closely so that we have them at the core of our business planning activities.

For instance, we conduct regular research in the markets in which we operate to track the health of our organisational brand as well as that of our designation.



In the past our ability to support the development of skills and knowledge of our members was considered to be of prime importance by our members. Research conducted in 2007 indicated that nearly 80% of the members interviewed rated us very positively on this measure, with more than half of them rating our performance as excellent. This is a pleasing result, and reflects our significant efforts in developing products and services to continually develop our members' knowledge and skills.

As the expectations and needs of our members evolve we continue to align our efforts to the areas deemed of greater value. Members' expectation that we will assist them to develop their careers has emerged as the second most important performance indicator. Our corporate plan for the next three years reflects this change. It also highlights the need to have stronger direct links with employers, to enable members to leverage their membership network and to continue to provide cutting edge content and training.

Another one of our goals is to maximise the market share of people who want a career built on professional accounting skills, whilst at the same time developing the profession throughout business, government and the wider community to create opportunities that have in the past lay beyond the horizon of traditional accounting.

The CPA Australia designation remains at the heart of the brand, and the true value of the designation is determined by employers. Our relationships with employers, and partnerships with other professional bodies, continue to reach across expansive global markets to create a connected environment between members and business; replacing the barriers of citizenship with the opportunities of membership.

think+create

Accountants who combine logical and lateral thinking are the cornerstone of a new drive by CPA Australia to demonstrate the value its members add to business.

CPAs drive business success through their technical expertise and ability to see the bigger picture... it's this unique combination (think+create) that drives employer demand for CPAs.

Our purpose is to create a career advantage for members. We do this by:

- ▶ providing a valued designation that is internationally recognised and portable; and
- ▶ enabling the exchange of knowledge that emphasises strategy, leadership and international business.

Together, this provides unlimited opportunities for members and employers.



Previously, CPA Australia has run advertising campaigns that have reflected the diversity of our membership, inspirational role models and the opportunities and excitement which accounting offers as a career.

Our new 'think plus create' campaign is intended to further awareness of how accountants operate and the value they add to business. It was launched in Australia in September by CPA Australia President Alex Malley, who said 'Business is about the pursuit of success and finding staff that can bring the competitive edge.

'CPAs have two sides. One is logical and analytical and the other is innovative and visionary. Businesses need both.

'After training to bring these qualities to the fore, a CPA has both the technical expertise and the ability to see the bigger picture. It is this unique combination that drives business success.'

knowledge partnerships

We continually enhanced the CPA Program and the versatility of Continuing Professional Development options for our members, combining a solid training background with highly relevant knowledge exchange opportunities.

Strong demand for international business subject

The CPA Program elective in international business was introduced in semester 2 to meet the rising demand for professionals who understand the concepts, practice and real-world knowledge necessary to conduct business in an international environment. The first offering attracted more than 800 enrolments.

Developing leaders

The number of participants in the Mentor Program reached a record total of 43,000. The majority of the 20,000 mentors within this are CPAs and FCPAs sharing their knowledge and experience with a new generation of professionals. Mentor Program developments include:

- ▶ An interactive CD-ROM learning tool linked with *MyOnline Learning*, allowing members to learn about the Mentor Program as soon as they have been successfully registered.
- ▶ A complete review and update of all policies and procedures, which has improved service levels and provides a consistent management of member enquiries by CPA Australia staff.
- ▶ Research into online logbook capabilities to provide members with an option to track their professional development online rather than using the paper based logbook, saving both time and paper.

Knowledge partnerships enhance career learning

CPA Australia pursues global partnerships to provide our members with world class education programs, business applications, and opportunities to exchange knowledge with their peers.

Harvard Business Publishing

A ground-breaking partnership with Harvard Business Publishing now enables CPA Australia members to complete world class leadership programs online. With our members located in 100 different countries, this option provides the flexibility many require to undergo continuous professional development.

50 Lessons

Online access to the wisdom and experience of 150 of the world's most foremost business leaders is provided through 50 Lessons, a comprehensive digital library of 750 bite-size videos, available on demand via CD-ROM, online or podcast.

Keeping up to standard

As a result of our partnership with Deloitte and Ernst & Young, we are delivering important new My Online Learning resources and tools to assist our members keep up with changes in financial reporting standards and related legislation. The Deloitte IAS e-Learning modules and the Ernst & Young sample financial report - Endeavour (International) Limited provide regularly updated information on the International Financial Reporting Standards and a Financial Report best practice template.

building

capability

Developing curricula

CPA Australia has increased the number of accredited degree programs in Australia, New Zealand, Malaysia, China, Hong Kong and Singapore. We continue to encourage higher education providers to develop innovative programs that are responsive to the expectations of employers, and relevant to the changing needs of the profession.

In Australia, CPA Australia has participated in a number of Australian Teaching and Learning Council (ATLC) forums that aim to inform and improve the inclusion of work-integrated learning into accounting program curricula.

Enhancing our Good Practice Guide

We expanded our *Good Practice Guide* with content provided by members and Australia's top 20 corporations. We also introduced a dedicated wiki, which allows continuous member input. This format allows information to be directly uploaded to a webpage, building a repository of knowledge that members can access worldwide. A new version containing Asian-specific content was launched in Asia.

XBRL Webinar platform

To increase access to business expertise, we released a webinar platform to assist companies in Singapore prepare and submit their financial statements using eXtensible Business Reporting Language (XBRL) electronic data tagging, in accordance with the new requirement set by the Accounting & Corporate Regulatory Authority of Singapore (ACRA).

The webinar was jointly developed by two members, Mr. Chee Hay Kheong, National University of Singapore, and Dr Themin Suwardy, Singapore Management University, in collaboration with ACRA.

Knowledge exchange through technology

Members are now more connected with each other than ever, through the CPA Australia website, blogs and online communities. We continually experimented with multimedia to widen access to knowledge and conferences, presentations and CPA Congress.

CPA Congress Online (Congress 2.0)

In a first for CPA Congress, a strong online presence existed alongside the face-to-face activities in 2008, enabling people to connect, converse and share with each other virtually. Using a range of social media tools, we offered members, delegates and presenters alike opportunities to try out new technologies to further connect and extend their CPA Congress experience.

Among these were:

a Congress Blog... with news about CPA Congress around the country, including updates on key issues from the experts. See: cpacongress.wordpress.com.

an online community... the place to share and discuss the important issues outside of the conference room. Selected sessions had a dedicated 'Virtual Q&A room' for participation prior to the session and after the face-to-face event. See: cpacongress.ning.com

and multimedia... Video resources of CPA Congress sessions are available for access online, including CPA Australia President Alex Malley interviewing several high profile business leaders *On the Couch*, recordings of keynote presenters for delegate access, and a package of Congress video highlights and presentation papers. See: cpaaustralia.com.au/cpacongress



Robin

Former UK Detective Chief Inspector Robin Napper was at the forefront of the DNA revolution in the UK. Hear him explain the challenges and benefits of driving technological change in the workplace at cpaaustralia.com.au/Technology

knowledge exchange

CPA Congress goes virtual

Exploring innovative mediums to enable knowledge exchange with and between members resulted in CPA Congress going international with its first ever virtual world session in Second Life. This was the first time that an accounting body in Australia has used virtual worlds to explore the possibilities for learning and collaboration.

Virtual worlds are online three-dimensional environments where people are digitally recast as avatars that can perform many of the activities of the real world – walk, communicate, gather information, and interact with people and objects. The main advantage, apart from being able to fly, is being able to do all these things with anyone, from anywhere, at anytime.

Using this technology, we created a dedicated CPA Congress venue in Second Life, officially opened by avatar Malley Windlow, aka CPA Australia President Alex Malley FCPA.



CPA Congress delegates from across Australia were joined by others from the UK and USA. Here's what members said of the session:

- ▶ 'Just to say congrats on a good seminar. I found it very good in terms of the venue layout, technicalities and content...I rarely can get into London, so miss out on most CPA Australia events even when they're held over here, and am delighted to have been able to attend this.'
- ▶ 'As a country member, it is a lot more convenient that going to Melb for events.'
- ▶ 'I was very impressed with how my CPA body has taken a stance in new technologies to show we are not just boring accountants.'
- ▶ 'I would really like to have more events in this forum, as it is very convenient, and I found that it was very involving and easy to listen.'

The purpose-built venue in Second Life is now open to the public, and we encourage you to explore.

To visit, create a Second Life avatar through secondlife.com and access the link to our venue and session highlights at cpaaustralia.com.au/cpacongress

Transcripts and videos of the session are on the CPA Australia website:

- ▶ Virtual world open to members: cpaaustralia.com.au/links?1017_30831
- ▶ Second Life presentation video file: cpaaustralia.com.au/links?1019_30818

Images from the event are posted as shared images on the Flickr website, tagged: [cpaaustralia-sl](https://www.flickr.com/photos/cpaaustralia-sl/)



CPA Australia continues to develop strategic connections with accounting bodies and government agencies for the benefit of our members and the profession.

Three international agreements reached

In November we signed a Mutual Recognition Agreement (MRA) with the UK's Chartered Institute of Management Accountants (CIMA), which represents 164,000 students and members in 161 countries. In April, we signed MRAs with two of Canada's leading accounting bodies – Certified General Accountants - Canada (CGA-Canada) and Certified Management Accountants Canada (CMA Canada).

The Canadian partnership has already strengthened our knowledge-sharing and collaboration, which benefits our members and the profession, and we have also conducted a joint research project on sustainability and non-financial reporting.

Advancing the profession

In all, we have entered into a total of 11 MRAs with accounting bodies in eight countries. These agreements assist accounting professionals to collaborate and contribute their skills to a global business environment. Our MRAs signed to date include:

USA	AICPA	American Institute of Certified Public Accountants
Canada	CGA-Canada	Certified General Accountants
	CMA-Canada	Certified Management Accountants
UK	CIMA	Chartered Institute of Management Accountants
	CIPFA	Chartered Institute of Public Finance and Accountancy
Hong Kong	HKICPA	Hong Kong Institute of Certified Public Accountants
Singapore	ICPAS	Institute of Certified Public Accountants of Singapore
Malaysia	MIA	Malaysian Institute of Accountants
India	ICAI	Institute of Chartered Accountants India
Sri Lanka	CMASL	Certified Management Accountants Sri Lanka
	ICASL	Institute of Chartered Accountants of Sri Lanka

Skilled Migration Internship Program

The Skilled Migration Internship Program: Accounting (SMIPA) is a professional year program approved by the Department of Immigration and Citizenship (DIAC). It is available to overseas students who have obtained an Australian accounting qualification as a result of at least two years study in Australia and are seeking permanent residency.

The SMIPA program is delivered by registered providers who have been jointly approved by all three professional accounting bodies in Australia. In 2008, six providers were approved.

Opportunities in Asia Roadshow

For the first time, this event visited three New Zealand cities in addition to Singapore, Hong Kong, Malaysia and China to present the latest advice on employment and industry developments in the Asia Pacific region.

As part of our ongoing endeavours to promote the profession and the opportunities it offers, our Career Market Day attracted around 1,600 jobseekers in Malaysia and more than 1,000 in Hong Kong – a 25 percent increase over 2007. The inaugural New Zealand events attracted over 100 attendees, made up of students and also finance and accounting professionals interested in working in Asia and achieving the CPA designation.



International Partnership Program

Following the success of the inaugural International Partnership Program (IPP) last year, we have furthered our development of the accounting profession in Asia through a continued partnership with the Australian Government's AusAID agency. In July we welcomed 28 IPP candidates from China, South East Asia and the Pacific Islands to complete a 12 week intensive study program.

CPA Australia, together with organisations such as the Chinese Institute of Certified Public Accountants (CICPA), sponsor and encourage IPP candidates to go on to complete CPA Program examinations. Our involvement with the IPP has enhanced our reputation with the professional bodies and governments of the countries to which the participants belong.

knowledge in action

Acting on members' behalf

CPA Australia's advocacy in terms of policy and research means we are a respected stakeholder in government policy decision making. Highlights of our actions on members' behalf during the year include:

Contributing to policy

- ▶ Making submissions on four topics in the April 2020 Summit – we put forward cases to encourage greater workforce participation, reform business tax to include renewable energy incentives, increase investment in education and to broaden financial literacy. Having also recommended Australia's promotion as a financial services hub through improved tax incentives and removing regulatory and trade barriers, our CEO, Geoff Rankin, attended the **Financial Services Hub Summit** in July to progress the initiative.
- ▶ recommending a number of specific reforms as part of the **Henry Tax Review** – these included continued reform of personal tax rates, the reduction of the company tax rate to 25%, the removal of the Medicare levy, and the simplification of FBT legislation, welfare benefits and state/territory taxes.

- ▶ lodging a detailed submission addressing the tax, accounting, audit, reporting and household assistance proposals set out under the **Carbon Pollution Reduction Scheme** green paper, to encourage a wider positive participation by all businesses.

- ▶ collaborating with other professional accounting bodies on a joint submission to the **Bradley Higher Education Review**, specifically calling for increased federal funding for domestic accounting places at universities.

- ▶ being an active voice in the pre and post-Budget discussions across several markets in the Asia-Pacific region, championing reforms that would benefit the community through more efficient and effective uses of taxes.

- ▶ making 12 submissions to international accounting bodies, including the International Accounting Standards Board (IASB) and the public sector and audit boards of the International Federation of Accountants (IFAC).

Leading international events

In conjunction with the Malaysian UiTM Faculty of Accountancy, we held two one day workshops in June on International Public Sector Accounting Standards for Malaysian Local Governments in Shah Alam. Over 100 attendees took part in these.

We organised the joint CPA Australia/Indonesian Institute of Accountants Public Sector Conference in July 2008, the first of its kind for Indonesia with over 400 attendees from all tiers of governments, academics, the Supreme Audit Board and the Ministry of Finance.



Wayne

CPA Australia hosted Australian Treasurer the Hon. Wayne Swan MP and Chinese vice-minister for Finance Wang Jun in Beijing.

The Singapore Public Sector Forum was also held in July at the request of the Auditor-General of Singapore. Former Victorian President and Audit Quality Review Board Director Wayne Cameron joined CPA Australia Board member and Australia's Deputy Auditor-General Steve Chapman in presenting at the forum to over 100 attendees.

The 12th Asian Regional Conference was held on 5 & 6 August 2008 at the Kuala Lumpur Convention Centre.

The conference, themed *Changing Landscapes: be in the forefront* saw a turnout of 250 participants comprising high level professionals and industry leaders. Second Deputy Finance Minister Dato' Kong Cho Ha officiated the event, where attendees discussed the growing number of graduates being lured overseas as the demand for finance professionals shows no signs of easing despite several economies slowing down.

The inaugural Beijing Forum held in November 2008 offered presentations and insights on change management process, investment trends, internal control and risk management, financial reporting and accounting standards, transfer pricing and China's burgeoning financial services sector.

Presentations were also delivered at Hong Kong on bringing corporate social responsibility into business compliance.

We also facilitated the International Mergers and Acquisitions Conference in Singapore.

Conducting research

...on executive remuneration In light of a pending review of executive remuneration by the Australian Government, we commissioned Deakin University Business School to undertake research examining 54 S&P/ASX200 companies that used stock options as part of their remuneration packages over the previous two years. It highlights the complexity and diversity of the issue, reiterating that any decisions taken by government, regulators or the business community should be well-informed and mindful of the diverse factors at play.

...on sustainability reporting Government action is the most important driver of worldwide take up of sustainability reporting, according to international research we launched in Beijing in November.

Professionals in the business and finance sectors in Australia, United Kingdom and Hong Kong/China also identified competitive pressures and public expectations as other major factors. The research revealed that costs and resources constraints, the global economic downturn and the absence of domestically regulatory mandating are regarded as the major impediments to the adoption of sustainability reports.

Supporting the profession
supporting

Acting in the public interest

Learning to Love Your Super

We launched a *Learn to Love Your Super* campaign on YouTube to encourage young people to make voluntary contributions to their superannuation. The video, which has attracted around 20,000 views, won the prestigious Lightning Rod Award at the 2008 ASFA (Association of Superannuation Funds of Australia Limited) Communications Awards. The judges particularly noted its appeal to a Generation Y audience – traditionally the most disconnected with superannuation issues.

The campaign was supplemented by an online package of resources to help individuals understand superannuation, as well as guidance for CPA Australia members who advise on self managed superannuation funds.

our members

New member growth

In 2008, membership exceeded expectations and continued its strong growth past the 120,000 mark to more than 122,000. Proportionally, members based outside Australia increased to more than 23 per cent of the total membership.

Expanding membership pathways

We are currently undertaking work on an initiative that will widen opportunities for people to become a professional accountant. The new model will take into account existing study completed in any discipline as part of a stratified recognition pathway. This increased accessibility to the CPA Program will also reduce the years it would take those from non-accounting backgrounds to learn the necessary skills to become achieve CPA Australia designation.

Women balancing the numbers in accounting

In 2008, a trend set in 2007 continued, whereby a greater number of women than men enrolled in the CPA Program; 14,062 compared with 10,150.

The ratio of women to men in the accounting profession has moved towards parity over the last decade or so. CPA Australia has one of the most gender balanced memberships of any professional accounting body in the world, at 42:58.

Upholding professional conduct

In 2008, 163 externally initiated formal complaints were investigated along with complaints carried over from previous years. Forty five members appeared before a disciplinary tribunal with the outcomes reported on our website.

INTHEBLACK comes first

Our INTHEBLACK magazine was awarded Best Customer Magazine of the Year 2008 by Publishers Australia. The award recognises excellence in producing a specialist magazine for members of an organisation. The magazine was runner-up in 2007.

Online e-books 24/7

With Books24x7's award-winning search engine, members have instant online access to more than 650 top technology, business and office productivity books. This reference library complements courseware studies by providing critical knowledge before, during and after the course.

Whether researching a new technology, troubleshooting a networking issue, or figuring out how to improve the efficiency of a project team, this library makes access to information easy.

Read all about it

In the second half of 2008, we launched a new resource to give our members access to 700 newspapers from 70 countries, in 38 languages. It provides on-the-ground local knowledge for members working in a new country or for those just wanting to catch up with the latest headlines back home.

Wireless hotspots

Members and guests visiting our Melbourne and Sydney offices can now enjoy the convenience of wireless internet access to stay connected in between meetings or events, or any occasion at no cost.

Employment Sector 2008



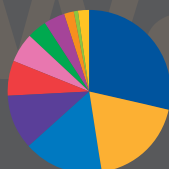
▶ Academia/Education	3%
▶ Public Practice	18%
▶ SMEs	20%
▶ Corporate	30%
▶ Government	9%
▶ Not for Profit	3%
▶ Retired	7%
▶ Other	10%

Member Designations 2008



▶ ASA	37%
▶ CPA	53%
▶ FCPA	10%

Years of Membership 2008



▶ <5 Yrs	28%
▶ 5-9 Yrs	19%
▶ 10-14 Yrs	16%
▶ 15-19 Yrs	11%
▶ 20-24 Yrs	7%
▶ 25-29 Yrs	6%
▶ 30-34 Yrs	4%
▶ 35-39 Yrs	4%
▶ 40-44 Yrs	2%
▶ 45-49 Yrs	1%
▶ >49 Yrs	2%

Gender Membership 2008



▶ Female	42%
▶ Male	58%

Information Service 2008



▶ Phone calls	106,124
▶ Emails	8,000
▶ Walk-in enquiries	4,621

our people



Top to bottom
 Geoff Rankin FCPA
 Lisa Nicholson
 Adam Awty CPA
 Terry Dwyer
 Ian Mayer FCPA
 Jeff Hughes FCPA
 Tony Gleeson
 Paul Wappett



At CPA Australia we strive to develop our people and their capabilities. We expect adherence to our core organisational REACH values (Respect-Empowerment-Accountability-Cooperation-Honesty), and provide ongoing training opportunities to foster a strong team environment.

In line with our objective to build organisational capability, we launched a number of leadership development programs in 2008 to assist leaders to develop their leadership abilities and deliver efficiently on collaborative projects. At the end of 2008, 60 of our leaders have participated in these programs.

Culture survey outcomes

The organisation undertook a culture survey in July, which showed significant progress had been made on the objectives of the 2005 survey, in the areas of:

- Organisational expertise
- Induction, training and staff development
- Efficient selection and placement
- Higher level team participation and recognition

The results of the culture survey are currently being rolled out to the business through leaders and their staff participating in workshops to clarify initiatives and develop action plans to improve our culture.

Change coaches

In line with our 2009-11 Corporate Plan strategic initiative to build our internal capability for change management, a number of change coaches have been appointed and trained from within various areas of CPA Australia.

The specialist training was designed to equip coaches with the skills to assist others in managing change and to ensure a consistent, transparent methodology is used across the business. The coaches will support the delivery of initiatives that will include the provision of increased membership support to facilitate greater knowledge exchange and membership pathways.

Occupational Health and Safety

CPA Australia enlists the co-operation of all its staff to ensure prevention of injury and illness in all of our workplaces. In 2008 we trained 10 staff members to act as qualified first aid officers.

We also introduced the Safetrac OHS online training and compliance system to ensure all existing and new employees have a working knowledge of the practical, policy and legal aspects of health, safety and privacy issues in the workplace.

In the latter part of the year, the system of reporting accidents was improved through a centralised register of incident reports providing a more consistent response. It will enable the identification of any trends.

Workplace diversity and participation

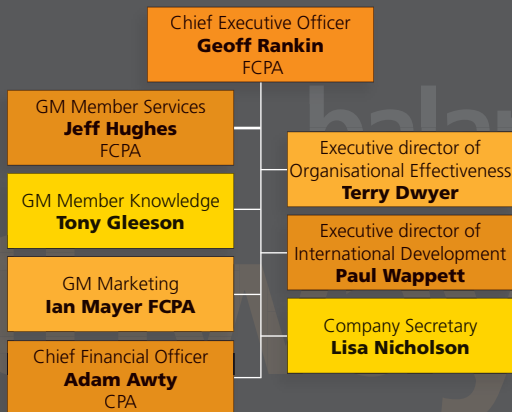
We continue to meet or exceed the requirements of the Equal Opportunity for Women in the Workplace Act 1999. Overall, women hold almost 60 per cent of leadership positions in CPA Australia, including team leaders, managers, directors and executive level positions.

We have frequent leadership training workshops and professional development structures in place to support the individual career progression of our staff, as well as flexible work arrangements that include part-time and job-sharing options.

Staff supporting the community

In 2008, staff participated in our 'Step Up for the Kids' initiative where staff formed teams, with each staff member aiming to achieve 10,000 steps per day over a three week period. Staff contributed to join the initiative and CPA Australia match, resulting in \$4,320 being donated to Mission Australia.

Executive Management Group



corporate social responsibility

Developing organisational capabilities

This year we have prepared our first Sustainability Report, registered and endorsed by the Global Reporting Initiative. As well as providing our stakeholders wider information on our current activities and future commitments to delivering on social and environmental initiatives, the report advances our own learning and development. Our goal is to embed the CSR vision across all aspects of our business.

As far as we can ascertain, last year we were the first professional accounting body to measure our carbon footprint and we report on this again in our Sustainability Report. We aim to further manage and reduce our major emission areas of travel, energy, catering and printing.

Our Sustainability Report is published on the CPA Australia website (see below) and provides a more detailed picture of the measures used. Some of the key findings follow.

Carbon footprint

The Carbon Reduction Institute continue to audit CPA Australia's global greenhouse gas emissions. Our footprint globally was just over 24,500 tonnes of CO2 equivalent emissions, an increase over 2006 that reflects our considerable growth as an organisation this year.

The largest sources of emissions in 2007 were office expenses (55%) and air travel (26%). Of the office expenses, delivery of events (31%), delivering our CPA Program (21%) and other printing (16%) were our largest sources of emissions.

Efforts have been made this year to educate and engage staff to improve our greenhouse gas performance and our emissions from electricity usage were less than in 2006. Strategies to reduce our largest sources of emissions are currently being considered and should start to show results beyond 2009.

Global Reporting Initiative

The Global Reporting Initiative (GRI) is an international body that seeks to influence the take-up of non-financial reporting. The GRI was established in 1997 through the United Nations Environment Program and is based in the Netherlands.

Its central principle is that reporting on economic, environmental, and social performance by all organisations becomes as routine and comparable as financial reporting. The GRI aims to accomplish this vision by the development and continual improvement of its Sustainability Reporting Framework.

CPA Australia is an organisational stakeholder of the GRI and fully supports its aims. In order to give members and business people an opportunity to hear from experience, this year we hosted GRI Chief Executive, Ernst Ligteringen as a keynote speaker at our CPA Congress, along with GRI Chairman, Mervyn King. Their engaging presentations can be viewed on our website.

Tailored training for business sustainability

Our training opportunities for members include *Business Imperatives of Sustainability* – an introduction to CSR, climate change, the finance aspects of sustainability, the *National Greenhouse Energy Reporting Act 2007* and GRI. Either face to face or online, members can learn about the issues of sustainability for the accounting profession. We also conducted several workshops across Australia in 2008.

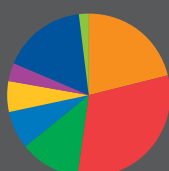
We are reviewing our CPA Program to include subject areas that explore relevant aspects of sustainability and non-financial reporting. These innovations will ensure all CPAs understand sustainability

CPA Australia greenhouse gas emissions



▶ Electricity	8.19%
▶ Ground Travel	1.31%
▶ Air Travel	26.57%
▶ Waste	2.50%
▶ Assets	6.07%
▶ Expenses	55.37%

Breakdown of expenses contributing to CPA Australia greenhouse gas emissions



▶ Education Program Direct Costs	21.17%
▶ Direct Event Costs	31.26%
▶ Accommodation	11.88%
▶ Catering	7.50%
▶ Professional Services	6.12%
▶ Advertising and Promotion	3.74%
▶ Printing and Communication	16.51%
▶ Other Costs	1.83%

cpaaustralia.com.au/sustainability



reporting and how it can drive value for organisations, through strategic business decisions that include total lifecycle analysis, carbon costing and foreign investments. The course material will be designed to make certain that a CPA is work-ready for employers leading sustainable businesses.

CSR online

As part of our aims to enhance knowledge exchange and be leaders in CSR, we connected members with expertise and interest in CSR via the *CSR Online Community*. This online forum was delivered through CPA Congress and provided the opportunity for real-time discussions on the global application of CSR with other business professionals.

Extensive information on Australia's proposed *Carbon Pollution Reduction Scheme* and other topical CSR issues can be found on our website.

Global Sustainability Reporting Campaign

CPA Australia commissioned international research into sustainability reporting, with the results launched in November in Beijing.

A key finding from the survey of professionals in the business and finance sectors in Australia, United Kingdom and Hong Kong identified regulatory initiatives ahead of competitive pressures and public expectations as the major factor in promoting the take up of sustainability reporting.

CSR initiatives

Staff volunteering

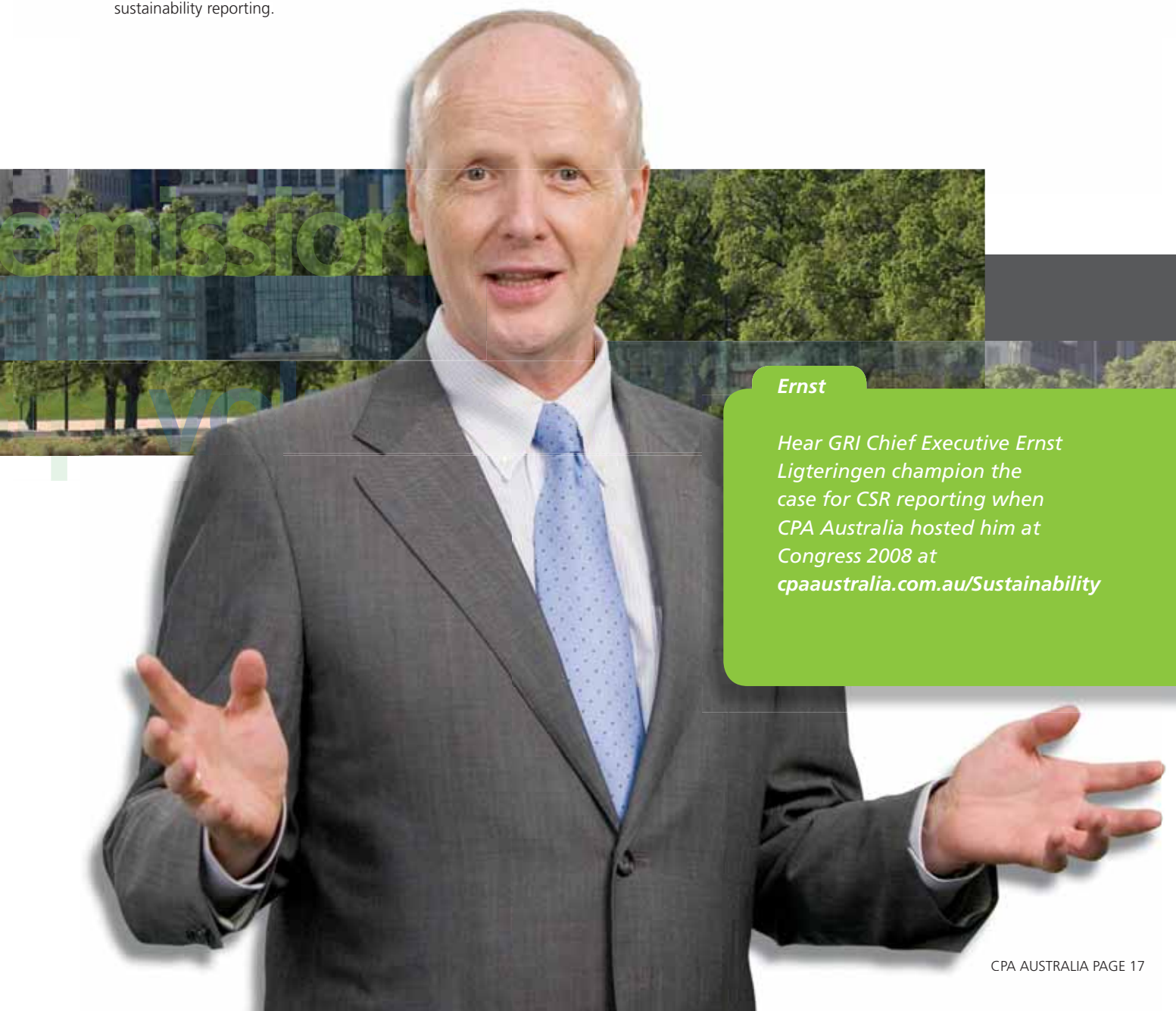
During 2008, we launched our staff volunteering program, partnering with Volunteers Australia to source opportunities for staff to work in their teams in the community. As part of the program, all full time and part time staff are entitled to paid volunteer leave on the basis of two normal working days per annum.

The Staff Volunteering Program was available to Australia-based staff during 2008 and has been very successful, with a number of teams participating throughout the year. Its extension across our organisation in 2009 is under consideration.

Financial literacy training

CPA Australia has established a partnership with Mission Australia to deliver financial literacy training to young people across Australia.

Through the *Money Minded* program, our support enables Mission Australia's caseworkers to help their clients to acquire the basics of financial literacy. Some of the topics include how to manage credit, balance accounts and make better, more informed decisions regarding personal finances.



Ernst

Hear GRI Chief Executive Ernst Ligteringen champion the case for CSR reporting when CPA Australia hosted him at Congress 2008 at cpaaustralia.com.au/Sustainability

corporate social responsibility continued

President's Charity

President Alex Malley introduced the concept of a President's Charity at the beginning of the year and chose to support Motor Neurone Disease (MND). Staff and members lent their support by holding many activities and fundraising drives for MND, to fund research into the disease and provide information and equipment that can be loaned free of charge to sufferers. There is no known cure for this disease. An interview conducted by the President with a member who suffers from MND can be heard as a podcast on our website.

Changing Gears

As part of our drive to support the profession and our membership, we produced a package of resources, *Changing Gears*, which explores the many issues facing mature-age workers in career transition. It aims to:

- ▶ empower accountants aged 50+ to remain in the workplace longer.
- ▶ support employers seeking solutions to their skills shortage.

It provides advice and resources for jobseekers in this age bracket who are planning a career transition or looking for more flexible work options. Other resources include articles and research, links to recruitment agencies with mature age specialities, and information about paid and voluntary work options.

As well as information for jobseekers, there are tools and resources provided for employers, such as articles, research and useful links addressing the skill shortage and practical workplace solutions.

This resource is supplemented by the Changing Gears video series which captures the real-life stories of five senior members in NSW who have successfully transitioned to retirement. CPA Australia President Alex Malley interviewed the members and the video is available on our website.

Advocating for change

In October, we released a brief *Guide to the Carbon Pollution Reduction Scheme (CPRS)* to help businesses develop strategies and opportunities well ahead of the Government's proposed introduction of the CPRS in 2010.

That month's issue of *INTHEBLACK* was dedicated to carbon trading and climate change and featured an interview with Australia's Minister for Climate Change, Senator the Hon. Penny Wong. The publication also carries regular columns dealing with sustainability issues facing members.

We established and facilitated member groups, such as the *Climate Change Taskforce* and *CSR Discussion Group* to leverage and share knowledge from those with experience in sustainability issues.



Deborah

'A measure of sustainable global growth is how much an organisation supports the community it operates within.'

We continued our commitment to research that fosters debate and enhances the profession, with the launch of The University of Sydney's Australian Research Council linkage grant into *Sustainability and the Accounting Profession*.

We also helped shape and influence the regulatory landscape through key submissions to the Australian Government in the areas of Climate Change and Carbon Trading Systems, the *Henry Review* and preventing misuse of the corporate form, which all have an impact on the profession.

We organised the inaugural CPA Australia Forum under the theme 'Business Excellence with a Conscience' in Hong Kong in October 2008. The forum addressed the importance of CSR and facilitated the exchange of crucial information on this topic to the accounting profession in the region.

GRI Performance Indicators in the Sustainability Report 2008

An internal working group, representative of key areas of the organisation, assessed the suitability of various performance indicators for CPA Australia to report upon. This assessment was based on materiality, how representative/reflective the indicators were of CPA Australia's activities,

stakeholder expectations, as well as the practicalities of reporting and the suitability of the indicator feeding into management decision making.

Based upon this assessment, we chose to target our first sustainability report at the C+ entry level, which requires reporting on 10 externally audited indicators. As strong ethics and corporate governance are integral to CPA Australia membership, one third of our indicators are based on anti-corruption measures to reflect our particular strength and philosophy.

The choice of EC2 - Risks and opportunities due to climate change - reflects our own organisational commitments, plus the policy and advocacy statements we make on behalf of our members and in the public interest.

The remainder of our selected indicators are predominantly based on our labour practices, representing our enduring commitment to our global workforce and our membership.

The table below lists the full GRI Performance Indicators and their page numbers as reported against in the CPA Australia Sustainability Report 2008. This can be viewed online at: cpaaustralia.com.au/sustainability.

GRI Performance Indicators

Economic		Page in Sustainability Report 2008
EC1	<i>Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments</i>	18 & 19
EC2	<i>Financial Implications and other risks and opportunities for the organisation's activities due to climate change</i>	6, 7 & 10
EC7	<i>Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation</i>	13
Environmental		
EN4	<i>Indirect energy consumption by primary energy source</i>	11
EN16	<i>Total direct and indirect greenhouse gas emissions by weight</i>	10
Labour Practices and Decent Work		
LA1	<i>Total workforce by employment type, employment contract, and region</i>	13
LA2	<i>Total number and rate of employee turnover</i>	14
LA7	<i>Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region</i>	14
LA14	<i>Ratio of basic salary of men to women by employee category</i>	15
Society		
SO2	<i>Percentage and total number of business units analysed for risks related to corruption</i>	8
SO3	<i>Percentage of employees trained in organisation's anti-corruption policies and procedures</i>	8
SO4	<i>Actions taken in response to incidents of corruption</i>	8
SO5	<i>Public policy positions and participation in public policy development and lobbying</i>	6

board of directors



Alex Malley BCom, DipEd, MCom, FCPA - President

Alex Malley is the chief executive officer of professional medical association USANZ. Prior to this appointment, he had more than 20 years' experience consulting to the private and public sectors and held senior posts in academia.

Alex concurrently serves on a number of boards and government sector committees, including as independent chair, Audit and Risk Committee, Audit Office of NSW; independent chair, Audit and Risk Committee, Office of Police Integrity, Victoria; chairman of the Australasian Reporting Awards; and a Board member of the Royal Institute for Deaf and Blind Children.

Alex has a history of involvement with CPA Australia, having been elected New South Wales divisional President in 2003, a Board vice-president in 2005 and Board deputy President in 2006. He is in the Honorary Membership Nomination Group.



Low Weng Keong FCPA (Aus), FCPA (Sing) - Deputy President

Low Weng Keong is a consultant and company director who retired from Ernst & Young, Singapore in 2005 where he was a past country managing partner.

Weng has served on the Singapore Divisional Council since 2003 and was appointed a vice-president of the Board in 2006. Weng is on the Finance, and Nomination and Remuneration Committees.



Professor Richard Petty BBus (Acc), BCom (Hons), MCom (Hons), PhD, CMA, MFP, CEC, FCPA - Deputy President

Richard Petty is professor and associate dean international, Macquarie Graduate School of Management. Richard is also the managing director of Flintwood International Ltd, an investment company headquartered in Hong Kong. Richard has been involved in the establishment, management and sale of a range of businesses and currently sits on several boards. He started practice with Ernst & Young and has published extensively in both academic and professional journals. Richard was appointed a Board director in 2006.

Richard is on the Audit and Risk, and Nomination and Remuneration Committees.



John Cahill BBus, GDip Bus (Acc), GAICD, FCPA

John Cahill was the chief executive officer of Alinta Infrastructure Holdings from 2005 to the time it was delisted from the ASX in February 2007. Prior to that, John was the CFO of Alinta Ltd. With more than 25 years experience in various financial roles in the energy industry, he plans to pursue non-executive roles, preferably with growth-oriented companies which can benefit from his knowledge and skills.

John holds a Bachelor of Business with a major in finance and economics and a Postgraduate Diploma of Business in professional accounting. He is currently the president of the Western Australian division and was appointed a Board director in 2007. He is on the Finance, and Nomination and Remuneration Committees.



Steve Chapman BBus (Acc), FCPA

Steve Chapman is the deputy auditor-general of Australia. He has more than 20 years senior executive experience in the Australian public service in the areas of tax administration, small business policy and public sector auditing. Steve holds a Bachelor of Business with a major in accounting. He is a past president of the ACT division of CPA Australia and has been a divisional councillor since 2001. Steve was appointed a Board director in 2007. Steve is on the Finance Committee and in the Honorary Membership Nomination Group.



Paul Cooper BBus (Acc), FCPA

Paul Cooper is a public practitioner and director of Cooper Reeves Accountants of Salisbury in Queensland. Paul has served on the Queensland Divisional Council since 2001. He was appointed president of the Queensland division in 2004 and a Board director in 2006. He is chair of the Finance Committee.



Penny Egan BBus (Acc), GAICD, FCPA

Penny Egan is the chief financial officer for the Department of Health and Human Services in Tasmania. She was formerly the chief financial officer for Forestry Tasmania and has had more than 15 years experience in industry and commerce, principally within the forest industry.

Penny has been a councillor of the Tasmania division since 2001. She became a president of the Tasmanian division in 2004 and was appointed a Board director in 2005. She is Chair of the Audit and Risk Committee.



Christina Foo BBus (Acc), CA (Msia), FCPA

Christina Foo is the managing director of Priority One, a consulting firm providing strategic business advice on growing a business. A former director of Ernst & Young in Malaysia, she has 23 years experience in professional services and the private sector.

Christina has served on the Malaysian Divisional Council since 2004 and was appointed president in 2007. She was appointed a Board director in 2007. Christina is on the Finance Committee, and the Policy Governance Committee.



Mark Grey BA, CPM, FAMI, FAICD

Mark Grey is the chief executive officer of the Queensland Eye Hospital. He was formerly the CEO of Batey/ Redcell in Hong Kong and was also the global business communication director for Singapore Airlines' branding and marketing account. An international marketer, Mark has an active interest in professional association brand building and has served as a director at the Advertising Federation of Australia, the Australian Marketing Institute and the Australian Day Hospitals Association.

He has a lifelong interest in Asia, having completed part of his education in Japan and China, and worked for several years in various Asian cities. Mark was appointed an external Board director in 2007. Mark is on the Policy Governance Committee and in the Honorary Membership Nomination Group.



Kerry Ryan LLB, BA

Kerry Ryan is a partner at international law firm Deacons and has more than 15 years of experience as a corporate and commercial lawyer in Australia and Asia.

Kerry has particular expertise in international trade and investment and cross-border merger and acquisition transactions. She has assisted Australian companies expand into new markets and manage offshore business dealings, and acted as general counsel for multinational companies doing business in Australia and throughout Asia. Kerry was appointed an external Board director in 2007. Kerry is on the Audit and Risk, and Nomination and Remuneration Committees.



Bruce Trebilcock MBA, FAICD, FCIS, FCPA

Bruce Trebilcock is a company director at aircraft leasing company Trident Jet (Aust) Pty Ltd and is a Council member of Anglicare South Australia. He is a senior executive with 40 years of experience across a number of industries including manufacturing, food and agribusiness, banking and finance, defence contracting and electronics. Bruce holds an MBA and a diploma in accounting.

He served as a divisional councillor in South Australia for nine years before he was elected state president in 1996. Bruce was appointed a Board director in 2007.

Bruce is on the Policy Governance, and Audit and Risk Committees.



Graeme Wade BBus (Acc), FCPA

Graeme Wade is a partner in public practice with the firm Garfield Wade Mayall and has consulted widely across a range of businesses in both the public and private sector for more than 20 years. He also holds a number of nonexecutive directorships.

Graeme was appointed president of the Victoria division in 2005 and a Board director in 2006. Graeme is on the Policy Governance, and Audit and Risk Committees.

corporate governance

Disclosure required by the ASX CGC recommendations

Functions reserved to the board and those delegated to management	See Role of the Board on page 23
Skills, experience and expertise relevant to the position of director	See Board of Directors on pages 20-21
Names of directors considered by the board to constitute independent directors and CPA Australia's relevant thresholds	See Principle 2 on page 23
Procedure for independent professional advice	See Board of Directors on page 23
Directors' terms of office	See Board of Directors on pages 20-21
Names of the Nomination and Remuneration Committee members and attendance	See Meetings of Directors on page 28
Composition of board, chair and role of chair and CEO	See Board of Directors on pages 20-21 and Chief Executive Officer on page 23
Code of conduct for directors and executives	See Code of Conduct on page 24
Audit & Risk Committee members and their qualifications	See Audit and Risk Committee on page 26
Audit & Risk Committee meetings and attendance	See Meetings of Directors on page 28
Financial statements sign-off and structure of Audit & Risk Committee	See Audit and Risk Committee on page 24 and Director's Declaration on page 54
External auditor	See Principle 4 on page 24
Member communications strategy	See Principle 6 on page 24
Risk oversight committee	See Audit & Risk Committee on page 24
Risk management and internal controls	See Principle 7 on page 24
Performance evaluation	See Board and Executive Performance Reviews on page 24
Company's remuneration policies	See Principle 8 on page 24
Remuneration Committee members and attendance	See Remuneration Committee and Meetings of Directors on page 28
Retirement benefits for non-executive directors	See Principle 8 on page 24



Introduction

CPA Australia Ltd (CPA Australia) is a leading advocate of sound corporate governance. It is committed to best practice and is a member of the Australian Stock Exchange Corporate Governance Council (ASXCGC) that developed the Principles of Good Corporate Governance and Best Practice Recommendations.

The Best Practice Recommendations apply to listed companies. As an unlisted company limited by guarantee, CPA Australia is not expected to respond to the recommendations. However, it uses the recommendations as a guide to best practice, and has implemented them as far as they are relevant to it as a member organisation. It reports against them in this corporate governance statement as part of its commitment to preserving stakeholder confidence.

Principle 1: Lay solid foundations for management and oversight Board of Directors

The Board of Directors is the principal governing body of CPA Australia and is appointed by the Representative Council.

The board consists entirely of independent non-executive directors.

The board is responsible for overall governance of CPA Australia. The board has adopted a formal charter detailing the board's functions and responsibilities which is reviewed annually. Matters specifically reserved to the board are set out in the charter (see website).

While the board has overall control and management of CPA Australia, it delegates a range of powers, duties and responsibilities to its committees, management, divisions and disciplinary chair panel. The board reviews and approves a formal statement of financial delegations at least annually.

Each board meeting agenda includes statutory matters, governance and management reports, which include strategic risks, strategic projects and operational items. Time is regularly scheduled for the board to meet without management.

Management of CPA Australia's operations and the implementation of corporate strategy and policy initiatives are the responsibility of the CEO and management.

This year, the board approved a three-year corporate plan for 2009-2011 established by management, and within the parameters of this plan, it approves an annual performance contract that sets the priorities, direction and performance targets for CPA Australia (see pages 3 and 33). Quarterly reports on progress against the performance contract are presented to the board.

Chief Executive Officer (CEO)

The CEO is appointed by the board on the recommendation of the Nomination and Remuneration Committee. He is responsible for the management of CPA Australia in accordance with the strategy, policies, his performance contract and delegated authority. The CEO is responsible for ensuring that the board is provided with the relevant strategic options, policy and financial issues on which to deliberate, and with the necessary administrative support to enable the board to work effectively.

The CEO has the right to attend board and board committee meetings; however, he is not a director and is not entitled to vote.

Senior executives including the CEO and chief financial officer (CFO) have formal job descriptions.

Performance Management

All CPA Australia executives are subject to annual performance planning and reviews. This involves the executive being evaluated by the immediate supervisor, usually the CEO. The executive is assessed against achievement of key job specifications and goals, contribution towards specific business and strategic objectives and adherence to REACH (Respect, Empowerment, Accountability, Cooperation and Honesty) values.

Principle 2: Structure the board to add value

The board consists of twelve directors, one member director from each of the ten divisions and two external directors (who are neither members nor employees). A diagram of the current governance structure is included on page 8 of the 2008 Sustainability Report.

Directors' skills, expertise and their terms of office, are set out on pages 20-21. The chair is a non-executive director and is not the CEO. All directors are independent as defined by the ASXCGC recommendations and must inform the chair, CEO or company secretary as soon as they become aware of any conflict of interest.

All board members are requested to disclose related party transactions on an annual basis and a summary of related party transactions for each director is disclosed in the Annual Report (see notes to the financial statements on page 47). The directors must disclose direct or indirect interests in contracts, or any other interest which is incompatible or in competition with the interests of CPA Australia as soon as they arise.

Directors are entitled to obtain reimbursement of the reasonable costs of any independent advice obtained in respect of their office. If a director wishes to obtain independent external advice, then he or she must notify the board before seeking that advice and obtain the prior approval of the chair, which approval shall not be unreasonably withheld.

Representative Council

Directors are appointed by the Representative Council. The council is comprised of members selected by the divisions and advisory committees with the exception of the members representing the mature members, young members and staffed branches. These council members are appointed by the Nomination and Remuneration Committee. The council's charter is available on the website.

Directors are selected for their combination of skills, experience and other relevant capabilities with due regard to the skill mix recommended by the board.

Directors are entitled to serve a maximum of three terms of two years each. The exception to this is the initial terms currently served by directors appointed in 2007.

The terms of the current directors commenced on 1 October 2007. The terms of six directors (including one external director) expire on 31 March 2009. In December 2008, five directors were reappointed for a further two-year term commencing on 1 April 2009. The terms of the remaining six directors (including one external director) expire on 31 March.

Nomination and Remuneration Committee

The council is assisted by the Nomination and Remuneration Committee who review candidates and make recommendations to the council. The council must have due regard to but is not bound by the recommendations of the Nomination and Remuneration Committee or any other body.

The Nomination and Remuneration Committee consists entirely of directors with the exception of the chair, who is the immediate past president and a member. The committee assists the board assess the skills and competencies required on the board and the extent to which those skills are represented on the board. At the board's request, it may facilitate the evaluation of the board and individual directors' performances. It also reviews and advises the board and the council on succession plans for the board and advisory committees.

A copy of the committee's charter is located on CPA Australia's website.

Board Performance

New directors receive a Board Handbook, which outlines their duties and responsibilities especially under the Constitution and By-Laws. New directors attend a formal induction meeting with management prior to their term commencing. In 2008, directors were provided with training through an online compliance program to enhance their understanding of their duties and responsibilities.

In 2008, the board met nine times including a meeting in Malaysia in conjunction with the 2008 CPA Regional Conference. Directors' attendances at board and committee meetings are set out in the Annual Report in the notes to the financial statements (see page 28).

The board charter provides that the performance of the board will be reviewed annually. The charter of each board committee provides that each committee shall review its performance and that of its members on an annual basis.

The appointment of the company secretary is outlined in the board charter.

Board Committees

With the introduction of the new governance structure in 2007, the board has reviewed the role and composition of the various committees. Their respective compositions and details of meeting attendance are set out in the Directors' Report on page 28. Minutes of the committees' meetings are provided to the board following the respective meetings.

The board currently has four board committees: Nomination and Remuneration, Audit and Risk, Finance and Policy Governance.

Each committee has a charter describing its role and composition. Committee charters are reviewed regularly to ensure that the committee's role and responsibilities are consistent with CPA Australia's strategic and operational objectives. The charters for each committee were reviewed in 2008 (see website).

The chairs of the Audit & Risk Committee, Finance Committee and Policy Governance Committee are all directors. The Audit and Risk, and Finance Committees may co-opt members who, whilst they are not directors, bring particular experience to the committees. Refer above for role and composition of the Nomination and Remuneration Committee.

These committees are scheduled to meet four times per year. Attendance at committee meetings is set out on page 28.

The Policy Governance Committee ensures an appropriate level of reporting and approval for finance accounting, and business policy development and research in CPA Australia.

Principle 3: Promote ethical and responsible decision making Code of Conduct

Directors, members and employees are required to act in accordance with the highest standards of honesty and integrity. There are codes of conduct for directors, members and employees (see website).

The respective codes of conduct, as approved by the board, are given to all new directors, volunteer members and employees, and set out expected standards of behaviour.

The staff performance review and development process includes an assessment of how employees comply with behavioural expectations.

CPA Australia is a member organisation limited by guarantee and does not have securities (shares etc.) so does not report against this aspect of the recommendations.

Principle 4: Safeguard integrity in financial reporting

The board requires the CEO and CFO to state in writing that CPA Australia's financial reports present a true and fair view, in all material respects, of CPA Australia's financial condition and operational results and are in accordance with the relevant accounting standards.

Audit and Risk Committee

CPA Australia has established an Audit and Risk Committee to, among other things, verify and safeguard the integrity of the company's financial reporting. Prior to 1 April 2008, the chair was an independent member of CPA Australia and not a director. The chair is now a director. As at December 2008 the committee is comprised of five directors with three non-directors co-opted. From 2009, the committee will consist of five directors only. It assists the board to discharge its responsibilities for external reporting, external and internal audit, internal control and risk management. All members of this committee have either financial or legal qualifications.

The committee has a formal charter (see website).

External Auditors

Deloitte has been CPA Australia's external auditor since 2005. The performance of the external auditor is reviewed annually.

An analysis of fees paid to the external auditor, including a breakdown of any non-audit fees paid or received by the auditor, is provided in note 18 to the financial reports. The Audit and Risk Committee has developed principles for the supply of non-audit services which have been endorsed by the board. It is the policy of the external auditors to provide an annual declaration of their independence to the committee. The committee undertakes a full review of the terms of engagement of the external auditor, before deciding to re-appoint the existing audit firm or seek tenders on the open market.

Finance Committee

This committee consists of five directors. Its role is to assist the board to discharge its responsibility to manage the business planning, budgeting processes and general financial management of CPA Australia. It has a formal charter (see website).

Principle 5: Make timely and balanced disclosure

As CPA Australia is not a listed company, it is not bound by the requirement for continuous disclosure and does not report against this principle.

Principle 6: Respect the rights of shareholders (members)

CPA Australia provides its members with timely access to information about its activities and changes in legislation that may affect the profession. Its three principal communication channels with members are its monthly publication, INTHEBLACK, its weekly e-newsletter CPA Update and its website.

Members are encouraged to participate and ask questions of management and the board at the Annual General Meeting.

Principle 7: Recognise and manage risk

CPA Australia has a risk management framework, risk policy and risk management program. The principal objectives of the risk management program is to protect the reputation and financial standing of CPA Australia and its membership and to optimise service to members.

The board is provided with regular reports on risk through the Audit and Risk Committee. In addition, the board discusses strategic and major operational risks as part of its regular meeting agenda.

The internal audit function has established and implemented a system for identifying, assessing, monitoring and managing material risks throughout CPA Australia. The strategic risk profile, including identification and treatment of risks and mitigating controls, is regularly reviewed and approved by the board. The internal auditor and executive management group continuously monitor the risk profile.

Principle 8: Remunerate fairly and responsibly Directors

The Constitution provides that the board may approve payments to the president, deputy presidents and the external directors. From 1 April 2010, the board may approve payments to all other member directors.

Directors do not receive retirement benefits.

Management

The Nomination and Remuneration Committee has responsibility to recommend to the board for approval the name of a candidate for appointment as CEO and his or her terms of appointment.

The Nomination and Remuneration Committee agrees the benchmark bands of salary levels for staff based on external advice.

The CEO has personal performance indicators and is eligible for a bonus payment subject to the approval of the board. The president and the board conduct the performance evaluation of the CEO. This evaluation involves an assessment of a range of factors including the overall performance of CPA Australia and the achievement of predetermined goals.

The Nomination and Remuneration Committee considers overall management remuneration. Under the terms of CPA Australia's annual performance contract, attainment of demanding performance targets can result in a performance bonus being approved by the board and paid to staff who reach individual performance targets. The board with the assistance of the Finance Committee approves the amount of bonus payable under the annual performance contract.

councillors

Councillors – staffed office locations

Hong Kong China

Richard Ho FCPA *President*
Loretta Shuen FCPA *Deputy President*
Chris Lau FCPA *Vice President*
Stephen Po FCPA *Vice President*
Theresa Chan FCPA
Lawrence Fok FCPA
Derek Lai FCPA
Peter Lee FCPA
Doug Oxley FCPA
Professor Richard Petty FCPA
Vivian Sun FCPA
Patrick Yeung FCPA

Shanghai

Stephen Lee FCPA *President*
Steve Hui FCPA *Vice President*
John Hung FCPA *Vice President*
Lawrence Lau FCPA *Vice President*
Cao Jing CPA
Vivien Lai CPA
Theo Leung CPA
John Li CPA
Jeffrey Soo CPA
Danny Tong FCPA
Simon Watson CPA
Alison Wong CPA

Beijing

Jack Huang FCPA *President*
Rebecca Mak FCPA *Deputy President*
Tony Ho FCPA *Vice President*
Vincent Lo FCPA *Vice President*
Henry Chan FCPA
Michael George CPA

Dr Carolyn Stringer CPA *Vice President*
Lucky Abeynaike FCPA
Craig Anderson CPA
Michael Cashin CPA
Mark Fleming CPA
Rod Marvin CPA
Craig Richardson CPA
Kevin Wright CPA

Europe

Melanie Silvester CPA *President*
Andrew Genrich CPA *Deputy President*
Catherine Riney FCPA
Lindsay Birrell FCPA
Anna D'Alessandro CPA
Neil Hay CPA
Peter Crouch FCPA
Colin Clark FCPA
Maria Martyn CPA
Marcus Watzlaff CPA
Luke Dillon CPA
David Graydon CPA

Malaysia

Christina Constance Foo FCPA *President*
Ravindran Navaratnam FCPA *Deputy President*
Rusman Amir Zaihan FCPA *Deputy President*
Alex Ooi Thiam Poh FCPA
Andrew Heng CPA
Chong Aik Lee CPA
Gabriel Teo Chun CPA
Josephine Phan Su Han FCPA
Lam Kee Soon FCPA
Ramli Mohamed FCPA
Suhaimi Badrul Jamil FCPA

Sean Ferrari CPA
Greg Field CPA
Melissa McClusky CPA
Geoff Hine FCPA

Western Australia

John Cahill FCPA *President*
Rochelle Bradley FCPA *Immediate Past President*
Vacant *Deputy President*
Geoff Woods CPA *Vice President*
Lisa Bayakly CPA
Claire Bickford CPA
Anthea Bird CPA
Terrence Cheong CPA
David Moroney FCPA
Rosetta Petrucci CPA
Lawrie Tremaine CPA
Dale Wilcox FCPA

New South Wales

Ivor David FCPA *President*
Dr Margaret Mckerchar FCPA *Deputy President*
John Corrigan FCPA *Vice President*
Eric Davis CPA *Vice President*
Dr Margaret Drever FCPA *Vice President*
Mary Callaway FCPA *Immediate Past President*
Simon Chhoeu CPA
Andrew Crawford FCPA
Gail Fraser CPA
Prof Terry Heazlewood FCPA
John Horder FCPA
Peter Knight FCPA
Alex Malley FCPA
Jon Masters FCPA
Jim Mitchell FCPA

Tasmania

Paul Viney FCPA *President*
Enrico De Santi FCPA *Deputy President*
Karen Frost FCPA *Vice President*
Penelope Egan FCPA
Stephen Freeman CPA
Fiona Gretton CPA
Robert Eastoe FCPA
Craig Jeffery FCPA
Prof Gary O'Donovan CPA
Howie Oh FCPA
David Strong FCPA
Fleur Reid CPA

South Australia

Hugh McPharlin FCPA *President*
Tracy Randell CPA *Deputy President*
Assoc Professor Bryan Howieson FCPA *Vice President*
Joe Princi FCPA *Vice President*
Natasha Donohue CPA
Peter Flaherty FCPA
Rob Florence FCPA
Barry Hanna FCPA
Rob Jano CPA
Janet Kalivas CPA
Mike Richards CPA
Julie Sinclair CPA

Queensland

Neil Jackson FCPA *President*
Mike Gilmour FCPA *Deputy President*
Garry Waugh FCPA *Vice President*
Trevor Beckingham FCPA *Vice President*
Loretta Seamer FCPA *Immediate Past President*
Daniel Abrahams FCPA
Andrew Albury FCPA



Joseph Lee FCPA
Winifred Leung FCPA
Wilson Liu FCPA
Lu Wei CPA
Kevin Ng FCPA
Zhao Guilin CPA
Zhu Haiwu FCPA

Northern Territory Branch

Steve Balch CPA *President*
Fiona Stanley CPA *Deputy President*
Randle Walker FCPA *Vice President*
Mike Lane FCPA *Vice President*
Karl Bader FCPA
David Gomez FCPA
Kate Laurence FCPA
Michael Martin FCPA
Frank McGuinness FCPA
John McLaren FCPA
David Morgan CPA
Shane Smith CPA

New Zealand

Chye Heng FCPA *President*
David Searle CPA *Vice President*
Sharon Higgins CPA *Vice President*

Singapore

Chaly Mah Chee Kheong FCPA *President*
Lisa Liew Geok Bee CPA *Deputy President*
Irving Low Chee Whay CPA *Deputy President*
Low Weng Keong FCPA
Peter Anthony Barker FCPA
William (Bill) Sefton Bowman FCPA
Chew Tong Gunn CPA
Albert Ho Shing Tung FCPA
Lee Wee Jean CPA
Steven Lim Jun Xiong FCPA
Teo Chee Khiang FCPA
Asc Prof Themin Suwardy FCPA

Australian Capital Territory

Karen Sheppard CPA *President*
Mark Wilson CPA *Deputy President*
Gerry Lillicrap FCPA
James Hibberson CPA
Jennifer Irvin CPA
Michael Burton CPA
Peter Thomson FCPA
Stephen Chapman FCPA

John Petty FCPA
Joseph Pizzinga CPA
Cheryl Price FCPA

Victoria

John Higgins FCPA *President*
Mike Sewell FCPA *Deputy President*
Jenny Peachey FCPA *Immediate Past President*
Gaye Mason FCPA *Vice President*
Joanne Rumble CPA *Vice President*
Chris Braithwaite CPA
Peter Calder FCPA
Keryn Chalmers CPA
Richard Langley FCPA
Paul McInerney FCPA
Roger Moore FCPA
Bruce Porter FCPA
Julie Radonich FCPA
Graeme Wade FCPA
Michael Wilson FCPA

Linda Barbagallo FCPA
Louise Cox FCPA
Ian Davies FCPA
Lyndal Drennan FCPA
Don Graham CPA
Ernie Landy CPA
Paul Monaghan FCPA
Pamela Munce CPA

committees

Committees, Life Members, Honours

Board Committees

Audit and Risk Committee

Penny Egan FCPA (*Chair*)
Professor Richard Petty FCPA
Kerry Ryan
Bruce Trebilcock FCPA
Graeme Wade FCPA

Finance Committee

Paul Cooper FCPA (*Chair*)
John Cahill FCPA
Steve Chapman FCPA
Christina Foo FCPA
Low Weng Keong FCPA

Nomination & Remuneration Committee

Paul Meiklejohn FCPA
(*non-Director Chair*)
John Cahill FCPA
Low Weng Keong FCPA
Professor Richard Petty FCPA
Kerry Ryan

Policy Governance Committee

Graeme Wade FCPA (*Chair*)
Christina Foo FCPA
Mark Grey
Bruce Trebilcock FCPA

Representative Council

Alex Malley FCPA (*Chair*)
Craig Anderson CPA
Peter Calder FCPA
Peter Carlin FCPA
Tyrone Carlin CPA
Sean Ferrari CPA
Karen Frost FCPA
Geoff Hine FCPA
Neil Jackson FCPA
Steven Lim FCPA
Chaly Mah FCPA
Michael Martin FCPA
Gaye Mason FCPA
Jim Mitchell FCPA
Carol Pagnon FCPA
John Petty FCPA
Pamela Pointon CPA
Tracy Randall CPA
Vivian Sun FCPA
Peter Wolnizer FCPA
Geoff Woods CPA
Rusman Amir Zaihan FCPA

Compliance Committee

Disciplinary Chair Panel

Prof Carrick Martin FCPA (*Chair*)
Scott McDonald FCPA (*Deputy Chair*)
Frank O'Loughlin (*Deputy Chair*)
Denis Cortese FCPA (*Deputy Chair*)

Advisory Committees

Insurance Advisory Committee

Geoff Church FCPA (*Chair*)
Malcolm Borgeaud CPA
Robert Eastoe FCPA
Robyn Erskine FCPA
Harry Khouri FCPA
Anthony Martin FCPA

Quality Review Advisory Committee

Anthony Darvall (*Independent Chair*)
Andrew Albury FCPA
Schon Condon FCPA
Andrew Hoholt CPA
Elaine Melhuish FCPA
Ernest Wohlsein FCPA

Public Practice Advisory Committee

Pamela Munce FCPA (*Chair*)
Rob Florence FCPA
Schon Condon FCPA
Nik Hasyudeen FCPA
Peter Knight FCPA
Sarah McGrath FCPA
Mark Williams FCPA
Jude Lau CPA

Accreditation Advisory Committee

Prof Kim Langfield-Smith FCPA (*Chair*)
Dr Beverly Jackling CPA
Dr Margaret Lightbody CPA
Dr Kim Watty CPA
Prof Brian Gibson CPA
Dr Errol Iselin FCPA

Education Advisory Committee

Prof Peter Wolnizer FCPA (*Chair*)
Eve Bosak FCPA
Prof Tim Brailsford FCPA
Prof Colin Ferguson FCPA
Bill Forrest
Ian Miller FCPA
Prof Lee Parker FCPA
Loh Hoon Sun FCPA

International Advisory Committee

Professor Tyrone Carlin CPA (*Chair*)
Joycelyn Morton FCPA (*Chair until Feb*)
David King FCPA
Robert Hood FCPA (*until April 08*)
Chaly Mah FCPA
Des Pearson FCPA (*until April 08*)
Professor Richard Petty FCPA

Corporate Sector Advisory Committee

Andrew Crawford FCPA (*Chair*)
Stephen Doessel FCPA
Steven Lim FCPA
Vladimir Malcik FCPA
Stephen Munro CPA
Anthony Tieppo FCPA
Wong Chin Aik FCPA

Public Sector Advisory Committee

Glenn Poole FCPA (*Chair*)
Gerardine Brus FCPA
Teo Chee Khiang FCPA
Peter Mendo FCPA
Carol Pagnon FCPA
Stephen Po FCPA
Joanne Stampalia CPA
Tim Youngberry FCPA

SME Sector Advisory Committee

Anthony Matis CPA (*Chair*)
Peter Carlin FCPA
Stuart Derbyshire CPA
Albert Ho CPA
Mike Krishnan FCPA
Spencer Ma FCPA
Julianna O'Bryan FCPA
Andrew Rodgers FCPA

Asia Pacific Financial Reporting Advisory Group (APFRAG)

Prof Terry Heazlewood FCPA (*Chair*)
Richard Ho FCPA (*Deputy Chair*)
Thomas Egan FCPA
Wilson Liu FCPA
Irving Low FCPA
Ronald Paice FCPA
Dr Nordin Mohd Zain FCPA
Josephine Edwards FCPA

Centres of Excellence Chairs

Finance & Treasury

Stephen Cheesewright CPA

Financial Reporting & Governance

Jeffrey Luckins CPA

Information Technology & Management

Micheal S. Axelsen FCPA

Business Management

Ian B. Brown CPA &
Perry H. Abbott CPA - *Co Chairs*

Tax

Prof Brian H. Andrew CPA

Financial Advisory Services

Martin J. Kerrigan CPA

Other Boards and Committees

CPA Australia shares representation on the following committees with other parties.

Joint Standing Committee

Low Weng Keong FCPA
Alex Malley FCPA
Prof Richard Petty FCPA
Geoff Rankin FCPA

ASEAN Federation of Accountants

Alex Malley FCPA

International Federation of Accountants (IFAC) Board

Joycelyn Morton FCPA

IFAC Professional Accountants in Business Committee (PAIB)

Lance Balcombe CPA

IFAC International Accounting Education Standards Board (IAESB)

Kim Langfield-Smith FCPA

IFAC International Ethics Standards Board for Accountants (IAESB)

Alice McCleary

IFAC International Public Sector Accounting Standards Board (IPSASB)

Peter Batten FCPA

IFAC Compliance Advisory Panel

Jim Dickson FCPA

IFAC International Auditing and Assurance Standards Board (IAASB)

Ian McPhee FCPA

Joint Confederation of Asian & Pacific Accountants (CAPA)

Representative
Brian Blood FCPA

Life Members

Joseph Abraham AM FCPA
Peter Agars AM FCPA
Elizabeth Alexander AM FCPA
Pat Barrett AO FCPA
Prof Allan Barton FCPA
David Baulch FCPA
Brian Blood FCPA
David Boymal FCPA
Denis Cortese FCPA
Ronald Cotton AM FCPA
Mark Coughlin FCPA
Laurence Crockett FCPA
Clyde Dickens AM FCPA
Kenneth Eastwood AM FCPA
Prof Scott Henderson FCPA
Robert Jeffery FCPA
James Kropp FCPA
Harry Levy FCPA
Dr Ken Levy FCPA
Graham McGregor AO FCPA
Paul Meiklejohn FCPA
Dr John Miller AO FCPA
Joycelyn Morton FCPA
Geoff Orr FCPA
Graham Paton AM FCPA
Des Pearson FCPA
Patrick Ponting FCPA
Peter Poon Wing Cheung FCPA
Trevor Russell AM FCPA
Len Spencer FCPA
Loh Hoon Sun FCPA
Brian Waldron OAM FCPA
Bernard Wright FCPA

2008 Honours

Officer of the Order of Australia

Dr Ian Watt AO FCPA
Mark Sullivan AO FCPA

Public Service Medal

Barbara Richardson PSM CPA

Member of the Order of Australia (AM)

Gerald Barry AM CPA
John Ingram AM FCPA
Warwick Smith AM FCPA
Barry Thornton AM FCPA
Andrew Wright AM FCPA
Graham Leonard AM CPA
Anthony McGrath AM FCPA
Robert Scheuber AM FCPA

Medal of the Order of Australia (OAM)

Reginald Chirgwin OAM FCPA
John Fry OAM FCPA
Ben Nhem OAM CPA
Victor Sahade OAM FCPA
Barry Davies OAM FCPA
John Fraser OAM CPA
Albert Kellock OAM CPA
Marie-Claire Nemecek OAM FCPA
Anthony Pederick OAM FCPA
Michael Torney BM OAM CPA
Maxwell Williams OAM CPA



FINANCIAL REPORT 2008

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report of the board of directors

Directors

The Directors of CPA Australia Ltd submit herewith the annual financial report of the company for the financial year ended 31 December 2008. In order to comply with the provisions of the Corporations Act and the Australian Accounting Standards the Directors present the report as follows. The Directors in office at the end of the financial year are stated on pages 20 and 21 of the Annual Report, together with their responsibilities. Details of meeting attendance are set out below and remuneration is included in Note 17 on page 47.

Company Secretary

The Company Secretary, Lisa Nicholson, BSc, LLB, ACIS is responsible for company secretarial matters and the legal and professional conduct units. Robert Turner, General Counsel was also a secretary of the company until his resignation on 24 October 2008.

Principal activities

The principal activities of CPA Australia and its controlled entities during the financial year remain unchanged and were to operate as an association representing financial, accounting and business advisory professionals: providing high standards of professional entry and continuing education, stimulating informed debate on issues within the areas of professional competence, setting and maintaining the highest professional and technical standards and promoting the role of its members for the benefit of the community.

Consolidated results

The consolidated surplus before income tax for the year was \$1,806,000 (2007: \$3,396,000). The consolidated surplus after tax for the year was \$2,267,000 (2007: \$3,044,000).

Review of operations

A review of the operations of the economic entity during the financial year and the results of those operations are contained in the discussion and analysis of the financial results – see pages 31 to 33.

Corporate Governance

The Board of CPA Australia comprises individuals drawn from each of the ten divisions and two external (non-member, non-employee) directors and meets at least eight times per year, primarily in Melbourne. As at the end of 2008, there are four committees of directors. Further information on the governance of CPA Australia, is included in the Corporate Governance Statement on pages 22-23.

Changes in state of affairs

During the financial year there was no significant change in the state of affairs of the consolidated entity, other than that referred to in the financial statements or notes thereto.

Directors' meetings

The table below sets out the number of Board and Board committee meetings held and the number of meetings attended by each Director.

Subsequent events

No matter or circumstance has arisen since the end of the previous financial year to the date of this report that has, or may, significantly affect the activities of the consolidated entity, the results of those activities or the state of affairs of the consolidated entity in the ensuing or any subsequent financial year.

Future developments

Likely developments in the activities of the consolidated entity are noted elsewhere in the Annual Report, with CPA Australia working successfully towards the achievement of its objectives and maintaining a breakeven or surplus position in 2009.

Rounding off of amounts

CPA Australia is a company of the kind referred to in ASIC Class order 98/100 dated 10 July 1998. In accordance with the class order amounts in the Directors' report and the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Indemnification of officers and auditors

During the year CPA Australia paid professional indemnity and directors' and officers' liability insurance for all of its directors and officers. The nature of the insurance contract providing this cover does not allow CPA Australia to disclose either the extent of cover or the premium paid.

Auditor independence

The auditor's independence declaration is included on page 29 of the Annual Report.

Signed in accordance with a resolution of the Directors made pursuant to s298 (2) of the Corporations Act 2001 on behalf of the directors.



Paul Cooper FCPA
Director
27 February 2009



Alex Malley FCPA
Director

2008 Attendance Register - Board of Directors and Board Committees

Directors	Board of Directors		Nomination & Remuneration		Audit & Risk		Finance #		Policy Governance	
	Scheduled	Attended	Scheduled	Attended	Scheduled	Attended	Scheduled	Attended	Scheduled	Attended
J. Cahill	9	9	9	9			6	6		
S. Chapman	9	8					6	5		
P. Cooper	9	9					6	6		
P. Egan	9	7			4	4				
C. Foo	9	9					6	5	4	4
M. Grey	9	9							4	4
W. K. Low	9	9	9	9			6	5		
A. Malley *	9	9	4	3						
R. Petty	9	9	9	7	4	2				
K. Ryan **	9	9	9	7	4	4				
B. Trebilcock	9	8			4	2			4	3
G. Wade	9	9			4	4			4	4
Non-Directors										
P. Meiklejohn ***			9	9						
P. Barrett ****					4	3				
P. Calder *****					4	3				
P. Lowe*****							1	0		
P. Meehan*****							1	1		
P. McDonald*****							1	1		
J. Roberts-Smith *****					4	3				

The Finance & Planning Committee was renamed the Finance Committee on 31 March 2008

* Alex Malley attends Remuneration items of the Nomination & Remuneration Committee in his capacity of President and Chairman of the Board.

** Kerry Ryan was absent from two Nomination & Remuneration Committee meetings due to a personal interest in the discussion.

*** As immediate Past President, Paul Meiklejohn is Chair of the Nomination & Remuneration Committee.

**** Pat Barrett was a Non-Director Chair of Audit & Risk Committee until 31 March 2008. For the remainder of 2008, Mr Barrett attended meetings at the request of the Board to maintain continuity.

***** Non-Director members of the Audit & Risk Committee who retired on 31 March 2008. For the remainder of 2008, Non-Director members attended meetings at the request of the Board to maintain continuity.

***** Non-Director Members of the Finance Committee (formerly Finance & Planning Committee) until 31 March 2008.

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

180 Lonsdale Street
Melbourne VIC 3000
GPO Box 78B
Melbourne VIC 3001 Australia

DX 111
Tel: +61 (0) 3 9208 7000
Fax: +61 (0) 3 9208 7001
www.deloitte.com.au

The Directors
CPA Australia Limited
Level 30, 385 Bourke Street
Melbourne VIC 3000

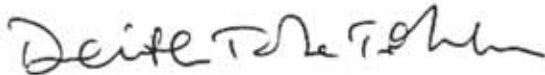
Dear Directors

CPA Australia Limited – Independence Declaration

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of CPA Australia Limited.

As lead audit partner for the audit of the financial statements of CPA Australia Limited for the financial year ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



DELOITTE TOUCHE TOHMATSU



Peter A. Caldwell
Partner
Chartered Accountants
Melbourne, 27 February 2009

overview of financial results

for the year ended 31 December 2008

		2008 \$000's	2007 \$000's
Business segments			
Membership and member value	Revenue	57,558	55,856
	Cost	(29,487)	(28,825)
	Result	28,071	27,031
Training and development	Revenue	22,826	22,918
	Cost	(18,556)	(18,094)
	Result	4,270	4,824
Education	Revenue	39,949	36,703
	Cost	(24,314)	(21,811)
	Result	15,635	14,892
Brand, ethics and the profession	Revenue	1,257	1,020
	Cost	(15,544)	(14,309)
	Result	(14,287)	(13,289)
Business development	Revenue	585	419
	Cost	(2,762)	(2,687)
	Result	(2,177)	(2,268)
Corporate services	Revenue	4,500	3,630
	Cost	(29,455)	(27,173)
	Result	(24,955)	(23,543)
Corporate governance and committees	Revenue	131	10
	Cost	(4,882)	(4,261)
	Result	(4,751)	(4,251)
Total CPA Australia	Revenue	126,806	120,556
	Cost	(125,000)	(117,160)
	Tax (Expense)/Credit	461	(352)
	Result	2,267	3,044

The controlled entity and the company operate in seven reportable business segments which are Membership and Member Value, Training and Development, Education, Brand, Ethics and the Profession, Business Development, Corporate Services and Corporate Governance and Committees, as shown above.

Membership and Member Value's core activities are delivery of the core membership offer including administration and assessment of member's admissions, and advancements; the library services; IN THE BLACK and CPA Update, membership recruitment and retention, CPA Passport and CPA Store.

Training and Development's core activity is the delivery of professional development products that meet the needs of members and potential members. This includes the development of this offer.

Education's major activities are the development and examination of the CPA Program and Public Practice Program, along with the development and delivery of the mentor program. This area also includes activities associated with the assessment of overseas qualifications for recognition by the Department of Immigration and Citizenship.

Brand, Ethics and the Profession's core activities include managing and developing the brand, promotion, policy and research, advocacy and government relations, support for the profession locally (AASB, AuASB and APESB) and internationally (IFAC, AFA, CAPA etc), external affairs, professional standards and quality assurance.

Business Development provides support to the organisation in the areas of the sectors, international business development and new business initiatives.

Corporate Services provides internal support to the organisation that includes management, finance, legal, procurement, property management, technology, organisational development, human resources and planning.

Corporate Governance and Committees represents the activities associated with the Board, Board Committees, the Representative Council, Board Secretariat, Internal Audit, Divisional Councils, Investigation & Discipline and Advisory Committees.

discussion and analysis

Discussion and analysis of the financial results 2008

The year in review

CPA Australia's major sources of income continued to strengthen in 2008. Strong CPA Program sales underpinned by continued membership growth and high retention levels provide CPA Australia with a strong base from which to execute and deliver on its new three year corporate plan (2009-2011) whilst an increasingly strong and stable balance sheet provides the organisation with greater flexibility as we head into a period of greater global economic instability.

During 2008 the organisation was focused on capitalising and building on the investment of the previous two years of the 2006-2008 corporate plan with an eye to the future as we developed the 2009-2011 Corporate Plan. The organisation invested in a number of key areas during the year:

- The development and implementation of the Knowledge Strategy was a key focus during 2008. This has resulted in an improved e-learning capability. Alliances were formed with Harvard Business School and SkillSoft to provide an improved online product range for members. We embraced a variety of social media including the first President's blog, and our first Congress session in Second Life. Other Congress 2.0 initiatives included CPA Congress Community, Congress blog and other audio and visual learning options. We relaunched the CPA Careers Website. Members were provided with access to over 200 e-books from a variety of leading publishers. We released the CPA Australia Good Practice Guide in a dedicated Wiki format and we established online versions of the Members' Handbook and Real Business.
- During 2008 we laid the foundations of the review of our membership pathways and in 2009 we will look to develop a more market responsive and competitive CPA Program with flexible entry pathways.
- As part of our competitive positioning, our global presence expanded with the opening of two representative offices in Vietnam during 2008. The Hong Kong, Malaysia and Beijing offices have been relocated and refurbished and the Singapore office has also been renovated.
- Our emphasis on building relationships with other international bodies resulted in Mutual Recognition Agreements (MRA) being signed with CGA and CMA Canada, and the members resulting from the MRA signed with the Malaysian Institute of Accountants (MIA) in 2007 have greatly exceeded expectation in 2008.
- A new 'think + create' advertising campaign was launched in Australia during 2008, repositioning the CPA Australia brand to differentiate it from competitors.
- An extensive review of the organisation's core systems capability including the membership, the financial, budgeting & reporting packages and data warehousing/business intelligence was undertaken. This is a multi year project requiring significant investment. The focus in 2008 was to select the appropriate systems to support the organisations future needs. The implementation of new core operating systems will improve the organisation's competitive advantage and provide a technology platform that will be enduring.
- The organisation commenced implementation of its People Strategy with particular emphasis on workforce planning, leadership and culture development.

Income statement

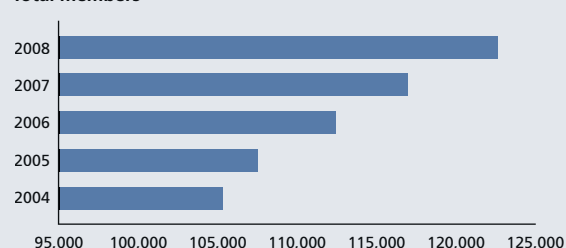
Record growth in CPA Program and membership was the underlying driver behind achievement of an operating surplus before tax of \$1.8m (2007: \$3.4m).

Revenue

The strong operating performance in 2008 was underpinned by revenue growth of 5.2% which is in line with 2007 growth. The increase in revenue can be largely attributed to strong growth in the volume of CPA Program segment sales and new member admissions, as the increased revenue in these areas occurred in a year when fees were held at 2007 levels.

The organisation ended the year with **122,743** members following record new admissions of 10,314 (net membership up 5.1% on 2007).

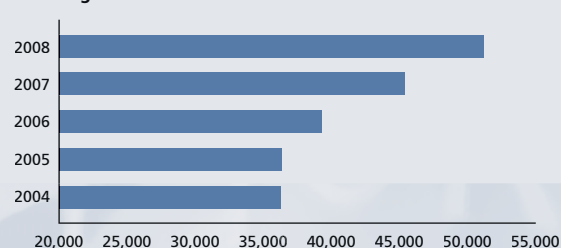
Total members



Revenue from CPA Australia's training & development offer was \$0.1m or 0.4% lower than 2007 with 1,948 events held. Signs of the worsening global economic conditions began to be reflected in sales in this area in the latter part of 2008. This was not unexpected, as training and development is often one of the first areas of discretionary expenditure to be reduced by many organisations in tightening economic conditions.

CPA Program segment sales for 2008 were 51,520, up 6,022 on 2007, drove the increase of \$1.4m or 5% in education revenue. The increased revenue results were achieved even though CPA Program fees were held at 2007 levels and rebates were offered to those people who had previously received an overseas assessment and who then joined as associate members and enrolled in the CPA Program.

CPA Program units sales



Brand, ethics and the profession revenue growth exceeded the 2007 result by (\$0.2m) which is attributable to higher commission income from new CPA Solutions partners sourced during 2008.

Other areas of revenue continued to grow. The prime driver for increase in other revenue was stronger interest income associated with higher funds available for investment and higher interest rates for the first three quarters of 2008. In addition, higher revenue was received from AusAid for the International Partnership Program where CPA Australia provided accelerated support through four CPA Program segments for candidates from the Asia Pacific.

Expenditure

Expenditure before tax was 6.7% higher than 2007, largely due to increased direct costs associated with the higher volume of CPA Program sales and higher costs associated with the delivery of training and development. Operational costs in the corporate services area were also higher than 2007, due to the first full year impact of a number of operating leases including that of the disaster recovery site and higher insurance. The investment in the review of the organisation's core systems capability resulted in significant investment during 2008 as part of extensive work to define the business requirements for the core systems as part of the systems selection and market approach for an implementation partner.

Occupancy costs across a number of properties increased with some properties subject to rent reviews and management of our portfolio resulting in decisions to relocate the Malaysian, Beijing and Hong Kong offices at the expiry of leases during 2008. Staff costs across the business increased with the average number of full time equivalent employees rising by ten during the year and market pressures on salaries in 2007 flowing through in 2008.

Costs in the Brand, Ethics and the Profession area have ended the year higher as a result of the development and launch of the new 'think + create' advertising campaign.

Increases in the remuneration associated with the first full year of the new governance structure contributed to higher costs within Corporate Governance and Committees.

discussion and analysis of the financial results 2008 continued

Expenditure by business segment



Taxation

In assessing its income tax liability, CPA Australia applies the principles of mutuality to revenues and expenses. Revenue in the form of member receipts represent mutual income and is not subject to income tax. Expenses associated with such mutual activities are not tax deductible for income tax purposes. All other receipts and payments of CPA Australia are classified for income tax purposes in accordance with income tax legislation.

Following the introduction of the overseas assessment rebate given to those people who undertook an overseas assessment and then joined as associate members and enrolled in the CPA Program, CPA Australia is in a taxable loss position for 2008 of \$0.2m. The losses resulting from 2008 and those incurred before 1997 (\$337k) have been brought to account in the 2008 accounting period. While CPA Australia was not in a taxable position in 2008, it is expected that CPA Australia will return to a tax payable position as the overseas assessment rebate will not be extended beyond those offered in 2008.

Foreign exchange

Subscription fees where a local pricing option is available are adjusted on a monthly basis to reflect exchange rate movements. Foreign currency cash holdings are also limited to the requirements for the funding of local operations to minimise CPA Australia's exposure to fluctuations in exchange rates. The weakening of the Australian dollar against the currencies where substantial cash is held however, contributed to a foreign exchange gain of \$0.6m for the full year.

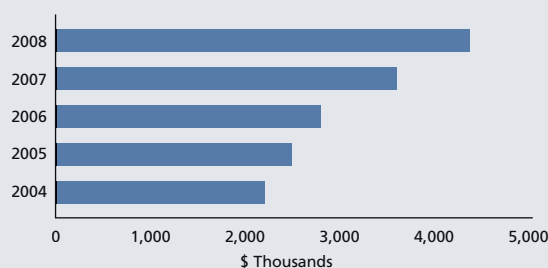
Cash flow

CPA Australia's cash flow and liquidity continued to grow and strengthen throughout the year with 16.5% more cash held compared to 2007 levels. This was a result of increased subscriptions paid in advance (for 2009), the achievement of a \$1.8m operating surplus before tax and higher interest received on investments. In real terms, the operating cash balance is \$27.3m (when 2009 subscriptions paid in advance are excluded).

Investments

CPA Australia continued to achieve strong returns on investments (within the auspices of the approved investment policy). Rates of return continued to improve in the first nine months of the year. Higher rates and available cash for investments have led to higher levels of interest received. The majority of investments are for 1 year or less. The rapid reduction in the Reserve Bank of Australia's cash rate in the last quarter of 2008 will have a significant effect on the interest revenue in 2009. The Board Finance Committee continues to review and consider options within the investment strategy.

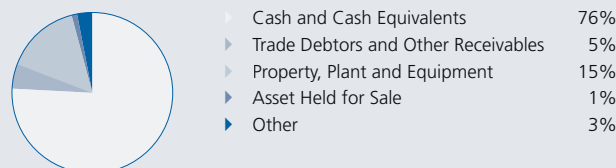
Interest revenue



Balance sheet

CPA Australia's balance sheet continues to strengthen and provide the organisation with flexibility in uncertain economic times with total assets increasing by \$9.1m of which 13.7% is largely due to the increase in cash and cash equivalents that is largely attributable to higher interest rates, maintaining an operating surplus and an increase in 2009 subscriptions received in advance.

Assets



Trade and other receivables are also up by \$0.6m due to revenue not yet received for advertising and sponsorship agreements. All outstanding revenue is expected to be received early in 2009.

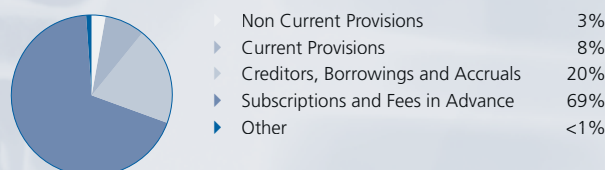
Other current assets are in line with 2007 figures although prepayments are higher as a result of a timing change of insurance payments and rent offset by the \$1m decrease in the defined benefit asset recorded in 2007. The reduction in the defined benefit asset is a direct result of negative returns in equity markets across the world during 2008.

Non-current financial assets are in line with 2007.

Property, plant and equipment has decreased by \$0.9m (7.4%) when compared to 2007, resulting from a re-classification of land and buildings in Adelaide to assets held for sale. The sale of this property is expected to take place in the last quarter of 2009.

Other non-current assets are in line with 2007.

Liabilities



Trade and other payables were higher by \$1.5m (21.7%) than in the previous year. This is attributable to the accrual for top up of the defined benefit superannuation fund and the other year end accruals.

Short and long term provisions ended the year in line with the 2007 result although there has been a movement from long to short as the make good provision for the Melbourne office is now current (as the lease is scheduled to end in 2009).

Other current liabilities were up by \$6.8m, due to higher 2009 subscriptions received in advance resulting from higher volumes and price.

Other non-current liabilities were slightly lower than 2007 as no new lease incentives were received during 2008.

The year ahead

CPA Australia will be operating within a rapidly changing global economic climate in 2009. Market driven revenue such as training and development, advertising and sponsorship are likely to be adversely impacted in a worsening economy and lower interest rates will impact the organisation's ability to rely on interest revenue throughout 2009. Given the current level of uncertainty and volatility in the market, the Board and management will be carefully monitoring revenue streams during 2009, and Management will also have a strong focus on cost efficiency during 2009.

While the economic conditions are likely to remain volatile during the year, CPA Australia's strong financial position provides the organisation with the ability to continue to invest in the future and start to execute key initiatives in line with the new three year corporate plan (2009-2011).

The 2009-2011 corporate plan has four key strategic themes. Three are externally focused and market driven and one is internally focussed on the people and infrastructure required to deliver the plan. They are:

- **Build the CPA brand and market for growth** – operate as a premier global brand focused on ensuring all we do builds the value of the brand, builds engagement with employers and recruiters and enhances our marketing capability and effectiveness to deliver growth in chosen markets.
- **Provide a CPA Program and entry pathways that are globally competitive** – configure the CPA Program and delivery modes to effectively compete in emerging as well as developed markets.
- **Provide members with ready access to knowledge that enhances their career** – establish a structured career pathways framework to guide professional development, provide access to a range of high quality education providers and utilise innovative communication mediums to enhance knowledge exchange.
- **Develop organisation capability** – align and adapt our organisation, recruit and retain the right people, improve organisational culture, develop our systems and business intelligence capability and enhance cost and financial management.

CPA Australia's balance sheet is expected to continue to strengthen in 2009 although cash holdings are expected to decrease as a result of significant capital outlay planned for 2009. In particular, the potential sale of the Adelaide office and the substantial capital investment in properties in Melbourne, Brisbane and Adelaide, along with significant investment in the organisation's core operating systems, will provide the organisation a solid platform for the future.

The organisation is forecasting a breakeven position, however, in the current economic climate the management has flagged that a managed deficit could occur depending on the full year impact of the economic uncertainty on the organisation's growth targets and key revenue streams. The Board and management will be actively monitoring and managing these throughout 2009.

income statement

for the year ended 31 December 2008

	Notes	CONSOLIDATED		PARENT	
		2008 \$000's	2007 \$000's	2008 \$000's	2007 \$000's
Revenue	3(a)	122,456	116,963	122,138	116,705
Other Income	3(b)	4,350	3,593	4,350	3,593
Service expenses		(63,229)	(57,420)	(63,132)	(57,319)
Marketing, promotion and publication expenses		(20,153)	(20,243)	(20,153)	(20,243)
Occupancy expenses		(10,872)	(9,072)	(10,659)	(8,955)
Administration expenses		(27,734)	(26,456)	(27,749)	(26,456)
Other expenses		(3,012)	(3,969)	(3,004)	(3,969)
Surplus before income tax expense	4(a)	1,806	3,396	1,791	3,356
Tax benefit/(expense)	5	461	(352)	455	(342)
Surplus for period		2,267	3,044	2,246	3,014
Surplus attributable to members of the parent entity	4(b)	2,267	3,044	2,246	3,014

CPA AUSTRALIA 2008 FINANCIAL STATEMENTS

The Income Statement is to be read in conjunction with the notes to the financial statements set out on pages 38 to 53.

balance sheet

as at 31 December 2008

	Notes	CONSOLIDATED		PARENT	
		2008 \$000's	2007 \$000's	2008 \$000's	2007 \$000's
Current assets					
Cash and cash equivalents	6	56,376	48,385	56,176	48,278
Trade and other receivables	7	3,555	2,906	3,622	2,906
Other	9	2,119	2,043	2,119	2,043
		62,050	53,334	61,917	53,227
Non-current assets classified as held for sale	8	899	-	899	-
Total Current Assets		62,949	53,334	62,816	53,227
Non-current assets					
Deferred tax assets	5(c)	395	-	399	-
Other financial assets	10	990	900	990	900
Property, plant and equipment	11	11,464	12,386	11,464	12,386
Other	9	372	389	372	389
Total non-current assets		13,221	13,675	13,225	13,675
Total assets		76,170	67,009	76,041	66,902
Current liabilities					
Trade and other payables	12	8,659	7,115	8,646	7,103
Provisions	13	3,786	3,087	3,780	3,084
Deferred tax liabilities	5(c)	0	66	0	56
Other	14	30,106	23,260	30,106	23,260
Total current liabilities		42,551	33,528	42,532	33,503
Non-current liabilities					
Provisions	13	1,252	1,839	1,238	1,832
Other	14	20	114	20	114
Total non-current liabilities		1,272	1,953	1,258	1,946
Total liabilities		43,823	35,481	43,790	35,449
Net assets		32,347	31,528	32,251	31,453
Members' funds					
Retained Surplus	4(b)	32,347	31,528	32,251	31,453
Total members' funds		32,347	31,528	32,251	31,453

CPA AUSTRALIA 2008 FINANCIAL STATEMENTS

The Balance Sheet is to be read in conjunction with the notes to the financial statements set out on pages 38 to 53.

statement of recognised

income and expense

for the year ended 31 December 2008

	Notes	CONSOLIDATED		PARENT	
		2008 \$000's	2007 \$000's	2008 \$000's	2007 \$000's
Actuarial (loss)/gain on defined benefit plan	20	(1,497)	402	(1,497)	402
Net expense/(income) recognised directly in equity		(1,497)	402	(1,497)	402
Surplus for the period	4(b)	2,267	3,044	2,246	3,014
Revaluation Reserve	4(b)	49	-	49	-
Total recognised income and expense for the period		819	3,446	798	3,416

CPA AUSTRALIA 2008 FINANCIAL STATEMENTS

The Statement of Recognised Income and Expense is to be read in conjunction with the notes to the financial statements set out on pages 38 to 53.

cash flow statement

for the year ended 31 December 2008

	Notes	CONSOLIDATED		PARENT	
		2008 \$000's	2007 \$000's	2008 \$000's	2007 \$000's
Cash flows from operating activities					
Receipts from operations		128,325	118,542	128,008	118,284
Payments to suppliers and employees		(122,189)	(113,527)	(121,965)	(113,276)
Net cash inflows from operating activities	22	6,136	5,015	6,043	5,008
Cash flows from investing activities					
Payment for property, plant and equipment		(2,666)	(2,268)	(2,666)	(2,268)
Net receipts/(payments) bank bills greater than 1 year		(90)	3,440	(90)	3,440
Proceeds from sale of property, plant and equipment		4	40	4	40
Loan to Australian Accounting Technicians (AAT)		-	(350)	-	(350)
Interest received		4,607	3,260	4,607	3,260
Net cash inflows/(outflows) from investing activities		1,855	4,122	1,855	4,122
Cash flows from financing activities					
Net cash flow from financing activities		-	-	-	-
Net increase in cash and cash equivalents held					
		7,991	9,137	7,898	9,130
Cash and cash equivalents at the beginning of the financial year		48,385	39,248	48,278	39,148
Cash and cash equivalents at the end of the financial year	6	56,376	48,385	56,176	48,278

CPA AUSTRALIA 2008 FINANCIAL STATEMENTS

The Cash Flow Statement is to be read in conjunction with the notes to the financial statements set out on pages 38 to 53.

Notes to the financial statements for the year ended 31 December 2008

1. Adoption of new and revised accounting standards

For the reporting period to 31 December 2008, there has been no adoption of new or revised accounting standards which would impact the reported financial position, financial performance and cash flows of the company or accompanying notes.

2. Summary of significant accounting policies

a) Basis of preparation

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated under the option available under ASIC Class Order 98/100.

b) Statement of compliance

The financial report is a general purpose financial report that has been prepared in accordance with the Accounting Standards, Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Accounting standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS').

CPA Australia is limited by guarantee and domiciled in Australia.

The financial statements were authorised by the Board of Directors on the 27th day of February 2009.

c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

All inter-group transactions, balances, income and expenses are eliminated in full on consolidation.

d) Income tax

In assessing its income tax liability, CPA Australia applies the principles of mutuality to its revenues and expenses. Revenue in the form of member receipts represents mutual income and is not subject to income tax. Expenses associated with such mutual activities are not tax deductible for income tax purposes. All other receipts and payments of CPA Australia are classified for income tax purposes in accordance with income tax legislation.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable surplus will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be used.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable surplus will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on purchases of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

f) Foreign currency

All foreign currency transactions are shown in Australian dollars.

Foreign currency transactions

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are retranslated at the rate of exchange ruling at the balance sheet date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date the fair value was determined.

Exchange differences are recognised in surplus and loss in the period they occur.

Foreign currency operations

The assets and liabilities of CPA Australia's overseas operations are translated at the exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rate for the period unless exchange rates fluctuate significantly. Exchange differences arising, if any, are recognised in the foreign currency translation reserve, and recognised in the profit and loss on disposal of the foreign operation.

g) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to CPA Australia and that it can be reliably measured.

Member fees and subscriptions

The subscription year runs 1 January to 31 December. Subscriptions are payable annually in advance. Only those membership fees and subscription payments that are attributable to the current financial year are recognised as revenue. Fees and subscription payments that relate to future periods are shown in the Balance Sheet as subscriptions and fees in advance under the heading of Other Liabilities – Current.

Interest

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Income from investments

Revenue recognised when the income is earned.

Sale of non current assets

The net gain/(loss) of non-current asset sales are included as revenue/(expenses) at the date control passes to the buyer, usually when an unconditional contract of sale is signed.

The net gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

Assets which satisfy the criteria in AASB 5 as assets held for sale are transferred to current assets and separately disclosed as non-current assets held for sale on the face of the balance sheet. These assets are measured at the lower of carrying amount and fair value less costs to sell. These assets cease to be depreciated from the date which they satisfy the held for sale criteria.

notes

for the year ended 31 December 2008

Grants

Revenue is recognised when control of the contribution or right to receive the contribution is received.

h) Receivables

The terms of trade are 30 days from invoice date. Receivables are recognised and carried at original invoice amount less any allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

i) Inventories

Inventory held for sale

Items held for sale in the ordinary course of business will be recognised as inventory. Valuation is at the lower of cost and net realisable value. Cost of inventory includes all cost directly related to the acquisition and production of inventory items. Cost is based on the first in, first out principle. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

Inventory held for distribution

Brochures, collateral, course materials and other like items published for distribution to members free of charge are held as inventory held for distribution as the lower of cost and net replacement cost. Carrying amount is expensed in the period of distribution.

j) Property, Plant and Equipment

All classes of assets are stated at cost less accumulated depreciation and any impairment.

Depreciation is calculated on a straight line basis over the estimated useful life of the assets (excluding Freehold Land) as follows:

Buildings	50 Years
Strata title	50 Years
Property, plant and equipment	3 – 13 Years
Information Technology Assets (classified as Property, plant and equipment in the Balance Sheet)	3 Years
Library books	5 Years

Impairment

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If such an indication exists and where carrying values exceed the recoverable amount, the asset is written down to the recoverable amount. Recoverable amount is the greater of fair value less costs to sell and value in use.

As a not for profit entity whose future economic benefits of an asset (or class of asset) are not primarily dependant on the assets ability to generate cash flows and it would be replaced if the CPA Australia was deprived of it, value in use is the depreciated replacement cost.

Land and buildings

Valuations are obtained biennially and have been obtained in 2008. All valuations received were in excess of their recorded value at balance date. They reflect independent assessments of the open market value of land and buildings based on existing use.

Lease restoration

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to restoration provisions in property leases taken up by the Group where there exists an obligation to restore the property to its original condition. These costs are included in the value of the leasehold improvements with a corresponding provision for the 'restoration' taken up.

k) Impairment of other tangible assets

At each reporting date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount

of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

l) Leased assets

Leases, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the company are classified as finance leases. Finance leases are capitalised. Assets and liabilities are recorded at the present values of the minimum lease payments, including any guaranteed residual values at date of inception.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefits of incentives are recognised as a reduction of rental expense on a straight line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

m) Investments and financial assets

Controlled entities

Investments in controlled entities carried at lower of cost and net recoverable amount.

Held to maturity investments

Investments such as bonds and term deposits that are intended to be held to maturity are subsequently measured at amortised cost using the effective interest method. The effective interest rate method is a method of calculating amortised cost of a financial asset and of allocating interest income over the relevant period.

n) Payables

Trade creditors represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

o) Derivative financial instruments

It is not current CPA Australia policy to enter into foreign exchange contracts to hedge foreign currency commitments.

p) Employee benefits

Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Discount rate used reflects national government securities that most closely match the terms of maturity of the related liabilities.

notes

for the year ended 31 December 2008

Annual leave

The provision for annual leave represents the amount which CPA Australia has a present obligation to pay resulting from employees' services provided up to balance date. The provision has been calculated at the amounts expected to be paid when the liability is settled and includes on-costs.

Long service leave

The liability for employee benefits for long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the balance date.

In determining the liability for employee benefits, account has been taken of future increases in wage and salary rates, and the CPA Australia's experience with staff departures. Related on-costs also have been included in the liability.

Defined benefit plan

A small percentage of staff participates in the CPA Australia Defined Benefit Plan.

Mercer Benefit Services has provided actuarial calculations of the current benefit of the defined benefit liability.

Actuarial gains and losses are recognised in full, directly in retained earnings, in the period in which they occur and presented in the statement of recognised income and expense.

Past services cost is recognised immediately to the extent that the benefits are already vested, and otherwise amortised on a straight-line basis over the average period until the benefits become vested.

The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service cost, net of the fair value of plan assets. Any asset resulting from this calculation is limited to the past service cost, plus the present value of available

refunds and reductions in future contributions to the plan. The plan is no longer open to new members as of 31 December 1999.

Defined contribution superannuation

Contributions to defined contribution superannuation plans are expensed when paid.

q) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks, at call deposits and bank bills maturing within 90 days.

r) Comparative amounts

Where required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

s) Website costs

The primary focus of the CPA website is as an advertising, branding and information tool for the organisation and its members. The CPA Website could not be considered an internally generated intangible asset. All development, maintenance and operational expenditure have been treated as expenses incurred in the period.

t) Critical judgements in applying the entity's accounting policies

The following are the critical judgements that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Employee entitlements

Management judgement is applied in determining the following key assumptions used in the calculation of long service leave at balance date:

- future increases in wages and salaries;
- future on cost rates; and
- experience of employee departures and period of service.

notes

for the year ended 31 December 2008

	CONSOLIDATED		PARENT		
	Notes	2008 \$000's	2007 \$000's	2008 \$000's	2007 \$000's
3. Revenue					
(a) Revenue from operating activities					
Member subscriptions		49,272	47,586	49,272	47,586
Education and CPA Program		40,312	36,584	40,312	36,584
Professional development		23,351	23,562	23,070	23,327
Other services		2,901	2,448	2,899	2,447
Marketing, promotion and publications		6,608	6,772	6,573	6,750
Property		12	11	12	11
		122,456	116,963	122,138	116,705
(b) Revenue from outside operating activities					
Interest revenue from other parties		4,350	3,593	4,350	3,593
		4,350	3,593	4,350	3,593
Total revenue		126,806	120,556	126,488	120,298
4. Surplus and members' funds					
(a) Surplus before income tax expense					
Surplus before income tax expense has been arrived at after charging/(crediting) the following:					
Finance Costs:					
Interest charged on restoration provisions		(111)	28	(111)	28
Depreciation:					
Depreciation		2,588	2,706	2,588	2,706
Net (gain)/loss					
Net (gain)/loss on sales of property, plant and equipment		100	(22)	100	(22)
Net foreign exchange (gain)/loss		(556)	230	(556)	231
Employee benefits:					
Defined contribution		2,768	2,540	2,713	2,488
Defined Benefit Plan		101	165	101	165
Salaries and other benefits		37,542	34,063	37,097	33,663
(b) Members' funds					
Amounts recognised in Equity relating to the Defined Benefit Plan		(1,497)	402	(1,497)	402
Total members' funds at the beginning of the financial year		31,528	28,082	31,453	28,037
Revaluation Reserve		49	-	49	-
Net surplus attributable to the members		2,267	3,044	2,246	3,014
Total members' funds recognised in the Balance Sheet		32,347	31,528	32,251	31,453

Revaluation Reserve - exchange differences relating to the translation from functional currency of CPA Australia's foreign controlled entities into Australian dollars.

notes

for the year ended 31 December 2008

	Notes	CONSOLIDATED		PARENT	
		2008 \$000's	2007 \$000's	2008 \$000's	2007 \$000's
5. Taxation					
Income tax recognised in income statement					
(a) Tax expense/(income) comprises:					
Deferred tax expense/(income) relating to the origination and reversal of temporary differences (refer (c) below)		(461)	352	(455)	342
Previously unrecognised prior year deferred tax					
Total tax expense/(income)		(461)	352	(455)	342
(b) Reconciliation of prima facie income tax					
The assessable income of CPA Australia for income tax purposes comprises only certain income deemed to be derived from non member activities. Conversely, allowable deductions for income tax are limited to certain expenses and statutory deductions.					
The prima facie income tax expense on pre-tax accounting surplus from operations reconciles to the income tax expense in the financial statements as follows:					
Surplus from operations *		1,818	3,396	1,797	3,356
Income tax expense calculated at 30%		545	1,019	539	1,007
Surplus attributable to mutual activities and foreign branch expenditure - exempt income		(676)	(672)	(664)	(670)
Expenses that are not deductible in determining taxable surplus		7	5	7	5
Deferred tax recognised for the first time in prior year		-	-	-	-
Previously unrecognised tax losses now brought to account		(337)	-	(337)	-
		(461)	352	(455)	342

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with that of the previous reporting period.

* Surplus from operations has been adjusted for income tax paid by overseas entities.

(c) **Deferred tax assets/(liabilities) arise from the following:**

2008	CONSOLIDATED			PARENT		
	Opening balance	Charged to income	Closing Balance	Opening balance	Charged to income	Closing Balance
Assets						
Property, plant and equipment	8	(23)	(15)	8	(23)	(15)
Employee benefits	67	(53)	14	67	(53)	14
Doubtful debts	-	-	-	-	-	-
Provisions	107	53	160	107	53	160
Tax losses	200	407	607	210	401	611
	382	384	766	392	378	770
Liabilities						
Accrued income	(448)	77	(371)	(448)	77	(371)
	(66)	461	395	(56)	455	399

CPA Australia accumulated an income loss of \$461K for the year 2008. This includes \$6K for CPA Malaysia, \$6K for Shanghai and the carried forward losses from prior years of \$337K not previously recognised which have now been brought to account. On current forecast, CPA Australia is most likely to be in a tax payable position moving forward.

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for the year ended 31 December 2008

	Notes	CONSOLIDATED		PARENT	
		2008 \$000's	2007 \$000's	2008 \$000's	2007 \$000's
6. Cash and cash equivalents					
Current					
Cash on hand, at bank and short term bank bills (90 days or less)		32,856	32,945	32,656	32,838
Bank bills		23,520	15,440	23,520	15,440
		56,376	48,385	56,176	48,278
7. Trade and other receivables					
Current					
Trade receivables		2,062	1,113	2,062	1,113
Less provision for doubtful debts		(88)	-	(88)	-
Intercompany		-	-	67	-
		1,974	1,113	2,041	1,113
Other receivables		1,581	1,793	1,581	1,793
		3,555	2,906	3,622	2,906
8. Non-current assets classified as held for sale					
Land held for sale*		400	-	400	-
Building held for sale*		499	-	499	-
		899	-	899	-
9. Other					
Current					
Defined Benefit Plan		-	1,020	-	1,020
Prepayments		2,119	1,023	2,119	1,023
		2,119	2,043	2,119	2,043
Non current					
Loan		350	350	350	350
Security deposit and other		22	39	22	39
		372	389	372	389
10. Other financial assets					
Bank Bills greater than 1 year to maturity		990	900	990	900
		990	900	990	900

* CPA Australia intends to dispose of 280 Pulteney Street, Adelaide. The property comprises land and a two level building.

During 2008, following thorough financial and non-financial analysis the Board of CPA Australia decided to divest itself of its property at 280 Pulteney Street, Adelaide Australia in 2009 and move to a leasehold arrangement at a new premises. The expected timing of the disposal is in the last quarter of 2009.

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for the year ended 31 December 2008

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	Freehold land at cost \$000's	Freehold building at cost \$000's	Plant and equipment at cost \$000's	Library books at cost \$000's	Capital WIP \$000's	Total \$000's
11. Property, plant and equipment						
Gross carrying amount						
Balance at 1 January 2007	400	5,303	17,418	383	-	23,504
Additions	-	-	1,504	98	662	2,264
Disposals	-	-	(756)	(67)	-	(823)
Balance at 1 January 2008	400	5,303	18,166	414	662	24,945
Additions	-	-	3,127	91	(552)	2,666
Disposals	(400)	(650)	(1,054)	(78)	-	(2,182)
Balance at 31 December 2008	-	4,653	20,239	427	110	25,429
Accumulated depreciation, amortisation and impairment						
Balance at 1 January 2007	-	(965)	(9,541)	(152)	-	(10,658)
Disposals	-	-	738	67	-	805
Depreciation	-	(106)	(2,524)	(76)	-	(2,706)
Balance at 1 January 2008	-	(1,071)	(11,327)	(161)	-	(12,559)
Disposals	-	150	954	78	-	1,182
Depreciation	-	(105)	(2,400)	(83)	-	(2,588)
Balance at 31 December 2008	-	(1,026)	(12,773)	(166)	-	(13,965)
Net book value						
At 31 December 2007	400	4,232	6,839	253	662	12,386
At 31 December 2008	-	3,627	7,466	261	110	11,464

All items of property, plant and equipment are held by the parent.

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for the year ended 31 December 2008

	Notes	CONSOLIDATED		PARENT	
		2008 \$000's	2007 \$000's	2008 \$000's	2007 \$000's
12. Trade and other payables					
Current					
Trade creditors and accruals		8,659	7,115	8,646	7,093
Intercompany		-	-	-	10
		8,659	7,115	8,646	7,103
13. Provisions					
Current					
Employee benefits		2,619	2,897	2,613	2,894
Restoration of leased properties		1,167	190	1,167	190
		3,786	3,087	3,780	3,084
Non Current					
Employee benefits		746	588	733	581
Restoration of leased properties		506	1,251	505	1,251
		1,252	1,839	1,238	1,832
		5,038	4,926	5,018	4,916

	CONSOLIDATED		PARENT	
	2008	2007	2008	2007
Employee numbers				
Average number of full time equivalent employees (FTE's) during the financial year	455	445	435	425

	CONSOLIDATED		PARENT	
	2008 \$000's	2007 \$000's	2008 \$000's	2007 \$000's
14. Other liabilities				
Current				
Subscriptions and fees in advance	30,012	23,167	30,012	23,167
Lease incentive	94	93	94	93
	30,106	23,260	30,106	23,260
Non-Current				
Lease Incentive	20	114	20	114
	20	114	20	114
	30,126	23,374	30,126	23,374

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for the year ended 31 December 2008

	CONSOLIDATED		PARENT		
	Notes	2008 \$000's	2007 \$000's	2008 \$000's	2007 \$000's
15. Commitments for expenditure					
(a) Capital expenditure commitments - plant and equipment					
Capital expenditure commitments contracted for at balance date but not recognised as liabilities:					
Not later than one year		-	-	-	-
(b) Non-cancellable operating lease commitments					
Aggregate amounts contracted for at balance date but not recognised as liabilities:					
Not later than one year		10,653	5,143	10,539	5,143
Later than one year but not later than five years		17,308	7,213	17,189	7,213
Later than five years		21,390	30	21,390	30
		49,351	12,386	49,118	12,386
In respect of non-cancellable operating leases the following liabilities have been recognised:					
Current:					
Restoration of leased properties		1,167	190	1,167	190
Lease incentive		94	94	94	94
Non current:					
Restoration of leased properties		505	1,251	505	1,251
Lease incentive		20	114	20	114
		1,786	1,649	1,786	1,649
(c) Other commitments					
Total aggregate amount of material contracts for operating expenditure relating primarily to the conduct of the CPA Program and outsourcing of <i>IN THE BLACK</i> and Information Technology Services not recognised as liabilities:					
Not later than one year		9,548	19,937	9,548	19,937
Later than one year but not later than five years		1,358	10,793	1,358	10,793
		10,906	30,730	10,906	30,730

The increase in Non-cancellable operating lease commitments is the result of new leases being entered into for the following offices: Hong Kong, Malaysia, Singapore, Beijing, Vietnam, Brisbane and Melbourne.

The reduction in Other Commitments is a result of *IN THE BLACK* and CPA Program contracts expiring in 2009 and not yet renewed.

(d) **Australian Accounting Research Foundations (AARF), Australian Accounting Standards Board (AASB), Auditing and Assurance Standards Board (AUASB), Australian Professional and Ethical Standards Board (APESB) and the International Federation of Accountants (IFAC).**

CPA Australia has maintained its commitment to support the AASB and the AUASB in the pursuit of their objectives under agreement with the Financial Reporting Council of Australia (FRC). The contribution for the year 2008 was \$404,167 (2007: \$541,250).

CPA Australia has maintained its commitment to support the IFAC in the pursuit of their objectives. The contribution for the year 2008 was \$466,669 (2007: \$526,167).

As part of the undertakings with APESB, CPA Australia, the Institute of Chartered Accountants in Australia (ICAA) and the National Institute of Accountants (NIA) contribute funds necessary for the pursuit of the objectives of APESB. The contributions for the year 2008 was \$360,460 (2007: \$314,256).

16. Limitation of members liability

CPA Australia is a company limited by guarantee and, in accordance with the Constitution, the liability of members in the event of CPA Australia being wound up would not exceed \$10 per member.

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for the year ended 31 December 2008

17. Related parties

The following were key management personnel of CPA Australia during the reporting period and unless otherwise indicated were key management personnel for the entire period:

Non- Executive Directors

Mr A Malley (President)
 Mr W K Low (Deputy President)
 Prof R Petty (Deputy President)
 Mr J Cahill
 Mr S Chapman
 Mr P Cooper
 Mrs P Egan
 Ms C Foo
 Mr M Grey
 Ms K Ryan
 Mr B Trebilcock
 Mr G Wade

Executives

Mr G Rankin (Chief Executive Officer)
 Mr A Awty (Chief Financial Officer)
 Mr T Dwyer (Executive Director - Organisational Effectiveness)
 Mr A Gleeson (General Manager - Member Knowledge)
 Mr J Hughes (General Manager Member Services)
 Mr I Mayer (General Manager - Reputation and Standards – resigned 31 December 2008)
 Ms L Nicholson (Company Secretary)
 Mr P Wappett (Executive Director - International Development)

Compensation of Directors

In 2008 the Board approved payments for the President, Deputy Presidents and External Directors. As per the Constitution (clause 81(o)), payments relating to the President and Deputy Presidents were made to the employer, practice entity or person (if self employed) as appropriate. As per clause 81(p) payments relating to the External Directors are paid direct to them. All payments are deemed to be compensation for the purpose of this disclosure. Compensation is based on the total salary package of the Auditor General of Australia, where the percentage of the President's total compensation is 60%, each of the Deputy Presidents is 25% and each of the External Directors is 15%. At balance date, all 2008 short-term employee benefits for Directors had been paid and are recognised in the aggregate Key Management Personnel component below.

Key Management Personnel Compensation

The aggregate compensation made to key management personnel of CPA Australia is set out below:

	2008 \$000's	2007 \$000's
Short-term employee benefits	2,106	2,268
Post-employment benefits	272	186
Termination benefit	177	95
	2,555	2,549

Loans to key management personnel

There are no loans between key management personnel and CPA Australia.

Other transactions of key management personnel and key management personnel related entities

In 2007, CPA Australia entered into a memorandum of understanding with two other accounting bodies (the National Institute of Accountants (NIA) and the Institute of Chartered Accountants in Australia (ICAA)) to jointly promote the Association of Accounting Technicians (AAT) as the peak organisation representing the para-professional segment of the accounting profession through the provisions of loan funds. Non current loan receivable from AAT is \$350,000 before interest which is charged monthly at the rate of 0.5 per cent per annum above the 90 day Bank Bill Rate. The amount outstanding will be settled in cash progressively per the loan agreement schedule. The CEO and the Director - Policy and Research are members of the AAT Board.

No expenses have been recognised in the period for bad and doubtful debts in respect to the amounts owed by related parties.

Commercial transactions were entered into with entities where an association exists with key management personnel. In 2008 Kerry Ryan was a Partner of Deacons and Alex Malley was on the Board of both the Society for Knowledge Economics and The Australasian Reporting Awards Inc.

	CONSOLIDATED		PARENT	
	2008 \$000's	2007 \$000's	2008 \$000's	2007 \$000's
Loans				
Amounts receivable/ (payable) from controlled entities are payable on call and are non-interest bearing.	-	-	-	(10)

During the year, CPA Australia paid professional indemnity and directors' and officers' liability insurance in respect of its Directors. The insurance contract providing this cover does not allow CPA Australia to disclose either the extent of cover or the premium paid.

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for the year ended 31 December 2008

	CONSOLIDATED		PARENT		
	Notes	2008 \$	2007 \$	2008 \$	2007 \$
18. Remuneration of auditors					
Audit Services:					
Auditors of parent entity		120,000	100,000	120,000	100,000
Audit & Review of Financial Report					
Other Auditors and services		132,617	84,771	132,617	84,771
		252,617	184,771	252,617	184,771

Any activity which involves the engagement of the company auditor must adhere to the Board endorsed principles and require the prior approval of the Board Audit and Risk Committee to ensure there is no conflict of interest. As a general principle, the use of the external auditors is limited to the provision of statutory audit work and non-discretionary audit-related work. Where the statutory auditor is deemed to be the most appropriate to carry out Professional Development, article authoring or CPA Program authoring and support at program workshops, this is to be documented and provided to the Board Audit & Risk Committee for endorsement quarterly. There is no commercial sponsorships in Australia or Malaysia (where Deloitte is also the local auditor). However, offshore divisions can enter into sponsorships with their local Deloitte office where Price Waterhouse Coopers, Ernst & Young and KPMG will also be represented. Sponsorships can be raised for member awards where the member is the direct recipient of the cash benefit.

During 2008, CPA Australia received revenue in the form of sponsorship from Deloitte Singapore for the CPA Forum and the CPA Australia Scholarship Program. Deloitte Malaysia provided sponsorship for the Malaysia Excellence Awards.

19. Investment in controlled entities

	CLASS OF SHARE	ENTITY INTEREST		AMOUNT OF INVESTMENT	
		2008 %	2007 %	2008 \$	2007 \$
Controlled entities					
Australian Society of Accountants Services Pty Ltd	Ordinary	100	100	2	2
Australian Society of Certified Practising Accountants Pty Ltd	Ordinary	100	100	2	2
CPA Australia (M) Sdn Bhd	Ordinary	100	100	2	2
				6	6

These investments are not shown in the accounts due to rounding to the nearest thousand dollars and eliminated on consolidation.

Australian Society of Accountants Services Pty Ltd and Australian Society of Certified Practising Accountants Ltd are incorporated in Australia and did not operate during the year.

CPA Australia Sdn Bhd is incorporated in Malaysia in order to facilitate the provision of services to members in Malaysia.

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20. Superannuation and defined benefit plan

Employees have the choice to contribute either to the CPA Australia Superannuation Plan of the Citigroup Asset Management Corporate Superannuation Master Trust ('the plan') or their own nominated fund. Employees may contribute to the funds at various percentages of their total salary cost.

The plan provides both accumulation and defined benefit divisions. Eligibility to enter the defined benefit divisions ceased on 31 December 1999.

Accounting Policy

Actuarial gains and losses are recognised immediately through retained earnings in the year in which they occur.

Fund Information

Defined benefit members receive lump sum benefits on retirement, death, disablement and withdrawal. The defined benefit section of the fund is closed to new members. All new members receive accumulation only benefits.

Reconciliation of the present value of the defined benefit obligation

	Financial year ended	31 December 2008 \$000's	31 December 2007 \$000's
Present value of defined benefit obligations at beginning of the year		2,371	2,842
Current service cost		202	268
Interest cost		125	131
Contributions by fund participants		49	69
Actuarial (gains)/losses		421	(4)
Benefits paid		(764)	(830)
Taxes, premiums and expenses paid		(136)	(105)
Present value of defined benefit obligations at end of the year		2,268	2,371
Reconciliation of the fair value of fund assets			
Fair value of fund assets at beginning of the year		3,391	3,436
Expected return on fund assets		226	234
Actuarial gains/(losses)		(1,076)	398
Employer contributions		578	189
Contributions by fund participants		49	69
Benefits paid		(764)	(830)
Taxes, premiums and expenses paid		(136)	(105)
Fair value of fund assets at end of the year		2,268	3,391

Reconciliation of the assets and liabilities recognised in the balance sheet

	As at	31 December 2008 \$000's	31 December 2007 \$000's
Defined Benefit Obligation [^]		2,268	2,371
Fair value of assets		(2,268)	(3,391)
Deficit/(surplus)		-	(1,020)
Liability/(asset)		-	(1,020)

[^] includes contributions tax provision

Expense recognised in income statement

	Financial year ended	31 December 2008 \$000's	31 December 2007 \$000's
Service cost		202	268
Interest cost		125	131
Expected return on assets		(226)	(234)
Superannuation expense/(income)		101	165

notes

for the year ended 31 December 2008

Expense recognised in income statement in respect of defined contribution plan:

Amounts recognised in the statement of recognised income and expense

	Financial year ended	31 December 2008 \$000's	31 December 2007 \$000's
Actuarial (gains)/losses		1497	(402)
Cumulative amount recognised in the statement of recognised income and expense			
Cumulative amount of actuarial (gains)/losses		688	(809)

Fund assets

The percentage invested in each asset class at the balance sheet date:

	As at	30 November 2008* %	31 December 2007 %
Australian Equity		35%	35%
International Equity		23%	25%
Fixed Income		24%	25%
Property		10%	10%
Alternatives/Other		3%	0%
Cash		5%	5%

* asset allocation as at 31 December 2008 was not available as at reporting date.

Fair value of fund assets

The fair value of Fund assets includes no amounts relating to:

- any of the employer's own financial instruments
- any property occupied by, or other assets used by, the employer.

Expected rate of return on fund assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class and allowing for the correlations of the investment returns between asset classes. The returns used for each class are net of investment tax and investment fees.

Actual return on fund assets

	Financial year ended	31 December 2008 \$000's	31 December 2007 \$000's
Actual return on fund assets		(850)	632

Principal actuarial assumptions at the balance sheet date

	31 December 2008	31 December 2007
Discount rate	4.10% pa	5.40% pa
Expected rate of return on fund assets	6.80% pa	7.00% pa
Expected salary increase rate	4.00% pa	4.00% pa

Historical information

	Financial year ended	31 December 2008 \$000's	31 December 2007 \$000's
Present value of defined benefit obligation		2,268	2,371
Fair value of fund assets		2,268	3,391
(Surplus)/deficit in fund		-	(1,020)
Experience adjustments (gain)/loss - fund assets		1,076	(398)
Experience adjustments (gain)/loss - fund liabilities		254	78

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for the year ended 31 December 2008

	Financial year ended	31 December 2009 \$000's
Expected Contributions		
Expected employer contributions		120

Funding arrangements for employer contributions

a) Surplus/deficit

The following is a summary of the most recent financial position of the CPA Australia Superannuation Fund calculated in accordance with AAS 25 "Financial Reporting by Superannuation Plans". Note that the figures below relate only to the defined benefit section of the Fund.

	As at	31 December 2008 \$000's
Accrued benefits		-
Net market value of fund assets		-
Net surplus/(deficit)		-

b) Contribution recommendations

The current contribution recommendations, as set out in the report of the most recent actuarial valuation of the fund as at 31 December 2007, are 10.0% of salaries of defined benefit members, and 12.0% of salaries of defined contribution members who are members of Category 3 and 9% of salaries for other defined contribution members. The Employer is currently contributing at these rates.

c) Funding method

The method used to determine the employer contribution recommendations at the last actuarial review was the Aggregate Funding method. The method adopted affects the timing of the cost to the employer.

Under the Aggregate Funding method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

d) Economic assumptions

The economic assumptions adopted for the last actuarial review as at 31 December 2007 of the Fund were:

Expected rate of return on assets (discount rate)	<u>7.00% pa</u>
Expected salary increase rate	<u>4.00% pa</u>

Nature of asset/liability

CPA has no asset or liability in the Balance Sheet in respect of its defined benefit plan fund. The deterioration of financial markets during 2008 resulted in the value of the fund being lower than CPA Australia's obligation as advised by the fund's actuary. This was rectified with an additional contribution at year end, restoring the balance of the fund to be equivalent to CPA Australia's obligations. CPA Australia will continue to monitor the funds performance and make any necessary contributions to ensure the fund is equivalent to its obligations. If a surplus existed in the fund, CPA Australia may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the fund's actuary.

The employer may at any time by notice to the trustee terminate its contributions. The employer has a liability to pay the monthly contributions due prior to the effective date of the notice, but there is no requirement for the employer to pay any further contributions, irrespective of the financial condition of the Fund.

21. Financial risk management, objectives and policies

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

CPA Australia's financial instruments consist mainly of bank bills and cash. The main purpose of these financial instruments is to invest surplus member funds in order to maximise returns while not exposing the organisation to a high level of risk. Investment of funds is in line with CPA Australia's investment policy which allows funds to be invested in financial institutions who have earned at least a short-term Standard & Poors or Moodys credit rating of A2/P2 respectively and a long-term credit rating of at least BBB or is a State or Territory Government. The policy also sets a threshold on the amount that can be invested with any one institution. Other financial assets and liabilities are trade receivables and trade payables which arise directly from the Group's operations. Policies for managing the main risks are summarised below:

(a) Foreign currency risk management

It is not current CPA Australia policy to utilise off-balance sheet derivative instruments as a means of managing exposure to fluctuations in foreign exchange rates. Foreign exchange exposure is continuously monitored by the Group's Finance Business Unit and reported to the relevant operation of the Group through management reports which analyse exposures by degree and magnitude of risks. In 2008, the weakening of the Australian Dollar against the currencies where substantial cash is held resulted in a foreign exchange gain of \$0.6m for the full year.

(b) Credit risk exposures

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial loss from defaults. The Group's exposure is continuously monitored and limits reviewed annually. Trade receivables consist of a large number of members and customers, spread across diverse industries and geographical areas. The Group does not have any significant credit risk exposure to any single party or any group of counter parties having similar characteristics. The credit risk on liquid funds and bank bills is limited because the counter parties are banks with high credit ratings assigned by the international agencies.

The credit risk on financial assets of the economic entity which have been recognised on the Balance Sheet is generally the carrying amount, net of any provisions for loss. Use of off balance-sheet financial instruments is not part of current policy. Trade receivables are concentrated in Australia and the concentration of credit risk arises mainly in the following industries:

- Advertising and sponsors
- Accounting practices
- Credit services

(c) Interest rate risk exposures

Exposures to interest rate risk are limited to assets and liabilities bearing variable interest rates. The majority of financial assets are bank bills with fixed interest rates and term. These are held to maturity. There is a risk of reduced interest income in 2009, as a direct result of the current economic climate and its effect on prevailing rates of return on cash based investments.

d) Maturity profile of financial instruments

The maturity profile of financial assets and liabilities held by the Group are detailed below:

21. Financial instruments

	Weighted average interest rate	Floating interest rate \$000's	1 year or less \$000's	1-2 years \$000's	Non-interest bearing \$000's	Total \$000's
2008						
Financial Assets						
Cash and cash equivalents	6.10%	3,030	29,826			32,856
Bank bills < 1 year	5.94%		23,520			23,520
Bank bills > 1 year	8.34%			990		990
Receivables					3,555	3,555
		3,030	53,346	990	3,555	60,921
Financial Liabilities						
Payables					8,659	8,659
Subscriptions and fees in advance					30,012	30,012
		-	-	-	38,671	38,671
Net Financial Assets/(Liabilities)		3,030	53,346	990	(35,116)	22,250
2007						
Financial Assets						
Cash and cash equivalents	5.94%	1,929	31,016			32,945
Bank bills < 1 year	6.97%		15,440			15,440
Bank bills > 1 year	7.00%			900		900
Receivables					2,906	2,906
		1,929	46,456	900	2,906	52,191
Financial Liabilities						
Payables					7,115	7,115
Subscriptions and fees in advance					23,167	23,167
		-	-	-	30,282	30,282
Net Financial Assets/(Liabilities)		1,929	46,456	900	(27,376)	21,909

notes

for the year ended 31 December 2008

(e) Net fair value of financial assets and liabilities

The Directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair value.

(f) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management. The Group manages the liquidity risk by maintaining adequate cash reserves, and by continuously monitoring forecast and actual cash flows while matching the maturity profiles of financial assets and liabilities. Given the current surplus cash assets, liquidity risk is minimal.

(g) Capital risk management

CPA Australia manages its capital to ensure that it will be able to continue as a going concern while maximising the return on investments.

CPA Australia's overall strategy remains unchanged from 2007.

The capital structure of CPA Australia consists of cash & cash equivalents and equity, comprising reserves and retained earnings as disclosed in note 4.

CPA Australia has a global presence and operates through branches in the United Kingdom, New Zealand and Asia. No operations of CPA Australia are subject to external imposed capital requirements.

(h) Sensitivity analysis

The below table details the group's sensitivity to shifts in interest rate and foreign exchange rates. The exposures are based on management's best estimates of the possible adverse effects of changes in interest rate and foreign exchange rates as at 31 December 2008.

	MINIMUM		AVERAGE		MAXIMUM	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Annual risk by risk type						
Foreign exchange	57	30	291	162	524	295
Interest rate	139	121	347	302	554	484

Interest rate analysis is based on balances of financial assets not exceeding 1 year, which are all at fixed rates. Minimum and maximum exposures are calculated at shifts of 25 basis points and 100 basis points respectively. A net decrease in interest translates into a fall in profit as investment income is reduced.

CPA Australia is mainly exposed to Singapore dollars, Hong Kong dollars, Chinese yuans and Malaysian ringgits. Foreign exchange sensitivity analysis is based on outstanding foreign currency denominated intercompany loan amounts and revenues and expenses for the year 2008. Minimum and maximum exposure are calculated at shifts of 1% and 10% change in exchange rate respectively. A positive number indicates a decrease in profit where the Australian dollar strengthens against other currencies.

22. Notes to cash flow statement

	CONSOLIDATED		PARENT		
	Notes	2008 \$000's	2007 \$000's	2008 \$000's	2007 \$000's
Reconciliation of Profit After Income Tax to Net Cash					
Inflow from Operating Activities					
Surplus after income tax		2,267	3,044	2,248	3,014
Plus/(minus) non-operating items:					
Interest income received		(4,607)	(3,260)	(4,607)	(3,260)
Plus/(minus) non-cash items:					
Foreign exchange translation		(556)	-	(556)	-
Depreciation and amortisation		2,588	2,705	2,588	2,705
Net/(gain) loss on sale of property, plant and equipment		100	(22)	100	(22)
Change in assets and liabilities:					
(Increase)/decrease in receivables		(649)	(515)	(649)	(515)
(Increase)/decrease in inventories		-	329	-	329
(Increase)/decrease in other assets		(370)	304	(516)	294
Increase/(decrease) in payables		1,983	(554)	2,066	(517)
Increase/(decrease) in subscriptions and fees in advance		6,845	2,846	6,845	2,846
Increase/(decrease) in other liabilities		(79)	(89)	(82)	(89)
Increase/(decrease) in provisions		111	(175)	103	(179)
Change in items in equity					
Amounts recognised in Equity relating to Defined Benefit Plan		(1,497)	402	(1,497)	402
Net cash inflow from operating activities		6,136	5,015	6,043	5,008

23. Subsequent events

No matter or circumstance has arisen since the end of the financial year to the date of this report, that has or may significantly affect the activities of the consolidated entity, the results of those activities or the state of affairs of the consolidated entity in the ensuing or any subsequent financial year.

director's declaration

The Directors declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
- (b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity; and

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors



Alex Malley FCPA

Director
Melbourne

27th February 2009



Paul Cooper FCPA

Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CPA AUSTRALIA LIMITED

We have audited the accompanying financial report of CPA Australia Limited, which comprises the balance sheet as at 31 December 2008, and the income statement, cash flow statement and statement of recognised income and expense for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end as set out on pages 34 to 54.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the consolidated financial statements and notes, comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Deloitte.

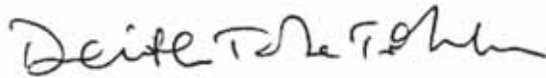
Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

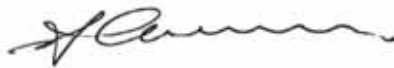
Auditor's Opinion

In our opinion:

- (a) the financial report of CPA Australia Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's and consolidated entity's financial position as at 31 December 2008 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the consolidated financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2.



DELOITTE TOUCHE TOHMATSU



Peter A. Caldwell
Partner
Chartered Accountants
Melbourne, 27 February 2009

Key Dates 2009

AGMs

South Australia 25 March
Australian Capital Territory 31 March
CPA Australia (Melbourne) 25 May
Hong Kong 18 December
Malaysia 12 December
New South Wales 18 March
New Zealand 3 December
Northern Territory 2 December
Queensland 23 March
Singapore 7 February
Tasmania 17 March
Europe 20 November
Victoria 4 March
Western Australia 4 March

Congress

ACT 18 – 20 November
New South Wales 12 – 15 October
Queensland 6 – 9 October
South Australia 11 – 13 November
Victoria 12 – 16 October
Western Australia 17 – 20 November

Asian Regional Conference

Hong Kong 30 – 31 October

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Office locations

Head office (and registered office)

CPA Australia Centre
Level 28, 385 Bourke Street
Melbourne VIC 3000
GPO Box 2820
Melbourne VIC 3001
Australia
P: +61 3 9606 9606
F: +61 3 9670 8901
E: cpaonline@cpaaustralia.com.au
cpaaustralia.com.au

AUSTRALIA

Australian Capital Territory

Level 8, CPA Australia Building
161 London Circuit
Canberra ACT 2601
GPO Box 3260
Canberra ACT 2601
P: +61 2 6267 8585
F: +61 2 6267 8555
E: act@cpaaustralia.com.au

New South Wales

Level 3, 111 Harrington Street
Sydney NSW 2000
Locked Bag 23
Grosvenor Place NSW 1220
P: +61 2 9375 6200
F: +61 2 9375 6299
E: nsw@cpaaustralia.com.au

Northern Territory

Level 3, Deloitte Centre
62 Cavenagh Street
Darwin NT 0800
GPO Box 1633
Darwin NT 0801
P: +61 8 8981 2116
F: +61 8 8981 6177
E: nt@cpaaustralia.com.au

Queensland

(From 16 March 2009)

Level 29, AMP Place
10 Eagle Street
Brisbane QLD 4000
P: +61 7 3100 6800
F: +61 7 3221 6505
E: qld@cpaaustralia.com.au

South Australia

280 Pulteney Street
Adelaide SA 5000
GPO Box 2574
Adelaide SA 5001
F: +61 8 8232 3194
E: sa@cpaaustralia.com.au

Tasmania

Level 2, 54 Victoria Street
Hobart TAS 7000
GPO Box 906
Hobart TAS 7001
P: +61 3 6281 8701
F: +61 3 6281 8787
E: tas@cpaaustralia.com.au

Victoria

Level 28, 385 Bourke Street
Melbourne VIC 3000
DX: 131 Melb
GPO Box 2820
Melbourne VIC 3001
P: +61 3 9606 9606
F: +61 3 9670 8901
E: vic@cpaaustralia.com.au

Western Australia

Level 1, Australia Place
15-17 William Street
Perth WA 6000
PO Box 7378
Cloisters Square
Perth WA 6850
P: +61 8 9481 5944
F: +61 8 9321 3026
E: wa.general@cpaaustralia.com.au

ASIA

Beijing

Units 307-308B, Level 3
Office tower C2, Oriental Plaza
No. 1 East Chang An Avenue
Dong Cheng District
Beijing 100738 PR China
P: +86 10 8518 5575
F: +86 10 8518 7001
E: beijing@cpaaustralia.com.au

Guangzhou

c/o Room 1303 North Tower
371 – 375 Huangshidong Road
Guangzhou 510095
PR China
P: +86 20 8767 7922
F: +86 20 8767 1234
E: guangzhou@cpaaustralia.com.au

Hong Kong

20/F Tai Yau Building
181 Johnston Road
Wanchai
Hong Kong
P: +852 2891 3312
F: +852 2832 9167
E: hk@cpaaustralia.com.au

Indonesia

c/o The Indonesian Institute of
Accountants, Graha Akuntan
Jalan Sindanglaya No. 1
Menteng - Jakarta Pusat 10310
Indonesia
P: +62 21 392 1824 (Direct) or
+62 21 3190 4232 ext.114
F: +62 21 724 5078
E: cpaaind@cbn.net.id or
cpaaind@iaiglobal.or.id

Japan

c/o Jason Buckley
JR Tokyu Meguro Bldg
3-1-1 Kami Osaka, Shinagawa-ku
Tokyo 141-0021, Japan
P: +81 3 5437 7500
E: international@cpaaustralia.com.au

Macau

c/o Rua Dr.Pedro Jose Lobo no.1 – 3A
Lusa International Bank Building
14th Floor Room 1404 – 1405
Macau
P: +853 2838 9207
F: +853 2857 9238
E: macau@cpaaustralia.com.au

Malaysia

Suite 10.01, Level 10
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
P: +603 2267 3388
F: +603 2287 3030
E: my@cpaaustralia.com.au

Shanghai

Suite 1407, 14/F, CITIC Square
1168 Nanjing West Road
Shanghai 200041
PR China
P: +86 21 3218 1860
F: +86 21 5292 5589
E: shanghai@cpaaustralia.com.au

Singapore

51 Cuppage Road
#10 – 06 StarHub Centre
Singapore 229469
P: +65 6836 1233
F: +65 6836 2722
E: sg@cpaaustralia.com.au

Vietnam

Hanoi
Regus Hanoi Opera House
Suite 10, 2nd Floor
63 Ly Thai To Street
Hoan Kiem District
Hanoi, Vietnam
T: +84 4 3934 7413
F: +84 4 3934 4301
E: hanoi@cpaaustralia.com.au

Ho Chi Minh City

Unit 717-3, 7th Floor
Melinh Point Tower
2 Ngo Duc Ke Street
District 1, Ho Chi Minh City
Vietnam
T: +84 8 520 2824
F: +84 8 823 7840
E: hochiminh@cpaaustralia.com.au

OCEANIA

Fiji

c/o Neil Underhill and Associates
25 Wailada Road (Fiji Coffee building)
Wailada, Lami, Suva
Fiji Islands
P: +679 336 3968
F: +679 336 3948
E: international@cpaaustralia.com.au

New Zealand

Level 1, 39 Market Place
The Viaduct
Auckland City, New Zealand, 1011
P O Box 105-893
Auckland City, New Zealand, 1011
P: +64 9 913 7450
F: +64 9 914 8790
E: nz@cpaaustralia.com.au

EUROPE

United Kingdom

Australia Centre
The Strand, London
United Kingdom WC2B 4LG
P: +44 20 7240 8266
F: +44 20 7240 3452
E: europe@cpaaustralia.com.au