
GOVERNANCE

AND FINANCIAL REPORT



**Martin Smith CPA,
Risk Manager,
CPA Australia**

"Good governance, guided by our Board, is key to CPA Australia achieving our strategic priorities. We focus on transparency, integrity, and collaboration to ensure effective risk management practices in both day-to-day decisions and longer-term goals."

Board of Directors

The Board of Directors (Board) is the overarching governing body for CPA Australia and is responsible for strategy development, independently and objectively assessing the organisation's decisions and overseeing the performance and activities of management under the approved strategy.

Information on our approach to this area including our governance framework and structures can be found in the Corporate Governance Statement on our website and in the governance section on pages 28 to 31 of this report.

The Nomination Committee recommends to the Board the skills and competencies required on the Board and assesses the extent to which those skills are represented on the Board.

The Nomination Committee regularly considers diversity issues and advises on the diversity of the Board and its Committees. We have a policy of a 40:40:20 (female/male/open) gender balance for the Board.

The Appointments Council considers all matters relating to diversity on the Board to ensure the appointment of candidates with the right skills and diversity mix.

TABLE 21: BOARD DIVERSITY AS AT 31 DECEMBER

2024

Age groups ¹	Total		Female		Male	
	Directors	%	Directors	%	Directors	%
Under 35	1	10%	0	0%	1	10%
35–45	2	20%	1	10%	1	10%
46–55	3	30%	1	10%	2	20%
Over 55	4	40%	2	20%	2	20%
Total	10	100%	4	40%	6	60%

¹ Age groups have been amended in 2024 to show greater detail.

2023

Age groups ¹	Total		Female		Male	
	Directors	%	Directors	%	Directors	%
Under 35	1	10%	0	0%	1	10%
35–45	2	20%	1	10%	1	10%
46–55	2	20%	0	0%	2	20%
Over 55	5	50%	2	20%	3	30%
Total	10	100%	3	30%	7	70%

¹ Age groups have been amended in 2024 to show more details, 2023 data has been republished using these age groups.

2022

Age groups ¹	Total		Female		Male	
	Directors	%	Directors	%	Directors	%
Under 35	0	0%	0	0%	0	0%
35–45	1	10%	0	0%	1	10%
46–55	3	30%	0	0%	3	30%
Over 55	6	60%	4	40%	2	20%
Total	10	100%	4	40%	6	60%

¹ Age groups have been amended in 2024 to show more details, 2022 data has been republished using these age groups.



**Dale Pinto FCPA,
John Curtin
Distinguished Professor**

President and Chair of the Board

PhD (Law) MTax (Hons) PGradDipBus (Dist) BBus (Dist) FTMA FCMA FAAL CA CTA-Life AFAIM MAICD

Dale is a John Curtin Distinguished Professor at Curtin University. He is Chair of the Academic Board at Curtin University as well as Professor of Taxation Law in the Curtin Law School. Dale is the author of numerous books, refereed articles and national and international conference papers and sits on the editorial board of several peer-reviewed journals as well as being the Editor-in-Chief of several refereed journals.

Dale is a Fellow of CPA Australia and was a member of the WA Divisional Council, including serving as President of the WA Division in 2018 until his appointment to the CPA Australia Board. Dale is also a Fellow of the Australian Academy of Law as well as being a Chartered Accountant, Chartered Tax Adviser and Honorary Life Member of the Tax Institute. He is also a Life Member of the Australasian Tax Teachers Association and the Australasian Law Academics Association.

He has been a registered tax agent for more than 35 years and was appointed one of the inaugural members of the National Tax Practitioners Board. He has served as a member of the Board of Taxation's Special Advisory Panel, the ATO's Public Advice Guidance Panel and the Strategic Advisory Council of the Australian Council of Professions. He is a current Board member of Constable Care Foundation, a youth safety provider in WA, as well as having served on the Chamber of Commerce and Industry's Economic Development Forum in WA. Dale is a member of the Tertiary Education and Quality Standards Agency Register of Experts and a member of the Australian Academic Integrity Network.



Warren McRae FCPA

Deputy President

**BBus (Accy/Banking and Finance)
FGIA MAICD**

Warren has a depth and breadth of experience in Senior Executive and Non-Executive Director roles in both Australia and internationally across financial services, accounting, health and education sectors.

Working across different countries and cultures, most recently as Managing Director and Global Chief Operating Officer (COO) for a large multinational organisation, Warren has a focus on delivering sustainable organisational success, from the perspectives of clients and members, with the highest integrity, risk, control, and governance practices. In addition to finance, audit, risk and compliance, Warren's leadership experience encompasses strategy, commercial, operational and financial management, digital and technology innovation, and the delivery of organisational transformation.

Warren has held governance and Board positions in Europe, Asia and Australia, including as Chair of Global Crisis Leadership, Operating, Service Management and Financial Crime Oversight Committees for Barclays Global Private Bank (UK), and directorships at BPB Holdings SA, Zedra Trust Company (Suisse), Barclays Switzerland Services SA, and BWS Limited (Japan). He is an experienced Board and Audit Risk and Compliance Chair.

Warren is active in supporting his community and volunteering his skills through Board positions on the Sunshine Coast Health Foundation Board ("Wishlist") and the Montessori International College. He also volunteers as Auditor for St. Paul's Church, Armidale. Warren is a Fellow of CPA Australia and was a member of the Europe Divisional Council for four years, including serving as President and Chair in 2019-20. He is a Fellow of the GIA and a Member of the AICD. Warren has a Bachelor of Business and recently completed a Graduate Certificate in Cyber Security.



Louise Cox FCPA

Deputy President

**BBus (Mgt) BBus (Accy) LLB (Hons)
GradDipLegalPrac LLM MTax**

Louise Cox is a well-respected accountant and lawyer with more than 30 years' experience as a CEO, CFO, and Non-Executive Director across the legal, accounting, architecture, education and mental health sectors.

As an experienced Board member, Louise has served in a range of roles including Chair, Deputy Chair, Chair of Finance and Risk, and Chair of Governance, Remuneration and Nomination in various commercial, public sector and NFP boards.

Currently, Louise is a Director of the Royal Australasian College of Physicians, Director of BlueCHP Limited, Chair of RSPCA Qld, Chair of Griffith University Accounting Finance and Economics Department's Advisory Board, Chair of All About Living and member a of QUT School of Accounting Advisory Board.

Having previously served as a Chair of Open Minds, Director of Multicap, TAFE Queensland, Thomson Adsett and as a member and Chair of the Metropolitan South Institute of TAFE Council, Louise brings strong corporate governance experience to the Board. She has been active with CPA Australia as a member of the Public Practice Advisory Committee and served for five years as a member of the Queensland Divisional Council, including as its President in 2012.



Sarah Adam-Gedge

Director

BBus (Accounting) FCA GAICD

Sarah has extensive experience in senior leadership positions in Australia and internationally as CEO, Managing Director and Non-Executive Director across a range of sectors, including technology, retail, financial services, manufacturing, natural resources and transport, as well as the Public Sector.

Sarah has a focus on driving transformational change and business growth through digital and technology capabilities. In her former executive roles, Sarah was Managing Director with global IT company Wipro Ltd and Publicis Sapien Australia. A chartered accountant, Sarah also has experience as Managing Partner at PwC Consulting, and Partner at Arthur Andersen.

Sarah is a non-executive Director across listed, private and NFP sectors including as Chair of Kinetic IT Pty Ltd, and non-executive Director at Codan Ltd, Bravura Solutions Ltd, and Emeco Holdings Ltd. and recently retired from the Board of Austral Ltd where she was Deputy Chair. She serves in a variety of roles, including as Chair and member of Audit and Risk committees as well as Remuneration and Nomination committees.

Sarah holds a Bachelor of Business (Accounting) from the Queensland University of Technology, is a Graduate of the AICD, and is currently undertaking a Graduate Certificate in Cyber security, Governance and Risk Management. She is also a Fellow of CA ANZ.



Chung Yew Pong (Bryan) FCPA

Director

BCom (Accounting) BBus (Banking and Finance) (Hons) FCMA CGMA

Bryan is currently an executive Director of True Vine Capital Partners, a venture capital fund manager in Singapore.

Bryan has over 25 years' experience as a senior executive in investment banking and venture capital firms, specialising in digital finance and advising fintech start-ups.

Previously, Bryan was COO of Crowdplus Asia, an equity crowdfunding platform and executive Director of digital wallet service provider, Mcash. He was also a Partner in Netrove Partners and Vice President of Hadrons Capital.

A graduate of Monash University in Melbourne, Bryan is a Fellow of CPA Australia, serves on CPA Australia's Malaysia Divisional Council, and is Chairman of the Digital Transformation Committee. He is a Fellow of the Chartered Institute of Management Accountants (CIMA), and a member of ASEAN CPA.

Bryan is an independent director at Sim Leisure Group Limited, where he is Chair of the Audit Committee and a member of the Remuneration and Nomination Committee.



Julie Crisp FCPA

Director

B.Acc FCA FGIA FIPAA CIA CGAP GAICD RCA

Julie is a highly accomplished Director, auditor and advisory professional with more than 30 years' experience in risk management, internal audit, financial audit, forensic analysis and business process improvement.

Julie was the Auditor-General for the Northern Territory from September 2014 to September 2024 and is currently Deputy Chair of the Australian Auditing and Assurance Standards Board. She is a Registered Company Auditor.

Previously, Julie held senior positions at Deloitte for 16 years, including as Assurance and Advisory Partner at Deloitte Darwin. Prior to that she worked in various accounting and non-accounting roles across a range of sectors including tourism, horticultural and retail.

Julie is a Fellow of CPA Australia and also holds fellowships with CA ANZ, the Governance Institute of Australia and the Institute of Public Administration Australia. She is a professional member of the Institute of Internal Auditors Australia holding the designations of Certified Internal Auditor, Certified Government Audit Professional and Certification in Risk Management Assurance. Julie is a graduate member of the AICD.

She has previously held the role of Convener of the Australasian Council of Auditors General (ACAG). Julie has a Bachelor of Accountancy from the University of South Australia and has completed a double Diploma in Government (Fraud Control and Investigation).



Kaushika Jayalath CPA

Director

BCom (Acc and Fin) BEc DipBus
FCMA GAICD

Kaushika is an experienced Senior Solutions Consultant at Oracle Corporation, implementing cloud technology applications to drive enterprise finance transformations, business process improvements and enable change management. Kaushika also specialises as the Education industry domain lead for cloud applications in Australia and New Zealand.

Passionate about bridging the digital skills gap, Kaushika is an industry mentor and guest lecturer at Monash University, Swinburne University and University of Queensland. Kaushika has previously held a series of senior finance, accounting, business analysis and project management roles in Melbourne.

A member of CPA Australia, Kaushika was awarded the CPA Certificate of Excellence. He volunteers as a CPA Australia Member Ambassador to promote the designation and profession in secondary and tertiary institutions, and was previously a member of the CPA Innovation and Technology Committee. He was a finalist for 'NFP Accountant of the Year' at the Australian Accounting Awards 2020, and 'Specialist Consultant' for the Accountants Daily '30 Under 30' Awards in 2020 and 2021.

Kaushika has a Bachelor of Commerce and Bachelor of Economics majoring in Accounting, Finance and Economics at Monash University, Melbourne. Kaushika also holds a Diploma of Business (and is a World Prize and Melbourne Prize Winner). Kaushika is certified in ITIL®4 (IT Service Management), Cloud ERP solutions, AI/ML and is an Order of Merit Graduate of the AICD.



Bernard Che-Wai Poon FCPA

Director

BCom BSc FCPA (HK) FRICS

Bernard is a Partner at Ernst & Young (EY) where he has worked for more than 30 years in a number of key executive positions. He specialises in valuations and financial modelling and has extensive experience in the valuation of businesses, shares and intangible assets for transaction analysis, business strategy, taxation, financial reporting and acting as an expert witness.

A Fellow of CPA Australia, Bernard is an Honorary Adviser to the Greater China Divisional Council, in which he was a member from 2010 to 2018, serving as Deputy President in 2011 and President in 2012. He previously served on the Hong Kong Executive Committee, including as Chairman in 2012 and was a member of the Appointments Council from 2017 to 2018. Bernard's long association with CPA Australia saw him awarded with the Board of Directors Award for Outstanding Service in 2020.

Active in the community, Bernard was a member of the Appeal Board Panel of the Urban Renewal Authority Ordinance (2013–2019) and was appointed by the Ministry of Finance in China as a consultant in accounting in Hong Kong (2016–2018). Bernard was appointed to be a member of the Council of Hong Kong Productivity Council in 2022.

Bernard is a Fellow of the Hong Kong Institute of Certified Public Accountants (HKICPA), a Fellow of the Royal Institute of Chartered Surveyors (RICS), advisor to the Hong Kong University Business and Economics Association and an External Advisor, Department of Accountancy and Law, Hong Kong Baptist University.



Anna Quinn FCPA

Director

BBus GAICD

Anna is a highly accomplished senior executive and company Director with extensive management experience across a broad range of industries, including marketing, media, digital, ecommerce, retail and consumer businesses.

Possessing a strong commercial and strategic background, Anna has a proven track record in digital transformation and profitable growth. Anna is currently Managing Director of Hogarth AUNZ, an agency within the global WPP network. Prior to that, she held a series of senior executive roles at Nine Entertainment, Australia's largest media group, as well as leadership roles at MAXMEDIALAB and Max Connectors, Napoleon Perdis Cosmetics, ACP/Bauer magazines and LendLease.

A graduate of the AICD, Anna has board level experience as a non-executive Director for non-profit organisations, digital media and consumer online subscription businesses, including Look Good Feel Better, Pedestrian TV and Bellabox.

Anna is an FCPA and has a Bachelor of Business (Commerce and Marketing) from the University of Technology Sydney, a graduate of the Yale School of Management and post-graduate Lean Six Sigma in improving business productivity from the University of Sydney.



Anthony Wright

Director

BBus (Accy) MBA LLB LLM GAICD

Anthony is an experienced company Director and adviser, corporate lawyer, CEO and entrepreneur. Anthony has extensive experience across a broad range of specialised fields including legal, governance, risk and compliance, finance, ESG and marketing.

Previously, Anthony was founder and CEO of award-winning Asia Pacific legal services and technology business, Lexvoco, which he exited to Bowmark Capital in 2019. He has also held senior leadership roles with the PGA Tour (APAC Commercial and Marketing Director), and was the Group General Counsel and General Manager, Strategy and Systems at Transpacific Industries Group Ltd (now Cleanaway Ltd).

An advocate for innovation, Anthony's board level experience covers a range of public companies, family offices and start-ups. His current appointments include private equity fund, Aruma Capital as General Partner, non-executive Director at Metron Global (measurement technology), Chairman at Hanlon Industries (steel manufacturing, construction and crane hire), and non-executive Director at Five At Heart (end-of-trip facilities and bike parking). Previously, Anthony was a non-executive Director at Wellfully Ltd and Rugby Victoria Ltd. At Rugby Victoria Ltd, Anthony was also interim CEO and Finance Director.



Professor Yew Kee Ho FCPA

Past Director (until

30 September 2024)

BEcon (Hons) MEcon MSIA PhD FCA
CFA FSID

Professor Yew Kee Ho is Professor of Accounting in the Business, Communication and Design Cluster at the Singapore Institute of Technology.

Yew Kee has served on the Boards of publicly listed companies and held appointments as Professor and Head, Department of Accounting; Vice Dean (Finance and Administration); and Chairman, Executive Education at the National University of Singapore Business School.

He had previously served as a Board member of the Accounting and Corporate Regulatory Authority (Singapore), the Singapore Tax Academy, Ngee Ann Polytechnic.

He is active in the community, serving on the boards and committees of various charities, including the Singapore National Kidney Foundation, St Luke's Eldercare and Dover Park Hospice.

A Fellow of CPA Australia, he is also a Fellow of Chartered Accountants Singapore and the Singapore Institute of Directors. In addition, he holds the Chartered Financial Analyst qualification and is a Senior Accredited Director in Singapore. Yew Kee obtained his Bachelor (First Class) and Master of Economics from Monash University, Australia, and his Master of Science in Industrial Administration and PhD from Carnegie Mellon University, USA.

Yew Kee retired from the Board on 30 September 2024.

Executive Leadership Team



Chris Freeland AM

CEO

LLB (Hons) BEcon MBA GAICD

Chris Freeland is an experienced CEO and professional services leader, having also worked as a lawyer and strategy consultant. Chris has held executive leadership roles at major law and consulting firms in Australia and internationally, including Baker McKenzie, The Boston Consulting Group, Gilbert + Tobin and King & Wood (now King & Wood Mallesons).

During his professional career, Chris has lived and worked in Asia, the US and Australia. Prior to joining CPA Australia, Chris was with Baker McKenzie where he began as Managing Partner (CEO) of Australia and was subsequently appointed Asia Pacific Managing Director. Chris is an expert in corporate change and transformation, with a proven track record of strategic leadership and growth.

Actively involved in community engagement in the non-profit sector, most notably in arts, social welfare and education, Chris was recognised in the 2018 Queen's Birthday Honours as a Member of the Order for Australia (AM) for 'significant service to the arts in New South Wales particularly to the film industry, to business education, and to the community.'

Chris holds a Master of Business Administration from Melbourne Business School, Melbourne University as well as a Bachelor of Laws (Hons) and a Bachelor of Economics from Monash University, and is a Graduate of the AICD.



Marissa Alley

Chief People Officer

BA GradDipVPA MAHRI AAICD

Marissa brings more than 25 years of People and Culture leadership experience across a broad spectrum of industries, including financial services, education, mining, property, FMCG, technology, NFP, and retail. She has held senior roles with prominent organisations such as Orica Ltd, Coca-Cola Amatil, NAB, and Myer Grace Bros.

Her international and cross-cultural expertise equips her with a global perspective on organisational dynamics and talent strategy. Throughout her career, Marissa has led HR teams to optimise performance and maximise employee engagement, implementing strategic initiatives tailored to the unique needs of each organisation.

As Chief People Officer at CPA Australia, Marissa leads initiatives that foster an environment where people feel valued, motivated, and have a strong sense of belonging. She and her team act as trusted partners and innovators, designing and implementing strategies to attract, retain, and develop top talent. By cultivating a culture that encourages growth, adaptability, and excellence, Marissa ensures employees can contribute their best, directly enhancing CPA Australia's ability to support its members with integrity and impact.

Marissa holds a Bachelor of Arts from the University of Melbourne, a Graduate Diploma in Visual and Performing Arts from RMIT and has completed an Executive Development Program at the London Business School. She is a member of Australian Human Resources Institute (AHRI) and Associate Member of the AICD. Additionally, she holds multiple accreditations in organisational culture, leadership, and team development tools, reinforcing her commitment to continuous improvement and leadership excellence.



Rowena Buddee

Chief Member Experience Officer

BSc MBA GAICD

Rowena is an executive leader with more than 20 years' experience delivering growth, marketing and product strategies across multiple industries and international markets including Australia, Asia, Europe and the Middle East.

Rowena joined CPA Australia in 2009 and has worked in senior roles across the Public Practice, Member Education, Business Development and Commercial Teams before joining the Executive Leadership Team in 2019 as Executive General Manager Public Practice and Professional Standards.

In 2023, Rowena took on a global role based in Singapore as the Chief Member Experience Officer and is currently responsible for driving CPA Australia's continued focus on members. This includes leading CPA Australia's international growth agenda, brand and marketing efforts and managing global teams across our 19 offices to deliver personalised and engaging products and experiences that add value to CPA Australia members globally.

Rowena holds a Bachelor of Science from Sydney University, a Master of Business Administration from the University of Technology Sydney and is a Graduate of the AICD.



Farid Jarrar

**Chief Information and Digital Officer
MIT GAICD**

Farid has more than 25 years' experience in senior technology roles across a variety of global organisations.

Prior to working at CPA Australia, Farid was the Global CIO for a professional services and outsourcing organisation across the APAC and North America regions.

He has considerable experience in digital transformation, data and AI, customer-led innovation, change management, large scale systems integrations and program delivery, ecommerce and customer experience.

Farid has worked across multiple industries including professional services, outsourcing, health, labour hire and government sector organisations.

Farid brings a unique blend of strategic perspectives and innovative thinking. He specialises in transforming organisational capabilities to better engage with digital consumers.

Farid holds a Bachelor of Computer Science, a Master of Technology Management from Swinburne University, is a Graduate of the AICD, and is a Kellogg Northwestern and MIT graduate in Digital Transformation and AI.



Asheley Jones

**Chief Learning and Innovation Officer
BA MA DBA**

Asheley Jones joined CPA Australia in August 2024. Asheley is an expert in designing educational transformation programs. She has more than two decades of executive leadership experience in the education, technology, and professional service sectors.

Asheley was the former COO, and Head of Product for DeakinCo., the commercial arm of Deakin University, and was the inaugural Head of Education and Workforce Development at the Australian Computer Society.

A former Chair of the Accreditation, Education and Employability portfolio for the Australian Council of Professions – the peak professional association body for more than 1,000,000 professionals, Asheley is currently a registered expert for the Tertiary Education Quality Standards Agency, and previously sat on the Academic Board of the Governance Institute of Australia.

Asheley holds a Doctorate in Business Administration from Victoria University, a Master of Arts from the University of Melbourne, and a Bachelor of Arts from UCLA.



George Kapitelli FCPA

**CFO
BEcon MBA GAICD**

George Kapitelli joined CPA Australia as CFO in February 2023.

George is a proven leader of Finance teams across a wide variety of cultures displaying both adaptability and agility and proven commercial acumen.

He began his finance career in 1987 as a 20-year-old graduate with General Motors Australian subsidiary – GM Holden (GM). He enjoyed a 26-year career with GM, half of which was in international operations where he gained significant experience in establishing and turning start-up national operations (China Joint Ventures and GM Thailand) into successful long-term ventures and restructuring mature operations (GM Europe and GM Indonesia).

He returned to Australia in 2012 as the GM Holden CFO and worked through the restructure of the local manufacturing and engineering operations as part of the closure of the Australian automotive industry.

George joined the health sector in 2014 as the CFO at Melbourne Health. He then moved to Abu Dhabi Health Services in 2019 as the Group CFO and played a key role in the transformation of the largest health system in the UAE.

He has a Bachelor of Economics from La Trobe University, an MBA from Deakin University, is a Graduate of the AICD and a Fellow of CPA Australia.



Elinor Kasapidis

Chief of Policy, Standards and External Affairs

BCom (Economics) DipML
(German) EMPA

Elinor was appointed Chief of Policy, Standards and External Affairs in September 2024, where she is responsible for CPA Australia's advocacy on behalf of members and the public, our professional standards and regulatory responsibilities including the Best Practice Program and CPD Review, as well as our external affairs function.

Most recently, Elinor held the role of Interim Chief Learning and Innovation Officer where she was responsible for the CPA Program, CPD and our content such as INTHEBLACK and With Interest Podcast. As Head of Policy and Advocacy and Senior Tax Advisor, Elinor has represented CPA Australia and our members on various key external committees and forums, before parliamentary hearings and in the media.

Before CPA Australia, Elinor spent over 15 years at the ATO including executive roles across private wealth, risk and strategy, compliance and audit, data analytics, criminal law, tax gap and economic research.

Elinor holds a Bachelor of Commerce (Economics) and Diploma of Modern Languages from the University of Melbourne, and an Executive Master from the Australia New Zealand School of Government.



Rebecca Keppel-Jones FCPA

Chief of Member Operations

BCom LLB (Hons) GAICD

Rebecca joined CPA Australia in October 2019. She has responsibility for the operations of our divisional offices globally which includes both member engagement and business development, as well as membership admissions, member administration and migration services.

Prior to this role, Rebecca was Interim Chief Learning and Innovation Officer, responsible for the development of learning and content for members across all the member journeys, including the CPA Program and CPD.

Rebecca first joined the executive leadership team in 2021 as Executive General Manager of Professional Standards and Business Support, responsible for supporting the interests of CPA Australia members working in public practice and SME. Rebecca is passionate about diversity and inclusion, having founded the Families@ network at CPA Australia, as well as the Yarra Network, an employee-led network for neighbourhood organisations along the Yarra River in Melbourne to connect, inspire and share knowledge on diversity related topics.

Prior to working at CPA Australia, Rebecca spent more than 15 years working in public practice across multiple technical areas, including insolvency, forensics and management consulting. During this time, Rebecca worked in the UK, Canada and Australia to build up a truly global view of the business world.

Rebecca is a Fellow of CPA Australia, a Graduate of the AICD, and has a Bachelor of Commerce and a Bachelor of Laws (with Honours) from Monash University.



Warren Slade

Company Secretary and General Counsel

LLB(Hons.) BA

Warren joined CPA Australia in January 2019 and has more than 17 years of experience as a Corporate Lawyer, including five years at a top tier law firm.

Warren is currently the General Counsel, Company Secretary and Head of Risk, Compliance and Professional Conduct. Prior to this role he was the Senior Legal Manager at CPA Australia.

He has worked on various complex legal transactions and has extensive experience working for multinational organisations.

His expertise includes legal services transformation, governance, regulatory compliance, data and privacy, and commercial litigation. His current responsibilities include corporate regulatory, governance, legal, risk and compliance functions.

Warren holds a Bachelor of Laws (Hons) and a Bachelor of Arts, and is a member of the Association of Corporate Counsel Australia.

Councils and Committees

DIVISIONAL COUNCILS

During 2024

Australian Capital Territory

Erin Adams FCPA, President
Yasmin Burraston CPA,
Deputy President
Peter Dunlop FCPA, Deputy President
Matthew Geysen FCPA
Jordanoski FCPA
Habib Khan FCPA
Phillipa Leggo CPA
Tony Marks FCPA
Annie Ryan FCPA
Karen Williams FCPA
Candice Zhang CPA
Yushi Zhang CPA

New South Wales

Wayne Stokes FCPA, President
Krista Fletcher FCPA, Deputy President
Deborah Lane FCPA, Deputy President
Andrew Crawford FCPA
Michael Edelstein CPA
John Fallon FCPA
Paul Harris FCPA
Doo Hong FCPA
Peter Jiang FCPA
Simon Kaleski FCPA
Stephan Kasanczuk FCPA
Alexander Konstandinidis FCPA
Maggie Lo CPA
Benjamin McEvoy CPA
Ian McKelvey CPA
Anna Moody FCPA
Roy Totino FCPA
Andrew Wilson CPA

Northern Territory

Ross Springolo FCPA, President
Donna Moore CPA, Deputy President
Benjamin Mooney CPA,
Deputy President
Nipun Alwis CPA (casual vacancy)
Andy Dahal CPA
Katrina Hancock CPA (casual vacancy),
Shawgat Kutubi CPA (resigned January)
David Low CPA
Nicole Neck FCPA (casual vacancy)
Erick Outa FCPA
Josephine Silipo CPA (casual vacancy)
Jing Zhang CPA (casual vacancy)

Queensland

Tim Timchur FCPA, President
Cissy Ma FCPA, Deputy President
Robert McDowall FCPA, Deputy
President (resigned July)
Kylie Baxter FCPA
Tony Brett CPA
Leanne Ferguson CPA
David Hardidge FCPA
Rebecca He FCPA
Shanna Hunter FCPA
Gerard Ilott FCPA
Theresa O'Connor FCPA
Shane Sullivan FCPA (casual vacancy)

South Australia

John Zerella FCPA, President
Fiona Kwan FCPA, Deputy President
Shakhlo Rasulova FCPA,
Deputy President
Janice Loftus FCPA
Braden Naylor FCPA
Neil Padley FCPA
Rohit Selvaratnam FCPA
Mimi Sia FCPA
Monika Sikora FCPA
Scott Williams FCPA
Kent Wilson CPA
Jodi Wright FCPA

Tasmania

Ric De Santi FCPA, President
Roger Lu FCPA, Deputy President
Mark Wild FCPA, Deputy President
Steve Allen FCPA
Melissa Butt CPA (resigned July)
Angela (Qiaofeng) Ellis CPA
Karen Frost FCPA
Carolyn Harris FCPA
Eleanor Patterson FCPA
Donna Powell FCPA
Claire Smith FCPA
Amie Scruton CPA

Victoria

Georgina Fordham CPA, President
Marcell Judkins FCPA, Deputy President
Melville Yates FCPA, Deputy President
Emma Feng CPA
Judy Gao CPA
Elizabeth Giust FCPA (casual vacancy)
Ralph Kober FCPA
Maria Koleda FCPA
Enrique Ortiz CPA
Jyotee Patel FCPA
Liz Shimmin FCPA
Craig Smith FCPA
Ted Turner FCPA
Michelle Tyquin-Frey CPA
(resigned February)

Western Australia

Byron Savage FCPA, President
Simon Mayo FCPA, Deputy President
Bernadette Smith FCPA,
Deputy President
Amanda Cumberbatch FCPA
Erica Haddon FCPA
Thomas Hodgkins CPA
Connagh Hopkins CPA
Minji Kim FCPA
Anastasiia Ploshkina FCPA
Tim Roach FCPA (resigned September)
Peter Robinson FCPA
Kylie Thompson FCPA

Greater China

Cliff Ip FCPA, President
Cyrus Cheung FCPA, Deputy President
Karina Wong FCPA, Deputy President
Ivan Au, CPA
Christopher Chan FCPA (casual vacancy)
Janssen Chan FCPA (resigned June)
Anthony Lau FCPA (resigned June)
Irene Lee CPA
Diamantina Leong FCPA
(casual vacancy)
Kelvin Leung FCPA
Robert Lui FCPA
Wilson Pang FCPA (resigned June)
Paul Sin FCPA
Eden Wong FCPA
David Wu CPA (casual vacancy)

Europe

Catherine Riney FCPA, President
Mark Hucklesby FCPA,
Deputy President
Lucy Hamnett CPA
Kerryn Haynes CPA
Yu Ling Loh CPA
Andrea Mestrov FCPA
Russell Payne CPA
Evelyn Ng FCPA
Matthew Tilling CPA

Malaysia

Surin Segar FCPA, President
Dato' Mohammad Azlan Abdullah
FCPA, Deputy President
Kit Weng Yip FCPA, Deputy President
Wan Yin Chan FCPA
Ree Nie Koh FCPA
Chuang Li Khoo FCPA
Pauline Poh Ling Ho FCPA
(casual vacancy)
Wai Kit Mak CPA
Fatimah Mis FCPA
Terence Tan FCPA
Sau Shiung Yap FCPA
Wee Chun Yee FCPA

New Zealand

Liz Plowman CPA, President
Brent Kennerley FCPA,
Deputy President
Mark Saunders CPA, Deputy President
Christo Ackermann CPA (casual vacancy,
resigned June)
Gina Brighthouse CPA
Darby Healey CPA
John Gill FCPA
Edmund Mah FCPA
Angus Ogilvie FCPA
Shailesh Prasad FCPA
Criag Roberts CPA (resigned February)
Paul Shallard CPA
Julia Wu CPA

Singapore

Pui Yuen Cheung FCPA, President
Greg Unsworth FCPA, Deputy President
Lay Chew Chng FCPA
Ian Hong FCPA
Arthur Lang FCPA
Wei Hock Lee FCPA
Max Loh FCPA
Dennis Lui FCPA
Haryane Mustajab FCPA
Joshua Ong FCPA
Li Anne Ooi CPA
Shiuh Ying Tang CPA

BOARD COMMITTEES

During 2024

Audit, Risk and Compliance Committee

Warren McRae FCPA, Chair
Bryan Chung FCPA
Yew Kee Ho FCPA (until
30 September 2024)
Bernard Poon FCPA
Anthony Wright

Education, Policy and Innovation Committee

Dale Pinto FCPA, Chair
Sarah Adam-Gedge FCA
Bryan Chung FCPA
Kaushika Jayalath CPA
Yew Kee Ho FCPA (until
30 September 2024)
Anna Quinn FCPA

Member Engagement Committee

Louise Cox FCPA, Chair
Sarah Adam-Gedge FCA
Kaushika Jayalath CPA
Warren McRae FCPA
Anna Quinn FCPA

Nomination Committee

Anthony Wright, Chair
Bernard Poon FCPA
Karen Williams FCPA
Jodi Wright FCPA
Michaela Healey AM
Trent Bartlett

OTHER COUNCILS

As at 31 December 2024

Appointments Council

Louise Cox FCPA, Chair
Karen Williams FCPA, Deputy Chair
Jodi Wright FCPA, Appointor
Kylie Baxter FCPA
Angella Ellis CPA
Mark Hucklesby FCPA
Simon Kaleski FCPA
Lay Chew Chng FCPA
David Low CPA
Robert Lui FCPA
Jyotee Patel FCPA
Mark Saunders FCPA
Kit Weng Yip FCPA

Council of Presidents

Erin Adams FCPA, Chair
Tim Timchur FCPA, Deputy Chair
Pui Yuen Cheung FCPA
Ric De Santi FCPA
Georgina Fordham FCPA
Cliff Ip FCPA
Liz Plowman FCPA
Catherine Riney FCPA
Byron Savage FCPA
Surin Segar FCPA
Ross Springolo FCPA
Wayne Stokes FCPA
John Zeralla FCPA

ADVISORY COMMITTEES

As at 31 December 2024

Professional Education Advisory Committee

Mary Dunkley FCPA, Chair
Chris Ackerman CPA
Ka Fai Chan (Jeffrey) FCPA
Anthony Hayes FCPA
Maria Koleda FCPA
Meredith Tharapos CPA
Jim Tognolini
Denis Vinen FCPA
Carla Wilkin FCPA
John Yorke

Public Practice Advisory Committee

Peter Mogg FCPA, Chair
Shabnam Amirbeaggi FCPA
Terrence Cheong FCPA
Karen Conlon FCPA
Simon Flowers FCPA
Shanna Hunter FCPA
Sarah Lawrance FCPA
Lisa Liew FCPA
Prue McStay CPA
John Zerella FCPA
Hugh Zimmerman FCPA

COMPLIANCE PANELS

Disciplinary Panel

Rebecca Hemperger FCPA, Chair
Kim Langfield-Smith, Deputy Chair
Paul Simionato, Deputy Chair
Brendan Swift, Deputy Chair

Professional Conduct Oversight Panel

Mark Brown FCPA
Greg Lewis
Gregory Sharpley

LIFE MEMBERS

Elizabeth Alexander AO FCPA
Patrick Barrett AO FCPA
David Baulch FCPA
Brian Blood FCPA
David Boymal AM FCPA
John Cahill FCPA
Paul Cooper FCPA
Denis Cortese FCPA
Mark Coughlin FCPA
Kenneth Eastwood AM FCPA
John Gill FCPA
Scott Henderson AM FCPA
Bryan Howieson FCPA
Robert Jeffery FCPA
Low Weng Keong FCPA
Jim Kropp FCPA
Robert Shiu-Hung Lee FCPA
Ian McPhee AO FCPA
Paul Meiklejohn FCPA
John Miller AO FCPA
Joycelyn Morton FCPA
Graham Paton AM FCPA
Des Pearson AO FCPA
Patrick Ponting FCPA
Loh Hoon Sun FCPA
Brian Waldron OAM FCPA
Peter Wilson AM FCPA
Bernard Wright AM FCPA

OTHER BOARDS AND COMMITTEES¹

A4S Advisory Council

Merran Kelsall AO FCPA

Confederation of Asian and Pacific Accountants (CAPA)

Priya Terumalay FCPA

CAPA Accounting, Reporting and Assurance Coordinating Committee

Ram Subramanian CPA

CAPA Member Development Committee

Dr Adam Suess

IFAC Board

Merran Kelsall AO FCPA (observer representing CPA Australia)

IFAC Nominating Committee

Merran Kelsall AO FCPA

IFAC Small and Medium Practices Committee

Baubre Murray FCPA

IFAC Professional Accountants in Business

Sharon Ditchburn FCPA

IFAC Public Policy and Regulation Advisory Group

Dr Gary Pflugrath FCPA

Integrated Reporting and Connectivity Council

Patrick Viljoen FCPA

¹ CPA Australia shares representation on some of these bodies with CA ANZ.

CENTRES OF EXCELLENCE

DIGITAL TRANSFORMATION

Stephannie Jonovska FCPA, Chair
Perry Abbott FCPA
Kyelie Baxter CPA
Michael Davern FCPA
David Hardidge FCPA
Guy Ioppolo FCPA
Tony Krizan FCPA
Jannat Maqbool FCPA
Joni Pirovich
Dimitrios Salampasis

ESG

Tim Timchur FCPA, Chair
Sharon Ditchburn FCPA
Robyn Erskine FCPA
Lucy Hamnett CPA
Felix Lam CPA
Cissy Ma FCPA
Paul Mather FCPA

Ethics and Professional Standards

Anju De Alwis FCPA, Chair
Mahesh Balakrishnan CPA
John Halliday FCPA
Dr Gerard Illott FCPA
Alex Ooi Thiam Poh FCPA
Brendan O'Connell FCPA
Peter Pontikis FCPA
Kimberly Singh FCPA
Wayne Stokes FCPA

External Reporting

Michelle Harrison FCPA, Chair
Ric De Santi FCPA
Elizabeth Giust FCPA
Nikole Gyles FCPA
Len Jui FCPA
Ian Mackintosh FCPA
Robyn Moroney CPA
Christina Ng CPA
Siva Sivanantham FCPA
Shaun Steenkamp CPA
Gabriel Teo FCPA
Nick Walker CPA

Retirement Savings

Nicole Osborne OAM CPA, Chair
Jane Barrett
Leon Jennings CPA
Alex Harken-Yumru CPA
Lou Krstevski FCPA
Bruce Mackley CPA
Suzanne Maloney FCPA
Brett Marsh CPA
Neil Marshall CPA
Paul May CPA

Taxation

Alexis Kokkinos FCPA, Chair
Stuart Drake CPA
Ken Fehily FCPA
David Hall FCPA
Sunita Jogarajan
Aaron Ng CPA
Michael Parker ASA
Kunal Patel CPA
Ian Rospin FCPA
Sue Williamson FCPA

Report of the Board of Directors

DIRECTORS

The Directors submit the annual financial report of CPA Australia Ltd ("CPA Australia") and its controlled entities ("the Group") for the financial year ended 31 December 2024. In order to comply with the *Corporations Act 2001* and Australian Accounting Standards, the Directors present this report. The Directors in office at the end of the financial year are set out on pages 101 to 104 of this report, together with their qualifications, experience and special responsibilities. Details of meeting attendance are set out on pages 113 to 114 and their remuneration is included in Note 19.c on page 150.

COMPANY SECRETARY

Warren Slade BA, LLB (Hons), legal practitioner, was appointed as Company Secretary on 1 January 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year remain unchanged and were 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 profit before income tax for the year was \$3,865,000 (2023 consolidated loss: \$1,907,000). The consolidated profit after tax for the year was \$3,998,000 (2023 consolidated loss after tax: \$1,437,000).

REVIEW OF OPERATIONS

A review of the operations of the Group during the financial year and the results of those operations are contained in the discussion and analysis of the financial results – see pages 117 to 120.

CORPORATE GOVERNANCE

The Board met on six occasions in 2024 with one Director elected in September commencing a three-year term on 1 October 2024. During 2024, the Board continued to focus on providing services and resources to support members and the profession in responding to macro global trends, and invested in technology to support the strategic initiatives.

In 2024, four Board Committees of Directors operated: Audit, Risk and Compliance; Education, Policy and Innovation; Nomination, and Member Engagement.

In July 2023, former CEO Andrew Hunter tendered his resignation, effective April 2024. New CEO Chris Freeland AM, joined CPA Australia on March 18 2024.

Further information on the governance of the Company is included in the corporate governance statement on our website and on pages 28 to 31 of this report.

DIRECTORS' MEETINGS

The tables on pages 113 to 114 set out the number of Board and Board Committee meetings held and the number of meetings attended by each Director during 2024.

CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group, other than referred to in the financial statements or notes thereto.

SUBSEQUENT EVENTS

There has been no matter or circumstance occurring since the end of the financial year to the date of this report that has affected or may significantly affect the activities of the Group, the results of those activities or the state of affairs of the Group in the ensuing or any subsequent financial year.

FUTURE DEVELOPMENTS

Likely developments in the activities of the Group are noted elsewhere in this report, with the Group working towards the achievement of its objectives under the strategy.

INDEMNIFICATION OF OFFICERS AND AUDITORS

During the year the Group 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 115 and forms part of this report.

ROUNDING OF AMOUNTS

The statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated under the option available under Australian Securities and Investment Commission (ASIC) Legislative Instrument 2016/191.

BOARD OF DIRECTORS' MEETINGS 2024

Directors	Scheduled meetings		Ad hoc meetings		Total 2024 meetings	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Dale Pinto, Chair	6	6	0	0	6	6
Warren McRae	6	6	0	0	6	6
Louise Cox	6	6	0	0	6	6
Sarah Adam-Gedge	6	6	0	0	6	6
Bryan Chung	6	6	0	0	6	6
Julie Crisp ⁽²⁾	1	1	0	0	1	1
Yew Kee Ho ⁽¹⁾	5	5	0	0	5	5
Kaushika Jayalath	6	6	0	0	6	6
Bernard Poon	6	6	0	0	6	6
Anna Quinn	6	6	0	0	6	6
Anthony Wright	6	6	0	0	6	6

AUDIT, RISK AND COMPLIANCE COMMITTEE MEETINGS 2024

Directors	Scheduled meetings		Ad hoc meetings		Total 2024 meetings	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Warren McRae, Chair	4	4	0	0	4	4
Bryan Chung	4	4	0	0	4	4
Yew Kee Ho ⁽¹⁾	3	3	0	0	3	3
Bernard Poon	4	4	0	0	4	4
Anthony Wright	4	3	0	0	4	3

EDUCATION, POLICY AND INNOVATION COMMITTEE MEETINGS 2024

Directors	Scheduled meetings		Ad hoc meetings		Total 2024 meetings	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Dale Pinto, Chair	4	4	0	0	4	4
Sarah Adam-Gedge	4	4	0	0	4	4
Bryan Chung	4	4	0	0	4	4
Yew Kee Ho ⁽¹⁾	3	2	0	0	3	2
Kaushika Jayalath	4	4	0	0	4	4

NOMINATION COMMITTEE MEETINGS 2024

Directors	Scheduled meetings		Ad hoc meetings		Total 2024 meetings	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Anthony Wright, Chair	6	6	1	1	7	7
Bernard Poon	6	6	1	1	7	7
Trent Bartlett ⁽³⁾	6	6	0	0	6	6
Michaela Healey ⁽³⁾	6	6	0	0	6	6
Karen Williams ⁽⁴⁾	6	6	1	1	7	7
Jodi Wright ⁽⁴⁾	6	6	1	1	7	7

MEMBER ENGAGEMENT COMMITTEE MEETINGS 2024

Directors	Scheduled meetings		Ad hoc meetings		Total 2024 meetings	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Louise Cox, Chair	4	4	0	0	4	4
Sarah Adam-Gedge	4	4	0	0	4	4
Kaushika Jayalath	4	4	0	0	4	4
Warren McRae	4	4	0	0	4	4
Anna Quinn	4	4	0	0	4	4

¹ Term as a Director, and Board or Committee member ceased on 30 September 2024

² Term as a Director and Board member commenced on 1 October 2024

³ Independent Non-Director Committee Members

⁴ Appointments Council representative on the Nomination Committee

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



Dale Pinto FCPA
John Curtin
Distinguished
Professor,
Director



Warren McRae
FCPA
Director

24 March 2025



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of CPA Australia Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit of CPA Australia Ltd for the financial year ended 31 December 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



KPMG

Chris Sargent

Partner

Melbourne

24 March 2025

Overview of financial result

	2024 \$'000s	2023 \$'000s
Revenue		
Member fees and subscription	107,374	100,429
Education and CPA Program	60,654	59,429
Professional development	8,601	7,301
Other services	4,116	5,836
Marketing, promotion and publications	1,227	1,187
Finance income	4,781	4,053
Total revenue	186,753	178,235
Operating expenses		
Employee benefits	(85,334)	(86,375)
Education and CPA Program	(16,968)	(17,003)
Computer hardware and software licences	(12,302)	(11,849)
Professional services	(11,117)	(9,376)
Printing and communication	(4,451)	(4,875)
Advertising and promotion	(6,638)	(3,958)
Rent and outgoings	(5,817)	(5,647)
Catering and entertainment	(4,699)	(3,172)
Travel and accommodation	(3,551)	(2,427)
Other costs	(6,157)	(6,005)
Total operating expenses	(157,034)	(150,687)
Operating surplus before depreciation and finance costs	29,719	27,548
Depreciation	(17,005)	(16,500)
Finance costs	(1,673)	(1,604)
Net operating surplus/(deficit) after depreciation and finance costs	11,041	9,444
Strategic project expenditure	(10,402)	(14,898)
Net surplus/(deficit) after strategic project expenditure	639	(5,454)
Changes in the fair value of financial assets	3,656	5,324
Gain on sale of financial assets	2,310	218
Net foreign exchange gain	1,327	266
Net surplus/(deficit) after FX and revaluation of investments	7,932	354
Tax benefit/(expense)	133	470
Total comprehensive income/(loss) for the year	8,065	824

The 'overview of financial results' is a management view of the 2024FY financial performance. The report details key revenue and expense line items leading to the 'Net surplus/(deficit) after strategic project expenditure' result of \$639k, which is also the official 2024 'our performance' KPI detailed on page 39. The official consolidated financial statements and notes start from page 121

Discussion and analysis of the financial results 2024

OVERVIEW OF THE FINANCIAL RESULTS (PAGE 116)

In 2024, CPA Australia continued to generate a reasonable operating surplus that enables the investment in key initiatives that support the organisational strategy. The organisation invested in strategic initiatives that included:

- commencement of the Learning Evolution Program
- commencement of the member mobile app
- the “CPA – Three Letters to Limitless” campaign to support the organisational strategy
- cyber security program enhancement.

In addition to this investment in strategic initiatives, we continued to support members with access to complimentary professional development, hardship membership discounts and continued opportunity to complete CPA Program exams online.

CPA Australia also continued to enhance thought leadership and advocacy for members and the public interest.

The continued ability to invest in strategic initiatives that enhance member experiences and build organisational capability is underpinned by a sustainable operating model that delivers reasonable operating surpluses.

The overview of financial results highlights the effectiveness of the base operating model with total revenue of \$186.8m and total operating expenses of \$157m allowing for an operating surplus of \$29.7m.

The positive \$8.5m year-on-year gain in total revenue growth has resulted from a combination of gains in membership, pricing, professional development with a successful in person CPA Congress held in Canberra in October 2024 and increased member events along with a renewed focus on our remaining revenue streams.

While there was a continued strong focus on our cost base there was a year-on-year increase to some expense categories that require additional support to provide opportunities for members to connect with each other along with the operational spend associated with our new “CPA – Three Letters to Limitless” brand campaign launched in quarter four 2024.

After depreciation and finance costs are included, \$17.0m and \$1.7m respectively, a net surplus prior to strategic projects of \$11.0m provides opportunity to fund further investment in services for members.

After investment of \$10.4m in strategic initiatives the organisation presented a net surplus of \$0.6m before income tax, FX and investment mark to market.

The net surplus of \$7.9m before income tax, is driven by increases in the fair value of financial assets under investment held during the year and foreign exchange translation gains.

After tax adjustments the organisation presented a positive comprehensive income result of \$8.1m which represents a \$7.3m improvement against 2023.

This positive comprehensive net income result will be used to fund a planned significant increased investment in strategic initiatives across the next two to three years focused on education innovation.

FINANCIAL STATEMENTS OVERVIEW (FROM PAGE 121)

Financial results

As foreshadowed in the 2023 Integrated Report, the Group delivered an operating surplus before tax in 2024 of \$3.9m (2023 deficit: \$1.9m). The year-on-year improvement of \$5.8m was the result of a strong membership growth and embedment of the new operating model that positively impacted the organisational cost base.

The overall comprehensive income of \$8.1m (after tax, FX and unrealised gain on investments) is also a positive year-on-year improvement over the 2023 overall comprehensive income of \$0.8m and has further been impacted by positive increases in the fair value of financial assets under investment held during the year and foreign exchange translation gains.

Revenue

Overall revenue was higher in 2024 at \$186.8m (2023: \$178.2m). Contributing to the overall increase was membership and education revenue.

Slight increases in membership and program fees provided the organisation an opportunity to further support members with complimentary professional development, online exams and investment in strategic projects.

CPA Virtual Congress produced strong engagement with more than 9,600 participants.

The Group ended the year with 174,908 members (2023: 173,431) which was driven by steady membership retention rates and a higher annual growth level of new members joining CPA Australia.

Expenditure

Expenditure before tax was \$2.7m higher than 2023 at \$182.9m (2023: \$180.1m). Employee costs were lower by 5.81% in 2024 at \$84.5m (2023: \$89.8m). This was mainly driven by embedding of the operating model implemented in 2023.

In 2024, there was deliberate investment in member facing activities and initiatives to lift the CPA Australia brand in the market place and this is reflected by increases in the expense categories of advertising and promotion and travel and catering.

Taxation

The income tax benefit recognised in profit or loss for 2024 is \$0.1m (2023: income tax benefit \$0.5m). The total income tax expense recognised in other comprehensive income for the year is \$0.5m (2023: income tax expense of \$0.5m).

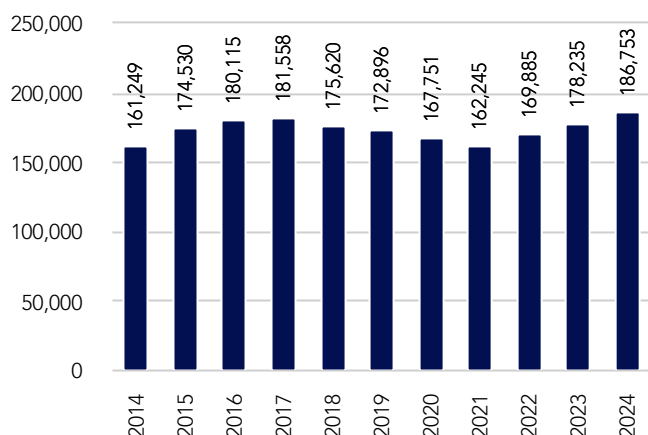
This is primarily attributable to the deferred tax recognised on temporary differences at balance date. Further details are contained in Note 6 on pages 132 to 135.

Foreign exchange

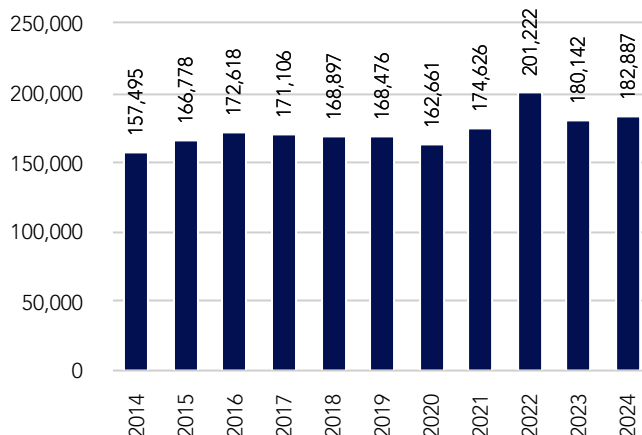
Foreign currency cash is held to meet the short-term working capital requirements of foreign operations. Any excess cash is returned to Australia to reduce the Group's exposure to fluctuations in exchange rates. Exchange rate fluctuations contributed to a foreign exchange loss on translation of cash of \$0.08m for the full year (2023: \$0.07m loss).

A foreign exchange gain of \$1.4m (2023: \$0.3m gain) on translation of foreign operations for the year ended 31 December 2024 is recognised in other comprehensive income.

Total revenue (\$'000's)



Total expenditure excluding tax (\$'000's)



Cash flow

The net cash inflows from operating activities increased by \$18.8m during 2024 to positive \$20.4m (2023: increased \$1.6m) attributable to higher receipts from operations combined with a decrease in payments to suppliers and employees during the year.

Investments

The Group's total investment portfolio return inclusive of returns on working capital accounts referred to as finance income was \$4.8m (2023: \$4.1m).

The investment portfolio returned an unrealised gain of \$3.6m in 2024 (2023: \$5.3m gain). Additionally, the gain on the sale of financial assets generated positive income of 2.3m (2023: \$0.2m gain).

Balance sheet (Statement of financial position)

The Group's balance sheet reflects net assets increasing by \$8.1m or 11.4 per cent compared to 2023, which is largely attributable to the 2024 surplus driven by increases in volume of membership and education revenues combined with a moderate price increase and lower operating costs driven by the embedment of the organisations new operating model.

Cash and cash equivalents increased by \$13.6m compared to 2023 which is primarily due to the surplus discussed previously and higher revenue received in advance at year end.

Trade and other receivables have decreased to \$2.7m in 2024 (2023: \$3.3m).

Other current assets are \$1.4m higher than the prior year due to an increase in prepaid expenses.

Current and non-current other financial assets are higher than 2023 by \$7.5m which is attributable to an increase in value of financial investments held and strong investment pool returns.

Property, plant and equipment has decreased by \$3.5m to \$20.2m (2023: \$23.7m) which relates to lower additions, disposal of assets and the depreciation charged during the year. Further detail of this movement is outlined in Note 11.

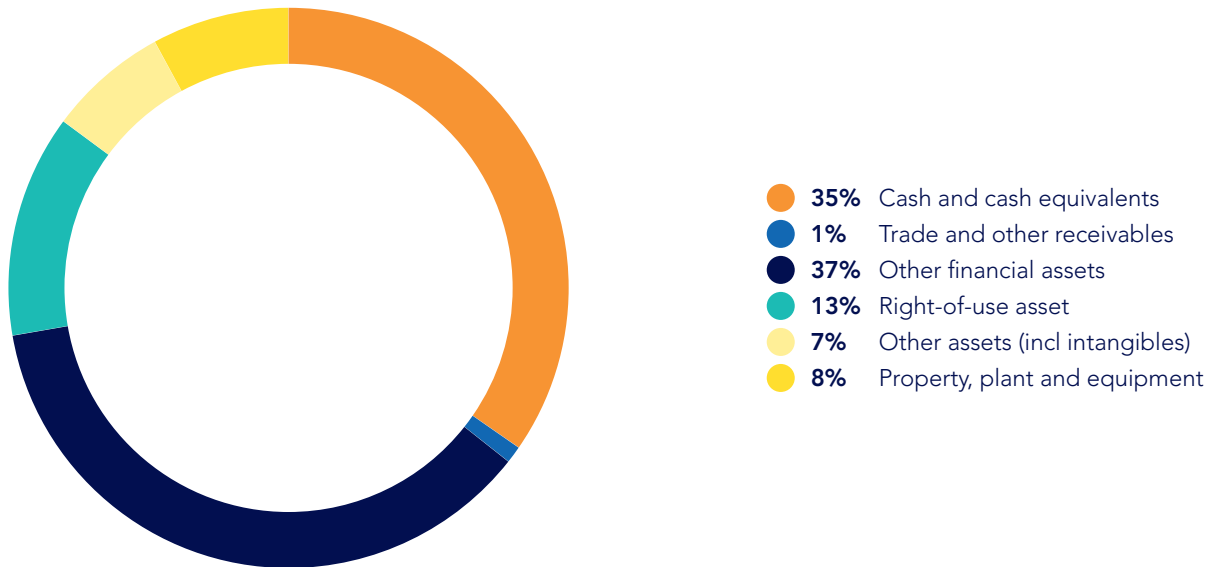
Intangible assets are lower than 2023 by \$3.1m, which is directly attributable to the addition of SaaS arrangements offset by the amortisation charged during the year.

Current and non-current provisions ended the year \$1.8m higher than 2023. This is primarily due to an increase in provisions related to employee benefits and make good for leased properties.

Trade and other payables were higher by \$1.2m compared to the previous year; this is due to a timing difference in payments to trade creditors.

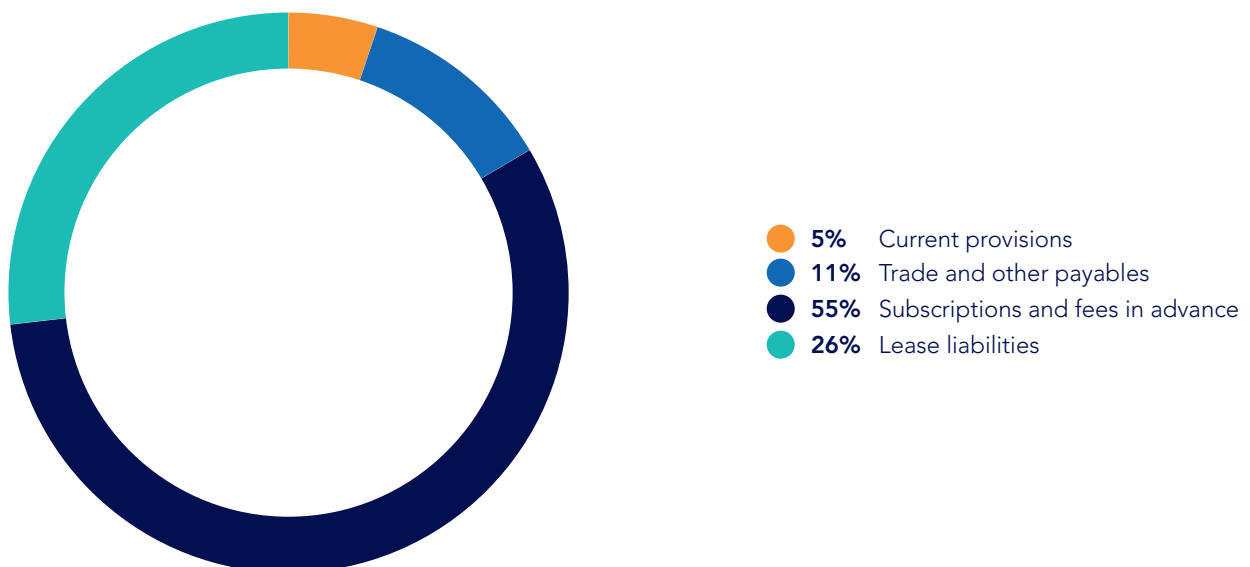
Contract liabilities were \$4.4m higher than 2023 which is due to higher subscriptions and fees received in advance.

Assets¹



¹ Figures are rounded and may not equal 100 per cent.

Liabilities¹



¹ Figures are rounded and may not equal 100 per cent.

Statement of profit or loss and other comprehensive income

Consolidated			
	Note	2024 \$'000s	2023 \$'000s
Revenue	3	181,972	174,182
Finance income	4	4,781	4,053
Employee benefits expense	5.a	(84,540)	(89,758)
Education and CPA Program expense	5.b	(14,416)	(14,306)
Advertising and promotion expense	5.c	(7,838)	(3,958)
Rent and outgoings expense		(5,757)	(5,647)
Computer hardware and software licences expense		(12,632)	(11,861)
Event delivery expense	5.d	(2,795)	(2,697)
Professional services expense	5.e	(17,053)	(17,653)
Printing and communication expense	5.f	(4,605)	(4,875)
Travel and catering expense	5.g	(8,252)	(5,631)
Other staff costs	5.h	(3,386)	(3,194)
Depreciation and amortisation expense	11, 12, 13	(17,005)	(16,500)
Finance costs		(1,673)	(1,604)
Net foreign exchange loss		(83)	(72)
Gain/(loss) on sale of financial assets at FVTPL		1,096	(219)
Changes in the fair value of financial assets at FVTPL		2,213	3,838
Loss allowance for trade receivables		(618)	(190)
Loss on sale of property, plant and equipment		(120)	(2)
Other expenses	5.i	(5,424)	(5,813)
Surplus/(Deficit) before income tax		3,865	(1,907)
Tax benefit/(expense)	6	133	470
Surplus/(Deficit) for the year		3,998	(1,437)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Changes in the fair value of equity investments at FVOCI		1,219	1,337
Gain on sale of financial assets at FVOCI		1,214	437
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		1,410	338
Changes in the fair value of debt instruments at FVOCI		224	149
Other comprehensive income/(loss) for the year, net of tax		4,067	2,261
Total comprehensive income/(loss) for the year		8,065	824

CPA Australia 2024 financial statements

The statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to the financial statements set out on pages 125 to 160.

Statement of financial position

	Note	Consolidated	
		2024 \$'000s	2023 \$'000s
Current assets			
Cash and cash equivalents	7	88,130	74,563
Trade and other receivables	8	2,722	3,293
Other assets	9	6,803	5,423
Total current assets		97,655	83,279
Non-current assets			
Other financial assets	10	93,117	85,667
Deferred tax assets	6.d	348	346
Property, plant and equipment	11	20,185	23,665
Intangible assets	12	8,556	11,701
Right-of-use asset	13.a	32,841	33,665
Other assets	9	701	663
Total non-current assets		155,748	155,707
Total assets		253,403	238,986
Current liabilities			
Trade and other payables		20,016	18,824
Provisions	14	8,501	8,349
Lease liabilities	13.b	7,838	7,468
Contract liabilities	15	95,614	91,156
Total current liabilities		131,969	125,797
Non-current liabilities			
Provisions	14	4,727	3,123
Lease liabilities	13.b	38,016	39,439
Total non-current liabilities		42,743	42,562
Total liabilities		174,712	168,359
Net assets		78,691	70,627
Members' funds			
Reserves		10,832	7,980
Retained surplus		67,859	62,647
Issued share capital		-	-
Total members' funds		78,691	70,627

CPA Australia 2024 financial statements

The statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 125 to 160.

Statement of changes in members' funds

	Consolidated			Total
	Investment revaluation reserve	Foreign currency translation reserve	Retained surplus	
	\$'000s	\$'000s	\$'000s	
Balance at 1 January 2023	4,567	1,589	63,647	69,803
Other comprehensive income	1,486	338	437	2,261
Deficit for the year	-	-	(1,437)	(1,437)
Balance at 1 January 2024	6,053	1,927	62,647	70,627
Other comprehensive income	1,442	1,410	1,214	4,066
Surplus for the year	-	-	3,998	3,998
Issued share capital	-	-	-	-
Balance at 31 December 2024	7,495	3,337	67,859	78,691

CPA Australia 2024 financial statements

The statement of changes in members' funds is to be read in conjunction with the notes to the financial statements set out on pages 125 to 160.

Statement of cash flows

	Note	Consolidated	
		2024 \$'000s	2023 \$'000s
Cash flows from operating activities			
Receipts from operations		194,737	188,415
Payments to suppliers and employees		(172,779)	(185,316)
Interest on leases	13.b	(1,592)	(1,539)
Net cash (outflows)/inflows from operating activities	7	20,366	1,560
Cash flows from investing activities			
Payment for property, plant and equipment and intangible assets	11, 12	(2,301)	(4,143)
Receipts/(payments) for deposits less than 1 year but greater than 90 days		-	272
Receipts/(payments) for deposits greater than 1 year		152	(274)
Proceeds from sale of investments		19,170	17,004
Purchase of investments		(20,196)	(3,999)
Investment interest and dividends received		4,742	3,789
Net cash (outflows)/inflows from investing activities		1,567	12,649
Cash flows from financing activities			
Payment of lease liabilities	13.b	(7,407)	(8,262)
Net cash outflows from financing activities		(7,407)	(8,262)
Net increase/(decrease) in cash and cash equivalents held		14,525	5,947
Cash and cash equivalents at the beginning of the financial year		74,563	68,077
Effects of exchange rate changes in the balance of cash held in foreign currencies		(958)	539
Cash and cash equivalents at the end of the financial year	7	88,130	74,563

CPA Australia 2024 financial statements

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 125 to 160.

Notes to the financial statements

01 ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

The Group adopts all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the operations and effective for the current annual reporting period.

Standards issued but not yet effective

A number of Australian Accounting Standards, Interpretations and Amendments are in issue but are not yet effective and have not been applied in preparing these financial statements. These are not expected to have a material impact on the Group's financial statements when applied.

02 SUMMARY OF MATERIAL ACCOUNTING POLICIES

2 (a) Basis of preparation

The general purpose consolidated financial statements have been prepared on an accruals basis and are based on historical costs. They do 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 Legislative Instrument 2016/191.

2 (b) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards, Interpretations and other authoritative pronouncements of the AASB. CPA Australia is a NFP entity for the purpose of preparing the financial statements, however there is no impact on the recognition and measurement of amounts from applying paragraphs specific to NFP entities. Therefore, compliance with Australian Accounting Standards results in full compliance with the IFRS as issued by the IASB.

As at 31 December 2024, current liabilities are \$34.3m greater than current assets. This is due to deferred revenue, a non-cash item being classified as a current liability. The Group has sufficient liquidity to pay its debts as and when they become due and payable. Consequently, the Directors have prepared the financial statements on a going concern basis.

CPA Australia is limited by guarantee and domiciled in Australia.

The consolidated financial statements for the year ended 31 December 2024 were authorised by the Board of Directors on 24 March 2025.

2 (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 to obtain benefits from its activities.

All intercompany transactions, balances, income and expenses are eliminated in full on consolidation.

2 (d) 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 statement of cash flows 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.

2 (e) 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 profit or loss in the period they occur.

Foreign currency operations

The assets and liabilities of the Group'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 charged/credited to other comprehensive income and recognised in the foreign currency translation reserve in equity.

2 (f) Comparative amounts

When a change in accounting policy is applied retrospectively in accordance with Australian Accounting Standards, we have adjusted the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts disclosed for each prior period presented as if the new accounting policy had always been applied.

2 (g) Critical judgements in applying the Group'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
- experience of employee departures and period of service.

Intangible and other assets

Management's judgement is applied to depreciation/amortisation rates, useful lives and residual values.

SaaS arrangements

Note 12 describes the Group's accounting policy in respect of configuration and customisation costs incurred in implementing SaaS arrangements. In applying the Group's accounting policy, the Directors made the following key judgements that may have the most significant effect on the amounts recognised in the financial statements:

- i. Determination whether configuration and customisation services are distinct from the SaaS access.

Implementation costs including costs to configure or customise the cloud provider's application software are recognised as operating expenses when the services are received.

Where the SaaS arrangement supplier provides both configuration and customisation services, judgement has been applied to determine whether each of these services are distinct or not from the underlying use of the SaaS application software. Distinct configuration and customisation costs are expensed as incurred as the software is configured or customised (i.e. upfront). Non-distinct configuration and customisation costs are expensed over the SaaS contract term.

- i. Non-distinct customisation activities significantly enhance or modify a SaaS cloud-based application. Judgement has been applied in determining whether the degree of customisation and modification of the SaaS cloud-based application is significant or not.

- ii. Capitalisation of configuration and customisation costs in SaaS arrangements.

In implementing SaaS arrangements, the Group has developed software code that enhances, modifies or creates additional capability to the existing owned software. This software is used to connect with the cloud based application under the SaaS arrangement.

Judgement has been applied in determining whether the changes to the owned software meets the definition of and recognition criteria for an intangible asset in accordance with AASB 138 *Intangible Assets*.

Deferred tax assets

Deferred tax assets in respect of current and prior period accumulated tax losses are not (unless related to overseas jurisdictions) recognised at balance sheet date as management has assessed that it is not probable that sufficient taxable surplus will be available to allow all or part of the deferred income tax asset to be utilised.

03 REVENUE

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Revenue from contracts with customers		
Member fees and subscriptions	107,374	100,429
Education and CPA Program	60,654	59,429
Professional development	8,601	7,301
Other services	4,116	5,836
Marketing, promotion and publications	1,227	1,187
	181,972	174,182

3 (a) Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by major products and service lines and the timing of revenue recognition.

	Consolidated					Total
	Member fees and subscriptions	Education and CPA Program	Professional development	Other services	Marketing, promotion and publications	
2024	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Revenue from contracts with customers	107,374	60,654	8,601	4,116	1,227	181,972
Timing of revenue recognition						
At a point in time	2,131	2,635	8,601	4,116	1,227	18,710
Over time	105,243	58,019	-	-	-	163,262
	107,374	60,654	8,601	4,116	1,227	181,972
2023						
Revenue from contracts with customers	100,429	59,429	7,301	5,836	1,187	174,182
Timing of revenue recognition						
At a point in time	1,851	2,567	7,301	5,836	1,187	18,742
Over time	98,578	56,862	-	-	-	155,440
	100,429	59,429	7,301	5,836	1,187	174,182

Member fees and subscriptions

The membership subscription year runs 1 January to 31 December, with subscriptions payable annually in advance. Only those membership fees and subscriptions that are attributable to the current financial year are recognised as revenue over time. Fees and subscription payments that relate to future periods are shown in the statement of financial position as subscriptions and fees in advance under the heading of current liabilities – contract liabilities.

Education and CPA Program

Education and CPA Program revenue is recognised as associated performance obligations are satisfied. Payments are received in advance except in a small number of cases where customers are invoiced, and payment is due within 30 days. Revenue that relates to future periods is shown in the statement of financial position under the heading of current liabilities – contract liabilities.

Professional development

Professional development revenue is recognised at a point in time as events are delivered or as goods are transferred to customers. Payments are generally received in advance; where customers are invoiced, payment is due within 30 days. Revenue that relates to future periods is shown in the statement of financial position as subscriptions and fees in advance under the heading of current liabilities – contract liabilities.

Marketing, promotion and publications

Revenue from marketing, promotion and publications activity is recognised at the time of the sponsored event or publication issue. Payment is due from customers within 30 days of invoicing. Where payment is received in advance, it is recognised as a liability until the performance obligation is satisfied.

Other revenue generating activities

Revenue from other contracts with customers is transferred at a point in time when performance obligations are satisfied by transferring promised goods or services to customers. Payment is due from customers within 30 days of invoicing.

3 (b) Contract balances

The following table provides information about receivables and contract liabilities from contracts with customers.

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Receivables (included in trade and other receivables)	2,733	3,098
Loss allowance	(303)	(194)
Total receivables	2,430	2,904
Subscriptions and fees received in advance	95,614	91,156

Subscriptions and fees in advance are shown in the statement of financial position under the heading of current liabilities – contract liabilities; this represents advance consideration received from customers for which revenue is recognised in accordance with the satisfaction of performance obligations.

Significant changes in contract balances during the period are as follows:

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Revenue recognised that was included in the subscriptions and fees received in advance balance at the beginning of the period	(91,156)	(87,592)
Increases due to cash received, excluding amounts recognised as revenue during the period	95,614	91,156

3 (c) Transaction price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at 31 December 2024.

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Member fees and subscriptions	76,180	72,207
Education and CPA Program	19,354	18,892
Professional development	81	57
Other services	-	-
	95,615	91,156

04 FINANCE INCOME

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Dividends and distributions	2,402	2,793
<i>Interest income on:</i>		
Financial assets held as investments	1,688	798
Bank deposits	691	462
	4,781	4,053

Dividends and distributions

Dividends are recognised as finance income in profit or loss when the right to receive payment is established.

Interest

Interest is recognised as finance income in profit or loss using the effective interest rate method.

05 EXPENDITURE

5 (a) Employee benefits

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Salaries and other benefits	77,518	82,224
Defined contribution	6,922	7,241
Fringe benefits tax	100	293
Total	84,540	89,758

5 (b) Education and CPA Program expense

Exam delivery	8,491	8,447
Exam and content development	5,925	5,859
Total	14,416	14,306

5 (c) Advertising and promotion expense

Acquisition advertising	5,262	2,591
Member engagement activity	1,354	571
Sponsorships	586	297
Business development activity	229	218
Research prizes and grants	139	165
Brand	142	-
Other	91	92
Media monitoring	35	24
Total	7,838	3,958

5 (d) Event delivery expense

Professional development events	2,604	2,556
Member engagement events	188	126
Recruitment events	3	11
Education events	-	4
Total	2,795	2,697

5 (e) Professional services expense

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Strategic initiatives	6,061	8,228
Corporate support	2,837	2,568
Technology projects	2,432	1,926
Business development activity	1,723	1,078
Publications	620	730
Professional conduct activity	633	714
Governance	248	654
Product development and delivery	928	655
Legal	1,238	560
AGM	333	390
Strategic review	-	150
Total	17,053	17,653

5 (f) Printing and communication expense

Telephone, internet and WAN costs	921	1,018
Printing and stationery	1,492	1,297
Postage	1,757	1,970
Publications	179	438
Other	256	152
Total	4,605	4,875

5 (g) Travel and catering expense

Member engagement activity	3,733	2,282
Business development activity	1,711	1,194
Corporate support	1,438	955
Board and internal audit	786	634
Education and professional development activity	359	368
Public practice activity	22	21
Advocacy	197	118
Professional conduct activity	6	20
Strategic projects	-	39
Total	8,252	5,631

5 (h) Other staff costs

Agencies employment expense	1,559	1,591
Staff recruitment	696	802
Staff training and development	626	476
Other staff costs	505	325
Total	3,386	3,194

5 (i) Other expenses

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Memberships and contributions	3,000	2,902
Merchant fees and bank fees	1,855	1,888
CPA Australia Best Practice Program	421	312
Other	148	711
Total	5,424	5,813

06 TAXATION

As an organisation that is carried on for the benefit of its members collectively, not individually, the Group applies the principle of mutuality which is a common law principle based on the premise that individuals (members in the case of CPA Australia) cannot derive taxable income from themselves.

In applying the principle of mutuality, revenue in the form of member receipts represents mutual income and is not subject to income tax. Expenses associated with such mutual income are likewise not tax deductible for income tax purposes. The principle of mutuality does not extend to all other receipts and payments of the Group and as such these need to be classified for income tax purposes in accordance with Australian income tax legislation.

Expenditure of the Group has been apportioned between mutual and non-mutual income using an appropriate

methodology which has been validated by external tax advisors.

In addition to its Australian operations, the Group also operates in a number of overseas jurisdictions. The revenue derived by the foreign branches of CPA Australia are generally not subject to Australian income tax. Expenses associated with the activities of the foreign branches of CPA Australia are similarly not tax deductible under Australian income tax law.

CPA Australia's transfer pricing policy is guided by the broader taxation policy of the Group and has regard to both the arm's length standard as set out in the Organisation for Economic Co-operation and Development Guidelines, and the local transfer pricing requirements in the jurisdictions in which the Group has a presence.

6 (a) Income tax recognised in profit or loss

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Tax expense overseas entities	348	25
Deferred tax (benefit)/expense (refer 6(d))	(481)	(495)
Total income tax (benefit)/expense	(133)	(470)

6 (b) Reconciliation of prima facie income tax

The assessable income of the Group for income tax purposes comprises only certain income deemed to be derived from non-member activities. Allowable deductions for income tax are limited to certain expenses incurred in deriving non-member income 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:

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Surplus/(deficit) before income tax	3,865	(1,907)
Income tax (benefit)/expense calculated at 25%	966	(477)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Mutual revenue	(43,763)	(41,886)
Mutual expenses	36,149	36,490
Foreign operations revenue	(6,242)	(5,010)
Foreign operations expenditure	7,650	6,592
Other tax adjustments	4,812	3,332
	(428)	(959)
Tax effect of:		
Temporary differences	732	573
(Recognition)/derecognition of prior year tax losses as deferred assets	(785)	(110)
Impact of tax in foreign jurisdiction	348	26
	295	489
Total income tax (benefit)/expense	(133)	(470)

Non-mutual operating and investment revenue totalled \$19.3m in 2024 (2023: \$22.6m). Non-mutual operating expenditure totalled \$16.1m in 2024 (2023: \$19.8m). This gives rise to a non-mutual taxable profit of \$3.2m (2023: profit \$2.7m) prior to any tax adjustments.

The tax rate used in the above 2024 reconciliation is the base rate entity corporate tax rate of 25 per cent payable by Australian corporate entities that are eligible for reduced corporate tax on taxable profits under Australian tax law.

Based on aggregate turnover CPA Australia Ltd was deemed eligible for a reduced corporate tax rate as a qualifying base rate entity.

6 (c) Income tax recognised in other comprehensive income

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Deferred tax expense/(benefit) arising on the fair value remeasurement of equity investments at FVOCI (refer 6(d))	406	445
Deferred tax expense/(benefit) arising on the fair value remeasurement of debt instruments at FVOCI (refer 6(d))	75	50
Total income tax recognised in other comprehensive income	481	495

The deferred tax expense arising on the fair value measurement of equity investments and debt instruments is included in the changes in the fair value of equity investments and debt instruments in other comprehensive income in the statement of profit or loss and other comprehensive income.

6 (d) Deferred tax assets (DTAs)/(liabilities) arise from the following

	Opening balance 2023	Recognised in profit or loss	Recognised in other comprehensive income	Foreign Operations	Closing balance 2023	Recognised in profit or loss	Recognised in other comprehensive income	Foreign Operations	Closing balance 2024
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Investments	(998)	(959)	(495)	-	(2,452)	(553)	(481)	-	(3,486)
Property, plant and equipment	266	499	-	-	765	(113)	-	-	652
Employee benefits	317	(109)	-	-	208	(22)	-	-	186
Provisions	16	(8)	-	-	8	7	-	-	15
Lease liabilities	803	1	-	-	804	(38)	-	-	766
Right of use asset	(918)	(3)	-	-	(915)	(13)	-	-	(928)
Tax losses	514	1,068	-	-	1,582	1,213	-	-	2,795
Foreign subsidiaries	66	-	-	280	346	-	-	2	348
	66	495	(495)	280	346	481	(481)	2	348

CPA Australia Ltd is part of a tax consolidated group and remains part of the tax sharing and funding agreement.

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 assets are recognised for all deductible temporary differences. The Group has recognised a deferred income tax asset for all carry forward tax losses to such an extent so that total net deferred income tax assets and liabilities are nil. Any deferred tax asset related to other tax jurisdictions are recognised in the balance sheet. Further details on the deferred tax assets not brought to account are outlined below.

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 statement of profit or loss and other comprehensive income.

6 (e) Deferred tax assets (DTAs) not brought to account

Deferred tax assets not brought to account are as follows:

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Tax losses not recognised as DTAs	6,447	7,232

07 CASH AND CASH EQUIVALENTS

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Current		
Cash at bank and in hand	58,130	59,563
Deposits at call	30,000	15,000
	88,130	74,563

Cash and cash equivalents comprise cash on hand, cash at bank, at call deposits and bank bills maturing within less than 90 days from the date of inception.

Cash and cash equivalents increased due to improved operational performance resulting in additional funds invested in term deposits.

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Inflow from operating activities		
Surplus/(Deficit) for the year	3,998	(1,437)
Plus/(minus) non-operating items:		
Interest and dividend income received	(4,781)	(4,053)
Net loss on sale of property, plant and equipment	120	2
Net (gain)/loss on sale of financial assets at FVTPL	(1,096)	219
Plus/(minus) non-cash items:		
Depreciation and amortisation	17,005	16,500
Foreign exchange translation	83	72
Addback loss allowance on trade receivables	618	190
Deferred tax adjustment	(336)	(719)
Make-good gain	(246)	(14)
Gain on revaluation of financial assets at FVTPL	(2,213)	(3,838)
Finance costs	74	64
Change in assets and liabilities:		
(Increase)/decrease in receivables	490	(1,398)
(Increase)/decrease in other assets	(1,413)	160
Increase/(decrease) in payables	1,849	(7,181)
Increase/(decrease) in subscriptions and fees in advance	4,458	3,564
Increase/(decrease) in provisions	1,756	(571)
Net cash inflow/(outflows) from operating activities	20,366	1,560

08 TRADE AND OTHER RECEIVABLES

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Current assets		
Trade and other receivables	2,733	3,114
Loss allowance	(303)	(194)
	2,430	2,920
Other receivables:		
Accrued interest on bank deposits	72	43
Accrued interest on financial assets at amortised cost	19	46
Accrued dividends on financial assets	201	284
	292	373
	2,722	3,293

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore classified as current. No interest is charged on outstanding trade receivables. Trade receivables are recognised initially at the transaction amount. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. Trade receivables consist of many 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 group of counter parties having similar characteristics and the maximum exposure to credit risk is equal to the value of our receivables.

The movement in the allowance for impairment in respect of trade receivables is as follows:

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Movement in loss allowance		
Balance at 1 January	194	128
Remeasurement of loss allowance	109	66
Balance at the end of the year	303	194

Details on the calculation of the loss allowance are provided in Note 22.

09 OTHER ASSETS

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Current		
Prepayments	6,702	5,247
Security deposit and other	101	176
	6,803	5,423
Non-current		
Security deposit and other	701	663
	701	663

10 OTHER FINANCIAL ASSETS

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Current		
Deposits greater than 90 days, less than one year	-	-
	-	-
Non-current		
Deposits greater than one year	122	274
Financial assets at fair value through profit or loss (FVTPL)	56,274	60,377
Financial assets at fair value through other comprehensive income (FVOCI)	36,721	25,016
	93,117	85,667

Details on accounting policies for financial assets are outlined in Note 22.

11 PROPERTY, PLANT AND EQUIPMENT

	Building at cost	Plant and equipment and leasehold improvements at cost	Consolidated Library books at cost	Capital work in progress	Total
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Gross carrying amount					
Balance at 1 January 2023	3,800	56,812	46	1,584	62,242
Additions	-	18	-	2,255	2,273
Derecognition of assets	-	(1,245)	-	-	(1,245)
Transfers to/from asset class	-	298	-	(298)	-
Balance at 1 January 2024	3,800	55,883	46	3,541	63,270
Additions	-	1,400	-	2,112	3,512
Derecognition of assets	-	(6,202)	(46)	-	(6,248)
Transfers to/from asset class	-	4,495	-	(4,495)	-
Balance at 31 December 2024	3,800	55,576	-	1,158	60,534
Accumulated depreciation and impairment					
Balance at 1 January 2023	(1,900)	(31,514)	(18)	-	(33,432)
Derecognition of assets	-	1,160	-	-	1,160
Depreciation	(76)	(7,247)	(10)	-	(7,333)
Balance at 1 January 2024	(1,976)	(37,601)	(28)	-	(39,605)
Derecognition of assets	-	6,136	29	-	6,165
Depreciation	(76)	(6,832)	(1)	-	(6,909)
Balance at 31 December 2024	(2,052)	(38,297)	-	-	(40,349)
Net book value					
Property, plant and equipment as at 31 December 2023	1,824	18,282	18	3,541	23,665
Property, plant and equipment as at 31 December 2024	1,748	17,280	-	1,157	20,185

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

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

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Buildings	50 years
Strata title	50 years
Property, plant and equipment	3–13 years
Library books	5 years

Land and buildings

Independent valuations are obtained periodically. Valuations were last obtained in 2022. All valuations received exceeded the assets 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 where there exists an obligation to restore the property to its original condition. These costs are included in the value of plant and equipment (comprising of leasehold improvements assets) with a corresponding provision for the restoration taken up.

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.

Sale of non-current assets

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

12 INTANGIBLE ASSETS

	Intangible assets at cost	Consolidated Capital work in progress - intangible assets	Total
	\$'000s	\$'000s	\$'000s
Gross carrying amount			
Balance at 1 January 2023	27,971	6,575	34,546
Additions	-	1,876	1,876
Derecognition of assets	-	-	-
Transfers to/from asset class	8,451	(8,451)	-
Balance at 1 January 2024	36,422	-	36,422
Additions	-	-	-
Derecognition of assets	-	-	-
Transfers to/from asset class	-	-	-
Balance at 31 December 2024	36,422	-	36,422
Accumulated amortisation and impairment			
Balance at 1 January 2023	(22,397)	-	(22,397)
Derecognition of assets	-	-	-
Amortisation and impairment	(2,324)	-	(2,324)
Balance at 1 January 2024	(24,721)	-	(24,721)
Derecognition of assets	-	-	-
Amortisation and impairment	(3,146)	-	(3,146)
Balance at 31 December 2024	(27,867)	-	(27,867)
Net book value			
Intangible assets as at 31 December 2023	11,701	-	11,701
Intangible assets as at 31 December 2024	8,556	-	8,556

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment loss. Amortisation is recognised on a straight-line basis over their estimated useful lives as follows:

Core business systems	5 years
Website	3 years
Other software	3 years

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Website costs

The primary focus of the Group's website is as an advertising, branding and information tool for the Group and its members. All maintenance and operational expenditure have been treated as expenses incurred in the period.

SaaS arrangements

SaaS arrangements are service contracts providing CPA Australia with the right to access the cloud provider's application software over the contract period. As such, the Group does not receive a software intangible asset at the contract commencement date. A right to receive future access to the supplier's software does not, at the contract commencement date, give the customer the power to obtain the future economic benefits flowing from the software itself and to restrict others' access to those benefits. These facts indicate that there is no ownership of the asset as the supplier controls the application software (intellectual property) to which CPA Australia has access. Where there is no ownership, control or possession of the asset, the cloud computing arrangement (SaaS) will be a service contract and costs are treated as operating expenditure in accordance with AASB 138 *Intangible Assets*.

Implementation costs including costs to configure or customise the cloud provider's application software under the SaaS are recognised as operating expenditure and are categorised as either being distinct or not distinct from the SaaS access to determine the timing of the expense. Distinct configuration and customisation costs are expensed as incurred as the software is configured or customised (i.e. upfront). Non-distinct configuration and customisation costs are expensed over the SaaS contract term.

If the Group pays the supplier before receiving the customisation services, it recognises the prepayment as an asset and the asset is expensed when the service is supplied. Conversely, an accrued expense is recognised if it receives a service in advance of paying for that service.

Configuration and customisation costs incurred for the development of software code that enhances or modifies, or creates additional capability to existing on-premise systems and meets the definition of and recognition criteria for an intangible asset, are recognised as intangible software assets. Such costs of customisation or modification may be capitalised as a stand-alone software asset or part of the cost of an existing software asset provided the recognition criteria in AASB 138 *Intangible Assets* are met.

Impairment of intangible assets

At each reporting date, the Group reviews the carrying amounts of its intangible 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 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 recoverable amount of the cash-generating unit to which the asset belongs is estimated. 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.

13 LEASES

13 (a) Right-of-use asset

The Group leases properties in the jurisdictions from which it operates. In some jurisdictions, it is customary for lease contracts to provide for payments to increase each year by inflation and in others to be reset periodically to market rental rates. In some jurisdictions, the periodic rent is fixed over the lease term.

Consolidated	
Leased properties	
\$'000s	
Gross carrying amount	
Balance at 1 January 2023	62,454
Additions/modification to right-of-use assets	4,454
Derecognition of right-of-use assets	(726)
Foreign exchange movements	(122)
Balance at 1 January 2024	66,060
Additions/modification to right-of-use assets	5,640
Derecognition of right-of-use assets	(9,035)
Foreign exchange movements	1,859
Balance at 31 December 2024	64,524
Accumulated depreciation	
Balance at 1 January 2023	(26,544)
Depreciation	(6,842)
Derecognition of right-of-use assets	726
Foreign exchange movements	265
Balance at 1 January 2024	(32,395)
Depreciation	(6,950)
Derecognition of right-of-use assets	9,020
Foreign exchange movements	(1,358)
Balance at 31 December 2024	(31,683)
Net book value	
Right-of-use asset as at 31 December 2023	33,665
Right-of-use asset as at 31 December 2024	32,841

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for leases of low-value assets and leases with a duration of 12 months or less. Lease payments associated with these leases are recognised as an expense in the statement of profit or loss and other comprehensive income over the lease term.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease
- initial direct costs incurred.

Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

13 (b) Lease liabilities

Leased properties	
\$'000s	
Reconciliation of lease liability	
Balance at 1 January 2023	50,658
Additions/modification	4,454
Interest expense	1,539
Lease payments	(9,801)
Lease incentives received	-
Foreign exchange movements	57
Balance at 1 January 2024	46,907
Additions/modification	5,611
Interest expense	1,592
Lease payments	(8,999)
Foreign exchange movements	743
Balance at 31 December 2024	45,854

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate which is determined by obtaining interest rates from various external financing sources. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term.

Service charges are not included in the calculation of lease liabilities and are expensed in the statement of profit or loss and other comprehensive income. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability includes:

- amounts expected to be payable under any residual value guarantee
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to exercise that option
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

When the Company revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at a revised discount rate at the time of remeasurement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

When the Company renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the stand-alone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy
- in all other cases where renegotiating increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

Extension options

Some property leases contain extension options exercisable by the Group. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options.

The Group reassess whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise the extension option, would result in an increase in lease liability of \$24m.

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Lease commitments¹		
Less than one year	9,407	9,339
One to two years	9,473	8,290
Two to three years	8,828	8,221
Three to four years	8,747	7,573
Four to five years	4,876	7,535
More than five years	17,593	19,300
Total	58,924	60,258

¹ Lease commitments reflect the contractual undiscounted cash flows.

14 PROVISIONS

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Current		
Employee benefits	8,312	7,840
Restoration of leased properties	189	509
	8,501	8,349
Non-current		
Employee benefits	1,929	1,689
Restoration of leased properties	2,798	1,434
	4,727	3,123
Balance as at 31 December	13,228	11,472

Employee benefits

The employee benefits provision represents annual leave and vested and unvested long service leave entitlements accrued.

Employee benefits expected to be settled within one year after the end of the period in which the employees render the service have been measured at the amounts expected to be paid when the liabilities are settled and includes on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future payments to be made for those benefits. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that most closely match the terms of maturity of the related liabilities. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

	Consolidated	
	2024	2023
Employee numbers		
Average number of full-time equivalent employees (FTEs) during the financial year	523	559

Restoration of leased properties

In accordance with AASB 116 *Property, Plant and Equipment* the Group recognises a restoration provision as part of the asset cost for leasehold improvements. The provision is reviewed annually in accordance with AASB 137 *Provisions, Contingent liabilities and Contingent assets* and AASB Interpretation 1 *Changes in existing decommissioning, restoration and similar liabilities*. At this time, the discount for the time value of money is unwound and recognised as a finance cost and circumstances are reviewed and the provision re-measured if required.

In 2024, the provision was re-measured based on changes in expected costs to restore applicable sites, lease terms, inflation and discount rates. This resulted in a increase to the provision.

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Balance at 1 January	1,942	1,979
Provision debited/(credited) to plant and equipment	1,381	(88)
Provision credited to profit or loss	(412)	(12)
Unwinding of discount and effect of changes in the discount rate	75	63
Balance as at 31 December	2,986	1,942

15 CONTRACT LIABILITIES

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Current		
Subscriptions and fees received in advance	95,614	91,156
	95,614	91,156

16 PARENT ENTITY DISCLOSURE

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Financial position		
Assets		
Current assets	89,406	76,954
Non-current assets	154,265	154,002
Total assets	243,671	230,956
Liabilities		
Current liabilities	131,044	124,822
Non-current liabilities	40,352	40,716
Total liabilities	171,396	165,538
Net assets	72,276	65,418
Members' funds		
Retained surplus	63,614	57,996
Reserves		
Investment revaluation reserve	6,010	6,053
Foreign currency translation reserve	2,652	1,369
Total members' funds	72,276	65,418

As at 31 December 2024, current liabilities are \$41.6m greater than current assets. This is due to deferred revenue, a non-cash item being classified as a current liability. The Company has sufficient liquidity to pay its debts as and when they become due and payable.

17 COMMITMENTS

	Consolidated	
	2024	2023
	\$'000s	\$'000s
Other non-cancellable contractual commitments		
Not later than one year	7,732	8,439
Later than one year but not later than five years	6,183	7,317
Later than five years	12,563	12,777
	26,478	28,533

Other contractual commitments

Other non-cancellable commitments include the Group's contribution to the strata administration and capital works fund in respect of the Sydney premises, software development costs and software licensing agreements.

The Group has no contractual commitments for the acquisition of property, plant and equipment as at the end of the reporting period.

Other commitments

In 2024, the Group continued to support the following organisations: Australian Professional Ethics Standards Board (APESB) and IFAC. Support of these organisations is aligned with our strategic goals to protect, promote and enhance the integrity of the designation and to lead the future of the accounting profession.

The Group has provided support in 2024 to IFAC in the pursuit of their objectives. The contribution for the 2024 year was \$1,683,360 (2023: \$1,525,379).

As part of the undertakings with APESB, CPA Australia, CA ANZ and the Institute of Public Accountants contribute funds necessary for the pursuit of the objectives of APESB. The contributions for the 2024 year were \$540,000 (2023: \$550,000).

These contributions are included in other expenses in the statement of profit or loss and other comprehensive income.

18 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 the Group being wound up would not exceed \$10 per member.

19 RELATED PARTIES

19 (a) Key management personnel

Key management personnel (KMP) are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group.

The following were KMP of CPA Australia Ltd during the reporting period. Directors of subsidiaries have only been included where they are also Directors of CPA Australia Ltd or are considered KMP of the Group. Unless otherwise indicated, the following non-executive Directors and executives were KMP for the entire period:

NON-EXECUTIVE DIRECTORS

Name	Title	Appointed / Resigned	Term End Date
Dale Pinto	President and Chair	Re-appointed 1 October 2024	30 September 2025
	Director	Re-appointed 1 October 2024	30 September 2027
Warren McRae	Deputy President	Re-appointed 1 October 2024	30 September 2025
	Director	Re-appointed 1 October 2024	30 September 2027
Louise Cox	Deputy President	Re-appointed 1 October 2024	30 September 2025
	Director	Re-appointed 1 October 2022	30 September 2025
Bernard Che-Wai Poon	Director	Re-appointed 1 October 2022	30 September 2025
Bryan Chung	Director	Appointed 1 October 2022	30 September 2025
Anthony Wright	Director	Re-appointed 1 October 2023	30 September 2026
Kaushika Jayalath	Director	Appointed 1 October 2023	30 September 2026
Anna Quinn	Director	Appointed 1 October 2023	30 September 2026
Sarah Adam-Gedge	Director	Appointed 1 October 2023	30 September 2026
Julie Crisp	Director	Appointed 1 October 2024	30 September 2027
Yew Kee Ho	Director	Retired 30 September 2024	Not applicable

EXECUTIVES

Name	Title	Appointed / Resigned / Ceased
Christopher Freeland AM	CEO	Appointed 18 March 2024
Andrew Hunter	CEO	Ceased 5 April 2024
George Kapitelli	Chief Financial Officer Director - CPA Australia (Shanghai) Co., Ltd	Appointed 1 January 2024
Farid Jarrar	Chief Information and Digital Officer	
Rebecca Keppel-Jones	Chief of Member Operations	
Rowena Buddee	Chief Member Experience Officer	
Marissa Alley	Chief People Officer	
Elinor Kasapidis ¹	Interim Chief Learning and Innovation Officer Chief of Policy, Standards and External Affairs	
Asheley Jones	Chief Learning and Innovation Officer	Appointed 12 August 2024
Warren Slade	Company Secretary and General Counsel	Appointed 1 November 2024

¹ Title change effective 30 September 2024.

19 (b) Compensation of key management personnel

(i) Non-executive Director compensation

Directors are remunerated in accordance with the provisions of the Constitution, the changes being adopted at the AGM in 2018. Director remuneration for 2024 was below the pooled amount for 10 Directors, calculated under the Constitution. From 1 October 2023 to 30 September 2024, the pooled amount for 10 Directors was \$1,185,045. From 1 October 2024 to 30 September 2025, the pooled amount was increased to \$1,218,249.66. The annual remuneration paid to the Directors in 2024 is set out in Note 19 (c) 2024 Compensation – key management personnel.

The Group may pay all reasonable travelling, accommodation and other expenses that a Director properly incurs in attending meetings of the Board, committees of the Board, meetings of members or otherwise in connection with the business of the Company. Where a non-Director is a member of a Board Committee, they will be entitled to a per diem amount. For the Nomination Committee, members were entitled to receive a maximum amount of \$525 per hour, capped at a total of \$54,400 per annum.

The Board has determined that no Directors of CPA Australia are to sit on the Boards of any CPA Australia subsidiaries.

(ii) Executive compensation

Executive remuneration is comprised of a fixed component based on total salary cost (TSC) and an at-risk component comprising an incentive scheme as discussed below.

TSC equals total gross remuneration plus the employer superannuation contribution. Remuneration reviews are conducted annually and any salary increases following on from these reviews will normally be effective from 1 January each year. Remuneration of the CEO and direct reports of the CEO is approved by the Board. Salary increases for all other staff are determined by the CEO in consultation with function leaders and approved by the Board.

The Group has in place an incentive scheme for its staff that is designed to focus employees on the organisation's strategy including critical member service outcomes and to reward employee commitment to the overall strategic objectives of the Group. Overall, the Group's KPIs must be achieved for incentive payments to be made, performance is reviewed by the Board at the end of each year and the incentive pool is approved.

The Board has also adopted the market median as the policy reference point to determine annual executive remuneration, including that of the CEO. Bands of +/- 20 per cent from the market median will be used in future to determine relevant salary ranges for each executive position, taking into account the individual's experience and competence.

19 (c) 2024 Compensation – Key management personnel

Name	Company	Position
Non-executive Directors		
Dale Pinto ⁴	CPA Australia Limited	President and Chair
Warren McRae ⁵	CPA Australia Limited	Deputy President
Louise Cox ⁶	CPA Australia Limited	Deputy President
Bernard Che-Wai Poon	CPA Australia Limited	Director
Bryan Chung	CPA Australia Limited	Director
Anthony Wright	CPA Australia Limited	Director
Kaushika Jayalath	CPA Australia Limited	Director
Anna Quinn	CPA Australia Limited	Director
Sarah Adam-Gedge	CPA Australia Limited	Director
Julie Crisp ⁷	CPA Australia Limited	Director
Yew Kee Ho ⁸	CPA Australia Limited	Former Director
Merran Kelsall	CPA Australia Limited	Former Director, President and Chair
Rosemary Sinclair	CPA Australia Limited	Former Director
Helen Lorigan	CPA Australia Limited	Former Director
Total non-executive Directors		
Executives		
Christopher Freeland ⁹ AM	CPA Australia Limited	Chief Executive Officer
George Kapitelli	CPA Australia Limited	Chief Financial Officer
Farid Jarrar	CPA Australia Limited	Chief Information and Digital Officer
Marissa Alley	CPA Australia Limited	Chief People Officer
Rowena Buddee	CPA Australia Limited	Chief Member Experience Officer
Elinor Kasapidis ¹⁰	CPA Australia Limited	Chief Learning and Innovation Officer
Rebecca Keppel-Jones	CPA Australia Limited	Chief of Member Operations
Asheley Jones	CPA Australia Limited	Chief Learning and Innovation Officer
Warren Slade ¹¹	CPA Australia Limited	Company Secretary and General Counsel
Andrew Hunter ¹²	CPA Australia Limited	Chief Executive Officer
Luke Gilholme	CPA Australia Limited	Former Interim CFO
Claire Hopkins	CPA Australia Limited	Former Chief Learning and Innovation Officer
Gary Pflugrath	CPA Australia Limited	Former EGM Policy and Advocacy
Karen Hellwig	CPA Australia Limited	Former EGM Member Education
Frances Buccheri	CPA Australia Limited	Former EGM Marketing and Communications
Mitchell Ajduk	CPA Australia Limited	Former Interim EGM Professional Standards and Business Support
Deborah Leung	CPA Australia Limited CPA Australia (Shanghai) Co., Ltd	Former EGM International Former Director
Total executives		
Total non-executive Directors and executives		

Notes:

- 1 Other long-term benefits include long service leave entitlements accrued during the year. Leave entitlements are reversed upon termination, if the applicable service period has not been achieved.
- 2 Includes annual leave entitlements accrued during 2023.

- 3 Other short term benefits include car parking, fringe benefits, and allowances.
- 4 Re-appointed as President and Chair effective 1 October 2024.
- 5 Re-appointed as Deputy President effective 1 October 2024.

Short-term employee benefits			Post-employment benefits	Other long-term benefits ¹	Total 2024 (excl. termination benefits)	Termination benefits	Total 2024 (incl. termination benefits)	Total 2023
Salary and fees ²	Incentive	Other ³	Superannuation					
\$	\$	\$	\$	\$	\$	\$	\$	\$
237,113	-	-	26,679	-	263,792	-	263,792	154,090
112,090	-	-	12,612	-	124,702	-	124,702	119,646
112,090	-	-	12,612	-	124,702	-	124,702	99,161
86,855	-	-	9,772	-	96,627	-	96,627	92,269
86,855	-	-	9,772	-	96,627	-	96,627	92,269
90,229	-	-	10,149	-	100,378	-	100,378	93,519
86,855	-	-	9,772	-	96,627	-	96,627	23,989
86,855	-	-	9,772	-	96,627	-	96,627	23,989
86,855	-	-	9,772	-	96,627	-	96,627	23,989
22,117	-	-	2,544	-	24,661	-	24,661	-
64,738	-	-	7,229	-	71,967	-	71,967	92,269
-	-	-	-	-	-	-	-	187,771
-	-	-	-	-	-	-	-	68,280
-	-	-	-	-	-	-	-	68,280
1,072,652	-	-	120,685	-	1,193,337	-	1,193,337	1,139,521
662,786	235,056	155	24,167	11,428	933,592	-	933,592	-
397,247	98,982	2,570	28,750	7,234	534,783	-	534,783	440,728
403,201	109,980	1,374	28,750	8,025	551,330	-	551,330	487,175
295,944	77,568	1,618	28,750	6,232	410,112	-	410,112	360,646
524,093	102,281	232,583	153	7,528	866,638	-	866,638	714,061
291,511	67,046	288	39,520	6,003	404,368	-	404,368	45,670
311,473	83,278	1,152	28,750	6,585	431,238	-	431,238	384,082
150,542	31,725	-	11,705	2,619	196,591	-	196,591	-
46,855	55,441	-	5,284	2,223	109,803	-	109,803	-
122,567	-	709	13,750	(73,215)	63,811	-	63,811	1,009,851
-	-	-	-	-	-	-	-	80,678
-	-	-	-	-	-	-	-	149,828
-	-	-	-	-	-	-	-	143,704
-	-	-	-	-	-	-	-	257,025
-	-	-	-	-	-	-	-	256,213
-	-	-	-	-	-	-	-	75,075
-	-	-	-	-	-	-	-	194,734
3,206,219	861,537	240,449	209,579	(15,338)	4,502,265	-	4,502,266	4,599,470
4,278,872	861,357	240,449	330,264	(15,338)	5,695,601	-	5,695,601	5,738,991

6 Appointed as Deputy President effective 1 October 2024.

7 Appointed as Director effective 1 October 2024.

8 Retired as Director effective 30 September 2024.

9 Appointed 18 March 2024.

10 Title change effective 30 September 2024.

11 Appointed as executive 1 November 2024.

12 Ceased 5 April 2024.

19 (c) 2024 compensation - key management personnel

19 (d) Loans and amounts owing to key management personnel

There are no loans between key management personnel and the Group.

There are no accrued directors fees as at 31 December 2024.

19 (e) Other transactions of key management personnel and key management personnel related entities

Priya Dharshini Terumalay, Country Head Malaysia, is a Director of CPA Australia (M) Sdn. Bhd. and a Director of CPA Australia (Shanghai) Co., Ltd. Andrew Heng, is a Non-Executive Director of CPA Australia (M) Sdn. Bhd. George Kapitelli, Chief Financial Officer, is a Director of CPA Australia (Shanghai) Co., Ltd. Frances Gong, Regional Manager East and Central China is a Director of CPA Australia (Shanghai) Co., Ltd.

There are no transactions conducted between the Group and key management personnel or their related parties, apart from those disclosed above relating to compensation or that were conducted other than in accordance with a normal employee relationship, on terms no more favourable than those reasonably expected under arm's length dealings with unrelated persons.

20 AUDITOR REMUNERATION

	Consolidated	
	2024	2023
	\$	\$
Auditor of parent entity, Australia subsidiaries and New Zealand branch		
Audit of financial report	318,196	372,830
Other assurance services	100,396	92,390
Affiliated firms		
Audit of financial reports for overseas subsidiaries and branches	193,578	153,689
	612,170	618,909

The 2024 annual financial report has been audited by KPMG Australia.

Any activity that involves the engagement of the company auditor must adhere to the Board endorsed principles and requires the prior approval of the ARCC to ensure there is no conflict of interest. As a general principle, the use of the external auditor 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 deliver professional development, article authoring or CPA Program authoring, this is to be documented and provided to the ARCC for endorsement quarterly.

Offshore divisions can enter into sponsorship arrangements with their local KPMG office where Deloitte, PwC and EY will also be represented. Sponsorships can be raised for member awards where the member is the direct recipient of the cash benefit.

21 INVESTMENT IN CONTROLLED ENTITIES

	Class of share	Entity interest		Amount of investment	
		2024	2023	2024	2023
		%	%	\$	\$
Controlled entity					
CPA Australia (M) Sdn. Bhd.	Ordinary	100	100	319,009	160,127
CPA Australia (Shanghai) Co., Ltd	Ordinary	100	100	1,206,987	1,206,987

The amount of investment represents the historical capital invested into each entity, which may be different to the fair value of that investment.

CPA Australia (M) Sdn. Bhd. is incorporated in Malaysia to facilitate the provision of services to members in Malaysia. In

2024 the company issued 500,000 new shares to CPA Australia Ltd to increase its share capital.

CPA Australia (Shanghai) Co., Ltd is incorporated in China to facilitate the provision of services to members in China.

22 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

22 (a) Initial recognition and subsequent measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss, which are measured initially at fair value.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVTPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI).

Classifications are determined by both:

- the Group's business model for managing the financial asset
- the contractual cash flow characteristics of the financial assets.

Financial assets at amortised cost

Financial assets are measured at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

These financial assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The Group's cash and cash equivalents, term deposits, trade receivables and loans to related parties fall into this category of financial instruments.

Financial assets at fair value through profit or loss (FVTPL)

These financial assets are mandatorily measured at FVTPL as they are debt instruments that do not qualify for measurement at either amortised cost or FVOCI. They are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at fair value through other comprehensive income (FVOCI)

The Group classifies the following financial assets at FVOCI:

- equity instruments that are not held for trading, and for which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.
- debt securities where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets.

Equity investments at FVOCI are subsequently measured at fair value in other comprehensive income and are never reclassified to profit or loss. Dividends are recognised as income within the profit or loss unless the dividend clearly represents a return of capital.

Debt investments at FVOCI are subsequently measured at fair value in other comprehensive income and will be reclassified to profit or loss upon derecognition of the asset. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss.

As part of the management of the Group's strategic investments, certain equity investments were sold during the year. The fair value of the investments at the date of derecognition was \$5.5m. The cumulative gain on disposal was \$1.1m.

Financial liabilities – trade payables

In accordance with AASB 9, the Group classifies its trade payables as other financial liabilities and these are measured at amortised cost. Trade payables represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid as at the reporting date. The amounts are unsecured and are usually paid within 30 days of recognition. The Group's terms and conditions of purchase state payment terms of 30 days from date of invoice.

22 (b) Carrying amounts and fair values of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities at the end of the reporting period.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2.

Level 3 fair value measurements are those that are valued in whole or in part using valuation techniques or models that are based on unobservable inputs that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. There were no transfers between levels during the year.

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	Amortised cost	FVOCI	FVOCI	Consolidated
	\$'000s	– debt instruments	– equity instruments	Carrying amount
as at 31 December 2023	\$'000s	\$'000s	\$'000s	FVTPL – others \$'000s
Financial assets measured at fair value				
Equities	-	-	20,958	-
Equity funds	-	-	-	23,333
Property funds	-	-	-	7,794
Securities – bonds	-	4,058	-	-
Alternatives – infrastructure	-	-	-	3,192
Alternatives	-	-	-	4,913
Hybrids	-	-	-	21,145
Total financial assets measured at fair value	-	4,058	20,958	60,377
Financial assets not measured at fair value				
Cash and cash equivalents	74,563	-	-	-
Term deposits	274	-	-	-
Receivables	2,920	-	-	-
Total financial assets not measured at fair value	77,757	-	-	-
Financial liabilities not measured at fair value				
Trade payables	-	-	-	-
Total financial liabilities	-	-	-	-
as at 31 December 2024				
Financial assets measured at fair value				
Equities	-	-	25,672	-
Equity funds	-	-	-	27,998
Property funds	-	-	-	7,782
Securities – bonds	-	11,049	-	-
Alternatives – infrastructure	-	-	-	2,121
Alternatives	-	-	-	2,330
Hybrids	-	-	-	16,042
Total financial assets measured at fair value	-	11,049	25,672	56,274
Financial assets not measured at fair value				
Cash and cash equivalents	88,136	-	-	-
Term deposits	122	-	-	-
Receivables	2,430	-	-	-
Total financial assets not measured at fair value	90,688	-	-	-
Financial liabilities not measured at fair value				
Trade payables	-	-	-	-
Total financial liabilities	-	-	-	-

Other financial liabilities \$'000s	Total \$'000s	Level 1 \$'000s	Fair value			Total \$'000s
			Level 2 \$'000s	Level 3 \$'000s		
-	20,958	20,958	-	-	-	20,958
-	23,333	-	23,333	-	-	23,333
-	7,794	-	7,794	-	-	7,794
-	4,058	-	4,058	-	-	4,058
-	3,192	-	3,192	-	-	3,192
-	4,913	-	4,913	-	-	4,913
-	21,145	2,788	18,357	-	-	21,145
-	85,393	23,746	61,647	-	-	85,393
-	74,563	-	-	-	-	-
-	274	-	-	-	-	-
-	2,920	-	-	-	-	-
-	77,757	-	-	-	-	-
14,468	14,468	-	-	-	-	-
14,468	14,468	-	-	-	-	-
-	25,672	25,672	-	-	-	25,672
-	27,998	-	27,998	-	-	27,998
-	7,782	-	7,782	-	-	7,782
-	11,049	-	11,049	-	-	11,049
-	2,121	-	2,121	-	-	2,121
-	2,330	-	2,330	-	-	2,330
-	16,042	2,801	13,241	-	-	16,042
-	92,994	28,473	64,521	-	-	92,994
-	88,136	-	-	-	-	-
-	122	-	-	-	-	-
-	2,430	-	-	-	-	-
90,688	-	-	-	-	-	-
18,940	18,940	-	-	-	-	-
18,940	18,940	-	-	-	-	-

22 (c) Risk management objectives and policies

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and equity markets.

The Group focuses on actively securing its short to medium-term cash flows by minimising the exposure to financial markets. Long term financial investments are managed to generate maximum member returns while not exposing the Group to a high level of risk. Investment of funds is in line with the Group's Cash and Investment Policy.

The most significant financial risks to which the Group is exposed are described below.

(i) Foreign currency risk

The Group operates internationally and is mainly exposed to Singapore dollars, Hong Kong dollars, Chinese yuan and Malaysian ringgits. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities

denominated in a currency that is not the functional currency of the parent entity.

The Group does not 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 Operations function and reported to the relevant operation through management reports which analyse exposures by degree and magnitude of risks.

In 2024, the depreciation of the Australian dollar against the currencies where substantial cash is held resulted in a foreign exchange loss of \$0.08m (2023: loss \$0.07m) for the full year.

The following table illustrates the sensitivity of profit and intercompany loan amounts to shifts in foreign exchange rates for 2024 and 2023. Minimum and maximum exposure is calculated at shifts of 1 per cent, 5 per cent and 10 per cent change in exchange rates respectively.

	Minimum		Average		Maximum	
	2024	2023	2024	2023	2024	2023
Annual risk by risk type	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Foreign exchange	258	308	1,242	1,481	2,372	2,827

(ii) Interest rate risk

Exposures to interest rate risk are limited to financial assets bearing variable interest rates, including cash at bank and some debt instruments. Most of the interest-bearing financial assets are instruments held to maturity with fixed interest rates and term.

The Group does not have any interest-bearing financial liabilities.

(iii) Equity security price risk

The Group is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

Sensitivity analysis has been determined based on the exposure to equity price risks at the end of the reporting period. If equity prices had been five per cent higher/lower equity reserves would have increased/decreased by \$1.3m (2023: \$1.0m) due to changes in fair value.

(iv) Credit risk

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 a policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored and limits reviewed annually.

Trade receivables consist 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 term deposits is mitigated by ensuring the authorised deposit taking institutions have a minimum S&P credit rating of BBB+ (or Moody's/Fitch equivalent).

The credit risk on financial assets of the Group which have been recognised on the statement of financial position is generally the carrying amount, net of any loss allowance. 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.

Impairment of financial assets

AASB 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit losses (ECL) model'. The Group has two types of financial assets that are subject to the ECL model:

- trade receivables
- debt instruments carried at FVOCI.

The Group considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1')

- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2')
- 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss

allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due. Based on its analysis, the Group has allowed 13.75 per cent for all amounts, which is based on an average loss over the past five years. The loss allowance as at 31 December 2024 was determined as follows for trade receivables:

	Consolidated				Total \$'000s
	Current \$'000s	More than 30 days past due \$'000s	More than 60 days past due \$'000s	More than 90 days past due \$'000s	
31 December 2023					
Expected loss rate	6.91%	6.91%	6.91%	6.91%	
Gross carrying amount – trade receivables	794	809	921	283	2,807
Loss allowance	55	56	64	19	194
31 December 2024					
Expected loss rate	13.75%	13.75%	13.75%	13.75%	
Gross carrying amount – trade receivables	1,417	171	241	377	2,206
Loss allowance	195	24	33	51	303

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to engage in a repayment plan with the group and failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables are presented in the statement of profit or loss and other comprehensive income.

Debt instruments

Debt instruments at FVOCI include listed and unlisted securities and are limited to 12 months' expected losses. No loss impairment allowance has been recognised at 31 December 2024 and 31 December 2023.

(v) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board, who have 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.

The Group invests in equities that are traded in an active market on the Australian Securities Exchange and that can be readily disposed of. All financial liabilities, namely trade and other payables, are due for settlement within three months and are non-interest bearing.

Whilst current liabilities exceed current assets, the Board considers that there is no liquidity risk as there are significant other financial assets within the organisation's investment portfolio that could be easily liquidated to fund any shortfall in working capital should it eventuate as outlined in Note 10.

(vi) Market risk management

Market risk is the risk that the fair value of future cash flows of the Group's financial instruments will fluctuate because of changes in market prices. The Group manages the financial risks relating to its investments set out in accordance with the Group's *Investment Policy Statement*. The policy contains thresholds that cannot be exceeded, including weighting for asset classes and individual limits within each asset class.

(vii) Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern, while maximising the return on investments. The overall strategy remains unchanged from 2021.

The Group's capital structure consists of cash and cash equivalents and members' funds, comprising reserves and retained earnings.

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

23 CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 December 2024 and 31 December 2023.

24 SUBSEQUENT EVENTS

There has been no matter or circumstance occurring since the end of the financial year to the date of this report that has affected or may significantly affect the activities of the Group, the results of those activities or the state of affairs of the Group in the ensuing or any subsequent financial year.

Consolidated entity disclosure statement

Entity name	Body corporate, partnership or trust	Place incorporated/formed	% of share capital held directly or indirectly by the Company in the body corporate	Australia or Foreign tax resident	Jurisdiction for Foreign tax resident
CPA Australia Ltd	Body corporate	Australia	100%	Australian	N/A
CPA Australia (Malaysia) Sdn Bhd	Body corporate	Malaysia	100%	Foreign	Malaysia
CPA Australia (Shanghai) Ltd	Body corporate	China	100%	Foreign	China

BASIS OF PREPARATION

Key assumptions and judgements

Determination of Tax Residency

Section 295 (3A) of the *Corporation Acts 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgment as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5 and Practical Compliance Guideline 2018/9. Where necessary, the consolidated entity has used independent tax advisers to assist in its determination of tax residency to ensure applicable tax legislation has been complied with.

Branches (permanent establishments)

Foreign branches are not separate level entities and therefore do not have a separate residency for Australian tax purposes. Generally, the Australian entity that the branch is a part of will be the relevant tax resident, rather than the branch operations.

Directors' 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 Australian Accounting Standards and giving a true and fair view of the financial position and performance of the Group
- (c) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2 (b)
- (d) the Consolidated entity disclosure statement as at 31 December 2024 set out on page 161 is true and correct.

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



Dale Pinto FCPA
John Curtin
Distinguished
Professor,
Director



Warren McRae
FCPA
Director

24 March 2025



Independent Auditor's Report

To the members of CPA Australia Ltd

Opinion

We have audited the **Financial Report** of CPA Australia Ltd (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the **Group's** financial position as at 31 December 2024 and of its financial performance for the year then ended and in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Statement of financial position as at 31 December 2024
- Statements of profit or loss and other comprehensive income, Statement of changes in members' funds, and Statement of cash flows for the year then ended
- Consolidated entity disclosure statement and accompanying basis of preparation as at 31 December 2024
- Notes, including material accounting policies
- Directors' Declaration.

The **Group** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.



Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Recognition of revenue (\$181.97 million)	
Refer to Note 3 to the Financial Report	
The key audit matter	How the matter was addressed in our audit
<p>Recognition of revenue is a key audit matter due to its significance to the Group's financial results and the significant audit effort associated with assessing different revenue contracts.</p> <p>The Group generates revenue from a variety of service offerings, with revenue recognised at a "point in time" or "over time" depending on the nature of the service. Significant revenue contracts include:</p> <ul style="list-style-type: none"> • fees from membership subscriptions; • fees from the provision of educational services and the CPA Program; and • fees from the provision of other professional development services. <p>We focused on the Group's assessment of conditions driving revenue recognition and the judgement applied. This included consideration of the:</p> <ul style="list-style-type: none"> • timing of when performance obligations are satisfied; • relative standalone selling and transaction prices for services; and • allocation of transaction prices to the satisfaction of performance obligations. 	<p>Our procedures included:</p> <ul style="list-style-type: none"> • We evaluated the Group's accounting policy for the determination of performance obligations, transaction prices and the allocation of transaction prices to performance obligations against the requirements of the accounting standards. • We obtained an understanding of the Group's processes regarding accounting for member-based revenue. We tested the key control over the setting and approval of membership fee and subscription rates. • For "over time" revenue relating to membership fees and subscriptions, educational services and the CPA Program, we developed an independent expectation of the current period revenue with reference to inputs such as approved membership fees, membership numbers and external exam reports. We compared our expectation to the actual amount recorded by the Group. • For a sample of "point in time" revenue transactions relating to fees from the CPA program, the provision of educational services and fees from the provision of other professional development services, we: <ul style="list-style-type: none"> - identified the nature of services provided for those transactions by inspecting relevant features of underlying contracts and comparing these features to the conditions in the accounting standard. We did this to assess the Group's identification of performance obligations; - assessed the Group's determination of relative standalone selling prices for services by checking the prices charged for stand-alone services to Board approved rates. We did this to assess the

	<p>Group's allocation of transaction prices to the relevant performance obligations; and</p> <ul style="list-style-type: none"> - checked the timing of satisfaction of performance obligations to published CPA Program timetables and the scheduling of other professional development activities. • Involving our data and analytics specialists, we checked a sample of "point in time" and "over time" revenue transactions to the relevant invoices and cash received by the Group. This included checking the period the transaction related to in order to assess the recognition of revenue in the current period. • We assessed the disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standards.
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Other Information

Other Information is financial and non-financial information in CPA Australia Ltd's annual report (2024 Integrated Report) which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of selected Integrated Reporting Information included within the 2024 Integrated Report and our related assurance opinions.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error



- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

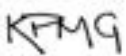
Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/media/5fkcyssek/ar5_2024.pdf. This description forms part of our Auditor's Report.



KPMG

Chris Sargent

Partner

Melbourne

24 March 2025