



100TH ANNIVERSARY



IPA Group Integrated Report

2022 - 23



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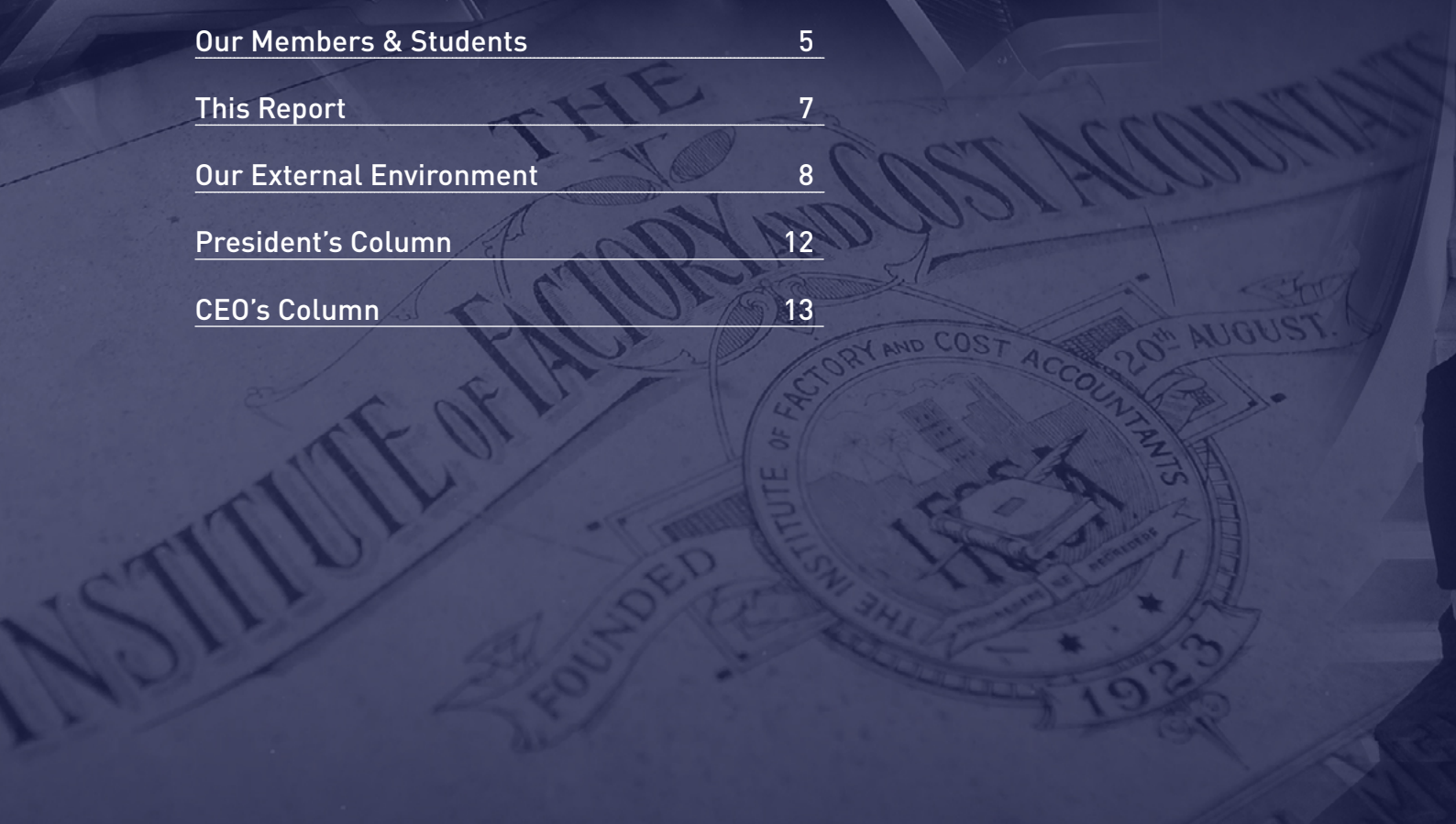
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Accountant

October 2010

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The IPA Group

For 100 years the IPA Group has served the public as trusted advisors, and this milestone provides us with an opportunity to express our gratitude. We want to thank our members for their commitment, and recognise their contributions to improving the lives of others.

In 1923, the IPA Group was founded by a small group of accountants that specialised in a niche field. Over the years we have been known as the Institute of Factory and Cost Accountants, the Institute of Taxation and Cost Accountants, and the National Institute of Accountants.

A lot has changed since then, but our commitment to our members has not. One hundred years ago, we had less than one hundred members, in one country. One hundred years later, we have more than 48,000 members and students, in more than one hundred countries.

For the last hundred years, we have advocated for the integrity of the profession, and the well-being our members. It has been our privilege to share this journey with you, and with your support we will continue this legacy for another hundred years.

Our Members & Students

A global accountancy membership group

We are an active member of the International Federation of Accountants (IFAC) and one of the larger professional accounting organisations in the world.



1 Australia
26,925
▲FY22 - 26,227

2 China
6,307
▲FY22 - 5,413

3 United Kingdom
5,571
▲FY22 - 5,130

4 Hong Kong
796
▲FY22 - 784

5 Malaysia
770
FY22 - 770

6 Pakistan
713
▲FY22 - 448

7 Kazakhstan
362
FY22 - 362

8 United Arab Emirates
286
▲FY22 - 262

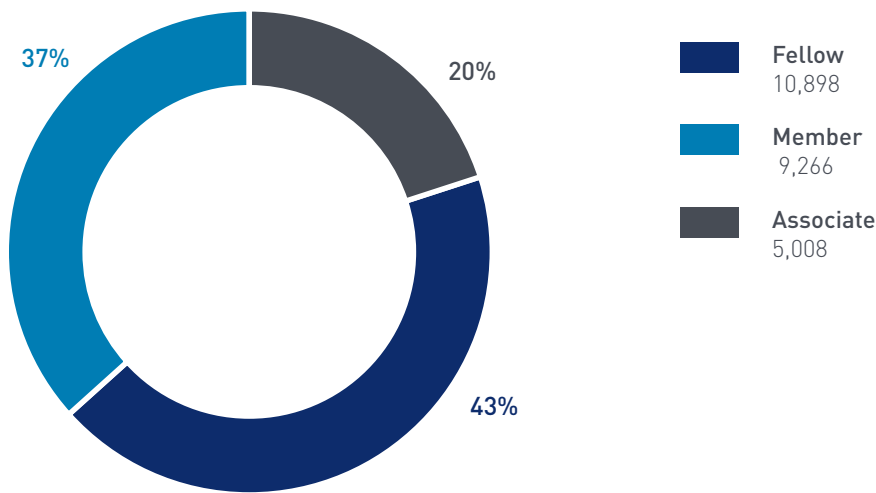
9 Saudi Arabia
270
▲FY22 - 170

10 India
261
▲FY22 - 260

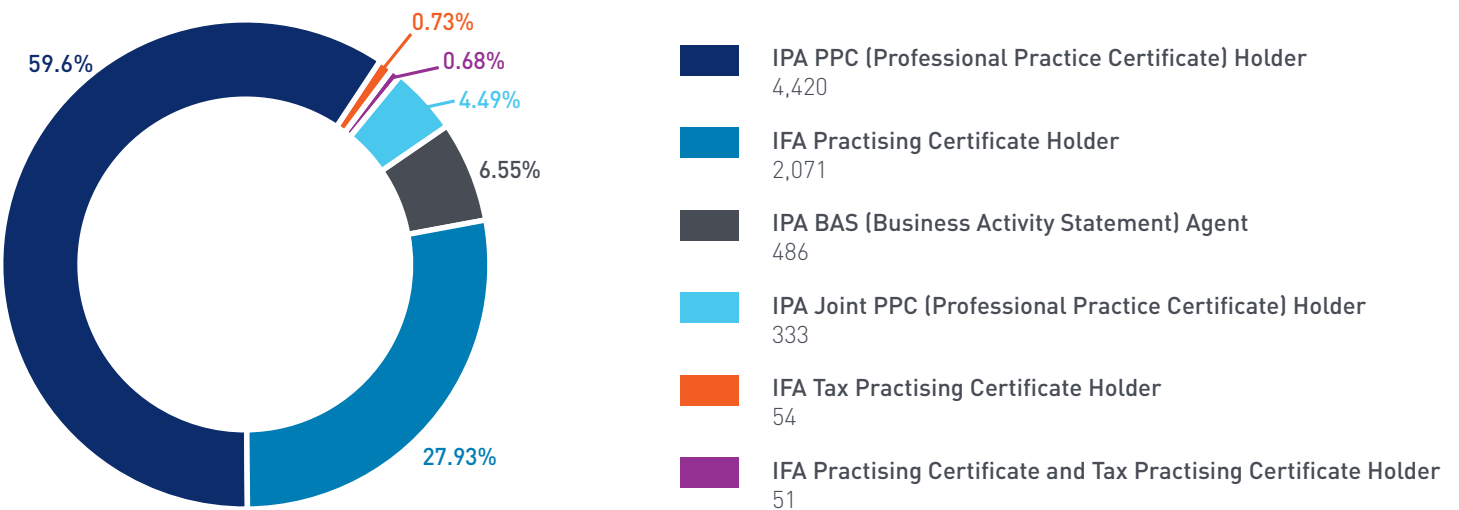
● The IPA has divisional offices in the following cities
**Melbourne | Sydney | Brisbane
Adelaide | Perth | London
Beijing | Kuala Lumpur**

*IPA group statistics as at 30/6/23. This includes all financial member, student and affiliate categories as governed by the IPA Constitution and By-Laws.

Member Count by Type



Members In Practice



Member Demographics



Average Age



51 Years old

Average Length of Membership



11 Years

This Report

Integrated Reporting

The IPA Group uses integrated reporting as a strategic approach to provide a comprehensive view of the organisational value-creation process through corporate reporting. This is different to traditional financial reporting because it incorporates non-financial factors like environmental, social, and governance (ESG). Integrated reporting creates integrated thinking to improve the ability to generate value for members.

In financial year 2023, the IPA Group made significant strides to transition to integrated reporting. During this time, the <IR> team, led by the chief operating officer (COO), the group executive advocacy and policy, and representatives from other parts of the business, developed a comprehensive IPA Group <IR> framework that encompasses the eight core elements of the International Financial Reporting Standards (IFRS) Foundation's integrated reporting framework.

The IPA Group <IR> Framework provides input from members, students, employees, regulators, partners, and other key stakeholders. The principle of materiality has been applied to assess all content within the <IR> Framework, and ensure it has the potential to:

- Substantively affect value creation
- Link to strategy, governance, performance, or prospect
- Be relevant for key stakeholders
- Mitigate risk from missed opportunities

The <IR> team has conducted interviews with key stakeholders to develop a comprehensive narrative that communicates value creation for members.

Our <IR> content submission and metric selection processes undergo thorough internal validation and approval to ensure the report's integrity.

The IPA Group Board of Directors acknowledges its responsibility for maintaining the integrity of the annual integrated report, which concludes on page 97.

The IPA Group Board of Directors has been guiding the <IR> transition process since it was endorsed at a meeting in November 2020. The board also reviewed and approved the <IR> fundamental principles and capital at following meetings.

The IPA Group Board of Directors approved the <IR> report at a meeting in September 2023, and affirms that the report adheres to the integrated reporting framework. The <IR> has obtained limited assurance based on this premise.

This Integrated Report provides an overview of IPA Group operations in Australia, Asia, the United Kingdom, and other parts of the world.

The purpose of this report is to:

- Highlight the links between different organisational operations, and how they contribute to value creation outcomes.
- Provide a comprehensive and balanced assessment of organisational performance, outcomes, risks, and opportunities.
- Disclose relevant information in a clear, concise, and accessible manner to enable stakeholders to make informed decisions about long-term organisational sustainability.

Our External Environment

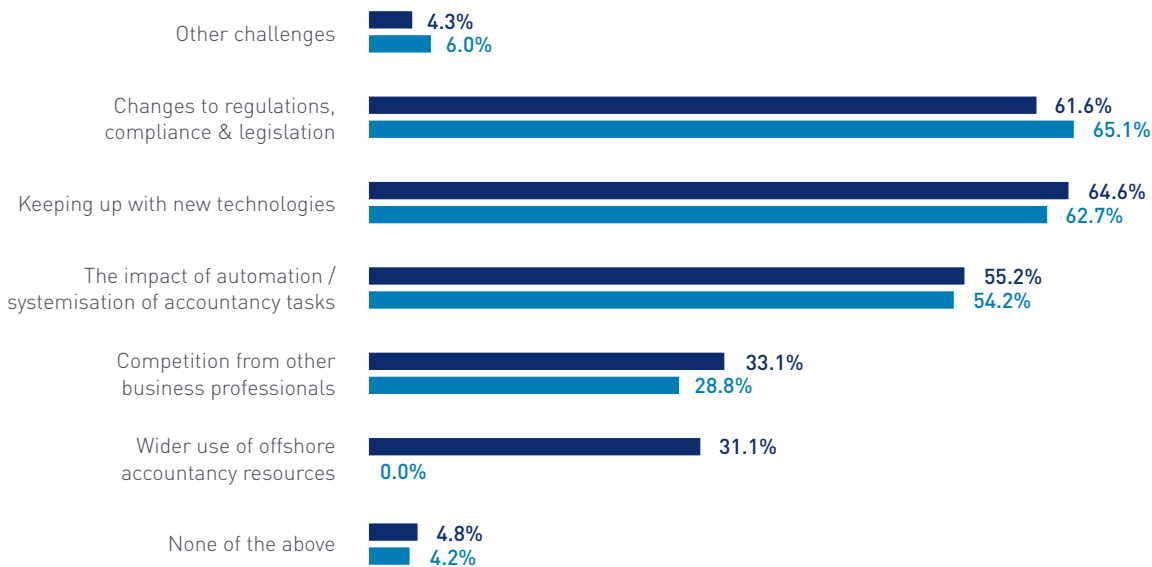
The sustainability of the IPA Group business model is dependent on the prosperity of the accounting profession, which will be impacted by external factors and future trends.

The IPA Group identifies key issues that directly impact our stakeholders. In May 2023, we launched a survey to obtain feedback from our members. Out of 3,496 responses received (3,014 complete, 482 partial), more than 70% of respondents feel an increasing need/demand for professional accountancy skills.

The top external challenges identified by members were:

- Keeping up with new technologies.
- Changes to regulations, compliance, and legislation.
- The impact of automation/systemisation of accountancy tasks.

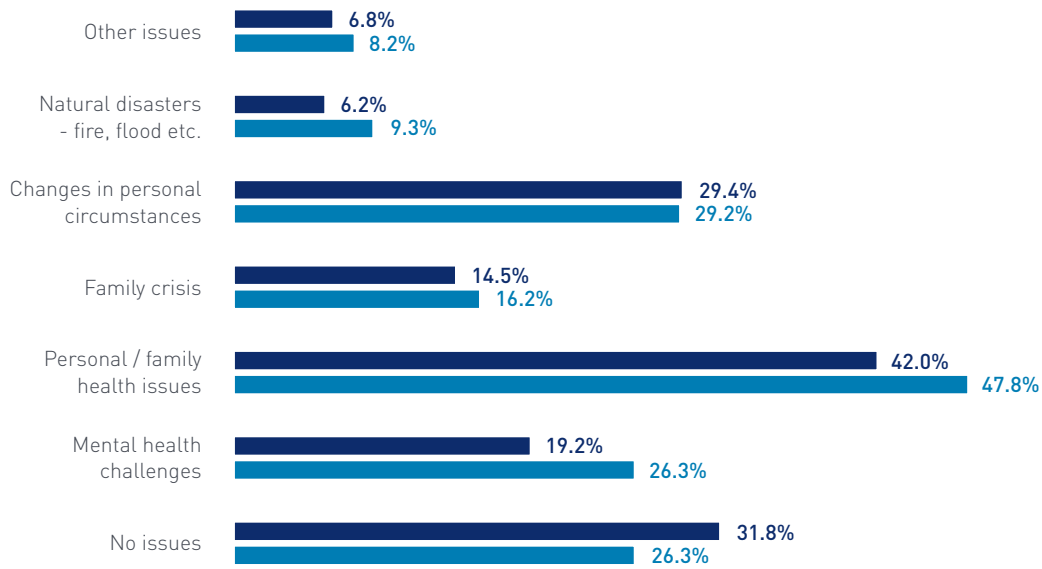
Challenges members think could impact them as an accountant



IFA Members
 IPA Members
 Base - 2,823 Members
Base number represents number of completed responses only

When asked about the issues that affect them or their business, 48% of IPA members and 42% of IFA members reported personal or family health problems. This percentage increased to 54% for female respondents across the IPA Group.

Issues experienced by members that have impacted them or their business



IFA Members
 IPA Members
 Base - 2,933 Members
 Base number represents number of completed responses only

How the IPA Group is Responding to the External Factors

Members encounter diverse challenges, and the majority expressed interest in accessing potential support to address these issues. This presents an opportunity for the IPA Group to further explore the most effective type of support for members. The results also indicate that interest in receiving support is similar between female and male members.

By understanding the specific needs of our members, particularly concerning personal, family, and health-related issues, the IPA Group can develop targeted wellbeing support programs. This approach fosters a supportive environment where members feel empowered to seek assistance, and access resources to enhance their overall quality of life and mental health.

This year the IPA launched **MyCommunity**. It is a secure platform designed to empower members with valuable opportunities, including sharing knowledge, accessing resources, building professional networks, and engaging with fellow accountants. There is also a focus on creating a professional community for small and medium enterprise (SME) and small and medium practice (SMP) members.

The IPA Group is committed to investing in mental health programs, and strongly encourages support for members to help them overcome personal and professional challenges.

The IPA Group has partnered with **The Male Hug** to raise awareness of men's mental health, and encourage an open dialogue around this sensitive issue. Mental health is a serious issue, but unfortunately it carries a negative stigma, especially among men. The primary goal of this collaboration is to combat the stigma associated with men's mental health, and establish The Male Hug as a support service for men.

The partnership focuses on creating a safe and friendly environment where men can freely discuss their mental health without fear of judgment. By providing support and fostering open conversations, the IPA Group and The Male Hug aim to break down barriers that hinder men from seeking help and support for their mental wellbeing.

The IPA Group collaborated with the Deakin Business School's to develop **Counting on U (CoU)**. CoU is a workplace mental health training program tailored for client-facing accounting professionals across Australia and New Zealand. Its main focus is developing the skills and knowledge necessary to better support clients' mental health and financial needs while prioritising the professionals' wellbeing.

The CoU program achieves this by integrating Mental Health First Aid (MHFA) training with client relationship-centred communication and interpersonal skills. This unique combination enables business finance professionals to effectively address their clients' business and mental health-related needs.

The program's creation was prompted by a growing body of evidence indicating that financial stress can significantly impact the mental health of business owners. There is also a research component which will result in the release of research papers and recommendations in the year to come.

By attending the CoU program, accounting professionals are empowered to navigate sensitive topics, engage in empathetic and understanding communication with clients, and offer meaningful support to those facing mental health challenges while managing their financial needs. This comprehensive approach ensures that professionals are well-prepared to provide valuable assistance while safeguarding their mental health and wellbeing.

The IPA Group has taken a significant step to support its members in times of need by creating the IPA Group Benevolent Fund. Given the current financial climate, where many individuals face challenges, this fund aims to assist members that require financial relief. Building on the success of the IFA Benevolent Fund, this new initiative extends its support to all members across the IPA Group.

The **Benevolent Fund** operates as a charitable incorporated organisation (CIO) with the primary objectives of alleviating poverty for beneficiaries and advancing the education of IPA Group students. The trustees have the authority to provide financial aid to beneficiaries for various purposes, such as assisting with sudden illness, redundancy, membership fees, and funding accounting qualifications' school fees.

Funding for the Benevolent Fund is derived from online member donations and voluntary contributions added to annual membership fees. The fund operates independently of IPA Group boards to ensure application transparency and confidentiality. The IPA Group directors are not eligible to serve as trustees to maintain the fund's impartiality.

Currently, the trustees consist of four IFA members, with plans to appoint three additional IPA members to ensure global representation and inclusivity.

This initiative showcases the IPA Group's commitment to its members' wellbeing. It provides valuable support to those facing financial difficulties or other challenges, positively impacting the professional community.

It is encouraging that three-quarters of the respondents to the member survey feel prepared to address the accountancy challenges. This indicates that many members are confident in tackling the changing landscape.

Nevertheless, the fact that a quarter of the members do not feel adequately prepared presents an opportunity for the IPA Group to provide additional support and resources to address this gap. It suggests room for improvement in equipping these members with the necessary knowledge, training, and tools to navigate the challenges effectively.

By understanding the specific needs of these members we can enhance overall member satisfaction, strengthen the profession, and ensure that our members are well-prepared for the future of accounting through targeted assistance.

The IPA Group demonstrates its commitment to further supporting its members in meeting the challenges presented by external factors, by strategically investing in education and information and communication technologies (ICT).

During year 2022-23, the IPA Group ICT team has emphasised harnessing technology to enhance member benefits. By leveraging technology, the IPA Group aims to streamline the process to make it more user-friendly for members. It also aims to simplifying reporting obligations, and enhance overall member satisfaction.

Another initiative undertaken by the ICT team has been to create a global platform for members called MyCommunity. MyCommunity facilitates networking opportunities for members worldwide to foster collaboration, share insights, and exchange ideas with diverse peer groups.

A major external factor is the role played by governments, regulators, consumers, and other stakeholders. Community expectations are shaping the future of the accounting profession, and these expectations will influence policy development.

As a professional accounting body, the IPA Group places great importance on consumer protection. It co-regulates member activities with governments, regulators, and other stakeholders. It also enforces laws, regulations, standards, and rules. The IPA Group monitors member activity to ensure members adhere to ethical conduct, which instils confidence and trust for clients seeking accounting services. This commitment to consumer protection reinforces professional credibility, and upholds the highest standards of professionalism and accountability within the IPA Group community.

To reinforce this approach, the IPA Group has three competency areas that members should focus on during their continuing professional development (CPD) activities. These areas include technical and product knowledge, management and professional skills, and professional and ethical standards. The IPA Group runs CPD events for members to help develop and enhance their technical knowledge, improve management and professional skills, and demonstrate a deep understanding of professional and ethical standards. These CPD requirements aim to provide a comprehensive approach to continuous professional development, ensuring members' competence, professionalism, and adherence to ethical standards in the accounting profession.

President's Column

Navigating Uncertainty: the IPA's Journey to a Sustainable and Supportive Future

During these financially unstable times, the IPA Group recognises our crucial role in supporting and assisting our members. We understand their challenges, and are committed to providing them with the help and support they need to navigate these uncertainties.

One of the ways we demonstrate our commitment is through our transition to Integrated Reporting.

Our primary objective is to provide our members with a comprehensive understanding of how we contribute to their success in the present and future. We are committed to highlighting the value we bring to empower our members to overcome challenges, seize opportunities, and thrive in their professional endeavours.

The IPA Group Board of Directors is committed to embracing a holistic view of performance that goes beyond financial results. This report captures our environmental, social, and governance performance, demonstrating our commitment to sustainability, responsible business practices, and ethical conduct.

The board and board committees have undertaken a series of strategic activities to provide a personalised experience for members, promote distinctive value, ensure long-term sustainability, and drive digital transformation.

Initiatives include launching MyCommunity as an online platform for member engagement, advancing the Reconciliation Action Plan (RAP), and transforming education pathways to encompass sustainability reporting.

We have developed a compulsory ethics module as part of our education offering, and restructured CPD models to better align with professional standards. Additionally, the IPA Group has revised its investigation and disciplinary systems, enhanced internal audit functions, and reviewed policies for sustainable business practices.



Aligning with the United Nations (UN) Sustainable Development Goals, the IPA Group seeks to secure a sustainable future. Emphasising digital capability, we have invested in an extensive overhaul of ICT systems, and upgraded cyber policies for improved member services and governance. These efforts demonstrate the IPA Group's commitment to providing value for members and the broader community.

Through these strategic initiatives and forward-thinking actions, the IPA Group is paving the way for a sustainable and digitally advanced future, ensuring value, support, and excellence for its members and the broader community in the ever-evolving landscape of the accounting profession.

A handwritten signature in black ink, which appears to be 'Julie Williams', written over a light blue background.

Julie Williams FIPA FFA FCPA

President and Chair of the Board

CEO's Column

Celebrating a Hundred Years of Serving our Members

This year marks a momentous milestone in the history of the IPA Group as we celebrate our 100th anniversary. Over the past century, the IPA Group has been at the forefront of shaping the accounting profession, supporting our members, driving innovation, and excellence in the field. As we reflect on our rich heritage, we also look ahead to the future and the exciting opportunities and challenges.

This report highlights our unwavering commitment to building a strong and resilient profession. We have continued to enhance the value we provide to our members, ensuring they have the skills, knowledge, and support necessary to thrive in a rapidly changing business landscape. By focusing on professional development, maintaining ethical standards, advocating in our members' best interests, networking opportunities, and strategic partnerships, we empower our members to excel and positively impact the organisations they serve.

Embracing the digital age is crucial for the future success of the accounting profession. As such, we have prioritised digital transformation and innovation in our operations. This report showcases our investments in cutting-edge technologies and the development of digital platforms to enhance member experiences, streamline processes, and enable seamless communication and collaboration.

Sustainability and ethical conduct are central to our values and the profession's future. We have embedded sustainability principles throughout our operations, integrating environmental and social considerations into our decision-making processes. This report highlights our commitment to responsible business practices, promoting ethical behaviour, and addressing our profession's broader societal and environmental challenges.

Advocacy remains a core focus for the IPA Group. We actively engage with government bodies, regulatory authorities, and industry stakeholders to advocate for the interests of our members and the accounting profession. Through our policy initiatives, thought leadership, and collaborative efforts, we aim to shape a favourable regulatory environment that supports our members' growth and fosters public trust in the profession.



As we reflect on the past year's accomplishments and celebrate our 100th anniversary, we are excited about the future of the IPA Group and the opportunities ahead. This report showcases our commitment to our members, the accounting profession, and the communities we serve. We will continue to evolve, innovate, and adapt to ensure that the next century is marked by even more significant achievements, growth, and success. Together, we will navigate the evolving landscape, embrace emerging trends, and continue to create value for our members, reinforcing our position as a leading global professional association.

As we embark on the next phase of our journey, the IPA Group has achieved several key operational milestones that demonstrate value across the Integrated Reporting framework:

We have experienced significant growth in our domestic and international membership base. This demonstrates the value and appeal of the IPA Group as a professional association and highlights our ability to attract and retain members.

The IPA Group has expanded and enhanced our CPD offerings to meet the evolving needs of our members. Providing high-quality and relevant educational programs ensures our members have the necessary skills and knowledge to thrive professionally.

We have forged strategic partnerships with reputable organisations, such as universities and professional bodies, to enhance the value we offer to our members. These collaborations provide access to additional resources, networks, and opportunities for professional growth.

Andrew Conway FIPA FFA

IPA Group CEO

02

How We Create Value

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October 2019



Our Strategy

The IPA Group's strategy is driven by a forward-thinking mindset, recognising the need to adapt and thrive in an ever-changing world. With a focus on sustainability, ethics, and technology, we are committed to helping our members and students navigate the challenges and opportunities brought about by digital, social, and economic transformation.

The IPA Group has identified five strategic themes that guide our approach for each financial year, and future strategic plans. These themes represent our core focus areas and provide a framework for aligning our activities with our outputs and outcomes. The strategic themes are designed to ensure that we remain future-ready, adaptable, and well-prepared to address the challenges and opportunities presented by the dynamic and evolving landscape of the accounting profession.

Our strategic plan is regularly reviewed to ensure its relevance and effectiveness, and we have identified five key areas of professional interest: sustainability, CPD, attracting new generations to accounting, digitalisation, and supporting the emotional wellbeing of our members and staff.

The IPA Group has significantly invested in transforming our ICT and education systems to deliver greater value to our members. By upgrading and modernising our technology infrastructure, we aim to streamline operations, improve accessibility, and deliver more efficient and effective services to our members. Additionally, our focus on education systems allows us to offer cutting-edge learning opportunities, keeping our members equipped with the latest knowledge and skills to excel in their professional careers.



Strategic Theme 1

Build a professional community for SME and SMP sectors.



Strategic Theme 2

Recognised as the provider of the highest quality and most innovative professional accounting pathways.



Strategic Theme 3

Actively promote the IPA Group to grow membership and revenues.



Strategic Theme 4



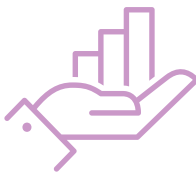
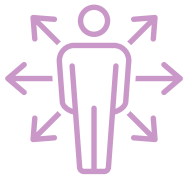




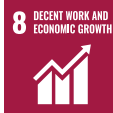






Continually enhance our influence on the profession.



Strategic Theme 5

Ensure we have the best people using the right resources.

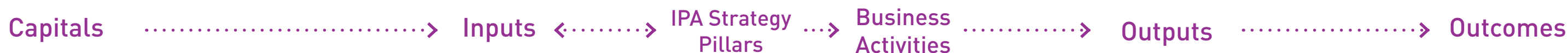
Through these strategic investments, we are committed to staying at the forefront of the accounting profession and providing our members with the best possible support and resources.

Strategic Theme				
<p>Build a professional community for SME and SMP sectors.</p> 	<p>Recognised as the providers of the highest quality and most innovative professional accounting pathways.</p> 	<p>Actively promote the Institute to grow membership and revenues.</p> 	<p>Continually enhance our influence on the profession.</p> 	<p>Ensure we have the best people using the right resources.</p> 
Sustainable Development Goals				
 			    	
Strategic Objectives				
<ul style="list-style-type: none"> Improve and increase technical support services. Improve member services and partnerships. Increase member support and engagement. 	<ul style="list-style-type: none"> Increase partnerships with education institutions. Improve our education portfolio to accommodate the future of public accounting and accounting technicians. Improve accessibility to information and member and student experiences. Improve the delivery of high-quality CPD programs for members. 	<ul style="list-style-type: none"> Grow IPA Group membership. Grow revenue. Strengthen our approach to international markets. Improve member offerings and benefits. Improve recognition of the IPA Group. 	<ul style="list-style-type: none"> Improve recognition of the IPA Group advocacy. Build a focus on sustainability and the future of the profession. Strengthen our innovation and digitalisation strategies. Build on our new markets and alliances. 	<ul style="list-style-type: none"> Improve staff opportunities to grow and develop. Strengthen team member engagement and leadership at all levels. Improve group culture. Embrace flexible ways of working. Improve internal capacity to ensure the Group is able to adequately fulfil its functions as a professional accounting body.

OUR VALUES – RESPECT

PEOPLE STRATEGY AND CULTURE STRATEGY

Our Value Wheel



Funding

The pool of funds that is available to the IPA Group for use in the provision of our services. These funds are obtained through our various revenue streams, including, but not limited to, membership fees, CPD, events, and QAI assessments.



Infrastructure

The physical objects and systems that are available to the IPA Group for use in the provision of services. This includes our offices, equipment, digital infrastructure, and so forth.



Knowledge

Organisational, knowledge-based intangibles, ranging from the IPA Group's intellectual property to our tacit knowledge, systems, procedures, and protocols.



People

The competencies, capabilities, diversities, wellbeing, and experiences of the people working within the IPA Group.



Members & Community

The IPA Group's key stakeholder relationships, including members, partners, and the wider community. The maintenance of these relationships is also linked to the Institute's duty to act in the public interest.



Environment

Renewable and non-renewable environmental resources and processes that provide goods or services supporting the past, present, or future prosperity of the IPA Group.

- Strong retained earnings
- Steady revenue streams from core business activities (member subscriptions, CPD events, education, and QAI assessment services).
- Strong cashholding balance YOY, no requirement for debt funding.

- Global presence with offices around the world.
- Investment in global cloud infrastructure.
- Investment in cyber security.
- Investment in modern software and workplace equipment.

- Investment in education transformation projects.
- Investment in market research.
- Investment in member health and wellbeing programs.
- Investment in Group integration projects.
- Investment in brand protection.

- Development of employee wellbeing programs.
- Conduct frequent staff engagement surveys.
- Staff training program and tailored individual professional development goals.
- Focus on gender equity & gender pay gap.

- Investment in developing new technical tools and resources.
- Partners attendance at events.
- Advocacy efforts for our members.
- Investment in Quality Assurance programs.
- Investment in member outreach and collaboration programs.

- Submissions effort to various authorities on sustainability issues.
- Efforts to raise general awareness to stakeholders on sustainability issues.



Strategic Theme 3



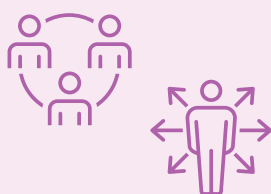
Strategic Theme 4



Strategic Theme 2

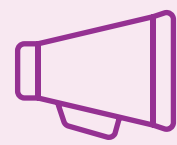


Strategic Theme 5



Strategic Themes 1 & 4

Sustainable Development Goals (SDGS)



Advocacy



Integrity



Support



Innovation



Education



Sustainability

- 2,888 new members admission globally for FY2023.
- \$24.6mil in revenue generated.
- Develop strong alliances with associations in Solomon Islands, Fiji, Philippines, International Council for Small Business.

- New office open in Malaysia & Western Australia.
- Strengthen our innovation and digitisation strategies through delivery of ICT initiatives (across core areas business support, ICT excellence, innovation).

- Formation of the IPA Group Global Competency Framework.
- Alignment of group processes and policies.
- Release of IPA Deakin SME Research Centre 4th White Paper Successful introduction of micro-credential products.

- Participation in Government Pilot programs for Skilled Migration.
- Deliver high quality accredited education program through Deakin University.
- Delivery of relevant and valued CPD offerings.

- Develop staff monthly wellbeing themes, sessions, tools and measures.

- Staff engagement survey conducted with CultureAmp.
- Intensive training programs develop for employees and directors to met key competency areas.
- Growing utilisation and effectiveness of the digital platforms to facilitating internal communications.
- Reduction in gender pay gap.

- Increase in public submissions.
- Maintain professional standard and conduct through our Quality Review Program.
- Deliver relevant and valuable Member tools and technical support services.
- Formation of the IPA Group Benevolent Fund.
- Deliver Tech Ad, weekly newsletter and the daily article in Public Accountant across our digital publication platforms.
- Deliver myCommunity Hub.

- Formation of a 2023 Diversity and Inclusion Action Plan.
- Implement SDG goals under our IPA group strategy.
- Refine our Risk management, business continuity, cyber security, and data protection frameworks.
- Submission to authorities on sustainability issues.

Stakeholder Impact

Employees & Board

- Inclusive and diverse workforce.
- Engaged workforce that embrace the IPA value.
- Equal opportunity to upskill and individual tailored professional development plan.
- Improve internal capacity to ensure the Group is able to adequately fulfil its functions as a professional accounting body.

Members & Students & Partners

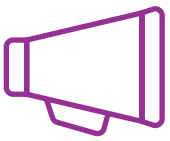
- Satisfied members who value to IPA membership.
- Through marketing research members and students are receiving valuable benefits and enhanced support.
- Increase global recognition for IPA members.
- IPA members and students are well informed of regulatory changes and IPA responses to these.
- IPA members and students are equipped with future ready knowledge and skills through our improved education portfolio.
- IPA members and students are able to connect and network via IPA digital MyCommunity platform.

General Public

- Increase public confidence in the profession.
- Influencing relevant standards, legislation and policy decisions in the public interest.
- Assist to alleviate shortage in skilled candidate in the profession through our Qualification & Skilled Assessment services.
- Drive our organisation towards a sustainable future through effective use of natural resources and embracing diversity & inclusive culture.
- IPA stakeholders are provided with techniques and tools to assist with recognising and dealing with mental health and financial issues.
- Maintain effective governance & management.

Our Business Activities

Celebrating a Hundred Years of Serving our Members



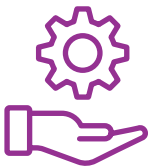
Advocacy

The IPA Group advocates to government, regulators, and standard setters, in the best interests of our members, the profession, small business, and in the public interest.



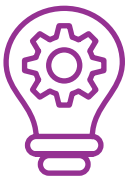
Integrity

The IPA Group upholds its integrity and fosters the integrity of its members.



Support

The IPA Group supports its members in enhancing their professional and personal growth.



Innovation

The IPA Group advances innovation by investing in ICT, education initiatives, and government innovation policy.



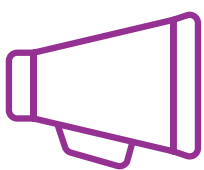
Education

The IPA Group prioritises the education of members to ensure they possess the highest level of competency in the accounting profession.



Sustainability

The IPA Group promotes the adoption of sustainable practices.



Advocacy

As a professional accounting body, the IPA Group is committed to promoting the interests of its members and the broader business community. This includes advocating for policies and initiatives that foster economic growth, business innovation, and overall industry development. Our advocacy efforts cover many areas relevant to our members, the profession, and the business landscape.

Our advocacy effort is based on lodging submissions with government, regulators, and other stakeholders, as well as representing the IPA Group at numerous forums and consultations. Our main stakeholders include The Treasury, Australian Taxation Office (ATO), Australian Securities and Investments Commission (ASIC), Tax Practitioners Board (TPB), Australian Accounting Standards Board (AASB), and many others. We also meet with ministers, shadow ministers and their respective advisers to discuss our policy recommendations. A major platform for this is the annual federal pre-budget submission, which is lodged in January ahead of the May release date. We also give evidence to various parliamentary and senate committees on tax, insolvency, corporations law and other bills and measures. Our presentations on topics of relevance to members and the broader community include a wide range of forums from tax topics at IPA Group conferences to the UN as part of World MSME Day.

Our advocacy and thought leadership are extended through the IPA Group's publications, including Public Accountant (in Australia), which went completely digital in the last year. This now includes a daily post of an article relating on a wide range of topics, including domestic and international issues. The digital hub continues to be support both Australian and United Kingdom based audiences. Our fortnightly newsletter (in Australia), Technical Advantage, continues to bring the latest news to members, and is being expanded to weekly with more topics being added in July 2023.

Members have come to rely on our technical tools and resources to support their practices. We have continued to update and add to these, with the launch of the Accountant's Letters Toolkit as a major highlight. The Toolkit was developed jointly with Chartered Accountants Australia & New Zealand (CAANZ) and Certified Practising Accountant (CPA) Australia and includes guidance, templates, checklists, and factsheets.

In the next financial year, we will continue our involvement in the consultation process on major government reforms across tax, financial services, insolvency, sustainability reporting, corporations policy, retirement income policy, and more.

Value Created

Increasing social and relationship capital through:

- Providing guidance on taxation services to our members through an integrated Tax Time Campaign.
- Clarifying complex taxation issues, including section 100A of the Income Tax Assessment Act 1936, providing greater certainty for practitioners and their clients.
- Improving the regulatory outcomes for members operating in the financial services sector.
- Representing the best interests of members for insolvency, accounting, auditing standards, financial reporting, trade policy, and other issues.
- Providing members in practice with practical tools and resources.



Integrity

Ensuring the Professionalism of IPA Group Members

The IPA Group places great importance on consumer protection as a professional accounting body. Governments, regulators, consumers, and other stakeholders rely on the IPA Group to co-regulate member activities. This ensures compliance with laws, regulations, standards, and rules that uphold consumer protection and confidence.

Quality Review Program

One essential aspect of the IPA Group's co-regulatory function is the Quality Review Program (QRP). The QRP focuses primarily on Public Practice Certificate (PPC) holders and serves as the IPA's quality assurance program. It assesses member compliance with professional and ethical standards set by both the IPA Group and the Accounting Professional and Ethical Standards Board (APESB) and the Professional Standards Legislation (PSL) requirements.

The IPA Group conducts extensive member reviews as part of QRP. When a member is shown to experience some level of difficulty with an IPA Group professional or ethical standard in the QRP, the IPA Group engages with the member to rectify issues in an educative manner to ensure ongoing compliance. This communication approach is based on the IPA Group's consistent observation that it provides actionable insights to assist the IPA Group in its education and support of members. Through these conversations, members share additional aspects of their practice, which the IPA Group gathers and compiles.

This valuable information is then utilised to enhance the development of CPD program offerings, and Practice Support Tools (PST) accessible on the IPA Group website.

Compliance and Professional Standards

Professional Standards Scheme Annual Declaration

The IPA Group operates under a Professional Standards Scheme (PSS), a legally binding instrument that holds professional associations accountable for monitoring, enforcing, and enhancing professional standards to safeguard consumers. The scheme seeks to limit the civil liability members would be required to pay if a court upholds a negligence claim against them. This liability cap forms a comprehensive mechanism to protect members and consumers in conjunction with the member's professional indemnity (PI) insurance policy.

The IPA Group currently has a five-year scheme, and is required to provide an annual report to the PSC. This report outlines how the IPA Group has managed member compliance with professional and ethical standards and member PI insurance notifications, claims, and settlements over the past 12 months. To provide information for the report, members are required to complete an annual declaration consisting of a comprehensive questionnaire about member practice operations during the preceding 12 months. The IPA was pleased that the response rate by PPC members to the declaration was 95.7%.

United Kingdom Member and Firm Returns

The IFA Compliance team monitors compliance with UK bye-laws, regulations and code of ethics applicable to IFA members. It achieves this by issuing and receiving firms' annual returns and reviewing their content and the supporting documents provided. Members and firms are required by the UK bye-laws to provide such returns and information as are deemed necessary, in such form as the IFA shall from time to time determine. The compliance team supports the anti-money laundering (AML) supervision process by ensuring that information received is reflected in each firm's AML risk assessment. This process has undergone significant improvement as one of the key projects of the ICT transformation.

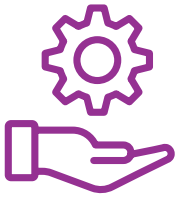
The IFA is a professional body supervisor (PBS) recognised in the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (the "Money Laundering Regulations"). The IFA is required to supervise members who are "relevant persons" under the Money Laundering Regulations – that is, members who are sole practitioners, IFA firms and contracted firms (where the majority of principals in the firm are not IFA members). Supervision is designed to monitor AML compliance (including compliance with the Money Laundering Regulations) and so seeks to minimise the risk of money laundering and terrorist financing going undetected and unreported. The IFA achieves this with due regard for the public interest and the better regulation principles.

Complaints and Disciplinary

As a professional accounting membership body, we require our members to conduct themselves professionally and ethically in accordance with the Australian constitution and by-laws. All complaints are subject to IPA Group investigations and disciplinary processes.

The IPA Group publicly reports investigation statistics on its website, including the number of complaints received and the outcomes of disciplinary action against members. The recorded information includes reasons for decisions, including cases where there was a lack of evidence or non-compliance due to inadequate information.

Improvements were made to the complaints and disciplinary system through the appointment of more disciplinary tribunal members, with enhanced induction; and the commencement of a 'root and branch' review of the system with recommendations being considered in the next financial year.



Support

Global Operations

The IPA Group has experienced significant member growth globally. This can be attributed to increased brand awareness, recognition, and member loyalty.

The introduction of the IFA AIPA dual membership has been positively received by associate members, providing them with new membership designations and expanded opportunities.

The IPA Group's reputation and recognition have been further enhanced, as evidenced by the growing number of new members joining from prominent accounting firms, including the Big Four, and top local firms.

The IPA Group achieved 12 notable recognitions during the year, highlighting its commitment to excellence and professionalism. These recognitions include the government's acknowledgment of offshore qualifications, solidifying the international recognition of the IPA Group's educational programs. Additionally, the IPA Group established platinum employer partnerships, signifying its strong relationships with leading organisations that value and support IPA Group members.

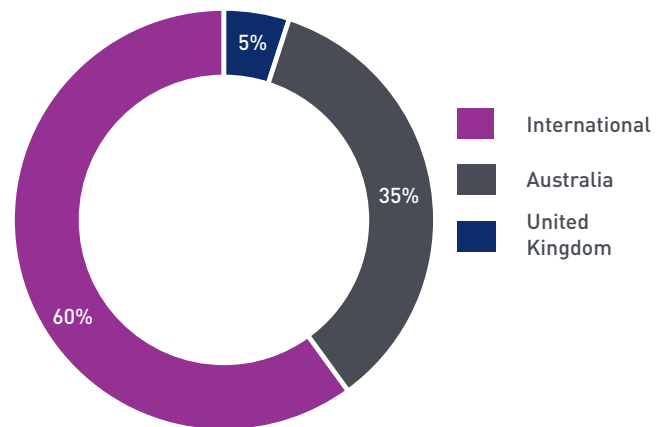
UK

The IFA organised impactful CPD events and conferences. This included 67 webinars in the UK and overseas, providing members with valuable insights and updates on various accounting topics. Additionally, 21 regional networking events were conducted in the UK, facilitating networking opportunities for members to connect and share knowledge.

The IFA also hosted three regional conferences in the UK, attended by 372 members and accounting students, enabling them to engage in discussions and gain valuable industry insights. Furthermore, four face-to-face events were held overseas, including two in Pakistan, one in the United Arab Emirates, and one in Ghana, providing international members with professional development and networking opportunities. The year culminated in an online international conference, which brought together 128 delegates from across the globe to exchange ideas and discuss emerging trends in the accounting profession.



New Member Intake by Location



These events collectively contributed to the continuous professional growth and development of IFA members, ensuring they stay at the forefront of the profession.

In financial year 2022-23, the IFA established membership pathways for graduates from several esteemed universities, facilitating their journey towards attaining the IFA AIPA membership. These university agreements aimed to promote the recognition and opportunities offered by the IFA membership. The universities included UA92 in the UK, Horizon Campus and Winfield Academy of Business & Finance in Sri Lanka, and Air University in Pakistan. Through these agreements, graduates from these institutions were provided with a clear pathway to join the IFA and benefit from its professional network and resources.

New Markets and Global Presence

Institute of Solomon Islands

In financial year 2022-23, the IPA Group commenced the development of the Professional Diploma in Accounting for the Institute of Solomon Islands Accountants (ISIA). This program was successfully delivered, with 58 students enrolled and the program commencing in September 2022. The professional diploma consists of four modules covering important areas: financial reporting, management accounting, financial and business performance, internal control procedures, applied economic principles, taxation, and law.

Fiji Institute of Chartered Accountants

The relationship between IPA Group and Fiji Institute of Chartered Accountants (FICA) continues to strengthen with mutual exchange of information and education, which included visits by FICA officials to Australia and IPA Group officials to Fiji. More collaboration is being planned for later in 2023.

National Institute of Accounting Technicians

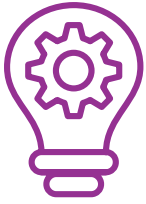
In August 2022, the IPA Group signed a Memorandum of Understanding (MoU) with National Institute of Accounting Technicians (NIAT) Philippines. With over 30,000 accounting professionals represented, NIAT Philippines is the largest bookkeeping institute in the country. The partnership will offer a pathway and additional educational options for NIAT's extensive membership.

World Congress Accountants, Mumbai 2022

The IPA Group actively participated in various events and meetings, including IFAC and CAPA roundtables; and the World Congress of Accountants 2022, known as the "Olympics for Accountants," organised by the Institute of Chartered Accountants of India (ICAI), with over 6,500 delegates in attendance. Participating in such events raises our profile and allows us to gain insights into the global priorities and challenges other professional accounting organisations face. Economic challenges and questions surrounding migration and employment opportunities were prevalent discussion topics. The IPA Group can benefit from leveraging Australia as an attractive destination for studying, living, and building a career.

International Council for Small Business

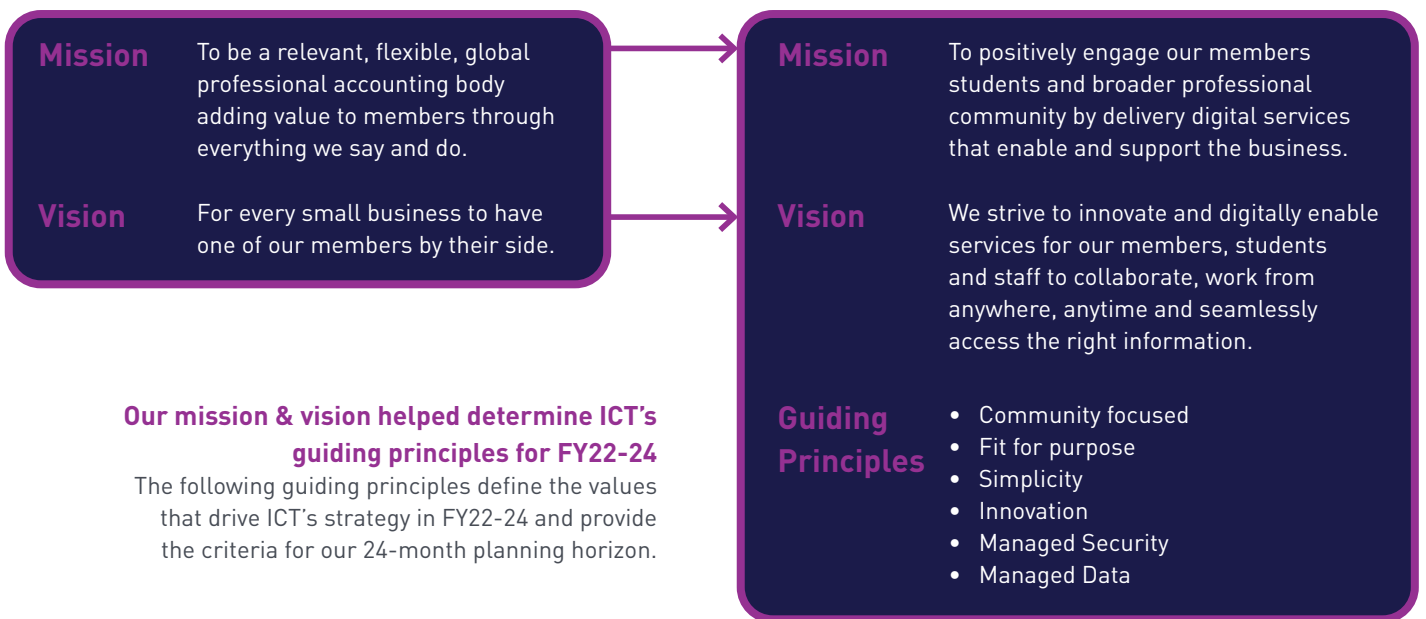
The IPA enhances and grows its global presence and influence as a credible voice for small business by participating in International Council of Small Business (ICSB) events such as World MSME Day at the United Nations, participating in webinars, panels, and other events, for the Organisation for Economic Co-operation and Development (OECD) and ICSB, including World Congress which was held in Washington DC in July 2022. The IPA Group is also represented on the board of the ICSB.



Innovation

ICT Transformation

ICT Supports IPA Group corporate mission & vision



ICT Strategy

IPA Group ICT initiatives are measured against three categories: **innovation, business support, and ICT excellence.**

Innovation

These projects will improve our future capabilities and decrease risk by increasing our use of technology across key areas of the organisation.

Business Support

Each corporate initiative is supported by a major ICT project, and each project has unique ICT challenges that require ICT support.

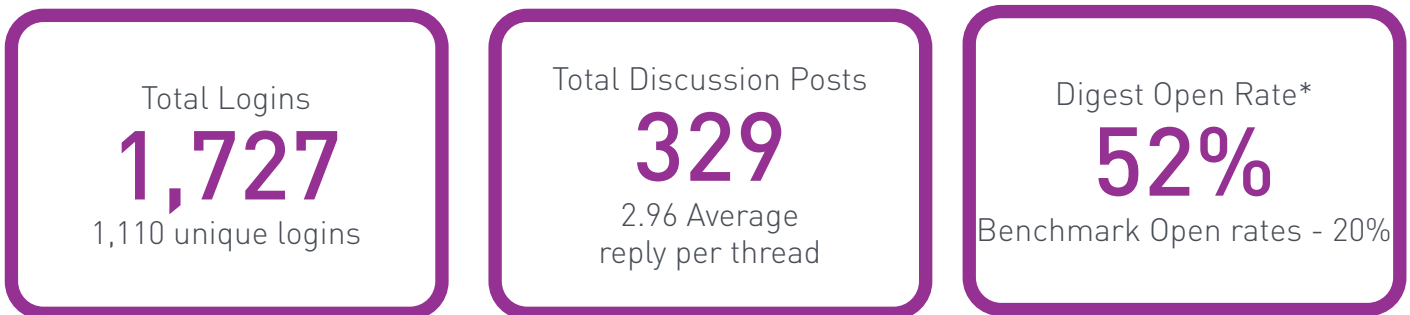
ICT Excellence

These projects will increase ICT process maturity, and systematically improve ICT operational excellence.

Innovation

The IPA Group launched MyCommunity in June 2023. This shared platform allows members to network, collaborate and share knowledge. It is the first phase of website development, with plans to expand and enhance services for the broader member community in the coming year.

Some success factors for MyCommunity Platform



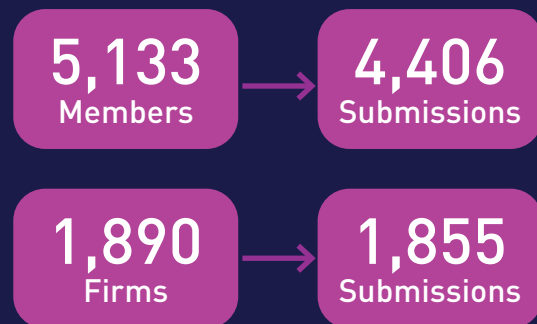
**Digest Open Rate (Digest is an email that is sent either daily or weekly depending on members preferences, giving members a summary of the threads and comments that have been made in the past day/week). Currently we have an open rate of 52% for the IPA and 80% for the IFA community, which far exceeds the benchmark figures of 20% open rates for these emails.*

Business Support

Another significant development was the implementation of the quality assurance platform (QAP), starting with the delivery of the IFA's annual member and firm returns in November 2022. This cloud-based and general data protection regulation (GDPR) compliant platform has improved the user experience for members and enhanced internal efficiencies in reporting to regulators. The data collected through these returns contributes to strengthening and maintaining the quality of IFA members.

Our investments in technology have also supported reviewing and strengthening infrastructure, strategies, and processes to improve services and address evolving member needs. In April 2023, we successfully migrated our current private business exchange (PBX) telephone system to cloud-based servers and adopting rapid technology changes to cater for remote and hybrid working arrangements. We are also committed to investing in data governance solutions to protect corporate and member data and prevention of data loss.

Since the launch in November 2022, we have had over 6,000 return submissions from members and firms. This is a successful transformation to the digital landscape.

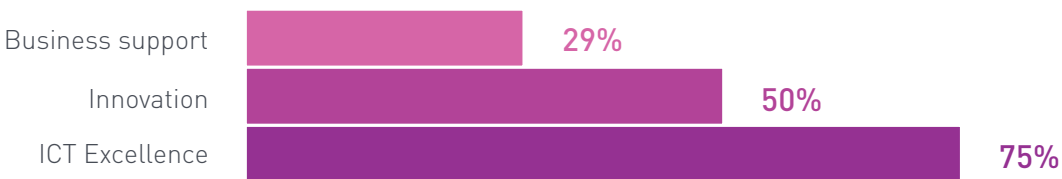


ICT Excellence

Looking forward, the IPA Group remains committed to further technological investments. In addition to this year's improved reporting and analytics dashboard and enhanced internal communication platform, we will look to upgrade core systems, including developing a new website that will provide an improved user experience, simplified access to products and services, a self-service portal, and enhanced CPD functionality.

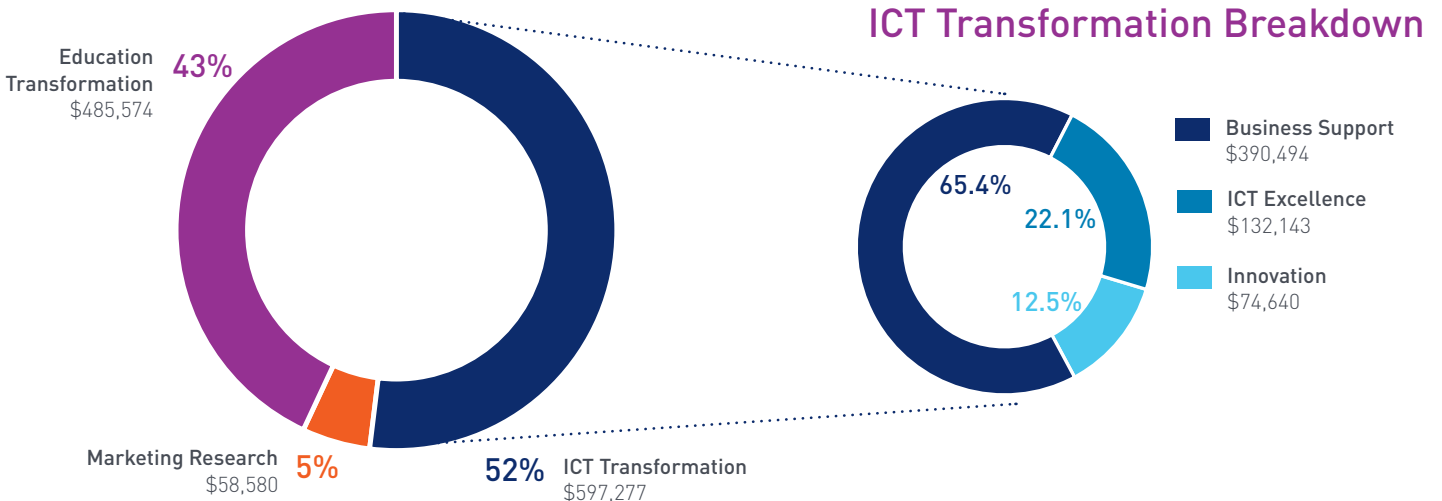
The IPA will launch the QRP (for Australian based members) in 2023-24.

How we tracking against planned ICT initiatives



% of number of completed projects out off planned initiatives. This measure doesn't not take into account the project complexity ranking

Spend by Strategic Initiatives





Education Transformation

The IPA Group has been developing new programs to accommodate the rapidly evolving educational demands. These programs aim to give our members greater control over their career paths.

Earlier, the IPA Group established three important realities of accounting education:

- The accounting profession must reconsider how it brings value to increasingly complex societies that rely heavily on technology. Today, accountants must possess digital skills spanning various domains, including machine learning and cybersecurity.
- Many of our members express concerns about adequately supporting their staff, clients, and other stakeholders in matters relating to mental health and addressing broader societal challenges. The development of accountants requires a well-rounded set of abilities that go beyond technical expertise.
- The future of professional skill development will go beyond simply acquiring a stable body of knowledge. The focus will be cultivating a dynamic skill set that enables professionals to thrive in a rapidly changing world.

Reflecting all the above, the IPA Group continues with the development of its education transformation program to address these emerging realities.

This program is designed to implement microcredentials, which are concise and focused credentials that validate the skills and knowledge of accountants in specific areas. By offering microcredentials, we aim to allow accountants to demonstrate their expertise in targeted domains, allowing them to stay relevant and competitive in a rapidly evolving professional landscape.

In the 2022-23 financial year, we continued working towards creating an advanced educational system for IPA members. We've researched and reviewed a global source to identify the scope of accountants' work, skills, and competencies. Our research explored the evolution and examination of transdisciplinary perspectives and other approaches to traditional accounting skills. We also delved into various issues associated with the limitations of accounting competencies. Our study involved extensive discussions and critical thinking to deepen our understanding of these topics.

So far, the education transformation project has achieved significant results:

- Enhanced the profile of IPA as an innovative professional accounting body with a sophisticated education accreditation system and quality education to underpin our membership.
- Improved the recognition and reputation of IPA among professional bodies.
- Achieved member endorsements of the vision and strategies of IPA Group for the public interest.
- Created a global recognised prior learning system that contributes to organisational growth.

The project creates significant value for IPA Group members:

- Recognising the importance of addressing immediate and future requirements to ensure sustainability.
- Provide services to foster our members' holistic development, encompassing technical and non-technical skills.
- Increased recognition of member professional status.
- Stakeholders are offered the opportunity to choose how they advance their professional growth, providing alternatives to traditional input-based models of education that can be more expensive and time-consuming. The IPA Group offers flexible and future-oriented development platforms to cater to diverse needs.

We provide a solution to address the needs of most of our members, who are either SMPs or employed in SMEs. Our solution focuses on addressing their concerns related to mental health and other non-technical issues concerning graduates with accounting degrees, as well as concerns raised by employers regarding the skills of newly recruited graduates. We achieve this by offering flexible and ongoing support regarding education and development opportunities. Furthermore, we recognise and support the expansion of skills for accountants, acknowledging the importance of non-accounting skills possessed by accountants. By doing so, we aim to create more opportunities for them to transition into different careers or enhance their existing careers in today's dynamic business environment.

In addition, we actively engage with our members to better understand and cater to their specific needs. We are taking steps to tackle the existing deficiencies in our education system, which have led to graduate skills and competencies being limited to purely technical aspects. To address this, we have introduced the concept of competency-based learning, moving away from a system focused solely on inputs such as program duration or examination performance. Instead, we prioritise the practical demonstration of skills in technical and non-technical areas, ensuring that individuals can effectively apply their knowledge in real-world scenarios.

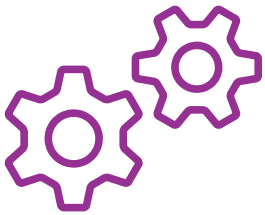
Our competency framework will serve as the foundation for various learning opportunities available to members and non-members in the upcoming financial year. Flexibility, a forward-looking approach, and affordability will characterise these opportunities. By adopting this framework, we aim to provide lifelong learning options to our members, enabling them to continually enhance their skills and stay relevant in an ever-changing landscape.





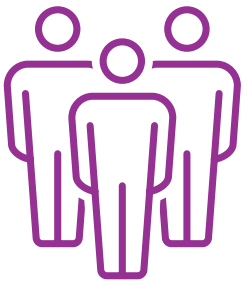
Education

The IPA Group introduced three competency areas that members should focus on during their CPD activities. These areas are:



Technical and Product Knowledge

Members must develop and enhance their technical knowledge in core accounting areas. This involves staying up-to-date with changes in accounting principles, regulations, and best practices to maintain competence in their field.



Management and Professional Skills

Members must improve their management and professional skills. This includes developing the ability to lead and manage teams effectively, enhancing productivity, and ensuring smooth operations within their accounting environment.



Professional and Ethical Standards

Members are expected to demonstrate a deep understanding of professional and ethical standards in the public interest. This involves applying these standards to their practice or employment, promoting professionalism, and upholding the values of the accounting profession.

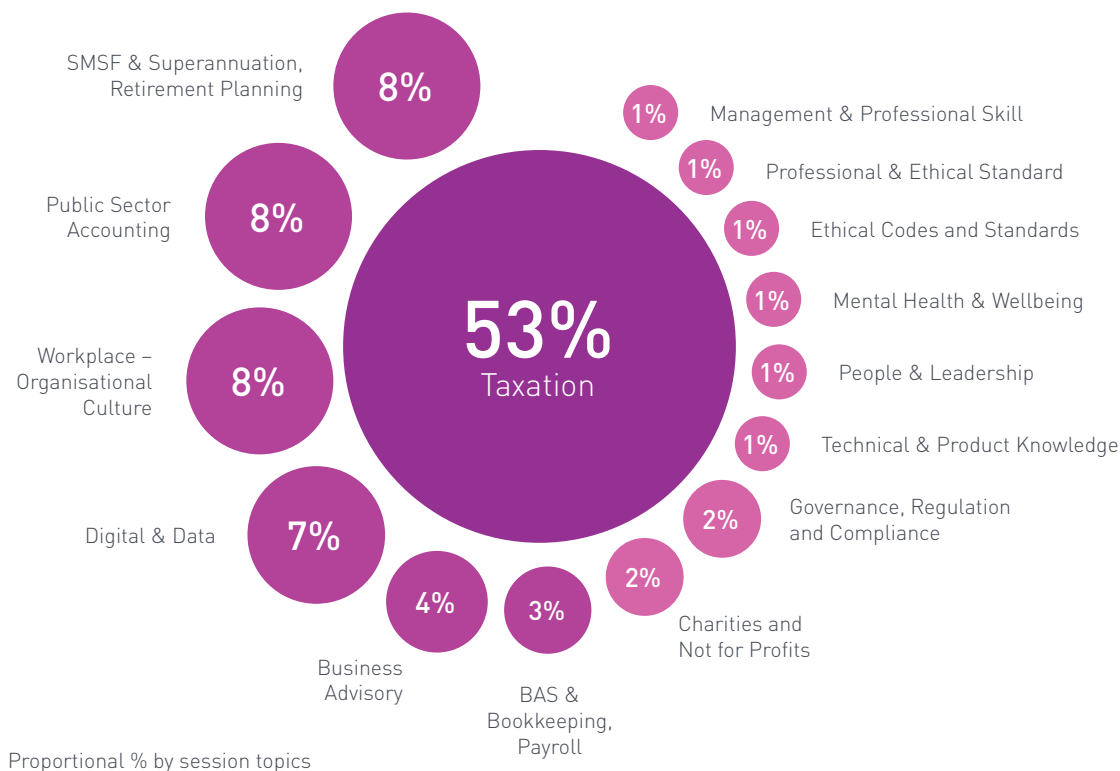
By incorporating these three competency areas, the CPD requirements aim to provide a comprehensive and well-rounded approach to continuous professional development for members. This ensures that members stay proficient in technical knowledge, enhance their professional skills, and adhere to high ethical standards, ultimately contributing to their continued growth and success in accounting.

The IPA Group offers a diverse range of CPD opportunities for its members, including:

- IPA Group National and State conferences.
- IPA Group CPD seminars and workshops.
- IPA Group online CPD, which includes webinars (live or recorded) and podcasts.
- Completion of units as part of the IPA Group Program.
- Lectures, presentations, tutorials, and studies delivered at a tertiary level by an IPA Group-recognized education provider.
- Participation in Discussion Groups (DG) and Divisional Advisory Council (DAC) meetings.
- Formal in-house training sessions.
- Serving as a mentor for the IPA Group Mentor Experience Program (limited to 40 hours per 3-year CPD period).
- Research, writing, and presentation of technical papers (limited to 30 hours per 3-year CPD period).
- Serving on a technical committee or working group (limited to 15 hours per 3-year CPD period).

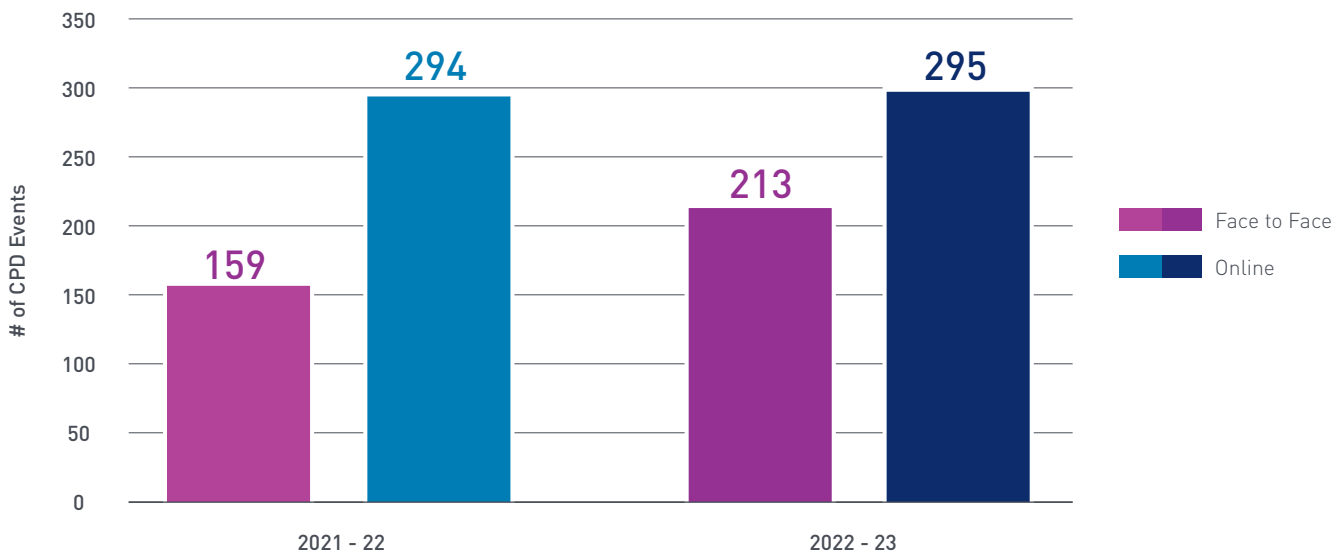
These varied CPD options enable IPA Group members to continually enhance their professional skills and knowledge, ensuring they stay up-to-date with industry developments and maintain their competence as valued professionals in their respective fields.

CPD Topics



The IPA Group bundles CPD to cover all three competency areas, making it more convenient for members to comply with the requirements. Additionally, more CPD opportunities, especially in ethics, will be offered free-of-charge. Despite these changes, the overall cost of attending CPD will remain unchanged. During the transition period of three years, we will evolve and adjust the processes and offerings.

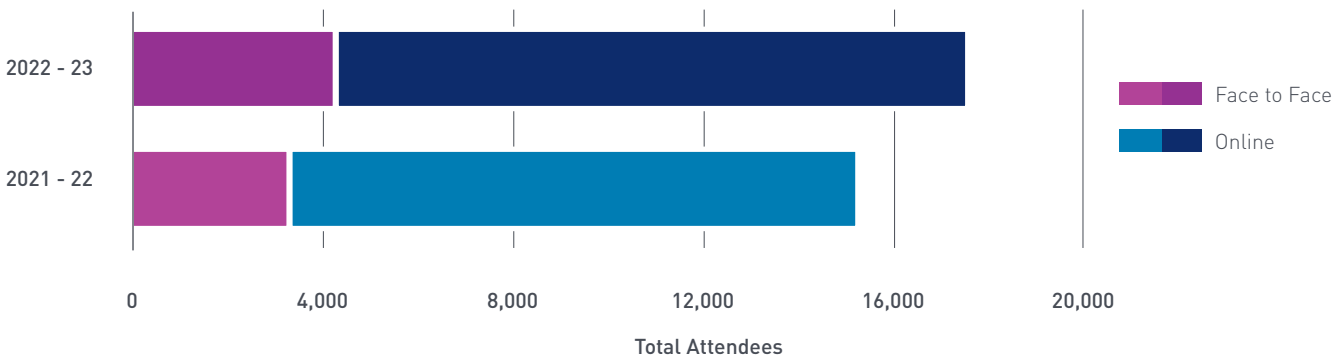
CPD Activity Level - Total CPD Events Held



In 2021-22, we conducted 159 face-to-face and 294 online sessions. The following year, in-person sessions increased to 213, while online sessions slightly increased to 295.

The ratio of online to face-to-face sessions in 2021-22 was approximately 0.35, increasing to approximately 0.42 in 2022-23.

CPD Activity Level - Total CPD Event Attendees



In 2021-22, we had 3,286 participants in face-to-face training and 11,989 participants in online sessions. In 2022-23, the number of attendees for in-person sessions increased to 4,298, while the number for online sessions rose to 13,295.

The ratio of online to face-to-face attendees in 2021-22 was approximately 0.22; in 2022-23, it increased to approximately 0.24.

The Hong Kong and China offices have actively organised various CPD events, including face-to-face and online sessions and joint seminars to cater to local and potential members' needs. The Hong Kong office's participation in the Immi-Expo and the Malaysia Division's attendance at the MIA Conference demonstrate the IPA Group's commitment to engaging with professionals and promoting its offerings in these regions.

The China Division provided 78 events. These programs were attended by 2,303 participants, who collectively dedicated over 5,000 hours to their professional development.

These figures reflect our commitment to offering diverse and accessible learning opportunities for our members, with a growing emphasis on online education.



Sustainability

Sustainability Discussion Group and Environmental, Social, and Governance

In February 2022, the AASB incorporated the sustainability reporting (SR) project into its agenda. The primary objective of this project is to meet the increasing demand from investors for improved, high-quality, transparent, and reliable reporting concerning climate and other ESG issues. The goal is to establish reporting standards that ensure consistency and comparability of sustainability information in Australia and globally.

The IPA Group has actively contributed to SR proposals. This includes submitting and participating in roundtables of the AASB and Treasury's consultation documents. The IPA Group has also been involved in other initiatives, such as establishing a sustainability discussion group and introducing SR resources on its webpage. Collaboration efforts have been made across the IPA Group, including cooperation with the IFAC and other professional accounting bodies in Australia and worldwide.

The IPA's position on SR supports aligning Australian sustainability standards with the International Sustainability Standards Board (ISSB) and endorsing a phased approach for the initial application, starting with large entities and later for SMEs. The IPA Group advocates for scalable and simplified standards that consider the size and complexity of entities. We also endorse the mandatory application of the standards and the assurance of SR. The IPA Group believes that the standard-setting and oversight structure should have expertise in SR to draft, deliberate, and approve the standards.

IPA-Deakin SME Research Centre

In 2022, the IPA-Deakin SME Research Centre released its fourth White Paper, *The Case for a National Australian Small Business Agency*. The report advocates for establishing a national centralised 'one-stop shop' small business agency, highlighting its numerous benefits. Numerous other research projects have been undertaken, including relating to innovation policy (through use of an extensive database), sustainability definitions to assist sustainability reporting and others.

However, the IPA raises key issues regarding the proposed SR requirements, given the broad nature and complexity of comprehensive corporate reporting (CCR). We have concerns about the challenges SMEs face in implementing the proposed requirements in their current form and potential auditing and assurance challenges. Upskilling of IPA Group members and reliance on non-accounting technical experts may impact membership requirements, ongoing CPD for SR, and the development of SR tools to assist members.

Another important consideration for the IPA Group is the pace and scope of international developments in SR, particularly the ISSB's future agenda topics, which are diverse and numerous. The IPA plans to strategize on SR to maximise its resources for the benefit of members. We also emphasise the need to increase communication with IPA members, as SR by large entities can indirectly impact entities, including SMEs, in their value chain for Scope 3 emission disclosure.

In June 2023 we provided submissions and comments on the ISSB's first two sustainability standards (IFRS S1 and S2), followed by the AASB's equivalents. Treasury is expected to finalise proposals and the AUASB will announce the framework for assuring SR. Noteworthy developments include the establishment of an authority (such as a standard-setter or scientific body) to provide supporting information for corporate reporting and potential changes to the standard-setting and oversight structure. The IPA Group will closely monitor these developments and actively engage in the SR landscape to ensure the best outcomes for members and the broader accounting profession.



PIENTIA
Australian
accountant

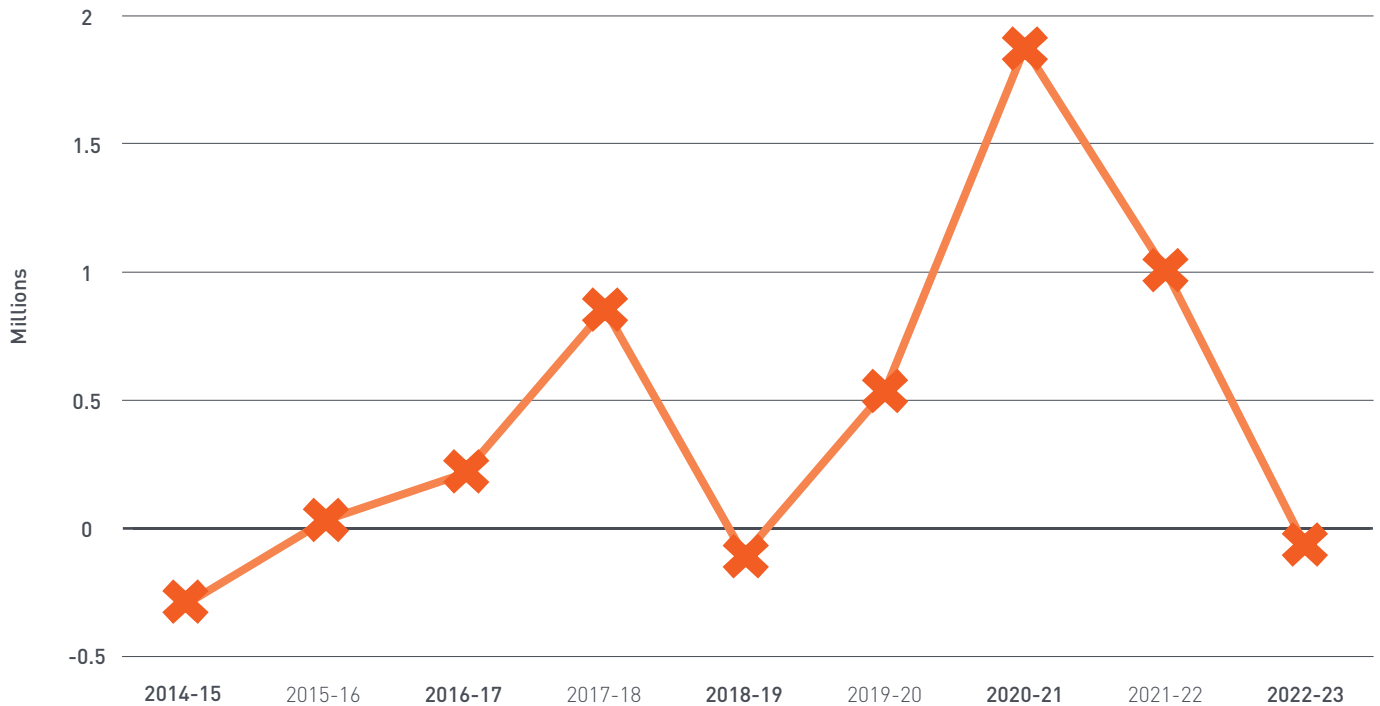
03

Our Performance

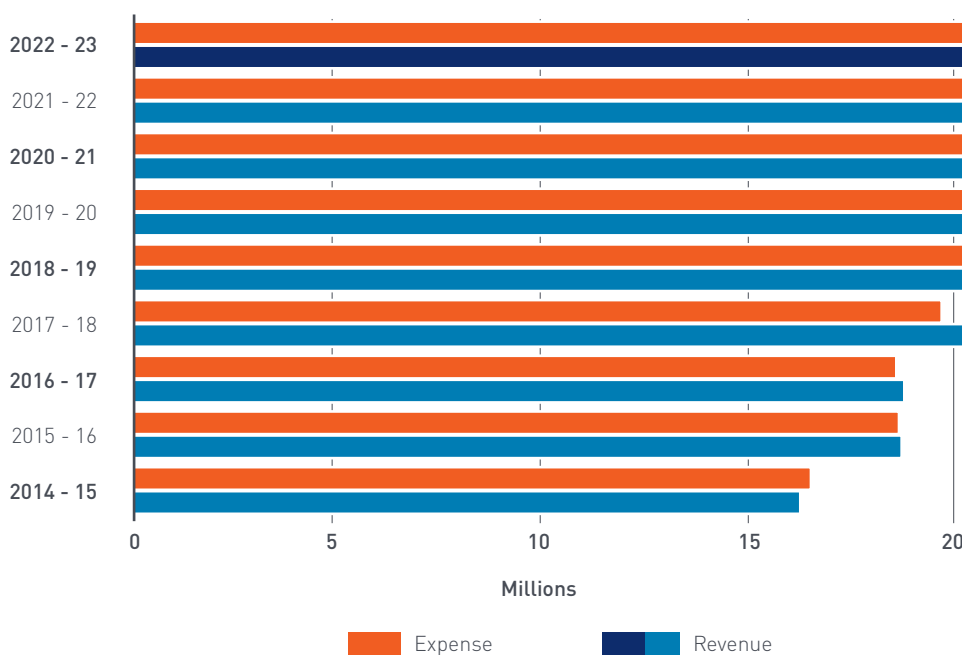


The IPA Group recorded a deficit of \$56,066 (before other comprehensive income) in 2022-23 (2021-22 surplus: \$1,009,984), as the result of our substantial transformational investments. This is a planned deficit post our consecutive three years of surplus and is supported by our strategic objectives.

Operating Results

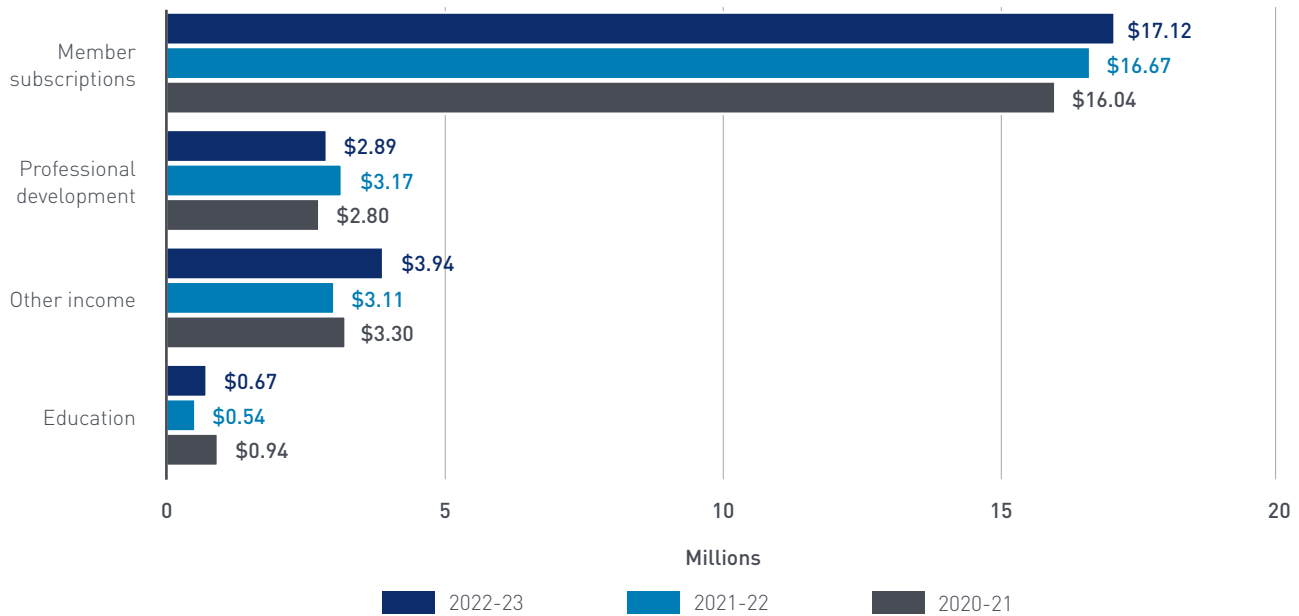


Revenue & Expense

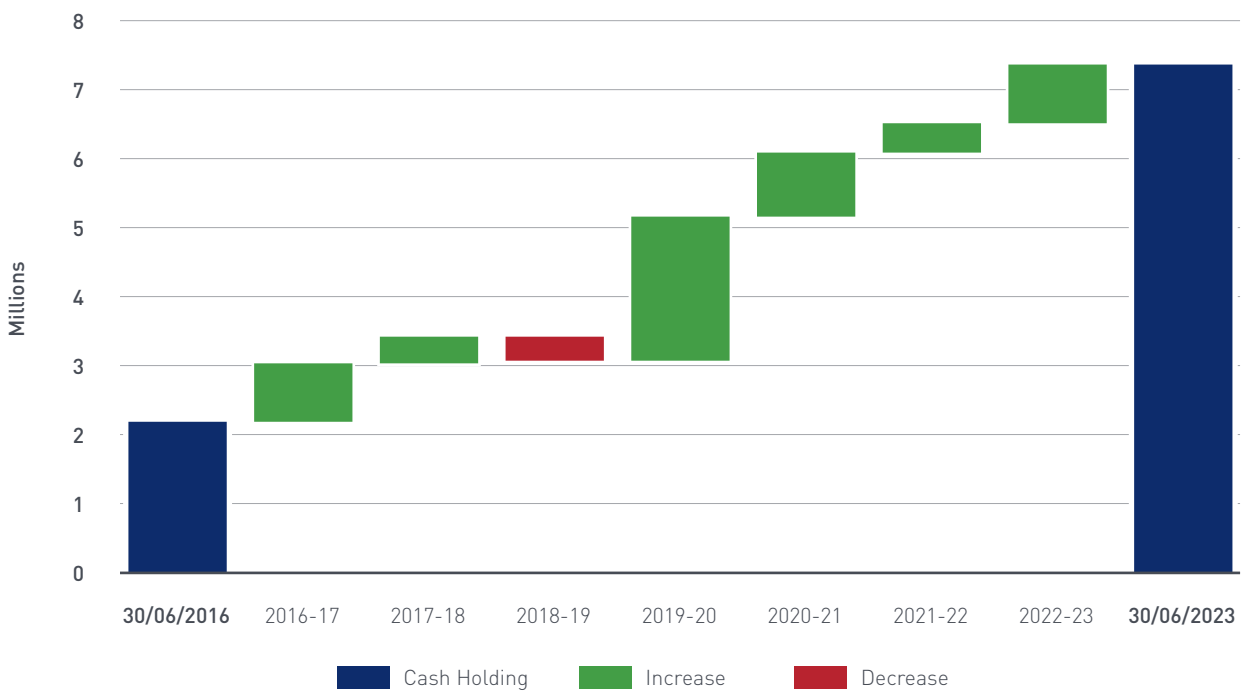


Continued revenue growth (5% increases YOY 2021-22: \$23.50mil, 2022-23: \$24.62mil 2023) and a strong cash holding position (increases by 20% YOY) provide the IPA Group with resilience against future external trends that may negatively impact the business.

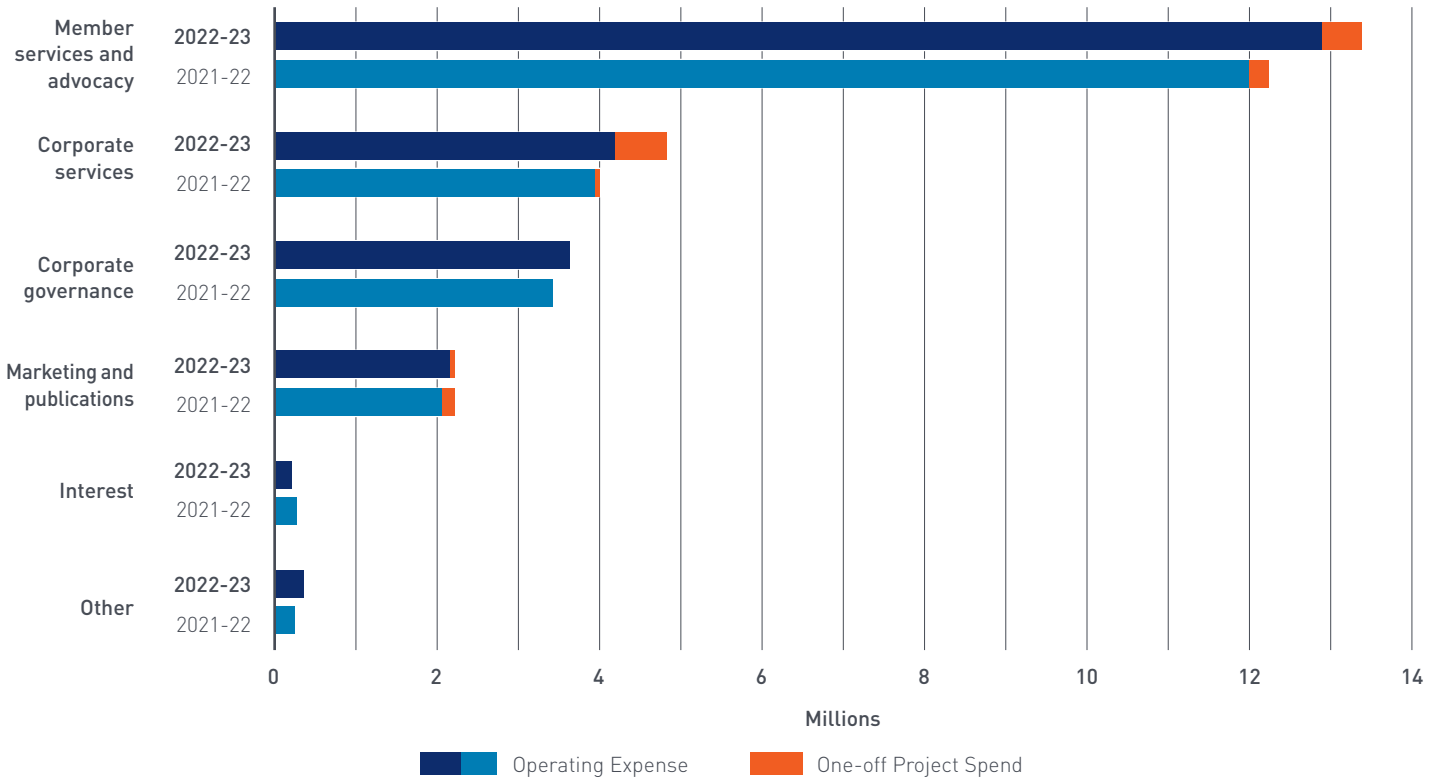
Revenue Breakdown



Cash Holding



Expense Breakdown



Overall expenditure for 2022-23 is higher than 2021-22 by 9.8% (2021-22: \$22.49mil, 2022-23: \$24.68mil). The major contributor is the increase of one-off strategic spend across education, ICT transformation projects and marketing research (2021-22: \$0.45mil, 2022-23: \$1.14mil).

We anticipate that 2023-24 will be another year of investment, building for tomorrow. We expect that our strong balance sheet position (which has risen significantly over the last 5 years from 2017-18: \$2.09mil to 2022-23: \$5.09mil), will continue to buffer and aid us through the investment phase and deliver longer term member benefits.

Retained Earnings





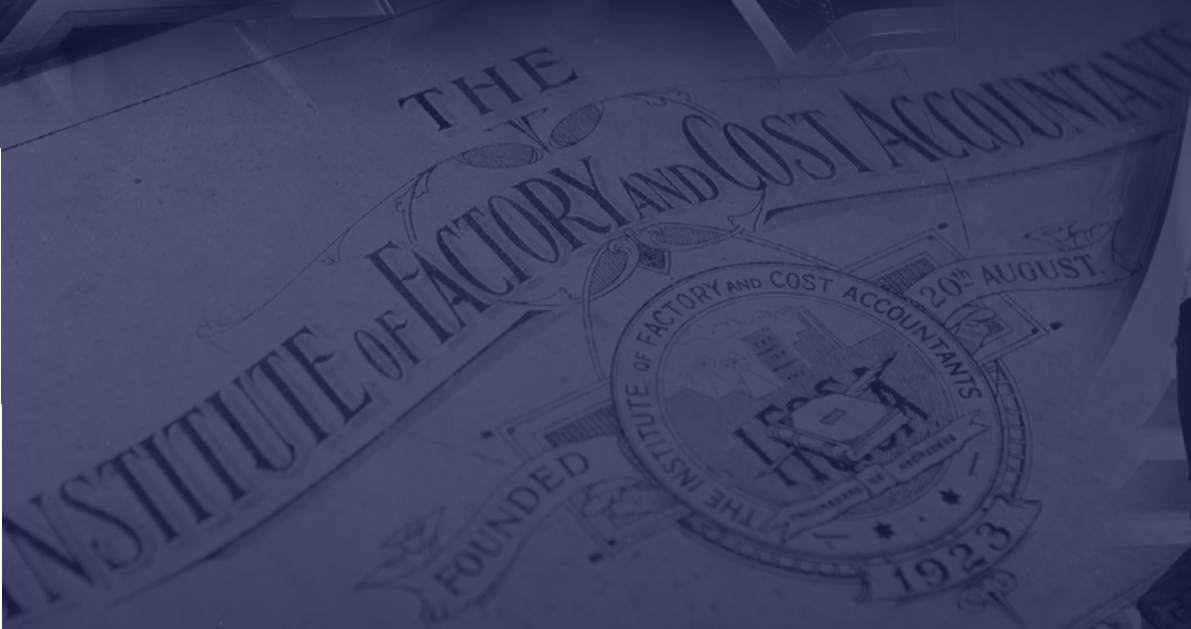
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04

Our Governance

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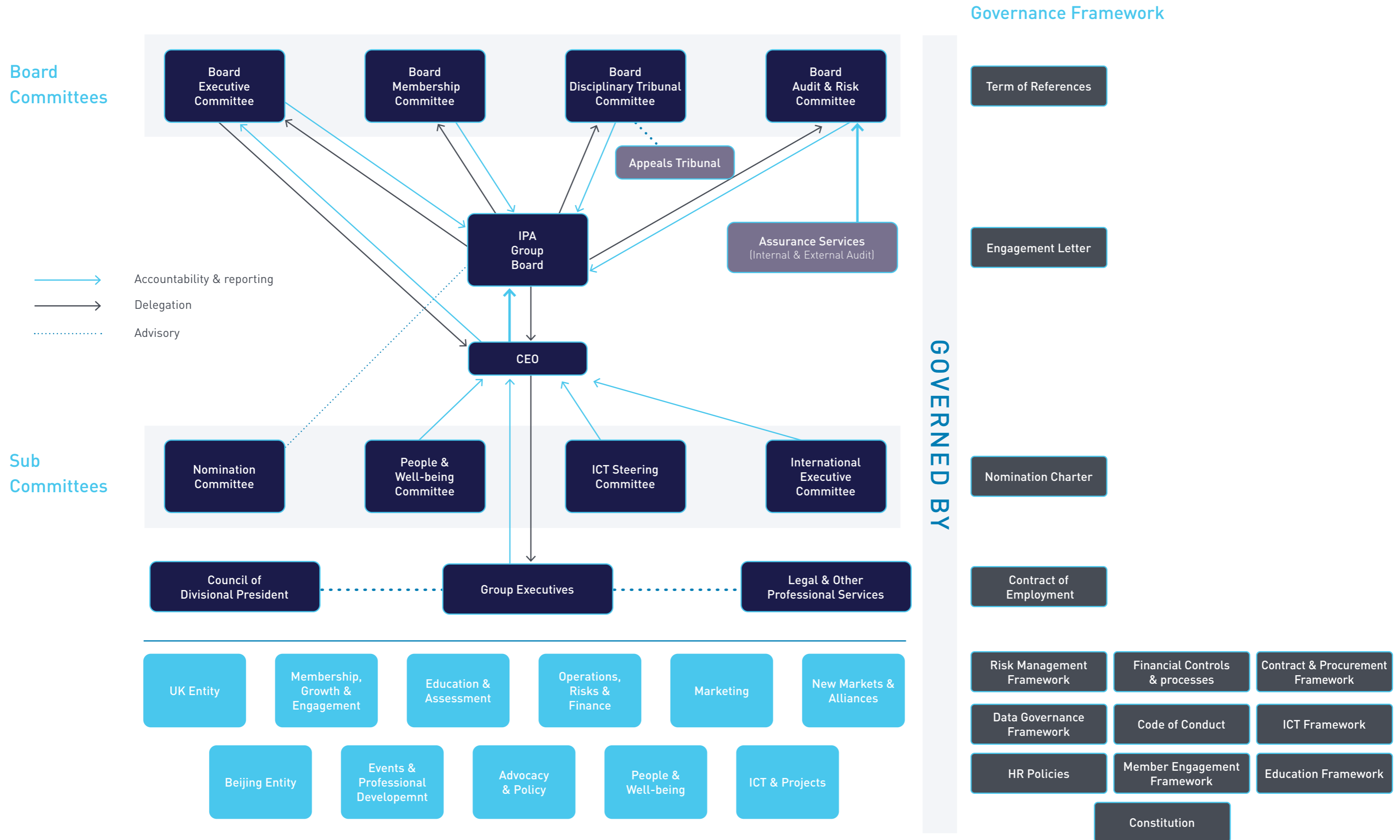
The IPA Group recognises the critical role of leadership in promoting effective governance. Strong governance practices are the foundation for achieving high performance and instilling trust in our stakeholders.

By adhering to the constitution, by-laws, and policies of the IPA Group and each relevant jurisdiction's statutory and regulatory requirements, we ensure that our operations are conducted transparently and responsibly. Our leaders operate within defined frameworks and terms of engagement, which establish their roles, responsibilities, and accountability.

These frameworks provide a clear structure for leaders to understand and oversee expectations, objectives, performance measures, risk management, and reporting requirements. By upholding these governance principles, we maintain the integrity of our organisation and safeguard our brand and reputation.



Leadership Structure and Governance Framework



Board Evaluation

The IPA Group conducts an annual board evaluation to improve governance continuously. Each director participates in a self and peer review assessment survey, assessing skills and competencies across six core components. The results help identify current board skills, inform the nominations committee in candidate selection, and aids the chair in evaluating overall board performance. This evaluation ensures effective governance and leadership within the organisation.

The board demonstrates strong competency in all knowledge areas. If any gaps are found, a customised professional development program is created to ensure a well-balanced and optimal skillset among the directors. This approach ensures the board's effectiveness and ability to address any challenges effectively.

Skills Matrix		Competent / a lot of experience	Partly competent / some experience	No experience / unsure of skillset in this area
STRATEGY	Comprehensive understanding of the IPA Group's strategic plan	89%	11%	0%
	Considers the wider IPA geography in contribution and thoughts rather than supremacy of their division			
RISK	Complete & comprehensive understanding of risk, risk management strategies, risk management frameworks & associated treatment plans	89%	11%	0%
	Capable of communicating clearly and sourcing and verifying risks			
COMPLIANCE	Comprehensive understanding of the IPA's Governance structure	93%	7%	0%
	Comprehensive understanding of the IPA's Audit & Risk structure			
	Comprehensive understanding of the IPA's Professional regulatory requirements			
DIRECTOR / BOARD BEHAVIOURS	Has a stewardship mindset	91%	9%	0%
	Behaves with integrity and is always ethical			
	Engenders trust and respect			
	Displays independent and critical thinking			
	Displays critical decision making			
	Attends Board meetings (min 75%) having read and understood Board materials			
	Ability to question constructively and courageously			
	Effective team participation			
	High level of commitment and engagement			
	Fosters and engages in effective Board relationships			
	Communicates effectively			
	Patience to hear people through with thoughts and ideas			
Makes good decisions based on a mixture of analysis, experience and judgment				
FINANCIAL & TECHNICAL	Relevant Executive, NED, Chair, Committee Chair experience	76%	23%	1%
	Wider commercial insight			
	Knowledge of industry drivers			
	Strategic and business planning			
	Business and commercial acumen			
	Basic level understanding of legal and other professional skills			
	Mergers and acquisitions of business			
	Finance management, audit and accountancy			
	Media, PR and marketing - customer centric			
	Knowledge, digital and IT			
	Digital transformation			
	People, culture and remuneration			
	Critical analysis of financial statements			
	Clear understanding of the difference between strategy and operations			
Comprehensive understanding of Corporate Social Responsibility				
CORPORATE SOCIAL RESPONSIBILITY	Actively engages in activities to promote Corporate Social Responsibility	97%	3%	0%
	Consciously considers CSR when making decisions related to the IPA Group			
	Demonstrates commitment to equal opportunity and promoting diversity and inclusion			

Board of Directors' Value

The IPA Group Board of Directors is crucial in enhancing the IPA Group's value by focusing on key inputs and engaging in various activities.

How the board adds value:

- 1. Members and key stakeholders:** The board ensures a personalised member experience, emphasises the value of IPA Group membership, and leads the evolution of the IPA Group competency framework to create innovative accounting pathways.
- 2. Brand and reputation:** The board works to increase and maintain public trust in the accounting profession, differentiates the IPA Group brand and its members as preferred providers of accounting services, monitors professional standards, and establishes robust mechanisms to address integrity and ethical behaviour among members.
- 3. Intellectual property, financial capital:** The board focuses on educating members to meet market needs, ensuring financial security and sustainable investments in services and support for members, practising responsible use of natural resources, and reflecting IPA Group ethics and values in its use of capitals to promote a sustainable profession.

Activities and actions taken by the board

Members and key stakeholders

1. Introduced "MyCommunity," an online platform for members to foster a professional community.
2. Engaged the community to advance the RAP.
3. Created new pathways and recognised competencies to transform education pathways and welcome new accountants, with a broader focus on sustainability reporting.

Brand and reputation

1. Developed a compulsory ethics module for all members to enhance ethical standards.
2. Reformatted CPD models to align with professional standards.
3. Overhauled investigations, disciplinary, case management, and firm return IT systems.
4. Enhanced the internal audit function and member compliance functions.

Intellectual property and financial capital

1. Established an expert global education advisory panel to lead IPA Group programs.
2. Revised the Group investment strategy to manage member resources ethically and effectively.
3. Developed sustainable business practices through a full-scale review of policies and procedures.
4. Linked the strategic plan to the UN SDGs to promote sustainability.

The board's efforts align with the organisation's goals of providing a personalised experience to members, promoting its distinctive value, ensuring long-term sustainability, and contributing to the broader community's benefit.

Divisional Advisory Committees

In the past financial year, the IPA Group has significantly improved DACs to enhance their effectiveness and engagement.

These improvements include revamping the documentation to ensure consistent agenda, minutes, and action plans for all six DACs in Australia. Additionally, DACs have connected with local constituents through town hall meetings to foster greater communication and engagement. The DAC members are also engaging with discussion groups to promote their work and encourage member nominations.

Some DACs meet more than the minimum of four times a year to ensure that member feedback is addressed promptly. This change has led to greater member engagement, with 44 members actively participating and contributing to the DACs, an increase of 10% from last year.

DAC members contribute to a range of matters across compliance, regulatory, governance, and administrative. This has resulted in several recommendations made to the board and senior management.

The Association of Accounting Technicians (AAT) Member Advisory Committee has been dissolved, and accounting technicians have been encouraged to become DAC members. Channels of communication have been established through Microsoft Teams to facilitate collaboration between DAC members and discussion group convenors, with plans to transition to the MyCommunity platform.

The IFA held virtual meetings with the IFA Member Advisory Committee (MAC), and face-to-face appointments were organised with three Ambassadors in Scotland and England.

Our Risk Management Framework

Risks and Opportunities

As a member-based organisation, the IPA Group emphasises identifying and addressing the risks and opportunities that impact its ability to create value for members in the short, medium, and long term.

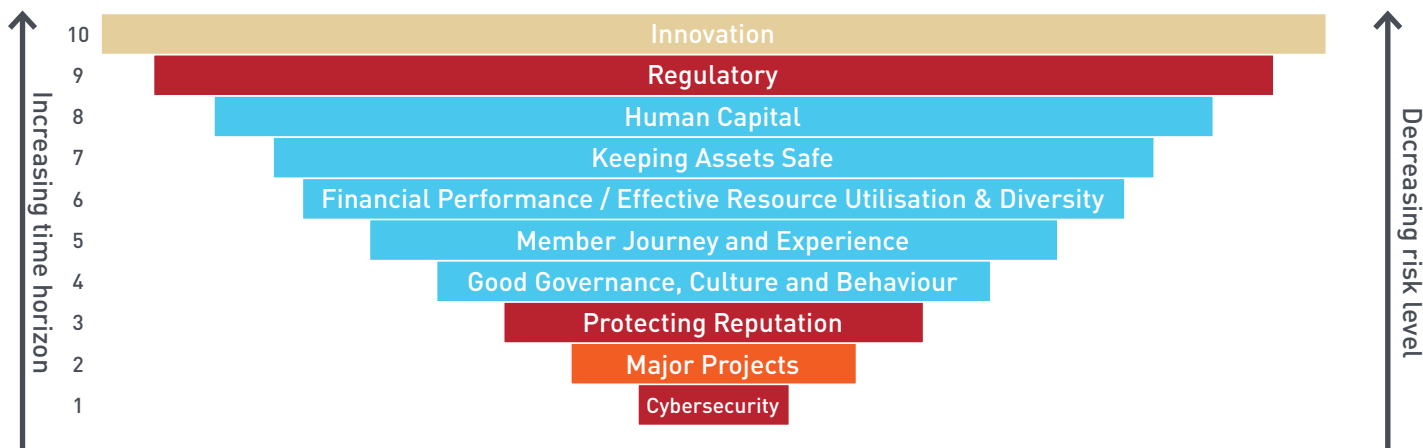
This involves recognising risks and opportunities when they arise, assessing the likelihood of their occurrence, and understanding their potential impact. This report illustrates the actions taken to mitigate or manage these risks and capitalise on the opportunities to benefit members.

Applying Risks and Opportunities Methodologies for Value Creation

To identify the principal risks and the mitigating activities to address them we apply a 'risk radar', as presented below, to map the principal risks against the categories that are:

- External to our business.
- Core to the day-to-day operation.
- Related to business change activity.
- Risks that could emerge in the future.

Risks Radar



Risks External to the Business

- Cybersecurity and Data Security (Global)
- Staying Relevant
- Reputation
- Legislation and Regulatory Requirements
- Extreme Events – Bushfires and Pandemics (Global)
- Environmental, Social and Governance (Global)

Risks Internal to the Business

- Core day-to-day operations.
- Business change activities.
- Success in our strategic projects.
- Effective utilisation of our resources (for members' benefit).
- Keeping our people and our resources safe.
- Innovation.
- Human capital.

Risks Emerging to Business

- Global recession (impacting progress with our global strategic partners).
- Domestic recession (impacting our membership).
- High inflation and rising costs (impacting disposable income for our members and their SME clients).
- Digital optimisation and protection.
- International conflict.
- International membership impacted by their domestic laws.

The IPA Group has established a risk management governance structure that maximises value creation in the short, medium, and long term while effectively managing various risk aspects. This includes addressing internal factors, such as the range of skills and diversity within the organisation and external factors, such as regulatory requirements and compliance. Additionally, the IPA Group is attentive to emerging risks in the areas of environment and social governance, ensuring they are appropriately identified and managed. By considering these factors, the IPA Group aims to maintain a comprehensive and proactive approach to risk management that supports its overall objectives.

Risk Management At All Levels

Risk Governance Structure	How does the risk governance structure contribute to and support risk management?
IPA Group Board of Directors	<ul style="list-style-type: none"> • Ensure the IPA Group has a sound system for managing risks and internal controls.
Board Audit and Risk Committee	<ul style="list-style-type: none"> • Approve the risk management policy. • Endorse the risk management framework. • Satisfy itself that any significant risks faced by the IPA Group are being managed appropriately and that its risk management system is robust enough to respond to changes in the business environment. • Endorse and recommend the IPA Group risk appetite to the IPA Group Board for execution. • Approve the external and internal audit strategies and plans.
Board Membership Committee	<ul style="list-style-type: none"> • Oversee and support the development of policy for the board of directors on matters about the attraction, development, and retention of members according to pre-determined standards of education, professional experience, personal conduct, and professionalism. • Provide advice to management on emerging issues related to member education to inform the design of educational products and services. • Specific board delegation includes members' qualification assessment and members' quality review program oversight.
Board Executive Committee	<p>Carry out strategic risk management by providing the board with strategic advice on matters about modern, efficient, and effective resource management methodologies, and oversight of the IPA Group resources such as:</p> <ul style="list-style-type: none"> • Development of investment strategy, and operational budgets. • Development of the accounting profession, standards, and requirements. • Oversee brand identity for stakeholders.
Board Nominations Committee	<p>The key risk mechanisms:</p> <ul style="list-style-type: none"> • Assess the board's and the organisation's needs regarding skills, knowledge and experience for directors, CEO, and senior management and make recommendations to the board regarding appointments, retirements, and terms of office. • Ensuring a capable and effective board.
Chief Executive Officer	<ul style="list-style-type: none"> • Responsibility and accountability for the implementation of risk management. • Ensure effective implementation of the risk management strategy. • Promote a culture of risk awareness. • Operations are conducted within board's risk appetite and risk tolerance.
Chief Operating Officer	<ul style="list-style-type: none"> • Maintain efficient resources and infrastructure to effectively implement risk management (framework, tools, technology, methodologies, and training). • Monitor actual risk positions against the tolerance limits and escalate items exceeding these limits to the CEO, board, and the board audit and risk committee. • Ensure risk activities are consistent with risk management policies.
Group Executives	<ul style="list-style-type: none"> • Ensure all teams are risk aware within their roles. • Recommend risk management strategies on identified or emerging risks. • Support the development and implementation of risk programs and training.
All Employees	<ul style="list-style-type: none"> • Be aware of and understand the risks associated with their actions and comply with the risk management policies, guidance, and procedures. • Communicate any risks identified to their managers/management.



Risk Improvement Activities








% of time spent in undertaking different risk improvement activities over 2021-22 & 2022-23. In 2022-23 we see a stronger focus on risk awareness training and risk control strategies.



IPA Group Risks and Opportunities

Opportunities	Risks	Effort & Frequency	Timeframe	Key Responses	Likelihood	Business Impact	Strategic Theme Impacted
Cybersecurity and the protection of personal data							
<ul style="list-style-type: none"> With continual development in information technology (ICT) the opportunities for enhancements within the business benefiting our members are endless. Support Major Business Initiatives - Each corporate initiative is supported by a major ICT project. These projects will increase ICT process maturity and systematically improve ICT. Drive Technology Innovation – These projects will improve our future innovation capabilities and maturity. 	<ul style="list-style-type: none"> The increasing threat of cyber criminal activities can cause a very serious disruption to the Institute and impact our member services. At worst it could affect business continuity. For those reasons the IPA has invested a significant amount of resource for protecting and improving the security of members and business sensitive data. Each project has unique ICT challenges that require ICT support. 	HIGH AND ONGOING	SHORT TO MEDIUM TERM	<ul style="list-style-type: none"> IPA Cybersecurity 10-point framework. Annual Cyber specialist audits. Employees & Board Cybersecurity Education and Training. Board Ransom policy. Incident Response Plan Testing. Business Continuity and Disaster Recovery plans in place. Performing vulnerability patches. General Data Protection Regulation (GDPR) agreements to protect members data and privacy. 	Probable	HIGH	STRATEGIC THEME 1 
Education & Professional Development							
<ul style="list-style-type: none"> Exploiting the opportunities to provide our members and potential members with innovative options for furthering their education and CPD will be a game changer in the accounting profession and improve our members standing in the community. Use of ICT to provide member with quick and easier access to these benefits, wherever they are located. 	<ul style="list-style-type: none"> The resistance and objections from misinformation and change management may cause some hiccups. 	VERY HIGH AND ONGOING	MEDIUM TO LONG TERM	<ul style="list-style-type: none"> Restructured CPD offerings that align to IPA Group Global Competency Framework. Recalibrated membership pathways in line with IPA Group Global Competency Framework. Engaged DACs who made valuable recommendations to IPA Board and management on CPD opportunities. Sourcing experienced talent to bring to the Education team. Incident Response Plan Testing. Business Continuity and Disaster Recovery plans in place. Performing vulnerability patches. General Data Protection Regulation (GDPR) agreements to protect members data and privacy. 	Possible	MODERATE	STRATEGIC THEME 2 

Opportunities	Risks	Effort & Frequency	Timeframe	Key Responses	Likelihood	Business Impact	Strategic Theme Impacted
Members Journey and Experience							
<ul style="list-style-type: none"> Supporting each member to embrace their own chosen membership and professional journey is what the IPA do best to improve the quality of life of small businesses. Utilising ICT to improve members touchpoints and experiences. Investing in members' experiences and equipping them as trusted advisors to the community. 	<ul style="list-style-type: none"> Perception of value influenced by other factors including social media, community, competition. Cyber threats are increasing and any IT platforms has to be highly secured. Members non-compliance can lead to reputational and brand damage. 	VERY HIGH AND ONGOING	SHORT TO MEDIUM TERM	<ul style="list-style-type: none"> IPA is an active member of the International Federation of Accountants (IFAC) . Provide unique CPD opportunities and guided delegations for members to experience the profession at an international level. Educate and support members on compliance matters. Members Satisfaction Survey. Formation of a National Member Engagement team. 	Possible	MINOR	<p>STRATEGIC THEME 2</p>  <p>STRATEGIC THEME 5</p> 
Excellence in Information Communications and Technology (ICT)							
<ul style="list-style-type: none"> Transformation in ICT with members' needs and experience as the main priority. The opportunity for members to be part of a Community with a unique experience benefiting one another. Access to members services and products anywhere anytime. 	<ul style="list-style-type: none"> Resource limitations emanating from a very tight employment market to oversee these major ICT projects. Security for accessing services and products to ensure there are no incidents / compromise. 	VERY HIGH AND ONGOING	SHORT TO MEDIUM TERM	<ul style="list-style-type: none"> ICT Strategic Roadmap -3/5 year plan. Strategic goals and reviewing annual business plan. 	Possible	HIGH	<p>STRATEGIC THEME 1</p>  <p>STRATEGIC THEME 5</p> 
Financial Performance							
<ul style="list-style-type: none"> Initiatives in ICT, Education and Members Engagement supported ongoing member growth opportunities leading to very favourable financial results in the past three years. 	<ul style="list-style-type: none"> Inflation and economic circumstances post COVID-era may dampened the market which may impact the ability to onboard new members which is the main revenue segment (refer 2022 Annual Report). 	VERY HIGH AND ONGOING	MEDIUM TO LONG TERM	<ul style="list-style-type: none"> Transparent disclosures in financial reports and Annual Reports. Financial Management Acumen. Fraud Management (Questionnaire). Governance process, risk management and controls (GRC Framework). Board policies on minimum net assets. Board Risk Appetite (against Financial Performance). 	Possible	HIGH	<p>STRATEGIC THEME 3</p> 

Opportunities	Risks	Effort & Frequency	Timeframe	Key Responses	Likelihood	Business Impact	Strategic Theme Impacted
Workforce							
<ul style="list-style-type: none"> Recruitment strategies with an employee profile suited to each role as the IPA continues to grow. Opportunity to cultivate common goals with a growth mindset amongst the cohort. Strengthened team member engagement and leadership at all levels. Opportunities to grow and develop. 	<ul style="list-style-type: none"> Retention of talent in a competitive employees market. Challenges of gender equity. 	HIGH AND ONGOING	SHORT TO MEDIUM TERM	<ul style="list-style-type: none"> Strategic HR Lifecycle. People & Wellbeing Committee. COVID Management. Employee Satisfaction & Culture Survey. Reconciliation Action Plan. Human Resources Policy. 	Possible	MODERATE	STRATEGIC THEME 5 
Environmental Sustainability and Governance (ESG)							
<ul style="list-style-type: none"> Taking members on the ESG journey. Opportunity to work with Suppliers sharing the same goals. Educating our stakeholders including employees. 	<ul style="list-style-type: none"> Members may be reluctant to undertake ESG initiatives. Vendor selection may prove very difficult if not sharing common organisational values. 	MEDIUM AND ONGOING	MEDIUM TO LONG TERM	<ul style="list-style-type: none"> SDG Implementation. 	Possible	MODERATE	STRATEGIC THEME 4 
Growth in new markets vs. Growth in existing markets							
<ul style="list-style-type: none"> Opportunities to grow in new markets with ICT transformation, an experienced team and Education / CPD offering. Continues to grow memberships in existing markets. Grow Revenue. Strengthened approach to international markets. Improve Recognition of the IPA Group. 	<ul style="list-style-type: none"> Geopolitical friction make the move into other markets a constant challenge, too risky and may not suit current risk appetite. Potential members are hesitant due to financial commitments. Post COVID, wars, domestic inflation and cost of living pressure. 	ONGOING	MEDIUM TO LONG TERM	<ul style="list-style-type: none"> Analytics on markets and value for members. Member satisfaction survey. 	Possible	HIGH	STRATEGIC THEME 3  STRATEGIC THEME 4 

Internal audit strategy

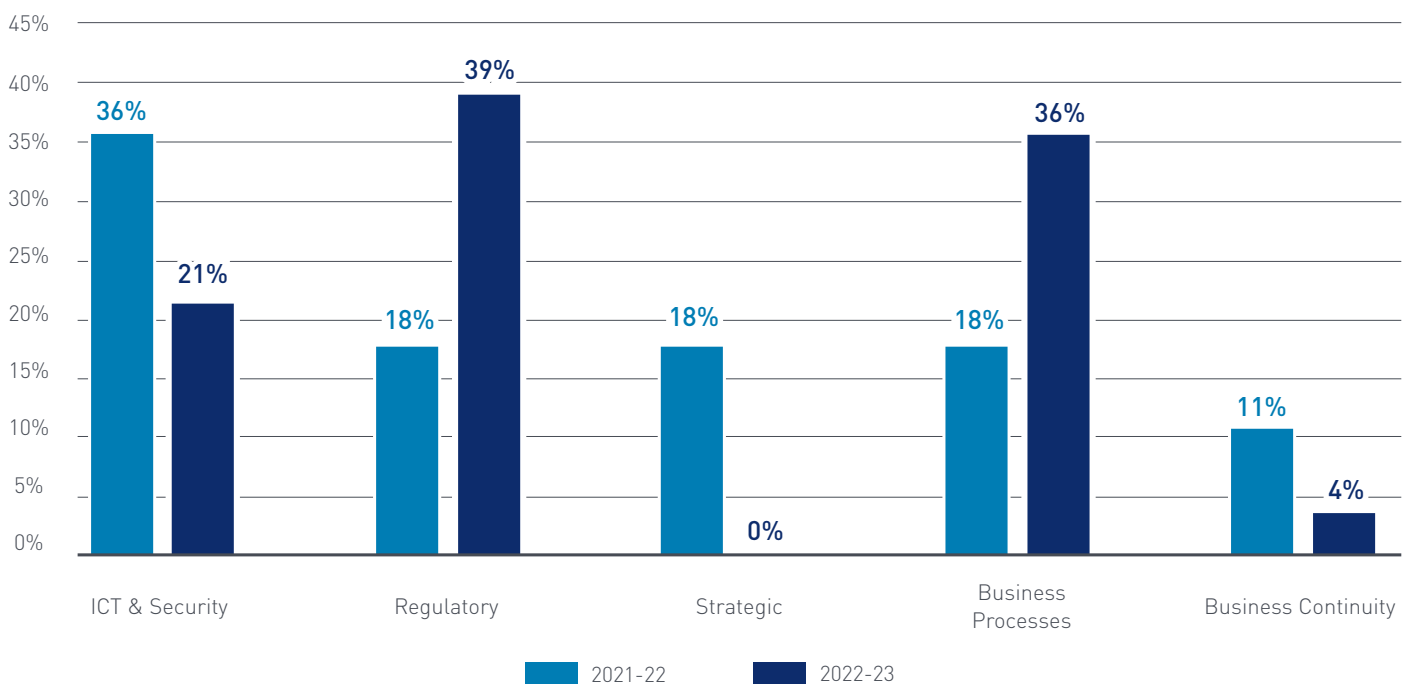
The IPA Group’s internal audit function follows the Institute of internal auditors’ definition and is an independent activity to enhance risk management practices and improve operations.

Using a systematic approach, the function evaluates and enhances risk management, controls, and governance processes while identifying opportunities for process improvements.

The annual audit plan, developed through a risk-based approach, is approved by the board audit and risk committee, and the IPA Group Board of Directors addresses the findings and recommendations from internal audit reports to improve operations continually.

The IPA Group prioritises risk management and value creation, employing rigorous methodologies to identify and evaluate risks and opportunities. With a focus on internal and external factors, the IPA Group’s robust risk management framework enables us to proactively address challenges, comply with regulations, and capitalise on emerging opportunities. Supported by an internal audit function and a strong governance structure, the IPA Group is dedicated to continuous improvement, delivering value to its members, and maintaining its reputation as a trusted professional association.

Internal Audit Program 2022-23 vs 2021-22



% of time spent on each area of internal audits over 2021-22 & 2022-23.

05

Stakeholders, Engagement & Impact

Members	51
Partners	52
People & Wellbeing	53

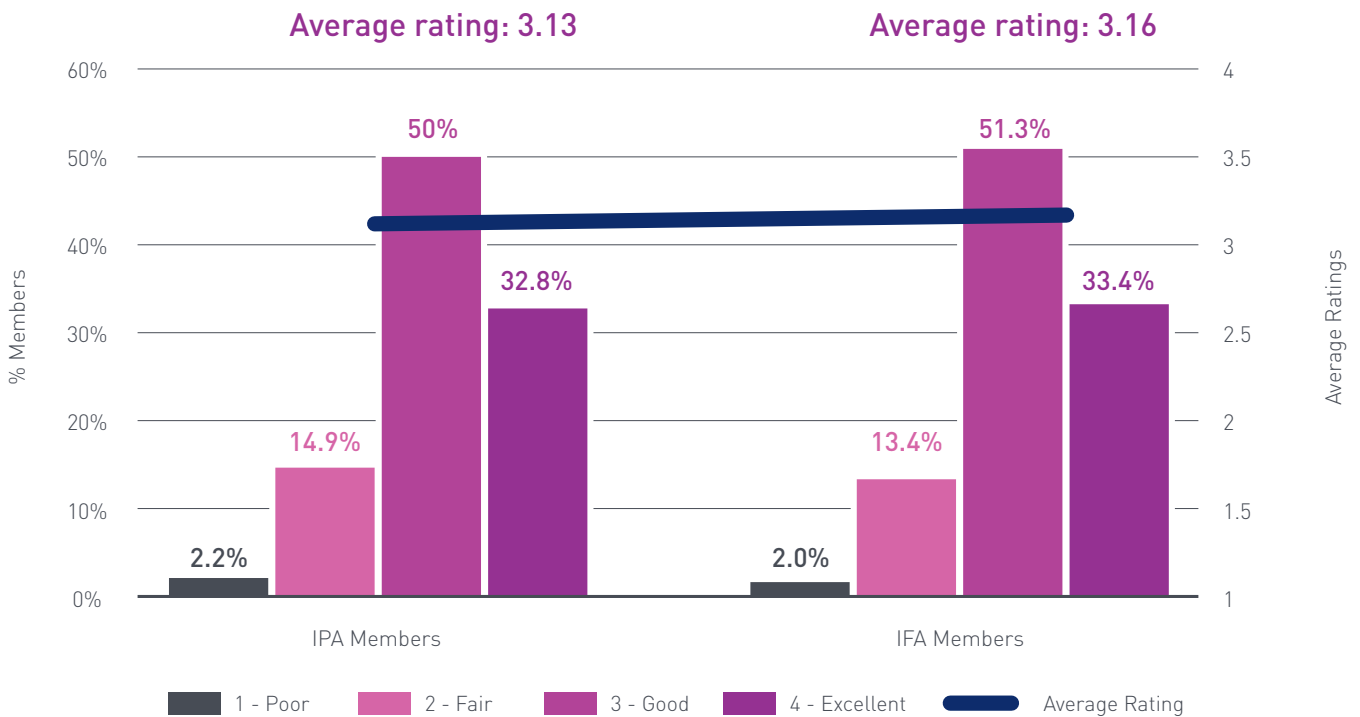


Members

Our recent survey result (conducted in May 2023, 3,496 responses received (3,014 complete, 482 partial) we received an excellent rating for overall membership experience.

Ratings for overall membership experience

Base = 2,320 IPA Members 718 IFA Members



Other highlights include:

- More than 87% of respondents indicated that membership had addressed their reason for joining.
- Members were positive about the IPA Group being effective in its role of building a professional community.
- Our customer service score was above average.
- Over three-quarters of members said they did not want any more additional benefits.
- The survey indicates there is opportunity to improve awareness of member benefits and build on core membership benefits that appear to be most valued by members such as templates and checklists, advocacy, and Professional Assist.

Partners

In financial year 2023, the IPA Group achieved a remarkable 80% retention rate of its partners, a notable accomplishment. We are delighted to continue collaborating with our current partners, including Worrells, Officeworks, Thomson Reuters, Reckon, BUPA, AB Phillips, Wines Direct, and Thryv, and we eagerly anticipate further strengthening these valuable relationships.

The IPA Group frequently receives proposals from businesses seeking to align with us, making it crucial to establish a formal review process that ensures transparency, efficiency, and effectiveness in evaluating these proposals.

Allowing external organisations to reach our niche and targeted audience, the membership base presents an appealing and potentially profitable opportunity for both the partner and the IPA Group.

Our potential member service partners are assessed by specific selection criteria to ensure that our partnerships are mutually beneficial, providing value to our members while supporting the IPA Group's overall goals and sustainability.

Our selection process ensures alignment with IPA Group values and features reputable brands with robust due diligence procedures. Member insights play a crucial role in choosing business partners to cater to the needs of our members. Our partnerships encompass diverse offerings, such as accounting software and tax and compliance services.

Considering the post-covid environment, we actively pursue health and lifestyle offerings, including those from Qantas and BUPA, to meet the changing needs of our members.

Additionally, our significant presence of partners at events serves multiple purposes, including enhancing our corporate image through brand association, potentially garnering media coverage, connecting event attendees with valuable services/products, and facilitating networking opportunities for all involved.

People & Wellbeing


At the IPA Group, we understand that wellbeing extends beyond physical health and feeling good. We broadly define wellbeing as mental, physical, financial, and emotional factors. We are deeply committed to the health and wellbeing of our team members.

We aim to foster a workplace that supports every individual's physical, emotional, and psychological wellbeing. We acknowledge that promoting health and wellbeing in the workplace is a shared responsibility. As such, we will provide our team members with training and tools to empower them to take control of their wellbeing. Additionally, we will support our leaders in creating safe and supportive work environments.

Staff Engagement Score

74%

*First survey conducted by CultureAmp



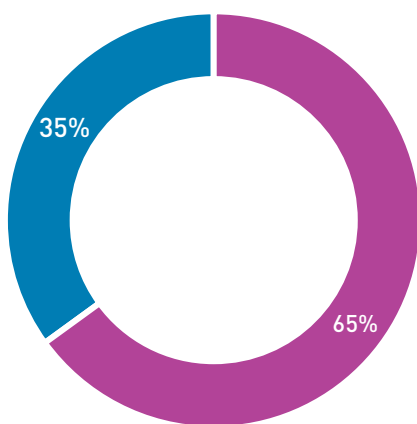
- I know how my work contributes to the goals of IPA
- Our physical workspace is enjoyable to work in
- We are genuinely supported if we choose to make use of flexible working arrangement



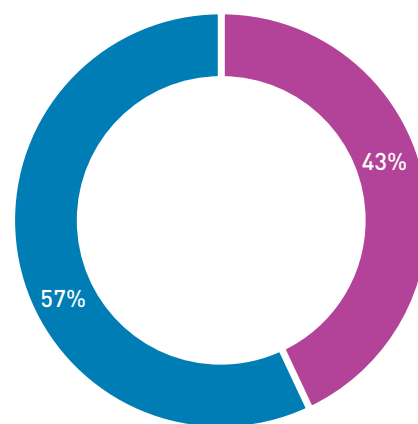
- I believe my total compensation is fair
- I believe there's good career opportunities at IPA

Gender Composition of our IPA Group Workforce 2023

All Teams



Group Executive



Male
Female

Australia	F 48	M 22
UK	F 13	M 14
China	F 9	M 1
Total	F 70	M 37

All team members (including casual team members).

People & Wellbeing Committee

The committee’s key achievements include launching the IPA Group Wellbeing Channel on Microsoft Teams, which serves as a platform to facilitate the Wellbeing Calendar and other activities to promote wellbeing across the Group.

Achievements include:

- Developing educational initiatives to enhance financial skills through internal and external webinars.
- Providing education to promote a healthy mind and encourage personal growth.
- Engaging the team through a cycle, walk, run challenge to promote physical activity and camaraderie.
- Delivering education on the available resources and benefits through the Employee Value Proposition and internal policies, such as leave and training opportunities.
- Hybrid work model and flexibility.

Our **hybrid model** entails three days working from the office, and two days from home, with flexibility as needed. Additionally, we have designated an all-in day each week where we strive to have most of our team members present in the office. This day is designed to foster engagement and interaction among our staff.

Wellbeing Calendar



Staff Training

We fully commit to supporting every team member’s ongoing training and development. We understand that continuous skill enhancement, both personally and professionally, is important to our team members. From 1 July 2022 to 30 June 2023, our team members across the group completed 662 hours of training using the Go1 platform.

Staff Training Costs by Competency Areas

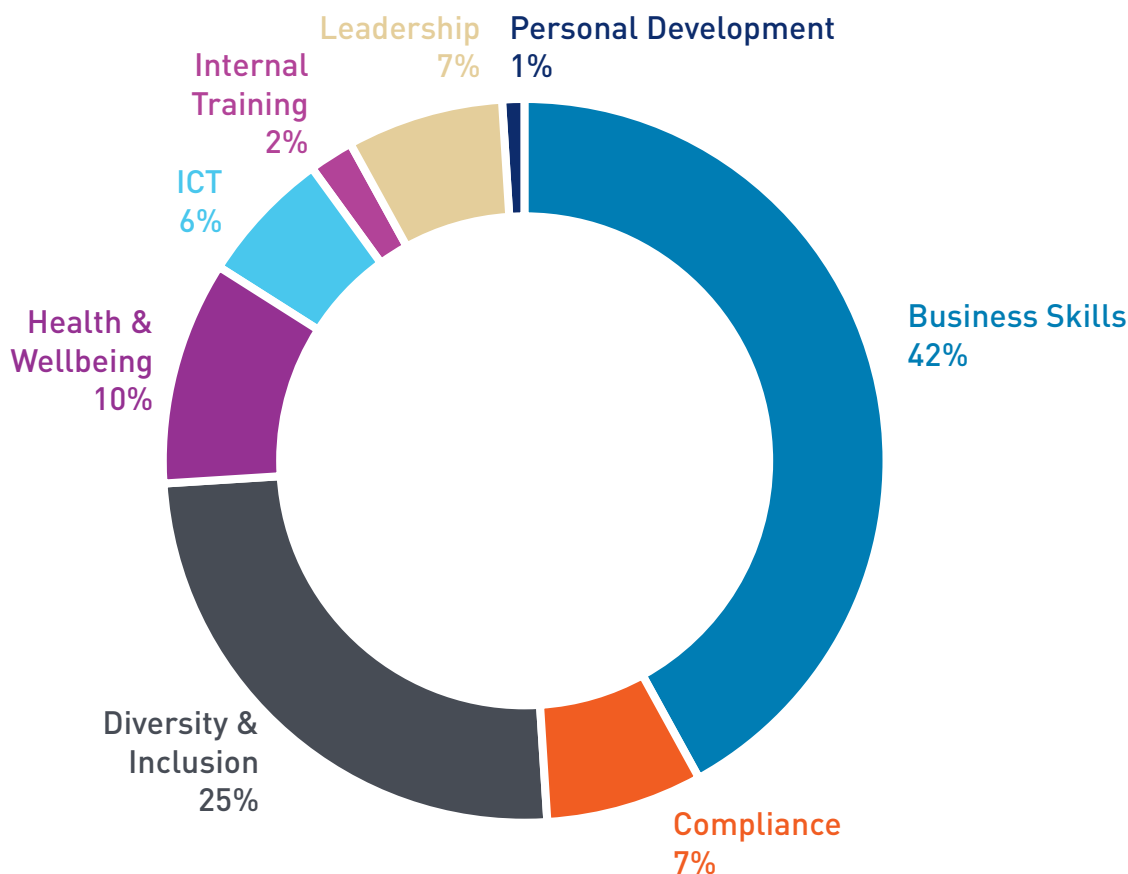


Chart represents breakdown of costs incurred to train staff across the key competency areas. Our top core competency areas are improving business skills and promoting diversity & inclusion.

Arrilla Cultural Competency Training

As part of our IPA Group RAP and our commitment to education and cultural competency, the RAP workgroup collaborated with Arrilla Consulting to provide online cultural competency training for our team. The purpose of this training is to enhance the confidence of IPA Group staff when engaging with and discussing topics related to Aboriginal and Torres Strait Islander peoples.

Cultural Immersion Training

Our board, DAC, group executives, state managers, and members of our RAP working group participated in the cultural immersion training held in Canberra. This training was designed to deepen our understanding, build cultural awareness, and inform our commitment to reconciliation. They allowed us to engage firsthand with the region’s rich cultural heritage and gain valuable insights to shape our actions moving forward.

Gender Pay Gap: How it was Calculated in April 2023

We have conducted a comprehensive analysis of the gender pay gap for team members in both Australia and the UK.

Australia We reviewed data for 64 employees, consisting of 44 females and 20 males (excluding the CEO). The gender pay gap was calculated to be 10.09%, in favour of males. The national average gender pay gap in Australia, reported in March 2023 by the Workplace Gender Equality Agency, was 13.3%.

UK We examined data for 26 employees, including 13 females and 13 males (excluding the IFA CEO). The gender pay gap in the UK is determined to be 4.58%. For comparison, the “mean” gender pay gap in the UK is 5.45%, and the “median” is 9.71%, as reported in November 2022 by the UK government.

By conducting these analyses, we aim to have a comprehensive understanding of the gender pay gap in both Australia and the UK, allowing us to identify areas for improvement and work towards reducing these gaps within our organisation.

Future of Gender Pay Gap

In the next year, we undertake to:

- Demonstrate that we have awareness by continuing to monitor and report on the pay gap.
- Continue to discuss what we can do to address the gap internally and externally with some of the recruiters we have relationships with.
- Continue to review our internal processes to ensure the gap doesn't become greater than it is where possible and continue to offer training and development opportunities to assist with closing the gap.
- Review our recruitment processes to ensure benchmarking and salary review are completed before recruitment.
- Enhance internal communications.

Internal communications within the IPA Group utilises a range of platforms and has resulted in increased engagement, including discussions, and sharing of information across different teams and channels.

Staff Turnover

During financial year 2023, 13 employees have initiated their resignations with the IPA. This represents an annualised turnover rate of 13%, lower than the previous 12-month period when the turnover rate was 13.6%.

It is important to note that the turnover figures mentioned do not include employees who were employed on a casual basis. These figures specifically pertain to permanent or non-casual employees who left the organisation.

These turnover rates provide insight into the employee attrition experienced during the specified financial years and helps to gauge retention efforts within the IPA Group.

IPA AU Gender pay gap:

10.09%

National Average: 13.3%

IFA Gender pay gap:

4.58%

National Average: 9.71%

Staff Turnover

13.00%

FY22: 13.60%



theaustralian

Accountant

06

The Outlook



The Outlook

Several factors will likely affect accountants and the accounting profession in the upcoming financial year.

Changing Regulations and Tax Laws

Accountants must stay updated with ever-changing legislation and regulations across areas of practice and employment, including the tax laws, financial reporting, compliance, and so on. This is a constant challenge as governments and regulators seek to implement changes and reforms.

Advancements in Technology

The accounting profession is continuously evolving due to technological advancements. Automation and artificial intelligence are reshaping various accounting tasks, making it essential for accountants to adapt to new tools and software.

Economic Fluctuations

Economic changes, such as a potential recession, inflation, or market volatility, directly affect SMEs. During economic downturns, accountants may have to navigate challenging financial situations and advise their clients and employers on suitable strategies and measures.

Ethics and Professional Standards

Accountants are held to high ethical and professional standards. Maintaining integrity and adhering to ethical guidelines is crucial to preserving public trust and credibility in the profession.

Client Needs and Expectations

As businesses evolve, client expectations also change. Accountants must be prepared to meet client needs, provide valuable insights, and offer tailored solutions.

ESG Reporting

Increasingly, companies are expected to report on their environmental and social impacts and governance practices. ESG reporting provides a major opportunity for the accounting profession, which must be ready and willing to seize it.

Data Security and Privacy

With the growing reliance on technology and data, SMEs must be vigilant about data security and privacy concerns. Cybersecurity threats pose a significant risk to sensitive financial information.

Industry-Specific Regulations

Different industries have unique accounting requirements and regulations. Accountants may need to specialise in certain sectors to provide accurate and specialised financial advice.

Professional Development

The accounting profession demands continuous learning and professional development. Accountants must stay informed about industry trends, changes in accounting standards, and new technologies to remain relevant and competent.

Competition and Market Trends

Accountants must be aware of market trends and the competitive landscape within and outside their profession. This knowledge helps them stay competitive and able to offer valuable services to their clients.

The IPA Group is fully equipped to support its members in overcoming the challenges they may encounter. In this integrated report, we have highlighted how the IPA Group actively assists its members and stakeholders. The report demonstrates the comprehensive support and resources provided by the IPA Group to ensure the success and growth of its members and the overall accounting profession.

INDEPENDENT LIMITED ASSURANCE REPORT TO THE DIRECTORS OF INSTITUTE OF PUBLIC ACCOUNTANTS LTD

Conclusion

We were engaged by the Institute of Public Accountants Limited (“IPA”) to undertake limited assurance as determined by Australian Auditing Standards, referred to as a ‘review’, of information presented in IPA’s integrated report for the year ended 30 June 2023.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the IPA’s Integrated Report for the year ended 30 June 2023 is not prepared, in all material respects, in accordance with the International Integrated Reporting <IR> Framework.

Information Subject to Assurance

Information subject to assurance comprises the IPA’s Integrated Report for the year ended 30 June 2023 (the 2023 Report).

Criteria Used as the Basis of Reporting

The criteria used as the basis of reporting is the International Integrated Reporting Council’s Integrated Reporting <IR> Framework (<IR> Framework) as disclosed in the 2023 Report.

The nature of the non-financial information, the absence of a significant body of established practice on which to draw, and the methods and accuracy used to determine non-financial information, allow for different, but acceptable evaluation and measurement techniques and can result in materiality different measurements, affecting comparability between entities over time.

Basis for Conclusion

We conducted our work in accordance with the Australian Standard on Assurance Engagements ASAE 3000 (Standard). In accordance with the Standard, we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the 2023 Report, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- Interviews with executives, senior management and staff to understand the internal controls, governance structure and reporting process relevant to the 2023 Report.
- Reviewing the description of the IPA’s strategy and how IPA creates value in the 2023 Report and enquiring of management as to whether the description accurately reflects their understanding.
- Assessment of the suitability and application of the <IR> Framework in respect of the 2023 Report.
- Reviewing IPA’s processes underlying the identification of material issues and considering IPA’s own materiality assessment with reference to multiple sources of information including internal assurance findings, print and social media, external framework requirements and peer and industry reporting trends.
- Assessment of the alignment between IPA’s strategy and the disclosures on how IPA creates value and what matters most to IPA stakeholders.
- Reviewing Board minutes to check consistency with the 2023 Report.

- Agreeing the 2023 Report to relevant underlying documentation on a sample basis.
- Analytical procedures over the key metrics in the 2023 Report.
- Review of the 2023 Report in its entirety to ensure it is consistent with our overall knowledge obtained during the assurance engagement.
- Obtained a letter of representation from management on the content of the 2023 Report.

How the Standard Defines Limited Assurance and Material Misstatement

The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of IPA

The Limitations of our Review

The 2023 Report includes prospective information. Inherent to prospective information, the actual future results are uncertain. We do not provide any assurance on the assumptions and achievability of prospective information in the 2023 Report.

Use of this Assurance Report

This report has been prepared for the Directors of IPA for the purpose of providing an assurance conclusion on the 2023 Report and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of IPA or for any other purpose than that for which it was prepared.

Management's responsibility

Management are responsible for:

- determining that the <IR> Framework is appropriate to meet their needs and the needs of other intended users;
- preparing and presenting the 2023 Report in accordance with the <IR> Framework;
- ensuring the IPA strategy is well presented in the 2023 Report and reflects how IPA creates value as they operate in practice;
- identifying stakeholders and stakeholder requirements;
- identifying material issues and reflecting those in the 2023 Report; and
- establishing internal controls that enable the preparation and presentation of the 2023 Report that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to IPA's Integrated Report for the year ended 30 June 2023, and to issue an assurance report that includes our conclusion.

Our Independence and Quality Control

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Australian Professional and Ethical Standards Board and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.



McLean Delmo Bentleys Audit Pty Ltd



Rod Hutton
Partner

Hawthorn
8 September 2023

07

Financial Report

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Directors' report

The directors present this report on Institute of Public Accountants Ltd (IPA) for the financial year ended 30 June 2023.

DIRECTORS

The names of each person who has been a director during the year and to the date of this report, unless otherwise stated, are:

Jason Parker

Nordin Zain

Michael Colin

Julie Ann Williams

Cheryl Mallett

Luckmika Perera

Joel Schreiber

Richard Allen

Annette Tasker

Damien Moore (cessation date on 16 November 2022)

Natasha Janssens (cessation date on 16 November 2022)

COMPANY SECRETARY

Andrew James Conway held the position of company secretary for the financial year.

OBJECTIVES

In the 2022-23 financial year, the IPA Group has set short-term objectives focused on enhancing its education portfolio to adapt to the changing landscape of public accounting and accounting technicians.

Looking ahead, the IPA Group aims to enhance its recognition and reputation. This involves efforts to establish the IPA Group as a leading and respected authority in the accounting profession, gaining recognition for its contributions and value to members and the broader community.

STRATEGY FOR ACHIEVING THE OBJECTIVES

To achieve the short-term objective of improving the education portfolio, the IPA Group's strategy is to be recognised as the provider of the highest quality and most innovative professional accounting pathways. This involves continuously enhancing and updating educational programs to meet the evolving needs of the accounting profession and ensuring that members receive top-notch training and skills development.

The strategy for the long-term objective is to grow membership and revenues actively. This includes implementing targeted marketing and promotional efforts to increase awareness of the IPA Group's offerings and benefits among potential members.

During the financial year, the primary focus and principal activity of the IPA Group were to function as a professional association of accountants. The IPA Group offered its members and students a wide range of services catering to their various professional needs in accounting. These services aim to support and enhance its members' professional development, growth, and success, ensuring they stay updated with industry practices and standards.

PRINCIPAL ACTIVITIES

The principal activity of IPA during the financial year was to operate as a professional association of accountants providing members and students with services to meet their professional needs.

PERFORMANCE MEASURES

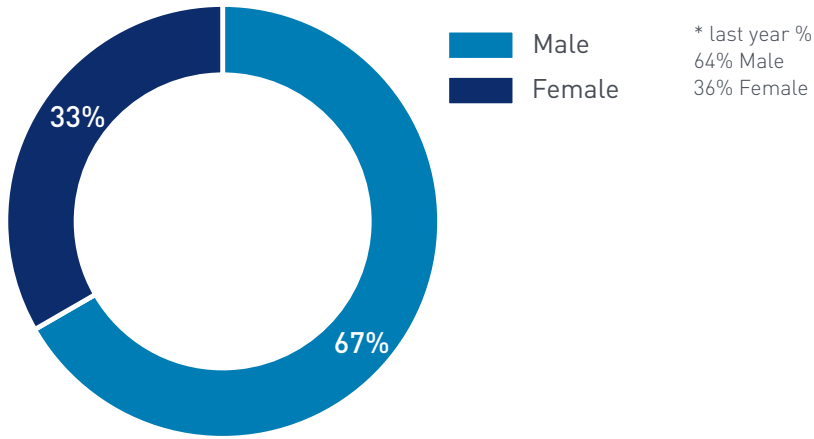
The IPA Group has set specific performance measures to assess its success and progress in various areas:

1. Successful introduction of micro-credential products.
2. Delivery of relevant and valued CPD contributions.
3. Member satisfaction and enhanced support.
4. Increase in global recognition for IPA members.

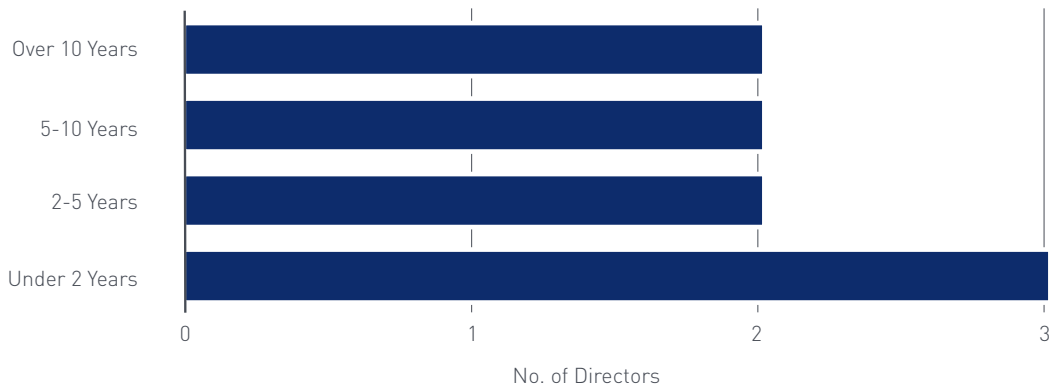
By monitoring these performance measures, the IPA Group can continuously improve its services, ensuring that it effectively meets its members' and stakeholders' needs and expectations while advancing the profession's standing in the global accounting community.

Information on Directors

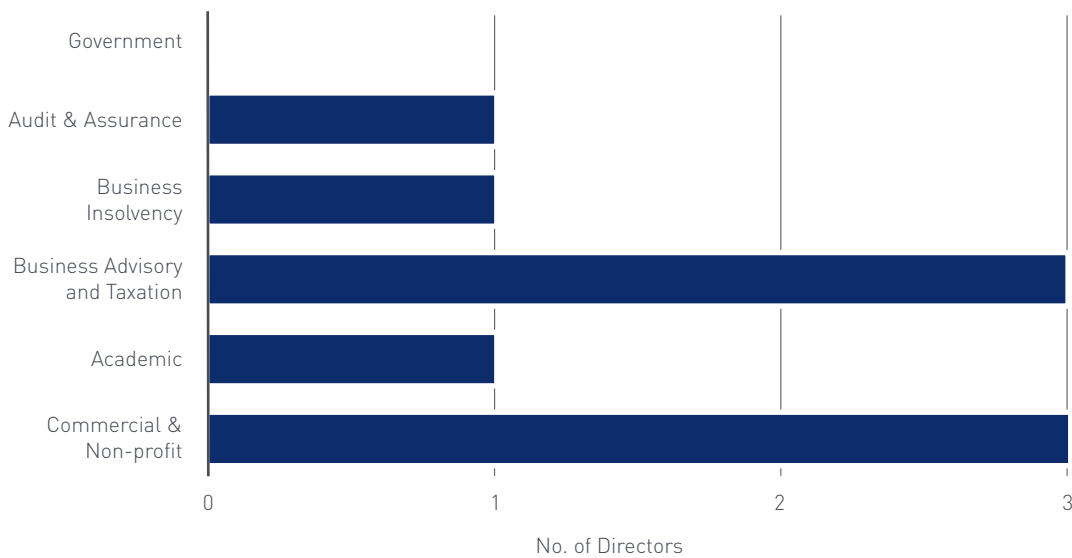
Board Demographic



Board Tenure



Board Sector Specialisations





Julie Williams

FIPA FFA

President and Chair of the Board

Division: Queensland

Julie has been an IPA member since 2003, having served as Queensland Divisional Councillor since 2008. Julie was the Chair of the National Divisional Council from 2010 until her election to the Board in 2017. Julie was appointed President and Board Chair in 2020, having previously held the positions of Deputy President of the IPA and Chair of the IPA Disciplinary Committee. She is Chair of the Nominations Committee, the Board Executive Committee and a Director of the IFA. Julie was a partner in PPB before moving to public practice as a Registered Liquidator in 2006. She is a Fellow of the IPA, CPA and Australian Restructuring Insolvency and Turnaround Association, she holds an MBA and an MPA. She is a member of the Association of Certified Fraud Examiners, the Australian Institute of Company Directors, and the Association of Independent Insolvency Practitioners.



Cheryl Mallett

FIPA CTA SSA GAICD

Deputy President

Division: Northern Territory

Cheryl has been an IPA member since 1996 and a Board member since November 2018. As a graduate of the Australian Institute of Company Directors, Cheryl has more than 30 years' experience as an income tax specialist/advisor. She is also an Accredited Specialist SMSF Advisor and SMSF Auditor. Winner of the 2016 IPA Northern Territory and National Practice of the Year and 2019 AMP Women in Finance – Regional Professional of the Year. Cheryl is a Deputy President, sits on the Board Executive Committee and Chairs the Board Audit and Risk Committee. She has also been appointed as a Director of the Association of Accounting Technicians (AAT) which sits within the IPA.



Jason Parker

FIPA FFA GAICD

Deputy President

Division: Tasmania

Jason served on the Tasmanian Division of the IPA as President for two years' prior to being elected to the IPA Board in 2008. Jason is a Deputy President and currently sits on the Board Executive Committee and is Chair of the Board Disciplinary Tribunal. Jason is a graduate of the Australian Institute of Company Directors, a Registered Tax Agent, SMSF Auditor and Registered Migration Agent. He holds a Bachelor of Commerce degree, a Diploma in Financial Services, Graduate Certificate in Applied Finance, a Graduate Certificate in Australian Migration Law and Practice, a Bachelor of Laws, a Graduate Diploma of Legal Practice, and an MBA. He is an admitted legal practitioner in Tasmania. Jason is a Director and Chairman of five unlisted public companies in sectors including roadside maintenance, recreational aviation, food recycling, aquaculture and land-based drones.



Dr. Nordin Zain

FIPA FFA

Division: Malaysia

Dr Nordin is a Chartered Accountant, an ex- partner of Deloitte South East Asia who now serves on the boards of several public companies in Malaysia, including Gopeng Limited (Renewable Energy) where he is also the Chairman of the Audit Committee, Ambank Islamic (banking), as a Board member and the Audit Committee Chairman, UDA Property Development (property), as a Board member and the Audit and Risk Committee Chairman and an AIA subsidiary (asset management). Nordin was the CEO of the Malaysian Accounting Standards Board for 10 years and a lecturer in Accounting and Strategic Management. Nordin is a member of the Malaysian Institute of Accountants and the Institute of Directors New Zealand. He currently sits on the IPA Board Membership Committee; and actively involved in SMEs in Malaysia.



Michael Colin

FCA FFA FIPA

Division: UK

As a Chartered Accountant, Michael established a traditional UK regional accounting firm. His passion throughout his professional career has been the micro and small enterprise and not for profit sectors and in an academic career he taught in and researched aspects of the micro and small enterprise field. Whilst serving on the ICAEW Council, Michael was invited to join the pre-merger IFA Council and was subsequently co-opted and then elected to the IPA Board. Michael was Chief Executive of Make It Happen in Sierra Leone, an educationally focussed charity and now manages a Covid19, grant making fund in Manchester. Michael has served on the Board Membership Committee which he currently chairs and Board Audit and Risk Committees which he previously Chaired for two years.



Dr. Luckmika Perera

FFA FIPA GAICD

Division: Victoria

Dr. Luckmika Perera is an experienced accountant and business consultant, specialising in the areas of Integrated Reporting, Sustainability, Cloud and mobile learning and Educational program design and development. He has worked in a number of senior roles in industry and academia. He was one of the key architects of the IPA Program. Luckmika was a foundation member of the Integrated Reporting Consortium in Australia set up by Deakin University, KPMG, and University of NSW and the Deakin Integrated Reporting Centre. He has a Non-Profit Board Leadership Certificate from Harvard University, a Strategic Leadership Certificate from University of Michigan, PhD in Environmental Accounting, four Master's degrees (MBA, Accounting Global Business and Educational Leadership & Administration) and an honours degree in Information Systems (specialising in Artificial Intelligence & Cloud Security). He also consults to the Fijian, Indian and Sri Lankan governments and sits on a number of advisory boards for RTOs and TAFEs. Luckmika has been a Director since November 2019 and currently sits on the Board Disciplinary Tribunal and Board Membership Committee.



Annette Tasker

FIPA FFA

Division: New South Wales

As a proud recipient of a “NSW IPA Member of the Year” award and passionate FIPA, Annette is an inspirational women’s leader, drawing on an eclectic mix of experience from practice and life. Having previously worked in a diverse range of roles throughout her career, including running a successful family manufacturing business all while raising a family. She was able to upskill and transfer some of her experience into growing a bookkeeping practice which later evolved into a thriving accounting business, which has recently been sold - part of a full circle of experiences. She knows firsthand the importance of building businesses that are sustainable whilst juggling work/life pressures. Annette has been a Director since November 2021 and has serviced on the Board Membership Committee. Annette currently sits on the Board Audit and Risk Committee.



Richard Allen

FIPA FFA

Division: South Australia

Richard has been a member of the IPA since 2005 and has been in public practice since 1986. He has served as the South Australian/Northern Territory Divisional President and as President of the Council of Divisional Presidents. Richard has degrees in Arts/Economics and Accounting and has been a Registered Tax Agent since 1995. He served on the Board of the Sturt Football Club for 11 years (including six as President) and continued serving football in SA as a Commissioner for the SANFL for a further 10 years. Richard started his own accounting firm 28 years ago. His firm had a joint venture with Johnston Grocke for three years where he was a Director of their Business Advisory & Accounting team. He is now practicing solely as Allen & Co Accountants. Richard has been a Director since November 2021 and currently sits on the Board Audit & Risk Committee.



Joel Schreiber

FIPA FFA

Division: Western Australia

Joel has been a member of the IPA for over 20 years while working as an Advanced Skills Lecturer - Management, Accounting, and Training at North Regional TAFE from 1997 in North West Australia.

He works extensively in the development, delivery, and evaluation of award courses in Accounting, HR, Management, and related programs to the community, industry, business, and government. He also specialises in Accounting, Training, and Management; Small and Medium Enterprise, Non-profit, and Aboriginal Enterprises.

Joel is the Managing Partner for the AISD Accounting Services Ltd which is a non-profit IPA Professional Practice Certificate firm that provides accounting and business services for Non-profits and ORIC registered bodies. He is passionate about supporting and resourcing IPA members in order to expand services to the community (including Non-profits and Aboriginal Organisations). He serves on several non-profit Boards and is a community representative at several Pilbara Industries Groups (BHP, Pilbara Ports Authority, Port Hedland Industries Council). Joel has been a Director since November 2021 and has served on the Board Membership Committee. Joel currently sits on the Board Audit and Risk Committee.

MEETINGS OF DIRECTORS

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2023, and the number of meetings attended by each director were:

Director	Attended	Eligible
Jason Parker	4	4
Damien Moore	2	2
Nordin Zain	4	4
Michael Colin	4	4
Julie Ann Williams	4	4
Cheryl Mallett	4	4
Luckmika Perera	4	4
Joel Schreiber	4	4
Richard Allen	4	4
Annette Tasker	4	4
Natasha Janssens	2	2

Eligible represents the number of meetings held during the time the director held office or was a member of the relevant committee.

LIMITATION OF MEMBERS LIABILITY

IPA is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If IPA is wound up, in accordance with the constitution, each member is required to contribute a maximum of \$6.00 each towards meeting any outstanding obligations of IPA. At 30 June 2023, the total amount that members of the IPA are liable to contribute if IPA is wound up is \$151,032 (2022: \$149,538).

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 69 of the financial report.

The directors' report is signed in accordance with a resolution of the Board of Directors.



Cheryl Mallett FIPA FFA CTA SSA GAICD
Deputy President



Julie Williams FIPA FFA FCPA
President and Chair of the Board

Signed in Melbourne, this 5th day of September 2023.

Auditor's Independence Declaration



McLean Delmo Bentleys
Audit Pty Ltd

Level 3, 302 Burwood Rd
Hawthorn Vic 3122

PO Box 582 Hawthorn Vic 3122

ABN 54 113 655 584

T +61 3 9018 4666

F +61 3 9018 4799

info@mcdb.com.au

mcleandelmobentleys.com.au

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF INSTITUTE OF PUBLIC ACCOUNTANTS LTD

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 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.

McLean Delmo Bentleys Audit Pty Ltd.

McLean Delmo Bentleys Audit Pty Ltd

Rod Hutton
Partner

Hawthorn
5 September 2023



A member of Bentleys, a network of independent accounting firms throughout Australia and New Zealand that trade as Bentleys. All members of the Bentleys Network are affiliated only and are separate legal entities and not in Partnership. Liability limited by a scheme approved under Professional Standards Legislation. McLean Delmo Bentleys is an independent member of Kreston Global.



Statement of profit or loss and other comprehensive income

	NOTE	GROUP		PARENT	
		2023	2022	2023	2022
		\$	\$	\$	\$
REVENUE					
Revenue	2	24,622,902	23,498,144	19,618,435	18,498,524
EXPENSES					
Marketing and publications expenses		(2,239,203)	(2,246,476)	(1,511,815)	(1,695,058)
Corporate services expenses		(4,807,686)	(4,010,101)	(3,735,086)	(3,175,458)
Corporate governance expenses		(3,662,742)	(3,432,723)	(3,306,297)	(3,055,259)
Members services and advocacy expenses		(13,363,740)	(12,221,904)	(10,558,733)	(9,371,027)
Interest expense		(233,764)	(294,569)	(223,174)	(267,653)
Other expenses		(371,833)	(282,387)	(371,833)	(282,387)
TOTAL EXPENSES		(24,678,968)	(22,488,160)	(19,706,938)	(17,846,842)
SURPLUS/(DEFICIT) FOR THE YEAR		(56,066)	1,009,984	(88,503)	651,682
OTHER COMPREHENSIVE INCOME/(LOSS)					
Gains and losses on financial assets measured at fair value through other comprehensive income		4,031	-	4,031	-
Exchange differences on translating foreign owned subsidiaries		58,566	(26,824)	-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		6,531	983,160	(84,472)	651,682
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO MEMBERS		6,531	983,160	(84,472)	651,682

The accompanying notes form part of these financial statements.

Statement of Financial Position

	NOTE	GROUP		PARENT	
		2023	2022	2023	2022
		\$	\$	\$	\$
CURRENT ASSETS					
Cash and cash equivalents	6	7,332,351	6,527,101	3,507,202	3,093,200
Trade and other receivables	7	401,003	572,720	242,813	393,509
Financial assets	8	11,776,980	11,727,028	11,776,980	11,727,028
Other assets	9	1,167,584	1,023,631	1,058,639	877,570
TOTAL CURRENT ASSETS		20,677,918	19,850,480	16,585,634	16,091,307
NON-CURRENT ASSETS					
Financial assets	8	-	-	100	100
Property, plant and equipment	10	4,516,275	5,151,231	4,358,639	4,844,412
Intangible assets	11	715,274	790,984	398,595	458,386
TOTAL NON-CURRENT ASSETS		5,231,549	5,942,215	4,757,334	5,302,898
TOTAL ASSETS		25,909,467	25,792,695	21,342,968	21,394,205
CURRENT LIABILITIES					
Trade and other payables	12	3,182,768	3,647,861	2,630,282	2,960,583
Subscriptions and other amounts received in advance	13	12,288,570	11,532,697	9,560,979	9,005,397
Deferred member application fees	14	81,767	71,324	34,760	36,589
Provisions	15	1,763,312	1,649,845	1,727,333	1,620,983
TOTAL CURRENT LIABILITIES		17,316,417	16,901,727	13,953,354	13,623,552
NON-CURRENT LIABILITIES					
Trade and other payables	12	2,951,874	3,256,947	2,951,874	3,237,624
Deferred member application fees	14	215,978	226,496	160,873	182,832
Provisions	15	326,683	315,541	326,683	315,541
TOTAL NON-CURRENT LIABILITIES		3,494,535	3,798,984	3,439,430	3,735,997
TOTAL LIABILITIES		20,810,952	20,700,711	17,392,784	17,359,549
NET ASSETS		5,098,515	5,091,984	3,950,184	4,034,656
EQUITY					
Retained earnings		5,174,515	5,230,581	3,946,153	4,034,656
Reserve	16	(76,000)	(138,597)	4,031	-
TOTAL EQUITY		5,098,515	5,091,984	3,950,184	4,034,656

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

	Retained Earnings \$	Reserves \$	Total \$
GROUP			
Balance as at 30 June 2021	4,220,597	(111,773)	4,108,824
Surplus for the year	1,009,984	-	1,009,984
Exchange differences on translating foreign owned subsidiary	-	(26,824)	(26,824)
Balance as at 30 June 2022	5,230,581	(138,597)	5,091,984
Loss for the year	(56,066)	-	(56,066)
Gains and losses on financial assets measured at fair value through other comprehensive income	-	4,031	4,031
Exchange differences on translating foreign owned subsidiary	-	58,566	58,566
BALANCE AS AT 30 JUNE 2023	5,174,515	(76,000)	5,098,515
	\$	\$	\$
PARENT			
Balance as at 30 June 2021	3,382,974	-	3,382,974
Surplus for the year	651,682	-	651,682
Balance as at 30 June 2022	4,034,656	-	4,034,656
Loss for the year	(88,503)	-	(88,503)
Gains and losses on financial assets measured at fair value through other comprehensive income	-	4,031	4,031
BALANCE AS AT 30 JUNE 2023	3,946,153	4,031	3,950,184

The accompanying notes form part of these financial statements.

Statement of cash flows

	NOTE	GROUP		PARENT	
		2023	2022	2023	2022
		\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from members and customers		27,297,675	25,671,929	21,688,647	20,251,974
Payments to suppliers and employees		(24,807,749)	(22,154,714)	(19,823,811)	(17,626,735)
Interest received		280,085	31,210	277,923	29,917
Investment income received		47	-	47	-
Interest on lease liabilities		(233,764)	(294,569)	(223,174)	(267,653)
NET CASH PROVIDED BY OPERATING ACTIVITIES		2,536,294	3,253,856	1,919,632	2,387,503
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from disposal of equipment		2,411	1,709	2,411	1,709
Purchase of intangible assets		-	-	-	-
Purchase of property, plant and equipment		(458,702)	(562,519)	(429,894)	(532,593)
Payments for investments		(500,000)	-	(500,000)	-
Net transfers (to)/from bank term deposits		454,079	(1,000,000)	454,079	(1,000,000)
NET CASH USED IN INVESTING ACTIVITIES		(502,212)	(1,560,810)	(473,404)	(1,530,884)
CASH FLOWS FROM FINANCING ACTIVITIES					
Payments of lease liabilities		(1,287,398)	(1,247,397)	(1,032,226)	(948,406)
NET CASH USED IN FINANCING ACTIVITIES		(1,287,398)	(1,247,397)	(1,032,226)	(948,406)
Effects of exchange rate changes on cash and cash equivalents		58,566	(26,824)	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		805,250	418,825	414,002	(91,787)
Cash and cash equivalents at beginning of the financial year		6,527,101	6,108,276	3,093,200	3,184,987
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	6	7,332,351	6,527,101	3,507,202	3,093,200

The accompanying notes form part of these financial statements.

Notes to the financial statements

The financial report includes the consolidated financial statements and notes of Institute of Public Accountants Ltd and Controlled Entities (the “consolidated group” or “group”), and the separate financial statements and notes of Institute of Public Accountants Ltd as an individual parent entity (“parent entity” or “parent”).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. The company is incorporated and domiciled in Australia.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar. Material accounting policies have been consistently applied unless stated otherwise.

The financial statements were authorised for issue on 5th September 2023 by the directors of the company.

ACCOUNTING POLICIES

A. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the parent entity (“the parent”), Institute of Public Accountants Ltd, and the subsidiaries it controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Details of the subsidiary are provided in Note 18.

Consolidation begins from the date control is obtained by the Group and discontinues when control ceases. All intercompany transactions, balances, income and expenses are fully eliminated on consolidation. Where necessary, accounting policies of the subsidiaries have adjusted to ensure uniformity to those adopted by the Group.

B. BUSINESS COMBINATIONS

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations, other than those associated with the issue of a financial instrument, are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**C. GOODS AND SERVICES TAX (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

D. FOREIGN CURRENCY

The consolidated financial statements are presented in Australian dollars.

TRANSACTIONS AND BALANCES

Foreign currencies are initially recorded in the functional currency at the prevailing exchange rates at the date of the transaction. Monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items carried at fair value 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.

GROUP COMPANIES

The assets and liabilities of the Group's overseas operations are translated at the exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rate for the period. Retained earnings are translated at the exchange rates prevailing at the date of the transaction. Exchange differences arising are transferred to other comprehensive income and recognised in the foreign currency translation reserve in equity. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

E. COMPARATIVE FIGURES

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTE 2: REVENUE

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
OPERATING REVENUE				
Members subscriptions	17,121,272	16,671,167	11,896,100	11,637,224
Professional development	2,893,520	3,172,178	2,693,213	2,989,986
Education	672,022	542,129	600,999	424,907
Interest income	291,997	31,642	289,835	30,349
Investment income	47	-	47	-
Profit on disposal of property, plant and equipment	-	1,324	-	1,324
Other revenue	3,644,044	3,079,704	4,138,241	3,414,734
TOTAL OPERATING REVENUE	24,622,902	23,498,144	19,618,435	18,498,524

MEMBER FEES AND SUBSCRIPTIONS

Revenue from member fees and subscriptions attributable to the current financial year are recognised as revenue over time. Fees receipts beyond the current financial year are shown in the statement of financial position as subscriptions in advance under the heading of payables - current liabilities.

APPLICATION FEES

Application fees are deferred and recognised over the average duration of membership. Under AASB 15, the application fee, as currently defined, is not considered a distinct service but rather it is an advance payment for right to receive future services. The Group also recognises the residual deferred revenue relating to a member that exits during the period.

Application fees beyond the current financial year are shown in the statement of financial position, under the headings of current liabilities and non-current liabilities as deferred member application fees.

OTHER REVENUE GENERATING ACTIVITIES

Revenue from the rendering of a service is recognised at a point in time upon the delivery of service and the associated performance obligations are satisfied.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met.

All revenue is stated net of the amount of goods and services tax (GST).

NOTE 3: SURPLUS FOR THE YEAR

The following significant expense items are relevant in explaining the financial performance:

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Interest expense on premise leases	233,764	294,569	223,174	267,653
Depreciation of right-of-use assets	1,079,161	1,114,159	842,212	840,109
Depreciation of property, plant and equipment	701,061	630,023	673,489	590,068
Amortisation of intangible assets	75,710	78,113	59,791	61,778
Loss on disposal of property, plant and equipment	22,017	-	22,017	-
Employee benefits expense	11,292,270	11,055,199	8,489,558	8,451,961
Advertising and promotions	527,416	747,850	265,771	494,275

PROFESSIONAL RELATED COSTS

Australian Professional Ethical Standards Board contribution	520,000	475,000	520,000	475,000
International Federation of Accountants contribution	237,120	220,625	192,347	182,375
Confederation of Asian and Pacific Accountants (CAPA)	36,857	33,697	36,857	33,697

NOTE 4: INCOME TAX EXPENSE

IPA is a not-for-profit organisation to which the principle of mutuality applies. The principle of mutuality is a common law principle arising from the premise that a person cannot profit from himself. The effect of this is that IPA only pays income tax on net income, which is not derived from members. Income, which is derived from members, is exempt from income tax.

IPA is subject to income tax at 25% (2022: 25%).

PARENT

The prima facie income tax expense/(benefit) attributable to the members of IPA of \$(22,126) (2022: income tax expense/(benefit) of \$(81,583)) is offset by a permanent difference arising from mutual activities with members and unconfirmed accumulated tax losses. At financial year end, unconfirmed accumulated tax losses of \$9,313,811 (2022: accumulated tax losses of \$9,291,685) existed, giving rise to a potential future tax benefit. The potential future tax benefit attributable to the tax losses is not recognised, as realisation is not probable.

GROUP

The prima facie income tax expense/(benefit) attributable to the members of the group is \$(14,017) (2022: income tax expense/(benefit) of \$(1,595)). At financial year end, unconfirmed accumulated tax losses of \$9,305,702 existed, giving rise to a potential future tax benefit. The potential future tax benefit attributable to the tax losses is not recognised, as realisation is not probable.

NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION**DIRECTORS**

Directors of the Institute (and its subsidiaries) do not receive a director fee, rather an amount is paid to the director's employer per annum per Note 19. These are GST exclusive (where applicable).

Director – \$15,000 per annum

Deputy President/Immediate Past President– \$22,500 per annum

President - \$45,000 per annum

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Key management personnel compensation	2,308,049	2,496,694	1,954,566	2,151,748

The total number of key management personnel for the year ended 30 June 2023 for the parent and group is 6 and 7 respectively (2022: 7 and 8).

INFORMATION RELATED TO THE CONTRACT OF THE GROUP CHIEF EXECUTIVE OFFICER

The fixed contract of the Group Chief Executive Officer for the year ended 30 June 2023 was \$645,000 with a capacity to earn a performance bonus of up to 5%.

NOTE 6: CASH AND CASH EQUIVALENT

Cash at bank and on hand	5,832,161	6,027,101	2,007,202	2,593,200
Deposits at call	1,000,190	-	1,000,000	-
Short term deposits	500,000	500,000	500,000	500,000

TOTAL CASH AND CASH EQUIVALENTS	7,332,351	6,527,101	3,507,202	3,093,200
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Cash and cash equivalents include cash on hand, deposits, other short-term highly liquid investments with original maturities of three months or less.

NOTE 7: TRADE AND OTHER RECEIVABLES

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
CURRENT				
Trade receivables	321,291	471,139	243,656	383,486
Provision for impairment of receivables	(47,670)	(23,967)	(13,000)	(1,500)
Trade receivables, net	273,621	447,172	230,656	381,986
Other receivables	127,382	125,548	12,157	11,523
TOTAL CURRENT TRADE AND OTHER RECEIVABLES	401,003	572,720	242,813	393,509

Trade receivables, which comprise amounts due from memberships and from services provided, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. Normal terms of settlement vary from seven to ninety days. The carrying amount of the receivable is deemed to reflect fair value.

An allowance for impairment is made when there is objective evidence that IPA will not be able to collect the debts.

PROVISION FOR IMPAIRMENT OF RECEIVABLES

Movement in the provision for impairment of receivables between the beginning and the end of the current financial year is as follows:

	GROUP	PARENT
	\$	\$
BALANCE AT BEGINNING OF THE YEAR	23,967	1,500
- Charge for the year	45,521	13,000
- Written back	(17,526)	(1,500)
- Written off	(4,292)	-
BALANCE AT END OF THE YEAR	47,670	13,000

NOTE 8 : FINANCIAL ASSETS

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
CURRENT				
Bank term deposits	11,272,949	11,727,028	11,272,949	11,727,028
Investments in managed funds	504,031	-	504,031	-
TOTAL CURRENT FINANCIAL ASSETS	11,776,980	11,727,028	11,776,980	11,727,028

NON-CURRENT

Investment in controlled entities	-	-	100	100
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Information about Principal Subsidiaries for year ended 30 June 2023 for the parent and group is contained within note 18.

NOTE 9: OTHER ASSETS

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Deposits	97,378	78,792	97,378	74,736
Prepayments	1,041,624	928,069	873,019	732,645
Accrued income	28,582	16,770	88,242	70,189
TOTAL CURRENT OTHER ASSETS	1,167,584	1,023,631	1,058,639	877,570

NOTE 10: PROPERTY, PLANT AND EQUIPMENT

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Plant and equipment - at cost	2,867,018	2,831,602	2,630,527	2,595,343
Accumulated depreciation	(2,200,115)	(2,097,575)	(2,019,985)	(1,925,964)
TOTAL PLANT AND EQUIPMENT	666,903	734,027	610,542	669,379
Leasehold improvements - at cost	2,471,958	2,321,188	2,459,649	2,308,879
Accumulated depreciation	(1,464,317)	(1,087,828)	(1,452,008)	(1,075,519)
TOTAL LEASEHOLD IMPROVEMENTS	1,007,641	1,233,360	1,007,641	1,233,360
WORK IN PROGRESS	79,926	62,870	70,403	62,870
ROU Asset - at cost	6,939,926	6,596,604	6,165,704	5,908,913
Accumulated depreciation	(4,178,121)	(3,475,630)	(3,495,651)	(3,030,110)
TOTAL ROU ASSET	2,761,805	3,120,974	2,670,053	2,878,803
TOTAL PROPERTY, PLANT AND EQUIPMENT	4,516,275	5,151,231	4,358,639	4,844,412

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment stated as cost less accumulated depreciation and impairment. When impairment indicators are present, a formal assessment of recoverable amount is made. If the carrying values exceed the recoverable amount, the asset is written down immediately to the recoverable amount. Impairment losses are recognised either in profit or loss.

DEPRECIATION

Depreciation is calculated on a straight-line basis over the asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the remainder of the lease term or the estimated useful lives whichever is shorter.

Estimated useful lives are:

Leasehold improvements	2-10 years
Plant and equipment	2.5-13 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise.

NOTE 10: PROPERTY, PLANT AND EQUIPMENT (cont'd)**MOVEMENTS IN CARRYING AMOUNTS**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are as follows:

	PLANT AND EQUIPMENT	LEASEHOLD IMPROVEMENTS	WORK IN PROGRESS	ROU ASSET	TOTAL
	\$	\$	\$	\$	\$
GROUP					
Carrying amount as at 1 July 2022	734,027	1,233,360	62,870	3,120,974	5,151,231
Additions	209,523	174,405	74,774	710,992	1,169,694
Transfers	48,718	-	(57,718)	9,000	-
Disposals	(24,428)	-	-	-	(24,428)
Depreciation expense	(300,937)	(400,124)	-	(1,079,161)	(1,780,222)
CARRYING AMOUNT AS AT 30 JUNE 2023	666,903	1,007,641	79,926	2,761,805	4,516,275
PARENT					
Carrying amount as at 1 July 2022	669,379	1,233,360	62,870	2,878,803	4,844,412
Additions	190,238	174,405	65,251	624,462	1,054,356
Transfers	48,718	-	(57,718)	9,000	-
Disposals	(24,428)	-	-	-	(24,428)
Depreciation expense	(273,365)	(400,124)	-	(842,212)	(1,515,701)
CARRYING AMOUNT AS AT 30 JUNE 2023	610,542	1,007,641	70,403	2,670,053	4,358,639

LEASED ASSETS

The Group leases office premises in Melbourne, Sydney, Brisbane, Adelaide, Perth, Kuala Lumpur, London, and Beijing, as well as office equipment. At lease commencement date, a right-of-use asset and a lease liability is recognised for all leases (except for low value assets and those with duration of 12 months or less).

Right-of-use are initially measured at cost comprising of

- initial lease liability amount,
- initial direct costs incurred,
- lease payments made at or before commencement of the lease reduced by any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis to the earlier of the remaining term of the lease or in some rare cases over the remaining economic life of the asset.

An impairment review is undertaken for any right of use lease asset that shows indicators of impairment at reporting date. Impairment losses are recognised either in profit or loss.

NOTE 11: INTANGIBLE ASSETS

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Patents - at cost	132,828	132,828	132,828	132,828
Accumulated amortisation	(129,113)	(125,733)	(129,113)	(125,733)
TOTAL PATENTS	3,715	7,095	3,715	7,095
Membership database	564,114	564,114	564,114	564,114
Accumulated amortisation	(169,234)	(112,823)	(169,234)	(112,823)
TOTAL MEMBERSHIP DATABASE	394,880	451,291	394,880	451,291
Goodwill - at cost	381,723	381,723	-	-
Accumulated amortisation	(65,044)	(49,125)	-	-
TOTAL GOODWILL	316,679	332,598	-	-
Development costs of training materials - at cost	91,475	91,475	-	-
Accumulated amortisation	(91,475)	(91,475)	-	-
TOTAL DEVELOPMENT COSTS	-	-	-	-
TOTAL INTANGIBLE ASSETS	715,274	790,984	398,595	458,386

NOTE 11: INTANGIBLE ASSETS cont'd**MOVEMENTS IN CARRYING AMOUNTS**

Movement in carrying amount between the beginning and the end of the current financial year are as follows:

	PATENTS	MEMBERSHIP DATABASE	GOODWILL	DEVELOPMENT COSTS	TOTAL
	\$	\$	\$	\$	\$
GROUP					
Balance at beginning of the year	7,095	451,291	332,598	-	790,984
Amortisation expense	(3,380)	(56,411)	(15,919)	-	(75,710)
BALANCE AT END OF THE YEAR	3,715	394,880	316,679	-	715,274
PARENT					
Balance at beginning of the year	7,095	451,291	-	-	458,386
Amortisation expense	(3,380)	(56,411)	-	-	(59,791)
BALANCE AT END OF THE YEAR	3,715	394,880	-	-	398,595

GOODWILL

Goodwill on acquisition of subsidiaries is included in intangible assets.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

- i the consideration transferred;
- (ii) any non-controlling interest (determined under either the full goodwill or proportionate interest method); and
- iii the acquisition date fair value of any previously held equity interest; over the acquisition date fair value of net identifiable assets acquired.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored being not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

The recoverable amount of each cash generating unit is determined based on value in use calculations. In assessing the value in use, the cash flow projections over a five year period is discounted to present value using:

Growth rate: 2% to 5%

Discount Rate: 15%

INTANGIBLE ASSETS OTHER THAN GOODWILL**PATENTS**

The legal and patent costs incurred are capitalised and amortised over three years.

Development cost of training materials are capitalised and amortised over its useful life of three years.

MEMBERSHIP DATABASE

Membership database acquired from AAT acquisition is capitalised and amortised over the average life of a member.

NOTE 12: TRADE AND OTHER PAYABLES

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
CURRENT				
Trade payables	700,233	778,892	539,657	609,826
Accrued expenses and other payables	939,338	1,111,724	668,987	863,390
GST payable	552,562	495,277	536,165	479,880
Lease liability	990,635	1,261,968	885,473	1,007,487
TOTAL CURRENT TRADE AND OTHER PAYABLES	3,182,768	3,647,861	2,630,282	2,960,583

Trade payables and other payables represent liabilities for goods and services received by the Group during the financial year that remain unpaid as at reporting date. The balance is recognised as a current liability with settlement normally occurring within a 30-day term.

NON-CURRENT				
Lease liability	2,951,874	3,256,947	2,951,874	3,237,624
TOTAL NON-CURRENT TRADE AND OTHER PAYABLES	2,951,874	3,256,947	2,951,874	3,237,624

LEASED LIABILITIES

The lease liability is measured at the present value of the fixed and variable lease payments due to the lessor at reporting date. Lease payments are discounted at the incremental borrowing rate obtained from banking partners, where the rate inherent in the lease is not readily available.

Interest is calculated at a constant incremental borrowing rate on the remaining liability. Lease payments made are apportioned between the interest charges and reduction of the lease liability. Service fees such as property management and cleaning are fully expensed hence are excluded from the calculation of lease liability.

Lease modifications are accounted for as a new lease with an effective date of the modification.

FUTURE LEASE PAYMENTS

Future lease payments are as follows:				
Within one year	1,129,745	1,476,602	1,070,653	1,212,197
One to five years	3,193,947	3,274,186	3,193,947	3,254,858
More than five years	56,723	368,922	56,723	368,922
TOTAL FUTURE LEASE PAYMENTS	4,380,415	5,119,710	4,321,323	4,835,977

NOTE 13: SUBSCRIPTIONS AND OTHER AMOUNTS RECEIVED IN ADVANCE

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
CURRENT				
Members subscriptions in advance	11,581,308	10,669,402	8,914,793	8,205,273
Other income in advance	707,262	863,295	646,186	800,124
TOTAL CURRENT INCOME RECEIVED IN ADVANCE	12,288,570	11,532,697	9,560,979	9,005,397

NOTE 14: DEFERRED MEMBER APPLICATION FEES

CURRENT				
Deferred member application fees	81,767	71,324	34,760	36,589
NON-CURRENT				
Deferred member applications fees	215,978	226,496	160,873	182,832

MOVEMENT IN DEFERRED MEMBER APPLICATION FEES

Movement in the deferred member application fees between the beginning and the end of the current financial year is as follows:

	GROUP	PARENT
	\$	\$
BALANCE AT THE BEGINNING OF THE YEAR	297,820	219,421
- Revenue deferred during the year	114,117	42,844
- Revenue recognised during the year	(114,192)	(66,632)
BALANCE AT THE END OF THE YEAR	297,745	195,633

NOTE 15: PROVISIONS

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
CURRENT				
Employee entitlements	1,763,312	1,649,845	1,727,333	1,620,983
NON-CURRENT				
Employee entitlements	118,444	108,639	118,444	108,639
Lease restoration	208,239	206,902	208,239	206,902
TOTAL NON-CURRENT PROVISIONS	326,683	315,541	326,683	315,541

MOVEMENT IN PROVISIONS

	EMPLOYMENT	LEASE	TOTAL
	ENTITLEMENTS	RESTORATION	
	\$	\$	\$
GROUP			
Balance at 1 July 2022	1,758,484	206,902	1,965,386
Additional provisions	787,789	1,337	789,126
Amounts used	(664,517)	-	(664,517)
BALANCE AT 30 JUNE 2023	1,881,756	208,239	2,089,995
PARENT			
Balance at 1 July 2022	1,729,622	206,902	1,936,524
Additional provisions	749,750	1,337	751,087
Amounts used	(633,595)	-	(633,595)
BALANCE AT 30 JUNE 2023	1,845,777	208,239	2,054,016

PROVISIONS

Provisions are recognised when:

- the Group has a legal or constructive obligation, as a result of past events,
- it is probable that an outflow of economic benefits will result,
- and that outflow can be reliably measured.

Provisional amounts represent the net estimate amounts required to settle the obligation as at reporting date

NOTE 15: PROVISIONS cont'd**EMPLOYEE BENEFITS****SHORT-TERM EMPLOYEE BENEFITS****Wages, Salaries and Annual Leave**

Liabilities for wages and salaries expected to be settled wholly within 12 months after the reporting period in which the employees render the related service, are recognised in the statement of financial position under the heading current trade and other payables.

Provision for annual leave entitlements are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

LONG-TERM EMPLOYEE BENEFITS**Long Service Leave**

Leave entitlements not expected to be settled wholly within 12 months after the reporting period in which the

employees render the related service, are recognised as non-current provisions. These are measured at the present value of the expected future payments to be made to employees. Consideration is given to expected future wage and salary levels, durations of service and employee departures. Discounted rates are referenced against market yields at reporting date of government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of long term obligations, the net movement is recognised in profit or loss under employee benefits expense.

PROVISION FOR LEASE RESTORATION

Leases for Melbourne, Sydney, Perth, and Adelaide premises require restoration of the property to the condition to that when leases were commenced. This is recognised as a non-current provision discounted for the time value of money. The provision is reviewed annually and remeasured if required.

NOTE 16: RESERVE

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Foreign currency translation reserve	(80,031)	(138,597)	-	-
Financial assets reserve	4,031	-	4,031	-
TOTAL RESERVES	(76,000)	(138,597)	4,031	-

Foreign currency translation reserve

This reserve records exchange differences arising on translation of a foreign owned subsidiary.

Financial assets reserve

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

NOTE 17: COMMITMENTS

During the year, the Group entered into property leases which are recognised as right-of-use assets and lease liabilities on the Group's balance sheet as at 30 June 2023.

All commitments at 30 June 2023 are for property and office equipment leases.

NOTE 18: INFORMATION ABOUT PRINCIPAL SUBSIDIARIES

The subsidiaries listed below are controlled by the parent entity. The assets, liabilities, income and expenses of the subsidiaries have been consolidated on a line-by-line basis in the consolidated financial statements of the Group.

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	PROPORTION OF OWNERSHIP INTEREST HELD BY THE GROUP	
		2023	2022
The Institute of Financial Accountants	United Kingdom	100%	100%
Institute of Public Accountants (Australia) China Pty Ltd	Australia	100%	100%
IPA Beijing Education Consultancy Co Ltd	China	100%	100%

Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

The entities listed below are subsidiary undertakings of The Institute of Financial Accountants Limited, which have not been consolidated into the group financial statements:

NAME	STATUS	COUNTRY OF INCORPORATION
Institute of Financial Accountants in China Ltd	Dormant	Hong Kong
Federation of Tax Advisers Limited	Dormant	United Kingdom
IFA Institute of Public Accountants Limited	Dormant	United Kingdom
IFA (2014) Limited	Dormant	United Kingdom

The above dormant entities have no material assets or liabilities.

NOTE 19: RELATED PARTY TRANSACTIONS**KEY MANAGEMENT PERSONNEL**

Disclosures relating to key management personnel are set out in note 5.

TRANSACTIONS WITH RELATED PARTIES

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Transactions with related parties are as follows:

DIRECTOR	DIRECTORS EMPLOYER	PARENT	
		2023	2022
Jason Parker	Parker Accounting & Financial Services	22,500	22,500
Damien Moore	Carrington Accounting Services	11,250	22,500
Nordin Zain	Prospect Alliance Consulting & Training	15,000	15,000
Michael Colin	Michael Colin Associates	15,000	15,000
Julie Williams	Insolvency & Turnaround Solutions	45,000	45,000
Cheryl Mallett	Vita Gustafson & Associates	22,500	22,500
Luckmika Perera	Integrated Knowledge	15,000	15,000
Joel Schreiber	Joel Schreiber	15,000	7,500
Richard Allen	Allen & Co Accountants	15,000	7,500
Annette Tasker	Alt Tax Accounting	15,000	7,500
Natasha Janssens	Women with Cents	7,500	7,500
Linda Bernard	Grange Professional Services	-	7,500
Mike Mooney	Mike Mooney Accountant	-	7,500
Alexandra Korfiatis	Billambi Pty Ltd	-	7,500

RECEIVABLE FROM AND PAYABLE TO RELATED PARTIES

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

LOANS TO/FROM RELATED PARTIES

There were no loans to or from related parties at the current and previous reporting date.

NOTE 20: CONTINGENT LIABILITIES

	GROUP		PARENT	
	2023	2022	2023	2022
	\$	\$	\$	\$
Bank guarantees for the term of the operating leases for periods up to 10 years	772,949	727,028	772,949	727,028

Indemnities for bank guarantees to the lessors' of properties occupied under operating leases at 555 Lonsdale Street, Melbourne; 6 O'Connell Street, Sydney; 431 King William Street, Adelaide and 300 Queen Street, Brisbane.

NOTE 21: FINANCIAL RISK MANAGEMENT

The group's financial instruments consist mainly of deposits with banks, short-term investments, managed funds, accounts receivable and payable and leases. The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	NOTE	GROUP		PARENT	
		2023	2022	2023	2022
FINANCIAL ASSETS					
FINANCIAL ASSETS AT AMORTISED COST:					
Cash and cash equivalents	6	7,332,351	6,527,101	3,507,202	3,093,200
Loans and receivables	7	401,003	572,720	242,813	393,509
Financial assets and deposits	8	11,272,949	11,727,028	11,272,949	11,727,028
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE:					
Managed funds	8	504,031	-	504,031	-
TOTAL FINANCIAL ASSETS		19,510,334	18,826,849	15,526,995	15,213,737
FINANCIAL LIABILITIES					
FINANCIAL LIABILITIES AT AMORTISED COST:					
- Trade and other payables	12	6,134,642	6,904,808	5,582,156	6,198,207
TOTAL FINANCIAL LIABILITIES		6,134,642	6,904,808	5,582,156	6,198,207

NOTE 21: FINANCIAL RISK MANAGEMENT cont'd**FINANCIAL INSTRUMENTS****INITIAL RECOGNITION AND MEASUREMENT**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs.

CLASSIFICATION AND SUBSEQUENT MEASUREMENT**Financial liabilities**

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Financial assets

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration

recognised by an acquirer in a business combination to which AASB 3 applies, the Group made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investments will still be recognised in profit or loss.

DERECOGNITION

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

NOTE 21: FINANCIAL RISK MANAGEMENT cont'd**IMPAIRMENT**

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity used the simplified approaches to impairment, as applicable under AASB 9:

Simplified approach

The simplified approach does not require tracking of changes in credit risk in every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables or contract assets that result from transactions that are within the scope of AASB 15, that contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

RECOGNITION OF EXPECTED CREDIT LOSSES IN FINANCIAL STATEMENTS

At each reporting date, the entity recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

NOTE 22: REMUNERATION OF AUDITORS

	GROUP		PARENT	
	2023	2022	2023	2022
REMUNERATION OF THE GROUP AUDITORS FOR:				
Audit or review services	33,850	40,250	33,850	40,250
Taxation services	15,000	14,510	15,000	14,510
TOTAL REMUNERATION OF THE GROUP AUDITORS	48,850	54,760	48,850	54,760

REMUNERATION OF OTHER AUDITORS FOR:				
Audit or review services	20,399	17,262	-	-
Taxation services	8,576	7,883	-	-
TOTAL REMUNERATION OF THE OTHER AUDITORS	28,975	25,145	-	-

NOTE 23: EVENTS AFTER THE REPORTING PERIOD

There are no other matters or circumstances which have arisen since the end of the financial year which significantly affected or may significantly affect the operations of IPA and the group, the results of those operations or the state of affairs of IPA and the group in future financial years.

NOTE 24: LIMITATION OF MEMBERS LIABILITY

IPA is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If IPA is wound up, in accordance with the constitution, each member is required to contribute a maximum of \$6.00 each towards meeting any outstanding obligations of IPA. At 30 June 2023, the total amount that members of the IPA are liable to contribute if IPA is wound up is \$151,032 (2022: \$149,538).

Director's Declaration

In accordance with a resolution of the directors of Institute of Public Accountants Ltd, the directors of Institute of Public Accountants Ltd declare that:

1. The financial statements and notes, as set out on pages 70 to 94, are in accordance with the *Corporations Act 2001* and:
 1. comply with Australian Accounting Standards – Simplified Disclosure Requirements and the Corporations Regulations 2001; and
 2. give a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that Institute of Public Accountants Ltd will be able to pay its debts as and when they become due and payable.



Cheryl Mallett FIPA FFA CTA SSA GAICD

Deputy President



Julie Williams FIPA FFA FCPA

President and Chair of the Board

Signed in Melbourne, this 5th day of September 2023.

Independent Auditor's Report



McLean Delmo Bentleys
Audit Pty Ltd
Level 3, 302 Burwood Rd
Hawthorn Vic 3122
PO Box 582 Hawthorn Vic 3122
ABN 54 113 655 584
T +61 3 9018 4666
F +61 3 9018 4799
info@mcdb.com.au
mcleandelmobentleys.com.au

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INSTITUTE OF PUBLIC ACCOUNTANTS LTD

Opinion

We have audited the financial report of Institute of Public Accountants Ltd and Controlled entities, which comprises the consolidated and parent entity's statement of financial position as at 30 June 2023, the consolidated and parent entity's statement of profit or loss and other comprehensive income, the consolidated and parent entity's statement of changes in equity and the consolidated and parent entity's statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated group comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

In our opinion, the financial report of Institute of Public Accountants Ltd and Controlled entities is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated and parent's entity's financial position as at 30 June 2023 and of their performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Simplified Disclosure Requirements, and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. 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 entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Responsibilities of the Directors for the Financial Report

The Directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the entity or to cease operations, or has no realistic alternative but to do so.



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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INSTITUTE OF PUBLIC ACCOUNTANTS LTD (CONTINUED)**

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are 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 and 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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

McLean Delmo Bentleys Audit Pty Ltd.

McLean Delmo Bentleys Audit Pty Ltd

**Rod Hutton
Partner**

Hawthorn
8 September 2023