

APPENDIX 3A COUNCIL CHARTER

Purpose of Charter

This Charter sets out the specific responsibilities and structure applicable to the Council under Chartered Accountants Australia and New Zealand's Royal Charter and By-laws. It details the manner in which Council will operate under the Royal Charter and By-laws. The Charter will be reviewed annually and will be updated if appropriate.

Constitution

Council is formed by Chartered Accountants Australia and New Zealand under the Royal Charter, clause 13B(a) and By-laws 106A - V.

Objectives

Responsibility for the direction of Chartered Accountants Australia and New Zealand is vested in Council under the Royal Charter.

The Council's objectives are to:

- Represent Chartered Accountants Australia and New Zealand members' interests facilitated through input from the Regional Councils and other relevant sources
- Appoint and evaluate the Board as the legal decision-making body Chartered Accountants Australia and New Zealand
- Elect the President and Vice Presidents
- Appoint and evaluate the Board and the N & G Committee;
- Provide input to the Board on member and strategic issues, which will impact on the membership and wider profession in all jurisdictions
- Recognise members, through the approval of awards including Life Memberships and Fellowships
- Establish and monitor robust governance processes facilitated by the Nomination and Governance Committee.
- Approve the Code of Ethics.

Office Bearers

President

The President chairs Council and in fulfilling its role must ensure good communication between Board and Council. The President represents Chartered Accountants Australia and New Zealand members in the role in a number of capacities including:

- As Chair of Council
- Through engagement with the membership in ceremonial and other events
- As the representative at international forums.

The term of the President is one year with the opportunity for a further term as agreed by Council.

The President does not have a second/casting vote.

See position description for the President and Vice Presidents (Appendix 3C) for more information.

Vice Presidents

The Vice Presidents are in place for succession purposes and to deputise for the President as required.

The Vice Presidents have a term of one year with the opportunity for a further term as agreed by Council.

See position description for the President and Vice Presidents (Appendix 3C) for more information.

Office Bearers' authority

The President and Vice Presidents are members of Council by reason of their office, and have full speaking and voting rights. The President is a member of the Board. The Vice Presidents attend Board meetings and have speaking rights but not voting rights.

Honoraria

The President and Vice Presidents receive an honorarium to compensate for the duties which they perform for Chartered Accountants Australia and New Zealand. These annual honoraria are established by Nominations and Governance Committee for approval by Council and are based on market comparisons and previous practice.

Duties and Responsibilities

Representation of members' interests

Council has a fundamental role of representing members. This means that:

- Council should have an awareness of issues facing and affecting the membership, Chartered Accountants Australia and New Zealand, and the wider profession in all jurisdictions. It is management's responsibility to ensure that members have sufficient opportunity to comment on strategic/member issues that impact them;
- Councillors are responsible for objectively canvassing member viewpoints at discussion forums
- Council should ensure that member issues within particular constituencies and segments are identified – these may be communicated from individual members, groups of members or through formal groups and committees such as Segment Advisory Group, Regional Councils, Advisory Panels, Local Leadership Teams (LLT's) or Special Interest Groups (SIG's)
- Councillors should ensure that member's views on pertinent issues are communicated to decision makers in appropriate forums within Chartered Accountants Australia and New Zealand and taken into consideration.
- The President and Vice Presidents must ensure that the Board is advised of key member matters.

The Chartered Accountants Australia and New Zealand Council, like a Board, is expected to make decisions and reach a majority view on issues. That is, any debate and discussion would be full and robust with decisions being made in the best interests of members as a whole.

Appointment and Evaluation of the Board and Nominations and Governance Committee

At its final meeting of the year, Council will consider and approve new candidates for appointment to the Board when vacancies arise. The Nominations and Governance Committee will provide appropriate information and recommendations on a selection of candidates for consideration in accordance with By-law 8C.

Council will also confirm appointments to the Nominations and Governance Committee, which is a committee of Council at this meeting.

Council will provide input to an annual evaluation of Board, Nominations and Governance Committee, and Council to contribute to best practice operation of these bodies. This process will be facilitated by the Nominations and Governance Committee through the Governance Manager.

Council will also approve remuneration levels for the Board, Chair, President and Vice Presidents.

Advising the Board on member and strategic issues

Council will act as a sounding board at the invitation of the Board on policies and topical issues that have significant impact on members.

Election of President and Vice Presidents

The President and Vice Presidents will be elected annually by Council at its final meeting of the year. During Councils' decision-making on this issue, nominees will leave the meeting. The term of the President and Vice Presidents is one year, commencing from 1 January in the year following their appointment to 31 December in the year of conclusion of their term. The term of a Vice President may be extended by one year on approval from Council. A Vice President has the ability to become President of Chartered Accountants Australia and New Zealand, however this is not a right.

Conferral of Awards

Council is responsible for final approval of Fellowships, Life Memberships and other awards each year. Information on nominees will be assessed at the regional level prior to final submission to Council for consideration at its end of year meeting.

Code of Ethics and Code of Conduct

Council will approve the Chartered Accountants Australia and New Zealand Code of Ethics. Council will also approve the Code of Conduct which is developed by the Nominations and Governance Committee through the Governance Manager. Each Director has an obligation to comply with the principles set out in the Chartered Accountants Australia and New Zealand Code of Ethics and Code of Conduct which have also been approved by Council.

Meetings

Council meetings will be held at least twice annually (in practice usually three times). Face to face meetings will usually be held, however video and teleconference technology will be utilised where appropriate.

Meeting dates will be set at the start of each calendar year. Additional meetings may be called by the President if required.

Agenda papers will be distributed by email at least seven days prior to a Council meeting. Members may request hard copies of the agenda material if required.

Meetings may be attended in person or by telephone or video conference link. Members must inform the President and the Governance Manager if they are not available to attend any given meeting.

Council minutes will be circulated to Councillors by email for feedback within fourteen days following a meeting, having been approved by the President. Minutes of prior meetings will be discussed and confirmed at the next Council meeting.

The quorum of the Council will be one half of the total number of the Council's members plus one (or if that number is a fraction, the next highest whole number) – i.e. nine members.

Work Plan

The Council's Work Plan is developed annually by the Governance Manager in conjunction with the President, and approved by the Council.

Reporting

The activities and outcomes of the Council will be reported regularly to Board, Regional Councils, management and other groups as appropriate.

Minutes of Council's meetings will be provided to the Board, with highlights being provided to Regional Councils, management and other groups as appropriate, as evidence that Council is properly exercising its responsibilities, including such recommendations as Council deems appropriate.

Evaluation of Performance

The Council undertakes an annual evaluation of Council (including President, Vice Presidents and individual Councillors) which is facilitated by the Nominations and Governance Committee through the Governance Manager.

The Nominations and Governance Committee will also monitor and evaluate governance processes between the Council, the Board, management, and the Nominations and Governance Committee through the Governance Manager.

Reimbursement of Council Members

Chartered Accountants Australia and New Zealand may pay the expenses incurred by Councillors in attending Council meetings or of any committee or subcommittee. Chartered Accountants Australia and New Zealand may also pay the expenses reasonably and properly incurred by the President or Vice Presidents or any other Councillors when acting in an official capacity for and on behalf of Chartered Accountants Australia and New Zealand. This reimbursement is in accordance with By-law 106V.

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