

APPENDIX 3A CA ANZ COUNCIL CHARTER

3A.1 Introduction

This Charter sets out the specific responsibilities and structure applicable to the CA ANZ Council under the Supplemental Royal Charter (**Supplemental Charter**) and By-Laws of CA ANZ (**By-Laws**).

3A.2 Constitution and Authority

CA ANZ is a body politic and corporate created by Royal Charter and registered as a registrable Australia body under the Corporations Act 2001 (**Corporations Act**) CA ANZ is governed by its Supplemental Charter, By-Laws and Regulations and certain applicable provisions of the Corporations Act.

The CA ANZ Council is formed by CA ANZ under Articles 13A(a)-(c) of the Supplemental Charter.

3A.3 Definitions

Asian Region means Hong Kong, Malaysia, and Singapore.

Board Director means a person appointed by the CA ANZ Council to perform the duties of a director of CA ANZ.

CA ANZ Board means the board of Directors of CA ANZ appointed by the CA ANZ Council and constituted under the Supplemental Charter and the By-Laws.

The **CA ANZ Council** means the council of members of CA ANZ constituted under Article 13A of the Supplemental Charter and the By-Laws.

CA ANZ Councillor means a member of the CA ANZ Council.

Chartered Accountant means a person who has been admitted to CA ANZ as a chartered accountant in accordance with the By-Laws.

Code of Ethics means the Code of Ethics for Professional Accountants (including Independence Standards) as amended and renamed from time to time.

Fellow means a person who has been admitted to CA ANZ as a Chartered Accountant Fellow, an Associate Chartered Accountant Fellow, or an Accounting Technician Fellow as the case may be.

Individual Member means a natural person who has been admitted to Membership as a Fellow, Chartered Accountant, Associate Chartered Accountant or Accounting Technician and Individual Membership has a corresponding meaning.

Life Member means an Individual Member who is deemed to be an Individual Member for the remainder of their life, pursuant to By-Law 20(a)(i) unless they resign or are excluded from Individual Membership.

Member means a Member of CA ANZ and **Membership** has a corresponding meaning.

Nominations and Governance Committee and **NGC** means the committee of the CA ANZ Council established in accordance with By-Law 106W.

Overseas Regional Council means a council for an Overseas Region constituted as prescribed by the By-Laws and

Overseas Regional Councillor means a member of an Overseas Regional Council.

Region means each of the following regions:

- (i) New South Wales;
- (ii) Australian Capital Territory;
- (iii) Victoria;

- (iv) Tasmania;
- (v) Queensland;
- (vi) South Australia and Northern Territory;
- (vii) Western Australia; and
- (viii) New Zealand.

Regional Council means a council for a Region constituted as prescribed in the By-Laws and **Regional Councillor** means a member of a Regional Council.

President means a person appointed to perform the duties of President of CA ANZ for the time being under By-Law 106B

Local Committees means a local committee established in accordance with clause 4 of the New Zealand Appendix.

Vice President means a person appointed to perform the duties of Vice-President of CA ANZ for the time being under By-Law 106B.

3A.4 Source of power

The powers and responsibilities of the CA ANZ Council are outlined in Article 13B of the Supplemental Charter and prescribed by various By-Laws.

3A.5 Objectives

Responsibility for the direction of CA ANZ is vested in the CA ANZ Council under the Supplemental Charter.

The CA ANZ Council's objectives are to:

- represent CA ANZ Members' interests facilitated through input from the Regional Councils, Overseas Regional Councils and other relevant sources;
- appoint and evaluate the CA ANZ Board as the legal decision-making body CA ANZ;
- appoint the President and Vice Presidents;
- appoint and evaluate the CA ANZ Board and the Nominations and Governance Committee;
- provide input to the CA ANZ 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; and
- approve the Code of Ethics.

3A.6 Office Bearers

President

The President chairs the CA ANZ Council and in fulfilling the role must ensure good communication between the CA ANZ Board and the CA ANZ Council. The President represents CA ANZ Members in the role in a number of capacities including:

- as Chair of the CA ANZ Council;
- through engagement with the Membership in ceremonial and other events; and
- as the representative at international forums.

The term of the President is 1 year with the opportunity for 1 further 1-year term, as agreed by the CA ANZ 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 1 year with the opportunity for 1 further 1-year term, as agreed by the CA ANZ 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 the CA ANZ Council by reason of their office and have full speaking and voting rights. The President and Vice Presidents are members of the CA ANZ Board and have speaking and voting rights.

Honoraria

The President and Vice Presidents receive an honorarium to compensate them for the duties which they perform for CA ANZ. These annual honoraria are recommended by the Nominations and Governance Committee for approval by the CA ANZ Council and are based on market rates.

3A.7 Duties and Responsibilities

Representation of Members' interests

The CA ANZ Council has a fundamental role of representing Members. This means that:

- The CA ANZ Council should have an awareness of issues facing and affecting the Membership, CA ANZ, 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;
- CA ANZ Councillors are responsible for objectively canvassing Member viewpoints at discussion forums;
- The CA ANZ Council should ensure that Member issues within particular constituencies and sectors are identified – these may be communicated from Individual Members, groups of Members or through formal groups and committees such as sector committees, Regional Councils, Overseas Regional Councils, advisory panels, Local Committees or such other committees established by CA ANZ from time to time;
- CA ANZ Councillors should ensure that Member's views on pertinent issues are communicated to decision makers in appropriate forums within CA ANZ and taken into consideration; and
- The President and Vice Presidents must ensure that the CA ANZ Board is advised of key Member matters.

The CA ANZ 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 CA ANZ Board and Nominations and Governance Committee

The CA ANZ Council will consider and approve new candidates for appointment to the CA ANZ 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 106W(b)(i).

The CA ANZ Council will also appoint members to the Nominations and Governance Committee, which is a committee of the CA ANZ Council.

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

Following recommendation from the Nominations and Governance Committee, the CA ANZ Council will also approve remuneration levels for the Board Directors, President and Vice Presidents based on market rates and within the parameters and principles approved by Members.

The CA ANZ Council is also responsible for receiving and considering reports from the CA ANZ Board.

Advising the CA ANZ Board on member and strategic issues

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

Election of President and Vice Presidents

In accordance with By-Law 106B(a) the President and Vice Presidents will be elected annually by the CA ANZ Council at its final meeting of the year. During the CA ANZ Councils' decision-making on this issue, nominees will leave the meeting. The term of the President and Vice Presidents is 1 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 President or Vice President may be extended by 1 year on approval from the CA ANZ Council. A Vice President has the ability to become President of CA ANZ, however this is not a right.

Conferment of Awards

The CA ANZ 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 the CA ANZ Council for consideration.

Code of Conduct

The CA ANZ Council will approve the CA ANZ Code of Conduct which is developed by the Nominations and Governance Committee through the Senior Governance Manager. Each Board Director, the CA ANZ Councillor and member of a CA ANZ governance body have an obligation to comply with the principles set out in the CA ANZ Code of Conduct.

3A.8 Composition and Meetings

Composition

The CA ANZ Council currently comprises 16 members (including the President and 2 Vice Presidents) and may comprise up to a maximum of 25 members, each of whom must be an Individual Member, as follows:

- a President;
- 2 Vice Presidents;
- a representative appointed by each of the 7 Australian Regional Councils who must each be a Regional Councillor for the Australian Region he or she represents;
- 4 representatives appointed by the New Zealand Council who must each reside in New Zealand;
- 1 representative appointed by 1 of the 3 Overseas Regional Councils in the Asian Region on a rotational basis every 3 years in accordance with By-Law 106BB; and
- 1 representative appointed by the UK Council.

The CA ANZ Council may also appoint up to 9 further representatives to its council the CA ANZ Council in accordance with the process set out in By-Law 106AA and this Governance Manual.

The CA ANZ Council meets face-to-face at least twice annually and at such other times as are required.

Meetings

The CA ANZ Council meetings will be held at least twice annually. These CA ANZ Council meetings will be face to face, however all other meetings may be held in any other form and videoconference and teleconference technology will be utilised where appropriate.

Additional meetings of the CA ANZ Council must be called by the President where a written request is received by the President from any 3 CA ANZ Councillors (which may include the President and either or both of the Vice Presidents). The CA ANZ Board Chair may also at any time call a joint meeting between the CA ANZ Board and the CA ANZ Council on receipt of a request in writing addressed to the CA ANZ Board Chair by any 3 Board Directors.

Where possible meeting papers, including the agenda and supporting papers will be distributed at least 7 days prior to a CA ANZ Council meeting. Meetings may be attended in person or by telephone or videoconference link. CA ANZ Councillors must inform the President and the Senior Governance Manager if they are not available to attend any given meeting.

The CA ANZ Council minutes will be circulated to CA ANZ Councillors for feedback within 14 days following a meeting, having been approved by the President. Minutes of prior meetings will be discussed and confirmed at the next CA ANZ Council meeting.

The quorum of the CA ANZ Council will be 1 half of the total number of the CA ANZ Councillors plus 1 (or if that number is a fraction, the next highest whole number) – i.e. 9 members if there are 16 members on the CA ANZ Council.

3A.9 Work Plan

The CA ANZ Council's work plan is developed annually by the Senior Governance Manager in conjunction with the President and approved by the CA ANZ Council.

3A.10 Reporting

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

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

3A.11 Evaluation of Performance

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

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

3A.12 Reimbursement of CA ANZ Councillors

The remuneration of CA ANZ Councillors shall be determined from time to time by the Members.

CA ANZ may pay the expenses incurred by CA ANZ Councillors in attending the CA ANZ Council meetings or of any committee or subcommittee.

CA ANZ may also pay the expenses reasonably and properly incurred by the President or Vice Presidents or any other CA ANZ Councillors when acting in an official capacity for and on behalf of CA ANZ. This reimbursement is in accordance with By-Law 106V.

3A.13 Terms of CA ANZ Councillors

CA ANZ Councillors appointed in accordance with By-Laws 106A(c), (d) and (f) (Australian Regional Council, New Zealand Council and UK Council representatives)

A CA ANZ Councillor appointed in accordance with By-Laws 106A(c), (d) and (f):

- is appointed for a term of 3 years;
- term commences on 1 January in the year immediately following their appointment to the CA ANZ Council; and
- is eligible for reappointment to the CA ANZ Council for 1 further term of 3 years.

CA ANZ Councillors appointed in accordance with By-Law 106A(e) (Overseas Councils in the Asian Region representatives)

A CA ANZ Councillor representing an Overseas Regional Council in the Asian Region and appointed in accordance with By-Law 106A(e):

- is appointed for a term of 3 years;
- term commences on 1 January in the year immediately following their appointment to the CA ANZ Council; and
- is not eligible to re-apply for the position for a further term.

After the completion of each term, the CA ANZ Councillor representing an Overseas Regional Council in the Asian Region must be replaced by another representative from another Overseas Regional Council in the Asian Region.

At the adoption of this version of the Governance Manual, the CA ANZ Council representatives from an Overseas Regional Council in the Asian Region will be the following and will rotate, and continue to rotate, in the following order:

- Overseas Regional Council of Hong Kong to provide a representative in 2020;
- Overseas Regional Council of Singapore to provide a representative in 2023; and
- Overseas Regional Council of Malaysia to provide a representative in 2026.

CA ANZ Councillors appointed in accordance with By-Law 106A(g) (Further representatives)

A CA ANZ Councillor appointed in accordance with By-Law 106A(g):

- is appointed for a term of 3 years;
- term commences on 1 January in the year immediately following their appointment to the CA ANZ Council; and
- is eligible for re-appointment to the CA ANZ Council, at its sole discretion, for a further term of 3 years.

Maximum terms of appointment

A CA ANZ Councillor cannot serve more than 2 consecutive 3-year terms on the CA ANZ Council, regardless of the method of appointment to the CA ANZ Council.

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