

2026 Budget and Membership Fees

1. Introduction

The budget for 2026 is presented for review. It is based on the Board's recommendation of no increase in membership fees from 2025 to 2026. The 2026 membership fees are subject to approval by the Members at the Extraordinary General Meeting.

2. Commentary

Directors considered the broad parameters for the 2026 budget at the Board meeting on 13 October and agreed that membership fees would remain unchanged for 2026. This decision was made in view of the Chief Executive transition period, despite the forecast deficit budget.

Assumptions for the components are outlined according to the note numbers in **Attachment A**:

1. **Membership fees** – remain unchanged for 2026 – see **Attachment B**. A membership fee review will be conducted in 2026, with any proposed adjustment to be presented for approvals and implementation for 2027.
2. **Bank interest** – Interest rates on a reducing trend as the fixed-term deposits are renewed.
3. **Staff remuneration** – 3% inflationary salary adjustment has been proposed for all existing staff (excluding CE). Additional adjustment proposed for Manager – Governance & Operations in recognition of her expanded responsibilities in 2025 which included communications and social media management. The vacant head count in 2025, has been repurposed for a new role to support the Chief Executive in delivering the 2026 strategic priorities and transformative initiatives. The salary allocation for the new role has been maintained within the same range as the previously budgeted for the vacant role.

All staff remuneration is currently denominated in Ringgit Malaysia (RM). The projected depreciation in the USD-RM exchange rate – from RM4.30 to RM4.00 per USD1 has also contributed to the increase in salary costs. The final adjustments to remuneration are still to be determined.

4. **Travel and accommodation** – Overall, travel costs for 2026 have been maintain at levels consistent with 2025, reflecting the currently proposed approach to CAPA in-person meetings and a measured approach to IFAC meetings. The breakdown includes:
 - ✓ 2 IFAC Board meetings (including Council) – President and CE
 - ✓ 1 IFAC CE Forum - CE
 - ✓ 1 CAPA Members and 1 Board meetings – CAPA staff
 - ✓ 1 CAPA Working Committees or Groups – CAPA staff
 - ✓ Contingency for any other travel – US\$30,000

All other meetings are assumed to be held electronically.

5. **Outsourcing services** – To enhance efficiency and compliance, finance, human resources and payroll will be outsourced. This will also release staff time to focus on member engagement activities.
6. **Office rent** – Costs are calculated based on four months in the existing office with the remainder of 2026 projected at co-working space rates. The new office premises search and relocation process will continue during this period and expected to be completed by end of 2026 or early 2027.

7. **Meeting expenses** – This have been optimised with the expectation of securing member sponsorship to support event delivery.
8. **Other expenses** – One off budgeted expense has been allocated to support the 2026 strategic priority on refining strategy, governance and operations particularly in strategy 2025-2028 refresh and MVP enhancement, establishment of a new legal entity, HR transformance, data migration & CRM System implementation as well as consultancy services for the setup of a new office. These expenditures are intended to enhance operational efficiency, strengthen organisational capabilities and support the achievement of CAPA mission and strategic objectives.
9. **New Office Cost** – Allocation of USD85,000 includes fit out/renovation, installation works, staff works stations, chairs, tables, storage cabinets, office equipment and other office necessities.

Notes:

- Exchange rate - US\$1: MYR4 used for 2026. US\$1: MYR4.3 used for 2025
- The GAC will review *the compilation of the budget based on the disclosed assumptions and their application*

The 2026 budget anticipates a deficit of US\$119,227, excluding proposed New Office cost. Reserves are forecasted to be approximately US1.25million at end of 2025. Policy suggests reserves to be maintained between 1-2 years annual membership fees. Hence, current reserves calculated at 2.25 remains slightly above the required policy requirement.

3. Action Required

To discuss, with view to approving the proposed 2026 membership fees (**Attachment B**) at the Extraordinary General Meeting.

Attachment A

2025 Budget vs results to date and full-year forecast, and 2026 Budget

INCOME AND EXPENDITURE STATEMENT

	BUDGET	Actual & Forecast	BUDGET	note
	2025	2025	2026	
	USD	USD	USD	
Membership fees	553,467	553,467	553,467	1
Other revenue				
Bank interest received	43,323	54,589	50,000	2
Total Revenue	596,790	608,057	603,467	
Staff resources	514,780	459,040	523,194	3
CE search fee	47,000	39,126	-	
Travel and accommodation	86,600	57,022	69,400	4
Administrative and operations				
Outsourcing services- payroll, HR, Accounting	-	-	13,150	5
Info, comms and technology	6,500	5,145	7,500	
Creative design and production	2,000	4,000	4,000	
Postage and product distribution	3,000	1,198	3,000	
Rent and utilities	8,000	7,904	19,100	6
Annual review	2,500	3,500	2,500	
Audit	5,000	4,616	5,500	
Depreciation	4,000	2,071	2,000	
Sundry expenses	2,500	2,818	3,000	
Legal and professional fees	2,500	2,366	2,500	
Members Meetings & events	5,000	19,173	20,000	7
Company insurance	1,200	1,161	1,200	
Bank charges	600	584	600	
Office repairs, maintenance	800	1,010	800	
Donation	500	603	500	
Strategy & Operations Transformation Project			44,750	8
Total Expenses	692,480	611,337	677,944	
	RM\$4.3:US\$1		RM\$4:US\$1	
Surplus/(Deficit)	(95,690)	(3,280)	(74,477)	
New office cost			85,000	9
Estimted reserves at year end			1,250,000	
Reserves per policy			2	
Current reserves			2.25	

Attachment B

Proposed 2026 membership fees

MEMBERSHIP FEES

	Approved	Proposed
	2025 USD	2026 USD
MEMBER	2% increase	0% increase
1 CA ANZ - Aust & NZ	56,826	56,826
2 JICPA - Japan	56,826	56,826
3 AICPA - USA	56,826	56,826
4 CPA Australia	49,159	49,159
5 CICPA - China	42,901	42,901
6 ICAI - India	42,901	42,901
7 KICPA - Korea	42,901	42,901
8 IPA - Australia	27,300	27,300
9 ICAI-CMA - India	23,181	23,181
10 PICPA - Philippines	13,109	13,109
11 ICAP - Pakistan	9,364	9,364
12 CASL - Sri Lanka	9,364	9,364
13 AAT SL - Sri Lanka	6,097	6,097
14 ICMAP - Pakistan	4,702	4,702
15 ICAB - Bangladesh	4,702	4,702
16 ICAN - Nepal	4,702	4,702
17 MonICPA - Mongolia	4,702	4,702
18 ICMAB - Bangladesh	2,507	2,507
19 CMASL - Sri Lanka	2,507	2,507
20 CPAPNG - PNG	1,446	1,446
21 VACPA - Vietnam	1,446	1,446
22 FICA - Fiji	1,446	1,446
23 SIA - Samoa	1,092	1,092
AFFILIATE		
24 DIPAC (CNCC/OECCA) - France	21,456	21,456
25 ICAEW - UK	21,456	21,456
26 ACCA - UK	21,456	21,456
27 AAT - UK	21,456	21,456
ASSOCIATE		
28 POA - DPR Korea	941	941
29 ISIA - Solomon Islands	694	694
TOTAL	553,467	553,467