



CHARTERED SECRETARIES
AUSTRALIA

Leaders in governance

Annual Report

2008

Chartered Secretaries Australia



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Making a difference

- Two Roundtables hosted by CSA. The first looked at rethinking the AGM and provided widespread public debate on the future of the general meeting and how it could best engage shareholders. The second brought together proxy advisory services, company secretaries, institutional investors, retail investors and directors and identified how to facilitate better communication and dialogue between all parties.
- Reaccreditation of the *Graduate Diploma of Applied Corporate Governance* with the state higher education authorities, an important endorsement of the quality of the program, and extension of the course to embrace the public sector with two new subjects devoted to this sector from 2009.
- A significant expansion of our publishing program with three new titles in 2008: *Protecting Company Officers*, *Better Communication Between Entities and Proxy Advisory Services* and *Guide to Procedures at AGMs*, the last of which is freely available from the CSA website, bringing the total to ten.
- The flexibly-delivered *Certificate in Governance Practice and Administration*, introduced in the latter half of 2007, experienced strong growth with 168 students graduating from the program in 2008.
- A comprehensive review of all documents in the Useful Practitioner Document service bringing the total to 148 documents available to members.
- Publication of the fourth *Benchmarking Governance in Practice in Australia survey*, providing definitive, statistical information about how governance operates in the ASX top 200. With data collated over eight years, this survey is unique in providing comprehensive comparative data over a sustained period of time.
- CSA's monthly e-newsletter *CSA news update* continued to find an engaged readership with our unique open rates averaging better than twice the Australian industry average.

CSA IS THE INDEPENDENT LEADER IN GOVERNANCE, RISK AND COMPLIANCE. AS THE PEAK PROFESSIONAL BODY DELIVERING ACCREDITED EDUCATION AND THE MOST PRACTICAL AND AUTHORITATIVE TRAINING AND INFORMATION IN THE FIELD, WE ARE FOCUSED ON IMPROVING ORGANISATIONAL PERFORMANCE AND TRANSPARENCY. WE ALSO INFLUENCE GOVERNANCE THINKING AND BEHAVIOUR IN AUSTRALIA.

Report to members



Nick Geddes FCIS
2009 President
Australian Division of ICSA,
and Chairman
Chartered Secretaries Australia Ltd

Throughout 2008 Chartered Secretaries Australia (CSA) enjoyed many successes and progressed with a number of growth strategies for the future. Nevertheless, with the deteriorating economic environment clearly evident, your National Council and Board are mindful of the challenges ahead and are pleased to be able to report that CSA is well placed to meet these financial and strategic challenges as a result of the sustained investment and growth of recent years.

During 2008 CSA progressed with the third and final year of the profile raising program that was agreed to in 2005. The results continue to be strongly positive and have laid the groundwork for a second phase of the program that will progress through 2009 and into 2011. With the improved profile that CSA gained in traditional markets, your National Council and Board are pleased to report on further growth opportunities.

Several years of investment in technology are also paying dividends as CSA now operates as an efficient national organisation with strong local representation. A major outcome was the ability to fully integrate all back-office systems, allowing CSA to launch its *Certificate in Governance Practice and Administration* in 2007. The online nature of this course enables CSA to reach students outside capital cities and at convenient times.

Finally, your National Council and Board have been evaluating how to maximise the benefit to Australian members from being part of the Institute of Chartered Secretaries and Administrators (ICSA) in light of reviews the ICSA Council is also undertaking. As many CSA members have employment opportunities overseas or are involved in cross-border work, it is important that international affiliations are in place and enable CSA to provide tangible benefits to members.

Strategic direction

Since 2001 CSA has had a mission statement and set of three overarching goals that focus on the promotion and

advancement of effective governance and administration in all sectors. The strategy meeting your National Council held in July reaffirmed these goals emphasising careful expansion into related markets.

We are pleased to have this opportunity to report on progress towards achieving these goals.

Position CSA as the authority and leading advocate of best practice in governance and administration

The sustained contributions of CSA's policy committees, the Legislation Review Committee and the Corporate and Legal Issues Committee, have continued and resulted in substantial legislative policy developments. CSA has again contributed to all issues involving the Corporations Act or the Australian Securities Exchange (ASX), but has also entered the debate on a range of issues such as reporting for the not-for-profit sector and developments around short selling and disclosure of margin loans.

CSA has continued with its participation as a member of a long-term working party of the ASX Corporate Governance Council.

In February CSA held a Roundtable on *Rethinking the AGM*. Participants included leading directors, company secretaries, and representatives from two regulators. The discussion paper was published in May and generated significant debate on reform proposals to improve shareholder participation.

CSA hosted another Roundtable in June to develop guidelines for proxy advisory services and their communication with companies. While there was no appetite for industry-endorsed guidelines, the Roundtable dispelled some myths and identified approaches to be developed for companies and proxy advisory services to engage for the benefit of all. CSA has developed the outcome of the Roundtable into one of three publications for 2008 in a booklet, *Better Communication Between Entities and Proxy Advisory Services*.

A new Public Sector Advisory Group was formed to be part of your National Council's strategy to bring CSA's expertise to this sector. The group's first priority is to assess what public sector members are seeking in policy, advocacy and intellectual property.

We post all of our submissions and press releases to the CSA website. Members are urged to refer to them there.

Be the leading provider of technical information and support in governance and administration

CSA's *Graduate Diploma of Applied Corporate Governance* continues to grow with an nine per cent increase over 2007 driven by strong growth in Western Australia. In addition, the range of backgrounds of students continues to widen beyond the traditional company secretary role.

The *Certificate in Governance Practice and Administration*, launched in 2007, grew dramatically during the year. During 2008 there were 168 graduates of the course, with the number using the online delivery option more than doubling compared to 2007. The Certificate course is an open-entry, vocational-style qualification, suitable for a wide range of people with different levels of governance responsibilities.

A major part of your National Council and Board's growth strategy is to expand CSA's reach into the public sector for membership, provision of intellectual property and policy development. While there is a core of current members from the public sector there is potential to grow membership. A major milestone during the year was also the reaccreditation of the Graduate Diploma by the various state Departments of Education.

From 2009, CSA's Graduate Diploma will be widened to include a stream for public sector governance and a subject on risk management and compliance. In all, three new subjects will be introduced, enabling students to undertake subjects common to both the

private and public sectors and some that are focused on one or the other.

Membership is attractive to the full range of governance professionals

As first reported to you in the December 2005 issue of *Keeping good companies*, and in subsequent issues, in 2005 CSA commenced a major communications campaign to address the perceived lack of awareness of the organisation, its role and the role of the governance professional in the business community. This was in response to research with members and non-members.

The campaign has been very effective in lifting CSA's profile in the business community, and especially in our core markets of large listed and non-listed public companies. To extend this momentum over the last 18 months your National Council has undertaken a thorough review of growth opportunities and has concluded that CSA's expertise in governance could be transferred to the public sector. Hence, a new second phase profile program commenced toward the end of 2008 and will continue into 2011.

Substantial work has been completed in refining CSA's brand and positioning and leveraging our reputation as the leading independent advocate of governance and administration. We have taken the opportunity to refine our communication strategies and look forward to rolling out a new campaign that will coincide with the launch of the expanded Graduate Diploma.

We are also refining our relationship with ICSA. Your National Council wants to ensure that CSA can implement change quickly, to ensure unfettered control over its assets and income stream and be able to apply its resources to initiatives that will provide real benefits to Australian members. In addition, it is important that any international body that CSA belongs to is robust, active and provides opportunities for our members.

As ICSA and CSA evolve, so too do the methods of operation. It was not long ago that Australian members paid subscriptions directly to the United Kingdom in pounds sterling. As the Australian Division of ICSA has evolved into a very healthy and independent professional association it needs to ensure that it has the operating structure to match.

Financial health

During 2008, CSA generated sufficient revenue to fund its extensive member services and advocacy programs. While cash reserves decreased between 2003 and 2005 to fund capital expenditure, the last three years have seen cash reserves restored substantially.

Investment of surplus funds is conservative, with all funds invested in cash with the four major banks. CSA has no direct investments in the equity markets or indirectly via managed investments.

Conclusion

In closing, 2008 has again been an excellent year for CSA. The strong increase in enrolments in our qualifying program continues as does the growth in Affiliates and new members.

Your National Council and Board look forward to increased visibility in the future as the second phase of the profile program is implemented and greater attention is given to working with the public sector. Finally we would like to take this opportunity to thank all CSA members who have assisted the organisation by teaching, serving on state councils, policy committees and other activities. We could not have achieved so much without you. ■

CEO report



Tim Sheehy

Tim Sheehy
Chief Executive
Chartered Secretaries Australia Ltd

Overview and strategy

Since 2000, Chartered Secretaries Australia (CSA) has been driven by a three-year rolling strategic planning process that has given considerable consistency to the direction of the business and added greater stability of income. From the first year the plan was put in place the overarching goals for the organisation from an operating perspective have been to:

- diversify the earnings base of the organisation away from membership subscriptions by building activities that also underpin CSA's mission and spread risk
- develop a professional qualifying program that is widely recognised and regarded
- ensure infrastructure is an enabler to growth.

CSA's role is primarily one of an information provider via formal education, short-course training, seminars and conferences and publishing. These activities are a growing part of CSA and now comprise the majority of total revenue. CSA accordingly is dependent upon staying relevant, current and meeting the needs of working professionals and the community.

Key drivers

CSA has been actively reducing its dependence on income from membership subscriptions by growing its formal education program, short-course training and conference activities. To this end total income from membership subscriptions has dropped significantly as a proportion from 55 per cent in 2000 to 29 per cent for 2008, while total revenue over the same period has increased steadily.

Revenue now comes from three distinct sources: subscriptions, fees for formal education courses and training and seminars. Each source has very different sensitivities to the economic environment and different degrees of volatility which provides CSA with a

greater certainty of revenue than in previous years. Historically, revenue from subscriptions and from fees for formal award courses has been less volatile than other revenue items.

Substantial investment of time and financial resources has been devoted to expanding the *Graduate Diploma of Applied Corporate Governance*. This course is the only fully accredited postgraduate course in applied governance offered in Australia and establishes a benchmark for CSA's reputation. Its currency and relevance is therefore critical. During the year substantial revisions were made to the course as well as introducing a new public sector stream. These enhancements are consistent with CSA's overall strategy to be the leading provider of education in governance, risk and compliance to the private and public sectors and will enable the course to meet market needs for a number of years.

The launch in 2007 of the fully automated online *Certificate in Governance Practice and Administration* has also been successful and put in place a future revenue stream for the organisation that will incur relatively low operating costs and will not add to the already heavy burden placed on practitioners for presenting and marking of assignments. This course meets a different market need to the Graduate Diploma and has enabled CSA to cater to the needs of practitioners and others in the community in a wider variety of organisations and in different stages of their careers.

CSA will continue to develop its expertise and product range that is delivered online. Customer feedback has been positive to this form of delivery as well as online assessment and it is anticipated that new courses will be introduced at the open-entry level in the coming year.

Other income items are relatively modest, with the exception of sponsorship income, and do not greatly expose the organisation when economic conditions are difficult.

Sponsorship has been gradually reduced in relative contribution, also leaving the organisation less exposed to reductions in marketing budgets of our partners and community supporters.

Financial condition

Notwithstanding the financial markets crisis that emerged in the second half of 2008, CSA did record growth in all major revenue items and achieved a total growth rate of just over six per cent for the year. In addition, cash reserves increased by \$462,000 or just under 30 per cent from 2007, putting CSA in an excellent position to weather the more difficult economic conditions expected for 2009.

CSA experienced strong growth in revenue from the provision of formal education via the Graduate Diploma and in the provision of training of 12 per cent and 25 per cent respectively. The growth in the Graduate Diploma feeds directly into membership prospects and underscores the increasing attractiveness to professionals in attaining this professional qualification.

The increase in training revenue was most pronounced in the online delivery where revenue increased 2.5 times over 2007. This form of delivery offers students the convenience of studying anywhere and anytime while at the same time providing CSA with a revenue stream that can make a solid contribution to the funding of non-revenue earning member and other services.

As expected, revenue from seminars, workshops and conferences was flat from 2007 with a drop in attendance for the National Conference where registrations occurred in the last quarter of 2008 — during a peak of the unfolding financial crisis.

Expenses for 2008 were up by nearly nine per cent over 2007, with increased one-off costs associated with expanding the Graduate Diploma subjects from six to eight and increased staff costs from converting work from contract positions

to full-time staff roles. Contract roles were brought in-house to increase the synergy with other internal roles and as a risk management strategy. Total staff numbers rose from 31 to 33 FTE and are anticipated to stay at that level throughout 2009.

2008 was the third and final year of the brand and profile program. Expenses for profile increased from some \$338,000 in 2006 to approximately \$436,000 in 2007 and stayed relatively constant at approximately \$418,000 for 2008. The Board and National Council agreed to continue with similar levels of expenditure during 2009.

Several years of strong growth in revenue have not been at the expense of achieving an operating surplus. CSA's gross trading margin has increased each year since 2003, rising from 63 per cent in 2003 to 68.1 per cent in 2008. Protecting and growing these margins is critical as any surplus resources are needed to fund other non-cash generating activities.

CSA's investment policy has generally been conservative; with surplus cash being invested in short-term main bank bills of exchange, accordingly there was no loss of value of any investments during the year.

Investment for future performance

As reported in earlier years CSA's decision to install a state of the art and web-enabled customer relationship management system has paid substantial dividends in reducing costs and made it easier for members and customers to interact with CSA. This is evident in the increasing returns on trading items and in holding administrative costs at constant levels for many years while at the same time increasing the complexity and ranges of services offered to members.

Late in 2008, work commenced on the fitout of premises in Perth — a first for CSA. At the time of writing we had moved into the new premises and they are a great addition to purpose-built

premises in Melbourne, Sydney and Brisbane. The look and feel of our Sydney, Brisbane and Perth offices is the same and when it comes time to upgrade the Melbourne office we will adopt the same look.

The future

For 2009 CSA is expecting challenging trading conditions, particularly a repeat of the flat trading conditions in seminars and conferences experienced in 2008. These types of events tend to be more discretionary than studying for qualifications and hence are affected by reductions in corporate training budgets. Revenue from sponsorship will also be under pressure, although sponsorship makes up only about seven per cent of total revenue. Offsetting these items, it is expected that interest in the Graduate Diploma will be strong with growing interest expected to come from the public sector in the second half of 2009.

In closing I would like to thank my staff and all of the members and practitioners that have given so much of their time and energy to CSA in supporting our advocacy and thought leadership program, in the substantial review of the Graduate Diploma that was undertaken and in supporting our publishing efforts. The achievements and recognition are there for all to see and I have no doubt that there is much more to come. ■

**SUBSTANTIAL
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Member services

Governance education and training

CSA's reputation for excellence in postgraduate education and training was once again acknowledged in 2008 with record enrolments in the *Graduate Diploma of Applied Corporate Governance* and significant growth in our recently introduced and flexibly offered *Certificate in Governance Practice and Administration*.

While enrolments in the Graduate Diploma have resulted in continued solid growth over the last nine years, the level of growth in 2008 was significantly higher than it has been for several years. In 2008 our fully accredited and internationally recognised Graduate Diploma achieved overall growth of nine per cent compared to 2007. This admirable achievement is testimony to the reputation and quality of CSA and its educational products.

During 2007 and 2008, a major review was undertaken of CSA's premier educational product, the *Graduate Diploma of Applied Corporate Governance*, to ensure that what was being offered in the course was continuing to address the needs of the business community for quality governance education, and to prepare the course for reaccreditation with the higher education authorities in New South Wales, Western Australia, Queensland and Victoria.

The brief for the review was to:

- consider the changing business and community environment for governance professionals in Australia
- deliver a learning program that caters to the profession's current and reasonably foreseeable future needs
- maintain the standard for entry into the Institute of Chartered Secretaries and Administrators and
- comply with the conditions for accreditation as a Graduate Diploma course with the Australian higher education framework.

A number of changes were recommended and were subsequently incorporated in the newly reaccredited *Graduate Diploma of Applied Corporate Governance*, including:

- the extension of the Graduate Diploma to include significantly more risk and compliance material, including: *Trade Practices Act Compliance, Privacy and Project Governance*
- significant changes to the body of knowledge within the existing subjects, including: more on the ASX Listing Rules, more on corporate social responsibility, more on international corporate governance, less on human resources and superannuation, and the removal of *Facilities Management*, and finally
- the extension of the Graduate Diploma to embrace the public sector market. This extension required the development of two new subjects, namely *Applied Administrative Law*, and *Public Sector Accountability and Transparency*.

Critical to the success of the Graduate Diploma is the ongoing attention given to the quality of the subject materials, which are reviewed and updated every six months in order to ensure currency and relevance. Subject Advisory Committees are constituted for each subject, comprising highly experienced practitioners and other experts in relevant fields. We are grateful for the work that the members of the Advisory Committees contribute to the updating of the materials and to our course directors in Brisbane, Sydney, Melbourne and Perth and for our online option.

The flexibly delivered *Certificate in Governance Practice and Administration* was introduced in the latter half of 2007 and 27 people graduated from the program in that year. In 2008, the Certificate program experienced strong growth and 168 students graduated from the program.

Putting in place a flexible delivery model that allows students to fulfil their study requirements face-to-face in any capital city, or online, or a combination of both was a primary driver for the Certificate's success. A further success factor was the linking of the customer relationship management system with the learning platform enabling participants to enrol in the course, register for an individual program, study, and be assessed entirely online if that was their wish.

The flexible delivery model for the *Certificate in Governance Practice and Administration* was expanded in 2008 to include a three-day intensive program delivery methodology. This delivery model was piloted in Queensland and NSW and was extremely well received. A joint venture with the National Institute of Accountants utilising the intensive program delivery methodology was also conducted in Queensland with great success.

CSA offered a number of in-house programs during 2008 with great success. Notable among these was an intensive series of programs delivered to the Directors and Executives of Aboriginal Hostels Limited (AHL). This resulted in the board members of AHL being awarded the *Certificate in Governance Practice and Administration*.

Several other training programs, namely Introductory Corporate Governance, Duties of Officers and Directors and Role of the Company Secretary were successfully delivered to clients such as Colonial First State, the Law Society of NSW, QBE, Walgett Aboriginal Medical Services Co-operative and Bendigo Bank.

Technical information and support

Our journal, e-newsletter and publications program ensure that our members are informed and updated on all matters relevant to governance, risk and compliance. CSA published three new titles in 2008: *Protecting Company Officers*, *Better Communication between Entities and Proxy Advisory Services* and *Guide to Procedures at AGMs*. All

publications are free for members and affiliates, and the latter title is also freely available to download from the public section of the CSA website — another instance of CSA ensuring that those with governance responsibilities can access expert tools to assist them to undertake their responsibilities.

Our flagship publication, the journal *Keeping good companies*, has the reputation of being one of the prime forums for the discussion and debate of current practice, emerging trends and differing perspectives on governance and risk management. Members use the journal as a trustworthy reference, knowing it provides access to high-level commentary on conceptual frameworks as well as legal issues. The journal can be searched online by members — a reminder contained in the CSA e-newsletter prompted a high level of log-ons from CSA members.



The monthly CSA e-newsletter *CSA news update* provides relevant information and news to subscribers, who consist of members, affiliates and a broad range of people from the wider business community. It continues to find an engaged readership, with our unique open rates averaging at 51 per cent compared to an Australian industry average of 21 per cent and our unique click-through rates averaging at 24 per cent compared to an Australian industry average of four per cent.¹

A comprehensive review of all documents in the Useful Practitioner Document service in the member-only section of the website was conducted in 2008. And in the latter half of the year, CSA also published two new Good Governance Guides, on e-communication with shareholders and on the issues that need to be considered when developing or revising a share trading policy. The matters canvassed in these guides go to the heart of shareholder communication and market integrity.



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CHARTERED SECRETARIES AUSTRALIA
Leaders in governance

In today's ever-changing and more accountable business world, corporate governance knowledge is an increasingly valued commodity.

CSA's **Certificate in Governance Practice and Administration** is an open-entry vocational qualification ideal for those wishing to achieve foundation skills in corporate governance.

The **Graduate Diploma in Applied Corporate Governance** is an internationally recognised postgraduate qualification that equips you with the skills needed to assume a role of leadership in governance.

For help in deciding which course is best for you and details of Graduate Diploma semester start dates, email, call or visit our website.

Policy and advocacy

The benefits of our advocacy activities were in evidence in 2008 with a number of important developments. A change of federal government and engagement with new Ministers and their advisers on policy issues provided the opportunity for CSA to emphasise those policy areas we believe require attention. One such issue is the potential for an uninformed or misinformed market when directors do not disclose to the market any security interests in their shareholdings of the companies they govern. After advocating such disclosure to be obligatory for much of 2008, CSA was pleased to see the government refer this matter to the Corporations and Markets Advisory Committee, where it will be subject to public consultation as part of a review of market integrity.

Making a difference

It was a win for CSA when the Parliamentary Joint Committee on Financial and Corporations Services (PJC) took note of CSA's evidence that the concise report, which was intended to overcome the inaccessibility and density of annual reports arising from an expansion in the mandated disclosures, has failed to serve its purpose. The PJC agreed with CSA and recommended that the government should abolish legislative provision requiring a concise report. CSA will continue to press for the implementation of this recommended reform.

The PJC also responded positively to CSA's continuing advocacy for reform to access to the share register, and our

concerns regarding shareholders' lack of privacy rights. It recommended limiting access to the details of shareholders with non-substantial holdings, subject to a proper purpose test to allow access on certain conditions. Following a court decision early in 2008 that a share register should only cost \$250 to access, companies were flooded with requests for the register, for the purpose of making unsolicited, below-market offers to shareholders. CSA continues to seek reform in this area as well.

CSA also appeared before the Senate Economics Committee on the disclosure regimes for charities and not-for-profit organisations. The final report from this Committee supported CSA's recommendations, including a dedicated, national regulator for this important sector; a specialist legal structure through a referral of state and territory powers; a tiered reporting system; and a new (but not onerous) disclosure regime providing for basic governance information as well financial information to be readily available on the public register.

Surveys

CSA published its fourth *Benchmarking Governance in Practice in Australia* survey, providing definitive, statistical information about how governance operates in the ASX top 200. With data collated over eight years, this survey also provides comprehensive comparative data on trends. Four Rapid Response Surveys were also conducted throughout the year on whether directors should disclose to the market when their securities are subject to

margin loans; the level of readiness in companies for climate change and emissions trading regulation; what needs to occur in the field of regulation as a result of the global financial crisis; and how boards are dealing with executive remuneration in a volatile market.

Members were also surveyed on the core advocacy issues on which they would like to see CSA concentrate in 2009. The top three issues of most importance to our members were disclosures in the directors' report; executive remuneration; and short selling and stock lending (disclosure and reporting). The theme here is clearly that of the governance responsibilities of boards. Our members are expertly placed to comment on these matters from an independent perspective.

Public sector governance

CSA convened a Public Sector Advisory Group during the year, comprising members working at both federal and state levels of the public sector, to provide input on the development of intellectual property and examine the governance arrangements in this sector and the implications of the political process for such arrangements.

Leadership

Two Roundtables were hosted by CSA. The first looked at rethinking the AGM and provided for widespread public debate on the future of the general meeting and how it could best engage shareholders. The discussion paper setting out the ideas generated at the Roundtable met with responses not only from all interested parties, but also from the PJC inquiry into shareholder engagement. There was consensus that legislative change is not required, that AGMs are only one part of a broader shareholder engagement framework, and that both companies and retail shareholders have a role to play in this process.

The second Roundtable brought together proxy advisory services, company secretaries, institutional



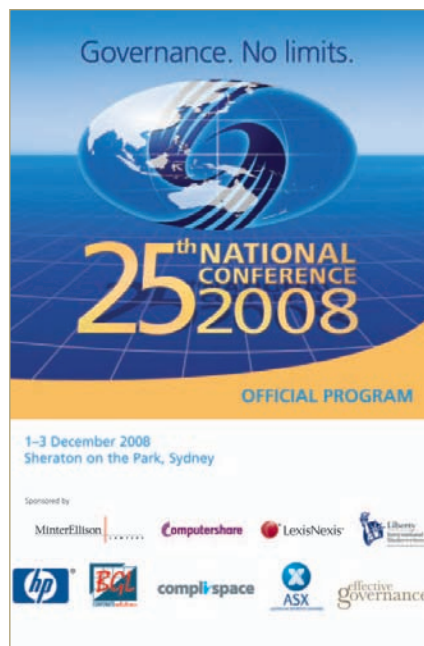


investors, retail investors and directors. This was the first time all participants in the communication process had come together, and the Roundtable clarified the role of each party, identified how to facilitate better communication and dialogue and resulted in a publication to assist all those involved in shareholder engagement. Despite all being links in the chain of communication, the absence of any prior forum bringing together all the parties had resulted in the development of assumptions based on lack of knowledge, and CSA was pleased to see that the Roundtable threw some 'sunshine' on these areas and allowed all parties to emerge with a greater understanding of the process.

CSA's initiatives on direct voting continued to bear fruit, with a sharp rise in the number of listed companies seeking constitutional change to provide for shareholders to vote directly. Last year also saw companies implement direct voting for the first time — we predict that in a few years this will be the standard for company voting. The PJC referred direct voting to the ASX Corporate Governance Council, requesting it to include an 'if not, why not' provision on direct voting in its *Corporate Governance Principles and Recommendations (2nd edition)*.

Governance Professional of the Year Awards

Due to an inadequate number of responses in the various categories of award before the close of call for entries



on 30 September 2008, CSA's National Council took the decision to cancel the 2009 Awards for this year.

The main reason was their concern that the integrity of the Awards could be adversely affected. A full review of the Awards will be undertaken in 2009, with the intention of relaunching a similar concept in future.

Professional development

Discussion groups

CSA's discussion groups remain a key member benefit. They are a unique opportunity for the open discussion of current topics and issues within a receptive environment. Members can share their knowledge and experiences and this provides a stimulating forum for learning, in a very practical sense.

Over 100 discussion groups were held around the country during 2008, focussing on the common interests within a group of peers. These now include public companies, midsize organisations, corporate finance, tax, financial planning, compliance, government and retirees.

25th National Conference: Governance. No Limits.

CSA's 25th National Conference was held at Sheraton on the Park, Sydney from 1 to 3 December 2008. The Conference remains a highlight of CSA's events calendar and, though delegate numbers were down on the previous year, mainly due to the effects of Black Friday in October and the subsequent global economic crisis, those who did attend rated the overall program very highly.

The keynote speaker on day one was New York based geopolitical expert, Parag Khanna, Director, Global Governance Initiative, New America Foundation, who spoke on the changing links between geopolitics, governance and business performance.

The regulator's session remains a keenly anticipated session of the Conference, and the audience was not disappointed with Belinda Gibson (Commissioner, ASIC), Eric Mayne (Chief Supervision Officer, ASX Markets Supervision) and Dr John Laker AO (Chairman, APRA) fielding questions from an animated Michael Pascoe (Associate Editor, EurekaReport.com.au) as moderator as well as questions from the floor. This session received national media coverage, including an article in the *Australian Financial Review* and a segment on the ABC's *Lateline* program that evening.

Other highlights of the conference included a session on the international financial crisis and the corporate governance implications, presented by Professor Thomas Clarke (Director, Centre for Corporate Governance, UTS), and panel discussions on the conduct of proxy advisory services, rethinking the AGM and Australia's growing shareholder activism, all ably moderated by Michael Pascoe.

As a first for CSA in 2008, eight of the main sessions from the National Conference were produced into summary 'podcast' programs, and posted to CSA's website on a newly developed and dedicated podcasts page in the members' area. ■

1 Vision 6, *Email Marketing Metrics Report, Australia, Jan-Jun 2008*

Committees and membership

National Council and the Board of Directors of CSA gratefully acknowledge the commitment of members to policy development and our education program.

National Council

Nicholas Geddes FCIS (President)

Director, Australian Company Secretaries Pty Ltd

Peter Turnbull FCIS (Vice President)

Director, B&C Advisory Group Pty Ltd

Douglas Gration FCIS (Vice President)

Barrister
Chancery Chambers

Chris Wells FCIS

(Immediate Past President)

Frank Bush FCIS

Director, Lisbourne Consulting

Alan Evans FCIS

Corporation Secretary, Hydro Tasmania

Bill Hundy FCIS

Company Secretary
Origin Energy Limited

Ross Mallett FCIS

Company Secretary
Futuris Corporation Ltd

Conley Manifis FCIS

Partner — Corporate Services
PKF Chartered Accountants

Trisha Mok FCIS

Director of Legal & Commercial Affairs
(Asia Pacific), Spendvision Pty Limited

Bill te Kloot FCIS

Managing Director
Wilant Management Pty Ltd

Wendy Wills FCIS

Business Director, Pembroke School

Bernard Yates FCIS

ICSA Representatives

Frank Bush FCIS (President)

Chris Kane FCIS

(ICSA Immediate Past President)

Legislation Review Committee

Peter Abraham FCIS

Consultant

Warren Baillie ACIS

Assistant Company Secretary
Woodside Energy Ltd

Graeme Blackett FCIS**

Company Secretary
Manager Secretariat, AMP Ltd

Kate Brown FCIS**

Principal Advisor, Governance
Rio Tinto Ltd

Nick Burrows FCIS

Company Secretary, Tassal Group Ltd

Sam Butcher FCIS**

Director, Drascombe

David Cantrick-Brooks FCIS

Company Secretary — Subsidiaries,
Australia and New Zealand Banking
Group Ltd

Sue Crook FCIS

Douglas Gration FCIS (Chairman)

Barrister, Chancery Chambers

Ian Gregory FCIS

Principal, The Company Secretariat

Deborah Hambleton FCIS

General Counsel, Bendigo Bank Ltd

Helen Hardy ACIS**

Manager, Company Secretariat,
Aristocrat Leisure Ltd

John Hatton FCIS

Company Secretary, Commonwealth
Bank of Australia Ltd

Michaela Healey FCIS

Company Secretary
National Australia Bank Ltd

Peter Janu FCIS**

Company Secretary, Worley Parsons Ltd

Richard Jones FCIS*

Consultant

Linda Kenyon FCIS

Company Secretary, Wesfarmers Ltd

Frances Kernot FCIS

Company Secretary
Woodside Petroleum Ltd

Karen Lange FCIS

Contract Company Secretary, Company
Secretary & Governance Solutions

Margot Maasackers FCIS**

Deputy Company Secretary
Coca-Cola Amatil Ltd

Ross Mallett FCIS

Company Secretary
Futuris Corporation Ltd

Jane McAloon FCIS*

Company Secretary, BHP Billiton Ltd

Fiona Mead FCIS**

Company Secretary, Asciano Group

Trisha Mok FCIS**

Director of Legal & Commercial Affairs
(Asia-Pacific), Spendvision Pty Ltd

Sylvie Moser-Savage ACIS

Corporate Finance Manager —
Accountant, Anglo Coal Australia
Pty Ltd

Peter Patterson FCIS

Company Secretary, AWB Ltd

Simon Pordage FCIS

Company Secretary, Australian
Foundation Investment Company Ltd

Kathryn Presser ACIS**

Company Secretary
Beach Petroleum Ltd

John Priestley FCIS

Company Secretary, Australia and New
Zealand Banking Group Ltd

John Rennie FCIS

Convenor, CSA Public Company
Secretaries Discussion Group — Victoria

Ashley Roff FCIS

Company Secretary/Legal Counsel
ABB Grain Ltd

Anna Sandham FCIS

Head of Group Secretariat
Westpac Banking Corporation Ltd

Michael Scott ACIS**

Manager Secretariat & Shareholder
Relations, Tabcorp Holdings Ltd

Fiona Smith FCIS**

Deputy Company Secretary
BHP Billiton Ltd

Mark Studd FCIS**

Assistant Company Secretary
Woolworths Ltd

Lawrence Tutton FCIS
Consultant

Paul Viney*
Company Secretary/CFO
Tasmanian Perpetual Trustees Ltd

Vicki Vordis ACIS**
Company Secretary/Executive Support,
AMP Ltd

Caroline Waldron ACIS**
General Counsel & Company Secretary
David Jones Ltd

Peter Whyntie**
Partner, Regulation & Compliance,
Audit & Risk Advisory Services,
KPMG

Bernard Yates FCIS

Corporate and Legal Issues Committee

Mark Anning ACIS**
Company Secretary
Queensland Gas Co Ltd

Paul Baranov FCIS
Legal Counsel, Markets & Technology,
ASX Group

Tim Buskens ACIS
Head of Group Risk and Compliance,
Link Market Services Pty Ltd

Darryl Edwards FCIS**
Company Secretary & Group Manager
Legal Services, Perilya Ltd

Alan Evans FCIS
Corporation Secretary
Hydro Tasmania

Anthony Evans FCIS
Chief Executive
Perth Diocesan Trustees

Nicholas Geddes FCIS
Director, Australian Company
Secretaries Pty Ltd

Ian Gilmour FCIS
Director/Company Secretary
Gilmour & Company Pty Ltd

Duncan Glasgow FCIS

Clair Hodge FCIS*
General Counsel & Company Secretary,
Sydney Airport Corporation Ltd

Duncan Mansfield ACIS*
Lawyer, Department of State
Development, Trade and Innovation,
Government of Queensland

David Munday ACIS**
Company Secretary
New England Credit Union Ltd

Vicki Offner FCIS
Compliance Manager
QBE Insurance (Australia) Ltd

William Pallister FCIS
Chartered Secretaries Australia Ltd

Stephen Partington FCIS
Company Secretary & General Counsel
Ten Network Holdings Ltd

David Robinson FCIS
Consultant

Lisa Storrs FCIS
Director, Corporate Secretariat
Services Pty Ltd

Rick Sutton FCIS
General Manager Finance, National
Pharmacies

Mark Travers
Chief Financial Officer/Company
Secretary, Flinders Ports Pty Ltd

Nigel Ulrich FCIS**
General Manager Legal
Parmalat Australia Ltd

Chris Wells FCIS

Peter Whyntie FCIS (Chairman)
Partner, Regulation & Compliance,
Audit & Risk Advisory Services, KPMG

Education Committee

Anthony Bailey FCIS
Director (Voluntary)
VIS Nominees Pty Ltd

Brad Bowes FCIS
Group Company Secretary, Brisbane
Airport Corporation Pty Limited

Laurie Factor FCIS (Chairman)
Senior Lecturer
Curtin University of Technology

Clair Hodge FCIS
General Counsel & Company Secretary,
Sydney Airport Corporation Ltd

John Ryan FCIS
Visiting Professorial Fellow
University of Wollongong

Christopher Symes FCIS
Associate Professor, School of Law,
Faculty of Education, Humanities,
Law and Theology, Flinders University

Belinda Webster FCIS
Director, Governance & Legal
University of Tasmania

Communication Committee

Frank Bush FCIS (Chairman)
Director, Lisbourne Consulting

Keith Edwards FCIS
General Manager, Corporate, and
Chief Finance Officer, Powerhouse
Museum

Andrew Horne FCIS
Group Company Secretary/General
Counsel, Thakral Holdings Group Ltd

Andrew Kamm**
Chief General Manager, Risk
Management, Adelaide Bank Limited

Brett Lane FCIS
Editor Business Development, West
Australian Newspapers Holdings Ltd

Ross Mallett FCIS
Company Secretary
Futuris Corporation Ltd

Dr Adrian McCullagh ACIS**
Adjunct Professor, Faculty of
Information Technology
Queensland University of Technology

Simon Pordage FCIS
Company Secretary
Australian Foundation Investment
Company Limited

Miquel Timmers ACIS**
Group Taxation Manager
Oil Search Ltd

Peter Turnbull FCIS
Director, B&C Advisory Group Pty Ltd

* Resigned from committee in 2008

** Joined committee in 2008

Members who have obtained Fellowship

The board congratulates members who have been elected or advanced to Fellowship.

Regina Abood	NSW
Darrell Edward Anderson	NSW
Edward Hugh Clifton Bailey	VIC
Howard Michael Blake	TAS
Andrew Geoffrey Boyes	VIC
Daniel Johannes Bredenkamp	WA
Mark Joseph Brooks	NSW
Peter Edward Carney	NSW
Peter Anthony Cocks	VIC
Jane Alison Cox	VIC
Tanya Cox	NSW
Roderick Douglas Joseph Croes	VIC
Norman Eric Davis	NSW
Peter Lindon Evans	WA
Timothy Miles Fairhead	WA
James David Field	NSW
Leah Michelle Fricke	NSW
Maurice James Gannon	QLD
James Matthew Gerraty	VIC
Christopher Estlin Grundy	NSW
Fraser Ian Henderson	NSW
Michael James Kelly	WA
Mark Thomas Knapman	NSW
Peter Edward Lepparde	NSW
Diana Natalie Lohrlich	QLD
Catherine Margaret Maxwell	NSW
Andrew Leslie Meloncelli	WA
Josephine Miller	NSW
Peter John Moore	WA
Rosanna Mortimer	NSW
Carmel Catherine Mulhern	VIC
Jennifer Bernadette Murray	WA
Serena Mui Yin Ng	NSW
David Rodney Parker	WA
Peter Rhys Sharpe	QLD
Geoffrey Peter Stapledon	VIC
James Kian Leng Tan	VIC
Garry David Taylor	WA
Anthony Michael Walsh	WA
John Julian Williamson	QLD
Wendy Viola Wills	SA

Membership milestones

CSA congratulates the following members who achieved milestones for continuous membership in 2008.

50 years

New South Wales

Peter Agoston ACIS
David Bailey FCIS
John Brightwell ACIS
Robert Cassano FCIS
John Cross FCIS
Kevin Lake FCIS
Raymond Layton ACIS
James Mallinson ACIS
John Moore ACIS
John Murray ACIS
James Parker ACIS
Clyde Penfold ACIS
Trevor Russell FCIS
Rex Turner FCIS
Maxwell Viles FCIS
Peter Wolfe FCIS

Queensland

Charles Anderson ACIS
William Bowen ACIS
Patrick Needham ACIS
Allan Spike ACIS

South Australia

Brian Anderson ACIS
Kenneth Foggo FCIS
Ray Kretschmer ACIS
Clifton Parken ACIS
Eric Robins FCIS
Angas Thompson ACIS

Tasmania

Jack Cooper ACIS
Donald Gillard ACIS

Victoria

Harold Alexander ACIS
Neville Davis ACIS
Donald Dreher ACIS
Kenneth Haeusler ACIS
Desmond Hinsley ACIS
John Howden ACIS
Barry Hutchens ACIS
Lawrence Lourens ACIS
Henry Mignot ACIS
Donald Minett ACIS
William Moore ACIS
George Nicholls FCIS

Ian Pawsey ACIS
John Waters FCIS

Western Australia

Leslie Cole ACIS
Ilya Kuba FCIS

25 years

Australian Capital Territory

Mary Keir ACIS
Barbara Olinder ACIS
Allan Watt FCIS

New South Wales

Terry Adams ACIS
Soula Aligouneria ACIS
Christopher Allan ACIS
Magdalena Au ACIS
Leslie Beckett FCIS
Leiv Bornecrantz ACIS
Robert Broadhouse ACIS
Colin Bungate ACIS
Sergio Cainero FCIS
Peter Carman ACIS
Peter Carney FCIS
Bhaskar Datta ACIS
Graeme Davis FCIS
Geoffrey Dornan ACIS
Donald Edmunds FCIS
Leslie Fogden ACIS
Kevin Fyfe ACIS
John Glen FCIS
Glen Grant FCIS
Barbara Grieve FCIS
Malcolm Griggs ACIS
Frank Gualtieri ACIS
Geoffrey Hansen FCIS
John Hewitt ACIS
Stephen Kantek FCIS
Beng Lee Beng Fon ACIS
Jean MacLeod ACIS
Cesar Marmolejo FCIS
Kenneth McDonald ACIS
Pamela McKay ACIS
Eric Montgomery ACIS
Ramsay Moodie FCIS
Bernie Moore ACIS
Ian Morgan ACIS
Patrick Morten FCIS
Iain Myers ACIS
Phillip Napier ACIS
John O'Halloran FCIS
Leslie Oxborrow ACIS
Adrian Palser ACIS
Garry Peters FCIS
Marcelle Plaut ACIS

Oliver Reichert FCIS
 Harold Rowland ACIS
 Luc Savanah ACIS
 Ronald Shepherd ACIS
 Michael Smith ACIS
 Michael Spettigue ACIS
 Margaret Steenbeeke ACIS
 Russell Stretton ACIS
 Johnny Teong ACIS
 Roxalainne Triggs FCIS
 Gary Trimmer ACIS
 Jaroslav Ukrainec ACIS
 Kien Voo ACIS
 Stephen Walkerden ACIS
 Eric Welch ACIS
 Jonathan Wiley ACIS

Queensland

Lloyd Atkins ACIS
 Peter Booy ACIS
 John Croucher ACIS
 Philip De Stoop ACIS
 David Ellery FCIS
 Gregory Flint ACIS
 Ronnie Heng ACIS
 Kenneth Jenner FCIS
 Paul Johnson ACIS
 Richard Keeler ACIS
 John Kienzle ACIS
 Nigel Lane ACIS
 Judy Lin Yuet Ngor ACIS
 Kenneth Magoffin ACIS
 Paul McEvedy ACIS
 Geoffrey Muntz ACIS
 Peter O'Neill ACIS
 Michael Scott ACIS
 Peter Sheedy ACIS
 Warren Trencher ACIS

South Australia

Robert Armstrong FCIS
 Graham Bollenhagen FCIS
 Neil Bradtke ACIS
 Peter Caracoussis ACIS
 Donald Holberton ACIS
 John Lampard ACIS
 Brenton Le Poidevin ACIS
 Kwok Mai ACIS
 Victor Moo Hean Chor ACIS
 John Searles FCIS
 Colin Smyth FCIS
 Stephen Smyth FCIS

Tasmania

Walter Breznik ACIS
 Barry Fellows ACIS
 Stephen Foley ACIS
 Michael Harris FCIS
 Michael Rayner FCIS

Victoria

Paul Abrahams FCIS
 John Anthony ACIS
 Haneef Badrudeen OAM ACIS
 Gordon Cowie ACIS
 Roger Currie FCIS
 Christopher Dawes ACIS
 Roger Donnelly ACIS
 Robert Evans ACIS
 Christopher Fraser ACIS
 Rodney Gilbert FCIS
 Philip Guerin ACIS
 Graeme Hope ACIS
 Barry Jacobs ACIS
 Ian Jones ACIS
 Murray Jones FCIS
 Harold Lepp ACIS

Jennifer Ludlow FCIS
 Terence Lyon ACIS
 Jeffrey McLaren ACIS
 Michael Nugent ACIS
 Thomas Rowston ACIS
 Kenneth Sleep FCIS
 David Smith FCIS
 John Tait FCIS
 Keith Tann ACIS
 Ai Theng Teoh ACIS
 Leonard Trotter ACIS
 Simon Wallace-Smith ACIS
 Donald Wilkin ACIS
 Alan Wong Siew Ling ACIS
 Anthony Zanca ACIS

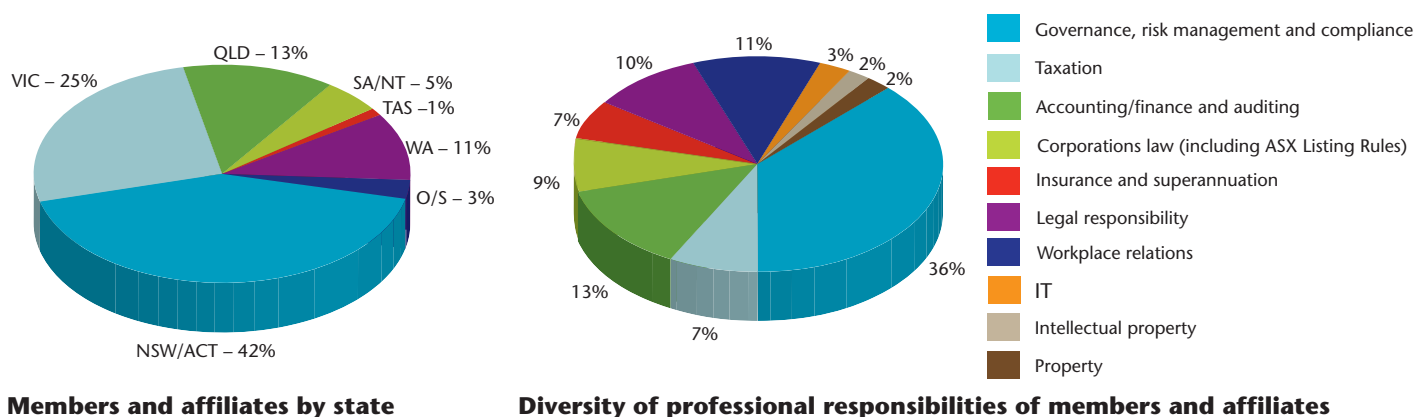
Western Australia

Dipti Bhuva ACIS
 Barbara Boyd FCIS
 Peter Stevens ACIS

Overseas

Thomas Chee Khay Huat ACIS
 Seng Cheung Seng Yew ACIS
 Tien Chin Tien Sung ACIS
 David Guinn FCIS
 Laurence Koh Boon-Piang ACIS
 David Lee Yong Soon ACIS
 Spencer Ma Wai Pong ACIS
 Eng Ong Eng Koon ACIS
 Kim Song Kim Weng ACIS
 Ruby Tan ACIS
 Beng Teo Beng Koon ACIS
 Veronica Wong Pui Chung ACIS
 Tip Wong Tip Yu ACIS

At year's end, members and affiliates totalled 8,047 as follows:



Corporate Governance Statement

The eight core principles of the ASX Corporate Governance Council's (ASXCGC) guidelines are recommendations and apply to listed companies. Although CSA Ltd is not a listed company and does not have any obligations to report on these principles, as the leading education and membership organisation committed to advancing good corporate governance, it is committed to report against these principles.

On 2 August 2007, the ASXCGC released the *Corporate Governance Principles and Recommendations (2nd Edition)*, with the change in the reporting requirement applying to the company's first financial year commencing on or after 1 January 2008. Following the meetings held in November 2008 of the National Council and the CSA Ltd Board, it was deemed appropriate to have common membership between the two bodies to streamline the governance structure and maximise efficiency and cost effectiveness.

As at 31 December 2008, and to the date of the signing of this report the position of CSA Ltd is as follows:

Principle 1: Lay solid foundations for management and oversight

The CSA Ltd board is required to report to the Committee for Australia, which we refer to as our National Council, on the company's overall corporate governance. National Council represents the Australian resident members of ICSA. This responsibility includes determining and reviewing the company's strategic direction and operational policies, establishing goals for management and monitoring the

achievement of these goals, reviewing and approving the company's annual business plan, appointing, monitoring and rewarding the chief executive officer (CEO), recommending the appointment of the auditor to members, approving the appointment and remuneration of all senior executive staff, approving all significant business transactions including acquisitions, divestments and capital expenditure, monitoring business-risk exposures and risk management systems, approving and monitoring financial and other reporting and reporting to its members in the form required by the Commonwealth of Australia *Corporations Act 2001* (the Act).

The board believes that its corporate governance practices should be indicative of good practice for an organisation of its type and, as far as possible, for corporations generally. The board, therefore, keeps all areas of CSA Ltd's governance under ongoing review, in order to provide leadership by example in this crucial area of corporate responsibility and management. It particularly monitors any area of business risk that is identified and ensures appropriate control strategies are in place and properly managed.

Induction days designed for newly appointed directors, senior executives and all newly appointed staff, are held as required. The induction kits contain comprehensive information in respect of all constitutional documentation, service agreements, reimbursement, travel, directors' and officers' insurance policies, risk management policies, strategic plans, company's financial position, organisational charts of business and management structure, as well as the respective rights, duties and roles of the board and senior executives.

The induction process is designed to allow new senior executives to participate fully and actively in management decision-making at the earliest opportunity.

Providing leadership to management is a priority of the board and is a key strategy within CSA Ltd's governance.

A strategic balance is maintained between the responsibilities of the board, the CEO and the Director, Finance & Administration (DFA).

The CEO is accountable to the board for the management of the company within the policy and authority levels prescribed in the company's business plan, which is reviewed and approved by the board each year.

The CEO has the authority to approve capital expenditure and business transactions within predetermined limits set by the board.

The CEO's specific responsibilities include ensuring business development activities are in accordance with the company's overall business strategy, ensuring the company conducts its affairs within the law and abides by the company's Code of Business Conduct and Ethics (a copy of which can be found on the CSA website at www.CSAust.com) while keeping the board informed of all major business proposals and developments by way of specific reports and, within limits set by the board, approving the remuneration levels and bonus payments of all personnel.

The DFA is responsible for maintaining financial control across the company. In this role the DFA is responsible for overall company management reporting, statutory accounting, compliance, auditing, treasury, taxation and insurance with specific responsibilities including the monitoring of financial performance and planning against the financial control guidelines which govern the allocation and management of financial resources throughout the company, ensuring that appropriate financial reporting is provided to the board on a monthly, quarterly and annual basis, and monitoring the company's risk management framework to ensure that established policies, guidelines and controls are implemented through a scheduled program of audits and reviews, the statutory compliance obligations are met and the investment policy strategy is implemented and maintained.

Arrangements put in place by the board to monitor the performance of the company's key executives include a review by the board of the company's financial performance and revised forecast results on a quarterly, half-yearly and annual basis. Detailed presentations are also made by the CEO and his direct reports during business planning/strategy review meetings, which are convened annually and held over a two- to three-day period in July each year.

Compilation, agreement and regular performance management reviews between the CEO, direct reports and all other staff against job description and key performance indicators are established on an annual basis and are assessed at least biannually. The targets contained within the strategic plan are linked to the key performance indicators.

Senior executives and key management personnel and their total compensation are listed in the Annual Report.

The board and CEO support, in respect of a staff incentive and retention program, after having received appropriate reporting in respect of costs, being included and approved in the annual budget, authorise senior staff attendance at selected conferences (both domestic and international) and executive development training where appropriate; and in addition, on a discretionary basis, reimburse (upon successful completion) tertiary or postgraduate study to selected senior and middle level staff.

Additionally, independent research and surveys among all staff, the board and the CEO has been conducted a number of times with regards to the human relations, organisational culture and leadership practices of CSA in respect of team functioning, job satisfaction and general HR practices.

Principle 2: Structure the board to add value

The company presently has nine non-executive directors. All directors are members of CSA Ltd and seven are on the National Council. The names of the directors of the company in office at the

date of this statement, including the duration of each director's tenure, are set out in the directors' report. There are no executive directors.

In addition the board has adopted a number of measures to ensure that independent judgment is achieved and maintained. Directors are entitled to seek independent professional advice at the company's expense, subject to the prior approval of the chairman and the company policy. Directors having a conflict of interest in relation to a particular item of business must absent themselves from the board meeting before commencement of discussion on the topic. The board confers on a scheduled or regular basis without management in attendance.

The board is balanced in its composition with each current director bringing a range of complementary skills and experience to the company as indicated on pages 25–26 of the financial report in the Annual Report.

To assist the board in discharging its responsibilities, it has established a number of board committees including an Audit Committee, Education Committee and a Remuneration and Appointments Committee. The board liaises with the Nomination Committee of National Council in reviewing the composition, balance of skills, experience and competencies in the appointment of directors. Each of these committees has mandated operating procedures that are governed by their respective terms of reference.

It is the board's policy that board committees may find it useful to consider being chaired by a non-executive director who is not the same person as the chairman of the board and, in the case of the Audit Committee, by an independent person not necessarily a director. It is also comprised solely of independent non-executive directors, who are entitled to obtain independent professional or other advice at the cost of the company as per the directors' access to professional advice policy and are entitled to obtain such resources and information from the company,

including direct access to employees of and advisers to the company, as they may require.

The company's Chairman is considered by the board to be independent in terms of the ASXCGC's definition of independent director.

The company's Chairman and CEO have separate roles. The Chairman is responsible for leading the board in the discharge of its duties while the CEO is responsible for implementing the strategic plan of the entity.

The board has adopted a self-evaluation process to measure its own performance and the performance of its committees during each financial year. An annual review is presented to the members at the AGM of National Council and National Council reviews the performance of its service agreement, as well as the composition and skills mix of the directors of CSA Ltd.

An independent Nomination Committee has been established by National Council, which is responsible for the appointment of directors to the board and liaises with and makes recommendations to the board regarding the membership of the board, including proposed new appointments.

The President of National Council is invited to attend board meetings to improve communication between National Council and the board.

The Company Secretary is accountable to the board, through the Chairman, on all governance matters, with all directors having access to that person, whose appointment and removal is a decision by the board as a whole. The Company Secretary supports the effectiveness of the board by monitoring that board policy and procedures are followed.

Principle 3: Promote ethical and responsible decision making

It is the policy of CSA Ltd to conduct business according to the highest standards of honesty, integrity, respect and fairness when dealing with all its

customers and employees. Employees are also required to meet these high standards.

The company takes seriously its obligations to comply with all federal, state and local government laws and regulations, as well as common law obligations, and again requires all employees to do the same as per the company's Code of Business Conduct and Ethics (see the CSA website at www.CSAust.com).

The company is a non-listed, not-for-profit company limited by guarantee under the Act and as such there is no trading in company securities.

CSA Ltd's objective is the promotion and advancement of effective governance and administration of organisations in the private and public sectors through the continued development and application of corporate governance and administrative good practice.

To ensure this occurs, the company conducts its business within the Code of Business Conduct and Ethics, documented and outlined in this statement and the company's core values, which are to:

- act with integrity and fairness
- recognise the needs of the members
- protect the environment
- be commercially competitive
- foster a performance-driven culture
- encourage innovation and technological leadership.

Principle 4: Safeguard integrity in financial reporting

CSA Ltd's CEO and DFA report in writing to the directors, the Audit Committee and the auditors that the financial statements of CSA Ltd for the full financial year present a true and fair view, in all material respects, of the company's financial condition and operational results and are in accordance with the Australian Accounting Standards, applicable approved accounting standards and the appropriate disclosures of all

information required by statute.

The board established an Audit Committee in 1999. The membership of the committee consists of independent non-executive directors plus the chairman who is an independent non-director. Details of their attendance at committee meetings are set out in the Directors' report.

The principal functions of the Audit Committee are governed by its terms of reference. The objectives are to assist the board in the discharge of its responsibilities in respect of the preparation of the company's financial statements, by review and consideration thereof and the company's internal financial controls, recommend to the board nominees for appointment as external auditors in terms of the auditor rotation policy, review the scope of the audit, the level of audit fees and the performance of the external auditors, provide a line of communication between the board and the external auditors and examine the external auditors' evaluation of internal controls and management's response.

Principle 5: Make timely and balanced disclosure

The company is not a listed company and is not subject to ASX Listing Rules disclosure requirements. The company does, however, report to its members in the form required by the Act and discloses significant information on a continuous basis as detailed in Principle 6 below.

Principle 6: Respect the rights of shareholders

The company does not have shareholders but has members. The company's member communication policy advocates communication with members and other stakeholders in an open, regular and timely manner so that members have sufficient information to make informed decisions on the operations and results of the company. The policy provides for the use of systems involving communiqués and technologies that ensure a regular

and timely release of information about the company to members. Mechanisms employed include:

- regular member communications such as the monthly journal, *Keeping good companies*, incorporating the President's Commentary, CEO comments in the column 'Acting for You', the ICSA International article, CSA Members' Benefits column and Professional Development calendar
- the Annual and Full Financial Report, circulated to all members prior to the company's Annual General Meeting (AGM) according to their choice, and notice given of its availability on the CSA website
- providing information about the last five years' Annual Reports and financial data on the website
- placing the full text of notices of meeting and explanatory material on the website
- member access to communications through the use of information technology such as the monthly e-newsletter, *CSA news update*, and CSA website, www.CSAust.com.

The board encourages full participation of members at the company's AGM to ensure a high level of accountability and understanding of the company's strategy and goals. Important issues are presented to members as single resolutions. Members are encouraged to appoint proxies to express their views at the AGM by directing their proxies by marking the appropriate boxes on the Best Practice Proxy Form.

The board also presents an annual Year in Review Report to the members at the AGM of National Council, held at the National Conference.

CSA Ltd's practice is to ensure the company's external auditor attends the AGM and is available to answer members' questions.

Principle 7: Recognise and manage risk

The board is responsible for the oversight of the company's risk

management and control framework. Major exposures for the company stem from CSA Ltd's business-risk profile, which covers areas including operational, reputation, regulatory, contractual, financial, information and strategic risk.

The company has implemented a risk management policy framework, including a risk register, designed to ensure that the company's material business risks are identified, analysed, evaluated, treated and that controls are adequate, in place and functioning effectively. This framework incorporates the maintenance of comprehensive policies, procedures and guidelines. It covers areas such as the Chief Executive's Office, Finance and Administration, Education and Training, Membership, Policy, Publishing and State Offices.

Responsibility for control and risk management is delegated to the appropriate level of management within the company with the CEO having ultimate responsibility to the board for the risk management and control framework.

Arrangements put in place by the board to monitor risk management include regular reporting to the board in respect of operations and the financial position of the company, reports by the Chairman of the Audit Committee and circulation to the board of the minutes of each meeting held by the Audit Committee, attendance and reports by the internal directors of the company's main business units at board meetings on at least an annual basis and presentations made to the board or committees of the board throughout the year by appropriate members of the company's management team (and/or independent advisers, where necessary) on the nature of particular risks and details of the measures which are either in place or can be adopted to manage or mitigate the risk.

In addition, annual peer reviews are undertaken by the senior management in respect of their areas of responsibility, to ensure that all business risks and

mitigating strategies in respect of the risk register, are updated as a result of changing business strategies.

All staff are inducted or updated with the risk management policies and risk register components.

CSA Ltd's CEO and DFA report in writing to the directors and the external auditors that the statement given in accordance with s 295A of the *Corporations Act 2001* is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board and the company's risk management and internal compliance and control framework is operating efficiently and effectively in all material respects.

Principle 8: Remunerate fairly and responsibly

As the company is not a listed company, does not have shares or shareholders (only members) there are no equity-based remuneration payments or schemes made which involve the issue of new shares.

A program of regular performance appraisals and objective setting for senior management and other staff is in place.

The board established a Remuneration and Appointments Committee in 1999. At the present time all board members serve on this committee, whose principal functions include reviewing and approving the remuneration of the CEO and senior executives of the company, reviewing and making recommendations to the board regarding the remuneration policies and practices for the company generally, including participation in the incentive plan and other benefits.

Directors do not receive remuneration for services as directors, but a director is entitled to be paid all travelling and other expenses properly incurred by that director in connection with the affairs of the company, including attending and returning from general meetings, meetings of the directors or

of committees of directors or other committees of the company, meetings of National Council and of ICSA, or any of its committees, bodies or activities. The company may advance money to a director for any such purpose, which must be appropriately accounted for, and any balance refunded.

No other directors of CSA Ltd, during or since the end of the financial year, received or has become entitled to receive a benefit by reason of a contract made by CSA Ltd or of a related body corporate with one of the directors or with a firm of which they are a member or with a company in which they have a substantial financial interest.

CSA Ltd being limited by guarantee, none of the directors holds an interest but each, as a member of CSA Ltd, is liable to the extent of their undertaking under CSA Ltd's constitution.

CSA Ltd pays premiums to insure the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of CSA Ltd other than conduct involving a wilful breach of duty in relation to CSA Ltd.

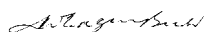
Premiums were paid for each of the directors as per Note 6 to the Financial Statements on pages 25–26 of the financial report. The insurance contract entered into by CSA Ltd prohibits disclosure of the nature of the liabilities insured by the insurance contract and the amount of the premiums.

The CSA Ltd constitution allows for the inclusion of indemnities in favour of persons who are or have been a director or officer of CSA Ltd. To the extent permitted by law, CSA Ltd indemnifies every person who is or has been a director or officer against any liability to any person incurred while acting in that capacity in good faith and against costs and expenses incurred by that person in that capacity in successfully defending legal proceedings and ancillary matters and operates to the extent that the loss or liability is not covered by a valid and current insurance policy. ■

Directors' report



Nick Geddes FCS
Chairman



Frank Bush FCS
Director



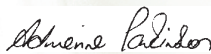
Douglas Gratton FCS
Director



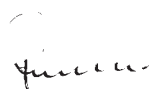
Ross Mallett FCS
Director



Robert Nankervis FCS
Director



Adrienne Parkinson FCS
Director



Peter Turnbull FCS
Director



Chris Wells FCS
Director



Bernard Yates FCS
Director



Your directors present this report on the company for the financial year ended 31 December 2008.

Statutory details of the directors are given in Note 6 to the financial statements on pages 24–25.

Activities

The principal activities of CSA Ltd during the year were to promote and advance the efficient governance, management and administration of commerce, industry and public affairs by the continued development of the study and practice of governance, management, administration and secretaryship of companies and other bodies in the regulated environment.

There was no significant change in the nature of those activities during the year.

The company's financial report has been prepared in accordance with Australian Accounting Standards which include Australian equivalent to International Financial Reporting Standards (AIFRS).

Financial results

An operating surplus from ordinary activities of \$50,544 was made for the year after providing for income tax. The surplus attributable to members amounting to \$51,714 was made after allowing for a net gain on disposal of asset amounting to \$1,170.

Accumulated funds at year end totalled \$3,914,097.

Dividends

Being limited by guarantee, CSA Ltd does not pay dividends.

Review of operations

Revenue for the year primarily came from subscriptions of \$2,311,482; education fees of \$2,243,438; training, events and publications of \$1,819,584; sponsorship of \$533,404; investment income of \$143,322; and other income for services of \$101,222.

Expenditure for the year was primarily on direct costs for training, events and publications of \$948,978; direct costs for education courses of \$825,252; profile-raising activities and website maintenance of \$417,529; international activities of \$215,769; and governance and administration of \$4,694,380.

Likely developments

Likely developments in the operations of CSA Ltd and the expected results of those operations in future financial years have not been included in this report but are disclosed in the 'Report to members' on pages 2–3.

Environmental regulations

CSA Ltd's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Events subsequent to balance date

There are no matters or circumstances that have arisen since the end of the

financial year which would significantly affect the operations of the entity in subsequent financial years other than that as per notes 20 and 21 with respect to NSW payroll tax.

Continuing members of the board of CSA Ltd are Frank Bush FCIS, Nick Geddes FCIS, Douglas Gratton FCIS, Ross Mallett FCIS, Robert Nankervis FCIS, Adrienne Parkinson FCIS, Peter Turnbull FCIS, Chris Wells FCIS and Bernard Yates FCIS.

Auditor's indemnification

CSA Ltd has not, during or since the financial year, in respect of any person who is or has been an auditor of CSA Ltd or a related body corporate, indemnified or made any relevant agreement for indemnifying against a liability incurred as an auditor, including costs and expenses in successfully defending legal proceedings, or paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an auditor for the costs or expenses to defend legal proceedings.

Directors' interests and benefits

CSA Ltd being limited by guarantee, none of the directors holds an interest but each, as a member of CSA Ltd, is liable to the extent of their undertaking under CSA Ltd's constitution.

During or since the financial year, CSA

Ltd has paid premiums to insure the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of CSA Ltd other than conduct involving a wilful breach of duty in relation to CSA Ltd.

Premiums were paid for each of the directors as per Note 6 to the Financial Statements on pages 24–25. The insurance contract entered into by CSA Ltd prohibits disclosure of the nature of the liabilities insured by the insurance contract and the amount of the premiums.

The CSA Ltd constitution allows for the inclusion of indemnities in favour of persons who are or have been a director or officer of CSA Ltd. To the extent permitted by law, CSA Ltd indemnifies every person who is or has been a director or officer against any liability to any person incurred while acting in that capacity in good faith, and against costs and expenses incurred by that person in that capacity in successfully defending legal proceedings and ancillary matters and operates to the extent that the loss or liability is not covered by a valid and current insurance policy.

Payments to the directors and to entities from which the directors may benefit for services by the directors or entities are disclosed in Note 6 (pages 24–25) to the Financial Statements.

No other directors of CSA Ltd, during or since the end of the financial year,

received or has become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors shown in the financial report or the fixed salary of a full-time employee of CSA Ltd or of a related body corporate) by reason of a contract made by CSA Ltd or of a related body corporate with one of the directors or with a firm of which they are a member or with a company in which they have a substantial financial interest.

Proceedings on behalf of the company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Auditor's independence declaration

The auditor's independence declaration for the year ended 31 December 2008 has been received and can be found on page 30.

On behalf of the board by resolution of the directors, as signed above.

SYDNEY 21 March 2009 ■

Attendance at directors' meetings

During 2008 attendance by individual directors (including when represented by alternates) at meetings they were entitled to attend, was as follows:

	Board		Audit Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Russell Barnier**	6	6		
Frank Bush*			2	2
Clair Hodge**	6	5		
Ross Mallett	6	5		
Robert McLachlan**	6	6		
Robert Nankervis	6	6	2	2
Adrienne Parkinson	6	6	2	2
Bernard Yates	6	4		

* As permitted under the constitution, a non-director was appointed as chairman of the Audit Committee.

** Resigned 31 December 2008

Financial report

INCOME STATEMENT

for the year ended 31 December 2008

	Note	2008 \$	2007 \$
Revenue	2	7,152,452	6,729,391
Expenses			
Expenses excluding finance costs	3	(7,101,908)	(6,514,204)
Finance costs	3	–	(482)
Surplus before income tax expense		50,544	214,705
Income tax expense	1(c)	–	–
Surplus after income tax		50,544	214,705
Net gain on disposal of asset	3	1,170	3,964
Surplus attributable to members		51,714	218,669

BALANCE SHEET

as at 31 December 2008

	Note	2008 \$	2007 \$
Current assets			
Cash and cash equivalents	7	2,008,748	1,542,174
Trade and other receivables	8	87,261	90,075
Other	9	163,777	142,261
Total current assets		2,259,786	1,774,510
Non-current assets			
Property, plant and equipment	10	3,786,930	3,977,947
Total non-current assets		3,786,930	3,977,947
Total assets		6,046,716	5,752,457
Current liabilities			
Trade and other payables	11	549,199	522,356
Deferred revenue	12	1,280,216	1,183,791
Provisions	13(a)	154,172	134,509
Total current liabilities		1,983,587	1,840,656
Non-current liabilities			
Provisions	13(b)	149,032	49,418
Total non-current liabilities		149,032	49,418
Total liabilities		2,132,619	1,890,074
Net assets		3,914,097	3,862,383
Members' funds			
Reserves	4	763,033	763,033
Retained earnings	5	3,151,064	3,099,350
Total Members' funds		3,914,097	3,862,383

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN MEMBERS' FUNDS

for the year ended 31 December 2008

	Note	2008 \$	2007 \$
OPENING BALANCE		3,862,383	3,643,714
Transfer net gain on disposal of asset	3	1,170	3,964
Surplus recognised directly in Members' funds		1,170	3,964
Surplus from ordinary activities		50,544	214,705
Total recognised income and expenses for the year attributable to the Members	5	51,714	218,669
CLOSING BALANCE		3,914,097	3,862,383

STATEMENT OF CASH FLOWS

for the year ended 31 December 2008

	Note	2008 \$	2007 \$
Cash flows from operating activities			
Subscriptions received		2,650,458	2,459,877
Receipts from courses and other activities		4,935,944	4,764,133
Payments to suppliers and employees		(7,057,105)	(6,381,295)
Interest received		138,954	88,222
GST paid		(175,707)	(156,812)
Net cash provided by operating activities	17(b)	492,544	774,125
Cash flows from investing activities			
Payments for property, plant and equipment		(30,338)	(37,926)
Net cash used in investing activities		(30,338)	(37,926)
Net increase in cash held		462,206	736,199
Cash and cash equivalents at beginning of year		1,547,868	811,669
Cash and cash equivalents at end of year	17(a)	2,010,074	1,547,868

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with the Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Statement of compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS) applicable for not-for-profit entities. A statement of compliance with International Financial Reporting Standards cannot be made due to CSA Ltd applying the not-for-profit sector specific requirements contained in AIFRS.

Adoption of new accounting standard

CSA Ltd has adopted AASB 7 *Financial Instruments: Disclosures* and all consequential amendments which become applicable to annual reporting periods beginning on or after 1 January 2007. The adoption of this standard has only affected the disclosures in these financial statements. There has been no effect on surplus or deficit or the financial position of the company.

The following is a summary of the material accounting policies adopted by the entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Company structure

CSA Ltd is an incorporated company limited by guarantee. In the event of CSA Ltd being wound up, the liability of each member, or each former member who ceased to be a member within a year of CSA Ltd being wound up, is limited to an amount not exceeding one hundred dollars. As CSA Ltd is limited by guarantee, there is no reference in the balance sheet to share capital or shareholders' equity.

(b) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and any impairment in value.

Impairment

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstance indicate the carrying value may not be recoverable.

If such an indication exists and where the carrying values exceed the recoverable amount, the asset is written down to the recoverable amount.

Property

The strata entitlement to Level 10, 5 Hunter Street, Sydney, is revalued on an annual basis to market value as this accurately reflects the future economic benefits embodied in the asset. The carrying values of the strata entitlement are depreciated in accordance with this policy and AASB 116. During the current period, the directors re-assessed the likely residual value, and are of the opinion that depreciation should be charged over the useful life of the asset. The estimated useful life is 75 years. For the purpose of determining the depreciation of the building, any increase in the valuation is notionally attributable to the land value. Details of revaluations are disclosed in Note 10.

Plant and equipment

Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by CSA Ltd to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the useful lives of the assets to CSA Ltd, commencing from the time the asset is held ready for use. Leasehold

improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each balance sheet date.

The depreciation rates used for each class of depreciable asset are:

Class of fixed asset	Depreciation rate
Building —	
strata entitlement	1.33%
Strata and leasehold improvements	20.00%
Computer systems, furniture and office equipment	10%–33.33%

(c) Income tax

CSA Ltd is for income tax purposes a public education institution. Its income is therefore exempt from income tax under s 50–5 of the *Income Tax Assessment Act 1997*.

(d) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST). Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the Balance Sheet. Cash flows in the Statement of Cash Flows are included on a gross basis. The GST component of cash flows arising from investing and financing activities that are recoverable from, or payable to, the Australian Taxation Office is classified as operating cash flows.

(e) Cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand and at-call deposits with banks or financial institutions.

(f) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year of the balance date have been measured at the amounts expected to be paid when the liabilities are settled. Employee benefits expected to be settled more

than one year from the balance date have been measured at the present value of future payments expected to be made in respect of services provided by employees up to the balance date. Consideration is given to expected future wage and salary levels, experience of employee departure and periods of service. Expected future payments are discounted to their net present value using an estimate of market yields at the balance date on professional markets investments.

Contributions are made by the company to employee superannuation funds and are charged as expenses when incurred.

(g) Revenue recognition

Revenue represents income earned from membership subscriptions and the provision of related services. Membership subscription revenue is recognised as and when received. Revenue from the provision of other services is recognised upon the delivery of the service to Members/customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Sale of non-current assets

The net gain or loss on non-current asset sales is included as revenue at the date control passes to the buyer, usually when an unconditional contract of sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Assets which satisfy the criteria in AASB 5 as assets held for sale are transferred to current assets and separately disclosed as assets held for sale on the balance sheet. These assets are measured at the lower of carrying amount and fair value less costs to sell. These assets cease to be depreciated from the date which they satisfy the held for sale criteria.

(h) Financial instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is

adopted for financial assets that are delivered within time frames established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through the income statement. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in the income statement.

Classification and subsequent measurement

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

(ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the income statement.

(i) Impairment of assets

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is an indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable

amount is expensed to the income statement.

Impairment testing is performed when there is an indication of impairment.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(j) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(k) Trusts

The Institute Trust and The Institute No 2 Trust were established in 1993 to accept gifts and bequests from members and others. The John Goffage Fund is separate from these two trusts and is administered under the direction of the Queensland State Council.

Estate Late Leonard Chant:

In terms of the will of Leonard Chant, following the death of the last life tenant, a one-fifth share of the estate has been left to CSA Ltd to set up a trust to pay scholarships tenable overseas for advancement of training in secretarial and administrative knowledge to immediate postgraduate candidates of the Institute's examination.

The appropriate trust is in the process of being formed, subject to the approval of a *cy pres* scheme.

The financial statements of trust funds are not consolidated with those of CSA Ltd because the company does not have direct control over them, but are shown in Note 18.

(l) Comparative figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current year.

Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

	2008 \$	2007 \$
2 REVENUE		
Operating activities		
Member and affiliate subscriptions	2,311,482	2,290,072
Education	2,243,438	1,995,676
Training and events	1,796,821	1,785,568
Sponsorship	533,404	479,603
Interest	143,322	82,970
Other income	101,222	72,152
Publications, journal and merchandise	22,763	23,350
	7,152,452	6,729,391
Non-operating activities	–	–
Total revenue	7,152,452	6,729,391
3 SURPLUS FROM ORDINARY ACTIVITIES		
Surplus from ordinary activities is stated before income tax expense has been determined, after charging:		
Expenses		
Personnel	3,216,885	2,807,998
ICSA, UK — capitation fee	131,890	140,606
Depreciation of non-current assets		
Building	16,864	16,864
Plant and equipment	162,177	311,123
Amortisation of non-current assets		
Leasehold improvements	42,315	47,939
Rental expenses on operating leases	225,792	166,639
Occupancy and state facilities	135,942	112,734
Auditor's remuneration		
Audit	21,000	20,000
less overprovision prior years	–	(8,250)
Other services	1,562	3,320
Other expenses from ordinary activities	3,147,481	2,895,231
	7,101,908	6,514,204
Finance costs		
Incurred on bank loan as per Note 19(d)	–	482
Expenses from non-operating activities		
Net gain on sale of other assets	1,170	3,964
4 RESERVES		
Capital surplus reserve	745,933	745,933
Works of art revaluation reserve	17,100	17,100
	763,033	763,033
5 RETAINED EARNINGS		
Retained earnings at beginning of the year	3,099,350	2,880,681
Surplus for the year	51,714	218,669
Retained earnings at the end of the year	3,151,064	3,099,350

6 KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel

The names of the Directors who held office during the year and to the date of the signing of this report are:

Russell Barnier BJuris, LLB, FCIS (appointed 1.1.95 – 31.12.08) — Experienced in business and office management, secretaryship, corporate law, governance and compliance. General Counsel and Company Secretary, Goulburn-Murray Water. Australian Division President from 1.1.99 to 31.12.00. ICSA Council from 1.1.95 to 31.12.95 and since 1.1.97. Appointed Vice President of ICSA Council for 2001 and 2002 and International President for 2003.

Frank Bush FCIS, SF Fin, Solicitor (appointed 1.1.09) — Experienced in company secretarial practice and governance, corporate finance and corporate law. Former Group Secretary of GIO Australia Holdings Ltd (1992–1999) and Aristocrat Leisure Ltd (1999–2004) and now consultant in corporate governance and company secretarial practice. Past Australian Division President (2003). Appointed Vice-President of ICSA Council for 2007-2008 and President for 2009.

Nick Geddes FCIS, FCA (appointed 1.1.09) — Founder and principal of Australian Company Secretaries, a company secretarial practice providing the full spectrum of company secretarial services to medium and small ASX-listed companies. Previous experience in auditing, financial management, development and investment banking in Australia and overseas.

Douglas Gratton BSc, LLB (Hons), FCIS (appointed 1.1.09) — Experienced in company secretarial practice and corporate governance, corporate law and compliance. Company Secretary Telstra Corporation Limited 2001–2007. Barrister practising at the Victorian Bar.

Clair Hodge BCom, LLB, FCIS, GAICD (appointed 6.2.07 – 31.12.08) — Experienced in company secretarial practice and corporate governance, senior corporate lawyer with additional responsibility for insurance and risk management. General Counsel and Company Secretary, Sydney Airport Group. Previous experience in accounting, internal audit and contract management.

Ross Mallett BBus, JD, FCIS, FCPA (appointed 15.1.08) — Experienced in company secretarial practice and corporate governance, corporate law, compliance and risk management in the resources sector. Former Deputy Company Secretary of BHP Billiton Ltd and WMC Resources Ltd. Company Secretary Futuris Corporation Ltd. Past Australian Division President.

Robert McLachlan FCIS, MRSA (appointed 12.3.01 – 31.12.08) — Experienced in company secretarial practice, financial and general management, acquisitions, strategic planning, risk management and corporate governance including Sarbanes-Oxley Compliance. CFO of Specialist Communication Group of Companies within STW Ltd, Chairman of the CSA Board of Directors 1.1.04 – 31.12.05.

Robert Nankervis BBus (Acc), Grad Dip (Bus Mgt), FCIS, CPA, FAICD (appointed 1.3.01) — Experienced in financial systems, accounting and management. Principal Consultant, Oppeus Pty Ltd. Appointed Chairman of the Board of Directors 1.1.06 – 31.12.07.

Adrienne Parkinson BBus (Acc), MLS, DipCM, DipFP, FCIS, FCPA (appointed 1.1.04) — A governance professional experienced in company secretarial practice, corporate governance, scheme compliance and risk management in the financial services and property sectors. General Manager, Governance Mirvac Investment Management, a division of Mirvac Group. Chairman of the Board of Directors 1.1.08 to 31.12.08.

Peter Turnbull BCom, LLB, FCIS, FAICD (appointed 1.1.09) — Experienced in company secretarial practice, corporate governance, corporate law, audit, risk management and compliance. Former Company Secretary and/or General Counsel of large listed public companies including BTR Nylex, Newcrest Mining and Energex. Currently a Director of a number of private companies.

Christopher Wells JP, MPub Admin, FCIS, FAICD (appointed 1.1.09) — Experienced in high level public sector management and project management in the Tasmanian State Government and previous experience in the banking industry. Australian Division President from 1.1.08 to 31.12.08.

Bernard Yates BCom, FCIS, FCA (appointed 15.1.08) — The Company Secretary and Corporate Governance Compliance Officer of West Australian Newspapers Holdings Limited for 14 years (now retired), he has previous experience in auditing, financial management, investment banking and project management.

Directors, other than those listed, do not receive any income from the entity for their services as directors.

	2008	2007
	\$	\$
For presentations at education courses, training programs and exam moderation		
Clair Hodge	450	–
Ross Mallett	550	–
Robert McLachlan	200	–
	1,200	–

Other key management personnel

Irene Booth (Director, Education and Training) appointed 29.1.08; Judith Fox (Director, Policy); Stan Jodeikin (Director, Finance and Administration); John Nelson (Director, Education and Training) retired 21.3.08; Tim Sheehy (Chief Executive Officer); Christine Simmons (Director, Marketing & Membership Services) resigned 2.5.08.; Marc Wanstall (Director, Marketing & Membership Services) appointed 11.8.08.

	2008	2007
	\$	\$
Salary and superannuation contributions	761,698	785,275
Bonus	79,850	102,348
Long service leave	144,396	61,521
Total compensation	985,944	949,144

7 CASH AND CASH EQUIVALENTS

Cash on hand	7,160	5,940
Cash at bank	472,775	411,463
Cash on deposit	1,530,139	1,130,465
	2,010,074	1,547,868
Unearned interest	(1,326)	(5,694)
Total cash and cash equivalents	2,008,748	1,542,174

8 TRADE AND OTHER RECEIVABLES

Trade debtors	87,261	90,075
Total trade and other receivables	87,261	90,075

	2008 \$	2007 \$
9 OTHER ASSETS		
Current		
Prepayments	163,777	142,261
10 PROPERTY PLANT AND EQUIPMENT		
Non-current		
Building		
Strata entitlement at directors' valuation — Hunter Street, Sydney	3,100,000	3,100,000
Leasehold improvements	326,738	326,738
Less: accumulated depreciation and amortisation	(272,119)	(212,940)
	3,154,619	3,213,798
Computer system, furniture and office equipment at cost	1,420,709	1,444,178
Less: accumulated depreciation	(813,225)	(704,856)
	607,484	739,322
Works of art at valuation	24,827	24,827
Total property, plant and equipment	3,786,930	3,977,947

The company has entered into contracts for leasehold premises in Perth amounting to \$306,000 of which \$42,377 has been included in prepayments as per note 9.

For the strata entitlements, the board policy, recognising statutory requirements for balance sheet valuations, is that a valuation at current market value be obtained from a registered valuer at three-yearly intervals, an opinion based on that valuation be obtained for each intervening year and, based on the most recent valuation or opinion, that Directors determine a value as at 31 December each year.

Strata entitlement at Level 10, 5 Hunter Street, Sydney: purchased on 12 October 2004, the directors have determined that the value of \$3,100,000 which was the cost of purchase be retained, as the difference between the cost and current valuation is not regarded as material. This is supported by a valuation report dated 18 February 2009 based on an inspection of the property on 27 January 2009, prepared by George Paton FAPI, FRICS, FREI, AIAMA, Certified Practising Valuer, Registered Valuer No 1212 and Director of Chesterton International (NSW) Pty Ltd., for an amount of \$3,600,000. The directors believe that there was no indication of impairment of the asset carrying value as at 31 December 2008.

The strata entitlement is encumbered by a registered first mortgage as detailed per Note 19(d).

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

	Property and leasehold improvements \$	Computer systems, furniture and office equipment \$	Works of art \$	Total \$
Balance at beginning of year	3,213,799	739,322	24,827	3,977,948
Additions/(disposals)	–	30,338	–	30,338
Depreciation expense	(59,179)	(162,177)	–	(221,356)
Carrying amount at end of the year	3,154,620	607,483	24,827	3,786,930

	2008 \$	2007 \$
11 TRADE AND OTHER PAYABLES		
Current		
Trade creditors and accruals	331,538	342,324
Net GST liability	58,422	55,609
Accrued ICSA capitation fee	48,304	42,912
Payroll and PAYG tax payable	100,383	74,909
Fringe benefits tax payable	10,552	6,602
	549,199	522,356
12 DEFERRED REVENUE		
Subscriptions and fees in advance	1,280,216	1,183,791

	2008 \$	2007 \$
13 PROVISIONS		
(a) Current		
Provision for annual leave	128,757	81,656
Provision for long service leave	25,415	52,853
	154,172	134,509
(b) Non-current		
Provision for long service leave	149,032	49,418
	149,032	49,418
Average number of full-time employees	32.8	31.2

14 EXPENDITURE COMMITMENTS

Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Being for premises

Payable:	Not later than one year	259,710	195,138
	Later than one but not later than five years	1,265,648	815,589
	Later than five years	220,013	-
		1,745,371	1,010,727

15 RELATED PARTY DISCLOSURES

Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions unless otherwise stated. ICSA, United Kingdom: under the terms of an operating agreement with ICSA, CSA Ltd remits an administration fee based on the number of Australian members and students registered with ICSA as at 31 July each year to meet the expenses of the International Institute. In order to restrict exposure to foreign currency fluctuations while meeting its obligation to ICSA, CSA Ltd has opened an Australian bank account denominated in pounds sterling which is used to remit the administration fees to ICSA. As at balance date, an unrealised foreign exchange translation loss of \$6,810 had been included in the administration fee.

	2008 \$	2007 \$
These payments amounted to	131,890	140,606
	131,890	140,606

16 SEGMENT REPORTING

CSA Ltd operates as a professional association providing education and promotion of the advancement of effective governance and administration of organisations in the private and public sectors, for members and applicants for membership and for the public. These operations are in Australia and the revenue from operations is as disclosed per Note 2.

17 CASH FLOW INFORMATION

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows

Cash at bank and on hand	479,936	417,403
Cash on deposit	1,530,138	1,130,465
	2,010,074	1,547,868

(b) Reconciliation of cash flow from operations with surplus from ordinary activities after income tax

Net surplus from ordinary activities after income tax

Non-cash flows in surplus from ordinary activities

Depreciation and amortisation

Change in assets and liabilities

Decrease / (increase) in trade and other receivables

(Increase) / decrease in other current assets

Increase in trade and other payables

(Decrease) / increase in unearned interest

Increase in deferred revenue

Increase / (decrease) in provisions

Net cash provided by operating activities

	51,714	218,669
	221,356	375,926
	2,814	(23,097)
	(21,516)	7,782
	26,843	37,779
	(4,368)	5,252
	96,425	162,545
	119,276	(10,731)
	492,544	774,125

	2008 \$	2007 \$
18 TRUST FUNDS		
Balance Sheet		
Estate Late Leonard Chant	1,035,552	1,035,516
The Institute Trusts	65,628	62,064
John Goffage Fund	409	722
	1,099,589	1,098,302
Represented by		
Current assets		
Cash at bank and on deposit	1,099,589	1,098,302
Income Statement		
Income		
Interest — Bequest from Estate Late Leonard Chant	69,177	76,158
Interest — other trust funds	3,747	3,331
	72,924	79,489
Expenditure		
Legal fees and charges	(71,269)	(16,725)
Prizes	(368)	(122)
Available trust funds	1,287	62,642
Opening balance	1,098,302	1,035,660
Trust funds balance at end of year	1,099,589	1,098,302

19 FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

CSA Ltd's financial instruments consist principally of accounts receivable, accounts payable, cash and short term bank bills of exchange. The key purpose of these financial instruments is to maintain financial prudence of the funds and to contribute any surplus earnings towards the company's operations.

Financial risk exposures and management

The main risks that the company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

- (a) **Net fair values:** The carrying amount of bank deposits, prepayments, accounts payable and accounts receivable approximate fair value. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Balance Sheet and in the Notes to the Financial Statements.
- (b) **Interest rate risk:** The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities. The company's exposure to market rate interest rate primarily relates to its cash and cash equivalents. At balance date, the company had following financial assets exposed to Australian variable interest rate risk.

	2008 \$	2007 \$
Financial assets		
Cash and cash equivalents	2,008,748	1,542,174

The following sensitivity analysis is based on the interest rate risk exposure in existence at the balance sheet date. If the interest rates had moved, with other variables held constant, post-tax surplus would have been affected as follows:

	Post-tax surplus: Higher/(lower)	
	2008 \$	2007 \$
+1% (100 basis points)	20,087	15,421
-1% (100 basis points)	(20,087)	(15,421)

The movements in surplus are due to higher/lower interest income from cash balances.

- (c) **Credit risk:** The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Balance Sheet and Notes to the Financial Statements. The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the company.
- (d) **Financial facility:** The company has a \$200,000 facility available to it to be drawn on in need in the form of a floating rate acceptance and discount bill facility, which is secured by a registered first mortgage over the strata entitlement as detailed per Note 10.
- (e) **Price risk:** The company is not exposed to any material commodity price risk.
- (f) **Foreign currency risk:** The company seeks to mitigate the effects of foreign currency exposure by purchasing UK pounds and holding it in an Australian bank account denominated in pounds sterling until it repays its obligations to ICSA UK. The following sensitivity analysis is based on foreign currency risk exposure in existence at balance date.

	Post-tax surplus: Higher/(lower)	
	2008	2007
	\$	\$
AUD/GBP+5%	6,196	5,506
AUD/GBP-5%	(6,196)	(5,506)

(g) Liquidity risk: The company manages liquidity risk by monitoring forecast cash flows and ensuring that liquidity risk arising from the company's financial liabilities is minimised so that it will meet its obligations to repay the financial liabilities as and when they fall due. To help reduce these risks, CSA has a liquidity policy in place which requires minimum average levels of cash and cash equivalents to be maintained as well as a readily accessible stand by financial facility to draw upon if necessary.

Trade and other financial liabilities mainly originate from financing of assets used in the company's ongoing operations. These are summarised in the table below and represent the company's total liquidity risk.

Year ended 31 December 2008	Less than 1 year \$	1-5 years \$	Non-interest bearing \$	Total \$	Weighted average %
Financial assets					
Cash and cash equivalents	2,008,748	–	–	2,008,748	6.47
Trade and other receivables	–	–	87,261	87,261	
	2,008,748	–	87,261	2,096,009	
Financial liabilities					
Trade and other payables	–	–	549,199	549,199	
	–	–	549,199	549,199	
Year ended 31 December 2007					
Financial assets					
Cash and cash equivalents	1,542,174	–	–	1,542,174	6.29
Trade and other receivables	–	–	90,075	90,075	
	1,542,174	–	90,075	1,632,249	
Financial liabilities					
Trade and other payables	–	–	522,356	522,356	
	–	–	522,356	522,356	

20 EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations or the state of affairs of the entity in subsequent financial years, other than as per note 21.

21 CONTINGENT ASSETS AND LIABILITIES

Subsequent to the reporting date, the Company became aware that its application for the exemption from the payment of NSW Payroll tax had been approved under the provisions of Schedule 2 Division 4 Clause 12 (1) (c) of the *NSW Payroll Tax Act 2007*, allowing the company to claim back payroll taxes for the preceding five years. Claims for exemptions in other states will be submitted. At reporting date it is unknown as to whether these applications will be successful.

A contingent asset has arisen from a refund of payroll tax amounting \$503,048 received on 26.2.09 with the income being reported in 2009 annual accounts as a non-ordinary trading activity.

There are no contingent liabilities as at 31.12.08, other than the leasehold improvements listed per note 10 and IT programming commitments amounting to \$14,400.

22 CHANGE IN ACCOUNTING POLICY

A number of Australian Accounting Standards have been issued or amended which are not yet effective and have not yet been adopted in preparation of the financial statements at the reporting date. They are not expected to have significant effects on the company in the next year.

23 COMPANY DETAILS

The registered office and principal place of business of the company is:

Level 10, 5 Hunter Street, Sydney NSW 2000, Australia

Phone: (02) 9223 5744 Fax: (02) 9232 7174

Company Secretary: Stan Jodeikin BCom, Dip Bus Mgt (Hons), Grad Dip Accounting, FCIS, CPA, PNA, AFAIM — Experienced in Company Secretarial practice, corporate governance, financial management, computer systems, risk management implementation, office and business management in manufacturing, wholesale and retail industries. Appointed Company Secretary of CSA Ltd on 7.10.2000. Also Australian Secretary of the Australian Division of the Institute of Chartered Secretaries & Administrators. ■

Directors' declaration

Chartered Secretaries Australia Ltd

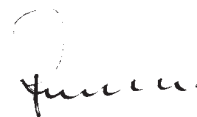
The directors of the company declare that:

- 1 The financial statements and notes, as set out on pages 20 to 29 are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards and the *Corporations Regulations 2001* and
 - (b) give a true and fair view of the financial position as at 31 December 2008 and of the performance for the year ended on that date of the company.
- 2 In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Nick Geddes FCIS
Chairman



Peter Turnbull FCIS
Director


**Dated at Sydney this
21st day of March 2009 ■**

Auditor's independence declaration

Under Section 307C of the *Corporations Act 2001* to the Members of Chartered Secretaries Australia Ltd

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2008 there have been:

- (a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



WHK Horwath Sydney



Ash Pather
Principal

**Dated at Sydney this
21st day of March 2009 ■**

Independent audit report

to the Members of Chartered Secretaries Australia Ltd

Report on the financial report

We have audited the accompanying financial report of Chartered Secretaries Australia Ltd, which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration of the entity at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in

the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Matters relating to the electronic presentation of the audited financial report

This audit report relates to the financial report of Chartered Secretaries Australia Ltd for the year ended 31 December 2008 included or will be included on the company's website. We have not been engaged to report on the integrity of this website. This audit report refers only to the financial report identified above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this website.


Independence

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

Auditor's opinion

In our opinion:

- (a) the financial report of Chartered Secretaries Australia Ltd is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 31 December 2008 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
- (b) The financial report also complies with International Financial Reporting Standards applicable for not-for-profit entities as disclosed in Note 1.



WHK Horwath Sydney



Ash Pather
Principal

**Dated at Sydney this
21st day of March 2009 ■**

Detailed operating surplus and deficit accounts

for the five years 2004–2008

	2008	2007	2006	2005	2004
	\$	\$	\$	\$	\$
Operating revenue					
Member and Affiliate subscriptions	2,311,482	2,290,072	2,204,833	2,071,098	1,969,333
Education	2,243,438	1,995,676	1,849,005	1,726,143	1,532,889
Training and events	1,796,821	1,785,568	1,505,570	1,216,954	793,279
Sponsorship	533,404	479,603	457,589	399,654	454,220
Interest	143,322	82,970	68,304	122,072	151,517
Other income	101,222	72,152	85,189	99,033	172,119
Publications, journal and merchandise †	22,763	23,350	31,930	48,988	58,979
	7,152,452	6,729,391	6,202,420	5,683,942	5,132,336
Operating expenses					
Personnel	3,216,885	2,807,998	2,895,726	2,557,327	2,251,885
Education	825,252	660,008	610,029	610,359	578,601
Training and events	675,597	653,577	634,147	470,542	281,289
Profile and website maintenance	417,529	435,938	323,765	169,039	128,829
Occupancy and state facilities ††	361,734	279,374	232,301	269,600	332,635
Publications, journal and merchandise †	273,381	277,853	291,480	282,363	334,210
Travel and meetings	266,020	214,926	186,981	186,522	162,371
Depreciation and amortisation	221,356	375,926	234,557	196,607	85,184
Repairs and maintenance †††	184,757	228,803	141,857	106,549	234,154
ICSA, UK — capitation fee	131,890	140,606	133,152	98,741	124,502
Bank and credit card fees	93,988	88,987	74,292	68,522	65,001
Printing and stationery	90,292	77,217	77,889	61,474	64,393
Telephone, facsimile and email	85,130	102,632	76,707	75,006	81,135
International representation	83,879	67,386	60,281	49,228	52,799
Professional services ††††	58,773	8,936	9,901	16,223	17,886
Insurance	38,361	37,790	37,845	37,535	35,000
Other expenses	35,566	24,382	34,289	31,339	54,821
Auditors	21,000	11,750	24,900	26,578	29,274
Postage and courier	20,518	20,115	36,995	46,604	44,706
Borrowing costs expense	–	482	23,141	213,380	55,539
	7,101,908	6,514,686	6,140,235	5,573,538	5,014,215
Surplus from ordinary activities	50,544	214,705	62,185	110,404	118,121
Net gain/(loss) on disposal of asset	1,170	3,964	(6,452)	(27,641)	–
Total surplus for the year	51,714	218,669	55,733	82,763	118,121

† Publications, journal and merchandise includes publication and sale of technical booklets.

†† Relocation and running costs incurred in moving to new premises are included in 2004.

††† Installation and implementation costs incurred in respect of new database are included in 2004.

†††† Professional services increase in 2008 includes legal fees incurred in respect of ICSA constitutional changes and Perth leasehold premises.

This statement does not form part of the Audited Accounts but is presented for additional information.

Members' Code of Ethics*

Chartered Secretaries Australia (CSA) requires its members to observe the highest standards of professional conduct and ethical behaviour in all of their activities. By maintaining such standards, members enhance their own standing as corporate managers and increase public confidence in the management and administration of corporations.

- Members shall uphold the objectives of CSA and abide by the regulations.
- As the conduct of an individual member can reflect upon the wider profession of corporate management and upon CSA's membership as a whole, the Code sets out what are deemed to be appropriate standards of professional conduct.
- Members shall refrain from conduct or action which detracts from the reputation of CSA.
- Members are required to exercise complete probity, honesty and diligence in carrying out their duties and responsibilities.
- Members shall at all times safeguard the interests of their employers or clients provided that members shall not knowingly be party to any illegal or unethical activity.
- Members shall not enter into any agreement or undertake any activity which may be in conflict with the interests of their employers or clients or which would prejudice the performance of their professional duties.
- Members shall not use confidential information gained in the performance of their duties for any personal gain nor in a manner which would be detrimental to their employer or client.
- Members shall exercise due care and diligence in performing their duties and ensure the currency of their knowledge, skills and technical competencies.
- Members acknowledge that this Code is to be adhered to both in spirit and to the letter, so that members' conduct is governed by the highest standards of professionalism and ethical behaviour.

* Forms part of CSA's Code of Business Conduct and Ethics

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