Highlights

- CSA’s commitment to the not-for-profit (NFP) sector through the launch of the Not-for-profit Governance Initiative including the NFP Support Program that will assist small NFPs with their governance on a pro bono basis.

- The release of the ASIC-endorsed Guidelines on managing voting exclusions on remuneration-related resolutions.

- Member approval for a new constitution to streamline CSA's governance, secure CSA's autonomy and independence while leveraging the best aspects of our international affiliations.

- The addition of a third Certificate course, the Certificate in Governance for NFPs.

- First place again in the Annual Beaton Business and Professions Study when ranked against our twelve closest peer associations.

- The continued strong take-up of Certificated membership.

- The launch on 6 March 2012 of a new website with dedicated portals for Members, students, officers, directors and the wider governance community.
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The year just completed has been both productive and challenging for Chartered Secretaries Australia (CSA). The launch in August of our NFP Governance Initiative capped off nearly two years of work and resulted in a comprehensive set of services developed to assist not-for-profit (NFP) organisations improve their governance practices. However, 2011 also saw two General Meetings to streamline CSA’s governance and a worldwide Member-requisitioned General Meeting to introduce proportional representation into the Council of the Institute of Chartered Secretaries and Administrators (the Institute).

CSA’s relationship with the Institute in the United Kingdom

Earlier in the year steps were taken to secure CSAs autonomy and independence while leveraging and enhancing the best aspects of our international associations. Our actions were prompted by a number of initiatives proposed by the Institute out of the UK. The Board had serious concerns about the future governance and direction of the Institute and how that might affect CSA in future.

To ensure complete autonomy for CSA it was necessary to seek Member approval in two steps: first at the Annual General Meeting in May, to amend the constitution to remove The Institute Member; and second at a Special General Meeting in July to provide for the direct election of directors and remove the requirement that Members of CSA must first be Members of the Institute.

Members registered strong support for all proposals at both meetings. For the May meeting, proxies were received from over ten per cent of Members with over 98 per cent voting in favour. For the introduction of the new constitution at the July meeting, proxies were received from nearly 20 per cent of Members, again with over 98 per cent voting in favour.

Unfortunately, the Institute’s governance continued to be of concern. Over 200 Members from all eight Divisions requisitioned a General Meeting of Members to amend the Charter and Bye-laws to remove the inbuilt UK majority on the Institute’s Council and replace it with proportional representation.

The outcome of the worldwide vote was so overwhelmingly in favour of a change that the International Council of the Institute announced at its meeting on 2 February 2012 there was compelling support for a new constitutional framework. It agreed to put to the Privy Council for its consideration the new Bye-law providing for proportional representation on the International Council.

We are proud to report that 58 per cent of the Australian membership lodged proxies for these resolutions with 96 per cent in favour, and we would like to sincerely thank all those Members who have supported us with proxies during the year.

The changes described above have not come without cost. As outlined in Note 3 to this year’s financial statements, the total cost of all legal and constitutional advice, general meetings, and the use of proxy solicitation services has come to $341,346. We do not anticipate a repeat of this expenditure in the future. While this is significant expenditure, your board considers that CSA is now in a much more secure and strategically flexible position than in the past. As the membership of the International Council of the Institute changes, we look forward
to a more professional and productive relationship with the Institute.

Strategic direction

Our strategy has always been to influence governance policy and legislation on behalf of Members, to be the leading provider of intellectual property, training and education in governance and to be relevant to a broad cross-section of governance professionals.

Advocacy

The sustained contribution of CSAs national policy committees, the Legislation Review Committee (LRC), the Corporate and Legal Issues Committee (CLIC) and the Public Sector Governance Committee (PSGC) has continued and resulted in considered, informed and practical input to legislative and regulatory reform.

The Advocacy section of this report details our contributions and achievements for 2011 that are underpinned by CSAs considered views and independent perspective. We are proud of our achievements this year in the NFP sector, in working with the Australian Securities & Investments Commission and in legislative reform.

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

Technical information and support

September 2011 saw the introduction of a third Certificate course, the Certificate in Governance for Not-for-Profits. Along with the Certificate in Governance Practice and the Certificate in Governance and Risk Management, this new course is offered in a three-day Intensive format or as individual programs, many of which are available online. This degree of flexibility is unique to CSA as it lets professionals complete a skills-based course at a pace that suits their circumstances and learning styles.

The Graduate Diploma of Applied Corporate Governance continues to be recognised as the premier qualification in Australia for senior governance professionals. This qualification is considered essential for anyone seeking a senior career in governance in listed companies, and as part of our mission, we want to see the same high standards applied to the public sector.

We are pleased that the Graduate Diploma has been deemed an admission requirement for the completion of the University of Canberra's Master of Public Administration in Corporate Governance, and with the partnership developed with Macquarie University in Sydney, which grants substantial advanced standing for their Master of Corporate Governance.

Membership

To ensure that organisations can build a strong governance culture, and to attract professionals earlier in their career, a new category of membership was created in 2009 — the Certificated Member. This new category aims to not only boost the depth and breadth of knowledge in organisations but also acts as a bridge to being a full governance professional and an Associate or Fellow Member of CSA.

By the end of 2011, over 400 people had progressed to Certificated membership with a substantial number of those already commencing the Graduate Diploma to progress to Associate membership.

Membership retention continues to be very high at above 95 per cent, a consistent result that we are very proud of.

The NFP sector

CSA's commitment to the NFP sector puts it ahead of the rest in terms of scope and depth. In August we launched our comprehensive NFP Governance Initiative that assists the sector by providing qualified Members on a pro bono basis through our NFP Governance Support Program to help small organisations, a volunteer advertising service, substantial intellectual property tailored to the sector as well as our Certificate in Governance for Not-for-Profits.

We have assisted organisations such as Oz Green, Red Dust, Muswellbrook Women's and Children's Refuge and many others. We are proud of our contribution and look forward to more of the same in coming years.

Financial position

Trading conditions were healthy during the year with our programs of short seminars and workshops being the standout for 2011. We made a conscious decision to assist Members improve a broader range of their skills and the record attendances have seen a 27 per cent increase in revenue in this part of the business as well as a 20 per cent increase in revenue for our Certificate courses and training business.

Overall we have had an eight per cent increase in revenue and a 71 per cent increase in operating surplus excluding the costs associated with changes to the constitution and other Institute issues.

The board's capital management strategy has been to maintain sufficient reserves but to also be in a position to reinvest in the business. Over the past two years we have invested nearly $600,000 in an upgrade to our Member database and the new website launched early in 2012, underpinning our strategy to be the leading online provider of governance education and support, a position we have held for over ten years.

Investment of surplus funds continues to be conservative by nature with all funds invested in cash with the four major banks. CSA has no investments in equity markets or managed funds and consequently experienced no reduction in Members’ funds during the year.

Conclusion

In closing, 2011 has continued with expansion outside historical markets for CSA. Attention to the public, private and NFP sectors will continue to strengthen in coming years as well.

We would like to take this opportunity to thank all CSA Members that have assisted the organisation by teaching, serving on state councils and policy committees, contributing to the development of information and other activities. We could not have achieved so much without you.
Membership

CSA continues to look after a membership body whose individual Members are from increasingly diverse backgrounds and roles. This means that, while maintaining our leadership in core company secretarial and governance matters, we are continually refining our relevance to reflect the widening scope of governance and risk management roles in Australian organisations across all sectors and an increasingly wide range of seniority levels.

The stature of CSA membership was further enhanced in 2011 with the introduction of compulsory CPD for all Member categories — ensuring that CSA Members are always keeping their knowledge and skills current.

Future membership — growing sustainably

CSA Members are loyal and engaged. Many tell us that they are proud to be a Member of an association that moves with the times and is relevant to their needs — even when they are no longer in a direct company secretarial or governance dedicated role. Our renewal rate in excess of 95 per cent continues to prove that existing Members do indeed value their ongoing relationship with us, which facilitates attracting new Members to an engaged and active professional network. This is particularly gratifying considering the non-compulsory nature of CSA membership for company secretarial roles.

CSA's three established levels of membership — Certificated, Associate and Fellow — will ensure that there is a logical and achievable pathway for our Members to progress through the ranks and acquire the practical knowledge and skills along the way to be successful in increasingly senior roles throughout their careers. In turn, we seek to make CSA membership growth sustainable well into the future, providing leadership through governance not only to Members but also other key stakeholders including government and regulators.

Certificated membership — meaningful engagement early on

CSA's Certificated membership category ran its second full calendar year in 2011. Launched in October 2009, the category has become an extremely popular way of gaining entry-level membership status for those who are just embarking on a career in governance or have governance and risk management responsibilities in their roles.

This category continues to play an important role in providing meaningful and valuable engagement for governance and risk management professionals at an earlier stage of their governance careers. CSA's Certificated membership grew from 84 Members at the end of 2009, to 234 at the end of 2010, and a total of 424 Certificated Members at the end of 2011; a rise of some 81 per cent on the previous calendar year.

The demographic split of this category shows an interesting breakdown with 31 per cent of Members under the age of 40, 41 per cent in their 40s, and 28 per cent 50 years or older. This would seem to support the notion that people are both entering governance and risk management roles at different stages of their working lives, and that they are remaining in the workforce longer than ten to 15 years ago. As governance and risk management play an increasing part in non-governance roles, CSA's Certificate courses will form an important role in the professional training and education of an increasingly wider audience.

In recognition of the wider interests and backgrounds of our potential students, CSA continues to develop and tailor courses for specific needs. In July 2011, CSA introduced the Certificate in Governance for Not-for-Profits at a national launch event held in Sydney, as part of CSAs NFP Governance Initiative — a multi-service integrated solution to provide support to not-for-profit organisations.

This addition to the existing Certificate in Governance Practice and Certificate in Governance and Risk Management means that, not only are we catering for more diverse training and education needs of our students, we are also producing graduates to invite to Certificated membership from a wider spread of industry and sector backgrounds; which ultimately enriches CSAs membership diversity. Of the 424 Members at the

Our renewal rate in excess of 95 per cent continues to prove that existing Members do indeed value their ongoing relationship with us.
end of 2011, 343 graduated from the Certificate in Governance Practice, 66 from the Certificate in Governance and Risk Management, and 11 from the new Certificate in Governance for Not-for-Profits.

The more flexible and practical nature of Certificate courses provides a convenient entry to membership for people who were either ineligible to study for the Graduate Diploma of Applied Corporate Governance, or who were intending to study the Graduate Diploma in due course as their careers progressed and their need for more in-depth and practical knowledge grew. Either way, this membership category continues to provide an excellent home for many with governance roles and/or responsibilities.

CSA Members – diversity of current and future leaders

Directors and officers on boards and governing bodies around Australia rely heavily on their company secretary or senior governance professional being well educated and absolutely on top of the latest legislative and topical issues in governance and risk management. It is essential to the effective running of boardroom meetings and matters, including timely and effective communication to shareholders and/or stakeholders.

In particular, the person in this position has a significant impact on the level and quality of the organisation’s corporate governance and governance culture, and often has a pivotal role in assisting the board to achieve the entity’s vision and strategy. The activities of the governance professional encompass legal and regulatory duties and obligations and additional responsibilities assigned by the employer.

Of the top 20 ASX listed companies in Australia, 19 have company secretaries or senior governance professionals who are current CSA Members. Our Members are also very well represented in other listed and private companies, and increasingly in the public and not-for-profit sectors. This shows that the knowledge and skills that our Members have are very highly regarded and in great demand.

Though company secretarial and governance and risk management focused roles will continue to be a core part of our membership, we are increasingly receiving inquiries about and enrolments in our education and training courses from those who are not in a dedicated governance role. In addition to those with titles of assistant/deputy company secretary and company secretary, an increasing number of our students and Members have titles such as chief financial officer, general counsel, chief governance officer, or even chief risk officer.

This expansion of focus reflects the change in the demographic balance of students and resulting Members over recent years. Female students represented more than half of the total number of Graduate Diploma students in 2011, which is a significant change from the one-third female student representation in 2003. As the conversion of Graduate Diploma graduates to joining CSA as Associate and Fellow Members is still around 80 per cent, this means that, over time, the gender balance of CSA’s membership will also increasingly reflect the changes in the student base over the past ten years.

With senior governance positions increasingly being recognised as a legitimate pipeline for future board directors, CSA is proud to be contributing to the diversity of board members, both in terms of gender and age profiles.
CSA’s commitment to a lifelong learning approach in education and training to support the governance professional or aspiring governance professional on their career journey developed further in 2011 with the addition of a third Certificate course, new alliances and enhancements to our delivery platforms.

We offer courses and programs in various aspects of governance and risk for all requirements, from short courses for those needing to develop a particular skill set to ensuring that the next generation is ready to take on the responsibilities given to them by their organisations and postgraduate education for the experienced governance professional. We also customise our programs for individual organisations to provide governance and risk training within their specific context to suit their particular needs.

We also conduct a range of conferences and events so that those with governance responsibilities can be assured they have timely and relevant professional development.

The reputation and standing of CSA’s education and training have been further enhanced during 2011 through provision of a third Certificate course and wider recognition of the value of CSA’s education and training offerings. This has resulted in a strong flow of membership candidates from the graduates of both the Graduate Diploma of Applied Corporate Governance and the Certificates.

Training programs

CSA currently has 24 training programs that are offered both online and face-to-face to meet just-in-time learning requirements. Typically, students are highly motivated people who are either embarking on a career in governance or are already well-established in their roles or planned career paths. They are looking to improve their performance, to enhance their future career options or to consolidate themselves in their current roles.

The programs provide invaluable knowledge and skills for anyone in a role providing support to a governance professional responsible for the accountability mechanisms of an organisation. This can be in a public (listed or unlisted) or proprietary company, or a not-for-profit (NFP), government or other organisation. There are also programs for directors, officers and other senior managers who require a broad understanding of the scope of their governance responsibilities and the skills required to discharge them.

In 2011 there were a number of additional training programs added to the existing online suite. These were Not-For-Profit Officers Directors and the Board, Not-For-Profit Regulatory Compliance, and Not-For-Profit Financial Management.

Customised programs were delivered to a range of organizations and associations, including Energex, the Golf Management Association of NSW, Bendigo Bank and ASBA.

This translated to a total of 2,679 registrations in CSA’s training Certificate programs, an increase of 13 per cent over the previous year.

Certificate courses

Demand from both industry and aspiring governance professionals to provide recognised qualifications by a peak professional body, led in the past to the development of the Certificate in Governance Practice and the Certificate in Governance and Risk Management.

In 2011, in response to the emerging governance needs in the NFP sector, CSA developed a new Certificate course. The Certificate in Governance for Not-for-Profits was developed to assist employees, managers, directors and volunteers in this key sector in identifying, understanding and applying the crucial elements involved in governance and risk management.
The Certificate in Governance for Not-For-Profits aims to provide an introduction to a wide range of topic areas to enable students to gain an understanding of sector-specific issues in relation to governance, risk and compliance principles, frameworks and approaches.

The goals of this Certificate include:

- to assist individuals in their roles to understand their legal and fiduciary responsibilities, and to develop skills in running effective boards and management committees
- to examine in some detail the legislative and regulatory framework underpinning the NFP sector, addressing the complexity and range of issues involved in managing NFP organisations by explaining the basic elements of current law governing the NFP sector
- to understand an NFP organisation’s financial and tax obligations, with focus on financial reporting and auditing requirements, and how to determine status to meet Tax Office obligations
- to understand the risk management and compliance responsibilities of the NFP board and management

This Certificate in Governance for Not-For-Profits is part of the wider CSA strategy for the NFP sector. In August 2011, CSA launched the NFP Governance Initiative, which includes not only this training Certificate, but also the NFP support program and a host of other benefits designed to assist in promoting good governance in NFP organisations.

In total there were 436 graduates of the three CSA Certificate courses in 2011. This represents an increase of 47 per cent on 2010 graduate numbers.

### Graduate Diploma

The Graduate Diploma of Applied Corporate Governance is the gateway to membership of CSA and the Institute of Chartered Secretaries and Administrators (ICSA). It sets the standard for entry into the profession and is the only applied postgraduate course in governance that includes tailored public and private sector subject options, as well as a dedicated subject on risk and compliance.

The Graduate Diploma of Applied Corporate Governance is a postgraduate course, fully accredited by all relevant higher education authorities across Australia, confirming the academic rigour and quality of the program. The course has been designed, written and regularly reviewed by leading law and business academics and expert practitioners in corporate and public sector governance.

The Certificate in Governance for Not-for-Profits was developed to assist in identifying, understanding and applying the crucial elements involved in governance and risk management.

Holders of the Graduate Diploma of Applied Corporate Governance are eligible for advanced standing on entering an MBA and other postgraduate business and law programs at most Australian universities.

Of particular importance this year was the partnership developed with Macquarie University in Sydney. Completion of the Graduate Diploma grants substantial advanced standing for their Master of Corporate Governance degree (currently two subjects, seeking to expand this to four). This now ranks alongside the partnership with the ANZSOG Institute for Governance at the University of Canberra which grants credit for four subjects in their Master of Public Administration in Corporate Governance degree.

The Graduate Diploma has also been developed to provide maximum flexibility for student attendance with subjects being offered both online and by tutorial.

After the introduction of a large number of initiatives in 2010, 2011 has been a year of bedding down and consolidation to more fully realise the benefits of those 2010 initiatives. It has also been a year of planning for changes in 2012 including closed book exams for Accounting subjects, preparation for the next reaccreditation, and investigation of expanding the Graduate Diploma to include an additional major.

### Pathways

With the ongoing development of the training programs, the development of multiple Certificates, and a greater alignment of the Certificate programs with the Graduate Diploma, it is now possible for a graduating Certificate student to obtain a discount towards the cost of one subject in the Graduate Diploma, or alternatively towards the cost of a subject in the Graduate Diploma when taken as a non-award course. Currently there are 79 Certificate graduates who have taken this up and are enrolled in the Graduate Diploma.
Advocacy

CSA’s inclusive approach to developing policy involves Members discussing relevant issues within the model of both formal policy committees and less formal working groups. The depth of Members’ knowledge ensures such peer discussion clarifies not only any concerns with detail such as the drafting but also the likely impact of proposed legislative and regulatory reform, and an assessment of whether it will facilitate or hinder good governance outcomes.

Our credibility with policy makers is a direct consequence of our Members’ expertise in governance and risk management. Their knowledge of applied corporate governance makes CSA unique in its ability to recommend policy direction, provide feedback on whether proposals will work in practice and also suggest improvements that may not yet have been considered.

Most importantly, CSA does not represent sectional interests and it is this independence of mind that is increasingly valued — this extends to the media, who regularly seek out CSA’s perspective.

Legislative and regulatory reform

In 2011 we lodged 32 submissions on a range of proposed legislative and regulatory reforms with state and Federal governments and, for the first time, relevant international bodies. These covered executive remuneration, NFP governance reform, reporting frameworks, phoenix activity, integrated reporting, superannuation governance and listing rule amendments among other issues.

CSA also regularly engages with key regulators and supervisory bodies such as ASIC and ASX. In 2011, in recognition of Members’ understanding of the complexities inherent in ensuring integrity in voting at general meetings, ASIC asked CSA to develop Guidelines on Managing Voting Exclusions. The guidelines were required following the changed regulatory framework in relation to the prohibition on certain individuals from voting on remuneration-related resolutions at general meetings of companies.

Our views were also sought by Treasury on a range of legislative reform proposals, and the Implementation Taskforce for the new Australian Charities and Not-for-profits Commission (ACNC) sought input from CSA on not-for-profit governance reporting — an issue we have considered for some time and on which our thinking is very developed. We were pleased to be asked by the ACNC to participate in their Roundtables in November to further develop their capacity.

Thought leadership

As part of CSA’s proactive advocacy, we published a briefing paper that governance professionals can provide to their directors, clarifying how the existing chain of accountability works and why it is effective. The brief, Providing your board with comfort on the accountability mechanisms operating in your company, was developed in response to a growing perception of increased risk of personal liability for directors as a result of an expansion in regulation over recent years, and concerns with how delegations of authority were operating.

We also published 23 Good Governance Guides, on topics as diverse as board deliberations in relation to adopting annual reporting documents (this Guide included sample minutes); relationships with external auditors; issues to consider in developing a policy on diversity; what to record in board minutes, including the business judgment rule; matters to...
consider in the selection and nomination of directors; statement of matters reserved for the board and the issues to consider in the use of tablets for accessing board papers.

CSA promotes good governance and sound risk management not only through our policy advice but also in presentations at public forums and by writing opinion pieces on governance topics as the need arises. We also continue to conduct research on governance practices in Australian companies. A questionnaire went out to the top ASX 200 companies at the end of 2011 for our Benchmarking Governance in Practice in Australia survey, and the report will publish in 2012 — this will be the sixth report, providing 12 years of comparative data on governance in Australia's top listed companies. This research provides statistical information on trends in governance and has been used to support calls for legislative reform.

**Participation in ASX Corporate Governance Council review**

CSA was a founding member of the ASX Corporate Governance Council. In 2011, in light of the GFC and the ongoing debate in relation to sustainability reporting and integrated reporting, the Council undertook an internal review and targeted consultation on the Corporate Governance Principles and Recommendations and concluded that no systemic problems were revealed which would warrant revisions to the Principles and Recommendations at this stage.

As part of the review, roundtable discussions were held throughout the country with representatives of directors, management, institutional and retail shareholders, proxy advisers and others with an interest in the development of corporate governance practices. CSA chaired the Roundtable examining Principle 7 and was an active participant in the Roundtables assessing the other principles.

**Participation in international forums**

CSA responded to the European Commission’s Green Paper on corporate governance and also to the discussion paper issued by the International Integrated Reporting Committee on this new form of reporting. We also presented at the inaugural international corporate governance conference held in Shanghai in 2011 and at a conference organised by the Institute of Company Secretaries of India on integrated reporting.

The big project for 2011 was the development of our new website which is now live. A full overview of the website and CSA’s developing social media program is covered in the ‘Connecting’ section on p 12.

**Publications**

CSA published a new edition of Continuous Disclosure: Listed Public Companies and Other Disclosing Entities in the middle of 2011. This is a timely publication, given the increased focus on continuous disclosure by ASIC and ASX.

CSA’s journal, Keeping good companies, maintains its reputation as the source of the most practical and authoritative articles on governance and risk management issues. Articles are regularly republished in overseas journals and magazines. The enewsletter, CSA news update, also continues to attract readers with its succinct coverage of the topical issues affecting anyone involved in governance.

An extensive array of podcasts can be found on the website, many of which explore through interviews the issues canvassed in journal articles, providing a different and useful perspective on the issues of the day.

The range of Useful Practitioner Documents on the website provides Members with access to an ongoing dialogue with the community of governance professionals, with Members donating documents that are rigorously reviewed.
Connecting

Our aim is to connect Members to the information and networks they need that will enhance their effectiveness.

New CSA website

In the 21st century, an organisation’s website has gone from a ‘nice to have’ online brochure of services and offerings to an absolutely integral part of doing and building business. Online service delivery and the ability for customers to easily register, enrol and pay for services electronically is now a core expectation.

CSA was an early adopter of online education in 2003 and because of this emphasis CSA spent much of 2011 researching and developing a new website to further improve interaction.

In planning for and designing CSA’s new website, we surveyed and interviewed a representative cross-section of the membership — by demographics, geography and membership level. We also surveyed and assessed the needs of other stakeholders and users of the site including students, subscribers (formerly known as Affiliates), staff, the CSA board and others such as representatives of regulators.

What came out loud and clear was the need to search for and access information quickly and efficiently and to easily see the breadth of what we have to offer.

Functionality that looks good too

The new website, launched in March 2012, has a noticeably new look and feel, more in tune with 2012 and beyond. More importantly, this major update of our website adds features to save users time and effort in locating information and finding the latest governance and risk management briefings, seminars, networking events, educational courses and intellectual capital, renewal of membership and updating of profiles online is also far easier and intuitive.

The dynamism of the site means users can easily see if there are related materials; for example, if you are registering for an event you can see if there is a publication, or guidelines, or a journal article on the same topic that you can access.

In addition, all users of the site can now search for any event by state, topic, delivery mode (online, face-to-face or both), date or type of event. The journal also has a significantly enhanced search function, and bullet-point summaries of most articles allowing the user to instantly grasp if it is the material they need.

To allow easy access to those areas of the website most relevant to the user, we’ve created four portals on the home page: Members, Students, Subscribers and Officers & directors.

Members can quickly source journal articles, register for events, access governance guidance or practitioner documents and manage their membership details.

Students can log into the online learning centre, access their academic record, submit an assignment or sit exams online. Anyone interested in studying governance and risk management can find out about the course best suited to them and enrol.

For those who are not Members but want to be kept up-to-date on governance and risk management, access to intellectual property and relevant briefings and seminars at discounted rates is available through the Subscribers portal.

The Officers & directors gateway takes those who need to find out more about governance and how to fulfill their roles straight to the right training and knowledge resources.

Social media

CSA established a strong presence in social media in 2011, offering Members a broader range of communication channels, including LinkedIn, Twitter and Facebook.

Social media sites are not always appropriate for formal comment on policy issues but they do keep Members, subscribers, media and other stakeholders up-to-date on media commentary, submissions we have lodged and any guidance we have published.

Providing a supporting voice on key governance and risk management issues has always been an essential element of the service we provide to our Members; particularly on more controversial issues where it is not always easy for them to speak out to their boards. Interaction with Members on advocacy and thought leadership means we can keep them abreast of how their views are being disseminated and received — instant updating on the impact of Members’ voices.

International affiliations

Since its inception, CSA has been part of an international network as a Division of the Institute of Chartered Secretaries and Administrators (Institute). What binds the member countries of the Institute is a common qualifying program for all new Members. While known as the Graduate Diploma of Applied Corporate Governance in Australia, and as the International...
Qualifying Scheme in most other countries, it is a uniform program of study and exams that defines the Chartered Secretary around the world.

A benefit for all Members is the international recognition of their qualification and the ability to transfer their membership to other Institute Divisions should their career take them overseas.

CSA is also a member of the Corporate Secretaries International Association (CSIA) an international federation of professional bodies, established in 2010 to promote corporate secretarialship and good governance. Membership of CSIA enables CSA to reach out beyond the membership of the Institute and has facilitated improved relationships with the Society of Corporate Secretaries and Governance Professionals in the United States and the Institute of Company Secretaries of India (ICSI).

In September CSIA held its first International Corporate Governance Conference in Shanghai bringing together regulators from Hong Kong and mainland China, plus senior practitioners from the United States, the United Kingdom, South Africa and Australia. This event substantially raised CSIA’s profile in China and the importance of the role of the company secretary.

In November of 2011 CSA and the ICSI jointly hosted the sixth ICSI International Conference in Sydney — this time revolving around the theme of Integrated Reporting, Governance and Sustainability. As in Australia, integrated reporting is evolving in India and it was valuable for all attending to understand the challenges across multiple jurisdictions.

CSA will continue to enhance its international affiliations as long as they provide benefits that can flow back to its Members, particularly in more informative journal articles and additional perspectives for our advocacy and policy work.

Benchmarking against other associations

CSA participates in the Annual Business and Professions Study, run by Beaton Research & Consulting. With 27 professional associations participating in the 2011 study, 12 of which CSA is directly benchmarked against, it not only provides us with an indication of how we are performing for CSA Members, it also gives a very good indication on how that performance ranks against associations with a similar membership profile.

In overall performance, CSA has ranked in either first or second place in seven of the last eight years when benchmarked across peer associations. In 2011, CSA ranked first overall, scoring ‘significantly higher’ on the benchmark set average of the 12 other benchmarked associations. CSA was also ranked top for overall engagement and for value of membership.

In terms of the particular criteria that respondents ranked most highly, the three most important drivers of engagement for CSA Members were ‘supporting the development of my knowledge and skills’, ‘keeping me up-to-date with developments or issues impacting my field/business’, and ‘giving me a sense of belonging to a professional community’; on all of which CSA top scored against the benchmarked peers.

CSA focuses considerable time and effort to ensure that Members receive regular and relevant communication and have a variety of opportunities to participate and engage with CSA. We are delighted that the results from the 2011 study seem to reflect an overall satisfaction from Members and a perception of the value of maintaining their membership of CSA.

We do look at the detailed criteria within the study and act on the insights and feedback we gain from the results.
CSA state executive

Susan Bradbrook | Manager, SA & NT
Susan joined CSA in May 2002 in the role of State Manager, SA & NT. In this role Susan informs and supports the State Council as well as being a member of the National Management Team. Susan works closely with not-for-profit, public sector and corporate committees both in SA and NT to identify professional development needs and then develop programs to suit for delivery in Adelaide, Alice Springs and Darwin. She is responsible for the operational delivery of CSAs training programs and provides opportunities to Members for networking.

Emma Churchill | Manager, QLD
Emma has been the Manager of CSA in Queensland since November 2006. Emma is responsible for all CSA activities in Queensland including the development and delivery of professional development and networking events to enhance the value of CSA to Members and to increase CSA's profile among non-members. In the time that Emma has led CSA in Queensland she has implemented a successful networking event for Women in Governance. She has also secured and delivered two of CSA's major in-house training projects for Energex and the Queensland Aboriginal and Islander Health Council. Emma has a keen interest in social media marketing and was instrumental in developing CSA's social media presence in 2011. Emma has a background in professional association management.

Peter Dongas | Regional Director, NSW & ACT
As the Regional Director, NSW & ACT, Peter manages the Sydney-based team responsible for the delivery of CSA education, training programs and events. He joined CSA in August 2007 with a background in sales and marketing as well as experience in membership associations. He has a strong focus on customer satisfaction, aiming to provide the best learning experience for students of corporate governance. He sees CSA's role as essential in delivering important and topical content as part of Members' ongoing professional development in the form of briefings, seminars and conferences through the year. Peter is also responsible for the production of governance podcasts which are made freely available on the CSA website.

Leigh Grant | Manager, WA
Leigh joined CSA in 2008, taking on the role of State Manager, WA in April 2009. She is responsible for the management and delivery of CSAs products and services in Western Australia including education, training, professional development and networking events. Leigh is focused on business development and manages crucial alliances and corporate sponsors to expand the presence of CSA in the private, public and not-for-profit sectors. She has overseen significant strategic developments to increase membership engagement and attract a dynamic governance network in WA. Leigh acts as the secretariat for the State Council and is a member of the National Management Team.

Sh’vorn Sumner | Regional Director, VIC, SA & TAS
Sh’vorn rejoined CSA in September 2010, after several years overseas, taking up the role of Regional Director, VIC, SA & TAS. She was previously CSAs Queensland Manager from 2000 to 2006. Her role encompasses operational responsibility for delivery of the full range of CSAs products and services at the regional level, including Member services, professional development events, education and training programs, secretariat services for State Councils and committees, marketing and strategic business development. Sh’vorn is also responsible for two national Member service programs, CSAs Governance Career Opportunities service and the Not-for-Profit Governance Support program. She actively contributes to organisation-wide business process improvement through her role in the development of CSAs IT and database capabilities.
Confirming our commitment as the peak professional body for governance professionals throughout Australia, CSA is represented around the country through state offices in Brisbane, Sydney, Melbourne, Adelaide and Perth. The state offices enable CSA to provide the highest quality, ongoing personal support and information to Members and students. They also provide CSA with an opportunity to maintain key links with all of the major Australian business districts, ensuring CSA is a vibrant membership association.

The lifelong learning journey with CSA commences in each capital city through the local provision of a wide range of training programs for those new to governance as a career. Our state offices also offer tutorial classes for the Graduate Diploma of Applied Corporate Governance. The state offices provide students with an opportunity to come together and learn while building a network with other governance professionals in their local area and having personal contact with CSA course advisers. For those who have progressed through CSA education programs, the state offices provide the opportunity for enhancement and continuous improvement of knowledge, skills and abilities through ongoing professional development. Each state office provides a number of opportunities throughout the year where Members, and those in the broader governance community, can come together to share their ideas and experiences.

Professional development seminars and workshops
CSA professional development sessions practically address the impact of an issue that will influence governance practice.

Update conferences
Annual Corporate Update
This conference, held around the country, is geared toward keeping delegates informed of the latest corporate governance and corporate accountability issues. It aims to provide cutting-edge solutions and strategies. The Annual Corporate Update presents a variety of key issues, surrounding the changing governance landscape in Australia, and provides insight as to how companies are responding to the challenges.

Annual Public Sector Update
This conference is held around Australia, and is tailored specifically to explore the governance issues relevant to the public sector in each jurisdiction. Focusing on topical and relevant issues in the public sector, the program presents possible practical solutions focused on the particular needs of this sector.

Networking events
The Women in Governance events, held in Brisbane and Perth, aim to bring together women in the governance profession. The events feature presentations by women recognised for their achievements in the governance arena, as an inspiration to other women in the same field. The speakers share with the women attending their experiences in reaching the peak of their profession.

The Leaders in Governance Luncheon Series, held in Melbourne, comprises quarterly luncheons during which current and sometimes controversial governance and risk management topics are considered, generally by a panel of speakers. The events are designed to provide stimulating and thought-provoking discussion and debate at a high level around a broad topic (as opposed to deeply technical content). These luncheons are also ideal networking opportunities for Members, colleagues and clients of CSA to enjoy. The purpose of this luncheon series is to facilitate debate and discussion of current governance and risk management topics while providing for audience interaction and networking opportunities.

The Annual Christmas Cocktail Function, held around the country, is the key state-based networking event on the CSA calendar. Attracting attendees from a variety of professions and sectors, the Christmas Cocktails function is well known as a ‘must-attend’ event of the festive season for governance professionals.

Discussion groups
Discussion groups are an informal, roundtable exchange of ideas, advice and information exclusively for CSA Members involved with particular sectors. The meetings are chaired by the group’s convenor and aim to connect Members with colleagues working in their field of interest or responsibility.
CSA national executive

Tim has been Chief Executive since November 1999. He develops CSA’s major strategic objectives and leads the senior management team in their achievement of budget targets and CSA’s legal and international responsibilities. In the time since he has led CSA, he has positioned it as the independent leader in governance focused on improving organisational performance. His background prior to joining CSA was in investment banking with Westpac and Swiss Bank Corporation and management consulting with McKinsey & Co Inc.

Judith has been Director, Policy since 2005. She works with Members to develop substantive policy statements on governance in the private, public and not-for-profit sectors and establish effective advocacy to create legislative and regulatory frameworks that foster sound practices in stewardship, accountability, transparency and ethical behaviour. In doing so, she enhances CSA’s ability to influence government and regulatory policy. She represents Members on relevant decision-making bodies such as the ASX Corporate Governance Council, and also generates new information and data on governance practice in Australia through the use of research and survey programs. Judith also oversees the editorial direction and timeliness of publications in print and electronic formats.

Stan joined the staff of CSA in August 2000 and has been a Member of CSA since 1991. He manages CSA’s compliance, secretarial, financial and administrative requirements so that it can achieve its mission of promoting and advancing effective governance and administration. Stan ensures CSA and the board meet legal and compliance requirements, CSA’s and ICSA’s constituent documents, and identifies and manages or mitigates risks. He provides professional governance support to CSA and the board as well as financial and management accounting information systems for CSA, providing accurate information to the board, staff and relevant regulators. Stan also ensures that CSA’s IT infrastructure meets the business’s needs.

Marc joined CSA in August 2008. He positions the CSA brand and the provision of services to governance and risk management professionals in all sectors. He ensures that CSA is the primary membership destination for governance professionals and that it remains relevant and valuable as their careers develop. Marc also manages and promotes CSA’s subscriber package. He develops processes to promote the attractiveness of studying with CSA and, ultimately conversion to membership in accordance with CSA’s eligibility requirements. Marc also develops and delivers CSA’s annual national events, including the Annual Conference. He cultivates strategic alliances with partners and sponsors for the benefit of CSA Members and ensures the effective integration of CSA’s national and state sponsorships.

Stephen joined CSA as Director, Education and Training in April 2011. He seeks to enhance the reputation and standing of the Graduate Diploma of Applied Corporate Governance, ensuring that it complies with all regulatory requirements and meets CSA’s international obligations. Similarly he augments the training programs by making them as relevant as possible and by strengthening their online delivery capability. He also works to further entrench CSA’s three Certificates as pathways to Certificated membership. Prior to working for CSA, he worked for the Institute of Actuaries as Director of Education, was a Global Education Manager for EMC (an international information technology company), and was the Head of Training for the ABC.
Profiles of CSA Members

Caroline Waldron FCIS
General Counsel & Company Secretary, David Jones Limited

Caroline Waldron joined David Jones as General Counsel & Company Secretary in 2005. In addition, in 2009, she was appointed to also lead the company’s risk management and internal audit functions.

She has over 23 years’ legal and commercial experience, of which 17 have been in senior in-house roles at large listed entities. She has held diverse portfolios, been involved in many noteworthy transactions, managed high-profile disputes and advised on numerous complex arrangements. Her strengths lie in influencing and advising boards and senior management on matters relating to risk management and corporate governance.

Caroline completed the Graduate Diploma of Applied Corporate Governance with CSA, and also holds an LLB (Hons) degree from the University of London. She has been a member of CSAs Legislation Review Committee since 2008.

Tom Bloomfield ACIS
General Manager, Corporate Secretarial Services, Boardroom Pty Limited

Boardroom Pty Limited is the Australian arm of SGX Listed Boardroom Limited, one of the Asia/Pacific leaders in the provision of share registry, corporate secretarial and other professional services.

He has international experience with global organisations, both ‘in-house’ and for a corporate services provider. He has experience working with and consulting to a range of international and domestic clients intending to set up in new jurisdictions and outsource current activities. He acts as a company secretary to various ASX listed, unlisted and private companies in Australia in numerous sectors.

Tom holds a Law degree, and a Graduate Diploma in Applied Corporate Governance and is currently undertaking a Masters degree at Sydney University.

Kirrilli Parker ACIS
Deputy Company Secretary (Executive), National Roads and Motorists’ Association Limited

Kirrilli has a Bachelor of Science and a Masters of Commerce, completed while working at Sydney University Rugby Club. She completed the Graduate Diploma of Applied Corporate Governance with CSA in 2005.

In 2003, she became Executive Officer with Sienna Cancer Diagnostics Limited, where she was responsible for corporate administration and supporting the Managing Director in overseeing the research, development and commercialisation of technology from the Ludwig Institute for Cancer Research as well as assisting the Company Secretary. She became Chief Operating Officer and Company Secretary at Giaconda Limited in 2005.

In 2007 she moved to NRMA as Deputy Company Secretary and was secretary to a number of NRMA’s operating subsidiaries until 2009. She then became secretary to the Governance, Compensation and Nomination Committee and the Policy and Advocacy Committee and also the secretary to NRMA’s four advisory panels of industry experts. Her role changed in 2010 to managing the group executive team and advising the CEO.

She is Chair of the NSW CSA Professional Development Committee and a member of CSAs NSW Council.

Mark Studd FCIS
Assistant Company Secretary, Woolworths Limited

Mark provides company secretarial support for Woolworths Limited, its home improvement joint venture with Lowes, and various subsidiaries in Australia and overseas, including New Zealand, India and Hong Kong.

He manages the secretariat area and provides corporate governance support and advice across the group.

Mark’s role has grown to cover the registration and management of trade marks and domain names across the Woolworths Limited group.

He has over 25 years’ professional experience in both the private and public sectors, including being company secretary in private and listed companies.

He has been a member of CSAs Legislation Review Committee since 2008.

Mark holds a Bachelor of Arts (Honours) from the University of New South Wales and a Masters of Business Administration from Macquarie University.
The National Council and the Board of CSA, who are listed on pages 28–32, gratefully acknowledge the commitment of our Members to policy development and our education and communication programs.

Legislation Review Committee

Peter Abraham FCIS
Consultant

Warren Baillie FCIS
Company Secretary, Woodside Energy Ltd

Paul Baranov FCIS
Legal Counsel, ASX Ltd

Pia Anne Maria Beach FCIS
Company Secretary, Energy Industry Ombudsman (SA) Ltd

Dalveen Belyea FCIS
Consultant, Gilbert + Tobin

Graeme Blackett FCIS
Commission Secretary, ASIC

Kate Brown FCIS
Principal Advisor, Governance, Rio Tinto Ltd

Priscilla Bryans FCIS
Partner, Freehills

Nick Burrows FCIS
Consultant

Sam Butcher FCIS
Director, Drascombe

Cecile Cooper ACIS
Company Secretary, Blackmores Ltd

Sue Crook FCIS
Director, Complete Governance Pty Ltd

Darryl Edwards FCIS*
Company Secretary, RCR Tomlinson Ltd

Nick Geddes FCIS
Director, Australian Company Secretaries Pty Ltd

James Gerraty FCIS
Manager of Issuers, Melbourne, ASX Group Ltd

Douglas Gratton FCIS
Barrister, Dawson Chambers

Ian Gregory FCIS
Principal, The Company Secretariat

Deborah Hambleton FCIS

Helen Hardy FCIS
Company Secretary, Origin Energy Ltd

John Hatton FCIS
Company Secretary, Commonwealth Bank of Australia Ltd

Michaela Healey FCIS
Company Secretary, National Australia Bank Group Ltd

Peter Janu FCIS
Company Secretary, WorleyParsons Ltd

Linda Kenyon FCIS
Company Secretary, Wesfarmers Ltd

Frances Kernot FCIS
General Manager, Governance & Planning — Corporate, Woodside Energy Ltd

Karen Lange FCIS
Contract Company Secretary, Company Secretarial & Governance Solutions

Diana Lohrisch FCIS**
Partner, McCullough Robertson

Margot Maasakkers FCIS
Deputy Company Secretary, Coca-Cola Amatil Ltd

Ross Mallett FCIS
Legal Counsel and Company Secretary, Icon Energy Ltd

Christine Manuel ACIS**
Group Secretariat Advisor, Santos Limited

Jane McAloon FCIS**
Group Company Secretary, BHP Billiton

Fiona Mead FCIS
Company Secretary, Asciano Group

Margaret Mezrani FCIS**
Deputy Group Company Secretary & Head of Secretariat, Mirvac Property Group

Trisha Mok FCIS

Sylvie Moser ACIS
Group Financial Controller, Highlands Pacific Ltd

Carmel Mulhern FCIS
Company Secretary, Telstra Corporation Ltd

Simon Pordage FCIS (Chairman)
Company Secretary, Australian Foundation Investment Company Ltd

Kathryn Presser ACIS
Company Secretary, Beach Petroleum Ltd

John Priestley FCIS
Company Secretary, ANZ Banking Group Ltd

Jan Redfern FCIS
Director — Governance & Regulatory, Ally Group

Vanessa Rees FCIS
Company Secretary, Leighton Holdings Ltd

John Rennie FCIS
Convenor, CSA Public Company Secretaries Discussion Group — Victoria

Ashley Roff FCIS
Director, Legal, Government Relations & Sustainability Aust & NZ, ABB Grain Ltd

Thea Rosenbaum FCIS*
Secretary, Australia Prudential Regulation Authority

Anna Sandham FCIS
Michael Scott ACIS
Manager Secretariat & Shareholder Relations, Tabcorp Holdings Ltd

Fiona Smith FCIS
Mark Studd FCIS
Assistant Company Secretary, Woolworths Ltd

Malcolm G Tyler FCIS**
General Counsel & Company Secretary, GUD Holdings Limited

Vicki Vordis ACIS**
Senior Company Secretary, AMP Ltd

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

Ken Weldin FCIS**
Executive Director — RCIP, Ernst & Young
Corporate and Legal Issues Committee

Mark Anning ACIS
Group Company Secretary / Legal Counsel, Vita Group Ltd

Paul Baranov FCIS (Chairman)
Legal Counsel, ASX Ltd

Felicity Daley ACIS**
Senior Associate, Corrs Chambers Westgarth

Garth Fountain-Smith FCIS**
Director, Principal Legal Practitioner, Fountain-Smith Lawyers and Governance Pty Ltd

Duncan Glasgow FCIS
Legal Counsel and Company Secretary, Sucrogen Ltd

Jason Harris FCIS**
Senior Lecturer, University of Technology Sydney

Kerry McGoldrick FCIS**
Enterprise Risk Manager, Woolworths Limited

David Munday ACIS
Company Secretary, New England Credit Union Ltd

Vicki Offner FCIS
Compliance Manager, QBE Insurance (Australia) Ltd

Cathy Oster FCIS**
Joint Company Secretary, Beach Energy Ltd

William Pallister FCIS
Chartered Secretaries Australia Ltd

Stephen Partington FCIS

Leanne Ralph ACIS
Principal Client Advisor, Boardworx Australia Pty Ltd

Lisa Storrs FCIS*
Director, Corporate Secretariat Services Pty Ltd

Professor Garry Tibbits ACIS
University of Western Sydney

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

Nigel Ulrich FCIS
General Manager Legal, Parmalat Australia Ltd

Peter Whynte FCIS
Executive Director, Governance, Compliance and Risk Consultants

Education Committee

Professor Linda Botterill**
Faculty of Business & Government, Canberra University

Laurie Factor FCIS (Chairman)

Jason Harris FCIS**
Senior Lecturer, University of Technology, Sydney

Garry Tibbits ACIS
Associate Dean (Academic), College of Business, University of Western Sydney

Belinda Webster FCIS*
Director, Governance & Legal, University of Tasmania

Wendy Wills FCIS
Business Director, Pembroke School Incorporated

Public Sector Governance Committee

Dr Alan Byrne FCIS
Manager Treasury — Procurement & Facilities, Lotterystar

Alan Evans FCIS
Corporation Secretary, Hydro Tasmania

Anthony Evans FCIS
General Manager & Secretary, Western Australian Planning Commission

Allan Garcia FCIS*
Chief Executive Officer, Local Government Association of Tasmania

Stephen Horne FCIS*
Managing Director, IAB Services

Naida Isenberg FCIS
Senior Member, NSW Administrative Appeals Tribunal

David Lee ACIS
Chief Executive Officer, Moynhe Health Services

Robert McGregor FCIS**
McGregor Consulting

Tony Nippard FCIS
Executive Director, Knowledge Management & Governance, Victorian State Services Authority

Thea Rosenbaum FCIS
Company Secretary, Australian Prudential Regulation Authority

Irene Rusak ACIS
General Counsel, General Counsel & Governance Group, Rail Corporation NSW

Irene Sitton ACIS
Manager, Audit Operations, Evaluation and Internal Audit Division, Department of Infrastructure & Planning (QLD)

Christopher Weh ACIS (Chairman)
Audit Manager, Queensland Audit Office

Chris Wells FCIS

David White FCIS
Principal Audit Manager, Public Sector Performance Commission, South Australia

John Williamson FCIS
General Manager — Corporate Governance, Tarong Energy Corporation Ltd

Leanne Wrightson ACIS*

Communication Committee

Frank Bush FCIS *
Director, Lisbourne Consulting

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

Andrew Kamm FCIS
Chief General Manager, Local Government Association of Tasmania

Brett Lane ACIS
Group Communications Manager, Monadelphous Group Ltd

Ross Mallett FCIS
Legal Counsel and Company Secretary, Icon Energy Ltd

Duncan Mansfield ACIS*
Project/Contract Manager, LG Infrastructure Services Pty Ltd

Trisha Mok FCIS

Simon Pordage FCIS*
Company Secretary, Australian Foundation Investment Company Ltd

Miquel Timmers ACIS
Group Taxation Manager, Oil Search Ltd

Peter Turnbull FCIS
Director, Calix Ltd

Chris Wells FCIS (Chairman)
* Resigned from committee in 2011
** Joined committee in 2011
Member milestones

Members who have attained Fellowship

The board congratulates Members who were elected to or advanced to Fellowship during 2011.

Michelle Alfred  QLD
Carole Ruth Alt  VIC
Mark Eric Harding Anning  QLD
Mark Andrew Baker  QLD
Jason Lee Berry  WA
Alison Mary Stuart Brideson  VIC
Heidi Anne Brown  WA
Adam Lloyd Coogan  NSW
Ian John Cunningham  WA
Christopher Bernard Dalton  VIC
Lisa Dalton  QLD
Kellie Heather Dean  VIC
Peter Donald Dunoon  NSW
Douglas Eric Dunstan  QLD
Belinda Jane Flatters  NSW
Ian Harold Gawler  VIC
Diana Janet Gillespie  VIC
David Roland Goodenough  NSW
Penelope Grau  VIC
Ralph Eric Green  NSW
Glenn Jeffrey Hardwick  TAS
Obert Holl  NSW
Zainul Hoosen  NSW
Derek John Inglis  TAS
Peter Arthur Jones  TAS
Michael Gerard Kent  NSW
Wendy Khi Tshing Kong  NSW
Roderick Bryson MacKinnon  NSW
Monika Sylvia Maedler  VIC
Kenneth Richard Matheson  QLD
Robert McGregor  NSW
Roderick Bryson MacKinnon  WA
Sanadand Naidu  NSW
Erik Palmbachs  WA
Stephen George Phillips  NSW
Rachel Jane Rees  SA
Andrew James Robinson  VIC
Dominic Charles Hamilton Rollerson  WA
Lauren Jane Rose  NSW
Ruth Shean  WA
Robert Alan Shedden  NSW
Andrew Jerome Skokandich  NSW
Edward Alexander Sparling  QLD
Jade Lauren Stynants  WA
Alan Michael Sweeney  NSW
Mark Andrew Thomas  WA
Samir Tirodkar  WA
Richard Morris Ward  OS
Raymond Christopher Young  NSW
Paul Yuk Wah Yue  NSW
Neville Zammit  NSW

Continuous membership

CSA congratulates the following Members who achieved milestones for continuous membership in 2011.

50 years

**New South Wales**

Bryan Padwick FCIS
David Barnsdall ACIS
Graham Barry ACIS
Raymond Bowker FCIS
Stanley Brogan ACIS
David Bussman ACIS
Edith Chase ACIS
Robin Cummins FCIS
James Davis FCIS
John Doherty FCIS
John Edwards FCIS
Eric Gilbert ACIS
Geoffrey Green FCIS
Claude Griffith ACIS
Richard Halpin ACIS
Maxwell Havworth FCIS
Brian Hazeldine ACIS
Robert Longstaff FCIS
Gregory Lynch FCIS
Roderick MacDonald ACIS
John McAdam FCIS
Bruce McLeod ACIS
John Miller ACIS
Frederick Rappaport ACIS
Gordon Robertson FCIS
James Slattery ACIS
James Spooner ACIS
Ronald Strachan ACIS
Clayton Turner ACIS
Warren Urane ACIS
Stanley Welsby ACIS

**South Australia**

Brian Burns FCIS
Murray Coleman FCIS
Bevan Craig FCIS
James Dunkley FCIS
John Curtis ACIS
James Hough ACIS
Brian Martin ACIS
Arthur Walters ACIS

**Queensland**

John Bliss FCIS
Norman Coldham-Fussell FCIS
David Newman ACIS
Ronald Rogers ACIS
Grahame Rose ACIS

**Western Australia**

Lloyd Crump ACIS
Robert Hutt FCIS
Eric Saxon ACIS
Noel Smith ACIS
Frederick Waterhouse ACIS
Raymond Winfield FCIS

Harvey Matterson FCIS
Peter Pollard FCIS
Graham Rogers ACIS
Frank Sutherland ACIS
George Sutherland ACIS
Lewis Tye ACIS
Michael Way ACIS

**Tasmania**

Harvey Matterson FCIS
Peter Pollard FCIS
Graham Rogers ACIS
Frank Sutherland ACIS
George Sutherland ACIS
Lewis Tye ACIS
Michael Way ACIS

**Victoria**

Maxwell Aiken ACIS
Francis Bannon ACIS
Kevin Chatley ACIS
Graeme Galbraith ACIS
George Henderson ACIS
John Kellaway ACIS
At year’s end, Members and Affiliates totalled 7,804 as follows:

Diversity of professional responsibilities of Members and subscribers*

- Governance, risk management and compliance: 3%
- Taxation: 2%
- Accounting/finance and auditing: 2%
- Corporations law (including ASX Listing Rules): 10%
- Insurance and superannuation: 6%
- Legal responsibility: 12%
- Workplace relations: 9%
- IT: 7%
- Intellectual property: 5%
- Property: 10%

Members and subscribers* by state

- NSW/ACT: 42%
- VIC: 24%
- QLD: 13%
- SA/NT: 5%
- TAS: 2%
- WA: 12%
- O/S: 1%

*As from 2012, Affiliates are known as subscribers.
Corporate governance statement

The eight core principles of the ASX Corporate Governance Council’s (ASXCGC) Corporate Governance Principles and Recommendations (2nd edition) apply to listed companies. CSA Ltd is not a listed company and does not have any obligations to report against these principles and recommendations, but is the leading education and membership organisation committed to advancing good corporate governance. The CSA Ltd Board (consolidated with National Council in 2009 to achieve improved efficiency and cost effectiveness) is, therefore, committed to report against these guidelines.

As at 31 December 2011, 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, which represents the Australian resident Members of ICSA. The directors’ responsibilities include 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; and approving and monitoring financial and other reporting to its Members in the form required by the Corporations Act 2001 (the Act).

The Board believes that its corporate governance practices should be indicative of sound 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 accountability. 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, the company’s financial position, organisational charts of business and management structure and meeting arrangements, as well as the respective rights, duties and roles of the Board and senior executives. A brand manual is also included that promotes the culture and values of the company. Directors are encouraged to interact with each other, senior executives and other stakeholders.

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) 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.

Compilation, agreement and regular performance management reviews between the CEO, direct reports and all other staff against job description and key performance indicators are conducted 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 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 on a discretionary basis, reimburse (upon successful completion) tertiary or postgraduate study to selected senior and middle-level staff.

Additionally, independent research and surveys of all staff, the Board and the CEO have been conducted a number of times with regard to the human relations, organisational culture and leadership 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 11 non-executive directors. All directors are Members of CSA Ltd and are on, or observers to, 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 and notes to the financial statements. 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 Chair and according to the terms of the company policy.

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 midyear over a two- to three-day period.

“ 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 Chair and according to the terms of the company policy. ”

Up until 15 July 2011, members of the Board were appointed by National Council, who are elected by all Members of CSA on a state-by-state basis. Following the adoption of a new constitution by all Members in general meeting, directors are elected directly by Members annually on a rotational basis, with
each current director bringing a range of complementary skills and experience to the company as indicated on pages 30–31 of the Directors’ report in the annual report.

To assist the Board in discharging its responsibilities, it has established a number of Board committees including a Board Executive, Remuneration and Risk, Audit and Finance Committee. Communication and Education committees have also been established, and are comprised of non-executive directors and non-board members. Each of these committees has mandated operating procedures that are governed by their respective charters.

It is the Board’s policy that Board committees and their chairmen are appointed by the Board. Each Board committee 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 policy on directors’ access to professional advice and 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 Chair is considered by the Board to be independent in terms of the ASXCGC’s definition of independent director.

The company’s Chair and CEO have separate roles. The Chair 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 annual general meeting (AGM) of National Council and National Council reviews the performance of its service agreement.

An independent Nomination Committee has been established by National Council. Since the consolidation of the National Council and Board in 2009, the Nomination Committee has for the most part focused on succession planning in relation to the honorary officers.

The Company Secretary is accountable to the Board, through the Chair, 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 and reporting 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 specified in the company’s Code of Business Conduct and Ethics.

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 good corporate governance and administrative practice. To ensure this occurs, the company
conducts its business within the Code of Business Conduct and Ethics, that documents and outlines 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.

The company provides in the annual report the proportion of women employees in the organisation as a whole, women in senior executive positions and women on the Board, as indicated on page 32 of the Directors’ report in the annual report. As can be seen, CSA Ltd has a diverse workforce but does not currently have a formal policy on which it reports.

CSA Ltd proactively supports the requirement for listed entities to report against the Recommendations in the ASXCGC’s principles and recommendations. A joint survey of company secretaries in listed companies was undertaken to establish their capacity to meet the new Principle 3 requirement to establish a policy concerning diversity and set in place measurable targets for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them. CSA partnered with Women on Boards (WOB) to provide new joint guidelines to assist ASX listed entities to develop gender diversity strategies and comply with the new reporting requirements.

Principle 4: Safeguard integrity in financial reporting

CSA Ltd’s CEO and DFA report in writing to the directors, the Risk, Audit and Finance 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. During 2009 its charter was expanded to include the review and evaluation of the company’s risk management processes and framework, as well as financial functions. The membership of the committee consists of independent non-executive directors. Details of their attendance at committee meetings are set out in the directors’ report.

The principal functions of the Risk, Audit and Finance Committee are governed by its charter. Its objectives are to assist the Board in the discharge of its responsibilities in respect of the preparation of the company’s financial statements, through the review and consideration of those statements and the company’s internal financial controls; recommendations to the Board of nominees for appointment as external auditors to meet the terms of the auditor rotation policy; the review of the scope of the audit, the level of audit fees and the performance of the external auditors; the provision of a line of communication between the Board and the external auditors; and the examination of the external auditors’ evaluation of internal controls and management’s response, and the risk management framework as well as other financial functions.

CSA partnered with Women on Boards to provide new joint guidelines to assist ASX listed entities to develop gender diversity strategies and comply with the new reporting requirements.

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 below.

Principle 6: Respect the rights of shareholders

The company does not have shareholders but Members. The company’s Member communication policy provides for 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. The mechanisms employed include:

• regular Member communications such as the monthly journal, Keeping good companies, incorporating the President’s Commentary, CEO reports on advocacy in the column ‘Acting for You’, international developments in the ICSA International article, CSA Members’ Benefits column and a professional development calendar
• the annual and full financial report, circulated to Members prior to the company’s AGM according to their choice, with notice given to all Members 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 information and updates through the monthly e-newsletter, CSA news update, other e-communications and the CSA website.

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.

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 through directed proxies at the AGM by marking the appropriate boxes on CSA’s recommended ‘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, which is also published in full in the journal.

CSA Ltd’s practice is to ensure that 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 and 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 business continuity management, CEO’s office, education and training, finance and administration, marketing, membership, policy, publishing, reputation and strategic risks, states’ service delivery, strategic market product and development risks, social media and special projects such as the new website.

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 Chair of the Risk, Audit and Finance Committee and circulation to the Board of the minutes of each meeting held by that 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 areas of responsibility, to ensure that all business risks and mitigating strategies in respect of those risks 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 Act 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 and 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 Committee in 1999. At the present time the Remuneration Committee comprises the Board Executive and past President, whose principal functions include reviewing and approving the remuneration of the CEO and senior executives of the company, and 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 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, other than as disclosed in related-party transactions at Notes 6 and 16 of the Financial Statements.

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 specified in the Directors’ report on pages 30–31 of the annual 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. During the year the company executed deeds of indemnity, insurance and access agreements with the directors and senior officers of the company.
Directors’ report

Your directors present this report on the company for the financial year ended 31 December 2011.

Principal activities, objectives and strategies

The principal activities of CSA Ltd during the year were to promote and advance the effective governance and administration of organisations in the private and public sectors through the continued development and application of high-level governance skills, knowledge and research and administrative best practice.

There was no significant change in the nature of the activities during the year and the operations are in accordance with the constitution. The company’s financial report has been prepared in accordance with Australian Accounting Standards which include the Australian equivalent to International Financial Reporting Standards (AIFRS).

In order to meet its abovementioned long-term objectives, the company will strive to:

• be recognised as the leading independent voice of best practice in governance and risk management
• proactively support governance professionals as the leading provider of quality intellectual property, higher education, training and support
• engage with and bring value to the full range of governance professionals.

The company’s short-term objective will be to focus on existing target markets for the next 12 to 18 months and then expand and sustain Member retention at 97 per cent or better.

In order to meet its short-term objectives, the company will continue to:

• emphasise Member retention and satisfaction as a first priority
• broaden the pathways to membership at the open-entry and postgraduate level
• place greater emphasis on increasing the number of Certificated Members and better gender diversity
• encourage a targeted approach to engage with the Commonwealth and state public sectors
• enhance Member involvement in the not-for-profit sector.

Financial results

An operating surplus from ordinary activities of $17,313 was made for the year after providing for income tax.

The surplus attributable to Members amounting to $16,820 was made after allowing for a net loss on disposal of assets amounting to $493.

Accumulated Members’ funds at year end totalled $4,720,005.

Dividends

Being limited by guarantee, CSA Ltd does not pay dividends.
Review and result of operations

Company performance is assessed in management reviews between the CEO, direct reports and all other staff against job description and key performance indicators. Reviews are conducted at least biannually. The targets contained within the strategic plan are linked to the key performance indicators.

Revenue for the year primarily came from subscriptions of $2,449,618; education fees of $2,233,453; training, events and publications of $2,765,337; sponsorship of $519,022; investment income of $159,193; and other income for services of $82,384.

Expenditure for the year was primarily on direct costs for training, events and publications of $1,063,388; direct costs for education courses of $641,171; profile-raising activities and website maintenance of $448,059; international activities of $565,950 (including $341,346 expended on the ICSA Structural Reform matters); $110,533 on the Chant Legacy Trust for legal fees incurred for a cy pres scheme for scholarships; and governance and administration of $5,362,593.

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 Chairman and CEO report on pages 4–5.

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.

Continuing members of the Board of CSA Ltd are Warren Baillie FCIS, Frank Bush FCIS, Alan Evans FCIS, Douglas Gration FCIS, Andrew Horne FCIS, Trisha Mok FCIS, Bill te Kloot FCIS, Peter Turnbull FCIS, Wendy Wills FCIS. John Williamson FCIS was appointed on 15.2.12 and Simon Pordage FCIS was appointed on 16.2.12

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

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

Warren Baillie  LLB, BCom, Grad Dip CSP, FCIS (appointed 12.1.11) — Experienced in company secretarial practice and corporate governance, and corporate and commercial law. Currently Company Secretary of Woodside Energy Ltd.

Frank Bush  FCIS, SF Fin, Solicitor (appointed 1.1.09) — Experienced in company secretarial practice and corporate governance, and corporate and commercial law. Currently Company Secretary of Woodside Energy Ltd.

Nick Geddes  FCIS, FCA (appointed 1.1.09 – 31.12.11) — 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. Australian Division President, 2009.

Alan Evans  BBus (Law), FCIS, MAICD (appointed 4.6.09) — General Manager Corporate Governance and Corporation Secretary for Hydro Tasmania for the last seven years. A corporate governance and secretarial practice and law professional, he has over 25 years of practical international experience at executive level and as an executive and non-executive director on boards of Australian, USA and European companies. Alan has lectured in corporate governance, secretarial practice and law.

Peter Turnbull  BEc, MBA, FCIS, FAICD, FCPA (appointed 4.6.09) — A governance professional experienced in company secretarial practice, corporate governance, corporate law, and legal roles. John has also had substantial governance and company secretary experience from both a corporate and consulting perspective. He currently serves as a Non-Executive Director of Boystown Ltd.

Bill te Kloot  MA, BCom, FCIS, FAICD, Cdec (appointed 4.6.09) — A governance professional experienced in company secretarial practice, corporate governance, and risk management, company secretary of a number of private companies, and a director of several private companies. Formerly Company Secretary of Vita Group Limited. Australian Division President and Chairman of the Board of CSA Ltd 2012.


John Williamson  BA, LLB, FCIS, FAusIMM, MAICD (appointed 15.2.12) — Broad experience in several industry sectors spanning some 35 years and covering senior management, commercial, advisory and legal roles. John has also had substantial governance and company secretary experience from both a corporate and consulting perspective. He currently serves as a Non-Executive Director of Boystown Ltd.

Wendy Wills  BEc, MBA, FCIS, FAICD, FCPA (appointed 4.6.09) — Experienced in governance, financial management, risk and compliance in the not-for-profit and education sectors. Currently Business Director at Pembroke School, South Australia with
previous experience in multimedia, government, finance and consulting.

**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 listed on pages 30–31. 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. During the year the company executed deeds of indemnity, insurance and access agreements with the directors and senior officers of the company.

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 to the Financial Statements on page 40.

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

**Attendance at directors’ meetings**

During 2011 attendance by individual directors (including when represented by alternates) at meetings they were entitled to attend, was as follows.

<table>
<thead>
<tr>
<th>Board of Directors</th>
<th>Risk, Audit &amp; Finance Committee</th>
<th>Remuneration Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warren Baillie</td>
<td>7 of 9</td>
<td>–</td>
</tr>
<tr>
<td>Frank Bush</td>
<td>4 of 9</td>
<td>–</td>
</tr>
<tr>
<td>Alan Evans</td>
<td>7 of 9</td>
<td>–</td>
</tr>
<tr>
<td>Nick Geddes</td>
<td>6 of 9</td>
<td>5 of 5</td>
</tr>
<tr>
<td>Douglas Gratton</td>
<td>9 of 9</td>
<td>5 of 5</td>
</tr>
<tr>
<td>Andrew Horne</td>
<td>7 of 9</td>
<td>–</td>
</tr>
<tr>
<td>Trisha Mok</td>
<td>7 of 9</td>
<td>–</td>
</tr>
<tr>
<td>Bill te Kloot</td>
<td>9 of 9</td>
<td>5 of 5</td>
</tr>
<tr>
<td>Peter Turnbull</td>
<td>8 of 9</td>
<td>5 of 5</td>
</tr>
<tr>
<td>Chris Wells</td>
<td>7 of 9</td>
<td>–</td>
</tr>
<tr>
<td>Wendy Wills</td>
<td>8 of 9</td>
<td>5 of 5</td>
</tr>
</tbody>
</table>
Liability of Members on winding up

The liability of Members (or within one year after ceasing to be a Member) on winding up is limited to an amount not exceeding $100.

Diversity of employees

In terms of the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations reporting requirements, the proportion of women employees in the whole organisation, women in senior executive positions and women on the board are as follows:

<table>
<thead>
<tr>
<th>In whole of organisation</th>
<th>In senior executive positions</th>
<th>On the board</th>
</tr>
</thead>
<tbody>
<tr>
<td>71%</td>
<td>50%</td>
<td>18%</td>
</tr>
</tbody>
</table>

Since January 2005, the total proportion of women Members and Affiliates of CSA Ltd has more than doubled from ten per cent to 21.4 per cent as at 31 December 2011.

Approximately 50 per cent of Graduate Diploma and Certificate student enrolments are women.

Company details

The registered office and principal place of business of the company is:
Level 10, 5 Hunter Street
Sydney NSW 2000 Australia.
ABN 49 008 615 950

Company Secretary

Stan Jodeikin BCom, Dip Bus Mgt (Hons), Grad Dip Accounting, FCIS, FCPA, FNA, 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 October 2000.

Also Australian Secretary of the Australian Division of the Institute of Chartered Secretaries & Administrators.

Auditor’s independence declaration

The Auditor’s independence declaration is set out on page 47 and forms part of the Directors’ report for the financial year ended 31 December 2011.

Directors’ signatures

On behalf of the board by resolution of the directors, as signed above.
SYDNEY, 17 March 2012
# STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2011

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2</td>
<td>8,209,007</td>
<td>7,586,997</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>3</td>
<td>(287,060)</td>
<td>(252,217)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>3</td>
<td>(7,452,755)</td>
<td>(7,074,577)</td>
</tr>
<tr>
<td>ICSA structural reform</td>
<td>3</td>
<td>(341,346)</td>
<td>–</td>
</tr>
<tr>
<td>Chant Legacy Trust legal fees</td>
<td>3</td>
<td>(110,533)</td>
<td>–</td>
</tr>
<tr>
<td>Surplus before income tax expense</td>
<td></td>
<td>17,313</td>
<td>260,203</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>1(e)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Surplus after income tax</td>
<td></td>
<td>17,313</td>
<td>260,203</td>
</tr>
<tr>
<td>Net loss on disposal of asset</td>
<td>3</td>
<td>(493)</td>
<td>(168)</td>
</tr>
<tr>
<td>Surplus attributable to Members</td>
<td></td>
<td>16,820</td>
<td>260,035</td>
</tr>
<tr>
<td>Other comprehensive income for the year</td>
<td></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total comprehensive income for the year attributable to Members</td>
<td></td>
<td>16,820</td>
<td>260,035</td>
</tr>
</tbody>
</table>

# STATEMENT OF FINANCIAL POSITION as at 31 December 2011

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>7</td>
<td>2,610,803</td>
<td>2,984,469</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>8</td>
<td>173,744</td>
<td>121,571</td>
</tr>
<tr>
<td>Other</td>
<td>9</td>
<td>253,467</td>
<td>253,744</td>
</tr>
<tr>
<td>Total current assets</td>
<td></td>
<td>3,038,014</td>
<td>3,359,784</td>
</tr>
<tr>
<td>Non-current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>10</td>
<td>3,740,385</td>
<td>3,945,880</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>11</td>
<td>430,431</td>
<td>–</td>
</tr>
<tr>
<td>Total non-current assets</td>
<td></td>
<td>4,170,816</td>
<td>3,945,880</td>
</tr>
<tr>
<td>Total assets</td>
<td></td>
<td>7,208,830</td>
<td>7,305,664</td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>12</td>
<td>684,911</td>
<td>627,390</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>13</td>
<td>1,341,152</td>
<td>1,553,763</td>
</tr>
<tr>
<td>Provisions</td>
<td>14(a)</td>
<td>422,301</td>
<td>384,932</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td></td>
<td>2,448,364</td>
<td>2,566,085</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td>14(b)</td>
<td>40,461</td>
<td>36,394</td>
</tr>
<tr>
<td>Total non-current liabilities</td>
<td></td>
<td>40,461</td>
<td>36,394</td>
</tr>
<tr>
<td>Total liabilities</td>
<td></td>
<td>2,488,825</td>
<td>2,602,479</td>
</tr>
<tr>
<td>Net assets</td>
<td></td>
<td>4,720,005</td>
<td>4,703,185</td>
</tr>
<tr>
<td>Members’ funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserves</td>
<td>4</td>
<td>763,033</td>
<td>763,033</td>
</tr>
<tr>
<td>Retained surplus</td>
<td>5</td>
<td>3,956,972</td>
<td>3,940,152</td>
</tr>
<tr>
<td>Total Members’ funds</td>
<td></td>
<td>4,720,005</td>
<td>4,703,185</td>
</tr>
</tbody>
</table>
### STATEMENT OF CHANGES IN MEMBERS’ FUNDS for the year ended 31 December 2011

<table>
<thead>
<tr>
<th>Note</th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPENING BALANCE</td>
<td>4,703,185</td>
<td>4,443,150</td>
</tr>
<tr>
<td>Transfer net (loss) on disposal asset</td>
<td>3</td>
<td>(493)</td>
</tr>
<tr>
<td>Surplus recognised directly in Members’ funds</td>
<td></td>
<td>(493)</td>
</tr>
<tr>
<td>Surplus from ordinary activities</td>
<td></td>
<td>17,313</td>
</tr>
<tr>
<td>Total recognised income and expenses for the year attributable to the Members</td>
<td>5</td>
<td>16,820</td>
</tr>
<tr>
<td>CLOSING BALANCE</td>
<td>4,720,005</td>
<td>4,703,185</td>
</tr>
</tbody>
</table>

### STATEMENT OF CASH FLOWS for the year ended 31 December 2011

<table>
<thead>
<tr>
<th>Note</th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subscriptions received</td>
<td>2,299,055</td>
<td>2,606,998</td>
</tr>
<tr>
<td>Receipts from courses and other activities</td>
<td>6,028,367</td>
<td>5,417,118</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(8,170,234)</td>
<td>(7,482,331)</td>
</tr>
<tr>
<td>Interest received</td>
<td>159,193</td>
<td>135,689</td>
</tr>
<tr>
<td>GST paid</td>
<td>(178,051)</td>
<td>(178,368)</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>18(b)</td>
<td>138,330</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments for property, plant and equipment</td>
<td>(81,565)</td>
<td>(297,682)</td>
</tr>
<tr>
<td>Payments for website development</td>
<td>(430,431)</td>
<td>–</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(511,996)</td>
<td>(297,682)</td>
</tr>
<tr>
<td>Net (decrease) / increase in cash held</td>
<td>(373,666)</td>
<td>201,424</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of year</td>
<td>2,984,469</td>
<td>2,783,045</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of year</td>
<td>18(a)</td>
<td>2,610,803</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2011

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.

The financial statements are presented in Australian dollars, which is the company’s functional currency and domicile.

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.

The financial statements were authorised for issue by the Board of Directors on 17 March 2012.

The following is a summary of the material accounting policies adopted by the company 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 $100. As CSA Ltd is limited by guarantee, there is no reference in the statement of financial position to share capital or shareholders’ equity.

(b) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognised net within other income/other expenses in surplus or deficit.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the asset if it is probable that the future economic benefits embodied within the component will flow to the company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in surplus or deficit as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. Depreciation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term. Land is not depreciated.

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

<table>
<thead>
<tr>
<th>Class of fixed asset</th>
<th>Depreciation rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building — strata entitlement</td>
<td>1.33%</td>
</tr>
<tr>
<td>Strata and leasehold improvements</td>
<td>20%</td>
</tr>
<tr>
<td>Computer systems, furniture and office equipment</td>
<td>10% – 33.33%</td>
</tr>
</tbody>
</table>

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(c) Intangible assets

(i) Website development costs

Expenditure on research activities, undertaken with the prospect of gaining new technical knowledge and understanding, is recognised in profit or loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or
process is technically and commercially feasible, future economic benefits are probable, and the company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

(ii) Subsequent expenditure
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(iii) Amortisation
Intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use. The estimated useful lives for the current years are as follows:

- Capitalised website development costs 5 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(d) Leases
Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

(e) Income tax
CSA Ltd is for income tax purposes endorsed as a charitable institution. Its income is therefore exempt from Income Tax under Subdiv 50–B of the Income Tax Assessment Act 1997.

(f) Goods and services tax
Revenues, expenses and assets are recognised net of the amounts 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 Statement of Financial Position. 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.

(g) Payroll tax
During 2009, the company became exempt from the payment of payroll tax in NSW under the provisions of Schedule 2 Division 4 Clause 12(1)(c) of the Payroll Tax Act 2007 (NSW).

(h) Cash and cash equivalents
Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments.

(i) 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.

(j) Revenue recognition
Revenue represents income earned from membership subscriptions and the provision of related services. Membership subscription revenue is recognised as and when received in relation to the current period. 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. All revenue is stated net of the amount of GST.

(k) Financial instruments

Initial recognition and measurement
Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset.

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified ‘at fair value through surplus or deficit’ in which case transaction costs are expensed to surplus or deficit immediately.

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 company 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 statement of comprehensive income.

Classification and subsequent measurement
Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost.
(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. Loans and receivables are included in current assets, except those which are not expected to mature within 12 months after reporting date, which will be classified as non-current assets. Loans and receivables comprise cash and cash equivalents and trade and other receivables.

(ii) Held to maturity investments
Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after reporting date, which will be classified as current assets.

(iii) Financial liabilities
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method. Other financial liabilities comprise trade and other payables.

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 statement of comprehensive income.

(l) Impairment of assets
At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

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

(m) 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.

Provisions are measured using the best estimate of the amounts required to settle the obligation at reporting date.

(n) Trusts
The Institute Trust and The Institute No 2 Trust were established in 1993 to accept gifts and bequests from Members and others.

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 had been left to CSA Ltd to set up a trust to pay scholarships tenable overseas for advancement in secretarial and administrative knowledge to immediate postgraduate candidates of the Institute's examination.

The terms of the original will were found to be impracticable and following approval of a cy pres scheme in the Supreme Court of New South Wales, on 28 October 2011 before Bryson AJ, the purposes of the Trust were confirmed to be that:
- the Trustee (Chartered Secretaries Australia Ltd) holds, uses and applies the trust property to pay scholarships for entry:
  a) into the Trustee's postgraduate courses dealing with applied corporate, public sector and/or not-for-profit sector governance, and
  b) into any other postgraduate course dealing with applied corporate, public sector and/or not-for-profit sector governance whether in Australia or overseas
- the scholarships are available to any persons with tertiary qualifications including, but not limited to, graduates from any courses which contain a corporate governance, company administration or public sector management component, whether that course has been conducted by the Trustee or any other government accredited Australian tertiary education institution
- the scholarships would be tenable at the Trustee, government accredited overseas institutions or any other government accredited Australian tertiary education institutions offering such courses, that the Trustee considers to be appropriate.

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 19.

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

(p) 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.

(q) Foreign currency transactions and balances
Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at
the year-end exchange rate. Exchange differences arising on the transaction of monetary items are recognised in the statement of comprehensive income.

(r) Trade and other payables
Trade and other payables represent the liability outstanding at reporting date for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Deferred revenue represents revenue received in advance which is not entitled to be recognised in the current period.

(s) New accounting standards for application in future periods
A number of Australian Accounting Standards have been issued or amended which are not yet effective and have not been adopted in preparation of the financial statements at the reporting date. They are not expected to affect the company in future years.

(t) Subsidiary companies
During the prior year CSA Ltd registered three subsidiary companies with ASIC to reserve appropriate names for future activities. The companies are dormant and have not commenced trading.

In accordance with AASB 127 (Aus1.3), the directors have determined that the three subsidiary companies are immaterial, both individually and in aggregate, to the financial position, performance and cash flows of the Group and consolidated financial statements have not been prepared.

The Directors of the subsidiary companies are noted as per the Directors’ report on pages 30–31.

<table>
<thead>
<tr>
<th>2. Revenue</th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member and Affiliate subscriptions</td>
<td>2,449,618</td>
<td>2,383,849</td>
</tr>
<tr>
<td>Education</td>
<td>2,233,453</td>
<td>2,247,870</td>
</tr>
<tr>
<td>Training and events</td>
<td>2,573,925</td>
<td>2,186,718</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>519,022</td>
<td>503,230</td>
</tr>
<tr>
<td>Interest</td>
<td>159,193</td>
<td>135,689</td>
</tr>
<tr>
<td>Other income</td>
<td>82,384</td>
<td>95,569</td>
</tr>
<tr>
<td>Publications, journal and merchandise</td>
<td>191,412</td>
<td>34,072</td>
</tr>
<tr>
<td>Total revenue</td>
<td>8,209,007</td>
<td>7,586,997</td>
</tr>
</tbody>
</table>
# Financial report

## 3. Surplus from ordinary activities

Surplus from ordinary activities is stated before income tax expense has been determined, after charging:

<table>
<thead>
<tr>
<th>Expenses</th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation and amortisation of non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building</td>
<td>16,864</td>
<td>16,864</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>169,900</td>
<td>142,309</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>100,296</td>
<td>93,044</td>
</tr>
<tr>
<td><strong>Total depreciation and amortisation of non-current assets</strong></td>
<td><strong>287,060</strong></td>
<td><strong>252,217</strong></td>
</tr>
<tr>
<td>Personnel</td>
<td>3,456,294</td>
<td>3,209,792</td>
</tr>
<tr>
<td>Superannuation contributions</td>
<td>269,079</td>
<td>268,261</td>
</tr>
<tr>
<td>ICSA, UK — capitation fee</td>
<td>82,698</td>
<td>113,598</td>
</tr>
<tr>
<td>Rental expenses on operating leases</td>
<td>320,454</td>
<td>298,852</td>
</tr>
<tr>
<td>Occupancy and state facilities</td>
<td>158,092</td>
<td>152,328</td>
</tr>
<tr>
<td>Auditor’s remuneration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit</td>
<td>22,660</td>
<td>25,000</td>
</tr>
<tr>
<td>Other services</td>
<td>18,088</td>
<td>2,800</td>
</tr>
<tr>
<td>Other expenses from ordinary activities</td>
<td>3,125,390</td>
<td>3,003,946</td>
</tr>
<tr>
<td><strong>Total other expenses</strong></td>
<td><strong>7,452,755</strong></td>
<td><strong>7,074,577</strong></td>
</tr>
<tr>
<td>ICSA structural reform costs incurred during the year consist of legal, meetings, constitutional and proxy solicitation fees spent on the ICSA/CSA governance matters</td>
<td>341,346</td>
<td>–</td>
</tr>
<tr>
<td>Chant Legacy Trust legal fees — CSA’s portion in terms of cy pres scheme as per note 1(n)</td>
<td>–</td>
<td>110,533</td>
</tr>
<tr>
<td><strong>Expenses from non-operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net loss on disposal of asset</td>
<td>(493)</td>
<td>(168)</td>
</tr>
</tbody>
</table>

## 4. Reserves

<table>
<thead>
<tr>
<th>Reserves</th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital surplus reserve</td>
<td>745,933</td>
<td>745,933</td>
</tr>
<tr>
<td>Works of art revaluation reserve</td>
<td>17,100</td>
<td>17,100</td>
</tr>
<tr>
<td><strong>Total reserves</strong></td>
<td><strong>763,033</strong></td>
<td><strong>763,033</strong></td>
</tr>
</tbody>
</table>

## 5. Retained surplus

<table>
<thead>
<tr>
<th>Retained surplus</th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained surplus at beginning of the year</td>
<td>3,940,152</td>
<td>3,680,117</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>16,820</td>
<td>260,035</td>
</tr>
<tr>
<td><strong>Retained surplus at the end of the year</strong></td>
<td><strong>3,956,972</strong></td>
<td><strong>3,940,152</strong></td>
</tr>
</tbody>
</table>
6. Key management personnel compensation

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

For presentations at education courses, training programs, exam moderation and authors’ fees

<table>
<thead>
<tr>
<th>Name</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Douglas Gration</td>
<td>–</td>
<td>2,000</td>
</tr>
<tr>
<td>Andrew Horne</td>
<td>1,717</td>
<td>9,895</td>
</tr>
<tr>
<td>Ross Mallett (retired as Director on 31 December 2010)</td>
<td>–</td>
<td>500</td>
</tr>
<tr>
<td>Bill te Kloot</td>
<td>700</td>
<td>650</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,417</td>
<td>13,045</td>
</tr>
</tbody>
</table>

Other key management personnel
Susan Bradbrook (Manager, South Australia & Northern Territory)
Emma Churchill (Manager, Queensland)
Peter Dongas (Regional Director, New South Wales & Australian Capital Territory)
Judith Fox (Director, Policy)
Leigh Grant (Manager, Western Australia)
Stan Jodeikin (Company Secretary / Director, Finance and Administration)
Tim Sheehy (Chief Executive Officer)
Sh’vorn Sumner (Regional Director, Victoria, South Australia & Tasmania) appointed 27 September 2010
Marc Wanstall (Director, Marketing & Membership Services)
Stephen Wright (Director, Education and Training) appointed 11 April 2011
Irene Booth (Director, Education and Training) resigned 24 December 2010
Kellie Hamilton (Regional Director, Victoria, South Australia & Tasmania) resigned 3 September 2010

7. Cash and cash equivalents

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>800</td>
<td>800</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>485,950</td>
<td>520,593</td>
</tr>
<tr>
<td>Cash on deposit</td>
<td>2,124,053</td>
<td>2,463,076</td>
</tr>
<tr>
<td><strong>Total cash and cash equivalents</strong></td>
<td>2,610,803</td>
<td>2,984,469</td>
</tr>
</tbody>
</table>

8. Trade and other receivables

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>173,744</td>
<td>121,571</td>
</tr>
<tr>
<td><strong>Total trade and other receivables</strong></td>
<td>173,744</td>
<td>121,571</td>
</tr>
</tbody>
</table>

There is no impairment or significant credit risk with any debtor balance.
9. Other assets

Property and leasehold improvements
Prepayments

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepayments</td>
<td>253,467</td>
<td>253,744</td>
</tr>
</tbody>
</table>

10. Property, plant and equipment

Non-current

Building

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strata entitlement — at cost — Hunter Street, Sydney</td>
<td>3,100,000</td>
<td>3,100,000</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>703,051</td>
<td>833,223</td>
</tr>
<tr>
<td>Less: accumulated depreciation and amortisation</td>
<td>(444,959)</td>
<td>(457,972)</td>
</tr>
<tr>
<td></td>
<td>3,358,092</td>
<td>3,475,251</td>
</tr>
</tbody>
</table>

Computer system, furniture and office equipment at cost

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer system, furniture and office equipment at cost</td>
<td>1,567,327</td>
<td>1,496,758</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(1,209,861)</td>
<td>(1,050,956)</td>
</tr>
<tr>
<td></td>
<td>357,466</td>
<td>445,802</td>
</tr>
</tbody>
</table>

Works of art at valuation

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Works of art at valuation</td>
<td>24,827</td>
<td>24,827</td>
</tr>
</tbody>
</table>

Total property, plant and equipment

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total property, plant and equipment</td>
<td>3,740,385</td>
<td>3,945,880</td>
</tr>
</tbody>
</table>

Valuation of strata entitlement

The strata entitlement is measured at cost less accumulated depreciation and accumulated impairment losses. The Board policy, recognising statutory requirements for assessment of Statement of Financial Position impairment indicators, is that a valuation at current market value be obtained from a registered valuer at three-yearly intervals, and that for each intervening year directors determine a value as at 31 December based on the most recent valuation, market research and other relevant information.

Strata entitlement at Level 10, 5 Hunter Street, Sydney: purchased on 12 October 2004 for initial cost of $3,100,000. The most recent valuation report dated 17 February 2012 was based on an inspection of the property on 14 February 2012, prepared by George Paton FAPR, FRICS, FREI, AIAMA, Certified Practising Valuer, Registered Valuer No 1212 and Director of Chesterton International (NSW) Pty Limited and valued the strata entitlement at $3,750,000 (the 2009 value was $3,600,000). On this basis the directors believe that there are no indicators of impairment of the asset carrying value as at 31 December 2011.

The strata entitlement is encumbered by a registered first mortgage as detailed per Note 20(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.

<table>
<thead>
<tr>
<th></th>
<th>Property and leasehold improvements</th>
<th>Computer systems, furniture and office equipment</th>
<th>Works of art</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Balance at beginning of year</td>
<td>3,475,251</td>
<td>445,802</td>
<td>24,827</td>
<td>3,945,880</td>
</tr>
<tr>
<td>Additions (net of disposals)</td>
<td>–</td>
<td>81,565</td>
<td>–</td>
<td>81,565</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>(117,160)</td>
<td>(169,900)</td>
<td>–</td>
<td>(287,060)</td>
</tr>
<tr>
<td>Carrying amount at end of the year</td>
<td>3,358,091</td>
<td>357,467</td>
<td>24,827</td>
<td>3,740,385</td>
</tr>
</tbody>
</table>
11. Intangible assets

Website development costs

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of the year</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Acquisitions — internally developed</td>
<td>430,431</td>
<td>–</td>
</tr>
<tr>
<td>Balance at end of year</td>
<td>430,431</td>
<td>–</td>
</tr>
</tbody>
</table>

Amortisation and impairment losses

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of year</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Amortisation for the year</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Balance at end of year</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

Carrying amounts at end of year   | 430,431 | –      |

Website development costs

During the current year the company began development of a new integrated website. The website is expected to be launched during the first quarter of 2012, at which time the intangible asset will be considered ready for use. Amortisation will commence from that time.

12. Trade and other payables

Current

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors and accruals</td>
<td>481,312</td>
<td>398,059</td>
</tr>
<tr>
<td>Net GST liability</td>
<td>35,186</td>
<td>95,112</td>
</tr>
<tr>
<td>Accrued ICSA capitation fee</td>
<td>61,040</td>
<td>20,712</td>
</tr>
<tr>
<td>Payroll and PAYG tax payable</td>
<td>107,329</td>
<td>95,761</td>
</tr>
<tr>
<td>Fringe benefits tax payable</td>
<td>44</td>
<td>17,746</td>
</tr>
<tr>
<td></td>
<td>684,911</td>
<td>627,390</td>
</tr>
</tbody>
</table>

13. Deferred revenue

Subscriptions and fees in advance | 1,341,152 | 1,553,763 |


(a) Current

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for annual leave</td>
<td>175,335</td>
<td>150,121</td>
</tr>
<tr>
<td>Provision for long service leave</td>
<td>246,966</td>
<td>234,811</td>
</tr>
<tr>
<td></td>
<td>422,301</td>
<td>384,932</td>
</tr>
</tbody>
</table>

(b) Non-current

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for long service leave</td>
<td>40,461</td>
<td>36,394</td>
</tr>
<tr>
<td></td>
<td>40,461</td>
<td>36,394</td>
</tr>
</tbody>
</table>

Average number of full-time equivalent employees | 35.4 | 33.3 |

15. Leasing commitments

Operating lease commitments

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

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-cancellable leases</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payable: Not later than one year</td>
<td>386,174</td>
<td>367,855</td>
</tr>
<tr>
<td>Later than one but not later than five years</td>
<td>1,357,092</td>
<td>1,502,701</td>
</tr>
<tr>
<td>Later than five years</td>
<td>–</td>
<td>113,672</td>
</tr>
<tr>
<td></td>
<td>1,743,266</td>
<td>1,984,228</td>
</tr>
</tbody>
</table>

Chartered Secretaries Australia
16. Related party and subsidiary company disclosures

Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions unless otherwise stated.

(i) 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 surplus of $1,032, (2010 surplus of $6,402), had been included in the administration fee.

These payments amounted to:

\[
\begin{array}{c|c|c}
2011 & 2010 \\
\hline
82,698 & 113,598 \\
\hline
82,698 & 113,598 \\
\hline
\end{array}
\]

(ii) Australian Company Secretaries Pty Ltd, a company controlled by Nick Geddes, has contracted with ICSA Software International Limited, a company owned by ICSA, to provide certain administrative functions in Australia, receiving an amount of:

\[
\begin{array}{c|c|c}
2,388 & 7,619 \\
\hline
2,388 & 7,619 \\
\hline
\end{array}
\]

(iii) Three directors, as disclosed in the Directors’ report on pages 30–31, are also directors of CSA Ltd dormant subsidiary companies.

17. 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. The company is one reportable segment.

18. 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 Statement of Financial Position as follows.

\[
\begin{array}{c|c|c}
\text{Cash at bank and on hand} & 486,750 & 521,393 \\
\text{Cash on deposit} & 2,124,053 & 2,463,076 \\
\hline
2,610,803 & 2,984,469 \\
\hline
\end{array}
\]

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

\[
\begin{array}{c|c|c}
\text{Net surplus from ordinary activities after income tax} & 16,820 & 260,035 \\
\text{Non-cash flows in surplus from ordinary activities} & & \\
\quad \text{Depreciation and amortisation} & 287,060 & 252,217 \\
\text{Change in assets and liabilities} & & \\
\quad \text{(Increase) in trade and other receivables} & (52,173) & (18,134) \\
\quad \text{Decrease / (Increase) in other current assets} & 277 & (108,131) \\
\quad \text{Increase in trade and other payables} & 57,521 & 9,189 \\
\quad \text{(Decrease) / Increase in deferred revenue} & (212,611) & 63,482 \\
\text{Increase in provisions} & 41,436 & 40,448 \\
\hline
\text{Net cash provided by operating activities} & (138,330) & 499,106 \\
\hline
\end{array}
\]
19. Trust funds

Statement of Financial Position

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estate Late Leonard Chant</td>
<td>1,033,910</td>
<td>1,036,978</td>
</tr>
<tr>
<td>The Institute Trusts</td>
<td>71,507</td>
<td>69,094</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>120,533</td>
<td>120,533</td>
</tr>
<tr>
<td></td>
<td>1,225,950</td>
<td>1,106,072</td>
</tr>
</tbody>
</table>

Represented by

Current assets

Cash at bank and on deposit and trade and other receivables | 1,225,950 | 1,106,072 |

Statement of Comprehensive Income

Income

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest — Bequest from Estate Late Leonard Chant</td>
<td>52,465</td>
<td>49,790</td>
</tr>
<tr>
<td>Interest — Other trust funds</td>
<td>2,541</td>
<td>2,146</td>
</tr>
<tr>
<td></td>
<td>55,006</td>
<td>51,936</td>
</tr>
</tbody>
</table>

Expenditure

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal fees and charges</td>
<td>(55,661)</td>
<td>(34,540)</td>
</tr>
<tr>
<td>Reimbursement of legal fees</td>
<td>120,533</td>
<td>120,533</td>
</tr>
<tr>
<td>Available trust funds</td>
<td>119,878</td>
<td>17,396</td>
</tr>
</tbody>
</table>

Opening balance | 1,106,072 | 1,088,676 |

Trust funds balance at end of year | 1,225,950 | 1,106,072 |

20. Financial risk management

The company's financial instruments consist of deposits with banks, accounts receivable and payable, bills and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial assets

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>2,610,803</td>
<td>2,984,469</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>173,744</td>
<td>121,571</td>
</tr>
<tr>
<td></td>
<td>2,784,547</td>
<td>3,106,040</td>
</tr>
</tbody>
</table>

Financial liabilities

Financial liabilities at amortised costs:

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>684,911</td>
<td>627,390</td>
</tr>
<tr>
<td></td>
<td>684,911</td>
<td>627,390</td>
</tr>
</tbody>
</table>
Financial risk management objectives and policies
CSA Ltd’s financial instruments consist principally of accounts receivable, accounts payable, cash and short term bank deposits and bills of exchange. The 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 Statement of Financial Position and in the Notes to the Financial Statements. There is no difference noted between fair values and carrying values of financial instruments.

(b) Interest rate risk
The company’s exposure to interest rate risk 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 interest rates primarily relates to its cash and cash equivalents.

At balance date, the company had the following financial assets exposed to Australian variable interest rate risk:

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2,610,803</td>
<td>2,984,469</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2011 $</th>
<th>2010 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Post-tax surplus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Higher/(lower)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>+1% (100 basis points)</td>
<td>26,108</td>
<td>29,845</td>
</tr>
<tr>
<td>–1% (100 basis points)</td>
<td>(26,108)</td>
<td>(29,845)</td>
</tr>
</tbody>
</table>

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 Statement of Financial Position 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 $310,000 facility for the issue of bank guarantees which is secured by a registered first mortgage over the strata entitlement as detailed in 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 pounds sterling (GBP) and holding them in an Australian bank account denominated in GBP until it pays its obligations to ICSA UK.

The following sensitivity analysis is based on foreign currency risk exposure in existence at balance date.
(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 Ltd has a liquidity policy in place which requires minimum average levels of cash and cash equivalents to be maintained.

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.

<table>
<thead>
<tr>
<th>Year ended 31 December 2011</th>
<th>Less than 1 year $</th>
<th>1–5 years $</th>
<th>Non-interest bearing $</th>
<th>Total $</th>
<th>Weighted average %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2,610,803</td>
<td>–</td>
<td>–</td>
<td>2,610,803</td>
<td>5.24</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>–</td>
<td>–</td>
<td>173,744</td>
<td>173,744</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,610,803</td>
<td>–</td>
<td>173,744</td>
<td>2,784,547</td>
<td></td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>–</td>
<td>–</td>
<td>684,911</td>
<td>684,911</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year ended 31 December 2010</th>
<th>Less than 1 year $</th>
<th>1–5 years $</th>
<th>Non-interest bearing $</th>
<th>Total $</th>
<th>Weighted average %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2,984,469</td>
<td>–</td>
<td>–</td>
<td>2,984,469</td>
<td>4.98</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>–</td>
<td>–</td>
<td>121,571</td>
<td>121,571</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,984,469</td>
<td>–</td>
<td>121,571</td>
<td>3,106,040</td>
<td></td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>–</td>
<td>–</td>
<td>627,390</td>
<td>627,390</td>
<td></td>
</tr>
</tbody>
</table>

21. 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.

22. Contingent liabilities

There are no contingent liabilities as at 31 December 2011.
Directors’ declaration

Chartered Secretaries Australia Ltd

The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 33–46, are in accordance with the Corporations Act 2001 including:
   (a) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
   (b) giving a true and fair view of the financial position as at 31 December 2011 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.

Bill te Kloot FCIS  
Director

Wendy Wills FCIS  
Director

Dated at Sydney this 17th day of March 2012

Auditors’ independence declaration

Lead Auditor’s Independence Declaration under Section 307C of the Corporations Act 2001

To: the Directors of Chartered Secretaries Australia Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2011 there have been:
(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Cameron Roan  
Partner

Sydney  
17 March 2012
Independent auditors’ 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 (the company), which comprises the statement of financial position as at 31 December 2011, and the statement of comprehensive income, statement of changes in Members’ funds and statement of cash flows for the year ended on that date, Notes 1 to 22 comprising a summary of significant accounting policies and other explanatory information and the directors’ declaration.

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

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 of the financial report that gives a true and fair view 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 performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001 and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the company’s financial position and of its performance.

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

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

Auditor’s opinion
In our opinion, 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 2011 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

KPMG
Cameron Roan
Partner
Sydney
17 March 2012
## Detailed operating surplus and deficit accounts

for the five years 2007 – 2011

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training and events</td>
<td>2,573,925</td>
<td>2,186,718</td>
<td>1,752,435</td>
<td>1,796,821</td>
<td>1,785,568</td>
</tr>
<tr>
<td>Member and Affiliate subscriptions</td>
<td>2,449,618</td>
<td>2,383,849</td>
<td>2,292,555</td>
<td>2,311,482</td>
<td>2,290,072</td>
</tr>
<tr>
<td>Education</td>
<td>2,233,453</td>
<td>2,247,870</td>
<td>2,316,710</td>
<td>2,243,438</td>
<td>1,995,676</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>519,022</td>
<td>503,230</td>
<td>460,309</td>
<td>533,404</td>
<td>479,603</td>
</tr>
<tr>
<td>Publications, journal and merchandise †</td>
<td>191,412</td>
<td>34,072</td>
<td>30,811</td>
<td>22,763</td>
<td>23,350</td>
</tr>
<tr>
<td>Interest</td>
<td>159,193</td>
<td>135,689</td>
<td>85,502</td>
<td>143,322</td>
<td>82,970</td>
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<tr>
<td>Other income</td>
<td>82,384</td>
<td>95,569</td>
<td>75,021</td>
<td>101,222</td>
<td>72,152</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>8,209,007</td>
<td>7,586,997</td>
<td>7,013,343</td>
<td>7,152,452</td>
<td>6,729,391</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>3,725,374</td>
<td>3,478,053</td>
<td>3,293,315</td>
<td>3,216,885</td>
<td>2,807,998</td>
</tr>
<tr>
<td>Training and events</td>
<td>793,166</td>
<td>667,448</td>
<td>622,127</td>
<td>675,597</td>
<td>653,577</td>
</tr>
<tr>
<td>Education</td>
<td>641,171</td>
<td>627,727</td>
<td>737,644</td>
<td>825,252</td>
<td>660,008</td>
</tr>
<tr>
<td>Occupancy and state facilities</td>
<td>478,546</td>
<td>451,181</td>
<td>424,938</td>
<td>361,734</td>
<td>279,374</td>
</tr>
<tr>
<td>Profile and website maintenance</td>
<td>448,059</td>
<td>478,314</td>
<td>417,575</td>
<td>417,529</td>
<td>435,938</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>287,060</td>
<td>252,217</td>
<td>232,624</td>
<td>221,356</td>
<td>375,926</td>
</tr>
<tr>
<td>Publications, journal and merchandise †</td>
<td>270,222</td>
<td>295,334</td>
<td>276,853</td>
<td>273,381</td>
<td>277,853</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>234,790</td>
<td>229,419</td>
<td>215,046</td>
<td>184,757</td>
<td>228,803</td>
</tr>
<tr>
<td>Travel and meetings</td>
<td>209,985</td>
<td>192,128</td>
<td>219,631</td>
<td>184,757</td>
<td>214,926</td>
</tr>
<tr>
<td>International representation</td>
<td>141,906</td>
<td>87,417</td>
<td>62,600</td>
<td>83,879</td>
<td>67,386</td>
</tr>
<tr>
<td>Bank and credit card fees</td>
<td>111,820</td>
<td>104,360</td>
<td>93,443</td>
<td>93,988</td>
<td>88,987</td>
</tr>
<tr>
<td>Printing and stationery</td>
<td>92,227</td>
<td>100,013</td>
<td>93,443</td>
<td>90,292</td>
<td>77,217</td>
</tr>
<tr>
<td>ICSA, UK — capitation fee</td>
<td>82,698</td>
<td>113,598</td>
<td>154,953</td>
<td>131,890</td>
<td>140,606</td>
</tr>
<tr>
<td>Telephone, facsimile and email</td>
<td>78,333</td>
<td>80,264</td>
<td>71,543</td>
<td>85,130</td>
<td>102,632</td>
</tr>
<tr>
<td>Insurance</td>
<td>38,734</td>
<td>28,916</td>
<td>39,938</td>
<td>38,361</td>
<td>37,790</td>
</tr>
<tr>
<td>Other expenses</td>
<td>34,254</td>
<td>52,489</td>
<td>46,723</td>
<td>35,566</td>
<td>24,382</td>
</tr>
<tr>
<td>Professional services  ††</td>
<td>31,573</td>
<td>44,875</td>
<td>45,684</td>
<td>58,773</td>
<td>8,936</td>
</tr>
<tr>
<td>Auditors</td>
<td>22,660</td>
<td>25,000</td>
<td>21,800</td>
<td>21,000</td>
<td>11,750</td>
</tr>
<tr>
<td>Postage and courier</td>
<td>17,237</td>
<td>18,041</td>
<td>20,101</td>
<td>20,518</td>
<td>20,115</td>
</tr>
<tr>
<td>Borrowing costs expense</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>482</td>
</tr>
<tr>
<td>Refund of payroll tax   †††</td>
<td>–</td>
<td>–</td>
<td>(609,430)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>ICSA structural reform †††</td>
<td>341,346</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Chant Legacy Trust legal fees ††††</td>
<td>110,533</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>8,191,694</td>
<td>7,326,794</td>
<td>6,479,780</td>
<td>7,101,908</td>
<td>6,514,686</td>
</tr>
<tr>
<td><strong>Surplus from ordinary activities</strong></td>
<td>17,313</td>
<td>260,203</td>
<td>533,563</td>
<td>50,544</td>
<td>214,705</td>
</tr>
<tr>
<td>Net (loss) / gain on disposal of asset</td>
<td>(493)</td>
<td>(168)</td>
<td>(4,510)</td>
<td>1,170</td>
<td>3,964</td>
</tr>
<tr>
<td><strong>Total surplus for the year</strong></td>
<td>16,820</td>
<td>260,035</td>
<td>529,053</td>
<td>51,714</td>
<td>218,669</td>
</tr>
</tbody>
</table>

† Publications, journal and merchandise includes publication and sale of technical booklets.
†† Professional services increase in 2008 includes legal fees incurred in respect of ICSA constitutional changes and Perth leasehold premises and in 2009 legal fees for Chief Executive’s contract.
††† Refund of payroll taxes as a consequence of NSW wages being exempted under Schedule 2 Division 4 Clause 12(1)(c).
††† ICSA structural reform costs incurred during the year consist of legal, meetings, constitutional and proxy solicitation fees spent on the ICSA/CSA governance matters.
†††† Chant Legacy Trust legal fees as per note 1(n).

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 CSAs 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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