Cascading governance throughout an organisation

For CSA to achieve its mission of promoting and advancing effective governance of organisations in the private and public sectors, we knew that we had to reach out beyond the boardroom to all officers, senior executives and any other professional who values good governance.

For many years, membership of CSA could only be attained by completion of the Graduate Diploma of Applied Corporate Governance. This continues to be the case for membership as an Associate or Fellow and this postgraduate qualification remains a tangible demonstration of an individual’s expertise in, and commitment to, effective governance and risk management.

However, CSA has been aware that, as governance has evolved over the last decade, the need to extend a governance culture throughout an organisation has also become apparent. Being confident of the quality of the governance framework at all levels of an organisation is more important than ever. What was once thought necessary for only directors and some select senior executives in large listed companies is now almost essential for a wide range of people in all organisations, and throughout all sectors.

To encourage engagement by people who are either embarking on a career in governance or already well established in their roles or planned career path, CSA introduced the Certificated Member category through study of one of our Certificate courses. We are gratified at the interest that has been shown in this pathway to membership by the high number of people who are seeking to improve their performance in their jobs, enhance their future career options or consolidate themselves in their current roles.

We are proud of the assistance we provide to anyone interested in improving the governance and performance of their organisation. We will continue to promote engagement between ourselves, the private, public and not-for-profit sectors and all of the people wanting to make a difference within them.
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For more than a decade Chartered Secretaries Australia’s (CSA) mission has been to promote and advance effective governance in all sectors in the community and at numerous levels within organisations. We achieve this by being an inclusive organisation that represents governance professionals from large ASX listed companies, non-listed public companies, the public sector and the not-for-profit sector. CSA has come to be widely recognised as the independent leader in the field of governance in Australia.

We deliver the most practical and authoritative training and information in governance, speak with a unique independence of mind in the policy debate and are a leading contributor of intellectual property on governance at no cost to the Australian community.

Among the many achievements of 2010 was the passage of legislation restricting access to a register of members when not for a proper purpose, the introduction of a second Certificate course in risk management combined with a learning and professional development program that fosters professionalism through three stages of membership and a record 97.2 per cent retention rate of members.

We would like to take this opportunity to outline how our commitment to governance has shaped organisational practice and frameworks. Equally important is to highlight the strategic initiatives we have undertaken this year to ensure that membership continues to be relevant and is attractive to all governance professionals.

Member engagement

The ongoing efforts of a large group of dedicated CSA Members have enabled CSA to reach the levels of recognition and contribution that adds greatly to Australian society.

In terms of advocacy, the sustained contribution of CSA’s 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 policy development. The passage of the Corporations Amendment (No 1) Bill 2010 in late 2010 is evidence of their contribution.

Our open-entry and fully accredited postgraduate education programs are at the level they are because of the work of our National Education Committee, Assessment Review Panel, Subject Advisory Committees and state-based course directors and guest presenters. The recently announced formal partnership with the ANZSOG Institute for Governance at the University of Canberra demonstrates the high level of quality CSA is known for.

Finally, CSA Members benefit from the contribution of other members that author our extensive publications program that now stands at 13 publications as well as 58 Good Governance Guides and 158 Useful Practitioner Documents.

Advocacy

Policy work with regulators and the government was particularly busy in 2010. CSA was pleased that the Australian Securities and Investments Commission supported our development of the publication Handling price sensitive information:
principles of good practice as it demonstrates the valued contribution CSA Members can make.

There were also satisfying outcomes in regard to new Australian Securities Exchange (ASX) policies on trading windows and blackout periods and ASX Corporate Governance Council initiatives involving encouraging diversity. During 2010 CSA continued to be a major participating member of the ASX Corporate Governance Council and contributed to a number of working parties set up by the Council on specific issues.

The release of the fifth edition of Benchmarking Governance Practice in Australia survey has established CSA as the leading organisation that tracks the evolution of governance practices in Australia. With data spanning over ten years this survey is the only place to examine trends in large and medium-sized ASX listed organisations.

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

Education, training and technical support

Your board is extremely pleased to report on the significant additions to CSA's Certificate level offerings, both online and in face-to-face classes in our offices.

The Certificate in Governance Practice and Administration launched in 2007 has continued to grow and is now offered online, in a three-day intensive format or as individual programs. This degree of flexibility is unique to CSA as it lets busy professionals complete a skills-based course in governance at a pace that suits their circumstances and learning styles. The second Certificate course, the Certificate in Governance and Risk Management was introduced as a pilot in late 2009 and was officially launched in May 2010. CSA also developed a Certificate course specifically for registered clubs during the year to serve the growing needs of this important sector.

Completion of any Certificate course fulfils the education requirement for Certificated membership of CSA and also enables articulation into the Graduate Diploma of Applied Corporate Governance to progress to Associate membership.

The Graduate Diploma continues to be recognised as the premier qualification 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.

Membership for all governance professionals

To ensure that organisations can build a strong governance culture, and to attract professionals earlier in their career, CSA created the Certificated Member category of membership late in 2009.

This new category aims to not only boost the depth and breadth of knowledge in organisations but also to act as a bridge to being a full governance professional and Member of the Institute of Chartered Secretaries and Administrators (ICSA) and Member of CSA. The initiative is designed to encourage a deeper association with CSA than the current Affiliate program and to encourage a person to adopt the values of good governance by embracing similar standards of professionalism.

CSA now has three levels of membership — Certificated, Associate and Fellow. Professionals can complete either of the two Certificate courses and progress to Certificated membership or complete the Graduate Diploma and progress to Associate membership. Certificated Members are also encouraged to progress to Associate membership through articulation arrangements into the Graduate Diploma.

By the end of 2010, over 230 professionals had progressed to Certificated membership with a number of those already commencing the Graduate Diploma to progress to Associate membership. Members come from a wide variety of governance-related roles including risk managers, compliance professionals, company secretaries, directors and support staff. Also encouraging is the participation from the not-for-profit sector and smaller public companies.

Financial health

Trading conditions improved considerably over those experienced in 2009. CSA recorded strong growth in a number of major revenue items including membership income, training and professional development. In addition, cash reserves increased by $201,424 or just over seven per cent from 2009 putting CSA in a very strong position to fund future growth.

Expenses for 2010 were up by three per cent over 2009, with some one-off costs associated with developing the new Certificate course and future Certificate courses. Total staff numbers were steady at 33.3 full-time-equivalent.

CSA has experienced strong growth in recent years. CSA's gross trading margin has continually increased each year since 2003 rising from 63 per cent in 2003 to 74 per cent in 2010. Protecting and growing these margins is critical as any surplus resources are needed to fund other non-cash generating activities.

Early in 2010 new premises were opened in Melbourne. The look and feel of our four offices in Sydney, Melbourne, Brisbane and Perth are now the same.

Conclusion

In closing, 2010 has seen CSA successfully expand beyond its historical markets. The planning undertaken and the negotiations with the ICSA have all paid off with the final building blocks now in place.

We would like to take this opportunity to thank all of the Members of CSA 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 and for that we sincerely thank you.
2010 was a year when CSA continued to source new Members from both traditional roles and sectors for CSA as well as the strategic growth areas of professionals in the public sector and in wider governance and risk management roles.

To achieve this, we continue to seek a relationship with potential Members earlier in their governance careers, and endeavour to provide more reasons for existing Members to continue their relationship with us year after year. Our renewal rate in excess of 97 per cent continues to prove that existing Members do indeed value their ongoing relationship with us, which facilitates attracting new Members to a loyal and active professional network.

Sustainable membership growth

To this end, it is particularly gratifying that we continue to set new records each year for the number of new Members that join CSA. We are by no means complacent with this statistic, as we recognise that much hard work is required to continue attracting professionals into membership and that many Members require a convincing value proposition for their annual renewal fees; particularly as many CSA Members maintain more than one professional membership every year, and an increasing number are personally financing their CSA annual membership fees.

CSA is now a professional organisation with three levels of membership — Certificated, Associate and Fellow — designed to ensure that we foster a strong and vibrant governance and risk management membership across a wide range of ages and career stages for many years to come, and that our services and offerings extend beyond our recognised role as a leading educator and trainer in the field of governance.

With this in mind, we set about implementing a strategy of encouraging aspiring governance professionals to have a deeper and ongoing relationship with CSA from an earlier point in their careers.

Certificated membership

The ratification and launch of the Certificated Member category in October 2009 was an important part of CSA’s strategy to engage with and embrace governance and risk management professionals at an earlier stage of their governance careers. With the less time-consuming and introductory nature of CSA’s two Certificate courses in 2010, the established Certificate in Governance Practice and the newly launched Certificate in Governance and Risk Management, we provided a more accessible entry point 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.

CSA’s Certificated membership grew from 84 Members at the end of 2009 to a total of 234 Certificated Members at the end of 2010, a rise of some 176 per cent in the first full calendar year of the category. We saw Certificated Members attending CSA professional development, events and seminars during the year (using their Member’s rate discounts) and indeed, many attended the various state graduation ceremonies to receive their membership certificates alongside their Associate and Fellow Members. We are very pleased that the integration of Certificated Members into the day-to-day activities, networking opportunities, continuing development and further education provided by CSA has been so successful in such a short time. We continue to promote the benefits of membership to the graduates of our Certificate courses and we look forward to welcoming many more Members via this entry level in coming months and years.

Importantly, the ongoing relationship that Certificated Members have with CSA provides valuable guidance to aspiring governance professionals in taking the necessary educational and professional development steps towards senior governance roles and responsibilities. This includes studying CSA’s Graduate Diploma and ultimately progressing to Associate and Fellow level membership.
Increasing the diversity of our Member profile

As the role of governance and risk management continues to change and grow, so do the range of roles that cover the field of the governance framework. Though still a significant proportion of CSA's membership, those in purely company secretarial roles now share the stage with others, as key governance and risk responsibilities expand into the roles of other titles including chief financial officer, general counsel, chief governance officer, or even chief risk officer.

Equally over recent years, CSA has noticed the demographic balance of students and resulting Members has changed. In particular, the percentage of females to males who are studying our Graduate Diploma has grown significantly over this time from around one-third of all students in 2003 to around half of the total number in 2010, in what was once considered a male-dominated profession. Furthermore, this is reflected in the number of females now in senior governance and risk management roles in Australia.

The average age of a student in CSA's Graduate Diploma also continues to fall steadily, with the increasing need for governance knowledge across a wider range and level of roles. For this reason, CSA's training and Certificate courses continue to be extremely popular as people have the need for basic and practical knowledge that they can immediately apply in their daily responsibilities.

As more graduates of CSA's Certificate courses join us as Certificated Members, it is likely that the average age of our Graduate Diploma student will fall steadily, as these people remain actively engaged with CSA and are extremely cognisant of the knowledge they require to be successful in senior governance roles over increasingly long professional careers.

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 Members in positions of influence

The role of company secretary or governance professional has become central to the effective running of boards and governing bodies throughout Australia.

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 CSA Members. CSA 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.

Regulators and other stakeholders are also recognising CSA as the first place to go on governance issues, with our opinion being regularly reported in national media.

"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 2010.

We offer courses and programs in various aspects of governance 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 conduct a range of conferences and events so that those with governance responsibilities can be assured they have timely and relevant professional development.

Training programs

CSA currently has 22 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, 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 2010 there were a number of additional training programs added to the existing online suite. These were Project Governance: Accountability and Risk Management, Governance Essentials, Risk Management Frameworks, Meeting Compliance Requirements, Business Continuity and Reputation Risk, and Assessing, Analysing and Treating Risk.

This translated to a total of 2,245 registrations in CSA’s training programs for people enrolled in a Certificate course, an increase of 53 per cent over the previous year. In addition, there were 1,970 registrations in training programs by 1,139 people who were not enrolled in a Certificate course.

Certificate courses

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

The programs which make up the Certificate in Governance Practice have been drawn from the suite of individual training programs. This has enabled an individual who has already completed a number of training programs to enrol in the Certificate and complete the remaining programs required for the award of the qualification.

The Certificate course offers the participant substantial flexibility to choose training programs and attendance options to meet their individual needs while working towards completion of the qualification. The programs are robust, practical and continuously updated by experts in the field.

In 2010, to respond to industry demand for a focused qualification on risk and compliance, CSA developed a new Certificate course. The Certificate in Governance and Risk Management was developed to assist students in identifying, understanding and applying the crucial elements involved in organisational risk management and compliance.

The Certificate in Governance and Risk Management aims to provide an introduction to a wide range of topic areas to enable students to gain an understanding of important issues in relation to risk and compliance principles, frameworks and approaches.

The goals of the course include:
• to examine the concept, objectives and processes involved in establishing an enterprise-wide risk management framework
• to recognise the importance of establishing a risk culture for achieving business objectives and compliance
• to appreciate the methodologies and systems for monitoring of and reporting on compliance
• to recognise the scope and importance of risk management and compliance in its various areas and applications
• to understand the risk management and compliance responsibilities of the board and management.

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.

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 the ANZSOG Institute for Governance at the University of Canberra. Completion of the Graduate Diploma is now an entry requirement for their Master of Public Administration in Corporate Governance.

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

While CSA has been offering the Graduate Diploma online since 2003, during 2010 significant enhancements were added to the online experience. CSA is committed to flexible learning and in providing as much access as is possible. Accordingly, during the year we introduced online assignment submission, provision of results online and recorded introductions for all weekly topics in addition to the features of online blogs, chats and other forms of interaction with teaching staff.

Graduate Diploma subjects

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<th>Private sector stream</th>
<th>Public sector stream</th>
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<td>Applied Corporate Law</td>
<td>Applied Administrative Law</td>
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<td>Corporate Accountability: Meetings and Disclosure</td>
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<td>Corporate Governance</td>
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<td>Risk and Compliance</td>
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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 gain some recognition towards the completion of the Graduate Diploma, or alternatively towards the completion of a subject in the Graduate Diploma as a single subject offering.
Advocacy

As an independent voice on governance, CSA is an active participant in the reform process. We engage with the government on proposed legislative reform and the bodies to which it refers inquiries, and also with the media, to ensure that our Members’ views are widely disseminated.

Not only did we lodge 20 submissions on matters ranging from the corporate reporting framework, listing rule amendments and executive remuneration to related parties and directors’ duties in relation to insolvency, but we also proactively sought reform of the listing rules, legislation and ASIC documentation where we could see the need for a different approach. CSA also appeared before Senate Committees on a range of issues, and met with the Parliamentary Secretary to the Treasurer and representatives from the Department of Treasury to discuss proposed regulatory reforms.

A highlight of our advocacy work in 2010 was the amendment to the Corporations Act 2001 to introduce a proper purpose test for access to share registers. CSA Members had campaigned for more than a decade to align shareholders’ rights to privacy with those relating to all other financial dealings, and to protect small shareholders from predators and approaches from other self-interested parties — our patience and perseverance were finally rewarded.

Another success on the advocacy front was in relation to the issue of handling confidential information, where ASIC agreed with us that its original proposal to impose de facto regulatory guidance in the form of a ‘one-size-fits-all’ approach was not in the best interests of the markets. ASIC’s decision to adopt a stakeholder-driven consultation process resulted in CSA developing and issuing guidelines, in conjunction with the Australasian Investor Relations Association (AIRA), to aid listed entities develop processes to maximise the protection of confidential, price-sensitive information.

As an active and longstanding member of Australia’s key governance body, the ASX Corporate Governance Council, we were a central participant in the development of the amendments to the Council’s guidelines addressing diversity issues. CSA also worked with Women on Boards to produce guidance to assist ASX listed entities comply with those diversity changes. Our productive relationships with ASIC and ASX ensure that our Members’ practical knowledge of how best to achieve good governance outcomes is brought to bear on the regulatory framework.

The focus on remuneration is not abating, and in 2010 the Corporations and Markets Advisory Committee (CAMAC) opened consultation exploring whether the remuneration report could be simplified. CSA put forward a series of practical suggestions about how to make remuneration reports easier to prepare and more useful for readers. CSA Members also participated in a discussion forum on the issues convened by CAMAC.

We write opinion pieces on governance topics as the need arises, and continue to conduct research on governance practices in Australian companies. The 2010 report of the survey of the top ASX 200 companies, Benchmarking Governance in Practice in Australia, marks a decade of research providing definitive statistical information and trends on governance practice in Australia in the private sector, which in turn can be used to support calls for reform.

Our research extended to an examination of how risk management practices are embedded in a governance framework. CSA’s desire to improve knowledge and practices saw us, in conjunction with SAI Global, hold a Roundtable and issue a discussion paper on the integration of governance, risk and compliance (GRC) in Australian listed entities. A report of a survey of the ASX 500 to assess the maturity levels of GRC integration was published later in the year.

CSA’s commitment to an ongoing improvement of governance practice across all sectors was reflected in the evolution of an advisory committee on public sector governance into a board policy committee, which made submissions on relevant issues including the important one of a code of conduct for lobbying. We also hosted a delegation from India interested in discussing governance practices with CSA Members, in recognition of Australia’s high standards in this area, and our Members’ expertise in developing and implementing governance frameworks.
Advocacy highlights in 2010

- Amendments to the Corporations Act introducing a proper purpose test to access the register of members — ten years of advocacy achieves a positive result for shareholders and governance
- ASIC agrees with CSA that industry-led guidelines on handling confidential information is a better approach than a Regulatory Guide and we release, with AIRA, *Handling confidential, price-sensitive information: principles of good practice*
- CSA actively involved in the amendments to the ASX Corporate Governance Council's guidelines addressing diversity issues
- CSA and Women on Boards issue guidelines to ensure ASX listed entities can comply with the diversity requirements in the ASX Corporate Governance Council’s guidelines and to develop gender diversity strategies
- The publication of the *2010 Benchmarking Governance in Practice in Australia* survey report provides ten years of empirical data on governance trends and processes in the top ASX 200
- A survey of ASX 500 companies in conjunction with SAI Global reveals that Australian companies are still in the early phases of risk management implementation, with boards and management not yet taking full advantage of risk as an opportunity for value creation, not just value preservation

Intellectual property

We added to our extensive suite of publications in 2010 with the publication of two new titles: *Public Sector Governance* and *Document Management*. A new edition of our most popular title, *Duties of Officers and Directors*, was also released.

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 seeking to keep their readers up-to-date with what is happening in Australia. The e-newsletter, *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 access to an ongoing dialogue with the community of governance professionals, with Members free to donate documents and download those donated by others, so that everyone has access to sound practice. The community in general has access to the expertise of our Members on governance issues through the Good Governance Guides, which provide concise assistance on formulating approaches to and implementing sound governance practice.

To facilitate the improvement of governance practice across all sectors, the CSA website also offers a library for the public sector, providing useful information and associated materials on a range of topics on governance in that field.
CSA places great importance on open and easy access to governance and risk management information.

As a leading national membership association in governance, we post and publish relevant and timely information in electronic and hard-copy formats, and actively communicate to a wide range people with an interest in governance and risk management education and training.

We respect that professionals who study and train with us lead busy lives, and we strive to make it as easy as possible for people to attend our courses, seminars and events.

For instance, with our Graduate Diploma of Applied Corporate Governance, we offer the option of weeknight or Saturday tutorials, as well as a distance learning service.

Our Certificate programs can be studied by attending half-day tutorials at one of our city-based premises around Australia. Flexibility is also provided through options such as a two-day ‘Quick start’ to cover four of the six programs, our three-day ‘Intensive’ for those who want to complete all six programs for the Certificate quickly, or via CSA's Online Learning Centre, which provides the ultimate flexibility of studying remotely and at a time and pace to suit the student with the aid of filmed tutorials. Certificate examinations are taken online, providing the ultimate convenience for people who either prefer to, or are forced to, study remotely.

CSA Australia-wide

Our premises

We are extremely proud of CSA's premises around Australia, conveniently located in the central business districts of Brisbane, Melbourne, Perth and Sydney. Each location offers standardised lecture facilities where students and event attendees can participate and study in a professional and comfortable atmosphere. All CSA's locations have state-of-the-art presentation facilities, allowing us to provide the same standard of lecture, presentation or event to audiences and delegates, whichever the location.

In standardising the design and quality of our premises nationally, CSA also sends out a strong message on the consistent high quality and consistency of our services and activities wherever they are delivered across Australia. This is of particular interest and importance to CSA's partners and sponsors, many of whom also have multi-state and national interests.

Our online presence

CSA's website, www.CSAust.com, is the main hub for Members and non-members alike to source relevant and up-to-date information and resources relating to governance and risk management matters and issues. Constantly being updated and developed, the website provides visitors with the ability to register for training and events online, as well as download a range of forms, including for CSA Member and Affiliate applications.

The Members’ area of the website continues to be a major benefit of CSA membership, with full access to a range of templates and online resources that are particularly practical for those in governance roles. Fellow, Associate and Certificated Member categories are all granted equal access to this area, which enables governance teams in organisations
to be increasingly integrated, from senior through to junior levels, by having the same access to CSA’s online resources.

In the interests of promoting good governance to the wider community, we have also developed publicly available information for CSA’s website, which is the pre-eminent place to obtain information on governance. This includes the development of the openly accessible ‘Governance for beginners’ section under the ‘Technical Resources’ area of our website, which provides basic introductory information on governance and risk management together with links to other parts of CSA’s website and external resources.

In this way, CSA is providing open access to governance information to all who require an understanding of the basics, through to providing in-depth and specialist support and tools to the most senior governance professionals in Australia.

**International recognition, interconnectivity and career mobility**

As governance frameworks become increasingly interconnected between international jurisdictions, governance professionals and organisations alike need to be increasingly aware of how changes in one region can have potential implications on another.

CSA has therefore had a long-term approach to the promotion and advancement of the effective governance and administration of all organisations through the continued development and application of sound practices in this area in both Australia and internationally.

In 2010, CSA continued to work internationally with other divisions of the Institute of Chartered Secretaries and Administrators (ICSA), ensuring that evolving standards and issues were considered and reviewed in developing best practice in Australia. This association allows for an appreciation of the multi-jurisdictional approach to governance internationally. It also enables our Associate and Fellow Members to enjoy full international mobility in their careers, being able to travel and work in other countries under the internationally recognised professional designation, Chartered Secretary.

CSA is also a member of Corporate Secretaries International Association (CSIA), an international federation of professional bodies, established in 2010 to promote corporate secretariat and good governance. Member and affiliate organisations include national representative organisations from Hong Kong/China, the United States, India, the United Kingdom, Southern Africa, Kenya, Malaysia, Singapore, New Zealand, Australia and many other jurisdictions. All share a common interest in the promotion of good governance and the professionals that underpin its practice. Working together, CSIA represents approximately 70,000 governance professionals in more than 70 countries.

**Top performing association amongst peers**

CSA continues to participate in the Annual Business and Professions Study, run by Beaton Research & Consulting. With 36 professional associations participating in the 2010 study, 13 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.

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"Professionals who study and train with us lead busy lives. We strive to make it easy as possible for people to attend our courses, seminars and events."

With our Graduate Diploma of Applied Corporate Governance, we offer weeknight or Saturday tutorials, as well as a distance learning service.

In overall performance, CSA has ranked in either first or second place in six of the last seven years when benchmarked across the peer associations. In 2010, CSA scored ‘significantly higher’ on the benchmark set average on the overall performance of 11 benchmarked associations. CSA was also the top ranked association on enabling Members to keep up-to-date with developments or issues affecting their field, providing leadership in its field, and effectively communicating with Members. These results are particularly gratifying as they are key areas on which CSA focuses considerable time and effort to ensure that Members receive this kind of regular and meaningful contact, as well as overall value from ongoing membership of CSA.

CSA continues to participate in this annual study, and acts on the information and feedback that the results from this online survey provide."
Profiles of CSA Members

Jon Hoogland CSA(Cert)
Group Manager Assurance & Advisory Services, Wesley Mission Sydney

The Wesley Mission is one of Australia’s largest charitable organisations. In his leadership role in the internal audit function, Jon provides independent assurance activities. Reporting to the Chair of the Wesley Mission Board Audit & Risk Committee, Jon monitors risks and internal controls, and ensures that compliance and risk reporting systems are in place for Wesley Mission services. He confirms that these services can respond to legislative change, risk mitigation and continuous improvement needs.

Before joining Wesley Mission, Jon was the Manager, Education and Training with Standards Australia Quality Assurance Services (now SAI Global). With a background in avionics and telecommunications, he has worked with risk and quality management systems in the services sector since 1990. He is an experienced manager, trainer and auditor.

Jon has a Masters degree in Quality Management from Wollongong University, and completed his Certificate in Governance Practice and Administration in December 2009. He joined CSA as a Certificated Member in January 2010.

Cecile Cooper ACIS
Company Secretary, Blackmores Limited

Cecile is an accountant and company secretary with over 30 years’ commercial experience. She has been Company Secretary at Blackmores since 2007 and is responsible for board administration, secretariat and governance. The role has also grown to encompass risk management, commercial interface with external legal advisers and compliance.

Previously, she held a variety of senior positions at Blackmores including business manager for development, marketing and sales. Her financial roles at Blackmores have included statutory and management accounting and taxation compliance in the Australian and overseas operations.

From 1984 to 1991 Cecile held various accounting roles with Revlon.

She is a Chartered Secretary and a Certified Practising Accountant and holds a Bachelor of Business (Accounting) and completed the Graduate Diploma of Applied Corporate Governance with CSA. Cecile became a CSA Associate Member in September 2008.

In addition, Cecile is a board member of Community Care (Northern Beaches) Limited and serves on the CSA Legislation Review Committee.

Helen Hardy FCIS
Company Secretary, Origin Energy Limited

Helen joined Origin Energy in March 2010 and is responsible for the governance and secretariat functions of the corporate group and its joint ventures. She was previously General Manager, Company Secretariat of Aristocrat Leisure Limited. Helen has worked at PricewaterhouseCoopers in corporate governance, risk management, strategy and reporting. She also advised top ASX listed companies on corporate law, board performance, directors’ duties and disclosure obligations at Freehills.

Helen is a Chartered Accountant and Chartered Secretary. She holds a Bachelor of Laws and a Bachelor of Commerce from Melbourne University, and is admitted to legal practice in New South Wales and Victoria.

Helen joined CSA as an Associate Member in 2006 and advanced to Fellow in 2010. She is an active member of CSA’s Legislation Review Committee and NSW Professional Development Committee, and also presents at CSA’s courses, including the Graduate Diploma of Applied Corporate Governance. Helen was a member of a panel session about the business applications of social media at CSA’s 2010 National Conference in Sanctuary Cove, Queensland.

Peter Janu FCIS
Company Secretary & Corporate Legal Counsel, WorleyParsons Limited

Peter works closely with the company’s board and senior management team in managing governance and legal outcomes in a diverse professional engineering services business with offices in 40 countries and staff of 32,000.

He commenced his career in corporate tax in major accounting firms and focused largely on the finance and property industries. He took these skills to Leighton Holdings Limited where he managed the group tax function for seven years.

After a 12-month secondment to a major investment bank in project finance, he returned to Leighton Holdings to work on a number of major privately funded infrastructure and property projects. In 2004 he was appointed Company Secretary of Leighton Holdings before joining WorleyParsons Limited in his current role in 2008.

Peter holds degrees in Law and Economics from the University of Sydney and is a Chartered Accountant. Peter joined CSA in 2005 as a Fellow Member. He is also currently a member of CSA’s Legislation Review Committee.
Tim Sheehy FCIS
Chief 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 Fox
Director, Policy
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 CSAs 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 Jodeikin FCIS
Director, Finance & Administration/ Company Secretary
Stan joined the staff of CSA in August 2000 and has been a Member of CSA since 1991. He manages CSAs 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, CSAs and ICSAs 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 CSAs IT infrastructure meets the business’s needs.

Marc Wanstall
Director, Marketing & Membership Services
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, and ensures that membership is attractive and valuable as their careers develop. Marc also manages and promotes CSAs Affiliates program. 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 CSAs annual national events, including the National Conference. He cultivates strategic alliances with partners and sponsors for the benefit of CSA Members and ensures the effective integration of CSAs national and state sponsorships.
The National Council and the Board of Directors of CSA, who are listed on pages 26–30, gratefully acknowledge the commitment of our Members to policy development and our education and communication programs.

Committees and membership

The National Council and the Board of Directors of CSA, who are listed on pages 26–30, 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
Senior Legal Counsel, Woodside Energy Ltd

Paul Baranov FCIS
Legal Counsel, ASX Ltd

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

Graeme Blackett FCIS
Senior Company Secretary, Manager Secretariat, AMP Ltd

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 Ltd

Douglas Gration FCIS
Barrister, Dawson Chambers

Ian Gregory FCIS
Principal, The Company Secretariat

Deborah Hamleton FCIS
Consultant, Bendigo Bank Ltd

Helen Hardy FCIS
Company Secretary, Origin Energy Ltd

Michaela Healey FCIS
Company Secretary, National Australia Bank Group Ltd

Peter Janu FCIS
Company Secretary/Corporate Legal Counsel, WorleyParsons Ltd

Linda Kenyon FCIS
Company Secretary, Wesfarmers Ltd

Frances Kerin ACIS
Company Secretary, Woodside Energy Ltd

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

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

Ross Mallett FCIS
Executive Director, Governance Solutions Pty Ltd

Fiona Mead FCIS
Company Secretary, Asciano Group

Trisha Mok FCIS
Director of Legal & Corporate Affairs (Asia Pacific), Spendvision Pty Ltd

Sylvie Moser ACIS
Group Financial Controller, Highlands Pacific Ltd

Carmel Mulhern FCIS
Company Secretary, Telstra Corporation Ltd

Peter Patterson FCIS
Company Secretary, AWB Ltd

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

Kathryn Presser ACIS
CFO/ Joint Company Secretary, Beach Energy Ltd

John Priestley FCIS
Company Secretary, ANZ Banking Group Ltd

Jan Redfern FCIS
Director, Governance & Regulatory, Allygroup

Vanessa Rees FCIS
Company Secretary, Leighton Holdings Ltd

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

Ashley Roff FCIS
Thea Rosenbaum FCIS
Secretary, Australia Prudential Regulation Authority

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

Fiona Smith FCIS
Deputy Company Secretary, BHP Billiton Ltd

Mark Studd FCIS
Assistant Company Secretary, Woolworths Ltd

Caroline Waldron ACIS
General Counsel & Company Secretary, David Jones Ltd
Corporate and Legal Issues Committee

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

Paul Baranov FCIS (Chairman)
Legal Counsel, ASX Ltd

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

Felicity Daley ACIS**
Senior Associate, Corrs Chambers Westgarth

Darryl Edwards FCIS*
Company Secretary, RCR Tomlinson Ltd

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

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

Duncan Glasgow FCIS
Legal Counsel and Company Secretary, Sucregon Ltd

Libby Joyner FCIS**
Head of Company Secretariat/Company Secretary, MLC Campus

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
Company Secretary & Group General Counsel, Ten Network Holdings Ltd

Leanne Ralph ACIS**
Principal Client Advisor, Boardworx Australia Pty Ltd

Lisa Storrs FCIS
Director, Corporate Secretariat Services Pty Ltd

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 Whyntie FCIS
Executive Director, Governance, Compliance and Risk Consultants

Education Committee

Associate Professor Anthony Bailey FCIS*

Laurie Factor FCIS (Chairman)

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

Garry Tibbits ACIS
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, Lotterywest

Neil Colbran ACIS*
Director, Governance and Beyond

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, Moyne Health Services

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

Thea Rosenbaum FCIS (Chairman)
Company Secretary, Australian Prudential Regulation Authority

Irene Rusak FCIS**
General Counsel, Rail Corporation NSW

Irene Sitton ACIS
Principal Commercial Advisor, Department of Infrastructure & Planning, Queensland

Christopher Weh ACIS
Audit Manager, Queensland Audit Office

Chris Wells FCIS

David White FCIS**
Senior Program Coordinator, Public Sector Performance Commission, South Australia

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

Leanne Wrightson ACIS
Consultant, Audit & Governance

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, Risk Management, Adelaide Bank Ltd

Brett Lane ACIS
Group Communications Manager, Monadelphous Group Ltd

Ross Mallett FCIS
Executive Director, Governance Solutions Pty Ltd

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

Trisha Mok FCIS**
Director of Legal & Corporate Affairs (Asia Pacific), Spendvision Pty Ltd

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 2010

** Joined committee in 2010
MEMBERS WHO HAVE ATTAINED FELLOWSHIP

The board congratulates Members who were elected to or advanced to Fellowship during 2010.

Peter Achterstraat NSW
John David Anderson VIC
Craig Basson WA
Thomas Ian Baxter TAS
Robert Frederick Bennett VIC
Nicholas Charles Bewick NSW
Clare Estelle Bibby NSW
Maree Ann Blake QLD
Priscilla Amber Bryans VIC
Lesley Jean Carbery NSW
Peter Benjamin Chen TAS
Joseph Edmond Raanayagam Christopher WA
Donald Cresswell VIC
Trevor Richard Dunn NSW
Damian Alexander Ferguson OS
Peter James Finley QLD
Garth Fountain-Smith VIC
Melissa Jane Grundy QLD
Helen Hardy NSW

Jason Robert Harris NSW
Melanie Hedges NSW
Robert Ingui NSW
Elisabeth Jane Joyner NSW
Terrence Arthur Larkan VIC
Elizabeth Bee Hiang Lee WA
Julie Anne Lee NSW
David Norman Lethbridge SA
Jerry Eng Keat Lim QLD
Simon Peter McBride VIC
Kerry Michael McGoldrick NSW
Dominic Paul Milligate NSW
Ann-Maree Moodie NSW
Fiona Jeanne Morgan WA
Heather-Ann Morris VIC
Colin Peter Murphy WA
Vernon James Neumann QLD
Fiona Louise Nott OS
David Paul Oxley TAS
Margaret Yvonne Palmer NSW
Lester Vernon Pearce VIC
Janaki Ramachandran VIC
Jan Louise Redfern NSW
Justin Richard WA
Charles Ivan Robinson QLD
Alexandra Elizabeth Rose NSW
Irene Anne Rusak NSW
Glenn Andrew Sanford VIC
Michael Warren Scott VIC
Shad James Sears QLD
Colin Andrew Sharp SA
Anna Sloboda WA
Mark Andrew Smith WA
Peter Robert Stone TAS
Geoffrey Peter Walshaw QLD
David Woolfe WA
Leh Ann Yong NSW

CONTINUOUS MEMBERSHIP

CSA congratulates the following Members who achieved milestones for continuous membership in 2010.

50 years

**Australian Capital Territory**
James Service FCIS

**New South Wales**
Edward Astill FCIS
William Atkinson FCIS
Vernon Bakes ACIS
John Bergman ACIS
Mervyn Bird ACIS
Norma Block ACIS
Donald Cameron FCIS
Paul Clune FCIS
Desmond Ferguson ACIS
Brian Fraser ACIS
David Fraser FCIS
John Friend FCIS
David Furness ACIS
John Gow FCIS
Richard Graves ACIS

Douglas Gudgeon FCIS
Edward Lucey FCIS
Arthur Maddock ACIS
Barry McDonald FCIS
John McFarland ACIS
Anthony McGrath ACIS
Keith McRitchie ACIS
Norman Morton ACIS
Ronald Muller ACIS
Donald Murden FCIS
Dennis Natley ACIS
Peter Russell ACIS
Alfred Schebesta FCIS
Bruce Scully ACIS
Morris Seampsons FCIS
George Sneddon ACIS
Robert Sully FCIS

**Queensland**

George Ansell ACIS
Robert Bowmer FCIS

John Connolly ACIS
Kevin Haley ACIS
Laurence Hunt ACIS
John Laurie ACIS
Lawrence Litzow ACIS
James Power ACIS
Kevin See ACIS
Barry Stone FCIS
Wilson Wilde FCIS

**South Australia**
Robert Chapman ACIS
John Dougan ACIS

**Victoria**
Kenneth Burrows ACIS
Murray Dewar ACIS
James Griffin ACIS
George Grimes ACIS
Laurence Heale ACIS
Norris Hude ACIS

Valentine Johnson ACIS
Geoffrey Madder ACIS
Graeme McRae ACIS
Desmond Morton FCIS
Stephen Powell FCIS
David Roach ACIS
Errol Stodden FCIS
Graham Stuart FCIS

**Western Australia**
Paul Campbell FCIS
Bernard Clarke ACIS
Roderick Duff ACIS
Minoo Fozdar FCIS
Kiffin Miller ACIS
Dalton Moffett ACIS

**Overseas**
Colin Foster ACIS
25 years

Australian Capital Territory
William McCrow ACIS
Robert McMenemy ACIS
Philip Smith ACIS
Jan Zaraza FCIS

New South Wales
Carl Adams ACIS
Peter Ager ACIS
Kerry Albert ACIS
Robert Alder FCIS
Millie Au ACIS
Leigh Barker ACIS
James Berry ACIS
Martyn Betts ACIS
Kenneth Broadhead ACIS
Campbell Capel FCIS
William Carter ACIS
Neville Cox FCIS
Peter Crich ACIS
David Cumming ACIS
Donald Dennis ACIS
Ross Downie ACIS
Thomas Duffy ACIS
Warwick Foster ACIS
Robin Fraser ACIS
Neil Gabriel ACIS
Frank Gehrmann FCIS
Peter Gibson ACIS
Graeme Green FCIS
Edward Hedges ACIS
Hayden Hills FCIS
John Hurley ACIS
Clifford Innes ACIS
Andrew Jetson ACIS
Ralph Kahn ACIS
Michael Kennedy FCIS
Warren Kentsmith ACIS
Ferne Landers ACIS
Henry Lau Ying-hon ACIS
Harry Liu FCIS
John Makepeace ACIS
Ian McBeath ACIS
Michael McEvoy ACIS
Catalina Mitchell ACIS
Asir Mohammed ACIS
Peter Naude ACIS
Paul Nicol FCIS
Kenneth Pitt FCIS
Robert Poole FCIS
Murray Press FCIS
Peter Ramage FCIS
Peter Salmon ACIS
Robert Shield ACIS
Phillip Tuck ACIS
Kim Ussher ACIS
Heng Wan ACIS
John Watkins FCIS
Steven White ACIS

Queensland
George Barton ACIS
Nigel Chalk ACIS
Graeme Drapper FCIS
Bruce Finlayson ACIS
Robert Forbes ACIS
Philip Hennessy ACIS
William Hook ACIS
Rajendra Khatri ACIS
Ademola Kukoyi FCIS
Gary Lynch ACIS
Paula Masters ACIS
Desmond Olling FCIS
Graham Russell FCIS
Malcolm Snyder FCIS
John Stahl ACIS
Brian Sted ACIS

South Australia
Peter Clayfield ACIS
Ralph Depasquale ACIS
Patrick Derham FCIS
Matthew Geschwitz FCIS
Keith Gustavsson ACIS
Arthur Harris ACIS
Kevin Hollister FCIS
Martin Kirschke ACIS

Tasmania
Stephen Gordon FCIS
Basil Hills FCIS
Geoffrey Jones ACIS

Victoria
Roger Anthony FCIS
Ross Baird ACIS
Alexander Bojacuk FCIS
Anthony Boscia ACIS
Jon Browne ACIS
Robert Charles FCIS
Paul Choiselat FCIS
Antoni Cipa ACIS
John Cumming ACIS
Brian Dunkley ACIS
Wolfgang Flanagan ACIS
Richard Garvey ACIS
Julian Goglia ACIS
Murray Goldie ACIS
Michael Hunt ACIS
Philip Kam Poh Kwai ACIS
Steven Lakotij ACIS
John Lobo ACIS
Robert Loft ACIS
Valerie Lyons FCIS

Western Australia
Bruce Goulds FCIS
Alasdair Kenyon ACIS
Jennifer Murray FCIS
Ian Smith ACIS
Sondra Weeratunge ACIS

Overseas
Ashley Azavedo ACIS
Peter Stearn FCIS

Glen Manly ACIS
Ian Martine ACIS
Gurdyal Narayan ACIS
Stephen Nicholls ACIS
Paul Parsonson FCIS
Sujata Perera ACIS
Allan Philpott FCIS
Irwin Saunders ACIS
Anthony Sitch ACIS
Li Xia Southwick ACIS
David Taranto ACIS
Alwyn Wain ACIS
Raymond Wong Chee Wai ACIS

John Wright FCIS
Rose Ying ACIS
Robert Zanardo ACIS

AT YEAR’S END, MEMBERS AND AFFILIATES TOTALLED 7,962 AS FOLLOWS:

Diversity of professional responsibilities of Members and Affiliates

- Governance, risk management and compliance: 39%
- Taxation: 12%
- Accounting/finance and auditing: 10%
- Corporations law (including ASX listing rules): 9%
- Insurance and superannuation: 9%
- Legal responsibility: 7%
- Workplace relations: 6%
- IT: 3%
- Intellectual property: 2%
- Property: 2%

Members and Affiliates by state

- NSW/ACT: 51%
- VIC: 24%
- QLD: 13%
- SA/NT: 5%
- TAS: 4%
- O/S: 2%
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 on 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.

On 30 June 2010, ASXCGC released amendments to the second edition of the Corporate Governance Principles and Recommendations in relation to diversity, trading policies and analysts’ briefings with the change in the reporting requirement applying to the company’s first financial year commencing on or after 1 January 2011.

As CSA Ltd is committed to adopt and report against the principles, the revision and transition of our governance frameworks has commenced and will be disclosed in relation to the financial year 1 January 2011 to 31 December 2011, in the next annual report.

As at 31 December 2010, 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.

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.

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 has been conducted a number of times with regard to the human relations, organisational culture and leadership practices of CSA in respect of team functioning, job satisfaction and general HR practices.
Principle 2: Structure the board to add value

The company presently has 11 non-executive directors. All directors are Members of CSA Ltd and are on the National Council. The names of the directors of the company in office at the date of this statement, including the duration of each director's tenure, are set out in the directors' report 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 chairman and according to the terms of the company policy. Directors having a conflict of interest in relation to a particular item of business must absent themselves from the board meeting before commencement of discussion on the topic. The board confers on a scheduled or regular basis without management in attendance.

The board is appointed by National Council, who are elected by all Members of CSA on a state-by-state basis, with each current director bringing a range of complementary skills and experience to the company as indicated on pages 28–29 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.

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.

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

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

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

An independent Nomination Committee has been established by National Council, which is responsible for the appointment of directors to the board and liaises with and makes recommendations to the board regarding the membership of the board, including proposed new appointments. 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 Chairman, on all governance matters, with all directors having access to that person, whose appointment and removal is a decision by the board as a whole. The Company Secretary supports the effectiveness of the board by monitoring 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.

In anticipation of establishing a policy concerning diversity, the company has opted to provide in the annual report the early disclosure of 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 30 of the Directors' report in the annual report.

In 2010, CSA Ltd proactively supported the requirement for listed entities to report against the new Recommendation 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.

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.

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 the CEO’s office, Finance and Administration, Education and Training, Membership, Policy, Publishing and state offices.

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

Arrangements put in place by the board to monitor risk management include regular reporting to the board in respect of operations and the financial position of the company; reports by the Chairman of the 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 15 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 28–29 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.
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. 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.

Directors’ report

Your directors present this report on the company for the financial year ended 31 December 2010.
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.

Financial results

An operating surplus from ordinary activities of $260,203 was made for the year after providing for income tax.

The surplus attributable to Members amounting to $260,035 was made after allowing for a net loss on disposal of assets amounting to $168.

Accumulated funds at year end totalled $4,703,185.

Dividends

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

Review and result of operations

Company performance is constantly measured against the compilation, agreement and regular performance management reviews between the CEO, direct reports and all other staff against job description and key performance indicators which are conducted on an annual basis and assessed 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 $2,383,849; education fees of $2,247,870; training, events and publications of $2,220,790; sponsorship of $503,230; investment income of $135,689; and other income for services of $95,569.

Expenditure for the year was primarily on direct costs for training, events and publications of $962,782; direct costs for education courses of $627,727; profile-raising activities and website maintenance of $478,314; international activities of $201,015; and governance and administration of $5,056,955.
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 Frank Bush FCIS, Alan Evans FCIS, Nick Geddes FCIS, Douglas Gratton FCIS, Andrew Horne FCIS, Trisha Mok FCIS, Bill te Kloon FCIS, Peter Turnbull FCIS, Chris Wells FCIS, Wendy Wills FCIS, and Warren Baillie FCIS who was appointed on 12.1.11.

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 Senior Legal Counsel with Woodside Energy Ltd.


Alan Evans BBus (Law), FCIS, MAICD (appointed 4.6.09) — General Manager Corporate Governance and Corporation Secretary for Hydro Tasmania for the last six 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, US and European companies. Alan has lectured in corporate governance, secretarial practice and law.

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

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

Andrew Horne LLB, FCIS Solicitor (appointed 21.1.10) — Experienced in company secretarial practice, corporate law, risk management and compliance. General Counsel and Group Company Secretary of ASX listed Thakral Holdings Limited since 1994. Previously Company Secretary and Legal Counsel of Tooth and Co Limited. Course Director and Subject Advisory Committee for the Corporate Accountability: Meetings and Disclosure Module of the CSA Graduate Diploma program since February 2008, member of the NSW Council since February 2007.


Conley Manifis BCom, Grad Dip CSP, FCIS, CA (appointed 4.6.09 – 31.12.10) — Experienced in audit, financial reporting and governance. Conley is an audit partner with Deloitte Touche Tohmatsu.

Trisha Mok BCom, LLB(Hons), GradDipACG, FCIS (appointed 4.6.09) — A governance professional experienced in company secretarial practice, corporate governance, corporate law, compliance and intellectual property law in the information technology and media sectors. Currently Director of Legal and Corporate Affairs (Asia Pacific) at Spendvision Pty Limited.

Bill te Kloon 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. Director of CSA Ltd subsidiary companies.

**Peter Turnbull** BCom, LLB, FCIS, FAICD (appointed 1.1.09) — A governance professional experienced in company secretarial practice, corporate governance, corporate law, risk management and compliance. Former Company Secretary / General Counsel of large listed public companies including BTR Nylex, Newcrest Mining and Energex. Currently a director of a number of unlisted public and private companies. Australian Division President, 2010.

**Christopher Wells** JP, MPub Admin, FCIS, FAICD (appointed 1.1.09) — Experienced in high-level public sector management and project management in the Tasmanian State Government and previous experience in the banking industry. Australian Division President, 2008.

**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. Director of CSA Ltd subsidiary companies.

**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 28–29. 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 37.

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.

**Attendance at directors’ meetings**

During 2010 attendance by individual directors (including when represented by alternates) at meetings they were entitled to attend, was as follows.
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.

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 anticipation of establishing a policy concerning diversity, in terms of the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations the company has opted to report the early disclosure in the Directors’ report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board as required by the new reporting recommendation which will commence on 1 January 2011.

Proportion of women:

<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>73%</td>
<td>60%</td>
<td>18%</td>
</tr>
</tbody>
</table>

Since January 2005, the total proportion of women Members and Affiliates of CSA Ltd has doubled from ten per cent to 20 per cent as at 31 December 2010.

Fifty 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, PNA, AFAIM — Experienced in company secretarial practice, corporate governance, financial management, computer systems, risk management implementation, office and business management in manufacturing, wholesale and retail industries. Appointed Company Secretary of CSA Ltd on 7 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 44 and forms part of the Directors’ report for the financial year ended 31 December 2010.

Directors’ signatures

Douglas Gratton FCIS
Chairman

Warren Baillie FCIS
Director

Frank Bush FCIS
Director

Alan Evans FCIS
Director

Nick Geddes FCIS
Director

Andrew Horne FCIS
Director

Trisha Mok FCIS
Director

Bill te Kloot FCIS
Director

Peter Turnbull FCIS
Director

Chris Wells FCIS
Director

Wendy Wills FCIS
Director

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

SYDNEY, 19 March 2011
# Financial report

## STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2010

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2010 $</th>
<th>2009 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>2</td>
<td>7,586,997</td>
<td>7,013,343</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>3</td>
<td>(252,217)</td>
<td>(232,624)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>3</td>
<td>(7,074,577)</td>
<td>(6,856,586)</td>
</tr>
<tr>
<td>Refund of payroll tax</td>
<td>1(f), 3</td>
<td>–</td>
<td>609,430</td>
</tr>
<tr>
<td><strong>Surplus before income tax expense</strong></td>
<td></td>
<td>260,203</td>
<td>533,563</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>1(d)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Surplus after income tax</strong></td>
<td></td>
<td>260,203</td>
<td>533,563</td>
</tr>
<tr>
<td><strong>Net (loss) / gain on disposal of asset</strong></td>
<td>3</td>
<td>(168)</td>
<td>(4,510)</td>
</tr>
<tr>
<td><strong>Surplus attributable to Members</strong></td>
<td></td>
<td>260,035</td>
<td>529,053</td>
</tr>
<tr>
<td><strong>Other comprehensive income for the year</strong></td>
<td></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year attributable to Members</strong></td>
<td></td>
<td>260,035</td>
<td>529,053</td>
</tr>
</tbody>
</table>

## STATEMENT OF FINANCIAL POSITION

as at 31 December 2010

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2010 $</th>
<th>2009 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>7</td>
<td>2,984,469</td>
<td>2,783,045</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>8</td>
<td>121,571</td>
<td>103,437</td>
</tr>
<tr>
<td>Other</td>
<td>9</td>
<td>253,744</td>
<td>145,613</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td>3,359,784</td>
<td>3,032,095</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td>10</td>
<td>3,945,880</td>
<td>3,900,416</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td></td>
<td>3,945,880</td>
<td>3,900,416</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>7,305,664</td>
<td>6,932,511</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>11</td>
<td>627,390</td>
<td>618,202</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>12</td>
<td>1,553,763</td>
<td>1,490,281</td>
</tr>
<tr>
<td>Provisions</td>
<td>13(a)</td>
<td>384,932</td>
<td>304,128</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td></td>
<td>2,566,085</td>
<td>2,412,611</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td>13(b)</td>
<td>36,394</td>
<td>76,750</td>
</tr>
<tr>
<td>Provisions</td>
<td></td>
<td>36,394</td>
<td>76,750</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td></td>
<td>36,394</td>
<td>76,750</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td></td>
<td>2,602,479</td>
<td>2,489,361</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td>4,703,185</td>
<td>4,443,150</td>
</tr>
<tr>
<td><strong>Members’ funds</strong></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>3,940,152</td>
<td>3,680,117</td>
</tr>
<tr>
<td><strong>Total Members’ funds</strong></td>
<td></td>
<td>4,703,185</td>
<td>4,443,150</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
## STATEMENT OF CHANGES IN MEMBERS’ FUNDS
for the year ended 31 December 2010

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2010 $</th>
<th>2009 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPENING BALANCE</td>
<td></td>
<td>4,443,150</td>
<td>3,914,097</td>
</tr>
<tr>
<td>Transfer net (loss) on disposal of asset</td>
<td>3</td>
<td>(168)</td>
<td>(4,510)</td>
</tr>
<tr>
<td>Surplus recognised directly in Members’ funds</td>
<td></td>
<td>(168)</td>
<td>(4,510)</td>
</tr>
<tr>
<td>Surplus from ordinary activities</td>
<td></td>
<td>260,203</td>
<td>533,563</td>
</tr>
<tr>
<td>Total recognised income and expenses for the year attributable to the Members</td>
<td>5</td>
<td>260,035</td>
<td>529,053</td>
</tr>
<tr>
<td>CLOSING BALANCE</td>
<td></td>
<td>4,703,185</td>
<td>4,443,150</td>
</tr>
</tbody>
</table>

## STATEMENT OF CASH FLOWS
for the year ended 31 December 2010

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2010 $</th>
<th>2009 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subscriptions received</td>
<td></td>
<td>2,606,998</td>
<td>2,622,950</td>
</tr>
<tr>
<td>Receipts from courses and other activities</td>
<td></td>
<td>5,417,118</td>
<td>4,956,346</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td></td>
<td>(7,482,331)</td>
<td>(6,420,159)</td>
</tr>
<tr>
<td>Interest received</td>
<td></td>
<td>135,689</td>
<td>84,176</td>
</tr>
<tr>
<td>GST paid</td>
<td></td>
<td>(178,368)</td>
<td>(124,231)</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>17(b)</td>
<td>499,106</td>
<td>1,119,082</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments for property, plant and equipment</td>
<td></td>
<td>(297,682)</td>
<td>(346,111)</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td></td>
<td>(297,682)</td>
<td>(346,111)</td>
</tr>
<tr>
<td>Net increase in cash held</td>
<td></td>
<td>201,424</td>
<td>772,971</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of year</td>
<td></td>
<td>2,783,045</td>
<td>2,010,074</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of year</td>
<td>17(a)</td>
<td>2,984,469</td>
<td>2,783,045</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
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 19 March 2011.

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 item 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>20.00%</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) 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.

(d) Income tax

CSA Ltd is for income tax purposes endorsed as a charitable institution. Its income is therefore exempt from income tax under Subdivision 50–B of the Income Tax Assessment Act 1997.
(e) Goods and services tax
Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST). Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the 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.

(f) 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). This exemption was applicable retrospectively from 9 October 2000 and a $503,048 refund of payroll tax was received. Recalculation of payroll tax in other states due to exempt salary and wages in NSW resulted in a further refund of $106,382.

(g) 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.

(h) 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.

(i) 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.

(j) 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 expire 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 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.

(k) 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 sources of information and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition surpluses. 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.

(l) 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.

(m) 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 has been left to CSA Ltd to set up a trust to pay scholarships tenable overseas for advancement of training in secretarial and administrative knowledge to immediate postgraduate candidates of the Institute’s examination.

The appropriate trust is in the process of being formed, subject to the approval of a cy pres scheme by the Attorney-General of New South Wales.

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

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

(o) 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.

(p) 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.

(q) 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.

(r) Adoption of new and revised Accounting Standards
During the current year, the company has adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has affected the recognition, measurement and disclosure of certain transactions.

(s) New accounting standards for application in future periods
The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the company has decided not to early adopt. A discussion of those future requirements and their impact on the company is as follows:

AASB1: First time Adoption of Australian Accounting Standards (applicable for annual reporting periods commencing from 1 July 2009)

The structure of this Standard has been amended for ease of use and as it applies only on first-time adoption of Australian equivalents to International Financial Reporting Standards, it is not expected to affect the company’s financial statements.

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 current 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 28–29.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

<table>
<thead>
<tr>
<th>2 Revenue</th>
<th>2010 $</th>
<th>2009 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member and Affiliate subscriptions</td>
<td>2,383,849</td>
<td>2,292,555</td>
</tr>
<tr>
<td>Education</td>
<td>2,247,870</td>
<td>2,316,710</td>
</tr>
<tr>
<td>Training and events</td>
<td>2,186,718</td>
<td>1,752,435</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>503,230</td>
<td>460,309</td>
</tr>
<tr>
<td>Interest</td>
<td>135,689</td>
<td>85,502</td>
</tr>
<tr>
<td>Other income</td>
<td>95,569</td>
<td>75,021</td>
</tr>
<tr>
<td>Publications, journal and merchandise</td>
<td>34,072</td>
<td>30,811</td>
</tr>
<tr>
<td>Total revenue</td>
<td>7,586,997</td>
<td>7,013,343</td>
</tr>
</tbody>
</table>

| 3 Surplus from ordinary activities | | |
| Surplus from ordinary activities is stated before income tax expense has been determined, after charging: | | |
| Expenses | | |
| Depreciation and amortisation of non-current assets | | |
| Building | 16,864 | 16,864 |
| Plant and equipment | 142,309 | 145,757 |
| Leasehold improvements | 93,044 | 70,003 |
| Total depreciation and amortisation of non-current assets | 252,217 | 232,624 |
| Personnel | 3,209,792 | 3,031,810 |
| Superannuation contributions | 268,261 | 261,505 |
| ICSA, UK — capitation fee | 113,598 | 154,953 |
| Rental expenses on operating leases | 298,852 | 282,226 |
| Occupancy and state facilities | 152,328 | 142,712 |
| Auditor’s remuneration | | |
| Audit | 25,000 | 22,000 |
| Other services | 2,800 | 3,692 |
| Other expenses from ordinary activities | 3,272,205 | 2,957,688 |
| Total other expenses | 7,342,836 | 6,856,586 |
| Refund of payroll tax as specified in Note 1(f) | — | (609,430) |
| Expenses from non-operating activities | | |
| Net (loss) / gain on sale of other assets | (168) | (4,510) |

| 4 Reserves | | |
| Capital surplus reserve | 745,933 | 745,933 |
| Works of art revaluation reserve | 17,100 | 17,100 |
| | 763,033 | 763,033 |

| 5 Retained surplus | | |
| Retained surplus at beginning of the year | 3,680,117 | 3,151,064 |
| Surplus for the year | 260,035 | 529,053 |
| Retained surplus at the end of the year | 3,940,152 | 3,680,117 |
### 6 Key management personnel compensation

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

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

<table>
<thead>
<tr>
<th>Name</th>
<th>2010 $</th>
<th>2009 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frank Bush</td>
<td>4,225</td>
<td></td>
</tr>
<tr>
<td>Douglas Gracion</td>
<td>2,000</td>
<td>4</td>
</tr>
<tr>
<td>Andrew Horne</td>
<td>9,895</td>
<td>1,50</td>
</tr>
<tr>
<td>Bill Hundy (retired)</td>
<td>150</td>
<td></td>
</tr>
<tr>
<td>Ross Mallett</td>
<td>250</td>
<td></td>
</tr>
<tr>
<td>Conley Manifis</td>
<td>500</td>
<td>250</td>
</tr>
<tr>
<td>Bill te Kloot</td>
<td>650</td>
<td>500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13,045</strong></td>
<td><strong>5,125</strong></td>
</tr>
</tbody>
</table>

### Other key management personnel

Judith Fox (Director, Policy)
Stan Jodeikin (Director, Finance and Administration)
Tim Sheehy (Chief Executive Officer)
Marc Wanstall (Director, Marketing & Membership Services)
Irene Booth (Director, Education and Training) resigned 24 December 2010

<table>
<thead>
<tr>
<th>Component</th>
<th>2010 $</th>
<th>2009 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary and bonuses</td>
<td>852,684</td>
<td>844,609</td>
</tr>
<tr>
<td>Superannuation contribution</td>
<td>139,266</td>
<td>102,606</td>
</tr>
<tr>
<td>Long service leave provision</td>
<td>206,313</td>
<td>169,174</td>
</tr>
<tr>
<td><strong>Total compensation</strong></td>
<td><strong>1,198,263</strong></td>
<td><strong>1,116,389</strong></td>
</tr>
</tbody>
</table>

### 7 Cash and cash equivalents

<table>
<thead>
<tr>
<th>Component</th>
<th>2010 $</th>
<th>2009 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>800</td>
<td>1,584</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>520,593</td>
<td>832,502</td>
</tr>
<tr>
<td>Cash on deposit</td>
<td>2,463,076</td>
<td>1,948,959</td>
</tr>
<tr>
<td><strong>Total cash and cash equivalents</strong></td>
<td><strong>2,984,469</strong></td>
<td><strong>2,783,045</strong></td>
</tr>
</tbody>
</table>

### 8 Trade and other receivables

<table>
<thead>
<tr>
<th>Component</th>
<th>2010 $</th>
<th>2009 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>121,571</td>
<td>103,437</td>
</tr>
<tr>
<td><strong>Total trade and other receivables</strong></td>
<td><strong>121,571</strong></td>
<td><strong>103,437</strong></td>
</tr>
</tbody>
</table>

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

### 9 Other assets

<table>
<thead>
<tr>
<th>Component</th>
<th>2010 $</th>
<th>2009 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepayments</td>
<td>253,744</td>
<td>145,613</td>
</tr>
</tbody>
</table>
### 10 Property, plant and equipment

#### Non-current

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
<td></td>
<td></td>
</tr>
<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>833,223</td>
<td>624,549</td>
</tr>
<tr>
<td>Less: accumulated depreciation and amortisation</td>
<td>(457,972)</td>
<td>(348,064)</td>
</tr>
<tr>
<td></td>
<td>3,457,251</td>
<td>3,376,485</td>
</tr>
<tr>
<td>Computer system, furniture and office equipment at cost</td>
<td>1,496,758</td>
<td>1,423,204</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(1,050,956)</td>
<td>(924,100)</td>
</tr>
<tr>
<td></td>
<td>445,802</td>
<td>499,104</td>
</tr>
<tr>
<td>Works of art at valuation</td>
<td>24,827</td>
<td>24,827</td>
</tr>
<tr>
<td><strong>Total property, plant and equipment</strong></td>
<td>3,945,880</td>
<td>3,900,416</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 18 February 2009 was based on an inspection of the property on 27 January 2009, prepared by George Paton FAPI, FRCI, FREI, AIAMA, Certified Practising Valuer, Registered Valuer No 1212 and Director of Chesterton International (NSW) Pty Limited and valued the strata entitlement at $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 2010.

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

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

<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>3,376,486</td>
<td>499,618</td>
<td>24,827</td>
<td>3,900,931</td>
</tr>
<tr>
<td>Additions</td>
<td>208,673</td>
<td>88,493</td>
<td>–</td>
<td>297,166</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>(109,908)</td>
<td>(142,309)</td>
<td>–</td>
<td>(252,217)</td>
</tr>
<tr>
<td>Carrying amount at end of the year</td>
<td>3,475,251</td>
<td>445,802</td>
<td>24,827</td>
<td>3,945,880</td>
</tr>
</tbody>
</table>

### 11 Trade and other payables

#### Current

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors and accruals</td>
<td>398,059</td>
<td>393,017</td>
</tr>
<tr>
<td>Net GST liability</td>
<td>95,112</td>
<td>84,702</td>
</tr>
<tr>
<td>Accrued ICSA capitation fee</td>
<td>20,712</td>
<td>34,503</td>
</tr>
<tr>
<td>Payroll and PAYG tax payable</td>
<td>95,761</td>
<td>98,328</td>
</tr>
<tr>
<td>Fringe benefits tax payable</td>
<td>17,746</td>
<td>7,652</td>
</tr>
<tr>
<td></td>
<td>627,390</td>
<td>618,202</td>
</tr>
</tbody>
</table>
12 Deferred revenue
Subscriptions and fees in advance 1,553,763 1,490,281

13 Provisions
(a) Current
Provision for annual leave 150,121 157,912
Provision for long service leave 234,811 146,216
384,932 304,128

(b) Non-current
Provision for long service leave 36,394 76,750
36,394 76,750

Average number of full-time equivalent employees 33.3 33.3

14 Leasing commitments
Operating lease commitments
Non-cancellable operating leases contracted for but not capitalised in the financial statements
Being for premises
Payable: Not later than one year 367,855 339,570
Later than one but not later than five years 1,502,701 1,728,569
Later than five years 113,672 281,023
1,984,228 2,349,162

15 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 $6,402, (2009 loss of $4,953), had been included in the administration fee.

These payments amounted to: 113,598 154,953
113,598 154,953

(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: 7,619 4,714
7,619 4,714

(iii) Three directors, as disclosed in the Directors’ report on pages 28–29, are also directors of CSA Ltd dormant subsidiary companies.
16 Segment reporting
CSA Ltd operates as a professional association providing education and promotion of the advancement of effective governance and administration of organisations in the private and public sectors, for Members and applicants for membership and for the public. These operations are in Australia and the revenue from operations is as disclosed per Note 2. The company is one reportable segment.

17 Cash flow information
(a) Reconciliation of cash
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows.

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and on hand</td>
<td>521,393</td>
<td>834,086</td>
</tr>
<tr>
<td>Cash on deposit</td>
<td>2,463,076</td>
<td>1,948,959</td>
</tr>
<tr>
<td></td>
<td>2,984,469</td>
<td>2,783,045</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net surplus from ordinary activities after income tax</td>
<td>260,035</td>
<td>529,053</td>
</tr>
<tr>
<td>Non-cash flows in surplus from ordinary activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>252,217</td>
<td>232,624</td>
</tr>
<tr>
<td>Change in assets and liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) in trade and other receivables</td>
<td>(18,134)</td>
<td>(16,176)</td>
</tr>
<tr>
<td>(Increase) / decrease in other current assets</td>
<td>(108,131)</td>
<td>18,164</td>
</tr>
<tr>
<td>Increase in trade and other payables</td>
<td>9,189</td>
<td>69,003</td>
</tr>
<tr>
<td>(Decrease) in unearned interest</td>
<td>–</td>
<td>(1,326)</td>
</tr>
<tr>
<td>Increase in deferred revenue</td>
<td>63,482</td>
<td>210,065</td>
</tr>
<tr>
<td>Increase in provisions</td>
<td>40,448</td>
<td>77,675</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>499,106</td>
<td>1,119,082</td>
</tr>
</tbody>
</table>

18 Trust funds
Statement of Financial Position

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estate Late Leonard Chant</td>
<td>1,036,978</td>
<td>1,021,650</td>
</tr>
<tr>
<td>The Institute Trusts</td>
<td>69,094</td>
<td>67,026</td>
</tr>
<tr>
<td></td>
<td>1,106,072</td>
<td>1,088,676</td>
</tr>
</tbody>
</table>

Represented by

Current assets
Cash at bank and on deposit | 1,106,072 | 1,088,676 |

Statement of Comprehensive Income

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest — Bequest from Estate Late Leonard Chant</td>
<td>49,790</td>
<td>37,210</td>
</tr>
<tr>
<td>Interest — Other trust funds</td>
<td>2,146</td>
<td>1,476</td>
</tr>
<tr>
<td></td>
<td>51,936</td>
<td>38,686</td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal fees and charges</td>
<td>(34,540)</td>
<td>(49,190)</td>
</tr>
<tr>
<td>Prizes</td>
<td>–</td>
<td>(409)</td>
</tr>
<tr>
<td>Available trust funds</td>
<td>17,396</td>
<td>(10,913)</td>
</tr>
<tr>
<td>Opening balance</td>
<td>1,088,676</td>
<td>1,099,589</td>
</tr>
<tr>
<td>Trust funds balance at end of year</td>
<td>1,106,072</td>
<td>1,088,676</td>
</tr>
</tbody>
</table>
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>Category</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>2,984,469</td>
<td>2,783,045</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>121,571</td>
<td>103,437</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,106,040</td>
<td>2,886,482</td>
</tr>
</tbody>
</table>

### Financial liabilities

<table>
<thead>
<tr>
<th>Category</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial liabilities at amortised costs:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>627,390</td>
<td>618,202</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>627,390</td>
<td>618,202</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-duration bank term 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.

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

<table>
<thead>
<tr>
<th>Category</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>2,984,469</td>
<td>2,783,045</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>Post-tax surplus</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher/(lower)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>+1% (100 basis points)</td>
<td>29,845</td>
<td>27,830</td>
</tr>
<tr>
<td>−1% (100 basis points)</td>
<td>(29,845)</td>
<td>(27,830)</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.

<table>
<thead>
<tr>
<th>Post-tax surplus</th>
<th>Higher/(lower)</th>
<th>2010 $</th>
<th>2009 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUD/GBP+5%</td>
<td></td>
<td>6,079</td>
<td>12,275</td>
</tr>
<tr>
<td>AUD/GBP–5%</td>
<td></td>
<td>(6,079)</td>
<td>(12,275)</td>
</tr>
</tbody>
</table>

(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>Trade and other financial liabilities</th>
<th>2010 $</th>
<th>2009 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash balance of GBP at year end</td>
<td>121,570</td>
<td>245,499</td>
</tr>
</tbody>
</table>
Year ended 31 December 2010

<table>
<thead>
<tr>
<th></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><strong>Financial assets</strong></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>Total</td>
<td>2,984,469</td>
<td>–</td>
<td>121,571</td>
<td>3,106,040</td>
<td></td>
</tr>
</tbody>
</table>

|                                |                   |            |                        |         |                     |
| **Financial liabilities**      |                   |            |                        |         |                     |
| Trade and other payables       | –                 | –          | 627,390                | 627,390 |                     |
| Total                          | –                 | –          | 627,390                | 627,390 |                     |

|                                |                   |            |                        |         |                     |

Year ended 31 December 2009

<table>
<thead>
<tr>
<th></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><strong>Financial assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2,783,045</td>
<td>–</td>
<td>–</td>
<td>2,783,045</td>
<td>3.63</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>–</td>
<td>–</td>
<td>103,437</td>
<td>103,437</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2,783,045</td>
<td>–</td>
<td>103,437</td>
<td>2,886,482</td>
<td></td>
</tr>
</tbody>
</table>

|                                |                   |            |                        |         |                     |
| **Financial liabilities**      |                   |            |                        |         |                     |
| Trade and other payables       | –                 | –          | 618,202                | 618,202 |                     |
| Total                          | –                 | –          | 618,202                | 618,202 |                     |

20 Events subsequent to reporting date

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

21 Contingent liabilities

There are no contingent liabilities as at 31 December 2010.
Chartered Secretaries Australia Ltd

The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 31–43, 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 2010 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.

Douglas Gration FCIS
Director

Bill te Kloot FCIS
Director

Dated at Sydney this 19th day of March 2011

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 2010 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
19 March 2011
Independent auditor’s 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 2010, 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 21 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 2010 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
19 March 2011
## Detailed operating surplus and deficit accounts

for the five years 2006 – 2010

<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>Member and Affiliate subscriptions</td>
<td>2,383,849</td>
<td>2,292,555</td>
<td>2,311,482</td>
<td>2,290,072</td>
<td>2,204,833</td>
</tr>
<tr>
<td>Education</td>
<td>2,247,870</td>
<td>2,316,710</td>
<td>2,243,438</td>
<td>1,995,676</td>
<td>1,849,005</td>
</tr>
<tr>
<td>Training and events</td>
<td>2,186,718</td>
<td>1,752,435</td>
<td>1,796,821</td>
<td>1,785,568</td>
<td>1,505,570</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>503,230</td>
<td>460,309</td>
<td>533,404</td>
<td>479,603</td>
<td>457,589</td>
</tr>
<tr>
<td>Interest</td>
<td>135,689</td>
<td>85,502</td>
<td>143,322</td>
<td>82,970</td>
<td>68,304</td>
</tr>
<tr>
<td>Other income</td>
<td>95,569</td>
<td>75,021</td>
<td>101,222</td>
<td>72,152</td>
<td>85,189</td>
</tr>
<tr>
<td>Publications, journal and merchandise †</td>
<td>34,072</td>
<td>30,811</td>
<td>22,763</td>
<td>23,350</td>
<td>31,930</td>
</tr>
<tr>
<td></td>
<td>7,586,997</td>
<td>7,013,343</td>
<td>7,152,452</td>
<td>6,729,391</td>
<td>6,202,420</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>3,478,053</td>
<td>3,293,315</td>
<td>3,216,885</td>
<td>2,807,998</td>
<td>2,895,726</td>
</tr>
<tr>
<td>Education</td>
<td>627,727</td>
<td>737,644</td>
<td>825,252</td>
<td>660,008</td>
<td>610,029</td>
</tr>
<tr>
<td>Training and events</td>
<td>667,448</td>
<td>622,127</td>
<td>675,597</td>
<td>653,577</td>
<td>634,147</td>
</tr>
<tr>
<td>Occupancy and state facilities</td>
<td>451,181</td>
<td>424,938</td>
<td>361,734</td>
<td>279,374</td>
<td>232,301</td>
</tr>
<tr>
<td>Publications, journal and merchandise †</td>
<td>295,334</td>
<td>276,853</td>
<td>273,381</td>
<td>277,853</td>
<td>291,480</td>
</tr>
<tr>
<td>Borrowing costs expense</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>482</td>
<td>23,141</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>252,217</td>
<td>232,624</td>
<td>221,356</td>
<td>375,926</td>
<td>234,557</td>
</tr>
<tr>
<td>Travel and meetings</td>
<td>192,128</td>
<td>219,631</td>
<td>266,020</td>
<td>214,926</td>
<td>186,981</td>
</tr>
<tr>
<td>Profile and website maintenance</td>
<td>478,314</td>
<td>417,757</td>
<td>417,529</td>
<td>435,938</td>
<td>323,765</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>229,419</td>
<td>215,046</td>
<td>208,757</td>
<td>228,803</td>
<td>141,857</td>
</tr>
<tr>
<td>ICSA, UK — capitation fee</td>
<td>113,598</td>
<td>154,953</td>
<td>131,890</td>
<td>140,606</td>
<td>133,152</td>
</tr>
<tr>
<td>Telephone, facsimile and email</td>
<td>80,264</td>
<td>71,543</td>
<td>85,130</td>
<td>102,632</td>
<td>76,707</td>
</tr>
<tr>
<td>Bank and credit card fees</td>
<td>104,360</td>
<td>92,490</td>
<td>93,988</td>
<td>88,987</td>
<td>74,292</td>
</tr>
<tr>
<td>Printing and stationery</td>
<td>100,013</td>
<td>93,443</td>
<td>90,292</td>
<td>77,217</td>
<td>77,889</td>
</tr>
<tr>
<td>International representation</td>
<td>87,417</td>
<td>62,600</td>
<td>83,879</td>
<td>67,386</td>
<td>60,281</td>
</tr>
<tr>
<td>Postage and courier</td>
<td>18,041</td>
<td>20,101</td>
<td>20,518</td>
<td>20,115</td>
<td>36,995</td>
</tr>
<tr>
<td>Insurance</td>
<td>28,916</td>
<td>39,938</td>
<td>38,361</td>
<td>37,790</td>
<td>37,845</td>
</tr>
<tr>
<td>Other expenses</td>
<td>52,489</td>
<td>46,723</td>
<td>35,566</td>
<td>24,382</td>
<td>34,289</td>
</tr>
<tr>
<td>Auditors</td>
<td>25,000</td>
<td>21,800</td>
<td>21,000</td>
<td>11,750</td>
<td>24,900</td>
</tr>
<tr>
<td>Professional services ††</td>
<td>44,875</td>
<td>45,684</td>
<td>58,773</td>
<td>8,936</td>
<td>9,901</td>
</tr>
<tr>
<td>Refund of payroll tax †††</td>
<td>–</td>
<td>(609,430)</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>7,326,794</td>
<td>6,479,780</td>
<td>7,101,908</td>
<td>6,514,686</td>
<td>6,140,235</td>
</tr>
<tr>
<td><strong>Surplus from ordinary activities</strong></td>
<td>260,203</td>
<td>533,563</td>
<td>50,544</td>
<td>214,705</td>
<td>62,185</td>
</tr>
<tr>
<td>Net (loss) / gain on disposal of asset</td>
<td>(168)</td>
<td>(4,510)</td>
<td>1,170</td>
<td>3,964</td>
<td>(6,452)</td>
</tr>
<tr>
<td><strong>Total surplus for the year</strong></td>
<td>260,035</td>
<td>529,053</td>
<td>51,714</td>
<td>218,669</td>
<td>55,733</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).

This statement does not form part of the Audited Accounts but is presented for additional information.
Members’ Code of Ethics*

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

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

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