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A 56 per cent increase in new members of Chartered Secretaries Australia (CSA) through our qualifying program: the largest percentage increase in new members in over a decade.

Recognition of the importance of the role of the Company Secretary in the new Corporations Act requirement for the qualifications and experience of Company Secretaries to be disclosed in the annual report.

Major submissions to Treasury on the CLERP (Audit Reform & Disclosure) Bill 2004 and the release of price-sensitive information, and to the Australian Securities and Investment Commission on infringement notices.

Significant investment in technical assistance in governance through the publication of the new booklet, Officers, Directors and Governance, and a significant increase in both Good Governance Guides and precedent documents in the Useful Practitioner Document Service on the website.

The first year of the new qualifying program for membership: The Graduate Diploma in Applied Corporate Governance and a 19 per cent increase in enrolments.

Online introduction of CSA’s National Resumé Register making the service easily accessible for all members.

New and much enlarged premises for the national and Sydney office.
The emergence of the governance professional was the dominant theme for 2004, crystallised by the passage of the CLERP (Audit Reform and Corporate Disclosure) Act 2004 with its requirement to publish the qualifications and experience of the Company Secretary in the annual report of all listed companies.

The role of the Company Secretary has been evolving for years into that of the governance professional and CSA has been encouraging that trend.

**Broadening the base**

For four years CSA has been operating under a Mission Statement and a set of strategic objectives that focus on the promotion and advancement of effective governance and administration in all sectors of the community.

Significant progress was again achieved during 2004 and we are pleased to have this opportunity to report to you.

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

During the year we held CSA’s annual Corporate Governance Symposium, ‘ASX Corporate Governance Council’s guidelines — where to now?’, held in April in Sydney and, for the first time, in Melbourne. This is the third year in succession that CSA has held these symposia and it demonstrates CSA’s commitment to providing forums for the debate of important issues and showcases our interest in the wider debate on corporate governance. The format of several speakers putting their views forward on a single topic continues to be well received and will be continued.

2004 also saw the continuation of the very successful half-day conferences specifically targeting the government sector in Brisbane, Melbourne and Sydney. CSA is fortunate to have members and presenters that understand the unique requirements of governance issues facing the public sector.

In 2004, to establish our not-for-profit activities, CSA formed a successful alliance with Queensland University of Technology’s Centre of Philanthropy and Nonprofit Studies.

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

CSA continues to devote considerable resources to developing new technical resources for members and non-members to assist with day-to-day demands and with developing and implementing policy for these stakeholders’ organisations.

In July, CSA published the booklet, *Officers, Directors and Governance*, as part of its continuing commitment to providing the community with practical advice on governance issues. CSA intends to produce about one or two booklets per year covering important matters affecting our members.

During 2004 we also increased the number of the Good Governance Guides on the CSA website. These guides are designed to complement the Useful Practitioner Document service that was commenced in 2002, but they take a different focus. Good Governance Guides are designed to provide practitioners with practical direction on governance matters to assist in their implementation of best practice governance.

The Useful Practitioner Document service was greatly enhanced during the year and now contains well over 100 precedent documents for use by members. An energetic committee of members continues to review each document to ensure it is up to CSA standard before posting the document to our website. These precedents are for members only and are a great aid in helping with day-to-day requirements.

**Broaden Chartered Secretaries Australia’s professional relevance**

Throughout 2004, CSA worked to enhance the reputation of its qualifying program, the Graduate Diploma in Applied Corporate Governance.

The course was developed in response to employers and investors increasingly demanding that those charged with governance responsibilities have the skills and expertise to promote excellence in corporate conduct and administration.

Enrolments increased by 19 per cent from 2003, after an increase of 26 per cent from the previous year. This rapid growth has underpinned the development in membership of CSA as well as of the affiliate program.

During the year CSA substantially expanded its suite of training courses and conducted numerous in-house training sessions for the health, public and not-for-profit sectors.

**Advocacy**

The passage of the CLERP (Audit Reform and Corporate Disclosure) Act 2004 was an important milestone for Australian companies that included a significant recognition of the role that the Company Secretary plays.
The most significant amendment, from CSA’s perspective, was the change to s 300(1)(d) that requires the qualifications and experience of Company Secretaries to be disclosed in the annual report.

CSA’s campaign on this issue was not only to benefit investors, through greater disclosure of how qualified the person in the role actually is, but also to highlight the importance an organisation places on the role of the Company Secretary and whether it appoints a qualified professional.

CSA also made submissions to the Australian Stock Exchange on proposed listing rule amendments, to ASIC on the implementation of infringement notices and to Treasury on the release of price-sensitive information.

CSA’s two policy committees, the Legislation Review Committee and the Corporate and Legal Issues Committee, should be congratulated for their efforts in working on our submissions and for the success they have had in shaping legislation. We also extend our thanks to the Board of Directors of CSA Ltd and to members of other national committees.

**CSA’s National Resumé Register**

In the middle of 2004, CSA launched its National Resumé Register service with full web-enablement so that members across Australia have access to it. The service operated for a couple of years in a local environment but, as demand grew, so too did the need to make it a national service.

CSA’s National Resumé Register was designed with two aims in mind:

- to assist Chartered Secretaries to progress their careers, and
- to assist organisations to identify suitably qualified and experienced candidates for governance positions, including the role of Company Secretary.

Through this service, members have been appointed to entities in large and small capital listed companies, unlisted companies and not-for-profit organisations. We encourage all members to utilise this service when required.

**New national office premises**

In November 2004, the national office and NSW Branch of CSA moved into new, specially-designed premises at 5 Hunter Street, Sydney. CSA has experienced consistent growth over the last several years and had completely outgrown its premises at 70 Castlereagh Street that it had owned for over ten years.

The new premises are owned by CSA. All members are encouraged to see for themselves the quality of the training and meeting facilities these new premises provide.

**Financial health**

By the end of 2004, CSA had generated sufficient revenue to fund its extensive member services and advocacy program. We received over $1.8 million in subscription income this year, which equates to about 37 per cent of total revenue, down from over 55 per cent just four years ago. This is a positive result as our strategy to generate additional income from non-subscription related activities continues.

As outlined above, the new premises, owned by CSA, are a substantial investment in the future of the organisation. In addition, a new customer relationship management system (CRM) was installed in late 2004 that will provide complete web-enablement in 2005 for members to access a greater range of services.

**Conclusion**

In closing, 2004 was an excellent year for CSA. The strong increase in enrolments in our qualifying program continues, as does the growth in the affiliate program. But most important is that we have had a 56 per cent increase in new members joining CSA through our qualifying program. CSA views the business community’s support of employing fully qualified Chartered Secretaries as an endorsement of this program.
Overview and strategy

CSA's business is driven by a three-year rolling strategic planning process that has given considerable consistency to the direction of the business. From the first year the plan was put in place, the overarching goals for the operations of the business have been to:

- diversify the earnings base of the organisation, moving away from a reliance on membership subscriptions by building businesses that also underpin CSA's mission
- develop a professional qualifying program that is widely recognised and regarded
- ensure the infrastructure is adequate to meet the needs of a growing business.

CSA's business is primarily that of an information provider through formal education, short-course training and the discussion of current topics via seminars and conferences. In 2004, over 45 per cent of revenue was generated from these three areas.

Accordingly, CSA's business is dependent upon staying relevant, current and meeting the needs of working professionals.

Key drivers

Historically, the largest single source of income for CSA came from membership subscriptions. During the 1990s, approximately two-thirds of all revenue came from members with very little generated by operations. Over the last five years CSA has focused on developing its training business and the sales of software and other services so that the proportion of total income from membership subscriptions has dropped significantly from 55 per cent in 2000 to 37 per cent in 2004, while total revenue over the same period has increased by 57 per cent. The intention is to continue this trend so that members can derive greater benefit from their subscription fees and the business can become more sustainable due to a diversification of income.

In terms of membership, CSA's key focus is on renewals and new members. As there is only one pathway to membership, via the Graduate Diploma, enrolment numbers in the course are critical. In addition, the conversion of graduates to members is also critical. Over the last three years, 71 per cent of graduates have converted to membership. While this is a gratifying number, plans are in place to increase this conversion to 80 per cent over the next three years.

Total revenue increased in 2004 by 17 per cent from 2003, with a 24 per cent increase in income derived from the Graduate Diploma and a 48 per cent increase in income derived from training. Gross profit margins for both lines of the business were maintained.

Enrolment numbers in the Graduate Diploma in Applied Corporate Governance are also a key driver measured by the board. Changes made to the process of maintaining the currency of the course, the introduction of online learning and the accreditation of the course at postgraduate level have resulted in a 26 per cent increase in subject enrolments from 2002 to 2003 and a 19 per cent increase from 2003 to 2004. These enrolment totals and the percentage of students that continue to graduation are critical to the future of CSA.

Finally, CSA's short-course training business has grown from nothing in 1999 to revenue of nearly $450,000 this year. This is a highly competitive market where upfront costs are high and the currency of material has a relatively short shelf-life. During 2004, significant effort was invested in CSA's capacity to deliver customised courses on an 'in-house' basis as well maintaining the publicly advertised courses that have been in existence for a number of years.

Investment for future performance

In 2004, CSA undertook two substantial infrastructure projects funded primarily by utilising retained earnings that have been accumulated during the last five years.

First, a new web-enabled CRM system was installed. CSA had outgrown its previous database system and needed to move to a platform that could be fully web-enabled for both members and staff.

This new system, built on a SQL server platform, has given all five branches across the country live access to all customer records and significantly improved data retrieval functionality and will also enable movement to full web enablement for members in the coming year. The system was installed over three months from November 2004 after extensive design and testing.
The next area of IT development will be the release of a more interactive website for members. Over the last five years, CSA has invested heavily in web technology and was one of the first professional associations to move to online learning to augment traditional face-to-face instruction.

The next release of our website will include greater resources for members, a full learning portal and increased content on current events. The CRM system will be fully integrated with the new website, enabling live access for members and non-members.

Also in November of 2004, the national office moved to new premises at 5 Hunter Street, Sydney. The previous premises in Castlereagh Street had been occupied since 1992 and were simply too small to accommodate growing staff numbers and meet the needs of the increasing numbers attending classes and training courses.

The premises at Hunter Street represent a 44 per cent increase in floor space to 561m² and include new training facilities and meeting rooms plus further room for expansion of the business. The one-off cost of the fit-out was $720,000.

A decision was made to again purchase office space, so that CSA would be able to plan its expenses without risk of rent movement. The new premises were purchased at a cost of $3.1 million that will be majority funded by retained earnings. It is CSA’s intention to reduce any remaining debt to zero over the next three to five years.

I would like to take this opportunity to congratulate all staff on their ability to keep the business operating at such a high standard while at the same time enduring countless hours in meetings developing the database and suffering through the disruption of moving premises at the same time. I am proud to report that no business days were lost and our IT capacity was not down even one hour due to the move to new premises or the ‘go-live’ implementation of the database.

At the time of writing, the previous premises were still for sale and are being actively marketed. There are sufficient earnings to cover this exposure.

As stated earlier in this report, CSA’s revenue has greatly diversified over the last five years and this trend is planned to continue. Total revenue increased in 2004 by 17 per cent from 2003, with a 24 per cent increase in income derived from the Graduate Diploma and a 48 per cent increase in income derived from training. Gross profit margins for both lines of the business were maintained. There was no material amount of income that was dependent on special factors.

Expenses for 2004 were in line with expectations. Increased expenses were incurred due to additional staff numbers devoted both to customer service in the branches and the development of seminars and conferences in the national office. As revenue increases, additional staff are planned to increase CSA’s capacity to develop intellectual property and further its advocacy program.

In addition, a decision was made to write off many of the non-capital expenses associated with the development of the database, the design of the new premises and the costs associated with the move.

The future

At the end of 2004, CSA undertook extensive qualitative and quantitative market research so that future expansion would clearly meet the needs of members and the wider community.

It was clear from the results that the choice of CSA’s mission to be the leading advocate of best practice in governance and administration is taking the organisation in the right direction. Usage by members and non-members of our intellectual property is high, the number of new members is growing rapidly and the role of the governance professional is becoming more and more recognised.

In closing, I would like to thank my staff and all of the members and practitioners who have given so much of their time and energy to CSA. I believe the successes are there for all to see and I have no doubt that there are many more to come.

**Financial condition**

Notwithstanding any debt CSA will carry as a result of the purchase of new premises, the CSA board has decided to maintain cash levels at not less than $1 million at any time. As income varies during the year, with January through April generating the majority of income, cash balances can be nearly twice that amount. Nevertheless, it is deemed necessary to keep a minimum amount of working capital on hand.

During 2004, approximately $444,000 of cash flow was generated from operating activities and re-invested in the business.

Tim Sheehy
Chief Executive
Chartered Secretaries Australia Ltd
Governance education
2004 was a very good year with the introduction of our new, fully accredited and internationally recognised Graduate Diploma in Applied Corporate Governance and an increase in enrolments of 19 per cent from 2003. The popularity of the new course is an endorsement of our decision three years ago to broaden and strengthen our qualification program to provide high quality postgraduate education, not just for Company Secretaries but also for all governance professionals responsible for the effective guidance and management of the accountability mechanisms within their organisations.

This year also saw the first batch of students graduating with the new qualification which is now the educational pathway in Australia to membership of our parent body, the Institute of Chartered Secretaries and Administrators (ICSA), under its International Qualifying Scheme.

The successful introduction in 2004 of the new subject, Corporate Administration, brought the Graduate Diploma course up to its full complement of six subjects. The syllabus for this subject was designed to provide students with a detailed understanding of the administrative aspects of their roles as governance professionals by covering a range of important topics representing the essence of what is sometimes called the Company Secretary’s ‘non-core’ or ‘other’ duties. These are the areas of responsibility where the governance professional, acting primarily as an administrator, does not need to be an expert. What is required is a good working knowledge sufficient to interact with other expert professionals and to establish and properly monitor appropriate systems to ensure that the company meets its compliance obligations. So popular did the contents of the subject prove that we enrolled several times the number of students for which we had budgeted and both our students and course directors hailed it as a great success.

Saturday tutorial classes were commenced in Sydney and Melbourne in several subjects in addition to the normal weekly class attendance we offer. A number of enhancements were also made to our Online Learning Centre to improve the quality of the learning support we provide to all our students, but particularly to distance students who do not require face-to-face classes but prefer to participate in our online classrooms. In 2004, 35 per cent of our students enrolled by distance, taking advantage of the greater flexibility offered by this mode of study.

During the year we approached a number of universities to set up for the benefit of our graduates arrangements under which they will receive advanced standing or subject exemptions upon enrolment in MBA and other postgraduate qualifications. So far, 17 universities have entered into these arrangements with CSA to the advantage of our graduates.

Technical information and support
Journal
CSA receives consistent, positive feedback on the quality of its journal. Market research undertaken in 2004 rates the journal as a highly valued member service, with a breadth and depth of information second to none in the field of governance. ICSA divisions around the world reprint articles from the CSA journal, recognising the quality and range of information and opinion available to CSA members.

Good Governance Guides
Further Good Governance Guides were uploaded to the public-access section of the website in 2004. Members and non-members alike can find information and guidance on matters reserved for the board; letters of appointment for directors; director and ex-director access to company information; conflict of interest and related-party transactions; the procedure for the nomination of directors; the procedure for seeking professional advice; the conduct of elections at an AGM when nominations exceed vacancies; guidelines for directors speaking at an AGM when up for re-election; policies to promote
effective communication with shareholders; policies to promote effective communication at general meetings (including question time at the AGM); electronic communication policy; board minutes — what to record and the business judgment rule; options for board evaluation and more.

**Useful Practitioner Document Service**

In the password-protected area of the website the Useful Practitioner Document service supplies those documents that flesh out the policies sketched in the Good Governance Guides. More documents necessary for corporate governance best practice, aligned to the ASX Corporate Governance Council guidelines, were added to the service in 2004, as were documents relating to registers and the administration of not-for-profit organisations.

These documents are donated by members and constitute an exchange of intellectual property to promote and advance the effective governance and administration of organisations. The documents continue to be reviewed regularly by a member committee and, after expanding the documents relevant to listed companies, the emphasis shifted in 2004 to researching those documents that would be most useful to members in the not-for-profit sector.

Members seeking comparative materials to gauge their organisations’ practices or assistance with how to begin drafting documents relevant to their organisations’ governance can find a multitude of useful materials in this section of the website.

**Publications program**

CSA published a second booklet in 2004, *Officers, Directors and Governance*. This title, as a concise articulation of the statutory duties of officers that are in common with those of directors and the particular duties of directors, proved popular with both members and non-members. While members continue to receive one hard copy of any title published by CSA free of charge, and can access the electronic version on the website, a number of organisations around Australia purchased copies of *Officers, Directors and Governance* to provide to their boards and company officers, recognising the value of the information to those in the spotlight of accountability and stewardship.

Further titles on the effective governance and administration of organisations are in development, ensuring members receive the technical information to keep them abreast of the issues in this dynamic field.

**Website updates**

Member access to the training and professional development sections of the website were streamlined during the year. Information on in-house training options offered by CSA was made available, as were case studies of in-house courses provided by CSA. Information on new courses was offered, such as Financial Analysis for Officers and Directors, Assessing Board Performance, Risk Assessment for Officers and Directors, OH&S Due Diligence for Officers and Directors; Meeting ASIC Requirements (CLERP 7), and Corporate Social Responsibility.

**Surveys**

As a professional association CSA has a role in providing current reports on key issues. This is handled through our research activities and surveys which are available in hard copy or on the CSA website. In 2004, we released the 2nd Biennial Benchmarking Company Secretariat Function in Australia survey. This publication benchmarked the standards and practices of company secretariat functions in Australian companies and provided a comparison from the baseline survey conducted in 2001. The benchmarking survey is available for purchase through our website.
Member services continued

Our sponsors also surveyed various aspects of the governance profession to create valuable information for those in the profession. These surveys covered issues such as the use of professional services, salaries and job satisfaction.

Throughout 2004, CSA also conducted Rapid Response Surveys which invited members from the top 200 listed companies to give their perspectives on key issues affecting governance professionals. The outcome of these surveys was used to support our advocacy work and to create a voice for governance professionals in the media. For example, in December 2004 it was evident that the market was interested in how companies were reporting against the ASX Corporate Governance Council guidelines. CSA surveyed the top 200 listed companies and the outcomes were astounding.

Professional development

Discussion Groups

CSA’s Discussion Groups continue to provide a valuable forum for members and affiliates to exchange information and comment on practical issues affecting their profession. During 2004 we convened a total of 114 Discussion Groups, with 1,700 participants around Australia. The informal nature of these groups encourages the sharing of information and experiences, enabling members to seek opinions and advice from like-minded professionals.

A senior member acts as the convenor of each group, facilitating discussion and liaising with members to identify key topics of interest. On occasion, expert guest speakers provide additional input on specific issues. The Discussion Groups also provide important feedback to CSA on the key issues that are currently relevant to members. This assists in the development of CSA’s policy formulation and also identifies areas in which members may wish to receive further advice or assistance. This was particularly evident in 2004 with the passage of the CLERP 9 amendments to the Corporations Act.

Discussion Groups operate around the country and are based on areas of common interest within a group of peers. Specific groups include finance, tax, public companies, the government sector, corporate compliance and emerging enterprises. During 2004, we also added a new group for not-for-profit organisations in Western Australia and an overseas listed companies group in NSW and Victoria. We also offer a number of groups in regional areas and our retirees’ groups continue to be well attended.

21st National Conference: The Evolution of the Governance Professional

CSA’s 21st National Conference proved once again to be the premier industry gathering for governance professionals with an impressive number of attendees.

Over three days, delegates benefited from more than 45 presenters with expertise in areas including corporate law, risk management, corporate governance and company secretarial practice. Plenary sessions were intermingled with interactive panel sessions and workshops to ensure participants covered critical governance, administration and business issues. Sponsored by Minter Ellison Lawyers, Computershare, Hewlett-Packard, KPMG, Compass, LexisNexis, BGL Corporate Solutions and the Australian Stock Exchange, the event received positive feedback from speakers and participants, who listened...
and learnt from each other in formal sessions and via the networking activities.

3rd Annual Corporate Governance Symposium: Sydney and Melbourne

The Symposium aims to position CSA as a thought leader in the governance arena. Each year an expert panel of speakers identifies and focuses on a critical issue relating to governance. In 2004, the event coincided with the release of the Implementation Review Group’s report on the ASX Corporate Governance Council’s guidelines and the Council’s response. CSA’s Symposium was the first vehicle used to discuss the outcomes following the release of the results. Karen Hamilton, Chief Integrity Officer, ASX and Chairperson, ASX Corporate Governance Council; Deborah Smithers, Head of Board & Corporate Governance Advisory Services, KPMG; Mark Standen, Partner Corporate, Minter Ellison Lawyers; Anne Ward, Partner Corporate, Minter Ellison Lawyers; John Schubert, Deputy Chairman, Commonwealth Bank; and Don Argus, Chairman, BHP Billiton provided their perspectives on this issue, with additional input from Peter Abraham, General Counsel & Company Secretary, Rinker Group Ltd, and Douglas Gration, Company Secretary, Telstra Corporation.

The events in both cities secured positive delegate feedback and media coverage in the Australian Financial Review on Friday, 2 April and in The Australian on Saturday, 3 April 2004, which enhanced CSA’s profile in the media and positioned us as ‘top of mind’ for governance issues.

Corporate and Public Sector Updates in NSW, Queensland and Victoria

The premier state-based event on the CSA calendar is the Update, held in NSW, Queensland and Victoria. These events highlight key, state-based governance issues for listed and large proprietary companies in the first half of the year and public sector governance issues in the second half of the year. In 2004, the corporate and public sector events were well subscribed, with hot topics encouraging participation from members, affiliates and interested individuals wishing to keep up-to-date with current issues of relevance to their sector.

The National Resumé Register ... designed to both assist members progress their careers and organisations identify suitably qualified and experienced candidates for governance positions ... was upgraded substantially in 2004, with a move to web-based access and operation. This has effected significant improvements for members in terms of ease of access to registration and updating facilities, and ensures that members’ records are instantly available for inclusion on the Register and therefore available for consideration for new opportunities.

During the year the reputation and success of CSA’s National Resumé Register continued to grow, receiving a 30 per cent increase from 2003 in enquiries for the service.

In South Australia, Tasmania and Western Australia, professional development seminars covered hot issues that were sector-based, state and national.

CSA’s National Resumé Register

The National Resumé Register is a service designed to both assist members progress their careers and organisations identify suitably qualified and experienced candidates for governance positions.

Expanded in 2003 to a national service, CSA’s National Resumé Register service was upgraded substantially in 2004, with a move to web-based access and operation. This has effected significant improvements for members in terms of ease of access to registration and updating facilities, and ensures that members’ records are instantly available for inclusion on the Register and therefore available for consideration for new opportunities.

During the year the reputation and success of CSA’s National Resumé Register continued to grow, receiving a 30 per cent increase from 2003 in enquiries for the service. From these enquiries, 35 per cent of assignments proceeded to a search, and 35 per cent of the assignments that proceeded from a search resulted in the final appointment being awarded to a CSA candidate. Placements were sought for a wide variety of roles within large and small listed companies, unlisted companies, statutory authorities and not-for-profit organisations. These
Member services continued

roles included full-time, part-time and contract positions in organisations throughout Australia, and searches were also provided for consultant roles and non-executive director placements.

CSA’s position and expertise as a leading authority in governance continues to provide assurance to both clients and candidates of the National Resumé Register that a sound understanding of the complexities of governance can be effectively and efficiently matched by accessing a depth of industry-qualified and experienced CSA members.

**Sponsorship**

CSA enters into sponsorship agreements on both national and state bases, with the aim of enhancing member services and supporting the development of relevant activities and events. Our sponsors are recognised as an important and valuable part of CSA. As expert in their fields as we are in ours, we experience a true partnership with a two-way exchange of information. We thank our sponsors for their continued support and assistance in ensuring CSA provides services to keep members and affiliates up-to-date with current governance issues, products and services.

CSA’s Discussion Groups continue to provide a valuable forum for members and affiliates to exchange information and comment on practical issues affecting their profession. During 2004 we convened a total of 114 Discussion Groups, with 1,700 participants around Australia. ... The informal nature of these groups encourages the sharing of information and experiences, enabling members to seek opinions and advice from like-minded professionals.
Membership milestones
CSA congratulates the following members who achieved milestones in membership in 2004:

50 years

New South Wales
Raymond Bowes ACIS
Roland Bowmer FCS
Allan Bryant ACIS
Ronald Bunt ACIS
John Byron ACIS
Robert Cartwright FCS
Frances Cobham ACIS
Allan Edwards ACIS
Albert Farr ACIS
Allen Hogbin ACIS
Norman Jarvis ACIS
Brian Lambert FCS
Robert McLeod FCS
Brian Nolan ACIS
Allan Norton ACIS
Malcolm Reid ACIS
Maxwell Scott FCS
John Sloss ACIS
Maurice Sweeney ACIS
Queensland
Vernon Yip ACIS
David Williams ACIS
Bruce Williams FCIS
Gordon Watson ACIS
Alan Watkins ACIS
Leigh Vincent ACIS

25 years

New South Wales
Graeme Andrews ACIS
David Armstrong ACIS
Alan Beasley FCS
Peter Bell ACIS
Fraser Bone ACIS
Dennis Brown FCS
Graeme Burns FCS
Peter Cain ACIS
Paul Clifford ACIS
Norman Collins ACIS
Jeffrey Comino ACIS
Neil Cutler FCS
Alfred Dersch ACIS
Roger Desmarchelier ACIS
Patricia Doust ACIS
Robyn Drew FCS
Keith Edwards ACIS
Noel Ellenor ACIS
John Elliott ACIS
Geoffrey Fardell ACIS
Samuel Farrugia ACIS
Bruno Fiorentino FCS
Derek Fraser FCS
Ian Gilmour FCS
Kenneth Glover ACIS
Stuart Gooley ACIS
Joseph Grech ACIS
Warren Griffin ACIS
John Henderson ACIS
Bruce Henry FCS
Donald Henry FCS
Francis Hill FCS
Michael Houseman ACIS
Peter Humphreys ACIS
Stanley Khoo Chin Khoon ACIS
John Knowles FCS
Koon Lau FCS
Simon Lawson-Tootill ACIS
Lincoln Lee Lye Woh ACIS
Alex Lewkowicz ACIS
Hok Li Hok Lwin ACIS
Andrew Lim Ngene Teng ACIS
David Lovell ACIS
Josephine Low ACIS
Gregory Malakou ACIS
Gerard Marshall ACIS
Richard McCaughey ACIS
Athalie McDonogh ACIS
Charles Mcguirk ACIS
Allan Moss ACIS
Darrell Mucho FCS
Jerry Ng Khoo Hou ACIS
Vicki Offner FCS
Godfrey Pak ACIS
Max Perry ACIS
Ross Powell FCS
Nigel Prebble FCS
Keith Ray ACIS
Michael Rennie ACIS
Peter Rigney ACIS
Graeme Roche ACIS
Stephanie Rowley ACIS
Shir Sharma ACIS
Vijendra Singh FCS
Michael Starkey ACIS
Peter Stefan ACIS
John Sutherland FCS
Heng Teh Heng Teong ACIS
Joyce Thorpe ACIS
Leigh Vincent ACIS
Alan Watkins FCS
Gordon Watson ACIS
Bruce Williams FCS
David Williams ACIS
Vernon Yip ACIS
Queensland
Peter Dale ACIS
William Herron ACIS
Graham Moore ACIS
Ross Pollock ACIS
Raymond Potter ACIS
Laurence Saville ACIS
Gordon Shaw ACIS
Sydney Steele ACIS
Thomas Swan ACIS
John Tate ACIS
Michael Turner FCS
Barry Vickers FCS
Gregory Wanchap ACIS
Terry Westwood ACIS
Michael Wilson ACIS
Tasmania
Winston Davis ACIS
Richard David ACIS
Allan Davis ACIS
Floyd Davis ACIS
David Davis ACIS
Johanna Davis ACIS
Johanna Davis ACIS
Tasmania
Donald Williams ACIS
Georgina Vanden ACIS
Jeffrey Gray ACIS
Kerrin March FCS
Terry Reichtel ACIS
Georgia Vanden ACIS
Donald Williams ACIS
Victoria
Thomas Alexander ACIS
Patrick Arthur ACIS
Brian Baker ACIS
Vasily Banschikov ACIS
Ronald Batagol ACIS
Thomas Bennett FCIS
John Brooksmith ACIS
Howard Carne FCS
John Cox FCS
Kevin Coleman FCS
Martin Conlon ACIS
Frances Dartnell ACIS
Winston Davis ACIS
Mark Douglass FCS
Peter Doyle FCS
Christopher Gunn ACIS
Kevin Gillett ACIS
Michael Giurovich ACIS
Peter Glynn FCIS
John Green FCS
Leon Hall ACIS
Robert James ACIS
Narendra Kumar ACIS
Peter Kynnersley ACIS
Barrie Lawson FCS
Adrian McConnell ACIS
John McIntyre FCS
Graeme Meeghan FCS
Chris Milne ACIS
Francis Murray ACIS
Roger Nairn ACIS
Geoffrey Nicholson FCS
Andrew Pope ACIS
Daryl Reilly ACIS
Jack Sandercombe FCS
Peter Schroder ACIS
Amis Stonis ACIS
Robert Sturzaker FCS
Eng Tan Eng Hwa ACIS
Shane Tanner ACIS
Samuel Tropeano ACIS
Diane Vincic ACIS
Woon Mu Cheng ACIS
Western Australia
Kingsley Anning ACIS
Rodney Broughton ACIS
Ronald Connolly ACIS
Peter Illidge FCS
Rodney McAtee ACIS
Allan Ng ACIS
Clive Ross ACIS
Leslie Sharpe ACIS
Brian Skerman FCIS
William Tully FCS
Overseas
Kuan Lai ACIS
Marlene Slow ACIS
Committees and membership

The Board of CSA gratefully acknowledges the commitment of members to policy development and our education program.

Committee for Australia (National Council)

Mr Paul Moni FCIS (President)
Managing Director
Moni Solutions Pty Ltd

Mr Bernard Yates FCIS (Vice President)
Company Secretary
West Australian Newspapers Holdings Limited

Mr Ross Mallett FCIS (Vice President)
Deputy Company Secretary
BHP Billiton Ltd

Ms Sue Crook FCIS (Immediate Past President)
Head of Australian Secretariat
National Australia Bank Ltd

Mr Nick Burrows FCIS
Company Secretary & General Manager
Finance & Administration
Tassal Group Limited

Mr Frank Bush FCIS
Director
Lisbourne Consulting

Mr Nicholas Geddes FCIS
Director
Australian Company Secretaries Pty Ltd

Mr Peter Messer FCIS
Mr Paul Paxton-Hall FCIS
Partner
Deacons Lawyers

Mr Roger Sanderson FCIS
Principal
Roger Sanderson & Associates

Mr Philip Thomas FCIS
Managing Director
Oakland Group Pty Ltd

Mr Chris Wells FCIS
Project Director – Motor Registry Project
Tasmania Department of Infrastructure Energy & Resources

ICSA Representatives
Mr Alan Theakston FCIS (ICSA President)
Professor Tan Wei-Liang FCIS (ICSA Immediate Past President)

Legislation Review Committee

Mr Peter Abraham FCIS
General Counsel & Company Secretary
Rinker Group Ltd

Mr Nick Burrows FCIS
Company Secretary & General Manager
Finance & Administration
Tassal Group Limited

Mr Sam Butcher FCIS
Assistant Company Secretary
BHP Billiton Ltd

Mr David Cantrick-Brooks ACIS Consultant

Ms Pauline Carr FCIS
Executive General Manager/Group Secretary
Newmont Australia

Ms Sue Crook FCIS
Head of Australian Secretariat
National Australia Bank Ltd

Mr Ian Gilmour FCIS**
Consultant

Mr Duncan Glasgow FCIS
Company Secretary & General Counsel
Ruralco Holdings Ltd

Mr Doug Gratton FCIS
Company Secretary
Telstra Corporation Ltd

Mr Ian Gregory FCIS
Consultant

Ms Deborah Hambleton FCIS
General Counsel
Bendigo Bank Ltd

Mr John Hatton FCIS
Company Secretary
Commonwealth Bank of Australia

Ms Michaela Healey FCIS*
Company Secretary, Orica Ltd

Mr Bill Hundy FCIS
Company Secretary
Origin Energy Ltd

Mr Keith Irvine FCIS
Consultant

Mr Richard Jones FCIS (Chairman)
Manager Compliance
Group Secretariat
National Australia Bank Ltd

Ms Linda Kenyon FCIS
Company Secretary
Wesfarmers Ltd

Mr Richard Kneebone FCIS
Consultant

Ms Karen Lange FCIS
Consultant

Mr Ross Mallett FCIS
Deputy Company Secretary
BHP Billiton Ltd

Mr Paul Moni FCIS**
Managing Director
Moni Solutions Pty Ltd

Mr Robert Moon FCIS
Company Secretary
Advertiser Newspapers Ltd

Mr Paul Paxton-Hall FCIS
Partner
Deacons Lawyers

Mr John Rennie FCIS
Consultant

Mr Richard Taylor FCIS
Consultant

Mr Lawrence Tutton FCIS
Company Secretary
GUD Holdings Ltd

Ms Karen Wood FCIS
Company Secretary
BHP Billiton Ltd

Mr Bernard Yates FCIS
Company Secretary
West Australian Newspapers Ltd

Corporate and Legal Issues Committee

Mr Richard Anderson FCIS
Company Secretary & General Counsel
Nestlé Australia

Mr Warren Baillie ACIS
Company Secretary/General Counsel
Ticor Limited

Mr Paul Baranov FCIS
Senior Legal Counsel
SFE Corporation Limited

Mr Greg Bateman FCIS
Partner
Abbott Tout Solicitors

Mr Nick Geddes FCIS
Director
Australian Company Secretaries Pty Ltd

Mr Richard Jones FCIS (Chairman)
Manager Compliance
Group Secretariat
National Australia Bank Ltd

Mr Ian Gilmour FCIS
Consultant

Mr Duncan Glasgow FCIS (Chairman)
Company Secretary & General Counsel
Ruralco Holdings Limited

Mr Bryce Hardman ED, FCIS
Director
Consultants Australia Group Pty Ltd
Mr Richard Jones FCIS  
Manager, Compliance  
Group Secretariat  
National Australia Bank Ltd

Mr Paul Moni FCIS  
Managing Director  
Moni Solutions Pty Ltd

Mr Bill Pallister FCIS  
Chartered Secretaries Australia Ltd

Mr David Robinson FCIS  
Executive Legal Counsel  
AMP Capital Investors Ltd

Dr Kamlesh Sharma FCIS  
Assistant General Manager &  
Company Secretary  
Aboriginal Hostels Limited

Mrs Lisa Storrs FCIS  
Director  
Corporate Secretariat Services Pty Ltd

Mr Peter Wetzig FCIS  
Corporate and Business Consultant

**Communication Committee**

Mr Bernard Yates FCIS (Chairman)  
Company Secretary  
West Australian Newspapers Limited

Ms Sue Crook FCIS  
Head of Secretariat  
National Australia Bank Ltd

Mr Francis MacMahon FCIS  
McMahon and Associates

Mr Paul Moni FCIS  
Managing Director  
Moni Solutions Pty Ltd

Ms Carol Robey FCIS  
Tax Accountant  
Hydro-Electric Corp

Mr Christopher Symes  
Senior Lecturer  
School of Law  
Flinders University

* Resigned from committee in 2004  
** Joined committee in 2004

**Members advanced to Fellowship**

The board congratulates members who have advanced to Fellowship.

Mr Daniel Abrahams  
NSW

Mr Hamilton Terwill Barry  
VIC

Mr Bruce John Crane  
NSW

Mr Douglas Arthur Irons  
QLD

Mr Derek John Ambrose  
NSW

Mr Martin George Baird  
NSW

Mr Graeme Albert Burns  
NSW

Mr Gary Charles Davis  
QLD

Mr Chandar Dutt  
NSW

Mr Jeffrey Mark Hanlon  
VIC

Mr Cary Brendan McNabb  
NSW

Mr Andrew Todd Bell  
WA

Mr David Barclay Buckland  
NSW

Ms Clair Hodge  
NSW

Ms Vanessa Robyn Rees  
NSW

Mr Christopher Wyndham Bright  
SA

Mr David John Forsyth  
VIC

Mr Brendan David Gore  
WA

Mr Graham John Hughes  
NSW

Mr Victor Ramon Tello  
NSW

At year’s end, members and affiliates totalled 8172 as follows:

**Members and affiliates by branch**

<table>
<thead>
<tr>
<th>Branch</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW/ACT</td>
<td>44%</td>
</tr>
<tr>
<td>QLD</td>
<td>12%</td>
</tr>
<tr>
<td>VIC</td>
<td>26%</td>
</tr>
<tr>
<td>TAS</td>
<td>9%</td>
</tr>
<tr>
<td>WA</td>
<td>3%</td>
</tr>
<tr>
<td>SA/NT</td>
<td>5%</td>
</tr>
<tr>
<td>OS</td>
<td>1%</td>
</tr>
</tbody>
</table>

**Diversity of professional responsibilities of members and affiliates**

- Governance, risk management and compliance
- Taxation
- Accounting/finance and auditing
- Corporations law (including ASX listing rules)
- Insurance and superannuation
- Legal responsibility
- Workplace relations
- IT
- Intellectual property
- Property
The 10 core principles of the ASX Corporate Governance Council’s (ASXCGC) guidelines are recommendations and apply to listed companies. Although CSA Ltd is not a listed company and does not have any obligations to report on these principles, as the leading education and membership organisation committed to advancing good corporate governance, it is committed to report against these principles.

As at 31 December 2004, the position of CSA Ltd is as follows:

**Principle 1: Lay solid foundations for management and oversight**

The CSA Board is required to report to the Committee for Australia, which we refer to as our National Council, on the company’s overall corporate governance. National Council represents the Australian resident members of ICSA. This responsibility includes determining and reviewing the company’s strategic direction and operational policies, establishing goals for management and monitoring the achievement of these goals, reviewing and approving the company’s annual business plan, appointing, monitoring and rewarding the chief executive officer (CEO), recommending the appointment of the auditor to members, approving the appointment and remuneration of all senior executive staff, approving all significant business transactions including acquisitions, divestments and capital expenditure, monitoring business-risk exposures and risk-management systems, approving and monitoring financial and other reporting and reporting to its members in the form required by the Commonwealth of Australia Corporations Act 2001 (the Act).

A strategic balance is maintained between the responsibilities of the board, the CEO and the director, finance and 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, that is reviewed and approved by the board each year.

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

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

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

**Principle 2: Structure the board to add value**

The company presently has six independent non-executive directors. The names of the directors of the company in office at the date of this statement are set out on pages 18–19. There are no executive directors.

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

The board is balanced in its composition with each current director bringing a range of complementary skills and experience to the company as indicated on pages 27–28.

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

It is the board’s policy that board committees should be chaired by a non-executive director and, in the case of the Audit and Compliance Committee, by an independent person not necessarily a director. It is also comprised solely of independent non-executive directors, who are entitled to obtain independent professional or other advice at the cost of the company as per the directors’ access to professional advice policy and are entitled to obtain such resources and information from the company, including direct access to employees of and advisers to the company, as they may require.

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

The company’s chairman and CEO have separate roles. The chairman is responsible for leading the board in the discharge of its duties.

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

**Principle 3: Promote ethical and responsible decision making**

It is the policy of CSA Ltd to conduct business according to the highest standards of honesty, integrity, respect and fairness when dealing with all its customers and employees. Employees are also required to meet these high standards.

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

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

**Principle 4: Safeguard integrity in financial reporting**

CSA Ltd’s CEO and DFA report in writing to the directors, the Audit and Compliance 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 and Compliance Committee in 1999. The membership of the committee consists of six independent non-executive directors plus the chairman who is an independent non-director. Details of their attendance at committee meetings are set out at page 18.

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

**Principle 5: Make timely and balanced disclosure**

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

**Principle 6: Respect the rights of shareholders**

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

- regular member communications such as the monthly
journal, *Keeping good companies*, incorporating the President’s Commentary, CEO comments in the column ‘Acting for You’, the ICSA International report and relevant State Focus reports

- the Annual and Full Financial Report, circulated to all members prior to the company’s Annual General Meeting (AGM)
- member access to communications through the use of information technology such as the CSA website at www.CSAust.com.

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

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

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

**Principle 7: Recognise and manage risk**

The board is responsible for the oversight of the company’s risk management and control framework. The Audit and Compliance Committee assists the board in fulfilling its responsibilities in this regard by reviewing the financial and reporting aspects 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 policy framework designed to ensure that the company’s risks are identified 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 occupational health and safety, environmental management, trade practices, interest rate and investment policies and exposures, ethical conduct, crisis management and IT disaster recovery and business continuity planning.

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

Arrangements put in place by the board to monitor risk management include regular reporting to the board in respect of operations and the financial position of the company, reports by the chairman of the Audit and Compliance Committee and circulation to the board of the minutes of each meeting held by the Audit and Compliance 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.

CSA Ltd’s CEO and DFA report in writing to the directors and the external auditors that the statement given in accordance with the ASXCGC’s best practice recommendation under Principle 4 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: Encourage enhanced performance**

The board has adopted a self-evaluation process to measure its own performance and the performance of its committees during each financial year. An annual review is presented to the members at the AGM of National Council ...
The board believes that its corporate governance practices should be indicative of best practice for an organisation of its type and, as far as possible, for corporations generally. The board, therefore, keeps all areas of CSA Ltd’s governance under ongoing review, in order to provide leadership by example in this crucial area of corporate responsibility and management. It particularly monitors any area of business risk that is identified and ensures appropriate control strategies are in place and properly managed. Induction days designed for newly appointed directors are held as required.

Providing leadership to management is a priority of the board and is a key strategy within CSA Ltd’s governance. Arrangements put in place by the board to monitor the performance of the company’s key executives include a review by the board of the company’s financial performance and revised forecast results on a quarterly, half-yearly and annual basis. Detailed presentations are also made by the CEO and his direct reports during business planning/strategy review meetings, which are convened annually and held over a two- to three-day period in July each year. Compilation, agreement and regular performance management reviews between the CEO, direct reports and all other staff against job description and key performance indicators are established on an annual basis and are assessed at least biannually.

Principle 9: Remunerate fairly and responsibly

A program of regular performance appraisals and objective setting for senior management and other staff is in place. The board established a Remuneration and Appointments Committee in 1999. At the present time all board members serve on this committee, whose principal functions include reviewing and approving the remuneration of senior executives of the company, reviewing and making recommendations to the board regarding the remuneration policies and practices for the company generally, including participation in the incentive plan and other benefits.

Directors do not receive remuneration, but a director is entitled to be paid all travelling and other expenses properly incurred by that director in connection with the affairs of the company, including attending and returning from general meetings, meetings of the directors or of committees of directors or other committees of the company, meetings of National Council and of ICSA, or any of its committees, bodies or activities. The company may advance money to a director for any such purpose, which must be appropriately accounted for, and any balance refunded.

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

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

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

Premiums were paid for each of the directors as per Note 17 to the Financial Statements on pages 27–28. 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.

Principle 10: Recognise the legitimate interests of stakeholders

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

To ensure this occurs, the company conducts its business within the Code of Business Conduct and Ethics, documented and outlined in Principle 3 of this statement and the company’s core values, which are to:

- act with integrity and fairness
- recognise the needs of the members
- protect the environment
- be commercially competitive
- foster a performance-driven culture
- encourage innovation and technological leadership.
Your directors present this report on the company for the financial year ended 31 December 2004.
Statutory details of the directors are given in Note 17 to the financial statements on pages 27–28.

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

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

Financial results
An operating profit of $118,121 was made for the year after providing for income tax.

Accumulated funds at year end totalled $3,555,220.

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

Review of operations
Revenue for the year primarily came from subscriptions of $1,969,333; course fees of $1,532,889; member services and publications of $852,258; sponsorship of $454,220; investments of $151,517 and other income for services of $172,119.

Expenditure for the year was primarily on direct costs for member services and publications of $615,499; direct costs for courses of $578,601; profile-raising activities and website maintenance of $128,829; international activities of $177,301; and governance and administration of $3,513,985.

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

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

Events subsequent to balance date
There are no matters or circumstances that have arisen since the end of the financial year which would significantly affect the operations of the entity in subsequent financial years.

Continuing members of the Board of CSA Ltd are:
RJ Barnier FCIS, HM Conway FCIS, SE Crook FCIS
(appointed 1 January 2005), RJ McLachlan FCIS,
RJ Nankervis FCIS and A Parkinson FCIS.

Auditors’ 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

Directors’ meetings
During 2004 the following meetings were held and attendances by directors were:

<table>
<thead>
<tr>
<th>Directors’ meetings</th>
<th>Board</th>
<th>Audit and Compliance Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number eligible to attend</td>
<td>Number attended</td>
<td>Number eligible to attend</td>
</tr>
<tr>
<td>RJ Barnier</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>FWE Bush*</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>HM Conway</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>JE Couell</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>RJ McLachlan</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>RJ Nankervis</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>A Parkinson</td>
<td>9</td>
<td>8</td>
</tr>
</tbody>
</table>

* As permitted under the constitution, a non-director was appointed as chairman of the Audit and Compliance Committee.
or made any relevant agreement for indemnifying against a liability incurred as an auditor, including costs and expenses in successfully defending legal proceedings, or paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an auditor for the costs or expenses to defend legal proceedings.

**Directors’ interests and benefits**

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

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

Premiums were paid for each of the directors as per Note 17 to the Financial Statements on pages 27–28. The insurance contract entered into by CSA Ltd prohibits disclosure of the nature of the liabilities insured by the insurance contract and the amount of the premiums.

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

Payments to the directors and to entities from which the directors may benefit for services by the directors or entities are disclosed in Note 17 to the Financial Statements on pages 27–28.

No other directors of CSA Ltd, during or since the end of the financial year, received or has become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors shown in the financial report or the fixed salary of a full-time employee of CSA Ltd or of a related body corporate) by reason of a contract made by CSA Ltd or of a related body corporate with one of the directors or with a firm of which they are a member or with a company in which they have a substantial financial interest.

**Attendance at directors’ meetings**

Attendance by individual directors (including when represented by an alternate) at meetings they were entitled to attend is given on page 18.

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**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.

On behalf of the Board by resolution of the Directors:

**RJ McLachlan FCIS**
Chairman

**RJ Barnier FCIS**
Director

**HM Cohway FCIS**
Director

**SE Crook FCIS**
Director

**RJ Nankervis FCIS**
Director

**A Parkinson FCIS**
Director

SYDNEY 15 March 2005
## STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 December 2004

<table>
<thead>
<tr>
<th>Note</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Revenue from ordinary activities</td>
<td>2</td>
<td>5,132,336</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel costs</td>
<td></td>
<td>2,251,885</td>
</tr>
<tr>
<td>Courses</td>
<td></td>
<td>578,601</td>
</tr>
<tr>
<td>Journal</td>
<td></td>
<td>312,874</td>
</tr>
<tr>
<td>Occupancy and branch facilities</td>
<td></td>
<td>332,635</td>
</tr>
<tr>
<td>Profile</td>
<td></td>
<td>128,829</td>
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<tr>
<td>Members’ activities</td>
<td></td>
<td>281,289</td>
</tr>
<tr>
<td>ICSA, UK — capitation fee</td>
<td></td>
<td>124,502</td>
</tr>
<tr>
<td>Travel and meetings</td>
<td></td>
<td>162,371</td>
</tr>
<tr>
<td>Depreciation and amortisation expenses</td>
<td></td>
<td>85,184</td>
</tr>
<tr>
<td>Borrowing costs expense</td>
<td></td>
<td>55,539</td>
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<tr>
<td>Other expenses from ordinary activities</td>
<td></td>
<td>700,505</td>
</tr>
<tr>
<td>Profit from ordinary activities before income tax expense</td>
<td>3</td>
<td>118,121</td>
</tr>
<tr>
<td>Income tax expense relating to ordinary activities</td>
<td>1</td>
<td>–</td>
</tr>
<tr>
<td>Net profit from ordinary activities after income tax</td>
<td></td>
<td>118,121</td>
</tr>
<tr>
<td>Total revenues, expenses and valuation adjustments recognised in equity</td>
<td>4</td>
<td>(400,000)</td>
</tr>
<tr>
<td>Total change in equity</td>
<td></td>
<td>(281,879)</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
### STATEMENT OF FINANCIAL POSITION

as at 31 December 2004

<table>
<thead>
<tr>
<th>Note</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash assets</td>
<td>7</td>
<td>1,599,872</td>
</tr>
<tr>
<td>Receivables</td>
<td>8</td>
<td>486,833</td>
</tr>
<tr>
<td>Other</td>
<td>9</td>
<td>350,380</td>
</tr>
<tr>
<td>Property</td>
<td>10(a)</td>
<td>1,800,000</td>
</tr>
<tr>
<td>Total current assets</td>
<td></td>
<td>4,237,085</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>10</td>
<td>3,919,768</td>
</tr>
<tr>
<td>Total non-current assets</td>
<td></td>
<td>3,919,768</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>8,156,853</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>11</td>
<td>372,497</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>12</td>
<td>975,180</td>
</tr>
<tr>
<td>Provisions</td>
<td>13(a)</td>
<td>145,950</td>
</tr>
<tr>
<td>Tax liabilities</td>
<td>14</td>
<td>98,697</td>
</tr>
<tr>
<td>Bank loan</td>
<td>15</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td></td>
<td>4,592,324</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td>13(b)</td>
<td>9,309</td>
</tr>
<tr>
<td>Total non-current liabilities</td>
<td></td>
<td>9,309</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td></td>
<td>4,601,633</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td>3,555,220</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserves</td>
<td>4</td>
<td>1,063,033</td>
</tr>
<tr>
<td>Retained profits</td>
<td>5</td>
<td>2,492,187</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td></td>
<td>3,555,220</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
## STATEMENT OF CASH FLOWS
for the year ended 31 December 2004

### Note 2004 2003

<table>
<thead>
<tr>
<th>Note</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subscriptions received</td>
<td>2,285,007</td>
<td>2,164,821</td>
</tr>
<tr>
<td>Receipts from courses and other activities</td>
<td>2,766,807</td>
<td>2,518,735</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(5,182,419)</td>
<td>(4,110,478)</td>
</tr>
<tr>
<td>Interest received</td>
<td>140,441</td>
<td>136,034</td>
</tr>
<tr>
<td>GST paid</td>
<td>(115,860)</td>
<td>(112,934)</td>
</tr>
<tr>
<td><strong>Net cash (used in)/provided by operating activities</strong></td>
<td>(106,024)</td>
<td>596,178</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments for property, plant and equipment</td>
<td>(3,856,652)</td>
<td>(49,167)</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td>(3,856,652)</td>
<td>(49,167)</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from borrowing</td>
<td>3,000,000</td>
<td>–</td>
</tr>
<tr>
<td><strong>Net cash provided by financing activities</strong></td>
<td>3,000,000</td>
<td>–</td>
</tr>
<tr>
<td>Net (decrease)/increase in cash held</td>
<td>(962,676)</td>
<td>547,011</td>
</tr>
<tr>
<td>Cash at the beginning of the financial year</td>
<td>2,568,768</td>
<td>2,021,757</td>
</tr>
<tr>
<td><strong>Cash at end of year</strong></td>
<td>1,606,092</td>
<td>2,568,768</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2004

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

(a) Company structure

CSA Ltd is an incorporated company limited by guarantee. In the event of CSA Ltd being wound up, the liability of each member, or each former member who ceased to be a member within a year of CSA Ltd being wound up, is limited to an amount not exceeding one hundred dollars. As CSA Ltd is limited by guarantee, there is no reference in the Statement of Financial Position to share capital or shareholders’ equity. As at 31 December 2004 there were 8172 members and affiliates (2003: 8238).

(b) Property, plant and equipment

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

Property

The strata entitlement to Level 9, 70 Castlereagh Street, Sydney, is revalued on an annual basis to market value as this accurately reflects the future economic benefits embodied in the asset. This property is currently on the market for sale, its use having been replaced by the newly purchased strata entitlement at Level 10, 5 Hunter Street, Sydney. The carrying values of the strata entitlements are depreciated in accordance with this policy and AASB 1021. During the current period, the directors reassessed the likely residual value and are of the opinion that depreciation should be charged over the useful life of the asset. The estimated useful life is 75 years. For the purpose of determining the depreciation of the buildings, any increase in the valuation is notionally attributable to the land value. Details of the revaluation are disclosed in Note 10.

Plant and equipment

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

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the useful lives of the assets to CSA Ltd, commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset                  Depreciation Rate
Building — strata entitlement        1.33%
Strata and leasehold improvements     20.00%
Computer system, furniture and office equipment 10%–33.33%

(c) Website development costs

Website development costs, being the costs incurred developing the website to the operational stage, are recognised as a non-current asset where it is probable that future economic benefits will arise. Costs associated with the subsequent maintenance of the website are expensed. Website development costs are amortised over the shorter of the periods in which the related benefits are expected to be realised, or three years.

(d) Income Tax

CSA Ltd is for Income Tax purposes a charitable and educational institution. Its income is therefore exempt from Income Tax under Section 50–5 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) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

(g) Employee benefits

Compensated absences are accrued at balance date in accordance with applicable awards and calculated in respect of all employees from their date of employment. The basis of calculation is in accordance with AASB 1028 and AAS 30.

(h) Revenue recognition

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

(i) Trusts
The Institute Trust and The Institute No 2 Trust were established in 1993 to accept gifts and bequests from members and others. The John Goffage Fund is separate from these two trusts and is administered under the direction of the Queensland Branch Council. The financial statements of trust funds are not consolidated with those of CSA Ltd but are shown in Note 20.

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

(k) Adoption of Australian Equivalents to International Financial Reporting Standards
Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the financial year.

The economic entity’s management, along with its auditors, are assessing the significance of these changes and preparing for their implementation. An IFRS committee has been established to oversee and manage the economic entity’s transition to IFRS. We will seek to keep stakeholders informed as to the impact of these new standards as they are finalised.

The directors are of the opinion that the key differences in the economic entity’s accounting policies which will arise from the adoption of IFRS are:

- **Impairment of Assets**
  The economic entity currently determines the recoverable amount of an asset on the basis of undiscounted net cash flows that will be received from the assets use and subsequent disposal. In terms of AASB 136: Impairment of Assets, the recoverable amount of an asset will be determined as the higher of fair value less costs to sell and value in use. It is likely that this change in accounting policy will lead to impairments being recognised more often than under the existing policy.

- **Non-current Investments**
  Under AASB 139: Financial Instruments: Recognition and Measurement, financial instruments that are classified as available for sale instruments must be carried at fair value. Unrealised gains or losses may be recognised either in income or directly to equity. Current accounting policy is to measure non-current investments at cost, with an annual review by directors to ensure that the carrying amounts are not in excess of the recoverable value of the instrument.

2 REVENUE

Operating activities

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member and student subscriptions</td>
<td>1,969,333</td>
<td>1,943,951</td>
</tr>
<tr>
<td>Course fees</td>
<td>1,532,889</td>
<td>1,238,911</td>
</tr>
<tr>
<td>Members’ activities</td>
<td>793,279</td>
<td>617,137</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>454,220</td>
<td>348,947</td>
</tr>
<tr>
<td>Interest</td>
<td>151,517</td>
<td>127,228</td>
</tr>
<tr>
<td>Journal</td>
<td>57,246</td>
<td>39,442</td>
</tr>
<tr>
<td>Publications</td>
<td>1,733</td>
<td>218</td>
</tr>
<tr>
<td>Other income</td>
<td>172,119</td>
<td>77,418</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>5,132,336</td>
<td>4,393,252</td>
</tr>
</tbody>
</table>

Non-operating activities

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>5,132,336</td>
<td>4,393,252</td>
</tr>
</tbody>
</table>

3 PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax expense has been determined after:

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation of non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>13,742</td>
<td>12,000</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>51,483</td>
<td>100,045</td>
</tr>
<tr>
<td>Amortisation of non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>19,959</td>
<td>20,875</td>
</tr>
<tr>
<td>Website developments</td>
<td></td>
<td>24,003</td>
</tr>
<tr>
<td>Borrowing costs expense</td>
<td>55,539</td>
<td>–</td>
</tr>
<tr>
<td>Rental expenses on operating leases</td>
<td>74,871</td>
<td>70,480</td>
</tr>
<tr>
<td>Auditors’ remuneration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit</td>
<td>24,011</td>
<td>25,513</td>
</tr>
<tr>
<td>Other services</td>
<td>5,263</td>
<td>1,654</td>
</tr>
</tbody>
</table>
### 4 RESERVES

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital profits reserve</td>
<td>745,933</td>
<td>745,933</td>
</tr>
<tr>
<td>Works of art revaluation reserve</td>
<td>17,100</td>
<td>17,100</td>
</tr>
<tr>
<td>Asset revaluation reserve</td>
<td>300,000</td>
<td>700,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,063,033</strong></td>
<td><strong>1,463,033</strong></td>
</tr>
</tbody>
</table>

**Movement during the year**

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset revaluation reserve</td>
<td>700,000</td>
<td>700,000</td>
</tr>
<tr>
<td><strong>Opening balance</strong></td>
<td><strong>700,000</strong></td>
<td><strong>700,000</strong></td>
</tr>
<tr>
<td>Revaluation decrement on strata entitlement — refer Note 10</td>
<td>(400,000)</td>
<td>–</td>
</tr>
<tr>
<td><strong>Closing balance</strong></td>
<td><strong>300,000</strong></td>
<td><strong>700,000</strong></td>
</tr>
</tbody>
</table>

### 5 RETAINED PROFITS

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained profits at beginning of the year</td>
<td>2,374,066</td>
<td>2,226,360</td>
</tr>
<tr>
<td>Net profit for the year</td>
<td>118,121</td>
<td>147,706</td>
</tr>
<tr>
<td><strong>Retained profits at the end of the year</strong></td>
<td><strong>2,492,187</strong></td>
<td><strong>2,374,066</strong></td>
</tr>
</tbody>
</table>

### 6 REMUNERATION

**Directors’ remuneration**

Directors do not receive any income from the entity for their services as directors.

**Income received or due and receivable by Directors of CSA Ltd**

<table>
<thead>
<tr>
<th>Number of directors whose income from CSA Ltd was within the range</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 – $10,000</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>$10,000 – $25,000</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>$25,000 – $35,000</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

### 7 CASH ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>900</td>
<td>900</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>99,863</td>
<td>392,868</td>
</tr>
<tr>
<td>Cash on deposit</td>
<td>1,505,329</td>
<td>2,175,000</td>
</tr>
<tr>
<td><strong>Total cash assets</strong></td>
<td><strong>1,606,092</strong></td>
<td><strong>2,568,768</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unearned interest</td>
<td>(6,220)</td>
<td>(17,296)</td>
</tr>
<tr>
<td><strong>Total cash assets</strong></td>
<td><strong>1,599,872</strong></td>
<td><strong>2,551,472</strong></td>
</tr>
</tbody>
</table>

### 8 RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>136,855</td>
<td>44,226</td>
</tr>
<tr>
<td>Net GST — input tax credit</td>
<td>349,978</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total receivables</strong></td>
<td><strong>486,833</strong></td>
<td><strong>44,226</strong></td>
</tr>
</tbody>
</table>

### 9 OTHER ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepayments</td>
<td>350,380</td>
<td>83,379</td>
</tr>
<tr>
<td>Prepaid ICSA capitation fee</td>
<td>–</td>
<td>39,525</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>350,380</strong></td>
<td><strong>122,904</strong></td>
</tr>
</tbody>
</table>

### 10 PROPERTY PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Strata entitlement at directors’ valuation — Castlereagh Street</td>
<td>1,800,000</td>
<td>–</td>
</tr>
<tr>
<td><strong>Non-current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Strata entitlement at directors’ valuation — Hunter Street</td>
<td>3,100,000</td>
<td>–</td>
</tr>
<tr>
<td>(a) Strata entitlement at directors’ valuation — Castlereagh Street</td>
<td>–</td>
<td>2,200,000</td>
</tr>
</tbody>
</table>
10 PROPERTY PLANT AND EQUIPMENT continued

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>137,699</td>
<td>137,699</td>
</tr>
<tr>
<td>Less: accumulated depreciation and amortisation</td>
<td>(111,056)</td>
<td>(77,355)</td>
</tr>
<tr>
<td></td>
<td>3,126,643</td>
<td>2,260,344</td>
</tr>
<tr>
<td>Computer system, furniture and office equipment at cost</td>
<td>979,523</td>
<td>898,270</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(211,226)</td>
<td>(835,139)</td>
</tr>
<tr>
<td></td>
<td>768,298</td>
<td>63,131</td>
</tr>
<tr>
<td>Works of art at valuation</td>
<td>24,827</td>
<td>24,827</td>
</tr>
<tr>
<td>Total property, plant and equipment</td>
<td>3,919,768</td>
<td>2,348,302</td>
</tr>
</tbody>
</table>

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

(a) Strata entitlement at Level 9, 70 Castlereagh Street, Sydney: this is currently on the market for sale. The directors have determined that a value of $1,800,000 as at 31 December 2004 ($2,200,000 as at 31 December 2003) based upon current market opinion be adopted.

Having regard to a valuation dated 10 February 2003 by Troy Griffiths, Director of Chesterton International (NSW) Pty Ltd, Qualification: MCom, Fellow of the Australian Property Institute, Certified Practicing Valuer, the opinion of the market value of the property as at 31 December 2002 and 2003 was that an amount of $2,200,000 be determined by the directors as the valuation.

The strata entitlement is encumbered by a registered first mortgage as detailed per Note 15.

(b) Strata entitlement at Level 10, 5 Hunter Street, Sydney: purchased on 12 October 2004, the directors have determined that the value of $3,100,000 which was the cost of purchase be retained. This is supported by a valuation prepared by Paul Roberts, AAPI, Certified Practicing Valuer, Registered Real Estate Valuer of Colliers International Consultancy and Valuation Pty Ltd for the purpose of obtaining the bank loan per Note 15.

The strata entitlement is encumbered by a registered first mortgage as detailed per Note 15.

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>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Balance at beginning of year</td>
<td>63,131</td>
<td>2,260,344</td>
</tr>
<tr>
<td>Additions</td>
<td>756,650</td>
<td>3,100,000</td>
</tr>
<tr>
<td>Revaluation decrement</td>
<td>–</td>
<td>(400,000)</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>(51,483)</td>
<td>(33,700)</td>
</tr>
<tr>
<td></td>
<td>768,298</td>
<td>4,926,643</td>
</tr>
<tr>
<td>Shown as follows</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current</td>
<td>–</td>
<td>1,800,000</td>
</tr>
<tr>
<td>Non-current</td>
<td>768,298</td>
<td>3,126,643</td>
</tr>
<tr>
<td>Carrying amount at end of the year</td>
<td>768,298</td>
<td>4,926,643</td>
</tr>
</tbody>
</table>

11 PAYABLES

Current

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors and accruals</td>
<td>296,225</td>
<td>124,518</td>
</tr>
<tr>
<td>Net GST liability</td>
<td>–</td>
<td>45,584</td>
</tr>
<tr>
<td>Accrued ICSA capitation fee</td>
<td>76,272</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>372,497</td>
<td>170,102</td>
</tr>
</tbody>
</table>
12 DEFERRED REVENUE

Subscriptions and fees in advance

\[
\begin{array}{lcc}
2004 & 2003 \\
\hline \\
 & \$ & \$
\end{array}
\]

13 PROVISIONS

(a) Current

Provision for annual leave

\[
\begin{array}{lcc}
2004 & 2003 \\
\hline \\
 & \$ & \$
\end{array}
\]

Provision for conditional/unconditional long service leave

\[
\begin{array}{lcc}
2004 & 2003 \\
\hline \\
 & \$ & \$
\end{array}
\]

Provisions

\[
\begin{array}{lcc}
2004 & 2003 \\
\hline \\
 & \$ & \$
\end{array}
\]

(b) Non-current

Provision for preconditional long service leave

\[
\begin{array}{lcc}
2004 & 2003 \\
\hline \\
 & \$ & \$
\end{array}
\]

Average number of full-time employees

\[
\begin{array}{lcc}
2004 & 2003 \\
\hline \\
 & \$ & \$
\end{array}
\]

14 TAX LIABILITIES

Payroll and PAYG Tax payable

\[
\begin{array}{lcc}
2004 & 2003 \\
\hline \\
 & \$ & \$
\end{array}
\]

Fringe Benefits tax payable

\[
\begin{array}{lcc}
2004 & 2003 \\
\hline \\
 & \$ & \$
\end{array}
\]

Total tax liability

\[
\begin{array}{lcc}
2004 & 2003 \\
\hline \\
 & \$ & \$
\end{array}
\]

15 LOAN

Bank loan

To assist in financing the purchase on 12 October 2004 of the strata entitlement, which the company occupies as its National Office, at Level 10, 5 Hunter Street, Sydney, $3,000,000 was borrowed. The funding is provided in the form of a short-term variable rate commercial bill facility currently at the rate of 5.71% per annum, plus a 1.30% per annum facility fee. It is intended that once the strata entitlement per Note 10(a) is sold, that the loan will be reduced by that amount. The bank loan is secured by a registered first mortgages over the strata entitlements as detailed per Note 10.

\[
\begin{array}{lcc}
2004 & 2003 \\
\hline \\
 & \$ & \$
\end{array}
\]

Total loan

\[
\begin{array}{lcc}
2004 & 2003 \\
\hline \\
 & \$ & \$
\end{array}
\]

16 EXPENDITURE COMMITMENTS

Operating lease commitments

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

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not later than one year</td>
<td>72,421</td>
<td>67,358</td>
</tr>
<tr>
<td>Later than one but not later than five years</td>
<td>149,691</td>
<td>193,028</td>
</tr>
<tr>
<td>Total</td>
<td>222,111</td>
<td>260,386</td>
</tr>
</tbody>
</table>

17 RELATED PARTY DISCLOSURES

(a) Names of related parties

The names of the directors who held office during the year are:

RJ Barnier BJurs LLB FCIS (appointed 1.1.95) — Experienced in business and office management, secretarialship, corporate law. Corporate Secretary and Legal Counsel, Melbourne Health. Australian Division President from 1.1.99 to 31.12.00. ICSA Council from 1.1.95 to 31.12.95 and since 1.1.97. Appointed Vice President of ICSA Council for 2001 and 2002 and International President for 2003.

HM Conway BA LLB FCIS (appointed 1.1.04) — Experienced Company Secretary, corporate governance professional, corporate lawyer and executive manager. Company Secretary and General Counsel, Caltex Australia Group.

SE Crook BA LLB MBA FCIS FSA MAICD (appointed 1.1.05) — Experienced in Company Secretarial practice and corporate governance, corporate law, compliance and risk management in the financial services sector. Appointed Head of Corporate Secretariat, National Australia Bank Ltd in 2000. Immediate past Australian Division President.
17 RELATED PARTY DISCLOSURES continued


RJ McLachlan FCIS MRSA (appointed 12.3.01) — Experienced in Company Secretarial practice, financial and general management, acquisitions, strategic planning and corporate governance including Sarbanes-Oxley compliance. Finance Director/Company Secretary, AC Nielsen Australia Pty Ltd and associated companies since 1987. Appointed Chairman of the Board of Directors 1.1.04.

RJ Nankervis BBus Grad Dip Bus Mgt FCIS CPA (appointed 1.3.01) — Experienced in financial systems, accounting and management. Manager Consulting Services, SMS Management & Technology Ltd.

A Parkinson BBus(Acc) MLS DipCM DipFP FCIS FCPA (appointed 1.1.04) — Experienced in Company Secretaryship including setting up corporate and scheme compliance programs and risk management. Company Secretary, James Fielding Funds Management, a division of Mirvac Group.

(b) Transactions with related parties

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

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) ICSA: 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. These payments amounted to 137,800 130,143</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>137,800</td>
<td>130,143</td>
</tr>
<tr>
<td>Additional contribution, previously made, by the Australian Division to the International Institute to meet the shortfall caused by the Zimbabwe Division’s inability to make its contribution due to exchange controls. The Institute’s annual international expenses are allocated amongst the nine international ICSA divisions according to size of division (by membership), but in this instance is being allocated on the same basis to the remaining eight divisions. During 2004, this was partially recovered. Final recovery of this expense was received on 4 February 2005. (13,298) 31,900</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(13,298)</td>
<td>31,900</td>
</tr>
<tr>
<td></td>
<td>124,502</td>
<td>162,043</td>
</tr>
<tr>
<td>(ii) During 2003 and following a tender process, an agreement was reached with SMS Consulting Group Ltd, a company under which Mr RJ Nankervis may benefit by remuneration paid. Payments to that company for the supply of services by that company for the scope of a new database.</td>
<td>1,989</td>
<td>40,088</td>
</tr>
<tr>
<td></td>
<td>1,989</td>
<td>40,088</td>
</tr>
</tbody>
</table>

18 SEGMENT REPORTING

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

<table>
<thead>
<tr>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

19 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>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and on hand</td>
<td>100,763</td>
<td>393,768</td>
</tr>
<tr>
<td>Cash on deposit</td>
<td>1,505,329</td>
<td>2,175,000</td>
</tr>
<tr>
<td></td>
<td>1,606,092</td>
<td>2,568,768</td>
</tr>
</tbody>
</table>

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

Profit from ordinary activities after income tax 118,121 147,706
Non-cash flows in profit from ordinary activities
- Depreciation 65,225 112,045
- Amortisation 19,959 44,878
19 CASH FLOW INFORMATION continued

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in assets and liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) / decreases in receivables</td>
<td>(442,607)</td>
<td>12,669</td>
</tr>
<tr>
<td>Decrease in merchandise for sale</td>
<td>–</td>
<td>2,250</td>
</tr>
<tr>
<td>(Increase) / decrease in prepayments</td>
<td>(227,475)</td>
<td>12,138</td>
</tr>
<tr>
<td>Increase in accounts payable</td>
<td>212,119</td>
<td>121,681</td>
</tr>
<tr>
<td>(Decrease) / increase in unearned interest</td>
<td>(11,075)</td>
<td>8,806</td>
</tr>
<tr>
<td>Increase in income in advance</td>
<td>147,254</td>
<td>101,877</td>
</tr>
<tr>
<td>Increase in provisions</td>
<td>12,455</td>
<td>32,128</td>
</tr>
<tr>
<td><strong>Net cash (used in)/provided by operating activities</strong></td>
<td><strong>(106,024)</strong></td>
<td><strong>596,178</strong></td>
</tr>
</tbody>
</table>

(c) Financing and investing activities

During the reporting period, the new strata entitlement was purchased and fitted out, part of which was financed by means of a short-term variable rate commercial bill facility. 3,000,000 –

20 TRUST FUNDS

Statement of financial position

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Institute Trusts</td>
<td>53,817</td>
<td>51,453</td>
</tr>
<tr>
<td>John Goffage Fund</td>
<td>1,317</td>
<td>1,429</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>55,134</strong></td>
<td><strong>52,882</strong></td>
</tr>
</tbody>
</table>

Represented by

Current assets

Cash at bank and on deposit | 55,134 | 52,882 |

Statement of financial performance

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td>2,427</td>
<td>2,208</td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prizes</td>
<td>(175)</td>
<td>(170)</td>
</tr>
<tr>
<td><strong>Surplus for the year</strong></td>
<td><strong>2,252</strong></td>
<td><strong>2,038</strong></td>
</tr>
</tbody>
</table>

21 FINANCIAL INSTRUMENTS

(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.

(b) Interest rate risk

The company’s exposure to interest rate risk, which is the risk that a financial instrument’s value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities, is as follows.

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash at bank</td>
<td>5.20</td>
<td>4.67</td>
</tr>
</tbody>
</table>

(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.
22 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.

23 CONTINGENT LIABILITIES
There are no contingent liabilities as at 31 December 2004.

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

Level 10, 5 Hunter Street
Sydney NSW 2000 Australia

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

Directors’ declaration Chartered Secretaries Australia Ltd

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 20 to 30:
   (a) comply with the Accounting Standards and are in accordance with the Corporations Act 2001 and 
   (b) give a true and fair view of the financial position as at 31 December 2004 and 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.

Dated at Sydney this 15th day of March 2005.
RJ McLachlan FCIS
Director

RJ Barnier FCIS
Director

Auditors’ independence declaration

As auditor of Chartered Secretaries Australia Limited for the year ended 31 December 2004, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

Dated at Sydney this 15th day of March 2005.

WHK Greenwoods
David Sinclair
Independent audit report

to the members of Chartered Secretaries Australia Ltd

Scope


The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with the Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with the Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company’s financial position and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management’s internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Audit opinion

In our opinion, the financial report of Chartered Secretaries Australia Limited is in accordance with:

(a) the Corporations Act 2001, including:

   (i) giving a true and fair view of the company’s financial position as at 31 December 2004 and of its performance for the year ended on that date, and

   (ii) complying with the Accounting Standards in Australia and the Corporations Regulations 2001, and

(b) other mandatory financial reporting requirements in Australia.

Signed at Sydney this 15th day of March 2005.

David Sinclair
Principal

WHK Greenwoods
## Detailed operating profit and loss accounts

for the five years 2000–2004

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Operating revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member and student subscriptions</td>
<td>1,969,333</td>
<td>1,943,951</td>
<td>1,922,817</td>
<td>1,934,065</td>
<td>1,797,739</td>
</tr>
<tr>
<td>Course fees</td>
<td>1,532,889</td>
<td>1,238,911</td>
<td>952,990</td>
<td>887,323</td>
<td>776,652</td>
</tr>
<tr>
<td>Members’ activities</td>
<td>793,279</td>
<td>617,137</td>
<td>567,883</td>
<td>454,909</td>
<td>323,081</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>454,220</td>
<td>348,947</td>
<td>342,229</td>
<td>324,471</td>
<td>225,223</td>
</tr>
<tr>
<td>Interest</td>
<td>151,517</td>
<td>127,228</td>
<td>95,832</td>
<td>107,164</td>
<td>125,918</td>
</tr>
<tr>
<td>Journal</td>
<td>57,246</td>
<td>39,442</td>
<td>29,075</td>
<td>29,821</td>
<td>29,460</td>
</tr>
<tr>
<td>Publications and merchandise†</td>
<td>1,733</td>
<td>218</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Other income</td>
<td>172,119</td>
<td>77,418</td>
<td>55,454</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,132,336</td>
<td>4,393,252</td>
<td>3,966,280</td>
<td>3,737,753</td>
<td>3,278,073</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>2,251,885</td>
<td>1,916,358</td>
<td>1,660,905</td>
<td>1,565,526</td>
<td>1,332,454</td>
</tr>
<tr>
<td>Courses</td>
<td>578,601</td>
<td>428,623</td>
<td>445,531</td>
<td>395,217</td>
<td>353,206</td>
</tr>
<tr>
<td>Occupancy and branch facilities †††</td>
<td>332,635</td>
<td>187,317</td>
<td>199,237</td>
<td>204,947</td>
<td>237,891</td>
</tr>
<tr>
<td>Journal</td>
<td>312,874</td>
<td>289,747</td>
<td>295,199</td>
<td>284,324</td>
<td>311,398</td>
</tr>
<tr>
<td>Members’ activities</td>
<td>281,289</td>
<td>287,914</td>
<td>241,364</td>
<td>185,844</td>
<td>155,160</td>
</tr>
<tr>
<td>Repairs and maintenance ††††</td>
<td>234,154</td>
<td>107,265</td>
<td>44,350</td>
<td>51,797</td>
<td>65,186</td>
</tr>
<tr>
<td>Travel and meetings</td>
<td>162,371</td>
<td>145,157</td>
<td>147,697</td>
<td>137,449</td>
<td>107,243</td>
</tr>
<tr>
<td>Profile and website maintenance ††</td>
<td>128,829</td>
<td>127,312</td>
<td>95,565</td>
<td>160,438</td>
<td>200,112</td>
</tr>
<tr>
<td>ICSA, UK — capitation fee</td>
<td>124,502</td>
<td>162,043</td>
<td>128,403</td>
<td>121,174</td>
<td>112,421</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>85,184</td>
<td>156,924</td>
<td>161,503</td>
<td>130,017</td>
<td>140,555</td>
</tr>
<tr>
<td>Telephone, facsimile and email</td>
<td>81,135</td>
<td>86,428</td>
<td>78,780</td>
<td>87,633</td>
<td>62,635</td>
</tr>
<tr>
<td>Bank and credit card fees</td>
<td>65,001</td>
<td>64,597</td>
<td>61,016</td>
<td>49,956</td>
<td>60,915</td>
</tr>
<tr>
<td>Printing and stationery</td>
<td>64,393</td>
<td>48,594</td>
<td>57,087</td>
<td>55,257</td>
<td>94,189</td>
</tr>
<tr>
<td>Borrowing costs expense</td>
<td>55,539</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>International representation</td>
<td>52,799</td>
<td>37,686</td>
<td>62,050</td>
<td>36,921</td>
<td>40,024</td>
</tr>
<tr>
<td>Postage and courier</td>
<td>44,706</td>
<td>30,993</td>
<td>30,612</td>
<td>41,727</td>
<td>45,169</td>
</tr>
<tr>
<td>Other expenses</td>
<td>43,633</td>
<td>71,372</td>
<td>19,541</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Insurance</td>
<td>35,000</td>
<td>31,559</td>
<td>29,027</td>
<td>25,063</td>
<td>28,144</td>
</tr>
<tr>
<td>Auditors</td>
<td>29,274</td>
<td>27,167</td>
<td>21,820</td>
<td>30,620</td>
<td>53,614</td>
</tr>
<tr>
<td>Professional services</td>
<td>29,074</td>
<td>28,170</td>
<td>21,890</td>
<td>25,229</td>
<td>14,256</td>
</tr>
<tr>
<td>Publications and merchandise †</td>
<td>21,336</td>
<td>10,320</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,014,215</td>
<td>4,245,546</td>
<td>3,801,577</td>
<td>3,589,139</td>
<td>3,414,572</td>
</tr>
</tbody>
</table>

| **Operating (loss)/profit** | 118,121 | 147,706 | 164,703 | 148,614 | (136,499) |

† Publications and merchandise includes the publication and sale of technical booklets.
†† Includes amounts devoted to the three-year campaign to raise the company’s profile reported in the 1997 to 2000 Annual Reports.
††† Relocation and running costs incurred in moving to new premises are included in 2004.
†††† Installation and implementation costs incurred in respect of new database are included in 2004.

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