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Highlights

Significant enhancement of the advocacy effort of Chartered Secretaries Australia (CSA) with the new position of Director, Policy — a key recommendation of the 2004 market research.

- A doubling of submissions to 13, ranging from APRA draft prudential governance standards to corporate social responsibility and two appearances before Senate committees.
- A sixth consecutive year of growth in enrolments in the qualifying program for membership — the Graduate Diploma in Applied Corporate Governance.
- Full integration of all information systems, enabling full on-line access for members and students and a significant decrease in internal administration workloads.
- Double the number of members registered on the National Resumé Register and full on-line registration.
- Completion of the move to new Sydney premises with the sale of 70 Castlereagh Street and consolidating a strong cash reserve position.

Commencement of the brand/profile program, the major recommendation of the market research, and recognition that CSA is the peak professional body delivering accredited education in governance.
As this Annual Report goes to press, CSA is well into implementing its three-year brand and profile-raising program, which is designed to increase and build awareness of CSA and its strategic focus, and explain the role and value of the Chartered Secretary/governance professional.

As outlined in *Keeping good companies* (April 2005), a joint meeting of your National Council and the Board of Directors of CSA Ltd took place to review the findings and recommendations of extensive market research undertaken in November and December of 2004. The research confirmed high satisfaction with CSA’s products and services, but identified a need to raise the profile of the organisation to improve its brand effectiveness.

In September of 2005, a communication strategy was agreed to that will progressively target all members, influencers in the area of governance and the wider business community. The message that needs to be reinforced is that CSA is the only professional body delivering accredited education in governance and the most practical and authoritative training and information on governance.

### Strategic direction

CSA has been operating under a Mission Statement and set of strategic objectives for over five years that focuses on the promotion and advancement of effective governance and administration in all sectors of the community. As in previous years, a weekend in July was devoted to reviewing CSA’s strategy and validating these three over-arching goals and Mission Statement.

We are pleased to have this opportunity to report to you on progress during 2005 toward achieving these goals.

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

Up to the middle of 2005, CSA had been relying on the excellent work of its two policy committees, the Legislation Review Committee (LRC) and the Corporate and Legal Issues Committee (CLIC), to drive its advocacy efforts — with no substantial support from internal staff. These two committees have had considerable success but were often hindered by lack of time, making it difficult for CSA to advocate on the full range of issues that affect members.

In July CSA was able to announce the appointment of a full-time Director, Policy to support the work of LRC and CLIC. The appointment of additional resources to policy was a major recommendation that emerged from the market research and it is gratifying that CSA was in a position to act on this so quickly.

To keep members informed, we have added a column in *Keeping good companies* each month, listing advocacy activity for the period.

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

CSA’s publications program continues to be a major initiative, with two new booklets going to press in 2005. In July the third booklet in the series, *Continuous Disclosure: Listed Public Companies and other Disclosing Entities*, was released and well received. The fourth booklet in the series, *Enhancing Board Performance*, was released in very early November. We are also pleased to advise that the first two titles, *Corporate Governance and the Company Secretary* and *Officers, Directors and Governance*, have already gone into their second printing.

The Useful Practitioner Document service was thoroughly reviewed during the year and now contains nearly 150 precedent documents for use by members. An energetic committee of members continues to review each document to ensure it is up to CSA standards before posting the document to our website. As always, these precedents are for members only and are a great aid in helping with day-to-day requirements.

Finally, CSA is well down the track in planning for the released of an e-newsletter in 2006. CSA sees this service as a valuable addition to the information brought to you in *Keeping good companies* and will initially be looking at an e-newsletter published on a monthly basis.

- **Membership is attractive to the full range of governance professionals**

We are pleased to again report an increase in enrolments in the Graduate Diploma in Applied Corporate Governance. Over the last five years CSA has seen enrolments double for the qualifying program for membership, with nearly three-quarters of graduates deciding to take up membership.

Part of the program to interest students in membership has been to offer participation in CSA’s affiliate program and this has been particularly successful, with the number of affiliates exceeding 830 and a large proportion of them converting to membership once their studies have concluded.

With the Graduate Diploma having now been in place for two years, we are seeing people with a wider range of professional backgrounds undertaking the course. CSA was of the view that a qualifying program that focused solely on the needs of a Company Secretary, while important,
was too narrow, and accordingly endorsed a qualifying program that covered not only issues surrounding Company Secretarial practice but also insurance, superannuation, asset management and taxation.

Brand and profile program
As outlined in the December 2005 issue of *Keeping good companies*, CSA has commenced a three-year profile-raising program which is designed to increase and build awareness of CSA and explain the role and value of the Chartered Secretary/governance professional. We would like to take this opportunity to explain what the program is about.

First, CSA will be clearly communicating its strengths and its focus. To business and community leaders and governance professionals,

Chartered Secretaries Australia is the peak professional body delivering accredited education and the most practical and authoritative training and information on governance, as well as thought leadership in the field.

CSA believes that organisations that retain outdated notions of the Company Secretary as a basic administrative function are missing opportunities to improve their own performance and are slowing community-wide progress in governance.

To overcome such perceptions, the program will reinforce the following as integral to the role of today's governance professional:

- Drive and advise on best practice in governance
- Champion the compliance framework to safeguard the integrity of the organisation
- Promote, and be the sounding board on, high standards of ethical and corporate behaviour
- Bridge the interests of the board or governing body, management and stakeholders.

National office premises
As reported last year, in November 2004 the National and NSW operations of CSA moved into new, specially designed premises in 5 Hunter Street, Sydney. CSA has experienced consistent growth over the last several years and had completely outgrown the premises at 70 Castlereagh Street that it had owned for over 10 years.

Since changing premises, the New South Wales operations have experienced a significant increase in participation in nearly all activities and this is a strong endorsement of the decision to move. In addition, participation in discussion groups has increased and all members in or around the Sydney CBD are encouraged to attend these meetings.

Contracts were exchanged in the middle of the year for the sale of the previous premises, with settlement having taken place on 20 January 2006.

Financial health
By the end of this year CSA will have generated sufficient revenue (nearly $6 million) to fund its extensive member services and advocacy program. Most important, though, is that CSA is able to continue to invest in the infrastructure it needs to ensure its future.

As reported last year, a new customer relationship management system was installed in November 2004, which gave live access to all staff within the organisation. The end of 2005 saw the second stage of that project, which provided complete web-enablement for members to access a greater range of services, keep their details up-to-date and to pay subscriptions on-line. The investment in this technology is substantial but nevertheless is funded entirely from reserves.

CSA continues to maintain a prudent investment and reserves policy. Notwithstanding the substantial investment in infrastructure, CSA's cash reserves continue to increase.

Conclusion
In closing, 2005 has been an excellent year for Chartered Secretaries Australia. The strong increase in enrolments in our qualifying program continues, as does the growth in affiliates and new members.

CSA is looking forward to increased visibility in the coming years as the profile program becomes more public and as CSA's advocacy and policy efforts increase.

Finally, we would like to take this opportunity to thank all the members of CSA who have assisted the organisation by teaching, serving on state councils, policy committees and other activities, as well as the professional efforts of our staff in driving the organisation forward, and sponsors for their invaluable financial support. We could not have achieved so much without you.

Bernard Yates FCIS
President
National Council
Australian Division of the Institute of Chartered Secretaries and Administrators (ICSA)

Robert Nankervis FCIS
Chairman
Chartered Secretaries Australia Ltd
Overview and strategy

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

- diversify the earnings base of the organisation away from membership subscriptions by building businesses that also underpin CSA’s mission
- develop a professional qualifying program that is widely recognised and regarded
- ensure 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. These activities are a growing part of CSA’s business, comprising more than 52 per cent of total revenue, an increase from 2004 when 45 per cent of revenue was generated from these three areas. Accordingly, CSA’s business depends on staying relevant, current and meeting the needs of working professionals.

Key drivers

CSA has been actively diversifying its income base away from membership subscription income by developing its training and conference activities. To this end, the proportion of total income from membership and affiliate subscriptions has dropped significantly from 55 per cent in 2000 to 36 per cent for 2005, while total revenue over the same period has increased by 73 per cent.

Six years ago, CSA began offering half-day skills-based training programs aimed at a market that was not able or prepared to undertake the comprehensive two-year Graduate Diploma. This business has grown from nothing to revenue of over $500,000 and now includes more than 20 subjects covering everything from Accidental Company Secretary® to Operation AGM®. We are now moving into the next phase of business development and working directly with a range of organisations to provide these programs on a tailored basis to their staff alone.

In 2005 we saw organisations such as Bendigo Bank, JP Morgan and the Association of School Bursars and Administrators undertaking courses such as Duties of Officers and Directors or OH&S Due Diligence for Officers and Directors. When these programs are presented in-house to a single client, CSA not only generates additional revenue but also has the opportunity to demonstrate its full range of information services and key benefits of membership.

During 2005, CSA hired a full-time account manager to progress these activities.

During 2005 CSA also assumed full responsibility for the development, marketing and event management of its National Conference. In previous years, the marketing and event management had been outsourced to a professional conference producer, but as internal skills and resources have been upgraded the decision was made to bring full management in-house. This proved to be a successful decision, both financially and in conference content, and will be repeated in the coming years.

Sit down. Step up.
Growth in enrolment numbers in the Graduate Diploma in 2005 was a healthy seven per cent, but not as sharp as in 2004 and 2003, when growth was 19 per cent and 26 per cent respectively. Double-digit growth rates were not expected to continue once the high profile of governance issues diminished in the media; growth rates of between seven and nine per cent can be expected to continue into the future.

Historically, the largest single source of income for CSA has been from membership subscriptions and this may continue to be the case for a number of years. However, it is intended that income diversification continue so that members can derive greater benefit from their subscription fees and the business is more sustainable due to diversification of income.

**Investment for future performance**

In December of 2005, CSA completed the installation and web-enablement of its customer relationship management system to provide more seamless member access to reserved sections of the CSA website, to enable subscriptions to be paid on-line and to allow full on-line event registration.

This final step involved CSA hosting its website in-house and now enables more flexible updating of web content, faster download time and easier management of IT resources.

With the growth of CSA's training and education business, the next step will be to establish training facilities and premises in Brisbane. Late in 2005 work began to identify suitable office space. It is expected that by mid-2006 CSA will be operating from purpose-built facilities equivalent to Sydney and Melbourne.

**Financial condition**

I am pleased to report that CSA's operating performance and balance sheet remain strong.

As stated above, CSA's revenue has been greatly diversified over the last five years and this trend is planned to continue. Total revenue increased by 11 per cent from 2004, with a 13 per cent increase in income from the Graduate Diploma and a 26 per cent increase in income from training. No material amount of income was dependent on special factors.

The express strategy to reduce reliance from member subscriptions continues. In 2005 only 36 per cent of total revenue came from subscriptions, substantially down from the levels in the late 1990s of over 60 per cent.

Expenses for 2005 were in line with expectations. Increased staff expenses were incurred due to additional staff devoted to increasing CSA's capacity to further its advocacy program and to expand its training business.

The last several years of strong growth in revenue have not occurred at the expense of profitability. CSA's gross trading margin has gradually increased from 63 per cent to 65 per cent from 2003 to 2005. Protecting and increasing these margins is critical, as any surplus resources are needed to fund other non-cash generating activities.

Notwithstanding the substantial investment in infrastructure over the last several years, including the purchase and fit-out of new Sydney premises, CSA's cash reserves remain healthy. At balance date, cash reserves will be just over $2 million, with more than $400,000 in additional cash reserves added during the year.

**The future**

In late 2004 CSA undertook extensive qualitative and quantitative market research so that future expansion would clearly meet the needs of members and the wider community. That research has resulted in the profile campaign outlined in other sections of this annual report. The healthy turnover of CSA's operating activities has provided the financial resources to fund that campaign.

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.

Tim Sheehy  
Chief Executive  
Chartered Secretaries Australia Ltd
Governance education and training

2005 was a year of solid growth for CSA's education and training. This has again underscored the wide recognition by the business community of the significance of CSA's role in delivering accredited education and the most practical and authoritative training and information on corporate governance, as well as providing thought leadership in this field.

We experienced an increase of seven per cent in the enrolment numbers for our premier educational product, the fully accredited and internationally recognised Graduate Diploma in Applied Corporate Governance (GradDipACG), which was launched at the start of 2004. It is significant that we managed this healthy growth in the second year of this course after having already achieved a large spike in enrolment numbers of 20 per cent during its inaugural year.

2005 also saw a considerable expansion in the number of students graduating from this course. As the GradDipACG is now the educational pathway for entry to our parent body, ICSA, many of these graduates have taken the opportunity to utilise their new qualification to become ICSA members.

In addition, a significant number of the graduates of our previously accredited course, the Graduate Diploma in Company Secretarial Practice (GradDipCSP), were attracted by the contents of the new subject, Corporate Administration. These earlier graduates chose to enrol in this subject with the objective of graduating in the newer GradDipACG, which they found more beneficial to their current needs. It should be noted that the GradDipCSP was phased out at the end of 2005 under the transitional arrangements that came into effect when the GradDipACG was accredited.

Among the important benefits of our course for our students is that it provides a postgraduate qualification and is accredited by state higher education authorities around Australia. This demonstrates that CSA and its course have undergone an extensive quality assurance process and established that they have met the highest educational standards. One of the achievements of 2005 was the renewal in New South Wales of CSA's accreditation as a higher education institution for a further five-year period.

Our training program also experienced an excellent year, with a considerable growth in enrolment numbers and revenue. Training programs range from practical subjects for newly appointed Company Secretaries through to subjects designed to provide senior managers and directors with advanced training. One of the new additions to the stable of more than 20 half-day and full-day training subjects we offer is a new subject on insurance essentials for governance professionals.

Our training subjects can be delivered in-house for individual organisations, and demand for this service continued to grow in 2005. In-house training is proving to be a flexible and convenient solution for a range of organisations, including public and private companies, government bodies and not-for-profit and community-based organisations.

One of the critical areas for success in training is to ensure that our subjects are regularly reviewed and updated. 2005 saw the introduction of a more systematic approach to obtaining the participant and presenter feedback needed when we update our subject materials at frequent intervals, with an experienced editor appointed to drive and oversee this process. The aim is to provide a guarantee to participants in our training subjects that both the contents and the instruction they will receive are robust, relevant, reliable and capable of immediate application by them back in the workplace.
Technical information and support

Journal

CSA’s journal, *Keeping good companies*, concentrates on issues of governance and risk management, focusing on practical issues and providing authoritative assessments of current practice and future directions. ICSA divisions around the world reprint articles from the CSA journal, recognising the quality and range of information and opinion available to CSA members, and the articles from our journal are referenced in a wide range of speeches, publications and reports.

We are pleased to continue to report that CSA’s journal consistently received excellent feedback, formally and informally, about the focus and depth of its content.

Publications program

CSA published two further booklets in 2006, *Continuous Disclosure: Listed Public Companies and other Disclosing Entities* and *Enhancing Board Performance*. The first title sets out the components of an effective continuous disclosure regime, and provides assistance in relation to the practical implementation of any policy in this area, including a checklist for how to assess continuous disclosure requirements. The second title, which has proved particularly popular with members, is a pragmatic guide to the question: What should I expect from a board and how can I assess its performance?

Members were surveyed for their input on what topics the program should canvass as it develops. Two further titles are under way, and the emphasis remains on practical and authoritative statements of principle in relation to governance issues.

Website updates

A major initiative in 2005 was the provision of online member subscription renewal. Members and affiliates can manage their interaction with CSA not only by renewing their membership or affiliation online, but also by keeping their records up-to-date as appropriate. Members can also access member-only content by simply logging in with their user name and password, which provides instant system recognition of the individual. The new initiative was a detailed operation, with the website’s public face largely unchanged, while behind the scenes new coding, rigorous testing and successful implementation ensured that members enjoyed a seamless process. This very successful initiative saw 29 per cent of renewals being completed online during the first three months of operation.

E-newsletter

With the new CMS in place, CSA began the process of planning for the introduction of an e-newsletter. Research shows that e-newsletters feel personal, as they arrive in an individual’s inbox and start an ongoing relationship between sender and recipient. In contrast, websites are things we glance at when we need to get something done or find the answer to a specific question. The aim of CSA’s e-newsletter is primarily to provide substantive content to our members and work will continue toward implementation in 2006.

Good Governance Guides

CSA concentrated on the not-for-profit sector in 2005, adding Good Governance Guides on board structure; the separation of authority between board and management; stewardship and social responsibility; volunteer management; conflicts of interest; and risk management.

Useful Practitioner Document Service

Work was also undertaken in developing documents applicable to the not-for-profit sector in this password-protected area of the website, to underpin the general principles of the Good Governance Guides. Embedding good governance practice is as necessary in this sector as in the for-profit sector, and members can now find documents relating to setting up policies on alcohol and drug use; conflicts of interest; gifts and hospitality; intellectual property use; legal contracts; and fraud. A survey of members on the conduct of the AGM is also included.

Policy and advocacy

In 2005, CSA appointed a dedicated resource in policy, to assist its national policy committees in their work and to create opportunities for proactive, as well as reactive, advocacy on behalf of our members. In creating the role of Director, Policy, CSA ensured it could channel members’ views on topics that were relevant to the practice of governance in an efficacious and timely fashion.
Submissions

Legislative reform, or proposals for reform, continued unabated in 2005. CSA made 13 submissions on issues as varied as extending corporate duties below board level, personal liability for corporate fault, corporate social responsibility, the APRA draft prudential governance standards, director and executive remuneration and proposals to abolish the 100 member rule for requisitioning general meetings.

The number of submissions doubled from previous years, giving CSA a strong advocacy voice on the issues relevant to its members, and providing a vehicle for CSA members to give voice to their practical experience in governance implementation.

Rapid response surveys

Members in Australia’s top-200 companies were surveyed for their views on risk readiness, continuous disclosure, and the non-binding shareholder vote on the remuneration report. On this latter issue, CSA surveyed members when preparation was first under way for the AGM season, and then again at the end of the AGM season, providing a useful snapshot of changing opinion on how this form of shareholder participation could provide a meaningful exchange between companies and their shareholders.

Professional development

Discussion groups

CSA’s discussion groups continue to provide a valuable forum for governance professionals to exchange information and discuss practical issues affecting their profession. During 2005 we conducted a total of 124 groups, with 1,800 participants around Australia. The informal nature of these groups encourages sharing of information and experiences, enabling members to seek opinions and advice from like-minded professionals.

A senior CSA member acts as the convener of each group, facilitating discussion and liaising with members to identify key topics of interest. On occasion, expert guest speakers will provide additional input on specific issues. The discussion groups also provide important feedback to CSA on the key issues that are currently relevant for 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. In addition, certain discussion groups provide an excellent communication channel with regulators such as ASIC and the ASX, enabling members to raise practical matters impacting their roles.

Discussion groups operate around the country and are based on areas of common interest within a group of peers. Specific groups include corporate compliance, international governance, public companies, the government sector, not-for-profit, emerging enterprises, finance and tax. During 2005, we added a group for new members in New South Wales and a new group for students of our Graduate Diploma in South Australia. We also offer a number of groups in regional areas and our retirees’ groups continue to be well attended.

Corporate and Public Sector Updates in New South Wales, Queensland and Victoria

The Updates are the premier state-based events on the CSA calendar and are held in New South Wales, Queensland and Victoria. The Corporate Update focuses on key governance issues for public and large proprietary companies, while the Public Sector Update examines the latest governance developments in the public sector.

In 2005, the Updates were well attended, with hot topics encouraging participation from members, affiliates and interested individuals wishing to keep up-to-date with current issues and governance practice. Expert presenters contribute to the Updates, including governance practitioners, commentators, advisors and regulators. Key speakers in 2005 included Tim Costello, CEO, World Vision Australia; Peter Harmsworth, CEO, Victorian State Services Authority; Graeme Samuel, Chairman, ACCC; and Bob Sendt, Auditor-General of New South Wales.

In addition, a range of professional development seminars and briefings are conducted in all states throughout the year to ensure our members, affiliates and non-members are kept up-to-date with the latest governance and administration issues.

Thought leadership

22nd National Conference: The kaleidoscope of governance

CSA’s 22nd National Conference was held at the newly refurbished Hilton Sydney and attracted the highest number of delegates since 1998.
The conference comprised two days of plenary and breakout sessions, followed by a half-day of more practical workshops. This was the first year that CSA has run the conference internally and the very positive feedback indicated that the change of management was seamless.

The program was of a very high quality, with speakers taking attendees through areas such as governance regulation, corporate social responsibility, developing a risk framework, communication with investors, and occupational health and safety, amongst others. Tony Jones of ABC TV’s Lateline moderated a number of the sessions, providing a stimulating discussion of the topics covered.

The stream sessions covered international financial reporting standards, directors and officers’ insurance and public sector governance, while the workshops covered a range of topics, including the role of information technology in enabling governance, an Australian Stock Exchange perspective on disclosure, duties of officers and directors and the perennially popular practical workshop for Company Secretaries run by Richard Jones and John Rennie.

**4th Annual Corporate Governance Symposium**

The Annual Symposium supports CSA’s positioning as a thought leader in governance. It is a forum designed to explore a critical issue related to governance, through a panel of expert speakers.

In 2005, the symposium was held in Sydney in early April and was titled Beyond the Boardroom: Where do your business risks lie?

Speakers included David Crawford, Chairman of Lend Lease and National Foods Ltd; Paul Lahiff, Managing Director of Mortgage Choice Limited; David White, Chairman of Vodafone Australia; and Jack Gargano, Finance Director of Hewlett-Packard South Pacific. The symposium was moderated by well-known journalist Maxine McKew.

Some of the topics the forum debated included the importance of risk management and its relationship to corporate governance; developing risk-management processes and matrices; communicating risk within the organisation; who is responsible for monitoring risk: audit or risk committee, the executive, the board?

Feedback from attendees was very positive with 97 per cent rating the symposium informative.

**CSA’s National Resumé Register**

CSA’s National Resumé Register service is provided to assist members to progress their careers, and to assist clients to identify suitably qualified and experienced candidates for governance positions. We continue to receive a wide variety of search and placement requests for Company Secretariat staff and governance professionals across all industry sectors and for organisations of all sizes within Australia, as well as increasing numbers of requests from companies abroad.

In 2005 the number of CSA members electing to join the register and be considered for vacancies more than doubled, with 180 members throughout Australia now registered to keep an eye on their next potential career move. For these CSA members as potential candidates, the Resumé Register is a free and strictly confidential service, and provides yet another form of benefit of membership.

Requests for candidate searches from organisations continued to increase again in 2005, and for the first time the National Resumé Register was also engaged to work alongside search/recruitment firms to supplement their own search activity for Company Secretarial roles.

For these organisations, the Resumé Register continues to provide a unique and targeted pool of governance industry candidates, with the assurance that as members of CSA our candidates possess minimum levels of qualifications and relevant experience.

2005 also saw us further improve this service for members with better access for members to online registration and updating of details for the Resumé Register, an expanded range of search criteria to ensure optimum candidate matching, and implementation of even greater security for storage and handling of member resumés to further ensure full confidentiality for this service.
National Council and the Board of Directors of CSA Ltd gratefully acknowledge the commitment of members to policy development and our education program.

National Council

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

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

Chris Wells FCIS (Vice President)
Project Director – Motor Registry Project
Tasmania Department of Infrastructure Energy & Resources

Paul Moni FCIS (Immediate Past President)
Director
Moni Solutions Pty Ltd

Frank Bush FCIS
Director
Lisbourne Consulting

Sue Crook FCIS
Company Secretary & General Counsel
Australian Foundation Investment Company Limited

Nicholas Geddes FCIS
Director
Australian Company Secretaries Pty Ltd

Ian Gregory FCIS
Principal
The Company Secretariat

Robert Moon FCIS
Company Secretary
News Limited

Phillip Thomas FCIS
Managing Director
Oakland Group Pty Ltd

Peter Turnbull FCIS
Managing Director & Chief Executive Officer
Orient Energy (Indonesia)

Paul Viney FCIS
Chief Financial Officer/Company Secretary
Tasmanian Perpetual Trustees Ltd

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Michael Ashford FCIS
(ICSA President)

Alan Theakston FCIS
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Rinker Group Ltd

Warren Baillie ACIS**
Assistant Company Secretary
Woodside Energy Ltd

Nick Burrows FCIS
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Tassal Group Ltd

Sam Butcher FCIS
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BHP Billiton Ltd

David Cantrick-Brooks ACIS
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Australia and New Zealand Banking Group Ltd

Pauline Carr FCIS
Executive General Manager/Group Secretary
Newmont Australia

Sue Crook FCIS
Company Secretary & General Counsel
Australia Foundation Investment Co

Ian Gilmour FCIS
Consultant

Duncan Glasgow FCIS
Company Secretary & General Counsel
Ruralco Holdings Ltd

Douglas Gration FCIS (2006 Chairman)
Company Secretary
Telstra Corporation Ltd

Ian Gregory FCIS
Consultant

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Bendigo Bank Ltd

John Hatton FCIS
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Commonwealth Bank of Australia

Bill Hundy FCIS
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Origin Energy Ltd
Corporate and Legal Issues Committee

Richard Anderson FCIS
Company Secretary & General Counsel
Nestlé Australia

Warren Baillie ACIS*
Assistant Company Secretary
Woodside Energy Ltd

Paul Baranov FCIS
Senior Legal Counsel
SFE Corporation Limited

Greg Bateman FCIS
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Primary Health Care Ltd

Anthony Evans FCIS**
General Manager
Perth Diocesan Trustees

Nick Geddes FCIS
Director
Australian Company Secretaries Pty Ltd

Ian Gilmour FCIS (Chairman)
Consultant

Duncan Glasgow FCIS
Company Secretary & General Counsel
Ruralco Holdings Ltd

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Director
Consultants Australia Group Pty Ltd

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

Richard Jones FCIS
Manager Compliance
Group Secretariat
National Australia Bank Ltd

Paul Moni FCIS
Managing Director
Moni Solutions Pty Ltd

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

Bill Pallister FCIS
Chartered Secretaries Australia Ltd

Stephen Partington FCIS**
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Anthony Bailey FCIS
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VIS Nominees

Bradley Bowes FCIS
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Communication Committee
Frank Bush FCIS (Chairman)
Consultant

Keith Edwards FCIS**
Chief Financial Officer
EDI Rail

Andrew Horne FCIS**
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Thakral Holdings Group Ltd

Brett Lane FCIS**
Editor, Business Development
WA Newspapers Ltd

Ross Mallett FCIS
Deputy Company Secretary
BHP Billiton Ltd

Mr Paul Moni FCIS
Director
Moni Solutions Pty Ltd

Simon Pordage FCIS**
Manager, Company Secretariat
Australia and New Zealand Banking Group Ltd

Peter Turnbull FCIS**
Managing Director and CEO
Orient Energy (Indonesia)

* Resigned from committee in 2005
** Joined committee in 2005

Members advanced to Fellowship
The board congratulates members who have advanced to Fellowship.

Richard Grant Barnard
TAS

Anthony Maurice Cannon
NSW

Glen Dewing
NSW

Heymala Eardley
NSW

John Fadian
QLD

Maurice Fannelli
NSW

James Laycock Grainger
NSW

John Francis Greenhalgh
NSW

Amanda Jane Harkness
NSW

Fiona Catherine Heckler
WA

Basil John Hills
TAS

Glen Kerr Laslett
NSW

Emma Catherine Lawler
NSW

Margot Christine Maasakkers
NSW

Robert John Nicholls
NSW

Jevena O’Brien
QLD

Anna Mareo O’Connell
NSW

David Charles Purdue
NSW

John Schaub
NSW

Elaine Elodie Stewart
VIC

Iain Herbert Thompson
NSW

Stuart White
NSW

At year’s end, members and affiliates totalled 8092 as follows:

Members and affiliates by state

<table>
<thead>
<tr>
<th>State</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW/ACT</td>
<td>44%</td>
</tr>
<tr>
<td>VIC</td>
<td>26%</td>
</tr>
<tr>
<td>QLD</td>
<td>12%</td>
</tr>
<tr>
<td>SA/NT</td>
<td>5%</td>
</tr>
<tr>
<td>WA</td>
<td>9%</td>
</tr>
<tr>
<td>TAS</td>
<td>3%</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
Membership milestones
CSA congratulates the following members who achieved milestones in membership in 2005:

50 years

New South Wales
Anthony Adam FCIS
Henry Blackboro FCIS
Ronald Bray ACIS
Sidney Briggs OAM ACIS
Frederick Brown ACIS
Reginald Brown ACIS
Bernard Brown FCIS
Frank Burgess ACIS
Maxwell Butler-Nixon FCIS
Angelo Casella FCIS
John Ferguson ACIS
Erwin Hayman ACIS
Alexander Hill ACIS
Bruce Hopper FCIS
John Inverarity ACIS
William Loewenthal ACIS
Colin Luxford ACIS
Joseph Magno FCIS
Thomas Maxwell FCIS
William McBurney ACIS
South Australia
Geoffrey Sattler FCIS
Lee Rogers ACIS
Philip Oram ACIS
Stuart Moon ACIS
Desmond Kill FCIS
David Greig ACIS
Denton Butcher ACIS
Queensland
Donald Fowler FCIS
Lionel Richards ACIS
Ross Wilton ACIS

25 years

ACT
Bruce Pittard ACIS
New South Wales
Peter Anderson ACIS
John Appleton ACIS
Robert Archer FCIS
Colin Bailey ACIS
Stephen Bardwell FCIS
Terry Bishop ACIS
Peter Brennan ACIS
Ronald Brown ACIS
Peter Buchanan ACIS
Henri Chan Chi Hang FCIS
Wai Chan Wai Keung ACIS
John Chandler ACIS
John Chin Yow Foo ACIS
Becky Chiu Lau Suk Kuen ACIS
Gary Crase ACIS
Dwarka Dass ACIS
Ivor David ACIS
Richard De Mestre ACIS
Glenn Desmond ACIS
Peter Dubauskas FCIS
Owen Dullea ACIS
Bob Elvy FCIS
Peter Franke ACIS
Jeff Graham ACIS
Richard Harvey ACIS
Peter Hills ACIS
Stephen Jack ACIS
Peter Kaye FCIS
Lindsay Kelly FCIS
Mark Kennedy ACIS
Henry Lee FCIS
Tony Lewis ACIS
David Li ACIS
John Lovett ACIS
Alan Mackie ACIS
Antony Mamo ACIS
Raymond Mathieson ACIS
John McCrory FCIS
Denis McEncroe ACIS
Larry Mitchell ACIS
Rory Moore ACIS
Brian Morgan ACIS
Timothy Moseley ACIS
James Mulheron ACIS
Kiew Neoh ACIS
Yut Ng Yut Hoe ACIS
Poh Ong Poh Kheng ACIS
Nigel Palmer ACIS
Graham Parks FCIS
Alan Paterson ACIS
Mark Patterson ACIS
Warren Phillips FCIS
Michael Platt-Hepworth FCIS
Brian Rigney FCIS
Bruce Roff ACIS
Jeffrey Simpson FCIS
Ronald Smith ACIS
Wayne Smith ACIS
John Southwood ACIS
Mark Spurr FCIS
Brian Staniland ACIS
Graham Stephenson ACIS
Shane Stewart ACIS
Peter Stonham ACIS
Sen Teng Sen Choi ACIS
Robert Thorpe FCIS
Keith Verner ACIS
Ralph Wearme ACIS
Maggie White ACIS
Paul Williams ACIS
Helen Yap Choong Lan FCIS
Wan Yip Wan Toh ACIS
Bruce York FCIS

Queensland
Robert Armstrong FCIS
Chris Butcher ACIS
Stuart Campbell ACIS
James Chai ACIS
John Chard ACIS
Vincent Kearney ACIS
Peter Robb ACIS
Evelyn Robins FCIS
Michael Rosenthal ACIS

South Australia
Chris Matters ACIS
Richard Mitchell ACIS
David Osgood FCIS
Kenneth Ramsey ACIS
David Rogers ACIS
David Skopal ACIS
Edward Staunton ACIS
Gary Wilson ACIS

Tasmania
Christine Edwards ACIS

Victoria
Stephen Amos FCIS
Richard Anderson ACIS
David Armstrong FCIS
Ian Bennett FCIS
Alexander Boyd ACIS
Robert Braby ACIS
Bobby Brewster FCIS
Lea Campbell ACIS
Neil Chatfield ACIS
Peter Cochrane FCIS
David Cook ACIS
Rex Deeth ACIS
Ragae Fahmy ACIS
Nihal Fernandopulle FCIS
Malcolm Freeman FCIS
Phil Gay FCIS
Kevin Gray FCIS
Andrew Gregory ACIS
Marguerite Grynberg ACIS
Victor Ho Too Kong ACIS
Noel Johnson ACIS
Van Kalas ACIS
Thomas Kiu ACIS
Peter Kovac ACIS
John Kuf ACIS
Graham Lindsay FCIS
John Lord ACIS
John Matthews FCIS
Alan McMullen ACIS
Keith Miller ACIS
Jeffrey Morris ACIS
Joe O’Brien ACIS
Rino Orfici FCIS
Saratchand Rajasingham ACIS
Theng泰Theng Swee ACIS
Graeme Tivey ACIS
Noel Ward ACIS
Peter Watson ACIS

Western Australia
John Casey ACIS
Albert Sim ACIS
Gerard Tonks ACIS

Overseas
Sushila Gangeswaran ACIS
William Raper ACIS
Stephan Yiu Lai-Suen ACIS
Corporate Governance Statement

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 2005, 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, which is reviewed and approved by the board each year.

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

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

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

Principle 2: Structure the board to add value

The company presently has five 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 25–26.

To assist the board in discharging its responsibilities, it has established a number of board committees including an Audit 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 who is not the same person as the chairman of the board and, in the case of the Audit Committee, by an independent person not necessarily a director. It is also comprised solely of independent non-executive directors, who are entitled to obtain independent professional or other advice at the cost of the company as per the directors' access to professional advice policy and are entitled to obtain such resources and information from the company, including direct access to employees of and advisers to the company, as they may require.

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

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

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.

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

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

The board established an Audit Committee in 1999. The membership of the committee consists of independent non-executive directors plus the chairman who is an independent non-director. Details of their attendance at committee meetings are set out at page 18.

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

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 and National Council reviews the performance of its Service Agreement, as well as the composition and skills mix of the directors of CSA Ltd.

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 7 to the Financial Statements on pages 25–26. 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 2005.

Statutory details of the directors are given in Note 7 to the financial statements on pages 25–26.

**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 secretoryship of companies and other bodies in the regulated environment.

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

As a result of the introduction of Australian equivalents to International Financial Reporting Standards (IFRS), the company’s financial report has been prepared in accordance with those standards.

**Financial results**

An operating profit from ordinary activities of $110,404 was made for the year after providing for income tax. The profit attributable to members amounting to $82,763 was made after allowing for a loss on disposal of asset amounting to $27,641.

Accumulated funds at year end totalled $3,587,983.

**Dividends**

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

**Review of operations**

Revenue for the year primarily came from subscriptions of $2,071,098; course fees of $1,726,143; member services and publications of $1,265,942; sponsorship of $399,654; investments of $122,072 and other income for services of $99,033.

Expenditure for the year was primarily on direct costs for member services and publications of $752,905; direct costs for courses of $610,359; profile-raising activities and website maintenance of $169,039; international activities of $147,969; and governance and administration of $3,893,266.

**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 Russell Barnier FCIS, Sue Crook FCIS, Robert McLachlan FCIS, Robert Nankervis FCIS and Adrienne Parkinson FCIS, who thank Helen Conway for her contribution.

**Attendance at directors’ meetings**

During 2005 attendance by individual directors (including when represented by alternates) at meetings they were entitled to attend, was as follows:

<table>
<thead>
<tr>
<th>Directors’ Name</th>
<th>Board Number eligible to attend</th>
<th>Board Number attended</th>
<th>Audit Committee Number eligible to attend</th>
<th>Audit Committee Number attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russell Barnier</td>
<td>6</td>
<td>4</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Frank Bush*</td>
<td></td>
<td></td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Helen Conway**</td>
<td>6</td>
<td>6</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Sue Crook</td>
<td>6</td>
<td>6</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Robert McLachlan</td>
<td>6</td>
<td>6</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Robert Nankervis</td>
<td>6</td>
<td>6</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Adrienne Parkinson</td>
<td>6</td>
<td>6</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

* As permitted under the constitution, a non-director was appointed as chairman of the Audit Committee. ** Resigned 10 January 2006
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 or made any relevant agreement for indemnifying against a liability incurred as an auditor, including costs and expenses in successfully defending legal proceedings, or paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an auditor for the costs or expenses to defend legal proceedings.

Directors’ interests and benefits

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

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

Premiums were paid for each of the directors as per Note 7 to the Financial Statements on pages 25–26. 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 Notes 7 (pages 25–26) and 18 (ii) (page 28) to the Financial Statements.

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

Proceedings on behalf of the company

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

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

Auditors’ independence declaration

The auditors’ independence declaration for the year ended 31 December 2005 has been received and can be found on page 30.

On behalf of the board by resolution of the directors:

Robert Nankervis FCIS
Chairman

Russell Barnier FCIS
Director

Sue Crook FCIS
Director

Robert McLachlan FCIS
Director

Adrienne Parkinson FCIS
Director

SYDNEY 14 March 2006
## INCOME STATEMENT
for the year ended 31 December 2005

<table>
<thead>
<tr>
<th>Note</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Revenue from ordinary activities</td>
<td>3</td>
<td>5,683,942</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses excluding finance costs</td>
<td>4</td>
<td>(5,360,158)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>4</td>
<td>(213,380)</td>
</tr>
<tr>
<td>Profit from ordinary activities before income tax expense</td>
<td></td>
<td>110,404</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>110,404</td>
</tr>
<tr>
<td>(Loss) on disposal of asset</td>
<td>4, 11(a)</td>
<td>(27,641)</td>
</tr>
<tr>
<td><strong>Profit attributable to members</strong></td>
<td></td>
<td>82,763</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
## BALANCE SHEET

as at 31 December 2005

<table>
<thead>
<tr>
<th>Note</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash assets</td>
<td>8</td>
<td>2,069,697</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>9</td>
<td>1,644,174</td>
</tr>
<tr>
<td>Other</td>
<td>10</td>
<td>53,567</td>
</tr>
<tr>
<td>Property</td>
<td>11(a)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td>3,767,438</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>11(b)</td>
<td>4,327,226</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td></td>
<td>4,327,226</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>8,094,664</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>12</td>
<td>316,329</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>13</td>
<td>888,957</td>
</tr>
<tr>
<td>Provisions</td>
<td>14(a)</td>
<td>172,518</td>
</tr>
<tr>
<td>Tax liabilities</td>
<td>15</td>
<td>111,018</td>
</tr>
<tr>
<td>Bank loan</td>
<td>16</td>
<td>3,000,000</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td></td>
<td>4,488,822</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td>14(b)</td>
<td>17,859</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td></td>
<td>17,859</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td></td>
<td>4,506,681</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td>3,587,983</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserves</td>
<td>5</td>
<td>763,033</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>2, 6</td>
<td>2,824,950</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td></td>
<td>3,587,983</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2005

<table>
<thead>
<tr>
<th>Note</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>OPENING BALANCE</td>
<td>3,555,220</td>
<td>3,837,099</td>
</tr>
<tr>
<td>(Loss) on revaluation of property Level 9, 70 Castlereagh Street</td>
<td>(50,000)</td>
<td>(400,000)</td>
</tr>
<tr>
<td>Transfer (loss) on disposal of asset</td>
<td>(27,641)</td>
<td>–</td>
</tr>
<tr>
<td>Net (loss) recognised directly in equity</td>
<td>(77,641)</td>
<td>(400,000)</td>
</tr>
<tr>
<td>Net profit from ordinary activities after income tax</td>
<td>110,404</td>
<td>118,121</td>
</tr>
<tr>
<td>Net recognised income (loss) and expenses for the period</td>
<td>32,763</td>
<td>(281,879)</td>
</tr>
<tr>
<td>CLOSING BALANCE</td>
<td>3,587,983</td>
<td>3,555,220</td>
</tr>
</tbody>
</table>

STATEMENT OF CASH FLOWS
for the year ended 31 December 2005

<table>
<thead>
<tr>
<th>Note</th>
<th>2005</th>
<th>2004</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>2,301,257</td>
<td>2,285,007</td>
</tr>
<tr>
<td>Receipts from courses and other activities</td>
<td>3,982,634</td>
<td>2,766,807</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(5,769,004)</td>
<td>(5,182,419)</td>
</tr>
<tr>
<td>Interest received</td>
<td>117,969</td>
<td>140,441</td>
</tr>
<tr>
<td>GST paid</td>
<td>270,932</td>
<td>(115,860)</td>
</tr>
<tr>
<td>Net cash provided by / (used in) operating activities</td>
<td>903,788</td>
<td>(106,024)</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>(438,066)</td>
<td>(3,856,652)</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(438,066)</td>
<td>(3,856,652)</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from borrowing</td>
<td>–</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Net cash provided by financing activities</td>
<td>–</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Net increase/(decrease) in cash held</td>
<td>465,722</td>
<td>(962,676)</td>
</tr>
<tr>
<td>Cash at the beginning of the financial year</td>
<td>1,606,092</td>
<td>2,568,768</td>
</tr>
<tr>
<td>Cash at end of year</td>
<td>2,071,814</td>
<td>1,606,092</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2005

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.

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

This is the first financial report prepared based on AIFRS and the figures for 31 December 2004 have not been restated due to no changes from previously reported figures. Reconciliations of AIFRS equity and profit for 31 December 2004 to the balances reported in the 31 December 2004 financial report prepared under previous Generally Accepted Accounting Principles (GAAP) are provided in Note 2.

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 guarantee in the Statement of Financial Position to share capital or shareholders’ equity. As at 31 December 2005 there were 8,092 members and affiliates (2004: 8,173).

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

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

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

Property
The strata entitlement to Level 10, 5 Hunter Street, Sydney, is revalued on an annual basis to market value as this accurately reflects the future economic benefits embodied in the asset.

The carrying values of the strata entitlement are depreciated in accordance with this policy and AASB 116. During the current period, the directors re-assessed the likely residual value, and are of the opinion that depreciation should be charged over the useful life of the asset. The estimated useful life is 75 years. For the purpose of determining the depreciation of the buildings, any increase in the valuation is notionally attributable to the land value. Details of revaluations are disclosed in Note 11.

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:

<table>
<thead>
<tr>
<th>Class of Fixed Asset</th>
<th>Depreciation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building — strata entitlement</td>
<td>1.33%</td>
</tr>
<tr>
<td>Strata and leasehold improvements</td>
<td>20.00%</td>
</tr>
<tr>
<td>Computer system, furniture and office equipment</td>
<td>10%–33.33%</td>
</tr>
</tbody>
</table>

(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 Balance Sheet. Cash flows in the Statement of Cash Flows are included on a gross basis. The GST component of cash flows arising from investing and financing activities that are recoverable from, or payable to, the Australian Taxation Office is classified as operating cash flows.
1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

(g) Employee benefits
Provision is made for the company’s liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid. Employee benefits payable later than one year have been measured with a future probability rating of the estimated future cash outflow to be made for these benefits.

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

(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.

Sale of non-current assets
The net gain or loss of non-current asset sales are included as revenue at the date control passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal. These gains or losses are included in the Income Statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

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

(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 State Council.

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

The appropriate trust is in the process of being formed.

The financial statements of trust funds are not consolidated with those of CSA Ltd because the company does not have direct control over them, but are shown in Note 21.

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

2 IMPACT OF FIRST-TIME ADOPTION OF AUSTRALIAN EQUIVALENT TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (AIFRS)

The impacts of adopting AIFRS on the total equity and profit as reported under previous Australian GAAP and the AIFRS as at 31 December 2004 have been reviewed and all calculations confirm that no adjustments are required.

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>3 REVENUE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member and student subscriptions</td>
<td>2,071,098</td>
<td>1,969,333</td>
</tr>
<tr>
<td>Course fees</td>
<td>1,726,143</td>
<td>1,532,889</td>
</tr>
<tr>
<td>Members’ activities</td>
<td>1,216,954</td>
<td>793,279</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>399,654</td>
<td>454,220</td>
</tr>
<tr>
<td>Interest</td>
<td>122,072</td>
<td>151,517</td>
</tr>
<tr>
<td>Journal</td>
<td>41,832</td>
<td>57,246</td>
</tr>
<tr>
<td>Publications</td>
<td>7,156</td>
<td>1,733</td>
</tr>
<tr>
<td>Other income</td>
<td>99,033</td>
<td>172,119</td>
</tr>
</tbody>
</table>

| Total revenue | 5,683,942 | 5,132,336 |

| Non-operating activities |        |        |
|                          |        |        |

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>
4  **PROFIT FROM ORDINARY ACTIVITIES**

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

<table>
<thead>
<tr>
<th>Expenses</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>2,557,327</td>
<td>2,251,885</td>
</tr>
<tr>
<td>ICSA, UK — capitation fee</td>
<td>98,741</td>
<td>124,502</td>
</tr>
<tr>
<td>Depreciation of non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>16,907</td>
<td>13,742</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>159,943</td>
<td>51,483</td>
</tr>
<tr>
<td>Amortisation of non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>19,757</td>
<td>19,959</td>
</tr>
<tr>
<td>Rental expenses on operating leases</td>
<td>79,585</td>
<td>74,871</td>
</tr>
<tr>
<td>Occupancy and state facilities</td>
<td>190,015</td>
<td>257,764</td>
</tr>
<tr>
<td>Auditors’ remuneration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit</td>
<td>25,500</td>
<td>24,011</td>
</tr>
<tr>
<td>Other services</td>
<td>1,078</td>
<td>5,263</td>
</tr>
<tr>
<td>Other expenses from ordinary activities</td>
<td>2,211,305</td>
<td>2,135,196</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>5,360,158</td>
<td>4,958,676</td>
</tr>
</tbody>
</table>

Finance costs

Incurred on bank loan as per Note 16

<table>
<thead>
<tr>
<th>Finance costs</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>213,380</td>
<td>55,539</td>
</tr>
</tbody>
</table>

Expenses from non-operating activities

Loss on sale of strata entitlement Level 9, 70 Castlereagh Street — refer Note 11(a)

5 **RESERVES**

| Capital profits reserve                      | 745,933    | 745,933    |
| Works of art revaluation reserve            | 17,100     | 17,100     |
| Asset revaluation reserve                   | –          | 300,000    |
| **Total capital reserves**                  | 763,033    | 1,063,033  |

Movement during the year

| Asset revaluation reserve                   |            |            |
| Opening balance                             | 300,000    | 700,000    |
| Revaluation decrement on strata entitlement — refer Note 11(a) | (50,000) | (400,000) |
| Transfer to retained earnings on sale of property | (250,000) | –          |
| Closing balance                             | –          | 300,000    |

6 **RETAINED EARNINGS**

| Retained earnings at beginning of the year  | 2,492,187  | 2,374,066  |
| Net profit for the year                    | 82,763     | 118,121    |
| Transfer from asset revaluation reserve    | 250,000    | –          |
| **Retained earnings at the end of the year** | 2,824,950  | 2,492,187  |

7 **KEY MANAGEMENT PERSONNEL COMPENSATION**

Key management personnel

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

**Russell Barnier**  BJuris, 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.

**Helen 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. Resigned 10.1.06.

**Sue 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. Company Secretary and General Counsel, Australian Foundation Investment Company Ltd. Immediate past Australian Division President.

**Robert 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. Chairman of the Board of Directors 1.1.04 to 31.12.05.
7 KEY MANAGEMENT PERSONNEL COMPENSATION continued

Robert 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. Appointed Chairman of the Board of Directors 1.1.06.

Adrienne 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.

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

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Other key management personnel: Howard Cook (Director, Training, resigned 12.11.2004); Judith Fox (Director, Policy); Stan Jodeikin (Director, Finance and Administration); John Nelson (Director, Education and Training); Tim Sheehy (Chief Executive); Christine Simmons (Director, Marketing &amp; Membership Services)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary and superannuation contributions</td>
<td>681,158</td>
<td>672,870</td>
</tr>
<tr>
<td>Bonus</td>
<td>69,200</td>
<td>73,338</td>
</tr>
<tr>
<td>Long service leave provisions</td>
<td>44,399</td>
<td>31,921</td>
</tr>
<tr>
<td>Total compensation</td>
<td>794,757</td>
<td>778,129</td>
</tr>
</tbody>
</table>

8 CASH ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>4,900</td>
<td>900</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>445,247</td>
<td>99,863</td>
</tr>
<tr>
<td>Cash on deposit</td>
<td>1,621,667</td>
<td>1,505,329</td>
</tr>
<tr>
<td>Unearned interest</td>
<td>(2,117)</td>
<td>(6,220)</td>
</tr>
<tr>
<td>Total cash assets</td>
<td>2,069,697</td>
<td>1,599,872</td>
</tr>
</tbody>
</table>

9 TRADE AND OTHER RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>60,174</td>
<td>136,855</td>
</tr>
<tr>
<td>Property debtor — strata entitlement Level 9, 70 Castlereagh Street — refer Note 11(a)</td>
<td>1,584,000</td>
<td>—</td>
</tr>
<tr>
<td>Net GST — input tax credit</td>
<td>–</td>
<td>349,978</td>
</tr>
<tr>
<td>Total trade and other receivables</td>
<td>1,644,174</td>
<td>486,833</td>
</tr>
</tbody>
</table>

10 OTHER ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Prepayments</td>
<td>53,567</td>
<td>350,380</td>
</tr>
</tbody>
</table>

11 PROPERTY PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Building (a) Strata entitlement at directors' valuation — Castlereagh Street</td>
<td>–</td>
<td>1,800,000</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>–</td>
<td>(45,000)</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>1,755,000</td>
</tr>
<tr>
<td>Non-current Building (b) Strata entitlement at directors’ valuation — Hunter Street</td>
<td>3,100,000</td>
<td>3,100,000</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>141,139</td>
<td>137,699</td>
</tr>
<tr>
<td>Less: accumulated depreciation and amortisation</td>
<td>(102,720)</td>
<td>(66,056)</td>
</tr>
<tr>
<td></td>
<td>3,138,419</td>
<td>3,171,643</td>
</tr>
<tr>
<td>Computer system, furniture and office equipment at cost</td>
<td>1,498,380</td>
<td>979,524</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(334,400)</td>
<td>(211,226)</td>
</tr>
<tr>
<td></td>
<td>1,163,980</td>
<td>768,298</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>4,327,226</td>
<td>3,964,768</td>
</tr>
</tbody>
</table>
11 PROPERTY PLANT AND EQUIPMENT

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: the property was placed on the market for sale on 27 February 2004 and transferred from the fixed to current asset category. The directors determined in July 2005 that a value of $1,750,000 ($1,800,000 as at 31 December 2004), based upon the then current market opinion, be adopted. The property was sold in 2005 with a settlement date of 20 January 2006, for $1,760,000. An amount of $27,641 has been recorded as the loss on disposal of the asset after allowing for all selling and make good expenses. The strata entitlement was originally purchased in 1991 for $1,587,899.

(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, as the difference between the cost and current valuation is not regarded as material. This is supported by a valuation prepared by George Paton FAPI, FRICS, FREI, AIAMA, Certified Practising Valuer, Registered Valuer No 1212, Director of Chesterton International (NSW) Pty Ltd, for an amount of $3,250,000.

The 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>Computer systems, furniture and office equipment</th>
<th>Property and leasehold improvements</th>
<th>Works of art</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Balance at beginning of year</td>
<td>768,298</td>
<td>3,171,643</td>
<td>24,827</td>
<td>3,964,768</td>
</tr>
<tr>
<td>Additions</td>
<td>555,625</td>
<td>3,440</td>
<td>–</td>
<td>559,065</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>(159,943)</td>
<td>(36,664)</td>
<td>–</td>
<td>(196,607)</td>
</tr>
<tr>
<td></td>
<td>1,163,980</td>
<td>3,138,419</td>
<td>24,827</td>
<td>4,327,226</td>
</tr>
</tbody>
</table>

**Shown as follows**

**Current**
- 1,755,000
- (1,705,000)
- (50,000)

**Non-current**
- 1,163,980
- 3,138,419
- 24,827
- 4,327,226

12 TRADE AND OTHER PAYABLES

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>316,329</td>
</tr>
<tr>
<td>Trade creditors and accruals</td>
<td>254,392</td>
</tr>
<tr>
<td>Net GST liability</td>
<td>21,771</td>
</tr>
<tr>
<td>Accrued ICSA capitation fee</td>
<td>40,166</td>
</tr>
<tr>
<td></td>
<td>372,497</td>
</tr>
</tbody>
</table>

13 DEFERRED REVENUE

Subscriptions and fees in advance 888,957

14 PROVISIONS

(a) **Current**
- Provision for annual leave 113,063
- Provision for conditional/unconditional long service leave 59,455
- 172,518

(b) **Non-current**
- Provision for preconditional long service leave 17,859
- 17,859

Average number of full-time employees 30
15 TAX LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll and PAYG Tax payable</td>
<td>99,245</td>
<td>98,854</td>
</tr>
<tr>
<td>Fringe Benefits Tax payable</td>
<td>11,773</td>
<td>(157)</td>
</tr>
<tr>
<td>Total tax liability</td>
<td>111,018</td>
<td>98,697</td>
</tr>
</tbody>
</table>

16 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. The bank loan is secured by a registered first mortgage over the strata entitlement as detailed per Note 11(b).

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank loan</td>
<td>3,000,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Total loan</td>
<td>3,000,000</td>
<td>3,000,000</td>
</tr>
</tbody>
</table>

The bank loan was reduced on 20 January 2006 on settlement by the amount received from the property debtor, per Note 9. On 6 February 2006 the remaining balance was fully paid from available cash resources.

17 EXPENDITURE COMMITMENTS

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

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payable: Not later than one year</td>
<td>129,727</td>
<td>72,421</td>
</tr>
<tr>
<td>Later than one but not later than five years</td>
<td>99,196</td>
<td>149,691</td>
</tr>
<tr>
<td>Total</td>
<td>228,923</td>
<td>222,112</td>
</tr>
</tbody>
</table>

18 RELATED PARTY DISCLOSURES

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

(i) ICSA, United Kingdom: under the terms of an operating agreement with ICSA, CSA Ltd remits an administration fee based on the number of Australian members and students registered with ICSA as at 31 July each year to meet the expenses of the International Institute. These payments amounted to 118,081 137,800

(ii) During 2003 and following a tender process, an agreement was reached with SMS Consulting Group Ltd, a company under which Robert Nankervis may benefit by remuneration paid. Payments to that company for the supply of services by that company for the scoping of a new database.

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMS Consulting Group Ltd</td>
<td>–</td>
<td>1,989</td>
</tr>
</tbody>
</table>

19 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 3.
20 CASH FLOW INFORMATION

(a) Reconciliation of cash
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and on hand</td>
<td>450,147</td>
<td>100,763</td>
</tr>
<tr>
<td>Cash on deposit</td>
<td>1,621,667</td>
<td>1,505,329</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,071,814</strong></td>
<td><strong>1,606,092</strong></td>
</tr>
</tbody>
</table>

(b) Reconciliation of cash flow from operations with profit from ordinary activities after Income Tax

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit from ordinary activities after Income Tax</td>
<td>82,763</td>
<td>118,121</td>
</tr>
<tr>
<td>Non-cash flows in profit from ordinary activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>196,607</td>
<td>85,184</td>
</tr>
<tr>
<td>Change in assets and liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decrease / (increase) in receivables</td>
<td>426,659</td>
<td>(442,607)</td>
</tr>
<tr>
<td>Decrease / (increase) in prepayments</td>
<td>296,813</td>
<td>(227,475)</td>
</tr>
<tr>
<td>(Decrease) / increase in accounts payable</td>
<td>(43,847)</td>
<td>212,119</td>
</tr>
<tr>
<td>(Decrease) in unearned interest</td>
<td>(4,103)</td>
<td>(11,075)</td>
</tr>
<tr>
<td>(Decrease) / increase in income in advance</td>
<td>(86,223)</td>
<td>147,254</td>
</tr>
<tr>
<td>Increase in provisions</td>
<td>35,119</td>
<td>12,455</td>
</tr>
<tr>
<td><strong>Net cash provided by / (used in) operating activities</strong></td>
<td>903,788</td>
<td>(106,024)</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

21 TRUST FUNDS

Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estate Late Leonard Chant</td>
<td>314,080</td>
<td>–</td>
</tr>
<tr>
<td>The Institute Trusts</td>
<td>56,245</td>
<td>53,817</td>
</tr>
<tr>
<td>John Goffage Fund</td>
<td>1,107</td>
<td>1,317</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>371,432</td>
<td>55,134</td>
</tr>
</tbody>
</table>

Represented by
Current assets
Cash at bank and on deposit | 371,432 | 55,134 |

Income Statement

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bequest from Estate Late Leonard Chant</td>
<td>320,000</td>
<td>–</td>
</tr>
<tr>
<td>Interest</td>
<td>4,798</td>
<td>2,427</td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal fees and charges</td>
<td>(8,222)</td>
<td>–</td>
</tr>
<tr>
<td>Prizes</td>
<td>(278)</td>
<td>(175)</td>
</tr>
<tr>
<td><strong>Available trust funds</strong></td>
<td>316,298</td>
<td>2,252</td>
</tr>
<tr>
<td>Opening balance</td>
<td>55,134</td>
<td>52,882</td>
</tr>
<tr>
<td><strong>Trust funds balance at end of year</strong></td>
<td>371,432</td>
<td>55,134</td>
</tr>
</tbody>
</table>

22 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 Balance Sheet and in the Notes to the Financial Statements.

(b) Interest rate risk: The company’s exposure to interest rate risk, which is the risk that a financial instrument’s value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities, is as follows:
Financial assets: Cash at bank

<table>
<thead>
<tr>
<th></th>
<th>Weighted Average</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2005</td>
</tr>
<tr>
<td></td>
<td>5.19%</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 Balance Sheet and Notes to the Financial Statements. The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the company.

23 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.

24 CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 December 2005.

25 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), Grad Dip Accounting, FCIS, CPA, 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 and Administrators.

Directors’ declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 20 to 30 are in accordance with the Corporations Act 2001 and:
   (a) comply with the Accounting Standards and are in accordance with the Corporations Regulations 2001 and
   (b) give a true and fair view of the financial position as at 31 December 2005 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 14th day of March 2006

Robert Nankervis FCIS
Director

Robert McLachlan FCIS
Director

Auditors’ independence declaration

As auditor of Chartered Secretaries Australia Limited for the year ended 31 December 2005, 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 14th day of March 2006

WHK Greenwoods

David Sinclair
Independent audit report

to the members of Chartered Secretaries Australia Ltd

Scope

The financial report comprises the balance sheet, income statement, statement of changes in equity, statement of cash flows, accompanying notes to the financial statements and the directors’ declaration for Chartered Secretaries Australia Limited, for the year ended 31 December 2005.

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 2005 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 14th day of March 2006

David Sinclair
WHK Greenwoods
Principal
### Detailed operating profit and loss accounts

for the five years 2001–2005

<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>2,071,098</td>
<td>1,969,333</td>
<td>1,943,951</td>
<td>1,922,817</td>
<td>1,934,065</td>
</tr>
<tr>
<td>Course fees</td>
<td>1,726,143</td>
<td>1,532,889</td>
<td>1,238,911</td>
<td>952,990</td>
<td>887,323</td>
</tr>
<tr>
<td>Members’ activities</td>
<td>1,216,954</td>
<td>793,279</td>
<td>617,137</td>
<td>567,883</td>
<td>454,909</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>399,654</td>
<td>454,220</td>
<td>348,947</td>
<td>342,229</td>
<td>324,471</td>
</tr>
<tr>
<td>Interest</td>
<td>122,072</td>
<td>151,517</td>
<td>127,228</td>
<td>95,832</td>
<td>107,164</td>
</tr>
<tr>
<td>Other income</td>
<td>99,033</td>
<td>77,418</td>
<td>55,454</td>
<td>–</td>
<td>29,821</td>
</tr>
<tr>
<td>Journal</td>
<td>41,832</td>
<td>39,442</td>
<td>29,075</td>
<td>24,136</td>
<td>18,584</td>
</tr>
<tr>
<td>Publications and merchandise †</td>
<td>7,156</td>
<td>1,733</td>
<td>218</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>5,683,942</td>
<td>5,132,336</td>
<td>4,393,252</td>
<td>3,966,280</td>
<td>3,737,753</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>2,557,327</td>
<td>2,251,885</td>
<td>1,916,358</td>
<td>1,660,905</td>
<td>1,565,526</td>
</tr>
<tr>
<td>Courses</td>
<td>610,359</td>
<td>578,601</td>
<td>428,623</td>
<td>445,531</td>
<td>395,217</td>
</tr>
<tr>
<td>Members’ activities</td>
<td>470,542</td>
<td>281,289</td>
<td>287,914</td>
<td>241,364</td>
<td>185,844</td>
</tr>
<tr>
<td>Occupancy and state facilities ††</td>
<td>269,600</td>
<td>332,635</td>
<td>187,317</td>
<td>199,237</td>
<td>204,947</td>
</tr>
<tr>
<td>Journal</td>
<td>243,809</td>
<td>312,874</td>
<td>289,747</td>
<td>295,199</td>
<td>284,324</td>
</tr>
<tr>
<td>Borrowing costs expense</td>
<td>213,380</td>
<td>55,539</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>196,607</td>
<td>85,184</td>
<td>156,924</td>
<td>161,503</td>
<td>130,017</td>
</tr>
<tr>
<td>Travel and meetings</td>
<td>186,522</td>
<td>162,371</td>
<td>145,157</td>
<td>147,697</td>
<td>137,449</td>
</tr>
<tr>
<td>Profile and website maintenance</td>
<td>169,039</td>
<td>128,829</td>
<td>127,312</td>
<td>95,656</td>
<td>160,438</td>
</tr>
<tr>
<td>Repairs and maintenance †††</td>
<td>106,549</td>
<td>234,154</td>
<td>107,265</td>
<td>44,350</td>
<td>51,797</td>
</tr>
<tr>
<td>ICSA, UK — capitation fee</td>
<td>98,741</td>
<td>124,502</td>
<td>162,043</td>
<td>128,403</td>
<td>121,174</td>
</tr>
<tr>
<td>Telephone, facsimile and email</td>
<td>75,006</td>
<td>81,135</td>
<td>86,428</td>
<td>78,780</td>
<td>87,633</td>
</tr>
<tr>
<td>Bank and credit card fees</td>
<td>68,522</td>
<td>65,001</td>
<td>64,597</td>
<td>61,016</td>
<td>49,956</td>
</tr>
<tr>
<td>Printing and stationery</td>
<td>61,474</td>
<td>64,393</td>
<td>48,594</td>
<td>57,087</td>
<td>55,257</td>
</tr>
<tr>
<td>International representation</td>
<td>49,228</td>
<td>52,799</td>
<td>37,686</td>
<td>62,050</td>
<td>36,921</td>
</tr>
<tr>
<td>Postage and courier</td>
<td>46,604</td>
<td>44,706</td>
<td>30,993</td>
<td>30,612</td>
<td>41,727</td>
</tr>
<tr>
<td>Publications and merchandise †</td>
<td>38,553</td>
<td>21,336</td>
<td>10,320</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Insurance</td>
<td>37,535</td>
<td>35,000</td>
<td>31,559</td>
<td>29,027</td>
<td>25,063</td>
</tr>
<tr>
<td>Other expenses</td>
<td>31,339</td>
<td>54,821</td>
<td>84,584</td>
<td>32,966</td>
<td>8,315</td>
</tr>
<tr>
<td>Auditors</td>
<td>26,578</td>
<td>29,274</td>
<td>27,167</td>
<td>21,820</td>
<td>30,620</td>
</tr>
<tr>
<td>Professional services</td>
<td>16,224</td>
<td>17,887</td>
<td>14,958</td>
<td>8,465</td>
<td>16,914</td>
</tr>
<tr>
<td></td>
<td>5,573,538</td>
<td>5,014,215</td>
<td>4,245,546</td>
<td>3,801,577</td>
<td>3,589,139</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>110,404</td>
<td>118,121</td>
<td>147,706</td>
<td>164,703</td>
<td>148,614</td>
</tr>
<tr>
<td>Loss on disposal of asset</td>
<td>(27,641)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>82,763</td>
<td>118,121</td>
<td>147,706</td>
<td>164,703</td>
<td>148,614</td>
</tr>
</tbody>
</table>

† Publications and merchandise includes the publication and sale of technical booklets.

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

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

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