Key metrics

Governance Institute of Australia Ltd (Governance Institute) promotes and advances effective governance in Australian organisations and the wider community. We principally do this by educating and training people so they can advise their organisations on good governance practice and then support them as members, including through advocating for sound regulatory frameworks. This is our public good.

In doing this we are becoming a more vibrant and more diverse organisation.

While professionals in governance, risk management and compliance still comprise the largest portion of our membership, we are drawing members from an increasingly wide range of backgrounds and professional responsibilities.

Despite the profession traditionally being male dominated, the number of women studying with Governance Institute and then taking up membership is steadily growing. This is very apparent in our Certificated membership pathway but increasingly in our Associate and Fellow membership as well. Overall, females represented 53 per cent of new members in 2016.

There is also good gender diversity among our senior management and staff, and the gender balance of our Board is also increasingly reflecting the greater diversity of our overall membership.

Social media is an important engagement and referral channel for Governance Institute. 2016 saw a significant increase on the previous year across all social media channels.

### Gender diversity

- **Workplace — Entire staff**
  - 2016: 19% female, 81% male
- **Workplace — Senior management**
  - 2016: 36% female, 64% male
- **Board members**
  - 2016: 27% female, 73% male

### New members by gender joining the Institute

- 2016: 47% female, 53% male
- 2015: 43% female, 57% male
- 2014: 46% female, 54% male

### Increase in number of social media followers 2015–2016

- LinkedIn
  - 2014: 0%
  - 2015: 15.2%
  - 2016: 40.1%
- LinkedIn member only group
  - 2014: 0%
  - 2015: 18.7%
  - 2016: 24.5%
- Twitter
  - 2014: 0%
  - 2015: 18.7%
  - 2016: 15.2%
- Facebook
  - 2014: 0%
  - 2015: 0%
  - 2016: 24.5%
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Strategic direction
One of the most significant strategic challenges facing Governance Institute is the need to achieve growth in membership, enrolments and revenue in order to ensure organisational sustainability, to give us greater ‘critical mass’ and influence in our advocacy and provide the financial means to fund improved benefits to members, our policy and advocacy and other aspects of our mission.

Initiatives in 2016 were primarily aimed at increasing membership and subscriber numbers, increasing take-up of postgraduate and short courses, building sponsorship and partnership relationships and containing internal costs. Significant initiatives have included the introduction of a new corporate engagement package, a new digital strategy and the successful introduction of new IT platforms.

A wider range of new initiatives and strategic changes will be implemented over the year ahead, including new education and training courses for directors, new pathways to membership, new professional designations and new alliances with other organisations, aimed at increasing revenue, improving benefits for members and lifting membership.

Governance Institute’s overall strategic objective continues to be to position itself as the expert in governance in the Australian market, which in turn underpins awareness and brand strength.

Education and training
As Australia’s only professional association with an accredited higher education qualification in governance, Governance Institute has built a reputation as the nation’s premier provider of education and training for governance professionals.

The Graduate Diploma of Applied Corporate Governance is recognised as the premier qualification for senior governance practitioners. We have also introduced courses in risk management to cater for the expanding professional needs of our members, with 2016 marking the second year of the Graduate Diploma of Applied Risk Management and Corporate Governance and the Graduate Certificate of Applied Risk Management.

We also provide a wide range of short courses, leading to Certificates in Governance Practice, Governance and Risk Management and Governance for Not-for-Profits. These courses, offered as face-to-face public training, online or tailored in-house learning, provide skills-based governance and risk management training and a qualification for professionals who are responsible for corporate accountability processes and functions within an organisation.

Governance Institute seeks to continually improve the quality of its courses and the flexibility and functionality of its distance learning. This has taken a major leap forward in 2016 with the introduction of our new learning management system as part of the major IT upgrade for the organisation.

We have also secured a series of articulation agreements with key universities to give our students advanced standing into their Masters programs. All graduate management schools have been approached and eight signed agreements are already in place, with a further three being negotiated.

Policy, advocacy and thought leadership
In 2016 Governance Institute continued to devote significant resources to enhancing Australia’s governance framework so that it leads the world in facilitating a strong economy, including through our on going thought leadership program, Setting the Agenda.

The program fosters independently-minded and robust debate at the highest level to help shape the governance framework for Australia in the 21st century through in-depth discussion papers, public forums and public commentary.

We facilitated discussion and stakeholder engagement on key issues during 2016 including thought leadership campaigns around reform of the business judgment rule in the Corporations Act, reform the annual general meeting and promoting governance principles for the boards of public sector entities in Australia, as well as developing guidelines on aged care governance and working toward the development of a second iteration of the Guidelines: Whole-of-organisation governance.

2016 also saw the launch of the new Governance Institute Ethics Index, an annual survey providing insight into public perceptions of ethical standards and corporate culture across various organisations, industry sectors and professions as well as issues of personal ethics.

We released Risk management for directors: A handbook, a thought leadership project aimed at strategically positioning Governance Institute as both an authority on risk management and a ‘home’ for practising directors.

In the lead up to the federal election, Governance Institute released a detailed policy position paper identifying the major areas of reform relevant to governance and corporate regulation and setting out policy priorities for the Federal Government and key regulators.

In addition to thought leadership, Governance Institute supports the work of three internal policy committees that enable it to contribute to the legislative and regulatory debate.

In 2016 we have again been active on a wide range of issues, including not-for-profit funding reform, AGM reform, superannuation fund governance and reform of the funding model for the corporate regulator, ASIC.

Governance Institute is also a member of a number of external committees and organisations, including the ASX Corporate Governance Council, Standards Australia’s Risk Management Committee and ASIC’s Business Advisory Committee. Our participation in these committees is consistent with our objective to influence the development of Australia’s governance framework.
We also furthered this objective by engaging in international forums such as the Corporate Secretaries International Association and the International Corporate Governance Network, allowing us to influence the shape of regulation in other countries that could flow back to Australia.

Serving our members and customers

We have put in place new IT platforms to improve delivery of our education, training and other services, facilitate access to information, streamline our systems and processes and, crucially, make your dealings with us as easy and enjoyable as possible.

As part of this we will be upgrading our website, including making it more accessible from mobile phones, tablets and other devices.

This year we have also streamlined membership processes and the Professional Entry Scheme (PES) to make them easier and less time consuming for prospective members to navigate, among many other improvements to make every customer’s engagement with us a better experience.

New directions for ICSA

The international Council of ICSA held its second meeting for the year in Sydney on 15–16 September.

This was the first time the Council had met in Australia since 2007 and comes at a time when a number of important strategic changes for ICSA are on the agenda, including the development of new courses, more flexible pathways to membership and a new level of membership, new professional designations and the potential for a name change for the international body.

A major review of the International Qualifying Scheme has been underway through 2016 that aims to open up new pathways to membership much like as have been implemented by Governance Institute.

Financial health

Trading conditions in 2016 have been difficult, particularly in states affected by the end of the mining boom, and in some aspects of the operations of Governance Institute. Nevertheless our financial performance and position remains strong, with a surplus for the year of $124,000. Certificated membership and some areas of training and professional development activities have enjoyed particularly strong growth.

Conclusion

2016 has been a challenging but successful year for Governance Institute as it continues its evolution into a more broadly based organisation serving the full spectrum of those involved in governance, which has seen us make significant contributions to Australia’s governance knowledge, capacity and legislative framework.

We would like to thank all of our members and our dedicated staff who have assisted the organisation by teaching, serving on state councils and policy committees and contributing in so many other ways. Without your on-going support and involvement Governance Institute could not have had the success it has achieved this year.
Governance and stewardship

Governance Institute’s own governance framework is modelled on that of leading listed companies but with additional elements reflecting our status as a membership organisation. We believe this multifaceted approach is not only appropriate to the nature of our organisation but ensures it can deliver value to members on a sustainable basis into the future.

Governance Institute reports against the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations, which we see as being extremely relevant to this organisation.

Our Corporate Governance Statement reflecting this is available on our website at www.governanceinstitute.com.au/about-us/governance-institute-governance/annual-report/

However, as we are a membership body, the need to communicate regularly and consult often is greater. As such, aspects of our governance framework go beyond the ASX Principles.

We outline these below under five broad principles or governance ‘pillars’: stewardship and financial sustainability, member sustainability, transparency, accountability and integrity.

Stewardship and financial sustainability

Governance Institute Directors are charged with ensuring the sustainability of our organisation. They set the strategic directions to ensure the organisation remains financially strong, that the membership is vibrant and renewing and that the organisation remains relevant to constituents, government and business regulators, business media and other key stakeholders now and into the future.

Governance Institute is managed for the benefit of members, taking reasonable account of the interests of other legitimate stakeholders.

All of the major strategic decisions made by Governance Institute are the result of the ongoing strategic planning process that has been in place for over 16 years. Each year, the board meets off-site to provide for a sustained focus on strategy alone, as well as reviewing strategy at each Board meeting. The process contributes to setting KPIs for senior management, is clearly documented, and is reported against at each Board meeting.

To ensure the financial health and sustainability of the organisation, over a period of more than a decade the Directors have set strategies to diversify revenue streams away from a previous heavy dependency on income derived from membership renewal fees.

In recent years the Board of Directors and chief executive have worked to ensure organisational sustainability not only through sound financial management but also by expanding the scope of the organisation and widening its target membership.

The Board and management came to the view that maintaining almost a sole focus on the role of company secretary would not result in enough new members to ensure continued financial sustainability, populate committees and give the organisation the ‘critical mass’ to have a substantial voice in policy.

To meet this challenge, we created a new Certificated membership category to provide a home for those entering a career in governance and risk management, expanded into new markets such as the NFP and public sectors, and developed new products such as the Graduate Certificate of Applied Risk Management and the Graduate Diploma of Applied Risk Management and Corporate Governance in order to cater for the expanding professional needs of a widening membership.

The change of name to Governance Institute of Australia and repositioning of our brand in 2013, reflecting this strategy to appeal to a wider range of governance practitioners, was another move that the Board has undertaken with a clear view to the longer-term sustainability of the organisation.

In 2017 we will be continuing down that strategic path, opening further new pathways to membership and expanding into new markets through initiatives such as a new online training courses in sports governance.

We are also seeking to open up new pathways for potential members and clients through alliances with other organisations and educational institutions.

Member sustainability

The Board of Governance Institute has long held the view that membership can only be attained by demonstrating some degree of expertise in the body of knowledge of the profession. To this point, this has been reflected in a strict requirement that, except in the limited circumstances of our existing Professional Entry Scheme, only those who have completed education courses or a training certificate courses provided by Governance Institute can be eligible for membership.

This has set Governance Institute apart from many other professional bodies and membership associations but also creates a number of challenges, including maintaining growth of membership.

The Board has come to the view that Governance Institute requires new pathways of membership to better accommodate a wider range of professionals working in governance, aspiring and practising directors and executives reporting to boards.

Significantly, some of these pathways will for the first time allow membership based on prescribed educational qualifications obtained outside Governance Institute, as well as prescribed levels of professional standing in governance as a company.
secretary, risk manager, governance professional, director or other related profession.

These new pathways will help address the challenge presented by declining Fellow and Associate membership which, although still by far our biggest source of membership revenue, has been on a sustained downtrend trend.

Reflecting this, the Board has approved changes to Governance Institute pathways to membership to be introduced in 2017 including:

• an expanded Professional Entry Scheme (PES) system with three tiers, feeding into the existing Fellow, Associate and Certificated member categories
• further new pathways to membership through creating early entry options from existing Governance Institute Post Graduate courses
• a new pathway to Certificated membership through a proposed director training course.

Transparency

We report to members not only in this Annual Report, but also in our journal, Governance Directions, and in a range of e-communications. These disclosures allow us to keep members up to date on how the organisation is fulfilling its mission and on any proposals for (and voting outcomes on) constitutional change and their impact on members, as well other membership matters that go to the sustainability of Governance Institute as a member-based association.

We use social media as another channel to inform members via our pages on LinkedIn and Facebook and via Twitter. While we recognise that these are not used by all members, we know that we must use every channel possible to reach our members in whichever way they prefer.

We have also continued to communicate with members about significant developments within the international body with which we are associated, the Institute of Chartered Secretaries and Administrators (ICSA), and on how the new council was progressing.

Internally, we practise what we preach by circulating all board papers and the strategic plan to all staff (except those papers relating to personal staff matters). There is full transparency to all those working on behalf of members as to board and executive decision-making. We also have regular all-staff meetings via video link, where progress on strategic issues is discussed, as well as outlining progress toward achieving our annual financial goals.

Accountability

The strategic plan forms the basis of activities for the future but it also acts as the primary accountability mechanism between management and the board. All tasks have clear performance indicators and timelines and are monitored on a regular basis by the chief executive and by the Board at each of its meetings through the year.

There is a clear reporting process to the Board and its sub-committees, with the chief executive reporting at each board meeting, and to committees where appropriate and relevant to their mandate, on progress against the strategic plan as well as financial and operating performance. Key management personnel also present to the Board annually, providing an opportunity for the Board to question senior management directly.

Governance Institute operates at the national level and with representation in all states. Members of our Board are elected from each state, for a term of three years.

The Board has a clear understanding of the respective roles and responsibilities of the Board and management and has clarified this in a board charter. This is available on our website at governanceinstitute.com.au/media/378795/board-charter.pdf

Each state council also has a clear understanding of its role in assisting the Board to represent the interests of the members in each state. The state charter that was introduced in 2013 to reflect the changing role of the state councils, and to enable the councillors to understand the importance of their ambassadorial and mentoring role, has continued to be effective in promoting this change in focus.

This charter was updated by the Board in late 2016, with effect from 1 January 2017, following a review of its operation.

Early each year, the president and chief executive attend a meeting of each state council where the council is given an overview of progress during the prior year and strategic priorities for the coming year at both a state and national level.

Integrity

All members must abide by the Members’ code of ethics (see page 48). However, there are very few disciplinary actions required to be taken against members, highlighting how you, the members, embody integrity in your professional practice.

It is also vital that the staff of Governance Institute reflect this high level of integrity. Each staff member has the values of the organisation embedded in their performance plan, one of which is to behave ethically. All staff are reviewed biannually on their performance.

We demonstrate integrity in our engagement with regulators and policy makers, bringing an independent mind to influencing public policy and other issues affecting the profession. We also promote integrity in our learning programs, not only via the quality of the content, but also through procedural fairness and educational equity.

Our education policies are publicly available on our website, covering a range of matters such as enrolment; academic misconduct; subject and course completion; refunds; assessment and appeals; and assignment and examination rules and procedures.
Governance Institute has a robust strategic planning process, involving senior executives, managers, state and regional councils and the Board, which has contributed greatly to our continued growth and sustainability.

The process begins mid-year when the Board and management participate in a weekend strategy meeting to review progress on the current strategic plan, assess the business environment, develop new strategic initiatives and plan for the future of the organisation. From this meeting a draft plan for the coming year is developed which is revised and reviewed in September and then finally approved at the final Board meeting of the year.

The strategic plan links back to our mission and business objectives for the organisation.

Governance Institute’s mission is to be the leader in the promotion and application of the practice of whole of organisation governance to drive responsible performance and organisational culture. To achieve this, the Board has set four objectives for the organisation to strive toward, to ensure that:

1. Australia’s governance frameworks lead the world in facilitating a strong economy underpinned by responsible performance and organisational culture

2. current members and aspiring chartered secretaries, governance advisers and risk managers are provided with the best education, resource support and career support to enhance their professional standing

3. the organisation is strategically focused on being innovative; encouraging positive engagement with, and influencing, all stakeholders; and fostering a culture and values that ensures it is sustainable.

4. Governance practitioners are provided with a trusted community from which they can draw education, provide input and access a knowledge sharing network of support, appropriate for their changing needs and circumstances throughout their chosen governance careers.

We evaluate our success by measuring participation, engagement and achievement of advocacy outcomes. We also report on trends in enrolments, course completion rates and rates of subsequent conversion to membership and overall financial performance.

Future growth and sustainability

Although Governance Institute is a not-for-profit organisation we must operate on a financially sound and efficient basis pursuing business objectives, in order to ensure our sustainability and secure our future.

Generating revenue, through growth in membership and our client base, increasing postgraduate education and training enrolments, lifting attendance at professional development events and through sponsorship, is necessary to underpin organisational sustainability and allows us to fund benefits to members, our policy and advocacy activities and other vital aspects of our mission.

However, we do this in a challenging and increasingly competitive commercial environment.

Our 2017–2019 strategy, and our budget, seek to meet these challenges by expanding opportunities for revenue growth and containing our expenditures to keep us on a sustainable financial footing.

Strategic initiatives

A number of initiatives were launched in 2016 to increase membership and subscriber numbers, increase take-up of postgraduate and short courses, build sponsorship and partnership relationships, contain operational costs and improve our internal processes. These included the introduction of a new corporate engagement package, a new digital strategy and the successful introduction of new IT platforms for our education, training and member services.

A wider range of further initiatives and strategic changes will be implemented over the year ahead.

These include measures to open new pathways to membership, a new professional designation in risk management, enhanced benefits for members and subscribers and other initiatives aimed at increasing member and subscriber numbers and revenue.

The ongoing challenges we face are also being addressed by expansion into new markets and shifting our mindset toward building a wider client base rather than focusing exclusively on membership alone.

Initiatives in this area include the proposed development of a new training course for directors and a new Sports Governance training course.

We are also seeking to open up new sales channels to clients and potential members through alliances with other organisations, allowing reciprocal access to training, education, professional development events and other member services.

We are further looking to increase demand for our products and membership through targeted investment to build greater brand awareness and profile for Governance Institute.

The ongoing implementation of our digital strategy will help us further pursue new and innovative ways to engage with members, including better use of our website and social media,
richer and more relevant content, a new and improved digital version of Governance Directions journal, enhanced member communications and improved and more easily accessible products and services.

All of these approaches will be assisted by leveraging our significant investment in new information technology systems, which will improve delivery of our education and other services, improve access to information, streamline our customer-facing systems and internal processes and improve the usability of our website. This is aimed at making our interface with members, subscribers and other clients as easy and enjoyable as possible.

We are also revamping our whole suite of major professional development events, including improvements to our National Conference.

**Advocacy and thought leadership**

Advocacy on member’s behalf on important policy issues, aimed at positively influencing the legislative and regulatory environment in which governance professionals operate, is an important facet of our strategy. The Institute also plays a highly regarded role in thought leadership on governance and related issues.

In 2016 we were actively engaged on advocacy, thought leadership and research across a range of issues, as we strove to make our voice as an organisation heard on behalf of all our members, subscribers and other stakeholders.

Our Setting the Agenda thought leadership series fosters independently-minded and robust debate at the highest level on key issues through in-depth discussion papers, stakeholder liaison, public forums and public commentary.

In 2016 this included a campaigns in relation to reform of the business judgment rule in the Corporations Act and reform of the annual general meeting.

We will be facilitating further discussion about key issues during 2017 as the series continues. These will include thought leadership campaigns around the issue of short-term versus long-term focus for organisations and aged care governance.

We were active on a range of other issues in 2016.

Governance Institute is one of eight key industry bodies supporting the reform of not-for-profit fundraising rules, pushing for a nationally consistent fundraising regime.

We made a significant contribution to the growing public debate on corporate culture and ethical behaviour in business with the launch in July of a major piece of the research, the inaugural Governance Institute Ethics Index, capturing the attention of the media, business, regulators and government.

This was complemented by Governance Institute’s partnering with Griffith University and three other universities in research into whistleblowing in the private and public sectors. The project focuses on whistleblowing best practice across Australia and New Zealand and is the most comprehensive study of whistleblowing processes yet undertaken in either country or internationally.

Other initiatives in 2016 included developing guidance to underpin Guidelines: Whole-of-organisation governance, developing whole-of-government governance principles for the boards of public sector entities and guidance for aged care governance.

We know that we have been successful if we achieve the policy outcomes for which we have been advocating.

**Learning**

Governance Institute is committed to maintaining its reputation as the premier provider of governance education and training in Australia. We are Australia’s only professional association with an accredited higher education qualification in governance.

Governance Institute seeks to continually improve the quality of its courses and the flexibility and quality of its distance learning. In recent years we have worked to lift the quality and functionality of our on-line courses and the depth of our on-line libraries, and this project will continue in 2017, including moving toward the introduction of ‘blended learning’ combining both online and face-to-face modes of delivery for our postgraduate courses. These enhancements improve our course retention and graduation rates, which is how we measure our success.

We also continue to provide a wide range of short courses, leading to Certificates in Governance Practice, Governance and Risk Management and Governance for Not-for-Profits. These courses, offered as up-to-date public training or tailored in-house learning, provide skills-based governance and risk management training and a qualification for professionals who are responsible for corporate accountability processes and functions within an organisation.

**Information and resources**

To help achieve our mission of promoting and advancing the effective governance and administration of organisations, Governance Institute produces a range of knowledge resources.

These range from an introduction to governance for those new to this area, to a wealth of guidance on how to think through and manage particular governance issues.

As a service to our members and to the wider community, there are now 84 Good Governance Guides available for free on our website. There are also ten in-depth booklets available at nominal cost. We also provide comprehensive and instructive best practice guides on how to construct an agenda, write minutes, prepare an action list, prepare voting forms and prepare a register of interests and related party transactions, as well as guidance and guidelines on a range of other issues.

We are grateful to our members for donating their time and expertise in developing these and other knowledge resource. Their value is reflected in the large numbers of people who view, or download or order them. We measure our success by that demand.
Engagement with Governance Institute

New members

The growth of membership demonstrates the strength of the organisation and the value prospective members believe they will gain from joining.

To be eligible for Associate or Fellow membership in 2016, candidates completed 18–24 months of part-time study. This high standard of entry ensures that these membership categories continue to be well regarded by the marketplace.

In 2016, we focused on improving the customer experience and simplified the application process, leading to an increase in the number of new Associate and Fellow members.

The number of new Certificated members dropped slightly following a strong increase in 2015.

The Certificated member category meets the needs of professionals who are beginning their career in governance and risk management, as well as experienced practitioners who want to stay ahead in their field.

Member retention

Governance Institute is proud of the strong retention rates it has for all membership categories. As it is not mandatory for directors, company secretaries, governance professionals risk managers to maintain membership in the organisation, the level of renewal is a testament to the perceived value membership holds for governance and risk professionals.

Associate and Fellow membership retention remained strong throughout 2016 when compared to other membership bodies — 85 per cent is regarded as high as per the industry benchmark. Members who were elected to or advanced to Fellowship, or achieved continuous membership of 25 or 50 years can be viewed on pages 23–24.

Certificated membership retention in 2016 was similar to 2015. Governance Institute will focus on lifting these numbers in 2017 by tailoring benefits to individual members.
Membership gender representation

Governance Institute is committed to gender diversity across Australia’s governance and risk management sectors.

Despite the profession traditionally being male-dominated, the number of females studying with Governance Institute and taking up membership is steadily increasing.

The current ratio of male Associate and Fellow members reflects the traditional demographic of the profession, which is changing.

Currently women constitute 59 per cent of the newer Certificated membership category and overall 53 per cent of all new members in 2016 were women across all categories. This demonstrates that we will have a better mix for the profession in the future.

Certificated members by gender

<table>
<thead>
<tr>
<th>Year</th>
<th>Male (%)</th>
<th>Female (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>40%</td>
<td>60%</td>
</tr>
<tr>
<td>2015</td>
<td>41%</td>
<td>59%</td>
</tr>
<tr>
<td>2016</td>
<td>41%</td>
<td>59%</td>
</tr>
</tbody>
</table>

Associate/Fellow members by gender

<table>
<thead>
<tr>
<th>Year</th>
<th>Male (%)</th>
<th>Female (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>81%</td>
<td>19%</td>
</tr>
<tr>
<td>2015</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>2016</td>
<td>79%</td>
<td>21%</td>
</tr>
</tbody>
</table>

Digital engagement

Website

Our website traffic grew in 2016 with a 22 per cent increase in unique visitors to the website — based on data from 1 January to 31 October before the system upgrade. This means more people are exploring the governance solutions we provide.

Almost one third of our traffic now comes from mobile and tablet devices. Governance Institute will launch a new mobile-responsive website in 2017.

Email

Following the upgrade of Governance Institute’s systems, a new centralised approach to email marketing and new mobile-responsive email designs, the email database has grown significantly and performance has improved. The objective was to reduce the number of untargeted emails to our customers in order to increase open rates, click-through rates, reduce unsubscribes and increase revenue.

Increase in number of social media followers 2015–2016

<table>
<thead>
<tr>
<th>Social Media Platform</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>LinkedIn</td>
<td>15.2%</td>
<td>40.1%</td>
</tr>
<tr>
<td>LinkedIn member only</td>
<td>18.7%</td>
<td></td>
</tr>
<tr>
<td>Facebook</td>
<td>24.5%</td>
<td></td>
</tr>
</tbody>
</table>
Developing governance and risk management expertise

Governance Institute’s education and training provides a world class and evolving suite of courses to help organisations meet this governance and risk management challenge.

Governance Institute provides leading education and training in corporate governance and risk management to:
- develop and enrich the governance and risk management expertise of members
- encourage new membership of Governance Institute via education and training pathways
- promote good governance by encouraging the uptake of governance and risk management skills more generally in the wider community
- build alliances with other educators to leverage governance and risk education into new areas.

**Short courses**

Individuals often first engage with our education and training by searching for specific governance or risk management issues and for just-in-time learning in a particular area. They then typically seek to undertake further education as they become more aware of the knowledge and skills needed to carry out good governance and risk management.

<table>
<thead>
<tr>
<th>Number of short courses undertaken</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
</tr>
<tr>
<td>2015</td>
</tr>
<tr>
<td>2014</td>
</tr>
</tbody>
</table>

**Certificates**

For those seeking to develop a professional hands-on understanding of governance or risk management, a suite of short courses can then be undertaken. These articulate into one of three Certificates. There is a continued trend of predominantly female enrolment in these courses.

**Number of Certificate enrolments**

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>441</td>
</tr>
<tr>
<td>2015</td>
<td>562</td>
</tr>
<tr>
<td>2016</td>
<td>520</td>
</tr>
</tbody>
</table>

**Number of graduates**

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>428</td>
</tr>
<tr>
<td>2015</td>
<td>448</td>
</tr>
<tr>
<td>2016</td>
<td>446</td>
</tr>
</tbody>
</table>

**GIA(Cert) membership**

**Number of graduates who became members**

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>240</td>
</tr>
<tr>
<td>2015</td>
<td>264</td>
</tr>
<tr>
<td>2016</td>
<td>251</td>
</tr>
</tbody>
</table>

**Certificated members by gender**

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>40%</td>
<td>60%</td>
</tr>
<tr>
<td>2015</td>
<td>41%</td>
<td>59%</td>
</tr>
<tr>
<td>2016</td>
<td>41%</td>
<td>59%</td>
</tr>
</tbody>
</table>

Governance Institute’s education and training provides a world class and evolving suite of courses to help organisations meet this governance and risk management challenge.
Governance Institute’s Certificates
- Certificate in Governance Practice
- Certificate in Governance and Risk Management
- Certificate in Governance for Not-for-Profits.

Governance Institute’s postgraduate courses
- Graduate Diploma of Applied Corporate Governance
- Graduate Certificate of Applied Risk Management
- Graduate Diploma of Applied Risk Management and Applied Corporate Governance

Postgraduate courses
Individuals can undertake an accredited postgraduate course as their careers progress, providing a deeper and much more rigorous exploration of knowledge and skills, appropriate to more senior levels of governance and risk management responsibility. The enrolments in postgraduate courses reflect the gender balance of broader society and will, in the long term, lead to evolution in the composition of Governance Institute’s membership.

Number of postgraduate enrolments
- 2016: 1,179
- 2015: 1,269
- 2014: 1,263

Number of enrolments by Certificate graduates
Many Certificated graduates go on to undertake the postgraduate courses benefiting from greater exposure to the governance knowledge and skills found in Governance Institute’s postgraduate courses.

Number of graduates
- 2016: 202
- 2015: 220
- 2014: 205

AGIA or FGIA membership

Professional development events
Ongoing professional development is key to maintaining the currency of knowledge of our members, subscribers and customers on governance and risk management. Governance Institute delivers a variety of briefings, workshops, seminars, conferences and discussion groups.

Number of events
- 2016: 236
- 2015: 221
- 2014: 215

Attendees at professional development events
Professional development events are available to a wide audience that includes members, subscribers and customers. Attendees often appreciate the currency of the topics presented by subject matter experts and will make a point of relying on Governance Institute for their continuous professional development.

Number of attendees
- 2016: 5,049
- 2015: 5,515
- 2014: 5,534
Industry expertise involved in education and training

What sets Governance Institute Certificate and postgraduate courses apart is the direct involvement of expert practitioners and academics. Governance Institute members add value by participating in the development and presentation of education and training programs. This expertise and practical experience of members, coupled with the insight of selected academic experts who have studied governance systems and legal frameworks for many years, strengthens and reinforces the Governance Institute-as-educator model. This is well recognised by industry. By being involved in training and education, Governance Institute members can also further hone their own practical skills and conceptual frameworks, thus creating a virtuous circle of governance expertise and practice. As a result, governance and risk management skills are handed down from generation to generation and are continually being enhanced and improved.

Course directors of postgraduate course subjects who are Governance Institute members

Course directors are lecturers and tutors in our postgraduate courses. They are responsible for teaching classes to a postgraduate standard.

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>52%</td>
</tr>
<tr>
<td>2015</td>
<td>65%</td>
</tr>
<tr>
<td>2016</td>
<td>63%</td>
</tr>
</tbody>
</table>

Members of Education Committee, Assessment Review Committee and Subject Advisory Committees who are Governance Institute members

Governance Institute has several academic committees and panels including the Education Committee, the Assessment Review Committee, and Subject Advisory Committees of each subject.

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>47%</td>
</tr>
<tr>
<td>2015</td>
<td>43%</td>
</tr>
<tr>
<td>2016</td>
<td>44%</td>
</tr>
</tbody>
</table>

Guest presenters at postgraduate course subjects who are Governance Institute members

Guest presenters provide specialised expertise in specific sections of the postgraduate classes.

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>36%</td>
</tr>
<tr>
<td>2015</td>
<td>30%</td>
</tr>
<tr>
<td>2016</td>
<td>35%</td>
</tr>
</tbody>
</table>

Members of training committees who are Governance Institute members

Training committees were set up in 2012 to provide consistency and quality for the training course material to mirror the system used in postgraduate education.

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>44%*</td>
</tr>
<tr>
<td>2015</td>
<td>39%</td>
</tr>
<tr>
<td>2016</td>
<td>69%</td>
</tr>
</tbody>
</table>

* This percentage was previously shown as 56% in the 2014 Annual Report.

Training presenters who are Governance Institute members

Training presenters deliver the short courses for Governance Institute.

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>53%</td>
</tr>
<tr>
<td>2015</td>
<td>61%</td>
</tr>
<tr>
<td>2016</td>
<td>64%</td>
</tr>
</tbody>
</table>

Governance Institute also uses non-members in particular specialised roles in education and training. This is done where the skill set does not exist within the membership, or where particular qualifications are required, for example, academic accounting qualifications for delivery of the accounting/finance subjects in the Graduate Diploma of Applied Corporate Governance.
Leadership and influence

We know that a key element in being the leader in whole-of-organisation governance to drive responsible performance is to be the voice of the profession and the discipline. All of our advocacy and thought leadership is dedicated to creating the best governance outcomes in public policy and organisational practice.

In order to fulfil our mission of ensuring that Australia’s governance frameworks lead the world in facilitating a strong economy underpinned by responsible performance, we participate in public policy formulation. We are an independent and trusted voice. Over the past year we have made 28 public submissions to government on a range of policy areas and also provided input on a confidential basis as our expertise is sought to test public policy ideas. We have participated in a number of roundtable meetings where ideas are discussed in a robust fashion.

As well as developing submissions, we meet with government ministers, regulators and those advising the policy makers; represent our members on relevant industry and regulatory committees, give evidence to Senate Committee inquiries and provide media commentary on issues as they arise to influence the development of public policy.

We know that good public policy is not simply about responding to proposed regulatory change but bringing fresh ideas to the table. On the proactive front, we also develop guidance on the application of governance and risk management in practice and lead the development of ideas for improvements to governance frameworks through our thought leadership projects. We have held roundtables ourselves, to generate ideas about how to approach roadblocks to better governance outcomes.

In 2016, we contributed the following thought leadership projects.

Ethics Index

We issued the inaugural Governance Institute Ethics Index in 2016, an annual survey providing insight into public perceptions of ethical standards and corporate culture across various organisations, industry sectors and professions. The survey of more than 1,000 people found that while Australian society overall was seen as ‘somewhat ethical’, large corporations, the banking finance and insurance sector, every level of government and political representatives all had significantly negative ratings on ethics. Perceptions of ethical standards in the health and education sectors, charities and small business were strongly positive, however.

The survey found that Australians rate chief executives and directors as the most important ‘gatekeepers’ influencing ethics in organisations. Board chairs and senior management are also seen as important drivers of ethical conduct, showing that these roles are perceived to wield considerable influence over this aspect of corporate culture. Government laws, regulations and financial penalties are seen to influence ethical behaviour, but are not considered as important a factor as the ‘tone from the top’ set by directors and C-suite executives. Australians recognise that ethics is a governance issue.

Both ASIC and APRA have specifically signalled that they see corporate culture as a ‘key risk area’ for companies, due to the strong connection between poor culture and poor conduct, and ethical conduct goes to the heart of that. ASIC has been sending strong messages all year that gatekeepers have an essential role to play in setting the tone from the top and ensuring it cascades throughout the entire organisation. We see our annual Ethics Index as playing a role in allowing gatekeepers to assess whether their oversight and implementation of culture and ethical conduct is perceived as being up to the mark by those affected by it, which in the final count is the community at large.

Governance in the aged care sector

The aged care sector is a significant part of the Australian economy. The sector employs around 350,000 aged care staff across approximately 2,000 aged care providers. It is anticipated that the aged care workforce will soon be the largest in Australia.

Australians are living longer — due largely to improvements in health care — and as the large cohort of baby boomers ages, the number of older Australians will grow. The aged care sector is facing significant regulatory change, which in turn is ushering in market competition and a focus on the consumer. The reforms will see the sector face a demand for more transparency and accountability. Those who govern aged care providers will be under greater scrutiny for the actions of their organisations. Their stewardship and integrity of service delivery to some of the most vulnerable people in society will call for high standards of governance.

In 2016, we developed guidance: Adding value to governance in aged care: A practical guide for any potential or current member of a board of an aged care provider, which was launched at a public event early in 2017. The Minister for Aged Care and Indigenous Health gave the keynote address and a panel of experienced board members from the sector discussed the challenges and opportunities facing their organisations and the importance of good governance in this context. The guidance is freely available on our website.

The business judgment rule

Governance Institute held a roundtable to consider whether a due diligence defence should be introduced that would provide an incentive for directors to be proactive in relation to forward-
looking statements and risk-oriented disclosures. In turn, this would provide for the take-up of integrated reporting, which investors support. We are of the view that there are important questions relating to director liability for forward-looking statements and risk-oriented disclosures that need consideration. The current liability framework is sub-optimal and can generate inappropriate incentives and harsh outcomes for conduct that is otherwise fair and reasonable. However, it is also important that any regulatory framework continue to protect investors.

Various parties have issued suggested alternatives to the business judgment rule, but none has found favour with stakeholders. We knew both directors and investors needed to look at this issue, as well as legal academics and practitioners — all participated in our roundtable. While no consensus was reached on whether the business judgment rule should be amended, ideas arose about the need to look at the contending liabilities and defences in corporate law and the legacy issues inherent in corporate structures developed in an earlier time.

**Wholesale review of the corporations law**

Governance Institute believes we can suggest a way forward on the seemingly intractable issue of how to approach the business judgment rule. We think the issue is bigger than simply this one provision in the Act. Our view is that corporate law is part of the infrastructure of a successful economy and it needs to be fit for purpose for the 21st century. Corporate law reform is linked to innovation and economic growth and should not be seen as separate from them. Currently, the Corporations Act 2001 is a 19th century regulatory model, showing the strain not only of its incapacity to facilitate a digital economy, but also of the compliance burden arising from inconsistent liabilities and defences and the accretion of piecemeal amendments over decades.

Governance Institute put out a policy paper on the need to undertake a wholesale review of the corporations law. If Australia’s corporate markets are to be fit for purpose in the 21st century, the legislation governing corporations and the management of corporations needs to embrace technology and support innovation. Corporate law reform is not an esoteric matter of interest to a few, but central to the economic success of the country.

**Whistleblowing**

We are a partner supporting the groundbreaking research led by Griffith University, independently funded by the Australian Research Council and involving three other universities and 21 supporting organisations across Australia and New Zealand. We agree with the research team that the challenge for many organisations is that there is currently little evidence-based information to guide them in developing best practice whistleblowing processes that work and which have the confidence of staff, management and the board alike. As such, we support the aims of the research project, which is focused on identifying current and potential best practice in organisational management of whistleblowing and aims to support evidence-based law reform.

We hosted the launch of the research, and our members were a key target audience to provide input on how whistleblowing processes and systems currently work — or do not work — in organisations. The preliminary results were issued in November, confirming the burning need for comprehensive but well-informed reform of the nation’s whistleblowing laws. In a welcome initiative, the Australian Government has made a commitment to improve whistleblower protections in the corporate sector, with a timetable for reform setting the introduction of draft legislation to parliament by the end of 2017. The final research results will inform this reform process.

**Contributions to the policy debate**

We highlight two areas where our policy and advocacy activities made a difference in 2016.

- Our advocacy over many years for AGM reform bore fruit, as the government recognised that changes to Australia Post delivery schedules and attendant increased costs made the case for reform an urgent matter. The government released a consultation paper to provide for technology-neutral distribution of meeting materials — consultation continues on how best to effect this reform.

- We are part of a coalition with Justice Connect, the Australian Institute of Company Directors, the Australian Council of Social Service, Chartered Accountants Australia and New Zealand, Community Council for Australia, CPA Australia, Philanthropy Australia and the Fundraising Institute of Australia to advocate for reform of not-for-profit (NFP) fundraising. Currently, state and territory-based NFP fundraising regimes operate as a barrier to ‘business’. Our calls for a nationally consistent fundraising regime saw NFP fundraising reform included in the review of the Australian Consumer Law (ACL), with recognition that the ACL is already applicable to NFP fundraising. Multiple NFP organisations — small and large — have signed up to our #fixfundraising campaign. More work will take place on this campaign in 2017, but progress so far has been very positive.

All public policy submissions are available on our website.

**Intellectual property**

Governance Institute’s *Risk management for directors: A handbook* was downloaded more than 3,000 times in 2016 and widely endorsed by the director community. The handbook supports gatekeepers to focus on culture — a focus the Ethics Index revealed as critical.

Providing guidance on good governance practice is part of our mission to drive whole-of-organisation governance and responsible performance across all sectors. We now have 84 Good Governance Guides available on our website, applicable to the private, NFP and public sectors and freely available to download. In 2016, we developed a suite of Good Governance Guides specifically for the NFP sector as well as another dedicated suite of guides on risk management to support sound practice in these areas. Our Good Governance Guides are referenced on the websites of regulators such as the Australian Charities and Not-for-Profits Commission and disseminated to clients by law firms.
As Governance Institute is a professional services organisation that develops and disseminates knowledge, its human capital is critical to its sustainability. The culture of the organisation is a balance between being an NFP organisation and member-focused while at the same time incorporating many of the features of a performance-oriented commercial business.

### Staff gender balance and opportunity

Governance Institute’s employment philosophy is open and transparent. All positions are advertised publicly and internal employees are encouraged to apply. Being a small organisation, sometimes we recruit outside people, but if possible we promote internally.

There is good gender diversity among staff at senior management levels and further into the organisation.

#### Workplace diversity by gender

**Entire staff**

- **2014**: 22% female, 78% male
- **2015**: 22% female, 78% male
- **2016**: 19% female, 81% male

**Senior management**

- **2014**: 45% female, 55% male
- **2015**: 45% female, 55% male
- **2016**: 36% female, 64% male

### Staff turnover

Governance Institute has generally been fortunate to have relatively low staff turnover and this has contributed greatly to being able to progress projects, provide excellent customer service and continually improve what we do. Governance Institute is a small organisation and staff levels fluctuate from year to year. During 2016 staff turnover decreased to 21 per cent (9 people).

**2014**

- <30: 12%
- 30–39: 44%
- 40–49: 38%
- >50: 10%

**2015**

- <30: 10%
- 30–39: 41%
- 40–49: 10%
- >50: 39%

**2016**

- <30: 19%
- 30–39: 38%
- 40–49: 31%
- >50: 12%
Remuneration

Remuneration for all staff is comprised of a combination of guaranteed and performance-based remuneration where performance-based remuneration can range from approximately five per cent to 20 per cent of an individual’s total remuneration.

Externally sourced salary surveys of associations and business in general are used each year to assess whether an employee’s remuneration is consistent with the market. Governance Institute generally remunerates staff in the top quartile for similar roles and reviews salaries on an annual basis.

Performance-based remuneration is clearly linked to the annual budget and milestones in the strategic plan for the Chief Executive and all direct reports to the Chief Executive. The Chief Executive and Board agree on a remuneration strategy for all staff with the Remuneration Committee reviewing the actual remuneration of the Chief Executive and direct reports to the Chief Executive.

Board gender balance

Gender balance on the Board reflects the gender balance of the total membership of Governance Institute, but not new members. As Governance Institute’s constitution dictates that new Board members must generally come from state councils, there is a conscious effort to increase female participation on state councils. In 2016, one third of the members of state councils were female. At year end 80 per cent of state council chairs were female.

Staff training

Governance Institute’s expenditure on staff training (as a percentage of personnel costs) has remained fairly constant over the last three years. During 2016 there was greater effort in encouraging all staff to undertake internal short course training in order to gain a greater understanding of governance issues in general. During 2016 all staff attended intensive training on the new customer relationship management and IT system platforms.
Profiles of Governance Institute members

Glenn Becker FGIA
Head of Enterprise Risk, Teachers Mutual Bank Limited

With over 17 years’ experience in risk and governance roles, Glenn is passionately focused on demonstrating and promoting a positive risk culture and embedding sound risk management practices. As one of Teachers Mutual Bank Limited’s second line of defence, Glenn provides expertise in risk and governance and is responsible for the company’s risk management frameworks and processes. The bank’s positive culture has been recognised with numerous awards for ethics, governance and sustainability. Glenn has over 36 years of financial services experience in a variety of national and multi-national companies including 25 years in one of Australia’s largest banks. Glenn has extensive experience across all aspects of risk and banking operations as well as compliance and prudential requirements. Glenn holds a Master of Business Administration from the University of Southern Queensland as well as both a Graduate Diploma of Applied Corporate Governance and a Graduate Certificate of Applied Risk Management from Governance Institute.

Skye Bowie AGIA
Manager, Governance, Risk and Assurance, Energy Super

Skye is a regulatory lawyer with extensive domestic and international experience within the superannuation, financial services and credit industries. Skye currently leads the Governance, Risk and Assurance function at Energy Super. Skye provides board and business advisory services on a range of legal and governance issues including cyber security, insurance, superannuation and financial advice. Previously, Skye held roles as a senior lawyer with ASIC, a financial services executive in the Irish banking sector and as a lawyer for the Commonwealth prosecutor (CDPP). Skye’s career path reflects her focus on assisting companies to meet regulatory requirements especially whilst in growth phases. Skye is a qualified Chartered Secretary and an Associate of Governance Institute of Australia, having completed the Graduate Diploma of Applied Corporate Governance. Skye is a solicitor of the Supreme Court of Queensland and holds a Diploma of Financial Planning.

With a keen interest in sharing knowledge, Skye guest presents at Governance Institute and ASFA events on regulatory themed topics. Skye has contributed to ASIC’s digital advice consultation paper and led ASIC’s Innovation Hub in Brisbane.

Martijn Bosboom FGIA
General Counsel and Company Secretary, Perseus Mining Limited

Martijn has over 20 years of international experience as a corporate commercial lawyer and governance professional in various industries and jurisdictions. After having practised for ten years in his country of birth, The Netherlands, in both private practice and senior in-house legal roles, he migrated to Australia in 2004. He has since then held senior in-house legal and company secretarial roles with various mining companies. His broad experience includes corporate law and governance, ASX listing rules, commercial and construction law, M&A and joint ventures, litigation management, regulatory, compliance and risk management.

Martijn is currently the general counsel and company secretary of ASX and TSX listed West-African gold mining company Perseus Mining Limited which role he has held since July 2013. At Perseus, he is responsible for the general legal affairs, governance, compliance and risk management of the group.

Martijn holds a Master of Laws from the University of Leyden in the Netherlands and a Bachelor of Laws from the University of Western Australia. He also completed Governance Institute’s Graduate Diploma of Applied Corporate Governance.

Martijn has recently joined the Western Australia Council of Governance Institute.
Michelle Pole GIA(Cert)
Senior Legal Counsel & Assistant Company Secretary, OZ Minerals Limited

Michelle is currently Senior Legal Counsel & Assistant Company Secretary of OZ Minerals Limited, an ASX listed mining company headquartered in South Australia. OZ Minerals owns and operates the high quality Prominent Hill copper-gold operation, the Carrapateena copper-gold project, conducts exploration activity globally and holds strategic equity investments in other resources companies.

Michelle spent most of her career in a leading national law firm before moving in-house to the mineral resources sector. Michelle has particular experience in commercial transactions, corporate advisory and compliance with the ASX, ASIC and other regulatory bodies. In her role, Michelle provides pragmatic support to the company and its business units on a range of legal matters affecting the company and its operations, including negotiations, risk management, corporate governance, joint venture agreements, statutory compliance and project contracts.

As well as being a Certificated member of Governance Institute, Michelle holds a Bachelor of Laws from The University of Adelaide and is admitted to practise as a barrister and solicitor of the Supreme Court of South Australia. Michelle also holds a Graduate Diploma in Legal Practice and is a member of OZ Minerals’ senior leadership team.

Michelle Wong AGIA
Deputy Company Secretary, Cleanaway Waste Management Limited

Michelle is a qualified Chartered Secretary through the Institute of Chartered Secretaries and Administrators (UK) (ICSA) program and has obtained the Graduate Diploma of Applied Corporate Governance from Governance Institute of Australia. She is an Associate member of ICSA and Governance Institute, and was a mentor in Governance Institute’s Mentoring Program in 2015.

She has been volunteering in a youth program and in a number of community activities since 2009, and has served as a council member and a treasurer at a local primary school.

Lionel Mateo AGIA
Company Secretary, AMP Limited

Lionel works in the Group Secretariat team and looks after a broad portfolio of over 80 private and public companies including superannuation, financial planning and SMSF entities. In his role, Lionel focuses on delivering best practice governance advisory services to executives and non-executive directors across his portfolio.

Lionel previously worked as group company secretary and in-house legal counsel for Novogen Limited, an ASX and NASDAQ listed company, and company secretary for RM Williams Agricultural Holdings Pty Ltd. He completed the Graduate Diploma of Applied Corporate Governance in 2015. In 2016, Lionel joined the Corporate and Legal Issues Committee of Governance Institute of Australia. He has a Bachelor degree in Civil Law and a Masters Degree in Civil Law, Economics and Business, with a major in Criminal Law, from the University of Aix-en-Provence, France.
Steven Burrell was appointed as Chief Executive of Governance Institute of Australia in September 2015.

Steven was formerly the General Manager of Communications and Public Affairs at the Australian Institute of Company Directors (AICD).

He was previously a leading journalist, columnist and editor at the Australian Financial Review, where he was Economics Editor and Deputy Editor, and the Sydney Morning Herald, where he was Deputy Editor, National Affairs Editor and Business Editor. Over a 25-year journalism career he won both a Walkley Award and the Pan Asian Journalist of the Year Award.

Earlier in his career he was a policy adviser at the Federal Treasury and Australian Bureau of Statistics.

Steven holds a Bachelor of Economics degree from the University of Sydney and is a graduate of the General Management Program at the Melbourne Business School Mt Eliza and completed the Company Directors Course from the AICD.

Meegan joined Governance Institute in September 2016, bringing with her a wealth of experience gained over more than 20 years’ international involvement in global custody, financial planning, insurance and superannuation. Her skills include organisational development, learning and development, consultancy, sales, product development, relationship management and client service management.

As Chief Commercial Officer, Meegan is responsible for member-facing and customer-centric services including events, marketing, membership and sales. Since being appointed to Governance Institute, she has input into the overall strategic direction of the organisation and re-aligned the business units to position us for growth. Meegan holds a BA of Commerce, from the University of Canberra, completed the Company Directors Course from the AICD, a Certificate IV in Assessment & Workplace training, a Graduate Conversion Course in Accounting from University of Technology, Sydney, and holds a Diploma — Neuro Linguistic Programming from Quadrant 1.

Stan joined the staff of Governance Institute in August 2000 and has been a member of Governance Institute since 1991. He is experienced in company secretarial practice, corporate governance, financial management, computer systems, risk management implementation, general and business management in manufacturing, wholesale and retail industries.

Stan ensures Governance Institute and the Board meet legal and compliance requirements, the company and ICSA’s constituent documents, and identifies and manages or mitigates risks. He provides professional governance support to the company and the Board as well as financial and management accounting information systems for Governance Institute, providing accurate information to the Board, staff and relevant regulators.

Stan is also responsible for Governance Institute’s IT infrastructure and that the business’s needs are met and has been the project leader of the new state-of-the-art CRM with integrated website and accounting functions. Stan’s qualifications are listed on page 30 of this report.
As National Director, Policy & Advocacy, Judith advocates for sound regulatory frameworks in governance and corporate law that foster sound practices in stewardship, accountability, transparency and ethical behaviour. She develops thought leadership papers and guidance, and conducts research on Australian governance and risk management practice. She develops substantive policy statements in these areas in the private, public and not-for-profit sectors.

Judith also has responsibility for stakeholder, government and media relations for the Institute.

Judith has represented Governance Institute on the ASX Corporate Governance Council since 2005, and is also a member of Standards Australia’s Risk Management and Governance Committees, the Business Reporting Leaders Forum and the Australian Securities and Investments Commission’s Business Advisory Committee. Judith was recognised for her work in public policy in the 2014 Australian Financial Review and Westpac 100 Women of Influence Awards.

Rachel was appointed to Governance Institute in September 2014. Her team is responsible for Governance Institute’s Engagement Strategy with members, subscribers and customers. This includes achieving membership, marketing, sales, website, email, social media, and publishing objectives.

She has significantly expanded the organisation’s reach to new governance and risk management professionals and raised the profile of the Institute.

Rachel has increased our membership, subscribers and customer database of governance professionals and risk managers. She has achieved a considerable growth in interest in Governance Institute’s products and services and social media engagement and followers throughout this time.

Rachel holds a Bachelor of Business degree from the University of Newcastle and is a graduate of the Master of Business Administration (MBA) Executive from The Australian Graduate School of Management (AGSM) at the University of NSW Business School and completed the Company Directors Course from the AICD.

Stephen joined Governance Institute as National Director, Education & Training in April 2011. He seeks to enhance the reputation and standing of the three accredited postgraduate qualifications, ensuring that they comply with all regulatory requirements and meet international obligations. Two of these postgraduate qualifications were introduced in 2015 and bring a professional and governance-oriented approach to risk management. Similarly he is seeking to augment the training programs by making them as relevant as possible and by strengthening their online delivery capability.

He also works to further entrench Governance Institute’s three Certificates as pathways to Certificated membership.

Stephen holds a Bachelor of Commerce (Management) degree from the Western Sydney University, a Master of Education (Adult Ed) and a Master of Arts (Online Learning) both from University of Technology Sydney.

Judith Fox FGIA
National Director, Policy & Advocacy (resigned February 2017)

Rachel Waterhouse
National Director, Engagement

Stephen Wright
National Director, Education & Training
State executive

The regional and state directors are responsible for the efficient and effective management of all Governance Institute activities in their respective regions to assist in meeting Governance Institute’s mission of ensuring that ‘current members and aspiring chartered secretaries, governance advisers and risk managers are provided with the best education and support to enhance their professional standing’.

Broadly this involves the development and management of the state strategic business plan to promote Governance Institute and its services. Together with their state teams, this includes the delivery of postgraduate courses, as pathways to membership, and the development and delivery coordination of training, conferences plus other professional development and networking events to enhance the value of Governance Institute to members and increase Governance Institute’s profile among non-members.

Susan Bradbrook | State Director, SA & NT
Susan joined Governance Institute in 2002. Susan is Fellow of the National Institute of Accountants. She has previously held positions of accountant, state administration manager and in customer relations/marketing. Susan is on the board of CARA (Community Accommodation and Respite Agency) which is one of South Australia’s largest charities working in partnership with people living with a disability, their families and the community to create a better life.

Maryanne Brogan | Regional Director, NSW & ACT
Maryanne joined Governance Institute in 2016. Maryanne holds a Bachelor of Commerce from the University of NSW and has completed her Company Directors Course from the AICD. Prior to joining the Governance Institute Maryanne was the NSW Operations Manager at AICD. Her previous roles have been with boutique property developer Niecon Developments, CPA Australia, UNSW Roundhouse and her own events and sponsorship business.

Emma Churchill | State Director, QLD
Emma joined Governance Institute in 2006. Emma holds a Bachelor of Business Management and a Bachelor of Applied Science from the University of Queensland. Emma is also a Certificated member of Governance Institute. Prior to joining Governance Institute, Emma held a similar role with the Financial Planning Association. Her previous roles have been with Qantas Airways and St George Bank.

Leon Cox | Regional Director, VIC & TAS
Leon joined Governance Institute in 2014. Leon holds a Bachelor of Business, Human Resources and Hospitality Management from Victoria University. Leon also holds a Certificate IV in Workplace Training and Assessment from the University of Melbourne, Training Services Department. Prior to joining Governance Institute Leon was Advisor to the CEO at the Institute of Chartered Accountants Australia and was a relationship manager prior to that. His previous roles have been with CPA Australia and the RACV Club.

Leigh Grant | State Director, WA
Leigh joined Governance Institute in 2008. Leigh holds a Bachelor of Marketing and Public Relations and a Bachelor of Communications and Media. Prior to joining Governance Institute Leigh was with The University of Western Australia’s Office of Development in Alumni Relations and Special Projects. She also acted as executive officer for the Centenary Trust for Women. Leigh commenced parental leave in May 2016.

Sh’veorn Sumner | State Director, WA
Sh’veorn joined Governance Institute in 2000 and has worked for us in Queensland, Victoria and rejoined in May 2016 in a parental leave replacement role in Western Australia. She holds a Master of Business Administration. Prior to joining Governance Institute, Sh’veorn worked for Finsia, Perpetual Trustees and in banking and finance roles. Between roles with us Sh’veorn ran her own IT and management consultancy business.
Member milestones

President’s Award 2016
The President’s Award is presented to a member who, in the opinion of the Board, has made a substantial contribution to the work of Governance Institute.

Sam Butcher FGIA..............................VIC

Elected Fellows
John Auld.................................QLD
Steven Austen...............................QLD
Grant Bayne...................WA
Peter Bergin.........................VIC
Andrew Betts.........................QLD
Warren Birchall.........................VIC
Jacqueline Boddy.........................QLD
Greg Bolton.........................QLD
Ian Bowyer.........................QLD
Melanie Brown.........................WA
Ulysses Chioatto.........................NSW
Roger Chong.........................VIC
David Clarke.........................QLD
Stephen Coates.........................QLD
Richard Codling.........................WA
Andrew Cooke.........................QLD
James Coyne.........................NSW
David Cullen.........................NSW
Jeffrey Daddow.........................WA
Randal Dennings.........................QLD
Aaron Dentamaro.........................WA
Erol Du Boulay.........................QLD
Richard Edwards.........................NSW
Anne Finney.........................QLD
Oliver Glasspool.........................NSW
Adrian Goss.........................NSW
Jane Gouneret.........................WA
Bridge Grant.........................NSW
Mary-Anne Greaves.........................QLD
Michael Guilday.........................VIC
Miles Guy.........................WA
Phillip Hayston.........................NSW
Luke Heathcote.........................VIC
Martyn Jacobs.........................VIC
Sonia Joksimovic.........................VIC
Zana Jordan.........................NSW
Jeremy Kells.........................SA
Bronwyn Kerr.........................WA

Esther Krikhoff...............................QLD
Wendy Leegel...............................VIC
Kevin Lewis...............................NSW
Susan Locke...............................QLD
Joanne MacDonald........................NSW
Alexandra Mackay.........................VIC
Kerrie Maher...............................VIC
Anson Mak...............................NSW
Christopher Marshall.....................WA
Anthony McArthur.........................SA
Andrew McGaw.........................WA
Natt McMahon...............................NSW
John Miller...............................QLD
Emma Mills...............................VIC
Angela Mine...............................VIC
Pauline Moffatt........................VIC
Simon Moore...............................QLD
Alison Moran...............................VIC
Maxwell Morley...............................QLD
Taryn Morton...............................NSW
Louis Mostert...............................QLD
Colin Moyle...............................VIC
Scott North...............................QLD
Rebecca Ong...............................NSW
Daniel Pampuch........................QLD
Virginia Papaluca........................NSW
Andrew Paul Vine.........................VIC
Peter Pearce...............................QLD
Peta Perring...............................QLD
Andrew Pliskington.........................NSW
Erica Rathbone Bales.........................VIC
Paul Richardson.........................QLD
Mark Roberts...............................VIC
Gavin Robertson.........................NSW
Gavriel Schneider........................QLD
Joaquim Smith...............................NSW
Timothy Smith...............................QLD
David Smith...............................QLD

Leah Stangile...............................QLD
Clare Stanwick.........................NSW
Carol Swift...............................NSW
Melvin Tan...............................WA
Fabienne Thewlis........................VIC
Louise Thomason.........................QLD
Rachelle Tippett............................VIC
Jeremy Turner.........................QLD
Olivia Turton.........................WA
Robert Urwin...............................NSW
Stephanie Vass............................NSW
Jayne Ward...............................VIC
Andrew Weil...............................QLD
Claire Williams........................VIC
Raymond Wong...............................NSW
Gregory Woodroffe........................QLD
Lidia Xynas...............................VIC
Yasothara Yoganathan.......................NSW
Kate Zorzi...............................VIC

Ashley Spencer...............................VIC
Mary-Anne Greaves.........................VIC
Sanjay Gund...............................WA
Garry Hamilton.........................WA
Jessica Ie...............................WA
Gary Jenkins...............................NSW
Amanda Keenan...............................NSW
Miranda Kidson...............................QLD
Neil Marston...............................VIC
Steve Maycock...............................VIC
Noel McAuliffe.........................WA
Joanne McDonald.........................WA
John Moule...............................WA
Michael Muhiing........................VIC
Penny Muller...............................NSW
Mark Neasey...............................QLD
Charisse Nortje.............................VIC
Nathan Patrick...............................QLD
John Pegg...............................QLD
Carolyn Pillans.............................NSW
Caroline Raw...............................VIC
Mark Roberts...............................QLD
Dylan Roberts...............................QLD
Margaret Rode.............................NSW
Matthew Rowe...............................VIC
Suraj Sutharam.............................VIC
Glen Smith...............................VIC
Shane Sullivan.............................VIC
Samantha Tate...............................WA
Paul Tubridy...............................NSW
Phil Tuck...............................VIC
Jeremy Turner...............................NSW
Vicki Vordis...............................NSW
Vanessa Wells...............................NSW
Barry Whitehead.............................QLD
Winton Willesee.............................QLD
Sharyn Williams.............................QLD
Anne Wright...............................WA
Laura Zhang...............................WA
Jutta Zimmerman...............................WA

Life members 2016
The Board inducts Life members of Governance Institute to recognise their lasting impact on the direction or status of Governance Institute.

Peter Turnbull FGIA(Life)...............................QLD
Douglas Gration FGIA(Life)...............................VIC

Members who have attained Fellowship
The Board congratulates members who were elected to or advanced to Fellowship during 2016.

Sam Butcher FGIA..............................VIC
Esther Krikhoff...............................QLD
Wendy Leegel...............................VIC
Kevin Lewis...............................NSW
Susan Locke...............................QLD
Joanne MacDonald........................NSW
Alexandra Mackay.........................VIC
Kerrie Maher...............................VIC
Anson Mak...............................NSW
Christopher Marshall.....................WA
Anthony McArthur.........................SA
Andrew McGaw.........................WA
Natt McMahon...............................NSW
John Miller...............................QLD
Emma Mills...............................VIC
Angela Mine...............................VIC
Pauline Moffatt........................VIC
Simon Moore...............................QLD
Alison Moran...............................VIC
Maxwell Morley...............................QLD
Taryn Morton...............................NSW
Louis Mostert...............................QLD
Colin Moyle...............................VIC
Scott North...............................QLD
Rebecca Ong...............................NSW
Daniel Pampuch........................QLD
Virginia Papaluca........................NSW
Andrew Paul Vine.........................VIC
Peter Pearce...............................QLD
Peta Perring...............................QLD
Andrew Pliskington.........................NSW
Erica Rathbone Bales.........................VIC
Paul Richardson.........................QLD
Mark Roberts...............................VIC
Gavin Robertson.........................NSW
Gavriel Schneider........................QLD
Joaquim Smith...............................NSW
Timothy Smith...............................QLD
David Smith...............................QLD

Leah Stangile...............................QLD
Clare Stanwick.........................NSW
Carol Swift...............................NSW
Melvin Tan...............................WA
Fabienne Thewlis........................VIC
Louise Thomason.........................QLD
Rachelle Tippett............................VIC
Jeremy Turner.........................QLD
Olivia Turton.........................WA
Robert Urwin...............................NSW
Stephanie Vass............................NSW
Jayne Ward...............................VIC
Andrew Weil...............................QLD
Claire Williams........................VIC
Raymond Wong...............................NSW
Gregory Woodroffe........................QLD
Lidia Xynas...............................VIC
Yasothara Yoganathan.......................NSW
Kate Zorzi...............................VIC

Ashley Spencer...............................VIC
Mary-Anne Greaves.........................VIC
Sanjay Gund...............................WA
Garry Hamilton.........................WA
Jessica Ie...............................WA
Gary Jenkins...............................NSW
Amanda Keenan...............................NSW
Miranda Kidson...............................QLD
Neil Marston...............................VIC
Steve Maycock...............................VIC
Noel McAuliffe.........................WA
Joanne McDonald.........................WA
John Moule...............................WA
Michael Muhiing........................VIC
Penny Muller...............................NSW
Mark Neasey...............................QLD
Charisse Nortje.............................VIC
Nathan Patrick...............................QLD
John Pegg...............................QLD
Carolyn Pillans.............................NSW
Caroline Raw...............................VIC
Mark Roberts...............................QLD
Dylan Roberts...............................QLD
Margaret Rode.............................NSW
Matthew Rowe...............................VIC
Suraj Sutharam.............................VIC
Glen Smith...............................VIC
Shane Sullivan.............................VIC
Samantha Tate...............................WA
Paul Tubridy...............................NSW
Phil Tuck...............................VIC
Jeremy Turner...............................NSW
Vicki Vordis...............................NSW
Vanessa Wells...............................NSW
Barry Whitehead.............................QLD
Winton Willesee.............................QLD
Sharyn Williams.............................QLD
Anne Wright...............................WA
Laura Zhang...............................WA
Jutta Zimmerman...............................WA
Continuous membership
Governance Institute congratulates the following members who achieved milestones for continuous membership in 2016.

50 years

**New South Wales**
- Alick Anderson FGIA FCIS
- Bob Barrack FGIA FCIS
- Michael Brock AGIA ACIS
- Lalor Curran AGIA ACIS
- Warren Dennis AGIA ACIS
- Ian Duncan AGIA ACIS
- John Dykes AGIA ACIS
- Leigh Hall AM FGIA FCIS
- John Hayes AGIA ACIS
- Edwin Koeppen FGIA FCIS
- Patrick Lynch AGIA ACIS
- George Pomeroy FGIA FCIS
- Tyrone Shepherd AGIA ACIS
- Michael Brock AGIA ACIS
- Byron Swanbury AGIA ACIS
- Sydney Spring AGIA ACIS
- Barry Thompson FGIA FCIS

**Western Australia**
- Peter Crisp FGIA FCIS
- Rod Evans OAM FGIA FCIS

25 years members

**New South Wales**
- Bob Anderson FGIA FCIS
- Stuart Basset FGIA FCIS
- John Behm FGIA FCIS
- Michael Bell FGIA FCIS
- Michael Brady FGIA FCIS
- Peter Brown FGIA FCIS
- Russel Burnet AGIA ACIS
- Antony Carr AGIA ACIS
- Brian Collyer FGIA FCIS
- Michael Curriigan AGIA ACIS
- Laurence Daly AGIA ACIS
- Charo Devery AGIA ACIS
- Quentin Digby AGIA ACIS
- John Ekert AGIA ACIS
- Brian Ferrelly FGIA FCIS
- Maurice Felizzi FGIA ACIS
- Anand Ganatra AGIA ACIS
- Gregory Hall FGIA FCIS
- Henri Hasbani AGIA ACIS
- Barry Hough AGIA ACIS
- Stan Jodeikin FGIA FCIS
- Peter Jones FGIA FCIS
- Ramesh Karwal FGIA FCIS
- Stephen Kelly AGIA ACIS
- Keith Kennett FGIA FCIS
- Rob Kerr FGIA FCIS
- John Kinninnmont FGIA FCIS
- Kerry Kirk AGIA ACIS
- Ching Kwan AGIA ACIS
- Philip Lee AGIA ACIS
- Charlene Leung AGIA ACIS
- Dark Lim AGIA ACIS
- Robynne McGinley AGIA ACIS
- Ashley Moir FGIA FCIS
- Brenden Mooney AGIA ACIS
- Geoff O'Shea FGIA FCIS
- David Owen AGIA ACIS
- John Pelletier FGIA FCIS
- Julian Perry AGIA ACIS
- John Plummer FGIA FCIS
- Chris Powell FGIA FCIS
- Theo Renard AGIA ACIS
- Robert Ryan FGIA FCIS
- Ron Silvers FGIA FCIS
- Robert Smith AGIA ACIS
- Philip Speet AGIA ACIS
- Bill Stanowski AGIA ACIS
- Walburg Steinhauser AGIA ACIS
- Ian Stevens AGIA ACIS
- Michael Sullivan FGIA FCIS
- Ivan Thornton OAM FGIA FCIS
- Stephen Triglone AGIA ACIS
- Paul Walford FGIA FCIS
- Graeme Walker AGIA ACIS
- Philip Ward FGIA FCIS
- Ian White AGIA ACIS
- Shane Wood FGIA FCIS
- Grace Yau AGIA ACIS

**Overseas**
- Fred Cheng FGIA FCIS
- Paul Hug FGIA FCIS
- Leo Leung FGIA FCIS
- Anne Wong AGIA ACIS

**Queensland**
- Lois Aumuller AGIA ACIS
- Ian Barnabas AGIA ACIS
- Joy Cooper FGIA FCIS
- Matthew Harris AGIA ACIS
- Ross Hatten AGIA ACIS
- Hayden Johns AGIA ACIS
- Ian Kestell-Butcombe AGIA ACIS
- Geoff McMahon FGIA FCIS
- Robert Neilson AGIA ACIS
- Tony O'Loan AGIA ACIS
- Ken Smith AGIA ACIS
- Sam Terranova FGIA FCIS

**South Australia**
- Pia Bentick FGIA FCIS
- Glen Brewer AGIA ACIS
- Philip Schmaal AGIA ACIS
- John Stokes FGIA FCIS

**Tasmania**
- Paul Miller AGIA ACIS

**Victoria**
- David Ackland AGIA ACIS
- John Cottreill AGIA ACIS
- Rob Ewart AGIA ACIS
- Dayanie Fernando AGIA ACIS
- Clifford Gregson FGIA FCIS
- John Habgood AGIA ACIS
- David Hamilton FGIA FCIS
- William Hannah FGIA FCIS
- Graeme Hotton FGIA FCIS
- Iain James FGIA FCIS
- Logini Kumaresh AGIA FCIS
- Tom Lefkovic AGIA ACIS
- John Lemire FGIA FCIS
- Rajith Loganathan FGIA FCIS
- Ian Mansbridge FGIA FCIS
- Wendy Miles AGIA ACIS
- George Pakis Papachatzakis AGIA ACIS
- Larry Picker FGIA FCIS
- John Scott AGIA ACIS
- Leo Sheppet AGIA ACIS
- Kevin Smith AGIA ACIS
- Gregory Stephens AGIA ACIS
- Terry Swingler FGIA FCIS
- Mark Thompson AGIA ACIS
- John Tierney FGIA FCIS
- Robert Turnbull AGIA ACIS
- Lawrence Tutton FGIA FCIS
- Carine Wong AGIA ACIS

**Western Australia**
- Hugh Cahill AGIA ACIS
- Adrian Dargie FGIA FCIS
- Narinder Elhence FGIA FCIS
- Peter Johnston FGIA FCIS
- Brigitte Julien AGIA ACIS
- Rod Lane FGIA FCIS
- Graeme Lean AGIA ACIS
- Kent Machar AGIA ACIS
- Dan Marfatia FGIA FCIS
- Max Tan Tan Eng Ong FGIA FCIS
- Enrol Turner FGIA FCIS
- Marinko Vidovich AGIA ACIS
At year’s end, members and subscribers totalled 7,739, covering the following disciplines:

Membership by organisation type

Members by state

Number of members and subscribers
Directors’ report

Your Directors present this report on the company for the financial year ended 31 December 2016.

Principal activities, objectives and strategies

The principal activities of Governance Institute of Australia Ltd (Governance Institute) during the year were to be the expert leader in the promotion and application of the practice of governance to drive responsible performance for the benefit of organisations and the wider community.

There was no significant change in the nature of the activities during the year and the operations are in accordance with the constitution. The company’s financial report has been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards.

In order to meet its above mentioned long-term objectives, the company will strive to see that:

- Australia’s governance frameworks lead the world in facilitating a strong economy underpinned by responsible performance and organisational culture.
- current members and aspiring chartered secretaries, governance professionals and risk managers are provided with the best education, resource support and career support to enhance their professional standing
- the organisation is strategically focused on being innovative; encouraging positive engagement with, and influencing, all stakeholders; and fostering a culture and values that ensures it is sustainable.
- Governance practitioners are provided with a trusted community from which they can draw education, provide input and access a knowledge sharing network of support, appropriate for their changing needs and circumstances throughout their chosen governance careers.

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

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

- emphasise member retention and satisfaction as a first priority
- broaden the pathways to membership at the open-entry and postgraduate level
- place greater emphasis on increasing the number of Certificated members and members with a risk background.

Financial results

An operating surplus from ordinary activities of $124,156 was made for the year after providing for income tax which the company is exempt from as it is endorsed as a charity.

Accumulated Members’ Funds at year-end totalled $4,136,497.

Dividends

Being limited by guarantee, Governance Institute does not pay dividends.

Review and result of operations

Company performance is assessed by the Board of Directors at their six scheduled Board meetings held during the year. Forecast reviews are presented and discussed as to the progress between budget and actual results achieved. The Risk, Audit and Finance Committee also reviews the budget and the results of operations prior to recommendations made to the Board of Directors for their consideration.

Total revenue for the year amounting to $9.4 million primarily came from member and subscriber fees 30 per cent; postgraduate courses 27 per cent; short courses, Certificates and publications 37 per cent; sponsorship four per cent; investment income one per cent; and other income for services one per cent.

Total expenditure for the year amounting to $9.3 million was primarily on direct costs for short courses, Certificates and publications 11.9 per cent; direct costs for postgraduate courses 8.4 per cent; profile-raising activities and website maintenance 7.3 per cent; international activities 1.9 per cent; payroll 50.8 per cent and governance and administration 19.7 per cent.

From left: Warren Baillie, Rachel Rees, Garth Fountain-Smith and Andrew Horne
Likely developments

Likely developments in the operations of Governance Institute and the expected results of those operations in future financial years have not been included in this report but are disclosed in the Chair and CEO’s report at pages 2–3 and the integrated report from pages 4–17.

Environmental regulations

Governance Institute’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 Governance Institute at the date of this report are Warren Baillie FGIA, Alan Evans FGIA, Garth Fountain-Smith FGIA, Andrew Horne FGIA, Andrew Leake FGIA, John Mazengarb FGIA, Trisha Mok FGIA, Rachel Rees FGIA, Christine Manuel FGIA, Peter Turnbull FGIA and Wendy Wills FGIA.

Auditor’s indemnification

Governance Institute has not, during or since the end of the financial year, in respect of any person who is or has been an auditor of Governance Institute 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

Warren Baillie LLB, BCom, Grad Dip CSP, FGIA, FCIS, MAICD (appointed 12.1.11) — Extensive experience in company secretarial practice and corporate governance, and corporate and commercial law, both in the corporate sector and the NFP sector. Currently Group Company Secretary of Woodside Energy Ltd. Also a non-executive director of Black Swan Health Limited. Vice President of the Board of Governance Institute, and Chair of the Remuneration Committee for 2017. Director of Governance Institute subsidiary companies.

Alan Evans BBus (Law), FGIA, FCIS, MAICD (appointed 4.6.09) — General Manager Corporate Governance and Corporation Secretary for Hydro Tasmania for the last 12 years. A corporate governance and secretarial practice and law professional, he has over 30 years of practical international experience at executive level and as an executive and non-executive director on boards of Australian, USA and European companies. Alan has lectured in corporate governance, secretarial practice and law. He is a member and past Chair of Tasmania Council and 2014 National President and Chair of Governance Institute.

Garth Fountain-Smith LLB, GradCertLegPrac, GradDipACG, FGIA, FCIS, MAICD (appointed director 31.1.16) — Lawyer and director of Fountain-Smith, Lawyers and Governance in Victoria. Corporate lawyer nearing 20 years’ professional standing. In-depth experience includes, corporations and commercial law, directors’ duties, regulatory and enforcement law across business and financial services sectors and professional conduct matters. Extensive regulatory experience as a lawyer and manager with ASIC. Chairman and non-executive director National Confectionery Wholesalers Ltd (2009–2013) in combination of appointment. Fellow of Governance Institute of Australia. Chair of its Corporate Law Issues Committee (2014–2016). Immediate past Deputy Chair of Victoria Council (2014–2016). Garth lectures for Governance Institute in a unit on ASIC’s functions and powers within the corporate law module of the graduate diplomas, and also in its Certificated courses and has co-authored numerous good governance guides. Executive management experience as director, chief operating officer and general counsel in the information technology sector. Former journalist in radio and television and published author of regulatory compliance modules for LexisNexis.

Andrew Horne BLegS, Grad Dip Legal Practice, Solicitor, Grad Dip CSP, FGIA, FCIS (appointed 21.1.10) — Experienced in company secretarial practice, corporate and commercial law, risk management and compliance systems. Practising solicitor and corporate governance professional. Previously Group Company Secretary of ASX100 GrainCorp Limited until June 2014 and General Counsel and Group Company Secretary of ASX listed Thakral Holdings Limited. 2017 National President and Chair of Governance Institute Ltd Annual Report 2016 | Page 27
Governance Institute. Past course director for the Corporate Accountability: Meetings and Disclosure module of Governance Institute of Australia’s Graduate Diploma of Applied Corporate Governance. Past Chair of the NSW Council. Chair and member of various Committees. Director of Governance Institute subsidiary companies.

**Andrew Leake** BCom, GradDipACG, FGIA, FCIS, CA, MACD (appointed 1.1.16) — A senior business leader with extensive experience in business consulting, corporate finance, publishing, education, NFP, governance and secretarial practice. He holds a senior executive role at Wenona School, a leading Sydney school for girls and chairs Governance Institute’s NSW Council. He is a director of the Winston Churchill Memorial Trust and chairs the NSW selection process of the Trust.

**John Mazengarb** BCom, FGIA, FCIS, FCA, MACD (appointed 8.1.14) — Extensive management consultancy career with PricewaterhouseCoopers and IBM and senior executive contract positions for Tasmanian government businesses leading major transformation programs. Executive Director, GSD Advisors Pty Ltd, non-executive director, Mathematica Pty Ltd, Chair of Tasmanian Catholic Education Industry LSL Fund, Trustee Director of TasPlan Limited, independent member of TasBuild Ltd Investment Committee and independent Chair of Clarence City Council Audit Committee. Member of Tasmania Council since 2009 and Chair of the Tasmania Council (2013–2016).

**Christine Manuel** BMus, GradDipACG, DipCD, DipInvRel, FGIA, FCIS, MACD, MAITD, AAPIPM (appointed 1.1.17) — Experienced in company secretarial practice and corporate governance in a range of organisations. Previous roles include Company Secretary of People’s Choice Credit Union and Group Secretariat Adviser at Santos Limited. Also considerable international experience in project management and senior corporate management roles providing consulting and training services in various technical disciplines in the Asia Pacific region. Facilitator for various Governance Institute certificate programs since 2012. Member of the Legislation Review Committee and Chair of South Australia State Council.

**Trisha Mok** BCom, LLB (Hons), Grad Dip ACGRG, FGIA, FCIS (appointed 4.6.09) — Experienced in company secretarial practice, corporate governance, commercial and corporate law and compliance matters. Executive Director, Legal & Compliance at Scenntia Education Group and Non-Executive Director and Secretary of the Sydney Improvised Music Association, 2015 National President and Chair of Governance Institute. Chair of the Remuneration Committee for 2014. Current Chair of the Chant Legacy Scholarship Committee and Member of the Board Executive, Communications and Remuneration Committees. Director of Governance Institute subsidiary companies.

**Simon Pordage** LLB (Hons), FGIA, FCIS, MAICD (appointed 16.2.12 – 31.12.16) — Experienced in company secretarial, corporate governance, corporate law, risk management and compliance matters. Company Secretary of Australia and New Zealand Banking Group Limited since May 2016. Formerly Company Secretary of Australian Foundation Investment Company Limited and three other listed investment companies since 2009. 2016 National President and Chair of Governance Institute. Member of Legislation Review Committee since 2005 (Chair from 01.01.11 to 31.12.15), Chair of Remuneration Committee for 2015. Member of Victoria Council until 31.12.16. Author/co-author of a number of Governance Institute publications.

**Peter Turnbull** BCom, LLB, FGIA (Life), FCIS, FAICD (appointed 1.1.09) — is a professional non-executive director and chairman with extensive experience in company secretarial practice, corporate governance, corporate law, and senior executive management. Current non-executive roles include ASX listed companies in the energy and resources sectors and former executive roles have included senior roles with regulatory authorities in Australia and Hong Kong and senior corporate roles with ASX Top 20 companies. Currently a Vice-President of the Institute of Chartered Secretaries and Administrators and 2010 National President and Chair of Governance Institute.

**Rachel Rees** BBus, GradDipACG, FGIA, FCIS, FTIA, FCA (appointed 8.2.13) — Senior executive and Chartered Accountant with extensive commercial, strategic and risk management, corporate governance, company secretarial and financial experience across a vast range of industries from smaller organisations (Australian and international) and multinationals to listed corporations (ASX and TSX). Currently Chief Financial Officer and Company Secretary of Empire Oil & Gas NL and previous roles include Chief Financial Officer Rex Minerals Ltd, Group Company Secretary of Hills Holdings Ltd and Vice President — Corporate Affairs Uranium One Australia. Current Chair Risk, Audit and Finance Committee of Governance Institute, current member of Western Australia Council and past Chair of South Australia Council.

**Wendy Wills** BEd, MBA, FGIA, FCIS, FAICD, FCPA (appointed 4.6.09) — Qualified accountant, senior manager and director with experience in governance, financial management, human resources, industrial relations, risk and compliance in the not-for-profit and education sectors. Business Director at Pembroke School, South Australia since 2000 with previous experience in multimedia, government, finance and consulting. 2013 National President and Chair of Governance Institute. Director of Governance Institute subsidiary companies until 09.04.15. Current member of South Australia Council.

From left: John Mazengarb, Wendy Wills and Peter Turnbull
Directors’ interests and benefits

As Governance Institute is limited by guarantee, none of the Directors holds an interest but each, as a member of Governance Institute, is liable to the extent of their undertaking under Governance Institute’s constitution.

During or since the end of the financial year, Governance Institute 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 Governance Institute other than conduct involving a wilful breach of duty in relation to Governance Institute. Premiums were paid for each of the Directors listed on pages 27–28. The insurance contract entered into by Governance Institute prohibits disclosure of the nature of the liabilities insured by the insurance contract and the amount of the premiums.

Governance Institute’s constitution allows for the inclusion of indemnities in favour of persons who are or have been a Director or officer of Governance Institute. To the extent permitted by law, Governance Institute 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. The company did not execute any deeds of indemnity, insurance and access agreements during the year.

Payments to the Directors and to entities from which the Directors may benefit for services by the Directors or entities are disclosed in Notes 6 and 16 to the Financial Statements on pages 38 and 41.

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

Proceedings on behalf of the company

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

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

Attendance at Directors’ meetings

During 2016 attendance by individual Directors (including when represented by alternates) at meetings they were entitled to attend, was as set out in the table below.

Liability of members on winding up

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

Diversity of employees

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

<table>
<thead>
<tr>
<th></th>
<th>In whole of organisation</th>
<th>In senior executive positions</th>
<th>On the board</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>19%</td>
<td>36%</td>
<td>73%</td>
</tr>
<tr>
<td>Women</td>
<td>81%</td>
<td>64%</td>
<td>27%</td>
</tr>
</tbody>
</table>

As at the date of the report on 11 March 2017, the appointment of Christine Manuel as a Director has changed the composition of women to 36 per cent and men to 64 per cent.
Corporate Governance Statement


Company details

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

Directors’ signatures

Andrew Horne FGIA
Chair

Warren Baillie FGIA
Director

Alan Evans FGIA
Director

Andrew Leake FGIA
Director

Christine Manuel FGIA
Director

John Mazengarb FGIA
Director

Rachel Rees FGIA
Director

Peter Turnbull FGIA
Director

Trisha Mok FGIA
Director

Wendy Wills FGIA
Director

On behalf of the Board by resolution of the Directors, as signed above.

SYDNEY, 11 March 2017

Company Secretary

Stan Jodeikin BCom, Dip Bus Mgt (Hons), Grad Dip Accounting, FGIA, FCIS, FCPA, FIPA, AFAIM — Chartered Secretary, experienced in company secretarial practice, corporate governance, financial management, computer systems, risk management implementation, office and business management in manufacturing, wholesale and retail industries. Appointed Company Secretary of Governance Institute on 7 October 2000. He is also Australian Secretary of the Australian Division of the Institute of Chartered Secretaries & Administrators.

Auditors’ independence declaration

The Auditors’ independence declaration is set out on page 45 and forms part of the Directors’ report for the financial year ended 31 December 2016.
## Financial report

### Statement of comprehensive income for the year ended 31 December 2016

<table>
<thead>
<tr>
<th>Note</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>9,432,190</td>
<td>9,693,077</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>(322,219)</td>
<td>(335,331)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>(8,985,815)</td>
<td>(9,224,197)</td>
</tr>
<tr>
<td>Surplus before income tax expense</td>
<td>124,156</td>
<td>133,549</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Surplus after income tax</td>
<td>124,156</td>
<td>133,549</td>
</tr>
<tr>
<td>Net gain on disposal of asset</td>
<td>55</td>
<td>-</td>
</tr>
<tr>
<td>Surplus attributable to members</td>
<td>124,211</td>
<td>133,549</td>
</tr>
<tr>
<td>Other comprehensive income for the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total comprehensive surplus for the year attributable to members</td>
<td>124,211</td>
<td>133,549</td>
</tr>
</tbody>
</table>

### Statement of financial position as at 31 December 2016

<table>
<thead>
<tr>
<th>Note</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>7,1753,465</td>
<td>2,834,057</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>8,279,720</td>
<td>175,786</td>
</tr>
<tr>
<td>Other</td>
<td>9,286,886</td>
<td>447,221</td>
</tr>
<tr>
<td>Total current assets</td>
<td>2,320,053</td>
<td>3,457,064</td>
</tr>
<tr>
<td>Non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>10,3,233,395</td>
<td>3,312,079</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>11,1,798,791</td>
<td>587,430</td>
</tr>
<tr>
<td>Total non-current assets</td>
<td>5,032,186</td>
<td>3,899,509</td>
</tr>
<tr>
<td>Total assets</td>
<td>7,352,239</td>
<td>7,356,573</td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>12,336,995</td>
<td>487,831</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>13,2,263,926</td>
<td>2,248,002</td>
</tr>
<tr>
<td>Provisions</td>
<td>14(a), 531,934</td>
<td>488,612</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>3,132,855</td>
<td>3,224,445</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td>14(b), 82,887</td>
<td>119,842</td>
</tr>
<tr>
<td>Total non-current liabilities</td>
<td>82,887</td>
<td>119,842</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>3,215,742</td>
<td>3,344,287</td>
</tr>
<tr>
<td>Net assets</td>
<td>4,136,497</td>
<td>4,012,286</td>
</tr>
<tr>
<td>Members’ funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserves</td>
<td>4,763,033</td>
<td>763,033</td>
</tr>
<tr>
<td>Retained surplus</td>
<td>5,3,373,464</td>
<td>3,249,253</td>
</tr>
<tr>
<td>Total members’ funds</td>
<td>4,136,497</td>
<td>4,012,286</td>
</tr>
</tbody>
</table>
Statement of changes in members’ funds for the year ended 31 December 2016

<table>
<thead>
<tr>
<th>Note</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>4,012,286</td>
<td>3,878,737</td>
</tr>
<tr>
<td>Transfer net gain on disposal of asset</td>
<td>3</td>
<td>55</td>
</tr>
<tr>
<td>Surplus recognised directly in members’ funds</td>
<td>55</td>
<td>-</td>
</tr>
<tr>
<td>Surplus from ordinary activities</td>
<td>124,156</td>
<td>133,549</td>
</tr>
<tr>
<td>Total recognised surplus and expenses for the year attributable to the members</td>
<td>5</td>
<td>124,211</td>
</tr>
<tr>
<td>Closing balance</td>
<td>4,136,497</td>
<td>4,012,286</td>
</tr>
</tbody>
</table>

Statement of cash flows for the year ended 31 December 2016

<table>
<thead>
<tr>
<th>Note</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td>374,302</td>
<td>301,715</td>
</tr>
<tr>
<td>Subscriptions received</td>
<td>2,995,044</td>
<td>3,244,677</td>
</tr>
<tr>
<td>Receipts from courses and other activities</td>
<td>6,704,661</td>
<td>7,074,637</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(9,448,469)</td>
<td>(10,063,666)</td>
</tr>
<tr>
<td>Interest received</td>
<td>56,697</td>
<td>80,408</td>
</tr>
<tr>
<td>GST received/(paid)</td>
<td>66,369</td>
<td>(34,341)</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>18(b)</td>
<td>374,302</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td>(1,454,894)</td>
<td>(444,151)</td>
</tr>
<tr>
<td>Payments for property, plant and equipment</td>
<td>(91,358)</td>
<td>(57,075)</td>
</tr>
<tr>
<td>Payments for CRM development</td>
<td>(1,363,536)</td>
<td>(387,076)</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(1,454,894)</td>
<td>(444,151)</td>
</tr>
<tr>
<td>Net decrease in cash held</td>
<td>(1,080,592)</td>
<td>(142,436)</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of year</td>
<td>2,834,057</td>
<td>2,976,493</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of year</td>
<td>18(a)</td>
<td>1,753,465</td>
</tr>
</tbody>
</table>
Notes to the financial statements for the year ended 31 December 2016

1. Statement of significant accounting policies

This financial report is a general purpose financial report that has been prepared in accordance with the Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2013 and the Australian Charities and Not-for-profits Commission Regulation 2013.

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

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

Statement of compliance

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

The financial statements were authorised for issue by the Board of Directors on 11 March 2017.

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

(a) Company structure

Governance Institute of Australia Ltd is an incorporated company limited by guarantee. In the event of Governance Institute of Australia Ltd being wound up, the liability of each member, or each former member who ceased to be a member within a year of Governance Institute of Australia Ltd being wound up, is limited to an amount not exceeding $100. As Governance Institute of Australia Ltd is limited by guarantee, there is no reference in the statement of financial position to share capital or shareholders’ equity.

(b) Property, plant and equipment

(i) Recognition and measurement

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

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

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

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

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised.

The costs of the day-to-day servicing of property, plant and equipment are recognised in surplus or deficit as incurred.

(iii) Depreciation

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

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

<table>
<thead>
<tr>
<th>Class of fixed asset</th>
<th>Depreciation rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building — strata entitlement</td>
<td>1.33%</td>
</tr>
<tr>
<td>Strata and leasehold improvements</td>
<td>20.00%</td>
</tr>
<tr>
<td>Computer systems, furniture and office equipment</td>
<td>10% – 33.33%</td>
</tr>
</tbody>
</table>

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

(c) Intangible assets

(i) Website and customer relationship management system development costs

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

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the company intends to and has sufficient resources to complete development and to use or sell the asset.

The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised...
borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

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

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

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

The estimated useful lives for the current years are as follows:

| Capitalised website development costs | 5 years |

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

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

(e) Income tax
Governance Institute of Australia Ltd is for income tax purposes endorsed as a charitable institution. Its income is therefore exempt from Income Tax under Subdivision 50-B of the Income Tax Assessment Act 1997.

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

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

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

(i) Employee benefits
Provision is made for the company’s liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year of the balance date have been measured at the amounts expected to be paid when the liabilities are settled. Employee benefits expected to be settled more than one year from the balance date have been measured at the present value of future payments expected to be made in respect of services provided by employees up to the balance date. Consideration is given to expected future wage and salary levels, experience of employee departure and periods of service. Expected future payments are discounted to their net present value using an estimate of market yields at the balance date on professional markets investments.

(j) Revenue recognition
Revenue represents income earned from membership subscriptions and the provision of related services. Membership subscription revenue is recognised as and when received in relation to the current period. Revenue from the provision of other services is recognised upon the delivery of the service to members/customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. All revenue is stated net of the amount of GST.

(k) Financial instruments

Initial recognition and measurement
Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset. Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified ‘at fair value through surplus or deficit’ in which case transaction costs are expensed to surplus or deficit immediately.

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

Classification and subsequent measurement
Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost.

(i) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Loans and receivables are included in current assets, except those which are not expected to mature within 12 months after reporting date, which will be classified as non-current assets.
Loans and receivables comprise cash and cash equivalents and trade and other receivables.

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

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

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

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

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

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

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

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

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

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

The terms of the original will were found to be impracticable and following approval of a cy pres scheme in the Supreme Court of New South Wales, on the 28 October 2011 before Bryson AJ, the purposes of the Trust were confirmed to be that:

The Trustee (Governance Institute of Australia Ltd) holds, uses and applies the trust property to pay scholarships for entry:

(a) into the Trustee’s postgraduate courses dealing with applied corporate, public sector and/or not-for-profit sector governance, and

(b) into any other postgraduate course dealing with applied corporate, public sector and/or not-for-profit sector governance whether in Australia or overseas.

The scholarships are available to any persons with tertiary qualifications including, but not limited to, graduates from any courses which contain a corporate governance, company administration or public sector management component, whether that course has been conducted by the Trustee or any other government accredited Australian tertiary education institution.

The scholarships would be tenable at the Trustee, government accredited overseas institutions or any other government accredited Australian tertiary education institutions offering such courses, that the Trustee considers to be appropriate.

Financial report

The financial statements of trust funds are not consolidated with those of Governance Institute of Australia Ltd because the company does not have direct control over them, but are shown in Note 19.

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

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

(q) Foreign currency transactions and balances
Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate.

Exchange differences arising on the transaction of monetary items are recognised in the statement of comprehensive income.

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

Deferred revenue represents revenue received in advance which is not entitled to be recognised in the current period.
(s) New accounting standards for application in future periods

A number of Australian Accounting Standards have been issued or amended which are not yet effective and have not been adopted in preparation of the financial statements at the reporting date. They are not expected to affect the company in future years.

(t) Subsidiary companies

During prior years Governance Institute of Australia Ltd registered three subsidiary companies with ASIC to reserve appropriate names for future activities. The companies are dormant and have not commenced trading.

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

The Directors of the subsidiary companies are noted as per the Directors’ report on pages 27–28.

<table>
<thead>
<tr>
<th>Operating activities</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member and subscriber fees</td>
<td>2,855,285</td>
<td>2,764,827</td>
</tr>
<tr>
<td>Postgraduate courses</td>
<td>2,523,239</td>
<td>2,682,274</td>
</tr>
<tr>
<td>Short courses and Certificate courses</td>
<td>3,439,504</td>
<td>3,532,474</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>421,508</td>
<td>477,600</td>
</tr>
<tr>
<td>Interest</td>
<td>56,697</td>
<td>80,408</td>
</tr>
<tr>
<td>Other income</td>
<td>111,155</td>
<td>69,067</td>
</tr>
<tr>
<td>Publications, journal and merchandise</td>
<td>24,802</td>
<td>86,427</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td><strong>9,432,190</strong></td>
<td><strong>9,693,077</strong></td>
</tr>
</tbody>
</table>
### 3. Surplus from ordinary activities

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

<table>
<thead>
<tr>
<th>Expenses</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation and amortisation of non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building</td>
<td>16,864</td>
<td>16,865</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>125,092</td>
<td>98,582</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>28,088</td>
<td>69,098</td>
</tr>
<tr>
<td>Website</td>
<td>152,175</td>
<td>150,786</td>
</tr>
<tr>
<td><strong>Total depreciation and amortisation of non-current assets</strong></td>
<td>322,219</td>
<td>335,331</td>
</tr>
<tr>
<td>Personnel</td>
<td>4,337,838</td>
<td>4,619,973</td>
</tr>
<tr>
<td>Superannuation contributions</td>
<td>388,408</td>
<td>376,553</td>
</tr>
<tr>
<td>ICSA, UK — capitation fee</td>
<td>114,067</td>
<td>109,352</td>
</tr>
<tr>
<td>Rental expenses on operating leases</td>
<td>392,383</td>
<td>418,913</td>
</tr>
<tr>
<td>Occupancy and state facilities</td>
<td>175,678</td>
<td>166,928</td>
</tr>
<tr>
<td>Auditor's remuneration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit</td>
<td>25,500</td>
<td>26,000</td>
</tr>
<tr>
<td>Other services</td>
<td>3,600</td>
<td>1,400</td>
</tr>
<tr>
<td>Other expenses from ordinary activities</td>
<td>3,548,341</td>
<td>3,505,078</td>
</tr>
<tr>
<td><strong>Total other expenses</strong></td>
<td>8,985,815</td>
<td>9,224,197</td>
</tr>
<tr>
<td>Expenses from non-operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net gain on disposal of assets</td>
<td>55</td>
<td>-</td>
</tr>
</tbody>
</table>

### 4. Reserves

<table>
<thead>
<tr>
<th>Reserves</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital surplus reserve</td>
<td>745,933</td>
<td>745,933</td>
</tr>
<tr>
<td>Works of art revaluation reserve</td>
<td>17,100</td>
<td>17,100</td>
</tr>
<tr>
<td><strong>Total reserves</strong></td>
<td>763,033</td>
<td>763,033</td>
</tr>
</tbody>
</table>

### 5. Retained surplus

<table>
<thead>
<tr>
<th>Retained surplus at beginning of the year</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus for the year</td>
<td>124,211</td>
<td>133,549</td>
</tr>
<tr>
<td><strong>Retained surplus at the end of the year</strong></td>
<td>3,373,464</td>
<td>3,249,253</td>
</tr>
</tbody>
</table>
6. Key management personnel compensation

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

For presentations at postgraduate courses, short courses and Certificates, exam moderation and author fees.

<table>
<thead>
<tr>
<th>Name</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garth Fountain-Smith</td>
<td>300</td>
<td>-</td>
</tr>
<tr>
<td>Andrew Horne</td>
<td>900</td>
<td>300</td>
</tr>
<tr>
<td>Simon Pordage</td>
<td>1,300</td>
<td>650</td>
</tr>
<tr>
<td>Bill te Kloot</td>
<td>-</td>
<td>1,800</td>
</tr>
<tr>
<td></td>
<td>2,500</td>
<td>2,750</td>
</tr>
</tbody>
</table>

Other key management personnel

Consists of the CEO and the National Management team of senior executives comprising National and State Directors.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Key management personnel compensation comprised:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary and bonuses</td>
<td>1,773,089</td>
<td>2,106,629</td>
</tr>
<tr>
<td>Superannuation contribution</td>
<td>165,704</td>
<td>171,466</td>
</tr>
<tr>
<td>Long service leave provision</td>
<td>205,768</td>
<td>388,329</td>
</tr>
<tr>
<td><strong>Total compensation</strong></td>
<td>2,144,561</td>
<td>2,666,424</td>
</tr>
</tbody>
</table>

7. Cash and cash equivalents

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>800</td>
<td>800</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>606,252</td>
<td>342,870</td>
</tr>
<tr>
<td>Cash on deposit</td>
<td>1,146,413</td>
<td>2,490,387</td>
</tr>
<tr>
<td><strong>Total cash and cash equivalents</strong></td>
<td>1,753,465</td>
<td>2,834,057</td>
</tr>
</tbody>
</table>

8. Trade and other receivables

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade debtors</td>
<td>279,720</td>
<td>175,786</td>
</tr>
<tr>
<td><strong>Total trade and other receivables</strong></td>
<td>279,720</td>
<td>175,786</td>
</tr>
</tbody>
</table>

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

9. Other assets

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepayments</td>
<td>235,623</td>
<td>384,388</td>
</tr>
<tr>
<td>Prepaid ICSA capitation fee</td>
<td>51,245</td>
<td>62,833</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>286,868</td>
<td>447,221</td>
</tr>
</tbody>
</table>
10. Property, plant and equipment

<table>
<thead>
<tr>
<th></th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strata entitlement — at cost — Hunter Street, Sydney</td>
<td>3,100,000</td>
<td>3,100,000</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>571,071</td>
<td>571,071</td>
</tr>
<tr>
<td>Less: accumulated depreciation and amortisation</td>
<td>(755,147)</td>
<td>(710,196)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,915,924</td>
<td>2,960,875</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer system, furniture and office equipment at cost</td>
<td>1,830,260</td>
<td>1,739,519</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(1,534,889)</td>
<td>(1,411,779)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>295,371</td>
<td>327,740</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Works of art at valuation</td>
<td>22,100</td>
<td>23,464</td>
</tr>
</tbody>
</table>

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total property, plant and equipment</strong></td>
<td>3,233,395</td>
<td>3,312,079</td>
</tr>
</tbody>
</table>

**Valuation of strata entitlement**

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

Strata entitlement at Level 10, 5 Hunter Street, Sydney, purchased on 12 October 2004 for initial cost of $3,100,000. The most recent valuation report dated 11 February 2015 was based on an inspection of the property on 2 February 2015, prepared by George Paton FAPI, FRICS, FREI, AIAMA, Certified Practising Valuer, Registered Valuer No 1212 and Director of Chesterton International (NSW) Pty Limited and valued the strata entitlement at $4,400,000 (2012 was $3,750,000). On this basis the directors believe that there are no indicators of impairment of the asset carrying value as at 31 December 2016.

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

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

Website development costs

<table>
<thead>
<tr>
<th></th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of the year</td>
<td>754,208</td>
<td>744,208</td>
</tr>
<tr>
<td>Acquisitions — developed during the year</td>
<td>-</td>
<td>10,000</td>
</tr>
<tr>
<td>Less: accumulated depreciation and amortisation</td>
<td>(696,029)</td>
<td>(543,854)</td>
</tr>
<tr>
<td><strong>Balance at end of year</strong></td>
<td>58,179</td>
<td>210,354</td>
</tr>
</tbody>
</table>

Customer relationship management system

<table>
<thead>
<tr>
<th></th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of year</td>
<td>377,076</td>
<td>-</td>
</tr>
<tr>
<td>Acquisitions — developed during the year</td>
<td>1,363,536</td>
<td>377,076</td>
</tr>
<tr>
<td>Less: accumulated depreciation and amortisation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total intangible assets</strong></td>
<td>1,798,791</td>
<td>587,430</td>
</tr>
</tbody>
</table>

Website development costs

The website was launched during the first quarter of 2012, at which time the intangible asset was considered ready for use. Amortisation commenced from that time.

Customer relationship management system

During 2015 year the company began development of a new customer relationship management system. The customer relationship management system was launched progressively during the last month of 2016, at which time the intangible asset will be considered ready for use from 1 January 2017. Amortisation will commence from that time.

Movement in the carrying amounts for each class of intangibles between the beginning and the end of the current financial year.

<table>
<thead>
<tr>
<th></th>
<th>Website development costs $</th>
<th>Customer relationship management system project $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of year</td>
<td>210,354</td>
<td>377,076</td>
<td>587,430</td>
</tr>
<tr>
<td>Additions (net of disposals)</td>
<td>-</td>
<td>1,363,536</td>
<td>1,363,536</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>(152,175)</td>
<td>-</td>
<td>(152,175)</td>
</tr>
<tr>
<td><strong>Carrying amount at end of the year</strong></td>
<td>58,179</td>
<td>1,740,612</td>
<td>1,798,791</td>
</tr>
</tbody>
</table>

12. Trade and other payables

Current

<table>
<thead>
<tr>
<th></th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors and accruals</td>
<td>325,737</td>
<td>360,773</td>
</tr>
<tr>
<td>Net GST liability</td>
<td>(56,931)</td>
<td>(33,561)</td>
</tr>
<tr>
<td>Accrued ICSA capitation fee</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Payroll and PAYG tax payable</td>
<td>37,348</td>
<td>133,180</td>
</tr>
<tr>
<td>Fringe benefits tax payable</td>
<td>15,341</td>
<td>13,231</td>
</tr>
<tr>
<td>Brisbane premises new lease abatement</td>
<td>15,500</td>
<td>14,208</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>336,995</td>
<td>487,831</td>
</tr>
</tbody>
</table>

13. Deferred revenue

Subscriptions and fees in advance

<table>
<thead>
<tr>
<th></th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscriptions and fees in advance</td>
<td>2,263,926</td>
<td>2,248,002</td>
</tr>
</tbody>
</table>

(a) Current
- Provision for long service leave: $235,279 in 2016, $214,954 in 2015

(b) Non-current
- Provision for long service leave: $59,637 in 2016, $79,800 in 2015
- Brisbane premises new lease abatement: $23,250 in 2016, $40,042 in 2015

Average number of full-time equivalent employees
- 42.9 in 2016, 39.8 in 2015

15. Leasing commitments

Operating lease commitments
- Non-cancellable operating leases contracted for but not capitalised in the financial statements:
  - Payable: Not later than one year: $297,946 in 2016, $426,623 in 2015
  - Later than one but not later than five years: $439,436 in 2016, $737,383 in 2015

16. Related party and subsidiary company disclosures

Transactions with related parties
- Transacted on normal commercial terms unless otherwise stated.

(i) ICSA, United Kingdom: under the terms of an operating agreement with ICSA, Governance Institute of Australia Ltd remits an administration fee based on the number of Australian Members and students registered with ICSA as at 30 June each year to meet the expenses of the International Institute. ICSA changed their year end from July to June, which resulted in an extra month being paid during the year.
  - In order to restrict exposure to foreign currency fluctuations while meeting its obligation to ICSA, Governance Institute of Australia Ltd has opened an Australian bank account denominated in pounds sterling which is used to remit the administration fees to ICSA. As at balance date, an unrealised foreign exchange translation loss of $15,755, (2015 loss of $1,157), had been accounted for.

(ii) Three directors, as disclosed in Directors’ report on pages 27–28, are also directors of Governance Institute of Australia Ltd dormant subsidiary companies.

(iii) Effective Governance Pty Ltd, a company with which Garth Fountain-Smith (appointed director 31.1.16), has consulting arrangements, has received an amount of:
- $1,364 in 2016, $- in 2015

17. Segment reporting

Governance Institute of Australia Ltd operates as a professional association providing education and promotion of the advancement of effective governance and administration of organisations in the private and public sectors, for members and applicants for membership and for the public. These operations are in Australia and the revenue from operations is as disclosed per Note 2. The company is one reportable segment.
18. Cash flow information

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

<table>
<thead>
<tr>
<th>Description</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and on hand</td>
<td>607,052</td>
<td>343,670</td>
</tr>
<tr>
<td>Cash on deposit</td>
<td>1,146,413</td>
<td>2,490,387</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,753,465</td>
<td>2,834,057</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Description</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net surplus from ordinary activities after income tax</td>
<td>124,211</td>
<td>133,549</td>
</tr>
<tr>
<td>Non-cash flows in surplus from ordinary activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>322,219</td>
<td>335,331</td>
</tr>
<tr>
<td>Change in assets and liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) in trade and other receivables</td>
<td>(103,934)</td>
<td>(80,686)</td>
</tr>
<tr>
<td>Decrease/(Increase) in other current assets</td>
<td>160,353</td>
<td>(162,114)</td>
</tr>
<tr>
<td>(Decrease) in trade and other payables</td>
<td>(150,838)</td>
<td>(103,974)</td>
</tr>
<tr>
<td>Increase in deferred revenue</td>
<td>15,924</td>
<td>375,643</td>
</tr>
<tr>
<td>Increase/(Decrease) in provisions</td>
<td>6,367</td>
<td>(196,034)</td>
</tr>
<tr>
<td><strong>Net cash provided by operating activities</strong></td>
<td>374,302</td>
<td>301,715</td>
</tr>
</tbody>
</table>

19. Trust funds

Statement of financial position

<table>
<thead>
<tr>
<th>Description</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estate Late Leonard Chant</td>
<td>1,002,012</td>
<td>1,038,461</td>
</tr>
<tr>
<td>The Institute Trusts</td>
<td>76,529</td>
<td>76,162</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,078,541</td>
<td>1,114,623</td>
</tr>
</tbody>
</table>

Represented by

<table>
<thead>
<tr>
<th>Description</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and on deposit and trade and other receivables</td>
<td>1,078,541</td>
<td>1,114,623</td>
</tr>
</tbody>
</table>

Current assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Current liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>577</td>
<td>105</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>577</td>
<td>105</td>
</tr>
</tbody>
</table>

Net trust funds

<table>
<thead>
<tr>
<th>Description</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,077,964</td>
<td>1,114,518</td>
</tr>
</tbody>
</table>

Statement of comprehensive income

Income

<table>
<thead>
<tr>
<th>Description</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest — Bequest from Estate Late Leonard Chant</td>
<td>10,482</td>
<td>16,234</td>
</tr>
<tr>
<td>Interest — Other trust funds</td>
<td>468</td>
<td>751</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>10,950</td>
<td>16,985</td>
</tr>
</tbody>
</table>

Expenditure

<table>
<thead>
<tr>
<th>Description</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration cost</td>
<td>(472)</td>
<td>(2,545)</td>
</tr>
<tr>
<td>Bank fees and charges</td>
<td>(257)</td>
<td>(307)</td>
</tr>
<tr>
<td>Scholarships and administrative costs</td>
<td>(46,775)</td>
<td>(39,823)</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td>(46,604)</td>
<td>(32,806)</td>
</tr>
</tbody>
</table>

Used trust funds

<table>
<thead>
<tr>
<th>Description</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>1,114,518</td>
<td>1,140,208</td>
</tr>
<tr>
<td><strong>Total used trust funds</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Trust funds balance at end of year

<table>
<thead>
<tr>
<th>Description</th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,077,964</td>
<td>1,114,518</td>
</tr>
</tbody>
</table>
20. Financial risk management

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

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

<table>
<thead>
<tr>
<th>Financial assets</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>1,753,465</td>
<td>2,834,057</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>279,720</td>
<td>175,786</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,033,185</td>
<td>3,009,843</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial liabilities</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial liabilities at amortised cost:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>336,995</td>
<td>487,831</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>336,995</td>
<td>487,831</td>
</tr>
</tbody>
</table>

Financial risk management objectives and policies
Governance Institute of Australia Ltd’s financial instruments consist principally of accounts receivable, accounts payable, cash and short term bank deposits and bills of exchange. The purpose of these financial instruments is to maintain financial prudence of the funds and to contribute any surplus earnings towards the company’s operations.

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

(a) Net fair values
The carrying amount of bank deposits, prepayments, accounts payable and accounts receivable approximate fair value. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the Notes to the Financial Statements. There is no difference noted between fair values and carrying values of financial instruments.

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

The company’s exposure to market interest rate primarily relates to its cash and cash equivalents. At balance date, the company had the following financial assets exposed to Australian variable interest rate risk.

<table>
<thead>
<tr>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>1,753,465</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Post-tax surplus higher/(lower)</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>+1% (100 basis points)</td>
<td>17,535</td>
<td>28,341</td>
</tr>
<tr>
<td>-1% (100 basis points)</td>
<td>(17,535)</td>
<td>(28,341)</td>
</tr>
</tbody>
</table>

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

(c) Credit risk
The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and Notes to the Financial Statements.

The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the company.
(d) Financial facility
The company has a $350,000 facility for the issue of bank guarantees which is secured by a registered first mortgage over the strata entitlement as detailed in Note 10.

(e) Price risk
The company is not exposed to any material commodity price risk.

(f) Foreign currency risk
The company seeks to mitigate the effects of foreign currency exposure by purchasing pounds sterling (GBP) and holding them in an Australian bank account denominated in GBP until it pays its obligations to ICSA UK.

The following sensitivity analysis is based on foreign currency risk exposure in existence at balance date.

<table>
<thead>
<tr>
<th></th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash balance of GBP at year end</td>
<td>40,090</td>
<td>32,196</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2016 $</th>
<th>2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUD/GBP+5%</td>
<td>2,005</td>
<td>1,610</td>
</tr>
<tr>
<td>AUD/GBP-5%</td>
<td>(2,005)</td>
<td>(1,610)</td>
</tr>
</tbody>
</table>

(g) Liquidity risk
The company manages liquidity risk by monitoring forecast cash flows and ensuring that liquidity risk arising from the company’s financial liabilities is minimised so that it will meet its obligations to repay the financial liabilities as and when they fall due.

To help reduce these risks, Governance Institute of Australia Ltd has a liquidity policy in place which requires minimum average levels of cash and cash equivalents to be maintained.

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

<table>
<thead>
<tr>
<th>Year ended 31 December 2016</th>
<th>Less than 1 year $</th>
<th>1–5 years $</th>
<th>Non-interest-bearing $</th>
<th>Total $</th>
<th>Weighted average %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,753,465</td>
<td>-</td>
<td>-</td>
<td>1,753,465</td>
<td>2.60</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>-</td>
<td>-</td>
<td>279,720</td>
<td>279,720</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,753,465</td>
<td>-</td>
<td>279,720</td>
<td>2,033,185</td>
<td></td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>-</td>
<td>-</td>
<td>336,995</td>
<td>336,995</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>336,995</td>
<td>336,995</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year ended 31 December 2016</th>
<th>Less than 1 year $</th>
<th>1–5 years $</th>
<th>Non-interest-bearing $</th>
<th>Total $</th>
<th>Weighted average %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2,834,057</td>
<td>-</td>
<td>-</td>
<td>2,834,057</td>
<td>2.69</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>-</td>
<td>-</td>
<td>175,786</td>
<td>175,786</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,834,057</td>
<td>-</td>
<td>175,786</td>
<td>3,009,843</td>
<td></td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>-</td>
<td>-</td>
<td>487,831</td>
<td>487,831</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>487,831</td>
<td>487,831</td>
<td></td>
</tr>
</tbody>
</table>

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

22. Contingent liabilities
There are no contingent liabilities as at 31 December 2016.
Directors’ declaration

In the opinion of the Directors of Governance Institute of Australia Ltd (‘the Company’):

(a) the financial statements and notes that are set out on pages 31 to 44 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

(i) giving a true and fair view of the Company’s financial position as at 31 December 2016 and of its performance, for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2013; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

Andrew Horne FGIA
Director

Warren Ballie FGIA
Director

Dated at Sydney this 11th day of March 2017.

Auditor’s independence declaration

Lead Auditor’s Independence Declaration under subdivision 60-C section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012

To: the Directors of Governance Institute of Australia Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2016 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Regulation 2013 in relation to the audit; and

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

KPMG

David Sinclair
Partner
Sydney
11 March 2017
Independent auditor’s report

to the members of Governance Institute of Australia Ltd

Opinion

We have audited the Financial Report of Governance Institute of Australia Ltd (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Commission Regulation 2013 (collectively the Act Regulation), including:

• giving a true and fair view of the Company’s financial position as at 31 December 2016 and of its financial performance for the year ended on that date; and

• complying with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2013.

The Financial Report comprises:

• Statement of financial position as at 31 December 2016

• Statement of comprehensive income, statement of changes in members’ funds, and statement of cash flows for the year then ended

• Notes including a summary of significant accounting policies

• Directors’ Declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the Financial Report section of our report.

We are independent of the Company in accordance with the Act and Regulation and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Act and Regulation, which has been given to the Directors of Governance Institute of Australia Ltd, would be in the same terms if given to the Directors as at the time of this Auditor’s Report.

Other Information

Other Information is financial and non-financial information in Governance Institute of Australia Ltd’s annual reporting which is provided in addition to the Financial Report and the Auditor’s Report.

The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor’s Report was the annual report. Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor’s Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

• preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the Act and Regulation

• implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error

• assessing the Company’s ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the Financial Report

Our objective is:

• to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and

• to issue an Auditor’s Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.


David Sinclair
Partner
Sydney

11 March 2017

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (‘KPMG International’), a Swiss entity. Liability limited by a scheme approved under Professional Standards Legislation.
## Detailed operating surplus and deficit accounts

for the five years 2012–2016

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member and subscriber fees</td>
<td>2,855,285</td>
<td>2,764,827</td>
<td>2,699,304</td>
<td>2,589,866</td>
<td>2,514,127</td>
</tr>
<tr>
<td>Postgraduate courses</td>
<td>2,523,239</td>
<td>2,682,274</td>
<td>2,657,275</td>
<td>2,526,878</td>
<td>2,313,447</td>
</tr>
<tr>
<td>Short courses and Certificates</td>
<td>3,439,504</td>
<td>3,532,474</td>
<td>3,009,638</td>
<td>3,024,166</td>
<td>2,882,259</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>421,508</td>
<td>477,600</td>
<td>371,058</td>
<td>454,624</td>
<td>518,936</td>
</tr>
<tr>
<td>Interest</td>
<td>56,697</td>
<td>80,408</td>
<td>88,255</td>
<td>108,298</td>
<td>134,517</td>
</tr>
<tr>
<td>Other income</td>
<td>111,155</td>
<td>69,067</td>
<td>78,915</td>
<td>80,001</td>
<td>93,464</td>
</tr>
<tr>
<td>Publications, journal and merchandise†</td>
<td>24,802</td>
<td>86,427</td>
<td>26,018</td>
<td>41,228</td>
<td>46,758</td>
</tr>
<tr>
<td><strong>Total operating revenue</strong></td>
<td>9,432,190</td>
<td>9,693,077</td>
<td>8,930,463</td>
<td>8,825,061</td>
<td>8,503,508</td>
</tr>
</tbody>
</table>

| **Operating expenses** |       |       |       |       |       |
| Personnel | 4,726,246 | 4,996,526 | 4,719,122 | 4,371,277 | 4,075,797 |
| Postgraduate courses | 780,004 | 829,627 | 765,519 | 871,838 | 655,847 |
| Short courses and Certificates | 832,311 | 910,917 | 838,315 | 908,153 | 842,575 |
| Occupancy and state facilities | 568,060 | 585,841 | 599,478 | 548,697 | 515,706 |
| Publications, journal and merchandise† | 277,760 | 270,673 | 281,175 | 261,285 | 282,990 |
| Depreciation and amortisation | 322,219 | 335,331 | 393,718 | 378,629 | 369,095 |
| Travel and meetings | 256,178 | 253,996 | 249,272 | 255,254 | 221,851 |
| Profile and website maintenance | 680,510 | 491,922 | 487,203 | 435,814 | 345,276 |
| Repairs and maintenance | 321,663 | 307,365 | 315,627 | 326,378 | 311,620 |
| ICSA, UK — capitation fee — see note 16(i) | 114,067 | 109,352 | 91,172 | 82,789 | 82,655 |
| Telephone, facsimile and email | 145,708 | 117,863 | 98,390 | 89,633 | 84,287 |
| Bank and credit card fees | 28,853 | 31,747 | 30,892 | 33,176 | 88,962 |
| Printing and stationery | 19,753 | 79,228 | 94,318 | 86,497 | 86,970 |
| International representation | 63,416 | 84,080 | 108,961 | 101,176 | 121,616 |
| Postage and courier | 13,428 | 16,527 | 15,389 | 17,347 | 21,354 |
| Insurance | 36,467 | 36,504 | 38,494 | 38,962 | 39,367 |
| Other expenses | 77,185 | 47,542 | 71,962 | 22,016 | 63,178 |
| Auditors | 25,500 | 26,000 | 25,000 | 25,100 | 23,360 |
| Professional services | 18,706 | 28,499 | 16,523 | 20,899 | 18,747 |
| Rebranding and renaming project†† | - | - | 10,175 | 605,501 | 55,504 |
| ICSA structural reform††† | - | - | 4,246 | 11,057 | 46,144 |
| **Total operating expenses** | 9,308,034 | 9,559,528 | 9,254,951 | 9,491,478 | 8,352,901 |

**Surplus/(Deficit) from ordinary activities** | 124,156 | 133,549 | (324,488) | (666,417) | 150,607 |

**Net gain/(loss) on disposal of asset** | 55 | - | 81 | - | (1,051) |

**Total surplus/(Deficit) for the year** | 124,211 | 133,549 | (324,407) | (666,417) | 149,556 |

---

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

** Expenditure incurred in rebranding company to Governance Institute of Australia Ltd.

†† ICSA structural reform costs incurred during the year consist of legal, meetings, constitutional and proxy solicitation fees spent on the ICSA/Governance Institute of Australia Ltd’s governance matters.
Members’ code of ethics

Governance Institute of Australia Ltd 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 Governance Institute of Australia Ltd and abide by the regulations.
- As the conduct of an individual member can reflect upon the wider profession of corporate management and upon Governance Institute of Australia Ltd’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 Governance Institute of Australia Ltd.
- 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.

* Forms part of Governance Institute of Australia Ltd’s Code of Business Conduct and Ethics
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