

QLDdirector

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Director Advisory Service

The role of the director is a demanding one. The responsibility not only requires professional acumen and experience, but also the personal attributes required to withstand the tough times and have courage to ask the right questions. When the demands and responsibilities of being a director call for tough decisions, it helps to have a trusted source to turn to.

Since its launch in Queensland in May last year, the Director Advisory Service has assisted members with great success. As a member, you have at your fingertips access to an experienced and respected panel of senior directors whose know-how and understanding provide the foundations for support and guidance.

With a diverse range of backgrounds the panel can

offer understanding on specific issues, a confidential sounding board or peer support and advice. The service's mission is to assist members on the vast range of director and board related issues and whilst the information provided is general guidance and not professional advice (i.e. legal or accounting); the types of issues covered are often specific or unique situations. Themes have included:

- Board relationships
- CEO remuneration and evaluation
- The multiplicity of director roles and conflicts of interest
- Reporting to the board
- Setting up an advisory board

And many more...

The Director Advisory Service compliments the support

that can be found amongst accessible member benefits such as resources, templates, policy articles, informative podcasts and boardroom radio, access to our Information and Research department and even the Member Relations team in the division who can assist with resourcing and over the phone support.

To access the service please contact the Queensland Division office via email and provide the following details:

- Your name
- Organisation type or industry sector (if relevant)
- Contact details
- Ideal time frame

Contact: Ms Kelly Goucher
e: adasqld@companydirectors.com.au
t: 07 3222 5500

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Message from the State Manager



Richard Moore GAICD

Good governance is an integral component of any successful organisation. The health sector is no exception. The boards of health organisations are responsible for ensuring that their organisations are well placed to deal with current and future challenges and capitalise on opportunities.

The changes taking place under the Federal Government's Health Reform program will place a greater focus on governance structures and oversight demands on organisations supporting the Australian health community.

As the health sector in Australia adapts to this new regime and structure it is clear that the boards of Local Hospital Networks and Primary Health Care Organisations need to take the lead role in setting the strategic direction for their organisations. To do this effectively they must have an appropriate structure, and function according to commercially recognised principles and practices. Boards must comprise the

blend of experience, skills and vision necessary to ensure the success of their organisation. Management needs the direction provided by appropriate planning, structures and policies to deliver what the board wants.

The Australian Institute of Company Directors Queensland Division has key governance programs designed to assist boards and board members identify and implement best practice governance. Our courses clearly outline the role of the board as distinct from management, the various legal and moral issues facing board members and the organisation, the importance of governance policies and processes, and the

need for the board to focus on the strategic direction of the organisation to the benefit of members / stakeholders.

The Australian Institute of Company Directors Queensland Division can provide further support and advice to health sector organisations on a range of director education and professional development which can be delivered In-Boardroom.

By ensuring your skills are developed and honed, directors of health organisations will be well placed to capitalise on future challenges and opportunities.

Business decisions are never and white

Smart business decisions are made with reliable *and* complete information, and at Pacifica Chartered Accountants we are on hand to give you all the information you need. Pacifica's professional and experienced business consultants work seamlessly with you and your staff. All areas of business can benefit, whether you require specialist taxation advice, strategies for business development or audits and assessments. Get the full story on business with Pacifica – accounting for your business.

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www.scgs.qld.edu.au

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Taming currency risk

Just a short while ago, some money market analysts were predicting that the Australian dollar could reach parity with the greenback. Now market jitters have sent the dollar sliding. It's a timely reminder that currency risk should be an essential part of your risk management plan, according to the Commonwealth Bank's **Mark Toon**.

The Queensland and Australian economies are largely built on our success as a trading nation, particularly as an exporter of raw materials. During the recent financial crisis, it's been one of our great strengths. But it also has its pitfalls.

The Australian dollar is widely seen as a commodity-based currency. As commodity prices fluctuate, so does the dollar. As a result, our currency is one of the world's most volatile.

We've experienced the consequences in recent weeks. Financial markets have been spooked by sovereign debt fears in Europe, together with efforts by China to reign in lending in that country's overheating housing market, which has led some commentators to speculate that China's hitherto unstoppable growth could be set to falter, or at least moderate.

The result has been a return to risk aversion in currency markets, with traders fleeing back to the US dollar and abandoning commodity based currencies such as the Australian dollar and South African Rand. All this, despite the comparative strength of the Australian economy and rising local interest rates, usually a positive for our currency. In three short weeks, between 14 April and 7 June, the Australian dollar slid by 12.7% in US dollar terms.

After a relatively stable five months, during which the

dollar traded in a slender 4 US cent range, volatility is back with a vengeance. Which might lead you to wonder: what does it mean for your company? And what, if anything, should you and your management team be doing about it?

What it means for you

It isn't only importers and exporters who are exposed to currency fluctuations. If you source stock or equipment offshore, then currency risk should be part of your risk management plan.

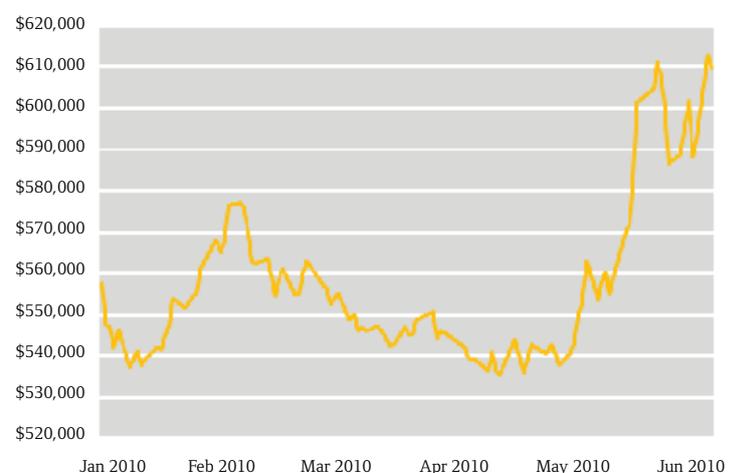
For example, imagine that you had arranged to import materials worth US\$500,000 just before the recent drop-off in the Australian dollar. Without hedging, that purchase could have cost you anything between AU\$535,275 and AU\$613,046, depending on the timing of your transaction.

Naturally, if you're an importer or an exporter, the situation is even more serious. A volatile dollar can make both income and expenditure hugely unpredictable. And because many exporters are also importers, and vice versa, the timing of transactions becomes crucial.

Active management is the key

Without hedging, a poorly timed overseas purchase or sale can severely impact your margins on a transaction or erase them entirely. Yet a

The changing cost in Australian dollars of a US\$500,000 equipment purchase



traditional forward foreign exchange contract may not be the answer. While it locks in a fixed rate, protecting you against unfavourable fluctuations, it also cancels the potential for upside risk.

The key is to quantify your currency risk in advance, then actively manage it, drawing on a portfolio of solutions for different situations. They might include:

- Forward foreign exchange, locking in an exchange rate for a specified date.
- Currency options, which give you the right, but not the obligation, to exchange at a specified rate on a specified date.
- Flexible forwards, which combine the security of forward foreign exchange with upside exposure.

Your objective is to balance risk and return, mitigating the worst of the risk while

allowing your company to capitalise on any opportunities for gains from exchange rate volatility. At the same time, it's important to avoid relying too heavily on timing transactions. Currency movements are hard to forecast with accuracy, and even professional currency traders can be caught unawares by rapidly changing markets.

If in doubt, seek expert advice. Because, when it comes to foreign exchange, the only thing we can say with certainty is that the future is unpredictable.

Mark Toon is General Manager of Commonwealth Bank Corporate Banking in Queensland, a specialist division dedicated to the needs of business clients. Mark has more than 30 years experience in the financial services industry, including roles in commercial and retail banking.

Brisbane events

Business Breakfast

Tuesday 27 July 2010

Boats, bikes and automobiles



Guest speaker:

Peter Birtles
Managing Director &
Chief Executive Officer
Super Cheap Auto Group

Peter will discuss the development of the Super Cheap Auto Group from a single brand organisation with a turnover of \$500 million to a multi-brand organisation with a turnover in excess of \$1 billion. The key element of the Group's success is its passion for its people, its products and its performance.

Event details

Time: 7.00am for 7.20am
 – 8.50am

Venue: Hilton Brisbane Hotel
 190 Elizabeth Street
 Brisbane

Cost: Members \$60.00
 Non-members \$70.00
 Table of 10 \$600.00

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Directors Briefing

Monday 19 July 2010

Monitoring Financial Solvency and a Legal Update

Guest Speakers:

Terry O'Reilly FAICD,
Non-Executive Director,
Macarthur Coal,
Jock O'Shea, Partner,
Blake Dawson and
Lynne Walton, Senior
Manager, BDO

In a tough economic climate directors need to pay close attention to their organisations financial position and act when they suspect any problems.

This Directors Briefing will explore the early warning signs, possible consequences, amendments to the Director

Penalty Provisions, the Federal Governments package of reforms to the corporate insolvency laws and what directors should consider for the Personal Property Securities Act 2009 before the new regime is introduced.

Event details

Time: 5.30pm for 5.45pm
 – 8.00pm
 (including presentation, networking, drinks and canapés)

Venue: Hilton Brisbane Hotel
 190 Elizabeth Street
 Brisbane

Cost: Members \$66.00
 Non-members \$80.00

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To register for any of these events or for further information t: 07 3222 5500, e: kcondon@companydirectors.com.au or visit the website: companydirectors.com.au/Events/QLD

Effective not-for-profit boards

The not-for-profit (NFP) sector is one of Australia's largest with over 700,000 NFP organisations contributing 4.1% of Australia's economy. Often referred to as the 'third sector', due to its size and contribution, this business segment also presents unique challenges to the heads at the board table.

With the proposed reform changes lingering on the horizon, including streamlined reporting requirements and new accounting standards; coupled with the issues such as multiplicity of roles, stakeholder expectations and board composition, greater attention to enhancing governance within the NFP boardroom has become a priority.

Good governance is a universal concept that is fundamental to board effectiveness.

Key considerations for not-for-profit boards include:

- A clearly defined purpose and strategic direction that is communicated to all relevant stakeholders (manages expectations).
- The board's role is well defined (assists in managing the multiplicity of board responsibilities).
- The board is aware of duties and responsibilities, current legislation affecting their role and organisation and appropriately documents policies and procedures.
- Board composition reflects the skills, knowledge and experience required to achieve the agreed upon purpose.

- Have a good understanding of financial responsibilities and establish policies, set indicators of good health and ensure management is effectively reporting to this.
- Ensure the board is adequately covered by D&O insurance.

Despite the size and diversity of the sector, many of the challenges not-for-profits face are shared. Governance of a not-for-profit organisation can be complex; however as the recent Australian Institute of Company Directors *Social Impact Study* results indicate, the social and economic contributions from these boards are significant. For more information on how the Australian Institute of Company Directors can support your NFP board, please contact the Queensland Division office on 07 3222 5500.

Education solutions for your board and senior executive

Credible, Relevant and Reliable

While you as a Director, aspiring or experienced, may have invested in your own personal education to ensure you have the appropriate skills and knowledge of governance, has your board considered undergoing an education program a whole?

As a collective group, boards bring together a mix of skills,

background and experience and therefore must have appropriate governance structures in place to operate effectively and assist the organisation to achieve its strategic goals.

Our In-Boardroom Services are a cost-efficient, tailored, and confidential way for your board to review good governance practices, learn more about roles and

responsibilities, and develop processes more effectively.

Regardless of the educational topic, an In-Boardroom program ensures a confidential, focused environment where the entire board is working through consistent information that compliments your in-house expertise and is relevant to your organisation.

Choose a course that specifically address your board's

needs and we will create a program that allows particular topics to be emphasised, issues discussed and resolved and tools adopted.

For more information on how we can design and deliver an In-Boardroom course at a date, location and time that suits you, please contact Ms Sharelle Mann, Qld Education Executive, on 07 3222 5500.

Regional events

Toowoomba Business Leaders Briefing



Is your not-for-profit compliant? Wednesday 28 July 2010

Join expert guest speakers Mike McDonald (Moore Stephens), Gavin Nicholson (QUT) and Shane Charles (Condon Charles Lawyers) as they uncover the secrets to succeeding in this competitive industry.



This Business Leaders Briefing is an excellent professional development opportunity as you will learn from specialist presenters, gain a practical guide to compliance and overall governance in this changing environment, and gain insights into the circumstances surrounding the roles and problems that can occur in the not-for-profit sector.



Sponsored by: **CommonwealthBank** 

MOORE STEPHENS
ACCOUNTANTS & ADVISORS

Event Details

Time: 5.15pm – 8.00pm

Venue: Downs Club
15 Mylne Street
Toowoomba

Cost: Members: \$45.00
Non-members \$50.00

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Gold Coast Business Leaders Briefing



Governance in the Not-for-Profit Sector Thursday 29 July 2010

The Australian Institute of Company Directors invites you to join us and hear about issues that affect governance in not-for-profit organisations.



The challenges that senior executives and non-executive directors face in the not-for-profit sector are unique and complex. This panel of specialised presenters will draw on their expertise and practical knowledge to explore current and topical issues.



This Business Leaders Briefing is designed for existing, newly appointed and aspiring directors, chairmen, senior executives and committee members of all organisations with a vested interest in the not-for-profit sector.

Guest presenters include Gavin Nicholson FAICD (QUT), Bronwyn Morris FAICD (Non Executive Director) and John Witheriff MAICD (Minter Ellison).

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MinterEllison 

Event Details

Time: 5.15pm Registration
for 5.30pm – 8.00pm
(including presentation,
networking, drinks & canapés)

Venue: Gold Coast
Convention Centre

Cost: Members \$45.00
Non-members \$50.00

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To register for any of these events or for further information t: 07 3222 5500, e: kcondon@companydirectors.com.au or visit the website: companydirectors.com.au/Events/QLD

Diary dates

12 July Townsville Business Breakfast

Guest Speaker: Ian Glasson, CEO, Sucrogen (formerly CSR)
Venue: Mercure, Townsville
Time: 7:00am – 9:00am
Enquires: Nikki Bower or Kate Condon

12 July Company Directors Course – Weekly Evening Sessions

Venue: Brisbane Polo Club, Brisbane
Time: 5:00pm – 8:15pm
Enquiries: Sharelle Mann or Rachael Lister

15 July The Not-for-Profit Board Course

Venue: The Brisbane Club, Brisbane
Time: 8:30am – 4:30pm
Enquiries: Sharelle Mann or Rachael Lister

19 July Brisbane Directors Briefing

Topic: Monitoring Financial Solvency and a Legal Update
Guest Speakers: Terry O'Reilly FAICD, Non-Executive Director, Macarthur Coal, Jock O'Shea, Partner, Blake Dawson and Lynn Walton, Senior Manager, BDO
Venue: Hilton Brisbane Hotel
Time: 5.30 for 5.45pm – 8.00pm
Enquiries: Sally Taylor or Kate Condon

22-26 July Company Directors Course – Cairns

Venue: Shangri-La Hotel, Cairns
Time: 8:30am – 4:00pm
Enquiries: Sharelle Mann or Rachael Lister

27 July Business Breakfast

Guest Speaker: Peter Birtles, Managing Director and Chief Executive Officer, Super Cheap Auto Group Limited
Venue: Hilton Brisbane Hotel
Time: 7:00am for 7:20am – 8:50am
Enquiries: Sally Taylor or Kate Condon

Contact:

t: 07 3222 5500
e: qld@companydirectors.com.au

28 July Toowoomba Not-for-Profit Business Briefing

Guest Speakers: Shane Charles MAICD (Condon Charles Lawyers), Mike McDonald MAICD (Moore Stephens) & Gavin Nicholson FAICD (QUT)
Venue: Downs Club, Toowoomba
Time: 5:15pm – 8:00pm
Enquires: Nikki Bower or Kate Condon

29 July Sunshine Coast Business Breakfast

Guest Speaker: Steve Doyle, Chief Operating Officer, BCF Australia
Venue: Mantra, Mooloolaba
Time: 7:00am – 9:00am
Enquiries: Nikki Bower or Kate Condon

29 July Gold Coast Business Leaders Briefing

Topic: Governance in the not-for-profit Sector
Guest Presenters: Bronwyn Morris FAICD, Gavin Nicholson FAICD and John Witheriff
Facilitator: Peter Emery FAICD
Venue: Gold Coast Convention Centre
Time: 5.15pm for 5.30pm – 8.00pm
Enquiries: Nicole Oswald or Kate Condon

31 July - 31 October Townsville Company Directors Course – Weekend Sessions

Venue: James Cook University, Townsville
Time: 9:00am – 4:30pm
Enquiries: Sharelle Mann or Rachael Lister

3 August Mackay Members Evening

Guest Speaker: Peter Franks, CEO, Mackay Regional Council
Venue: Ocean International
Time: 5.15pm – 7.00pm
Enquiries: Kate Condon

5 August Capital Raising Course

Facilitator: Christopher Witt FAICD
Venue: Brisbane Polo Club, Brisbane
Time: 8:30am – 4:30pm
Enquiries: Sharelle Mann or Rachael Lister

New members

Mark Adamson
Toowoomba

Geoffrey Auckland
Toowong

Nik Baboric
Palm Beach

Vicki Batten
Southport

Dennis Beck
Surfers Paradise

David Black
Bardon

Christopher Bradd
Surfers Paradise

William Brammer
Tarragindi

Susanne Bransgrove
Spring Hill

Ross Browning
Mount Cotton

Nicole Burgess
Tewantin

Raelene Burke
Cairns

Alan Campbell
East Brisbane

Zachary Casley
Wynnum

Harry Charlton
Brisbane

Michael Connell
Kenmore Hills

Sandra Corfield
Biloela

Mark Crawley
Moranbah

Geoffrey Dawson
Auchenflower

Margaret De Wit
Kenmore

Jason Devitt
Mackay

Danielle Duell
St Lucia

Andrew Dugard
Pacific Pines

Richard Farquhar
Chapel Hill

Sally Frazer
Spring Hill

Peter Harney
Virginia

Peter Hauser
Toowoomba

Brendan Hay
Brisbane

John Healy
Toowong

Michael Hocken
Wights Mountain

Gavin Holden
Cairns City

Michael Hertz
Oxley

Marc Leman
East Toowoomba

Victoria Lister
Highgate Hill

Duncan Mcphee
Cairns

John Mlikota
Cairns City

Sherril Molloy
Paradise Point

Nick Morgan
Brisbane

Jodi Needham
Brisbane

Shaun Nugent
Brisbane

Margaret O'donnell
New Farm

John Palmer
Milton

Susan Playford
Fortitude Valley

Darryn Purdy
Brisbane

Julie Reid
Toowoomba

Amanda Rodionoff
Burleigh Town

Jane Schmitt
Red Hill

Mark Shield
Newstead

Robert Simpson
Tanah Merah

Sean Sorby
Brisbane

Joseph Spiteri
Flinders View

Johan Steenhuisen
Ilkley

Scott Story
Brisbane

Sandra Stuckey
South Brisbane

Peter Suchting
The Gap

Wendy Tancred
Brisbane

Donald Thams
Southport

Matthew Thomson
Bundall

Kevin Tickle
Rockhampton

Anthony Trew
Brisbane

Richard Triggs
Brisbane

David Wing
Brisbane

Brenton Winn
Albion

Carl Wulff
Brookwater

Michael Zivcic
St Lucia

