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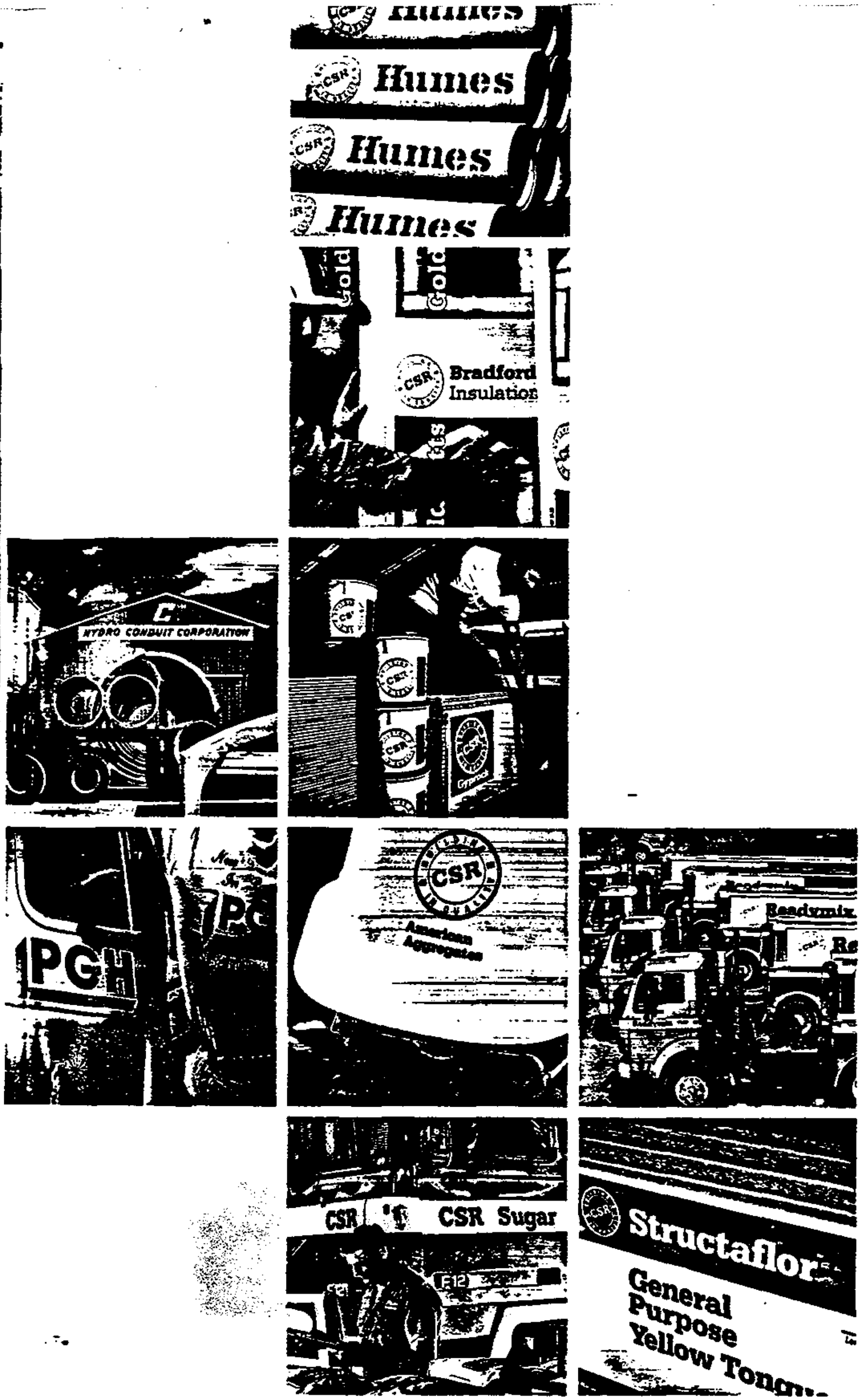

Annual Report for the year ended 31 March 1991

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CSR Limited

A.C.N. 000 001 276

Annual general meeting

Monday 29 July 1991 at 10.30 am
Grand ballroom
Sheraton-Wentworth Hotel
61 Phillip Street
Sydney

A notice of meeting and a proxy form are included with this report to shareholders.

Financial calendar

1991

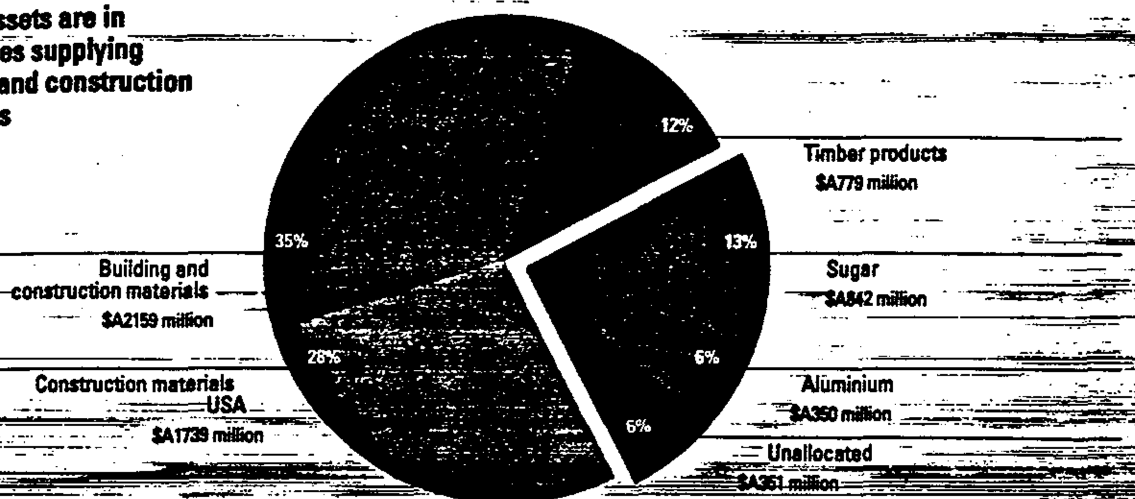
11 July	Shares begin trading ex dividend
17 July	Books close for final dividend
29 July	Annual general meeting
7 August	**Final dividend paid**
16 September	Last day for trading partly-paid shares
30 September	Half year end. Last day for final instalment of $A1.50 a share to be paid for partly-paid shares to become fully paid. Interest paid on $A4.00 convertible notes
4 November	Interim dividend announced
21 November	Shares begin trading ex dividend
25 November	Half-yearly profit announced
27 November	Books close for interim dividend
18 December	**Interim dividend paid.** Half-yearly results summary mailed

1992

28 February	Conversion date for $A4.00 convertible notes
31 March	Year end. Interest paid on $A4.00 convertible notes

Cover: CSR manufactures and markets a wide range of products with strong brand names.

75% of assets are in businesses supplying building and construction industries



What we are

CSR was founded in Sydney in 1855 as a sugar refining company and began manufacturing building materials in 1940. CSR was incorporated as a public company in 1887 and has made an operating profit and paid a dividend every year since incorporation.

CSR is now one of the world's largest building and construction materials companies and has substantial operations in Australia, North America, New Zealand and South-East Asia.

CSR is also Australia's largest producer of raw and refined sugar and has investments in bauxite, alumina and aluminium production.

Building materials include plasterboard, insulation, bricks, pavers, roof tiles, clay pipes and concrete blocks.

Construction materials include aggregates, sand, cement, pre-mixed concrete, asphalt, concrete pipes and pre-stressed concrete beams.

Timber products include sawn softwood timber, wood based panels and decorative laminates.

Sugar operations include milling, refining, providing marketing and related services to the Queensland sugar industry, ethanol production and shipping.

CSR's sales exceed $A4.5 billion yearly. Total assets are $A6.2 billion of which nearly a third are outside Australia, mostly in the United States. CSR employs 20 000 people worldwide at over 700 locations.

Where we are going

CSR is clearly focussed on the manufacture and marketing of building and construction materials and sugar.

We will continue to develop building and construction materials businesses in Australia and overseas, and sugar businesses in Australia. These are businesses we know and understand, and where our management skills can add value and sustain growth in returns to shareholders over the longer term.

Our businesses have strong market shares. That position will be maintained by being innovative and by differentiating our brands from those of competitors through quality products, superior customer service and the initiative of our people. In building and construction materials we will maintain diversity of product and industry segment, and geographic spread of end markets.

We will maintain prudent financial policies and make our assets earn returns that place CSR among the best performing industrial companies in Australia.

CSR's organisation centres on business units and encourages sound management of each business. The company has a simple, no-nonsense management style that encourages and rewards employees who provide superior customer service and achieve increased value for shareholders.

CSR is responsive to the attitudes and expectations of the communities in which it operates and places strong emphasis on achieving a sustainable balance between development and protection of the environment.

Directors' report

Highlights

Net profit before abnormal items was $A325.9 million, down 20%.
Pre-tax operating profit of $A564.7 million was down 24%.

The recommended final dividend is reduced from 24 cents to 16 cents a share, fully franked, bringing the full year dividend to 32 cents a share, fully franked, compared to 40 cents last year. The final dividend will be paid on 7 August.

Building and construction activity fell about 10% in Australia and 15% in the United States. World sugar prices fell 20% and world aluminium prices fell 6%.

CSR strengthened its competitive position through cost reductions and productivity improvements in all operations.

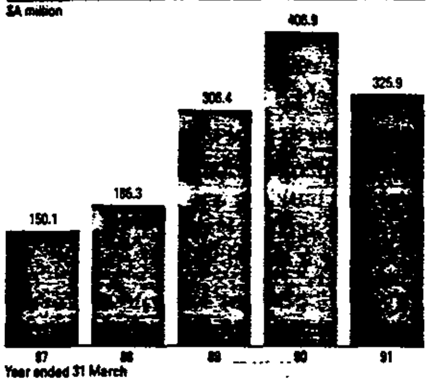
Capital investment totalled $A453 million, down 70%. Investment was directed mainly at enhancing and expanding CSR's building and construction materials businesses in Australia and the United States. There were no large acquisitions.

Divestment proceeds totalled $A341 million. Major divestments were:
- the sale of CSR's investments in Austral Brick and Redland Plasterboard
- the sale of non-strategic assets in the United States.

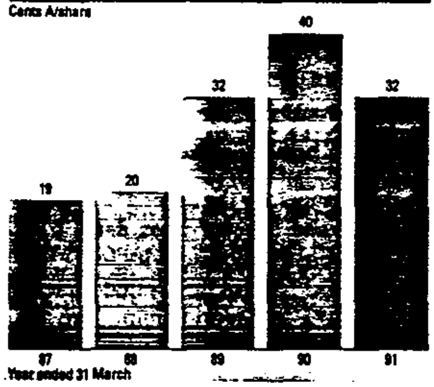
CSR remains financially strong:
- net borrowings were reduced by $A293 million
- gearing fell from 32.9% to 27.9%
- cash flow (funds from operations) was $A712 million
- interest was covered 4.6 times by earnings before interest and tax.

Profit was the second highest on record

Net profit before abnormal items



Dividend



Financial summary

Year ended 31 March ($A million unless indicated)	1991	1990	% change
Gross revenue – including sales made as agent	5599.9	5664.7	–1
Group revenue	4979.5	4892.3	2
Trading revenue	4566.5	4516.1	1
Operating profit before interest, foreign exchange and income tax	671.3	793.7	–15
Net interest expense	123.7	60.0	–
Net foreign exchange gain	–	5.7	–
Income tax expense	190.2	289.9	–34
Minority interests' profit proportion	31.5	42.6	–26
Net profit before abnormal items	325.9	406.9	–20
Abnormal items	(2.4)	–	–
Extraordinary items	–	0.5	–
Operating profit after abnormal and extraordinary items	323.5	407.4	–21
Earnings per share on issue at 31 March (cents)	42.0	55.0	–24
Dividends per share (cents)	32.0	40.0	–20
Return on shareholders' funds at 31 March (%)	11.6	16.1	–
Paid up capital at 31 March	777.8	735.0	6
CSR shareholders' funds at 31 March	2797.8	2532.8	10
Non-current creditors and borrowings at 31 March	1219.2	1413.5	–14
Cash flow (funds from operations)	712.1	902.7	–21
Gearing at 31 March (%)	27.9	32.9	–
Total assets at 31 March	6220.2	6299.2	–1
Capital investment	452.7	1508.1	–70
Divestments	340.8	272.1	25
Net tangible assets (book value) per share at 31 March ($A)	3.11	2.89	8
Net assets (book value) per share at 31 March ($A)	3.60	3.45	4

CSR is a strong company with sound businesses. Costs are tightly controlled and marketing and production effectiveness have been improved.

Last year was a struggle, especially the second half, when markets were in recession and, in some cases, deep recession. Building and construction activity fell about 10% in Australia and 15% in the United States. World sugar prices fell 20% and world aluminium prices 6%.

Profit was $A325.9 million. We would obviously have preferred to have done better. But, given the circumstances, we believe the result was satisfactory.

The final dividend, if approved at the annual general meeting, will be 16 cents a share and fully franked for Australian taxation purposes. This will bring the full year dividend to 32 cents a share or $A247 million.

Looking back we, and many others, underestimated the severity and length of the recession and were a little slow to fully adjust to it. On the other hand, the company has been significantly strengthened by the hard times.

CSR's general management team: Ian Burgess, Bill Bennett, Geoffrey Kells, Don Murden and Keith Barton.

CSR is a strong company with first class assets spread mainly between Australia and North America. The company has a significant presence in nearly all markets in which it competes. CSR has excellent long-term quarry reserves, and sugar mills and aluminium investments which are among the most competitive in the world.

CSR is financially sound, with strong cash flows and modest debt. Its technology is generally up to international best practice.

The company's financial performance is subject to the cycles in building and construction activity in Australia and the United States and variations in world sugar and aluminium prices.

There will be years when all are favourable and results for shareholders excellent, as occurred in the year ended March 1990. There will be other times when they vary at random. Sometimes, when all markets are depressed, as we are currently experiencing, results will be significantly lower.

In addition, profits will generally be higher in CSR's September half year than the March half. The March half year is affected by the Christmas shut down of the building and construction industry in Australia and by winter weather that normally shuts down activity in parts of the United States over the period December to February.

Rewards for shareholders through dividends are also likely to fluctuate with CSR's fortunes.

Focus, or concentration of effort, is of vital importance to companies such as CSR. We have worked hard at narrowing the focus of the activities the company manages to building and construction materials and sugar. Aluminium and related products are an investment in internationally competitive assets. This focus is not likely to change. Capital and management resources are being committed to strengthen all activities. The result will be progressively more competitive operations.

In, say five years, we see the company having much the same focus although it will be larger and more competitive. It will probably have expanded its presence in other major world markets.

CSR's building and construction materials businesses in Australia are now much stronger. Managers are working hard to make their businesses more efficient and more competitive. Much was achieved last year and more will be achieved this year. However, all our building and construction materials businesses in Australia and New Zealand were affected by the recession.

All our building and construction materials businesses, other than cement, earned smaller profits. Markets are unlikely to improve much this year. In the meantime, our people, from senior management to the shop floor, are improving the profitability of their businesses through productivity increases, selective expansion and a greater commitment to customer service.

Our businesses in the United States are very competitive. They have relatively large market shares in the areas where they operate. Management is effective and efficient.

Our US businesses will improve steadily, but returns will vary with the building and construction cycle. We are adding to them as opportunities arise, to make them stronger. Recent acquisitions have improved our competitive position in several areas.

We do not view the US operations – and must not view them – in a short term context. There is need for massive infrastructure replacement and building in the United States. As this proceeds, CSR will be part of it. The precise timetable for this rebuilding is not known.

The timber operations in Australia were a particular problem last year. They were hard hit by an abnormally large market downturn, by government royalties on plantation softwood that are high by international standards and by imports. We cannot hold out the prospect of good results from these assets this year, but we can expect that much better results will be achieved in the longer term. Much has been done to improve their competitiveness in the abnormal circumstances of deep recession.

CSR's sugar businesses are the origin of the company and have weathered many changes over the past 136 years. Our raw sugar mills crush about 35% of the sugarcane in Queensland. They are low cost, world-scale mills and have significant scope for further growth. Arrangements have been negotiated with sugarcane growers and employees to introduce continuous crushing, which will enable a significant increase in production, with minimal capital investment.

We are adopting a cautious approach to rationalising our refineries. The replacement of the embargo on sugar imports into Australia with a tariff, in June 1989, gave the New South Wales raw sugar industry a significant economic incentive and competitive advantage to convert to the production of refined sugar for the domestic market. As a result we have lost about 200 000 tonnes, or 25%, of market share. However, tariff levels are being progressively reduced and are presently the subject of an Industry Commission inquiry.

Our mills and refineries continue to improve their competitiveness, but profitability is largely determined by world raw and refined sugar prices and exchange rates; factors outside our control.

Our aluminium interests are low cost and internationally competitive. Expansion of production capacity at the Gove bauxite/alumina project and construction of the third potline at the Tomago aluminium smelter will further improve competitiveness.

Lower world aluminium and alumina prices reduced profits last year and will have an even greater impact this year. But the production expansion and productivity improvements at Gove and Tomago will ensure both investments continue to produce good returns for CSR over the longer term.

The outlook for this year is uncertain and does not give cause for optimism. Quite simply, we do not know what the state of the Australian and United States economies will be. It is reasonable to expect a modest improvement in the second half of 1991 if lower housing interest rates lead to increased demand for building and construction materials.

Sugar and aluminium prices are equally hard to predict, although we are fairly pessimistic in the short term. Our sugar and aluminium businesses contributed $A120 million of profit after tax last year. If prices remain at the levels that have prevailed in the first two months of this year, their after tax contribution will be about $A50 million less than last year.

This year is, therefore, likely to be particularly difficult. Nevertheless, our situation is far from unique and we are doing all possible to improve productivity. Productivity is, of course, a complex matter in an industrial company. The term embraces costs of all kinds, quality in all its dimensions, as well as efficiency and effectiveness measured on a scale of time.

Improving the productivity of a company the size of CSR is a large task. It involves considerable effort and is sometimes painful. But it must be done. Fortunately, CSR has the right people with the drive to achieve the goal. As a result, CSR is in a sound position to cope with the current recession and will be extremely strong in its aftermath.

Ian Burgess

Ian Burgess
Managing Director

Operations summary

	Profit	Significant events
Building and construction materials	Profit fell 13% to $A144.9 million. Returns from cement investments increased due, mainly, to one-off factors. All other businesses made lower profits.	Building and construction activity in Australia fell about 10%. $A132 million was invested in expanding and improving Australian quarrying and concrete operations. A glasswool insulation plant and a clay roof tile plant began production in Australia. CSR sold its 50% investment in Austral Brick and its 49% investment in Redland Plasterboard. Cost reductions and productivity improvements were achieved by all businesses.
Construction materials USA	Profit rose 33% to $A35.5 million. The increase reflected the first full year's contribution from the ARC America subsidiaries. All businesses were profitable. Profit from Rinker Materials fell.	Construction activity in the United States fell about 15%. $A100 million was invested in expanding and improving quarrying and concrete operations. Divestment of surplus land and non-strategic assets yielded $A50 million. All businesses reduced costs and improved productivity; employee numbers were reduced by over 1000.
Timber products	A loss of $A5.5 million was incurred compared with a profit of $A37.1 million the previous year. Formica New Zealand and radiata pine plantation operations made small profits. All other businesses incurred small losses.	The market for timber products in Australia fell 20% and imports increased. 14 wood panel distribution centres were opened or acquired, improving customer service. A moulded fibreboard door panel plant and a components factory started production in Queensland. Productivity was improved by reducing factory costs, overheads and stocks, and rationalising production capacity. Export began of 250 000 tonnes a year of plantation pine chips.
Sugar	Profit fell 16% to $A86.1 million. Milling profits were reduced by lower world sugar prices and a smaller sugarcane crop. Australian refining profits were affected by the first full year's competition from Manildra Harwood Sugars. New Zealand refining operations improved profits.	The 1990 sugarcane crop was lower due to poor weather, and world raw sugar prices fell 20%. Invicta Mill successfully introduced continuous sugarcane crushing. Refining operations improved productivity by increasing automation and adopting more efficient work practices. The sugar refinery in Adelaide was closed. A plan was released for the long-term redevelopment of CSR's land on Pyrmont Peninsula, Sydney.
Aluminium	Profit fell 27% to $A34.1 million. The fall mainly resulted from lower aluminium and alumina prices and higher production costs.	World aluminium prices fell 6%. A new 20-year bauxite export agreement was negotiated with the Commonwealth and Northern Territory governments. A long-term contract was concluded to supply 100 000 tonnes a year of alumina to Canada. Expansion of Gove alumina refinery progressed. Construction of Tomago Aluminium's third potline began.

	Future strategies	Outlook

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Broaden product range, especially of concrete products and plasterboard.
Make add-on acquisitions in quarrying and concrete.
Expand cement production capacity and distribution capability.
Continue to improve productivity and customer service.

Demand for building and construction materials is likely to remain at current levels for most of 1991.
A modest recovery in home building is expected by early 1992, with a return to normal levels in 1993.
Acquisitions and new plants should add to revenue and profits.
Plasterboard sales and profits will be affected by a new competitor.

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Continue to improve all aspects of the businesses, by streamlining organisation, upgrading production methods, reducing costs and improving marketing strategies.
Acquire high-yielding add-on businesses.
Divest surplus and under-performing assets.

The US construction industry is expected to remain depressed in 1991.
Demand for construction materials should improve by early 1992.
The longer-term outlook is favourable because of the need for large expenditure on infrastructure.
Acquisitions and new plants and quarries should add to revenue and profits.

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Continue to broaden product range, particularly of high value-added products.
Reduce costs and increase productivity at all operations.
Rationalise production capacity.
Persuade governments to reduce log royalties to international levels.

Demand for timber and timber products is likely to remain at current levels for most of 1991.
Increased productivity, reduced costs and increased sales from improved customer service should return CSR's timber products operations to profitability this year.

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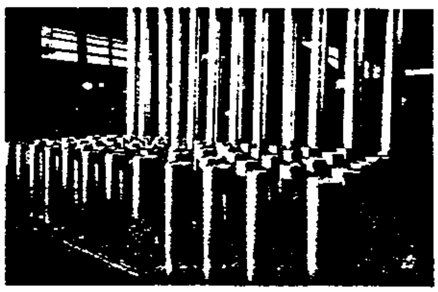
Implement continuous crushing of sugarcane when crops increase.
Continue to reduce costs and improve customer service to meet competition in the refined sugar market.

Lower world sugar prices and weather-affected crops are expected to reduce this year's milling profits.
Longer term, CSR's mills are well placed to benefit from planned increases in Queensland sugar production.
CSR's share of the refined sugar market should remain around current levels.

otiated
ne began.

Complete expansion of capacity at Gove and Tomago.
Continue improving productivity and lowering costs at Gove and Tomago.
Increase sales of high value-added aluminium products.

World aluminium prices are expected to remain depressed this year.
Gove Aluminium's profits will also reflect a reduced share of bauxite exports and higher aluminium and alumina production costs.
The longer-term outlook for aluminium is favourable because of its strength, lightness and recyclability.



CSR's building and construction materials businesses were affected by the recession, but will benefit when demand improves.

Profit fell 13% to $A144.9 million. Revenue was 7% lower. Returns from CSR's cement investments increased. Profits from all other businesses fell. Profits were down because of the impact of the recession on the Australian building and construction industry.

Australian house building and commercial construction fell 14% as a result of high interest rates during the first half of the year and reduced economic activity. Civil construction rose 4% because of continued high levels of road and highway building.

Demand for most of CSR's building and construction materials was relatively steady in New South Wales and Queensland and much weaker in Victoria and Western Australia.

Alec Brennan; Lindsay Thomas, Director Lend Lease Corporation; and Brent Baker. Civil & Civic, a Lend Lease subsidiary, is a major Australian construction company and a large customer for CSR pre-mixed concrete and plasterboard.

Alec Brennan, BSc, MSc (Admin), age 44, General Manager The Readymix Group, joined CSR in 1969.
Brent Baker, BSc, age 32, General Manager CSR Gyprock Group, joined CSR in 1980.

CSR is continuing to strengthen its competitive position by tightly controlling manufacturing costs, reducing overheads, maintaining awareness of customer needs and by making low-risk additions to its existing businesses.

The Readymix Group strengthened its competitive position by investing $A132 million in expanding and improving operations. The group extended its market coverage throughout eastern Australia. Major growth initiatives included the opening of a large quarry near Melbourne, acquisition of two Sydney pre-mixed concrete companies and acquisition of quarrying and sand operations in Queensland. An asphalt plant was opened in Melbourne and approval was gained for the development of a large quarry south of Sydney.

Profit fell and revenue declined despite growth by acquisition during the year. Market shares were maintained despite strong competition.

Sales volumes for most products declined from the record levels in the previous year. The fall was most severe for pre-mixed concrete resulting from the decline in the commercial construction and housing sectors of the market. Demand for civil engineering products was marginally higher than in the previous year.

Operational efficiency continued to improve. Overhead costs, working capital and overtime were reduced. A number of quarries, pre-mixed concrete plants and concrete products plants were closed to match production capacity to the reduced demand.

Construction of a concrete pipe factory in Victoria began in August 1990. Advanced technology developed by the group will reduce production costs and improve product quality. The factory will start supplying the market in late 1991. The Humes concrete pipe business in Fiji was sold.

The Readymix Group is successfully applying the principles of Total Quality Management in all businesses. Attention was focussed at all levels on the importance of continuous improvement in customer service and in methods of production.

Dividends from Australian Cement Holdings (50% CSR) increased 133% to $A17.0 million. The increase resulted from the sale of surplus assets, the payment of previous years' dividends and the first full year's contribution from Goliath Cement (100% Australian Cement). Overall, revenue fell because of weak demand in Victoria. This was partly offset by increases in market share in New South Wales and South Australia.

Australian Cement is improving its competitive position. Goliath Cement's production is being increased, at a cost of $A83 million, from 570 000 to about 930 000 tonnes a year.

Distribution capability is being increased. A 15 000 tonne capacity bulk cement ship is to be built. Additional cement distribution facilities are being established in Sydney, Newcastle and Adelaide, allowing much greater access to markets and providing increased flexibility and lower distribution costs.

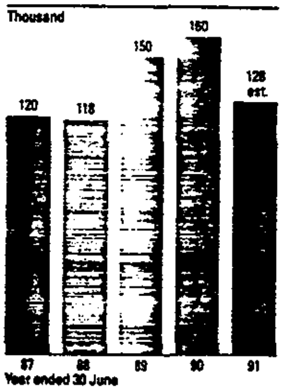
Australian Cement acquired the outstanding 50% of Bulk Cement Carters, Victoria, and increased its shareholding in Melcann, Australia's largest distributor of bagged cement, to 50.3%.

Plasterboard profits and revenue were lower in a weaker market. CSR Gyprock's profitability was affected by the fall in Australian home building and commercial construction. Market share was maintained, but sales volumes and margins fell.

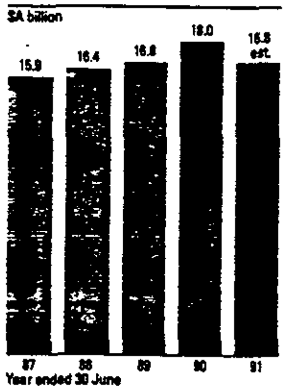
The group reduced overhead costs. Improvements in plasterboard production technology continued. Cost savings will be achieved from new waste recycling at the Sydney plant.

A third plasterboard manufacturer is expected to start production in Australia in September 1991. CSR's market share is expected to decline.

Australian dwelling completions



Australian non-dwelling construction*

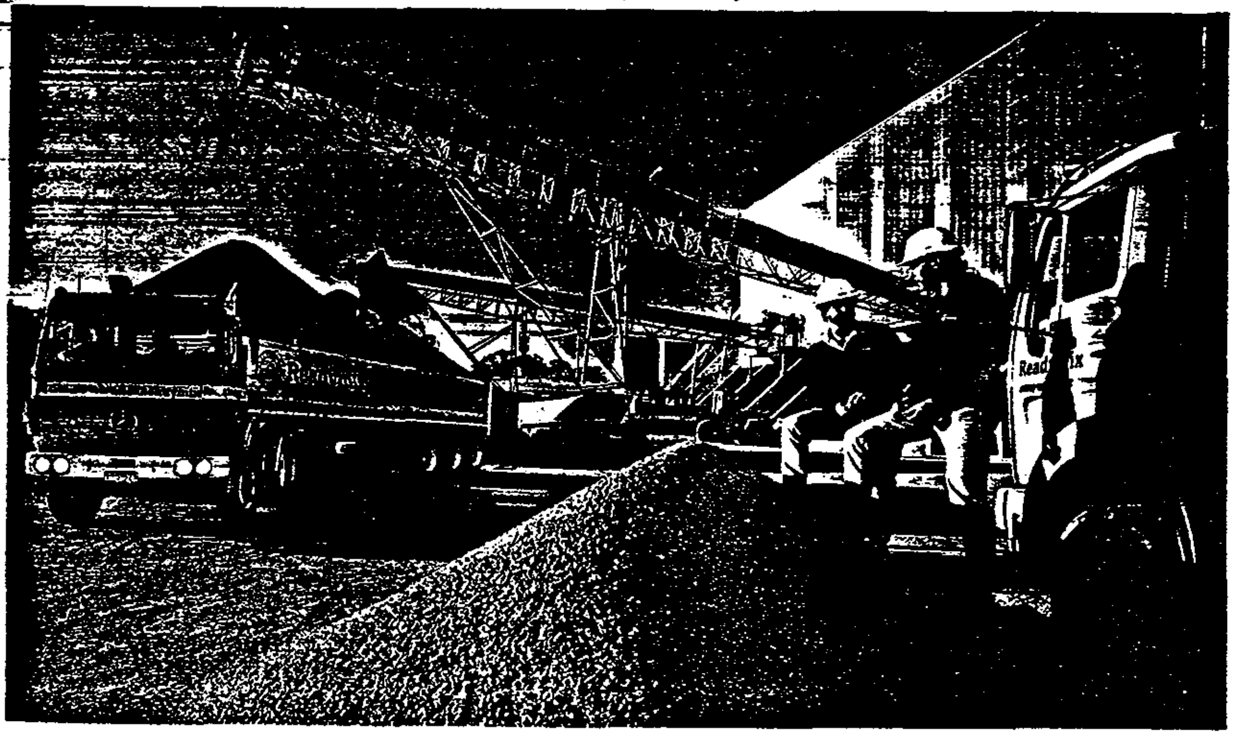


*Commercial building and civil construction in constant 1984/85 prices.

Sales of CSR Hebel's (86.1% CSR) autoclaved aerated concrete blocks and reinforced panels, introduced to the Australian market in March 1990, grew steadily despite the depressed market. An expected small loss was incurred. The business should operate profitably this year.

CSR's North American plasterboard accessories businesses improved their operational efficiency and intensified their marketing efforts. Profitability of the Canadian business rose, as did the US business despite a depressed market.

The Readymix Group's large, new, Oaklands Junction Quarry in Melbourne supplies high quality aggregate to the construction industry in Victoria. Russel Wilson and David Johnson at the final screening house.



CSR's 49% interest in the European plasterboard joint venture was sold in September 1990 for $A113.8 million, incurring an abnormal loss of $A36.0 million. The sale avoided further losses in weakening markets already severely affected by over capacity and price discounting.

Sales of clay roof tiles were maintained at last year's level. Sales of concrete roof tiles fell, in line with the housing industry downturn. Monier Roofing's (51% CSR) profits were lower, particularly in Victoria and Western Australia. Margins improved for clay roof tiles but were lower for concrete roof tiles. The company reduced production and overhead costs in line with falling demand. Plants were upgraded and marketing efforts intensified.

Monier acquired the Summerland Roof Tile distribution business in northern New South Wales. A new clay roof tile factory, near Melbourne, started production. Its range of high quality tiles gained ready acceptance in the market.

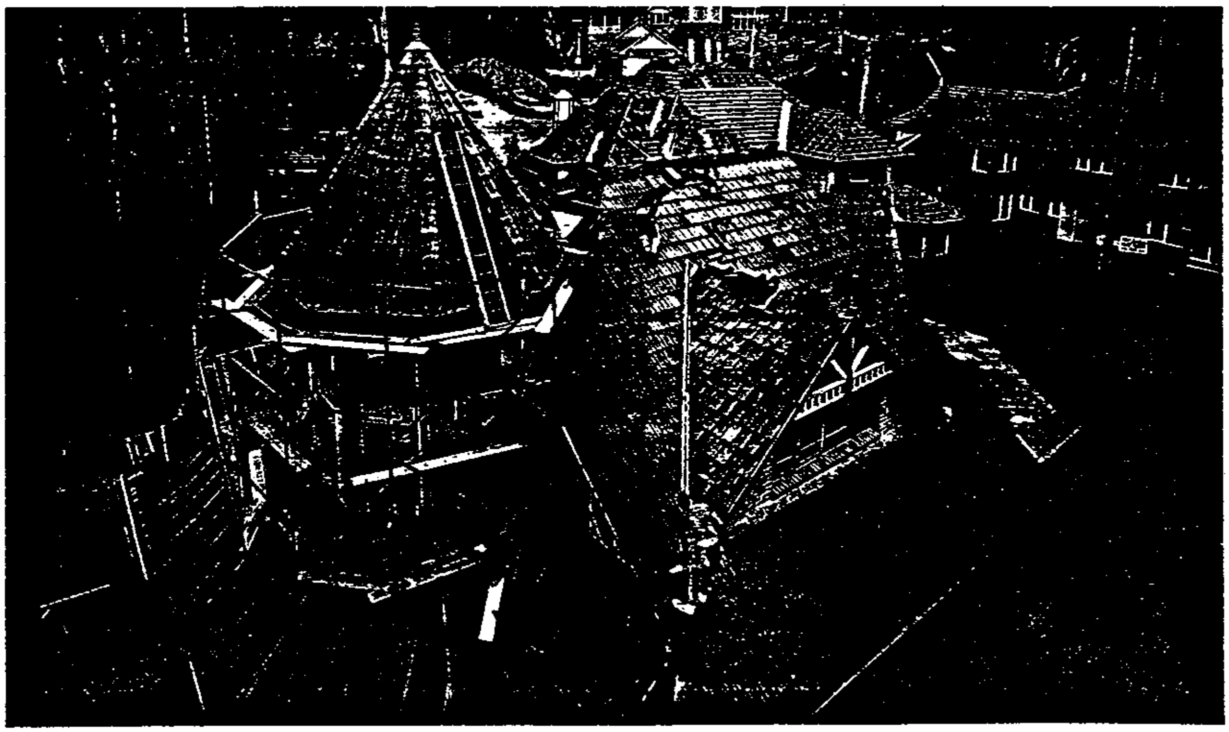
Profits from the PGH brick business (51% CSR) fell. Revenue declined because of reduced house building and margins were lower. Improved production technology at several plants lowered unit costs. A brick plant in South Australia was closed and production transferred to another plant. Profits from the New Zealand brick and tile business were similar to the previous year despite reduced housing construction.

CSR's 50% interest in Austral Brick was sold in September 1990 for $A142.2 million. Loans from CSR to Austral of $A19 million were also repaid. The sale yielded an abnormal profit of $A36.4 million after tax.

Bradford Insulation rationalised production. Revenue in Australia was lower and profits fell. Reduced demand in industrial and commercial markets resulted in a marginal fall in sales of all products. All factories achieved cost reductions.

A $A69 million glasswool insulation plant near Sydney started production in October 1990. The increased range of high quality products from the factory has been well accepted in the market. As planned, the older glasswool insulation plants in Sydney and Melbourne were closed.

Monier Roofing Ltd (51% CSR), with 20 plants, is the largest supplier of roof tiles in Australia and New Zealand. The market for Monier clay tiles is growing strongly because of their high quality and long life.



The Malaysian rockwool business (70% CSR) increased profitability. Improved contributions came from all market segments and the outlook is good.

The Canadian rockwool insulation business again incurred a loss, but there was an improvement following cost reductions, productivity improvements and increased sales. CSR increased its shareholding in the business from 70% to 100%. There will be further cost reductions and productivity improvements this year.

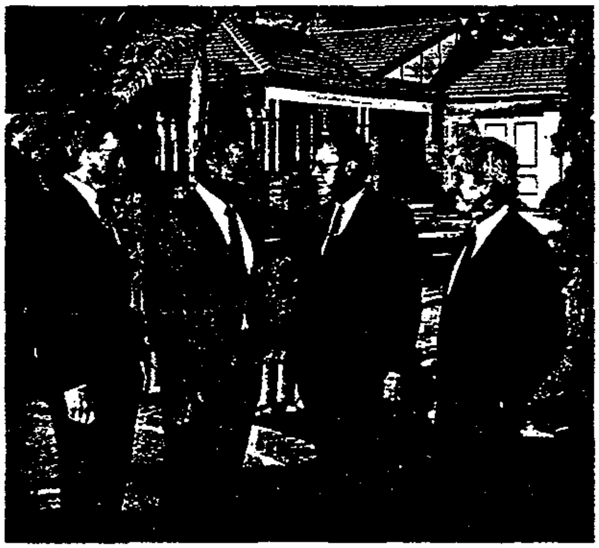
Outlook

The Australian economy is expected to come out of recession in late 1991 or early 1992 and this should lead to an increase in house building.

A recovery in commercial construction is not expected until excess office space and hotel accommodation are absorbed over the next two or three years.

Civil construction should continue to grow modestly, underpinned by increased expenditure on infrastructure.

Geoff Squires; Jim Masterton, Managing Director Masterton Homes; Stan Droder; and Peter Bowen. CSR roof tiles, insulation, bricks and pavers are used extensively by Masterton Homes, a major home builder in New South Wales.



Geoff Squires, BEc, MBA, age 42, General Manager Monier Roofing Ltd (51% CSR), joined Monier Ltd in 1970 and the CSR Group in 1989.
Stan Droder, FCA, age 54, General Manager Bradford Insulation Group, joined CSR in 1963.
Peter Bowen, BEng, PhD, age 46, General Manager PGH Ltd (51% CSR), joined CSR in 1962.

Six-year performance

Year ended 31 March ($A million unless indicated)	1991	1990	1989	1988	1987	1986
Trading revenue	**1753**	1878	1247	954	646	643
Profit before interest, foreign exchange, tax	**293.5**	360.1	244.6	156.9	101.0	93.1
Gross margin (%)	**16.7**	19.2	19.6	16.4	15.6	14.5
Net profit before abnormal items	**144.9**	165.8	139.8	77.6	49.8	54.2
Shareholders' funds at 31 March	**931**	890	800	604	243	201
Return on shareholders' funds (%)	**15.6**	18.6	17.5	12.8	20.5	27.0
Funds employed at 31 March	**1879**	1963	1626	897	425	380
Total assets at 31 March	**2159**	2261	1884	995	528	466
Return on assets (%)	**6.7**	7.3	7.4	7.8	9.4	11.6
Capital investment	**224.6**	458.1	672.9	403.8	87.4	53.1
Depreciation	**86.2**	77.6	46.4	32.8	29.4	28.1

Business profile

Year ended 31 March	1991	1990
Sales by end market ($A million)		
Dwellings	**749**	777
Civil construction	**517**	527
Commercial buildings	**448**	544
Other	**39**	30
	1753	1878
Plants at 31 March		
Quarries and sand[a] [b]	**131**	114
Pre-mixed concrete[b]	**232**	234
Concrete products[c]	**31**	46
Cement[d]	**4**	4
Asphalt	**22**	24
Plasterboard and accessories	**9**	17[e]
Autoclaved aerated concrete[f]	**1**	1
Bricks, pavers and clay pipes[g]	**14**	20[h]
Roof tiles[i]	**20**	20
Insulation[j]	**9**	11
Reserves proven and probable (Mt)		
Hard rock	**2523**	1885
Sand	**106**	90
Sand and gravel	**81**	77
Gypsum[d]	**300**	300
Dividends received ($A million)		
Australian Cement Holdings Pty Ltd[d]	**17.0**	7.3
Other	**7.4**	14.4
	24.4	21.7
Employees at 31 March	**8757**	9421

CSR Group trademarks in Australia and other countries include ABM, Aludec, Anticon, Aquachek, Aquastop, Aquatex, Aquathene, Arch Device, Ascrete, Attenucheck, Attenuliner, Beadex, Bebo, Bildaboard, Blackseal MSB, Bradcore, Bradfilm, Bradflex, Bradfoil, Bradford Batts, Bradseal, Brickmakers, Colortone, Craftstone, Cris, Ductel, Energlas, Enerok, Enertek, Exacto Board, Extracta-flex, Fabriflex, Fashiontone, Fibretex, Fibretone, Flexitel, Flexmat, Flex-skin, Fresco, Fresh, Fyrcheck, Goldbond, Growool, Gypcove, Gyprock, Handitube, Heat-a-wrap, Hume, Humecore, Humes, Humes Duraliner, Humes Plastiline, Humespun, Humetile, Insulbatt, Insulfoil, Insultile, Insultone, Insulwool, Isodec, Isosleeve, Koldboard, Kopex, Linkslab, Linacoustic, Loclift, Maritime, Microfume, Mini Crete, Mini Mix, Monier, Multitel, Papertone, PGH, PGH Slimbrick, Polyfloat, Quietel, Readybinder, Readyflow, Readyfoam, Readymix, Readypave, Reliance, Resinag, Rip, RMC, Rokard, Rolflex, Shaftwall, Sonodec, Specitel, Styleplas, Superflor, Superspray, Supertel, Synco, Thermaclad, Thermatel, Thermobar, Thermofilm, Thermofoil, Thermokraft, Thermoplast, Thermostop, Thermo-stud, Thermotuff, Tuff-skin, Ultratel, Uniculvert, Vapour Foil, Ventflex, Wem-con, Wempave, Whispertone, Zacuba.

a Includes Penrith Lakes Development Corp (40% CSR) sand and gravel deposit in Sydney.
b Excludes mobile plants not in use.
c Includes three concrete block factories (50% CSR).
d 50% CSR.
e Includes plants in UK, Sweden, France, Norway and Netherlands; which were sold.
f 86.1% CSR.
g 13 factories in Australia and one in New Zealand (all 51% CSR).
h Includes six factories in Australia (50% CSR); which were sold.
i 51% CSR.
j Includes one factory in Malaysia (70% CSR).

Mt million tonnes.

US operations were affected by reduced construction activity, particularly in Florida. Corrective action strengthened the group.

Profit rose 33% to $A35.5 million. CSR America's (100% CSR) revenue increased 52% to $A947 million, reflecting the first full year's contribution from the ARC America subsidiaries. All businesses made profits, but those of Rinker Materials fell. Divestment of surplus land and non-strategic operations yielded $A49.7 million. However, because of the depressed state of the real estate market, sales of surplus land were below expectations.

US construction activity declined, particularly in the second half of the year as the recession deepened. The value of residential building fell 21%, commercial (non-residential) building fell 14% and civil (non-building) construction fell 1%.

Most of CSR America's markets experienced lower levels of activity, particularly Florida, the company's largest market. Markets in Texas continued to recover from a very low level while those in the Midwest states were unchanged. Markets in Southern California and Nevada deteriorated rapidly in the second half of the year.

Major cost reductions were possible. Employee numbers were reduced by over 1000, mostly in Rinker Materials. Productivity was increased in the ARC America subsidiaries by upgrading equipment, restructuring organisation and improving management methods. The group invested $A38 million in add-on acquisitions, widening geographic and product spread.

A 25% fall in Florida's construction activity lowered Rinker Materials' revenue and profits. Previous overbuilding and a credit squeeze which started early last year, dramatically slowed building construction. A funding crisis in the Florida Department of Transport substantially reduced expenditure on roads and bridges and it was not until January 1991 that a new petrol tax came into effect to relieve the situation.

Sales of all products fell, especially concrete blocks and pre-mixed concrete. Despite difficult trading conditions, prices and market shares were generally maintained.

Margins suffered with the reduced volumes. Housing starts in Florida fell 22%. Expenditure on commercial building fell 21% and expenditure on civil construction, including roads and bridges, fell 38%.

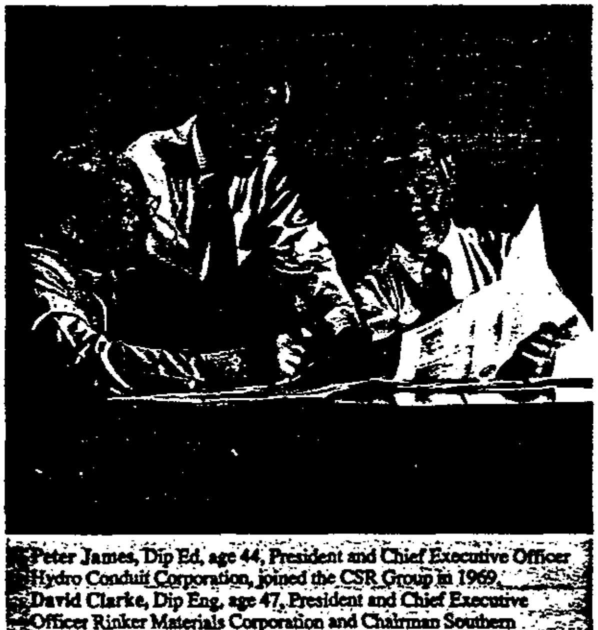
A number of actions were taken to improve profitability. Plants and districts were combined into larger business units. Plants were automated and computerised management systems introduced. Overhead staffing was reduced by about 50%. Employee numbers in Rinker Materials were reduced by 716 (27%).

Transport costs were reduced. Rinker now carries 50% of its cement sales in its own fleet of 45 tankers and trucks, and more than 90% of its aggregate requirements.

Rinker expanded into the large Tampa market in south-west Florida with the acquisition of three pre-mixed concrete plants and a block plant. These will soon be followed by a further four pre-mixed concrete plants and another block plant. The plants will be supplied with Rinker's aggregates, giving the company a strong position in this important market.

A large sand quarry, Rinker's first in Florida, was acquired near Orlando. It has substantial reserves and will supply about 60% of Rinker's needs.

Three of CSR America's senior managers: Peter James, David Clarke and Geoff Harris.



Peter James, Dip Ed, age 44, President and Chief Executive Officer Hydro Conduit Corporation, joined the CSR Group in 1969.
David Clarke, Dip Eng, age 47, President and Chief Executive Officer Rinker Materials Corporation and Chairman Southern Aggregates Company, joined the CSR Group in 1966.
Geoff Harris, age 43, President and Chief Executive Officer American Aggregates Corporation, joined the CSR Group in 1965.

Southern Aggregates' business in Georgia and South Carolina was steady. The recession had little impact on the business and sales volumes were similar to the previous year. A concrete block plant began production and satisfactory sales in this new market were achieved. Productivity improved with a 10% reduction in employee numbers.

American Aggregates' margins were increased and profits exceeded expectations. The good performance resulted because the company operates in regions of the United States that have been less harmed by the recession. American Aggregates' concentration on the commercial building and civil construction markets also contributed to its good performance.

Productivity improvements and cost reductions were achieved. Non-strategic assets were sold, the central workshop in Ohio was closed, the former head office in Greenville was sold, employee numbers were reduced, plant and equipment were upgraded and the organisation was restructured.

Average unit cost of production was reduced by 16%. Mild winter weather allowed greater construction activity, increasing demand for American Aggregates' limestone, sand and gravel.

Since the end of last year, American Aggregates' competitive position in the important Columbus market has improved with the acquisition of a large limestone quarry. A sand and gravel quarry was bought west of Cincinnati. Acquisition of additional quarries and sand and gravel plants is planned.

Associated Sand & Gravel's profit and revenue were satisfactory, despite abnormal wet weather in the north-west of Washington state. The state economy continues to be one of the strongest in the United States. Wet weather reduced demand for some products, but the strong local economy maintained demand for other products.

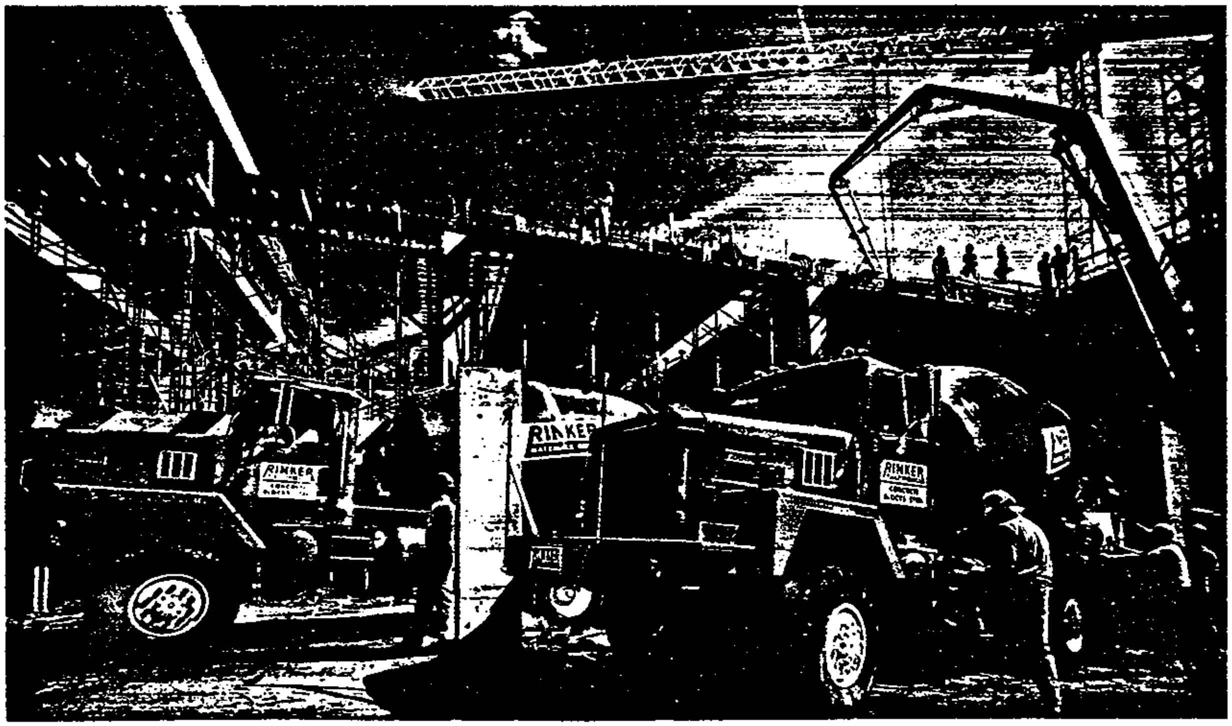
Associated Sand & Gravel strengthened its competitive position by building a gravel crushing plant and a pre-mixed concrete plant at Arlington. It also acquired more concrete trucks. The company is increasing production capacity and improving efficiency by installing computerised systems for batching and despatching concrete.

A concrete pipe plant at Portland, Oregon, was transferred from Hydro Conduit to Associated Sand & Gravel. Production and marketing strategies will be combined with those of the existing pipe plant in Washington. Both plants are being upgraded.

Associated Sand & Gravel successfully tendered for the supply of a large quantity of pre-mixed concrete for the Boeing Company's expansion in Everett this year.

Negotiations to secure additional gravel reserves are progressing.

CSR America is the second largest supplier of pre-mixed concrete in the United States. This is mostly because of the size of the operations of Rinker Materials, an integrated quarrying and concrete company which supplies a wide range of construction materials to the Florida market.



WMK Transit Mix was affected by a severe fall in construction in Las Vegas. Hotel and casino construction declined sharply, although the level of civil construction was similar to the previous year. Intense competition reduced sales volumes and margins for all products, particularly pre-mixed concrete. A small profit was earned.

To improve market cover, WMK built a pre-mixed concrete plant and an aggregate crushing plant in Las Vegas and expanded its truck fleet. The company replaced or upgraded its three concrete block machines in Las Vegas and improved productivity and product quality at its gravel crushing plants in Las Vegas and Bullhead City, Arizona. A lightweight aggregate crushing plant is being commissioned in Las Vegas.

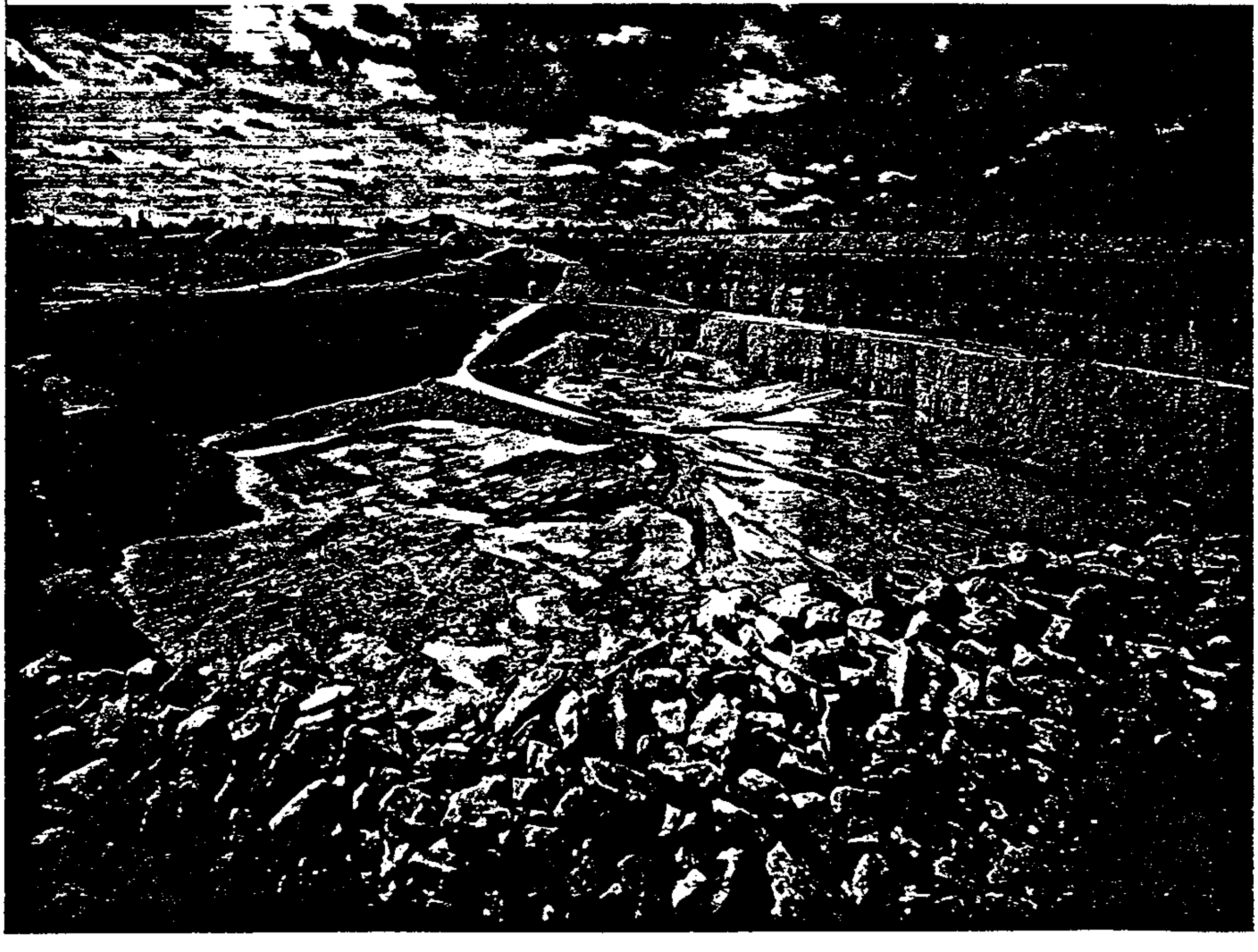
WMK moved its headquarters to better located premises and the former site is being sold.

Hydro Conduit's revenue and profits were affected by reduced construction activity in most markets. Demand for concrete pipes fell for the second successive year with total sales down 10%. The worst affected regions for Hydro Conduit were Florida and Washington DC/Baltimore. Market shares were maintained although margins deteriorated because of severe competition, particularly in Florida and parts of Texas.

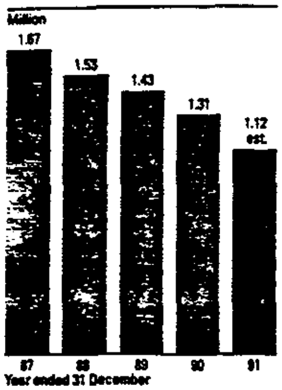
Production of concrete pipes fell 9%. But production of pre-stressed concrete products rose 28%. Hydro Conduit expects lower levels of production this year.

Additions to Hydro Conduit's manufacturing capacity enhanced its competitive position and market coverage. This included four pipe and pre-cast concrete product plants in the New England region and a pipe plant in New Mexico. Construction began

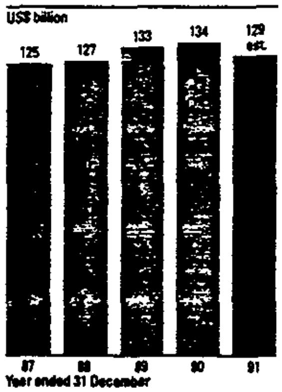
American Aggregates' large reserves of raw material give it a strong position in most of its markets. This Indianapolis, Indiana, quarry is well placed to supply its markets.



US dwelling completions



US commercial building*



*In constant 1987 prices.

US civil construction*

*In constant 1987 prices.

on a pre-stressed concrete products plant in Denver, Colorado. Two pipe plants are being built, one at an American Aggregates' quarry in Indianapolis, Indiana, and the other in San Diego, California. An unprofitable pipe plant was sold, and another closed.

Other action by Hydro Conduit to improve profitability included simplifying the organisational structure, rationalising engineering services and improving concrete technology.

Outlook

Total US construction activity is forecast to fall 7% in 1991, with a gradual recovery in the second half of the year. Residential building is expected to fall 12%, commercial building 4% and civil construction by 2%.

Total construction activity in Florida is expected to decline 4% in 1991. Housing starts should be similar to last year and commercial building is expected to be 20% lower because of overbuilding and continued funding problems. Civil construction should increase by 10% as a result of improved funding from a new petrol tax.

Midwest markets are expected to remain at last year's levels. Markets in Washington state should continue to be strong and Nevada is expected to recover. Demand for construction materials in the mid-Atlantic states and Southern California is expected to weaken.

In the longer term, demand for construction materials will benefit from an underlying need for large expenditure on US infrastructure.

Six-year performance

Year ended 31 March ($A million unless indicated)	1991	1990	1989	1988	1987	1986
Trading revenue	947	621	459	54	6	–
Profit before interest, foreign exchange, tax	111.2	54.2	59.2	2.3	–	–
Gross margin (%)	11.7	8.7	12.9	4.3	–	–
Net profit before abnormal items	35.5	26.7	26.6	2.1	–	–
Shareholders' funds at 31 March	961	923	388	95	20	–
Return on shareholders' funds (%)	3.7	2.9	6.9	2.2	–	–
Funds employed at 31 March	1612	1668	695	117	38	–
Total assets at 31 March	1739	1818	757	126	41	–
Return on assets (%)	2.0	1.5	3.5	1.7		
Capital investment	99.9	877.9	684.8	81.8	36.4	–
Depreciation	60.8	36.4	26.3	5.1	2.0	–

Business profile

Year ended 31 March	1991	1990
Sales by end market ($A million)		
Civil construction	367	158
Dwellings	323	252
Commercial buildings	243	211
Other	14	–
	947	621
Plants at 31 March		
Quarries and sand	61	66
Pre-mixed concrete	78	72
Concrete blocks	21	20
Concrete pipes	37	38
Pre-stressed concrete products	4	4
Cement	1	1
Asphalt	8	8
Asphalt recycling	1	–
Slag	2	2
Reserves proven and probable (Mt)		
Limestone/hard rock	1119	1142
Sand and gravel	484	500
Sand	32	13
Employees at 31 March	4704	5718

Mt: million tonnes.

After major restructuring and productivity improvements, the timber products businesses should return to profitability this year.

Timber products businesses incurred a loss of $A5.5 million, compared with a $A37.1 million profit the previous year. Revenue fell 12%. Reduced demand from the housing and furniture industries, increased timber imports, one-off retrenchment costs and higher finance charges contributed to the disappointing result.

A thorough review of operations, overhead costs, marketing strategies and organisational structure revealed opportunities for improved performance. Action taken is already producing positive results and CSR's timber products businesses are expected to return to profitability this year.

Wood Panels Group incurred a loss for the full year. A small profit was earned in the second half. Revenue and margins fell. Australian operations incurred a loss because demand for all products fell, except for FIBRON™ medium density fibreboard. Formica New Zealand's profitability was maintained despite reduced demand.

Reduced demand in the housing and furniture markets resulted in lower sales of flooring and surface-finished particleboard. Most plants operated below capacity throughout the year. Market shares were largely maintained despite difficult trading conditions.

As part of its intensified marketing effort, Wood Panels Group opened or acquired 14 distribution centres in Queensland, New South Wales and Victoria.

Production efficiency at each of the group's factories in Australia and New Zealand was improved. The group closed production lines with low profitability and re-allocated production to more efficient units. Overheads were cut and employee numbers reduced.

The Sydney CANE-ITE™ plant was closed, as was a Victorian factory producing particleboard and laminate. CSR sold the FORMICA™ laminate factory site in Sydney and will lease it for five years, prior to relocating the plant to more suitable premises.

New products with a high value-added component were introduced, including FLAME RETARDANT STRUCTURAL BOARD HMD™ and a range of do-it-yourself products.

Sales from the $A16 million moulded fibreboard door panel plant in Queensland started in April 1991.

Sales of FIBRON™ medium density fibreboard more than doubled, reflecting the first full year's operation of the Oberon, New South Wales, factory and improved market acceptance for this product.

CSR will begin production of Australia's first thin medium density fibreboard at Oberon in June 1991. This new product will enable the company to replace imports, and to export to markets in Asia, where demand exceeds supply.

A $A6 million components factory at Geebung, Queensland, started production in August 1990. Output is increasing to meet strong demand.

Softwood operations incurred a small loss. Radiata pine plantations made a modest profit. Sawmilling operations incurred a small loss, mainly because of a low level of house building, particularly in Victoria, the Softwoods Group's largest market. Revenue was slightly lower and margins fell. Market shares were maintained despite intense competition from imported structural timber.

John Purdie-Smith (left) and Henry Pens (right) with Clive McKechnie, General Manager of Burns Philp's Builders Merchants Group, a major distributor of CSR's timber products.

John Purdie-Smith, ACA, BCom, MA (Mktg), age 41, General Manager CSR Wood Panels Group, joined CSR in 1980. Henry Pens, BEng, age 56, General Manager CSR Softwoods Group, joined CSR in 1966.

Action taken to improve productivity and profitability included reducing overhead costs, restructuring the organisation into four regional profit centres, selling surplus land, and installing new computerised management systems. Employee numbers were reduced.

Greater emphasis was placed on providing superior customer service. The group expanded its specialised do-it-yourself retail distribution network for treated pine products in South Australia.

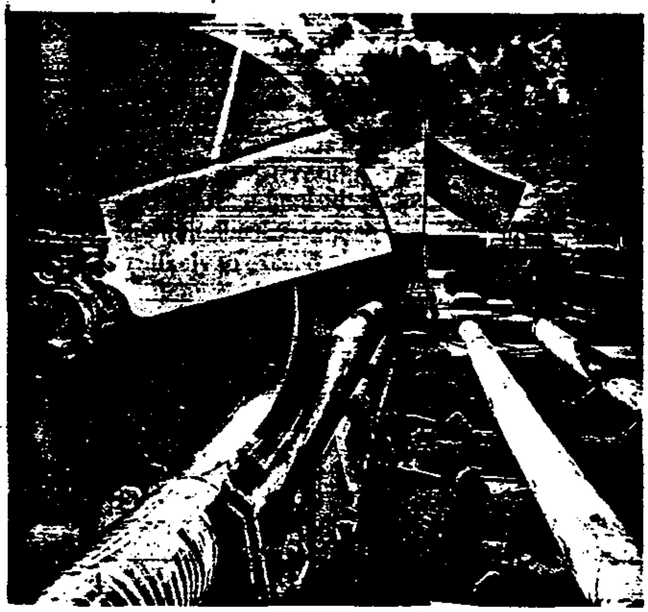
A $A10 million upgrade of the sawmill at Caboolture, near Brisbane, improved productivity and increased log handling capacity by over 50%.

Rationalisation of sawmilling capacity continued as part of a plan to make CSR's larger mills internationally competitive by increased throughput. A sawmill was acquired in South Australia. Two small sawmills, in Queensland and South Australia, were sold.

State government log royalties remain well above those in New Zealand and North America. This cost disadvantage enables large quantities of imports to replace Australian timber in the local market. Negotiations are continuing with state government forest services to provide logs at internationally competitive prices.

CSR is producing slash pine chips in Queensland for export to Japan. The company will supply about 4 million tonnes over 15 years from well-established plantations in Queensland being cleared for housing development. Low-cost, innovative processing enables sales to be made at competitive prices. Exports began in February 1991.

The fully automated log merchandiser at CSR Softwoods' recently upgraded sawmill complex at Caboolture, near Brisbane. The mill's substantially increased log processing capacity improves customer service and reduces production costs.



Outlook

CSR's timber products businesses should benefit from the recovery in house building anticipated in late 1991 or early 1992. As consumer confidence returns, an improvement in sales to furniture and kitchen manufacturers, which have been particularly affected by the recession, should result. Improvements in production efficiency will continue, increasing competitiveness compared with imported softwoods and timber products.

Six-year performance

Year ended 31 March ($A million unless indicated)	1991	1990	1989	1988	1987	1986
Trading revenue	472	538	493	229	132	94
Profit before interest, foreign exchange, tax	33.9	86.9	95.5	24.1	16.2	12.5
Gross margin (%)	7.2	16.2	19.4	10.5	12.3	13.3
Net profit before abnormal items	(5.5)	37.1	47.8	10.5	10.8	7.8
Shareholders' funds at 31 March	449	375	343	356	60	28
Return on shareholders' funds (%)	(1.2)	9.9	13.9	2.9	18.0	27.9
Funds employed at 31 March	710	655	530	481	99	48
Total assets at 31 March	779	730	596	537	111	58
Return on assets (%)	(0.7)	5.1	8.0	2.0	9.7	13.4
Capital investment	58.6	125.3	94.4	327.7	25.3	3.8
Depreciation	27.4	21.9	20.8	8.0	8.2	6.0

Business profile

Year ended 31 March	1991	1990
Sales by end market ($A million)		
Dwellings	266	323
Commercial buildings	118	100
Furniture/kitchens	61	82
Other	27	33
	472	538
Plants at 31 March		
Particleboard	6	6
Medium density fibreboard	1	1
Fibreboard	3	4
Components/specialty products	4	3
High pressure laminates	2	2
Sawmills	6	9
Plywood	2	2
Timber remanufacturing	2	1
Plantations (km^2)	200	190
Employees at 31 March	3513	4074

CSR Group trademarks in Australia and other countries include Alkorcell, Braceline, Cane-ite, Craftstone, Durabond, Fibron, Fineline, Glamacore, Glamapyne, Hexcel, Hydromulch, Hydropanel, Hydroline, Masonite, Paintline, Perma-log, Pyneboard, Radex, Readifix, Structaflor, Structawood, Texpan, Ultima, Unifurn and Weathertex. The Formica trademark is used under licence in Australia, New Zealand, Fiji, Papua New Guinea and some other South Pacific island countries. The Laminex trademark is used under licence in New Zealand, Papua New Guinea and Fiji.

km^2 square kilometres.

Sugar profits were down on last year's record, but it was a strong performance in adverse markets.

Profit fell 16% to $A86.1 million. Revenue fell 7%. Milling profits were reduced by lower world sugar prices and a smaller sugarcane crop. Australian refining profits fell because of loss of market to Manildra Harwood Sugars' refinery in northern New South Wales. New Zealand refining improved profitability.

Sugar milling operations were affected by poor weather and lower world sugar prices. Revenue and profit fell. Raw sugar production from CSR's eight mills in Queensland declined 7%. Drought early in the growing season and floods at the end were the main causes of the reduction. The floods caused minor damage to CSR's milling operations.

John Noble; Phil Scanlan, Executive Director Coca-Cola Amatil; and Peter Currie. Coca-Cola Amatil is a major customer for CSR's refined sugar.

John Noble, BCom, age 54, General Manager Sugar, joined CSR in 1954.
Peter Currie, ACA, FCPA, age 51, General Manager Sugar, joined the CSR Group in 1977.

The New York spot price for raw sugar averaged 11.09 US cents a pound, down 2.75 cents on the previous year. World sugar supplies exceeded demand for the first time in five years and stocks rose. Prices continued to decline and the New York spot price averaged 8.21 cents a pound in April/May 1991.

Invicta Mill successfully introduced seven-day-a-week crushing, considerably improving productivity. The reduced crop made it unnecessary to introduce continuous crushing at other CSR mills. Hambledon Mill near Cairns will close at the end of the 1991 season, following continued loss of cane land to urban development. From the 1992 season, sugarcane previously crushed by Hambledon Mill will be crushed by the neighbouring Mulgrave Mill.

The Queensland Sugar Industry Act, which consolidates and replaces all current sugar industry legislation, is expected to become law in July 1991.

Refined sugar sales and profits fell. CSR's share of Australian sugar sales fell from 84% to 70% reflecting the first full year's operation of Manildra Harwood Sugars' refinery.

Because of this loss of market share, CSR closed its sugar refinery in Adelaide in April 1991.
The South Australian market is now supplied from the company's refinery in Melbourne.

Productivity improvements were achieved through automation and more efficient work practices at refineries. The increase in refining costs was kept below the rate of inflation. Margins improved. Exports of refined sugar by CSR increased threefold to a record 35 000 tonnes.

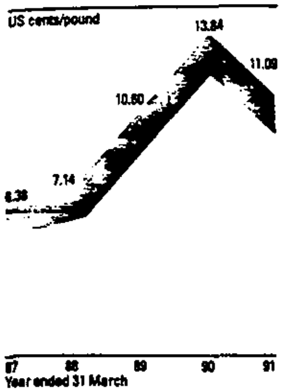
A decision on constructing a large sugar refinery in northern Queensland has been deferred. The project is being kept under review.

Planning is progressing for the long-term redevelopment of CSR's extensive landholding on the Pyrmont Peninsula in Sydney.

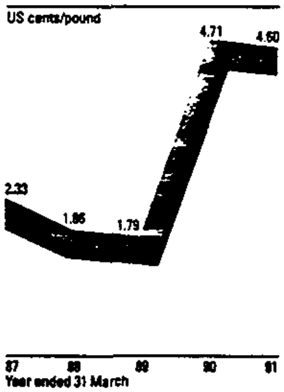
New Zealand Sugar Company's profits improved. Sales of refined sugar rose marginally. Intensified marketing efforts, a high raw/white sugar price differential and increased sugar exports contributed to the result. Market share improved at the expense of imports.

CSR's action against Bennett & Fisher for the losses suffered in connection with CSR's purchase of Anchor Foods in 1987 has yet to be heard in court.

World raw sugar price



World raw/white sugar price differential



Profits from distilling operations fell marginally because of reduced demand and increased imports. Sales of ethanol in Australia were lower in depressed trading conditions, particularly in Victoria and Queensland. Sales in New South Wales were steady. Exports rose strongly. Competition from two new distilleries, one in New South Wales and one in Queensland, will reduce CSR's share of the Australian ethanol market from this year.

CSR's shipping business operated profitably. Sugar and gypsum continued to be the main commodities transported. CSR Shipping Group successfully tendered to arrange the construction of a 15 000 tonne capacity bulk cement ship for Australian Cement Holdings (50% CSR).

Outlook

World sugar production is forecast to exceed consumption in 1991, resulting in higher stocks and continued depressed prices. Queensland's 1991 sugar crop has been seriously affected by unusual weather and is unlikely to exceed the 1990 level.
CSR's milling profits are expected to fall further.

CSR's refined sugar sales in Australia and New Zealand should remain at around last year's levels. Profits from refining will depend largely on the raw/white sugar price differential, which is expected to be satisfactory although lower than last year.

Six-year performance

Year ended 31 March ($A million unless indicated)	1991	1990	1989	1988	1987	1986
Trading revenue	**1088**	1169	813	756	583	521
Profit before interest, foreign exchange, tax	**162.6**	191.1	117.4	104.2	84.4	43.4
Gross margin (%)	**14.9**	16.3	14.4	13.8	14.5	8.3
Net profit before abnormal items	**86.1**	102.5	68.3	44.4	31.5	18.1
Shareholders' funds at 31 March	**381**	370	381	486	364	339
Return on shareholders' funds (%)	**22.6**	27.7	17.9	9.1	8.7	5.3
Funds employed at 31 March	**699**	732	654	677	576	624
Total assets at 31 March	**842**	891	804	859	677	693
Return on assets (%)	**10.2**	11.5	8.5	5.2	4.7	2.6
Capital investment	**34.7**	37.9	51.1	141.9	26.5	32.7
Depreciation	**32.4**	32.0	29.6	28.3	25.3	22.8

Business profile

Year ended 31 March		1991	1990
Raw sugar from CSR's eight mills[a]			
Cane crushed (kt)		**8662**	9542
CCS[b] (Australian industry average)		**14.2 (13.5)**	13.9 (13.5)
Production (kt – 94 net titre[c])		**1266**	1364
Crushing rate (kt/hour)		**3.67**	3.69
Proportion of Australian production (%)		**36**	36
Refined sugar sales from CSR's six[d] refineries[a] ($A million)			
	Australia	**445**[e]	533[f]
	New Zealand	**104**	98
Ethanol sales (ML)	Australia	**39.2**	44.0
	exports	**12.7**	1
Cargoes carried by 2 ships managed by CSR (kt)		**1149**	1071
Employees at 31 March		**2829**	2957

Year ended 31 December	1990	1989
Australian raw sugar exports by CSR as agent for The Sugar Board[a] (kt – raw value)		
Japan	**670**	696
Malaysia	**592**	399
Canada	**475**	525
Republic of Korea	**405**	516
USSR	**319**	282
The People's Republic of China	**203**	227
Singapore	**142**	141
USA	**134**	135
New Zealand	**98**	102
Venezuela	**–**	87
Egypt	**–**	26
	3038	3136

Year ended 31 August	1991[g]	1990
World sugar market[h] (Mt – raw value)		
Production	**112.8**	109.0
Consumption	**109.5**	108.2
Final stocks	**33.2**	30.1

CSR Group trademarks in Australia and other countries include Brinecol, Chelsea, Flexol, Petranol and Propel.

a CSR's net beneficial interest from raw sugar milling is about 13% of the pooled revenue of the Queensland raw sugar industry. Until 30 June 1989, CSR toll refined sugar on behalf of the Queensland Government. Since deregulation of the domestic sugar market on 1 July 1989, CSR's refineries have been operating on a regular commercial basis. CSR provides marketing and related services to the Queensland raw sugar industry for fees negotiated under a contract with The Sugar Board.
b The percentage of sugarcane recoverable as pure sugar.
c The approximate percentage of refined sugar recoverable from raw sugar.
d CSR's refinery in Adelaide closed in April 1991.
e Twelve months as an independent refiner.
f Nine months as an independent refiner, three months as a toll refiner.
g Estimate.
h Source: F O Licht, World Sugar Balances 14 February 1991.

kt thousand tonnes. ML million litres. Mt million tonnes.

Expansion of Tomago aluminium smelter and Gove alumina refinery will increase competitiveness.

Profit fell 27% to $A34.1 million. Revenue fell marginally. Higher production costs, mainly for fuel oil and caustic soda, lower prices for aluminium and alumina, and lower bauxite exports affected the result.

The world aluminium market weakened. Supply exceeded demand for the second successive year. Stocks rose and prices fell. The London Metal Exchange three-month price averaged US$1638 a tonne, down 6%. In April/May 1991 it averaged US$1375.

Construction of the Tomago aluminium smelter's third potline began. The project (24.5% CSR), to cost around $A700 million, will increase capacity by 140 000 tonnes to 380 000 tonnes a year, providing economies of scale and improved competitiveness. The project will be completed by mid 1993.

Alumina sales rose 5%, but prices fell slightly. Expansion of Gove refinery (21% CSR) capacity by 10%, to 1.6 million tonnes a year, will be completed by July 1991. The expansion will improve efficiency, reliability and safety.

Bauxite sales by Gove fell 11%. Gove Aluminium's exports fell to 2.4 million tonnes. The 20-year agreement, under which Gove Aluminium had the right to export up to 40 million tonnes of bauxite, expired in January 1991. The Commonwealth and Northern Territory governments approved Gove Aluminium and Swiss Aluminium exporting a further 40 million tonnes over the next 20 years. This will be shared 30:70 in line with the parties' joint venture interests. In addition, Gove Aluminium has the right to export 2.8 million tonnes carried over from the previous agreement. Gove Aluminium's share of bauxite exports will accordingly be about 50% for the next three years.

Peter Lovell (right) at Tomago aluminium smelter with CSR's Tokyo representative David Green, a metallurgist, who liaises on important technical matters with customers in Japan.

Peter Lovell, BEc, CPA, age 51, General Manager Gove Aluminium Ltd (70% CSR), joined CSR in 1958.

Outlook

World aluminium supply is expected to continue to exceed demand, leading to higher stocks and prices remaining weak. No improvement will occur until world economic activity recovers and some high-cost smelter capacity is closed.

The longer-term outlook for aluminium is favourable because of the metal's strength, lightness and recyclability.

Six-year performance

Year ended 31 March ($A million unless indicated)	1991	1990	1989	1988	1987	1986
Trading revenue	304	306	303	288	226	189
Profit before interest, foreign exchange, tax	88.7	111.1	115.1	94.4	33.8	(1.4)
Gross margin (%)	29.2	36.3	38.0	32.8	15.0	(0.7)
Net profit before abnormal items	34.1	46.9	45.9	28.5	8.3	(0.2)
Shareholders' funds at 31 March	91	66	65	96	49	31
Return on shareholders' funds (%)	37.5	71.1	70.6	29.7	16.9	(0.6)
Funds employed at 31 March	306	290	289	315	341	266
Total assets at 31 March	350	330	326	341	397	336
Return on assets (%)	9.7	14.2	14.1	8.4	2.1	(0.1)
Capital investment	44.4	12.2	8.6	4.7	16.3	10.8
Depreciation	24.2	24.1	24.5	25.9	8.6	7.3

Business profile

Year ended 31 March		1991	1990	CSR beneficial interest 1991 Quantity	%
Gove Aluminium					70
Bauxite sales (kt)		2391	2689	1674	
Bauxite recoverable reserves[a] (Mt)	proven	163	169	36	22
Alumina (kt)	sales	255	244	179	70
	transfers for Tomago	153	170	107	70
Aluminium sales (kt)		85	82	60	70
Employees at 31 March		17	16		

Year ended 31 March	1991	1990	1989	1988	1987
World aluminium price (US$/t)	1638	1749	2362	1691	1171

a Prepared by Nabalco Pty Ltd, manager of the Gove joint venture.

kt thousand tonnes. Mt million tonnes. t tonnes.

CSR is very strong financially despite reduced earnings.

Net profit before abnormal items was 20% lower at $A325.9 million. Pre-tax operating profit of $A564.7 million was 24% lower. Operating profit and extraordinary items after income tax was $A323 516 559.

Abnormal items contributed a loss of $A2.4 million after tax and minorities. A major abnormal profit arose from the sale of CSR's 50% interest in Austral Brick ($A36.4 million). Major abnormal losses arose from the sale of CSR's 49% interest in Redland Plasterboard ($A36.0 million) and the closure of the sugar refinery in Adelaide ($A10.8 million). There were no extraordinary items.

Directors recommend a final dividend of 16 cents a share, fully franked. The final dividend, if approved by the annual general meeting, will bring the total dividend to 32 cents a share, fully franked. This compares with a total dividend of 40 cents a share, fully franked, the previous year. The final dividend is payable on 7 August.

Issued capital increased by 42 million to 782 million $A1 shares, including partly-paid shares. The increase included the issue of 35 million shares under the shareholder and employee share purchase plans. Details of all issues are shown on page 48.

Shareholders' funds, including minority interests, rose 9% to $A3.1 billion. The increase was mainly the result of the issue of shares under CSR's share purchase plans (see page 48 for details) together with profits retained in CSR's businesses.

Total assets were relatively unchanged at $A6220.2 million.

Intangibles. The balance of goodwill was $A497.8 million after accumulated amortisation of $A48.3 million. The balance of patents and trademarks was $A182.8 million at 31 March 1991. No amortisation has been provided on patents and trademarks.

Net tangible asset backing per share increased 22 cents to $A3.11. Total net asset backing per share increased 15 cents to $A3.60.

Return on shareholders' funds fell from 16.1% to 11.6%, following seven successive years of improvement. Earnings per share fell from 55 cents to 42 cents because of lower profits earned on issued capital.

Gearing was reduced from 32.9% to 27.9%. (See table on page 24). CSR continues to have substantial long-term borrowing capacity. Borrowings could be increased by around $A470 million without increasing gearing beyond CSR's long-term target maximum gearing ratio of 35%. At the date of this report, CSR has over $A700 million of undrawn committed standby facilities and substantial unused borrowing capacity under short-term commercial paper programs.

Net borrowings were reduced by $A293 million. Total borrowings were reduced by $A222 million. $A348 million of long-term debt facilities were repaid. Debt repayments during the year included $A98 million of convertible notes issued in 1980, $A40 million of Eurobonds issued in 1985 and US$133 million of committed bank borrowings.

CSR arranged $A220 million of long-term debt facilities including US$154 million of committed bank borrowings.

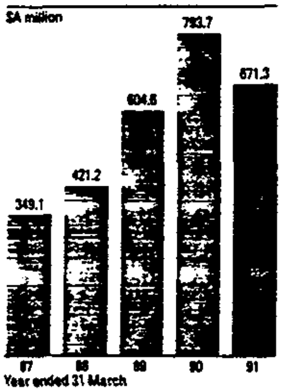
Scheduled long-term debt repayments this year total US$225 million of committed bank borrowings. CSR aims to maintain a reasonable spread of debt maturities and a diversity of lending sources.

Cash flow (funds from operations) fell 21% to $A712.1 million. The fall was mainly due to weaker markets for all products. CSR's strong cash flow, conservative gearing and its access to committed standby facilities place the company in a strong liquidity position.

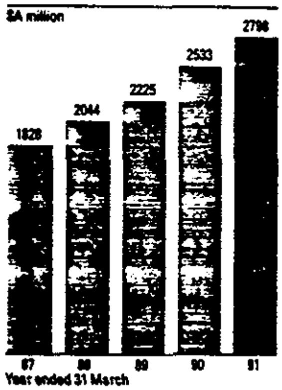
Net interest expense increased from $A60 million to $A123.7 million. The increase was due to the full year effect of the increase in borrowings associated with the acquisition of the ARC America companies, and lower interest income. Interest cover decreased from 9.5 to 4.6 times. CSR continues to keep a balance of fixed and floating interest rates, consistent with its financial risk policies.

Foreign exchange. Management of foreign exchange exposures achieved an average A/US exchange rate on revenues of 76.0 cents last year. Foreign currency liabilities decreased by $A72.8 million to the equivalent of $A1634 million; these are more than matched by the value of business assets outside Australia.

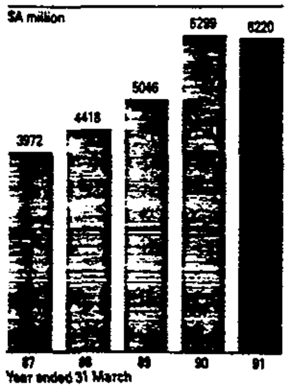
Operating profit before interest, foreign exchange and tax fell 15%.



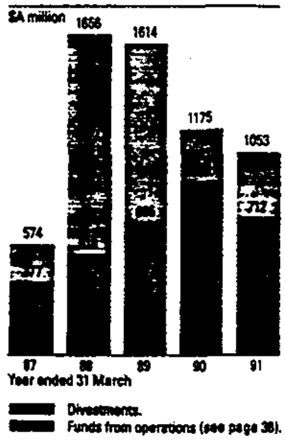
CSR shareholders' funds rose by $A265 million.



Total assets fell marginally.



Cash flow from operations fell to $A712 million.



CSR's credit ratings are:	Short term	Long term
Moody's	P-1	A2
Standard & Poor's	A-1	–
Australian Ratings (from 1 October 1991)	A.1	A

CSR has maintained its P-1 and A-1 short-term ratings from the international rating agencies since they were assigned in 1985. The new ratings assigned by Australian Ratings reflect the standardisation of its rating scale to that of its parent, Standard & Poor's. CSR's ratings and its conservative gearing enable the company to continue to borrow at competitive rates from domestic and international markets.

Working capital. Current assets were similar to last year. Current liabilities declined by $A63.9 million. The provision for doubtful trade debtors fell by $A10.7 million to $A24.6 million following a write off of $A17.8 million in bad debts compared to $A9.1 million the previous year.

Capital investment was reduced by 70% to $A452.7 million. Investment was directed mainly at strengthening CSR's building and construction materials businesses in Australia and the United States.

Capital investment planned or committed this year is about $A520 million. About $A250 million will be invested in maintaining production capability and improving the efficiency of existing businesses. Most of the balance will be spent on the third potline at the Tomago aluminium smelter, the expansion of quarrying and concrete operations in the United States and Australia, and increasing sugar milling capacity.

Divestments totalled $A340.8 million. The sale of CSR's 50% investment in Austral Brick ($A142.2 million), 49% investment in Redland Plasterboard ($A113.8 million) and non-strategic or under-performing assets in the United States ($A49.7 million) accounted for most of the proceeds.

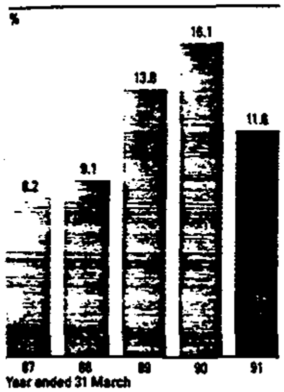
Risk management. CSR's risk management arrangements encourage businesses to practise effective loss control and to provide safe work places. An in-house insurance company with access to international reinsurance markets provides protection against major risks. Since introduction of this risk management program in 1987, reserves of $A7.1 million have accumulated from savings on insurance premiums.

Reconciliation with US accounting principles. To assist shareholders and analysts outside Australia, a reconciliation of CSR's financial results and shareholders' equity prepared in accordance with United States' generally accepted accounting principles (US GAAP) is on page 55. Under US GAAP, CSR's net profit after abnormal and extraordinary items would be $A350.9 million, compared with $A323.5 million under Australian accounting methods.

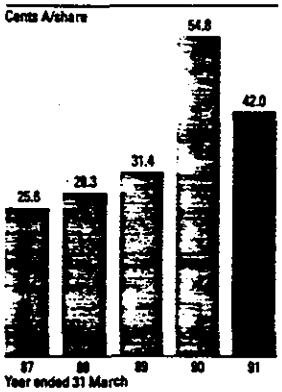
Senior management

Don Murden, FCPA, FCIS, FCIM, age 54, Chief Financial Officer and Company Secretary, joined CSR in 1958.

Return on shareholders' funds fell to 11.6%.

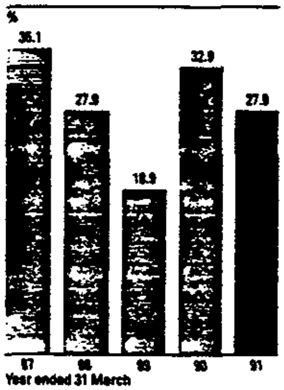


Earnings per share* fell to 42 cents.

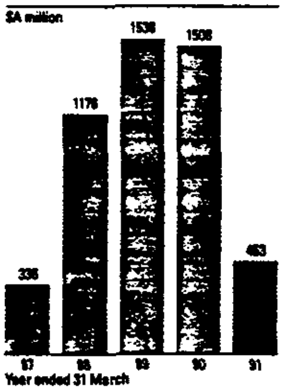


*Based on weighted average capital adjusted for issues.

Gearing was reduced to 27.9%.



Capital investment was $A453 million.



Financial profile

Year ended 31 March ($A million unless indicated)		1991	1990	% change
Balance sheet at 31 March				
Paid up capital ($A1 shares)		**777.8**	735.0	6
Total assets		**6220.2**	6299.2	–1
Current assets		**1587.8**	1574.5	1
CSR shareholders' funds		**2797.8**	2532.8	10
Gearing (%)		**27.9**	32.9	–
Non-current creditors and borrowings		**1219.2**	1413.5	–14
Current creditors and borrowings		**843.5**	907.4	–7
Standby credit undrawn		**782.7**	670.4	17
Current ratio		**1.17**	1.03	–
Interest	expense	**171.2**	140.0	–
	income	**47.5**	80.0	–
	net expense	**123.7**	60.0	–
Interest cover (times)		**4.6**	9.5	–
Exchange rate A/US (cents) at 31 March		**77.4**	75.1	3
	average for year	**78.4**	77.2	2
Profitability				
Trading revenue		**4566.5**	4516.1	1
Operating profit before interest, foreign exchange and income tax		**671.3**	793.7	–15
as a % of	trading revenue	**14.7**	17.6	–
	funds employed	**12.4**	14.1	–
Net profit before abnormal items		**325.9**	406.9	–20
as a % of	CSR shareholders' funds	**11.6**	16.1	–
	trading revenue	**7.1**	9.0	–
	total assets	**5.2**	6.5	–
Average income tax rate, excluding abnormal items (%)		**35**	39	–
Performance per share on issue at 31 March				
Earnings (cents)		**42.0**	55.0	–24
Dividends (cents)		**32.0**	40.0	–20
Net tangible assets (book value) ($A)		**3.11**	2.89	8
Net assets (book value) ($A)		**3.60**	3.45	4
Value added ($A)		**2.31**	2.41	–4

Currency conversion at 31 March[a]		1991	1990
$A1 =	New Zealand dollar	**1.3184**	1.2984
	Pound sterling	**0.4451**	0.4566
	United States dollar	**0.7743**	0.7505
	Canadian dollar	**0.8978**	0.8794

a Exchange rates used to convert CSR's non-Australian financial results into Australian dollars.

Segment analysis

Year ended 31 March ($A million unless indicated)	Operating profit before interest, foreign exchange and income tax 1991	1990	Interest and foreign exchange allocation[a] 1991	1990	Income tax 1991	1990	Minorities 1991	1990	Net profit before abnormal items 1991	1990	Trading revenue 1991	1990	CSR shareholders' funds 1991	1990	1991 (% return)	1990 (% return)
Building and construction materials	**293.5**	360.1	**57.0**	49.7	**75.0**	124.5	**16.6**	20.1	**144.9**	165.8	**1753**	1878	**931**	890	**15.6**	18.6
Construction materials USA	**111.2**	54.2	**52.8**	15.1	**22.9**	12.4	**–**	–	**35.5**	26.7	**947**	621	**961**	923	**3.7**	2.9
Timber products	**33.9**	86.9	**41.2**	24.0	**(1.8)**	25.8	**–**	–	**(5.5)**	37.1	**472**	538	**449**	375	**(1.2)**	9.9
Sugar	**162.6**	191.1	**30.4**	24.3	**46.1**	64.3	**–**	–	**86.1**	102.5	**1088**	1169	**381**	370	**22.6**	27.7
Aluminium	**88.7**	111.1	**1.8**	(2.3)	**37.9**	44.0	**14.9**	22.5	**34.1**	46.9	**304**	306	**91**	66	**37.5**	71.1
Unallocated[b]	**(18.6)**	(9.7)	**(59.5)**	(56.5)	**10.1**	18.9	**–**	–	**30.8**	27.9	**2**	4	**(15)**	(91)	**–**	–
Group	**671.3**	793.7	**123.7**	54.3	**190.2**	289.9	**31.5**	42.6	**325.9**	406.9	**4566**	4516	**2798**	2533	**11.6**	16.1

a Segmental profits include an allocation of finance costs based on the funds invested in each segment.
b Unallocated headquarters overheads, unallocated net interest expense and divested resource operations.

End-market analysis of trading revenue

Year ended 31 March		1991 $A million	%	1990 $A million	%
Building and construction materials					
Dwellings	Australia	679	14.9	725	16.0
	international	70	1.5	52	1.2
Civil construction	Australia	495	10.8	509	11.3
	international	22	0.5	18	0.4
Commercial buildings	Australia	412	9.0	499	11.0
	international	36	0.8	45	1.0
Other		39	0.9	30	0.7
		1753	38.4	1878	41.6
Construction materials USA					
Civil construction	international	367	8.0	158	3.5
Dwellings	international	323	7.1	252	5.6
Commercial buildings	international	243	5.3	211	4.6
Other		14	0.3	–	–
		947	20.7	621	13.7
Timber products					
Dwellings	Australia	266	5.8	323	7.2
Commercial buildings	Australia	118	2.6	100	2.2
Furniture/kitchens	Australia	61	1.3	82	1.8
Other		27	0.6	33	0.7
		472	10.3	538	11.9
Sugar					
Food	Australia	520	11.4	593	13.1
	New Zealand	103	2.3	98	2.2
	other international	381	8.3	412	9.1
Other		84	1.8	66	1.5
		1088	23.8	1169	25.9
Aluminium	international	304	6.7	306	6.8
Unallocated	Australia	2	0.1	4	0.1
Trading revenue					
Australia		2553	56	2835	63
International		1863	41	1552	34
Mixed Australia and international		150	3	129	3
		4566	100	4516	100

Gearing analysis

Year ended 31 March ($A million)	1991	1990
Borrowings		
Short-term debt	201.1	190.4
Current maturities of long-term debt	135.1	173.7
Long-term debt	1219.2	1413.5
	1555.4	1777.6
Cash and short-term lending		
Cash	13.8	4.7
Short-term lending	276.7	217.1
Loans to the Queensland sugar industry	–	(2.1)
	290.5	219.7
Net borrowings	1264.9	1557.9
Total shareholders' equity	3146.3	2885.5
Total liabilities	3073.9	3413.7
Gearing ratios (%)		
Long-term debt : equity plus long-term debt	27.9	32.9
Total borrowings less cash and short-term lending : equity	40.2	53.9
Long-term debt : equity	38.8	49.0

Capital investment

Year ended 31 March ($A million)		1991	1990
Building and construction materials	concrete, quarrying, cement	142.3	148.6
	insulation	27.5	52.4
	plasterboard	17.7	45.9
	bricks, roof tiles	15.8	77.1
	major acquisitions	–	84.4
	other	21.3	49.7
		224.6	458.1
Construction materials USA	concrete, quarrying, cement	73.0	40.7
	concrete pipes	26.1	0.3
	major acquisitions	–	834.5
	other	0.8	2.4
		99.9	877.9
Timber products	wood panels	38.0	106.7
	sawn timber	20.6	18.6
		58.6	125.3
Sugar	mills	18.3	17.1
	refineries	13.1	15.4
	distilleries	2.0	4.6
	other	1.3	0.8
		34.7	37.9
Aluminium		44.4	12.2
Corporate		(9.5)	(3.3)
Total capital investment		452.7	1508.1
Divestment proceeds	brick investments	142.2	69.7
	plasterboard investment	113.8	–
	US assets	49.7	14.0
	other[a]	35.1	188.4
		340.8	272.1

a Non-strategic assets and non-strategic investments.

Value added

Year ended 31 March	1991 $A million	%	1990 $A million	%
Source				
Trading revenue and dividends	4591	100	4540	100
Less purchases of materials and services[a]	2792	61	2774	61
Total value added available for distribution	1799	39	1766	39
Distribution				
To employees in wages, salaries and payments to retirement funds	839	47	756	43
To governments in taxation[b]	276	15	349	20
To providers of capital				
interest paid on loans	124	7	60	3
dividends paid to shareholders – including minority interests	284	16	318	18
Reinvested in business				
depreciation[c] and amortisation	236	13	194	11
profit retained from operations	40	2	89	5
	1799	100	1766	100

a Includes amounts paid to governments as rail freight, port fees, sales tax, import and excise duties, and the cost of services purchased from government departments.
b Includes company income tax, payroll tax, fringe benefits tax, royalties, local government rates, fees charged such as licence fees, stamp duty and financial duties.
c Straight line depreciation is used at rates based on the expected economic life of non-current assets.

CSR values its reputation as a good corporate citizen, concerned for the environment, and contributing to the community.

CSR is committed to high standards of environmental protection. The company's environmental policy was formalised in 1983. During the year environmental performance was reviewed. The CSR Board established an Environment, Occupational Health and Safety Committee. Its role is to monitor the group's performance in these areas.

With over 700 plants and 20 000 employees worldwide, the company invests much time and money to ensure emissions are controlled and spillages prevented, as well as to preserve our surroundings. But accidents do happen: people make mistakes and machines develop faults. The tasks facing CSR include the need to heighten all employees' environmental awareness, to minimise the number of environment threatening accidents, and to ensure that the impact of accidents on people and the environment is minimal.

As part of the environmental monitoring and control process, each business unit carries out regular environmental audits. Revised environmental reporting procedures were established during the year. A hazardous chemicals register is maintained to ensure a better understanding and control of potential problems.

The company's actions to protect the environment cover a wide range. The Readymix Group's Oaklands Junction Quarry near Melbourne, opened last year, illustrates CSR's long-term approach to environmental issues. Hundreds of hectares of native bushland were planted by CSR at the site over 15 years ago; very old eucalypt trees have been preserved. The quarry surroundings have been landscaped, the aggregate plant is shielded to control dust, and the quarried areas will be progressively rehabilitated.

Bradford Insulation's new glasswool plant near Sydney is one of the world's most environmentally sophisticated insulation plants. Advanced technology reduces waste air emissions to substantially below those generally permitted by Australian and overseas regulations.

In some cases CSR benefits directly from investment in environmentally sensitive actions. A new recycling plant keeps the Gyprock Group's Sydney factory well ahead of accepted standards of waste disposal. Reducing costly waste disposal by reclaiming gypsum from factory waste and reject plasterboard saves $A400 000 a year.

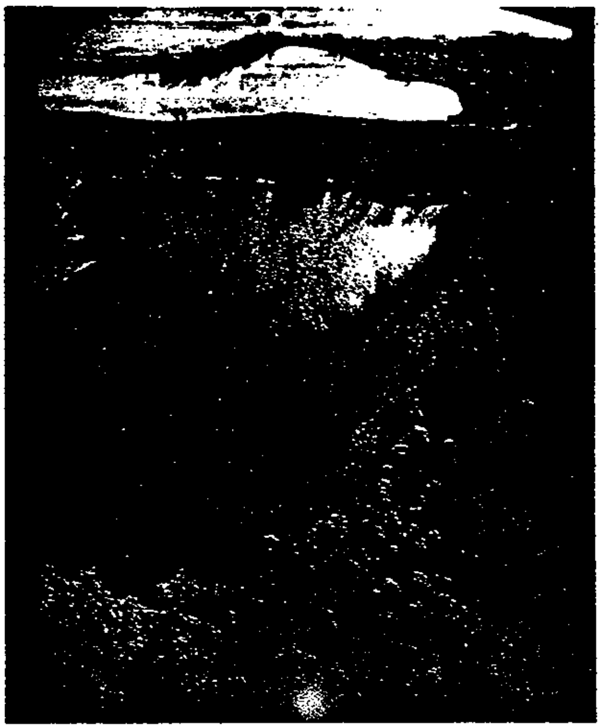
CSR's sugar mills in Queensland have, for many years, used crushed sugarcane fibre to fuel their boilers. Major energy savings result. Enough electrical power is produced for the mills to be net exporters of power to the Queensland electricity grid.

CSR's 200 square kilometres of radiata pine plantations, which supply timber for the company's wood panel factories, absorb considerable quantities of carbon dioxide. Over 200 000 more trees are planted by CSR each year than are harvested.

CSR's most significant contribution to the community is the operation of profitable businesses which employ people, buy goods and services and pay taxes. Last year, CSR added value of $A1799 million to the $A2792 million of goods and services purchased. Of the added value, $A839 million went to employees and $A276 million to governments.

Financial support is given to local community organisations in areas where CSR operates. Support is also given to national educational and charitable organisations.

CSR has combined with other quarry companies in the Penrith Lakes Scheme (40% CSR) in Western Sydney. The scheme is progressively rehabilitating the quarry which provides Sydney with 50% of its sand and gravel. Covering an area 6 kilometres by 3.5 kilometres, the project is providing lakes and land for wildlife and public recreation, as well as some urban land.



The main task for CSR's people is achieving international competitiveness.

CSR's people are improving the competitiveness of their businesses. Costs are being reduced and productivity improved. There is an increased emphasis on satisfying customer needs. Only by taking these steps will CSR succeed in the increasingly competitive markets of the 1990s.

Achieving international competitiveness means becoming more efficient and effective. This involves redesigning jobs, changing the way we work and changing the way our businesses are operated. When combined with the sharply reduced demand for many of CSR's products last year, these actions led, inevitably, to fewer jobs in the company.

Most of CSR's awards and industrial agreements in Australia were restructured. More flexible working arrangements at work sites have been negotiated. Managers and employees can now agree to alter working arrangements to more effectively meet the changing needs of individual businesses.

The number of people employed at 31 March 1991 was 2377 fewer than at the same time last year. Of the 19 996 people in CSR, 5888 (29%) were employed outside Australia, mostly in the United States.

1739 people had to be retrenched. The company provided these people with appropriate termination payments and other forms of assistance, in accordance with long-standing practice.

Edwin Enriquez, Altaf Hussain and Ismail Kanli in the distribution area of Bradford Insulation's modern glasswool factory in Sydney. A new range of integrated pack designs supports Bradford's marketing program.

Training is essential for improving people's effectiveness. CSR provides training for employees at all levels. Business groups are responsible for training their own people. For example, during the year, some 420 people, from senior managers to supervisors, in The Readymix Group participated in training programs designed to apply the principles of Total Quality Management. In Monier PGH 350 people participated in training and development programs covering management, sales and technical skills.

Efforts to improve workplace safety were successful. CSR is committed to preventing injury and illness by providing a safe working environment. Lost time or alternative work accidents were reduced by 12%.

CSR's serious injury frequency rate fell. Major reductions were achieved by several businesses, including The Readymix Group, Monier PGH, Rinker Materials, American Aggregates, Hydro Conduit, CSR Softwoods and New Zealand Sugar.

Management of workplace chemical substances improved. The computer-based register of hazardous substances in Australia was upgraded.

Most employees in Australia benefit from the management of workers' compensation claims under CSR's self insurance schemes. Compensation payments and rehabilitation are provided promptly to injured employees. In addition, CSR benefits from cost savings resulting from operating its own self insurance schemes.

CSR America's subsidiaries are mostly unionised. 61% of CSR's hourly work force in the United States belong to unions. There are presently 63 labour contracts in place, of which 24 expire this year. It is expected that all contracts will be satisfactorily renegotiated.

CSR Wood Panels' Judy Mackellar, Planning and Logistics Manager, with Neil Lowndes, Commercial Manager, and Jenny Whalley, Personnel Manager. The planning and logistics function is improving customer service and saving several million dollars yearly by coordinating production, distribution and warehousing between the group's factories.

All CSR employees in Australia have access to superannuation which is competitive by community standards. CSR has a long standing commitment to occupational superannuation. (Details of CSR's Australian superannuation funds are on page 58.)

Most of CSR's employees in the United States are members of a retirement income plan. Retirement plans are of two types: company-sponsored and union-sponsored. Both types provide benefits on a defined benefit or defined contribution basis and are competitive by community standards.

Equal employment opportunity is central to CSR's personnel practices. CSR's recruitment, training, promotion and reward practices, as well as its organisation and management processes, are designed to attract the best people and to allow them to develop to the full extent of their aptitudes and skills.

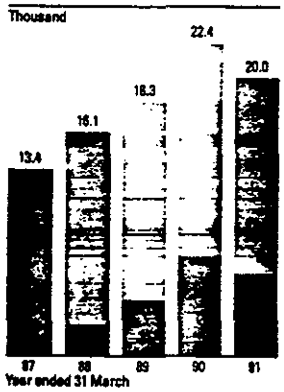
In Australia, compliance with affirmative action legislation includes the submission of annual reports by all CSR's business units to the Commonwealth Government's Affirmative Action Agency. Employment of women in CSR's middle management is gradually increasing.

Employee and executive share plans. 6250 employees participated in the Employee Share Plan last year, each buying 100 or 200 shares. Under the Executive Share/Option Plan, 329 participants acquired 1.2 million partly-paid shares at full market prices. Total shares issued to-date under the two plans represent 1.7% of issued capital.

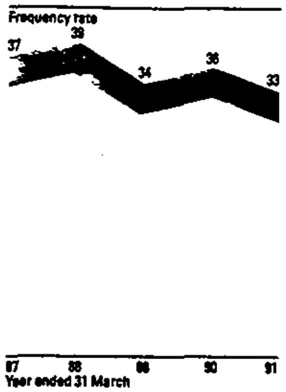
Regrettably, issues under both share plans are being deferred because of the uncertain and onerous provisions of complying with the prospectus requirements of the new Corporations Law. A decision on the future of the plans is expected to be made this year.

Angel Crespo, Tony Valdes and Doyle Roundtree at Rinker Materials' FEC Quarry near Miami, Florida, survey a site for recovery of limestone aggregates. Rinker Materials' quarries are well located to supply customers throughout Florida.

Employee numbers fell by 2377 mainly because of retrenchments.



The serious injury frequency rate* was reduced.



*Lost-time or alternative-work accidents per million employee hours worked.

Employee information

Year ended 31 March	1991	1990	% change
Employees[a] at 31 March	19 996	22 373	-11
Australia	14 108	15 234	-7
USA	4 793	5 826	-18
New Zealand	537	560	-4
Other countries	558	753	-26
Males	17 780	19 879	-11
Females	2 216	2 494	-11
New university graduates recruited			
Engineering and science	24	44	
Commerce and economics	17	28	
Other	6	6	
	47	78	
Apprentices employed at 31 March	384	461	
Serious injury frequency rate			
Building and construction materials	33	41	
Construction materials USA	21	25	
Timber products	50	50	
Sugar	38	27	
Aluminium	-	-	
Group including corporate	33	36	
Financial performance			
Trading revenue per employee ($A thousand)	228	202	
Net profit before abnormal items per employee ($A)	16 298	18 187	
Wages, salaries and payments to retirement funds per employee ($A)	41 958	33 791	
Value added per employee ($A)	89 968	78 934	
Total CSR contributions to CSR superannuation funds ($A million)	26.2	29.8	

a Includes employees at partly-owned subsidiaries.

CSR's twelve directors have extensive business experience. Eight, including the chairman, are external directors.

Alan Coates, AO, DSc (Hon), FAII, FAIM, age 66.
Appointed to the CSR Board in 1986.
Chairman since 1989. Formerly chief executive and a director of the Australian Mutual Provident Society. Chairman of Brambles Industries Ltd, his directorships include CRA Ltd, Chase AMP Bank Ltd, Pacific Dunlop Ltd, The Australian Gas Light Co, Mitsubishi Motors Australia Ltd and the Queensland Treasury Corporation's Investment Advisory Board.

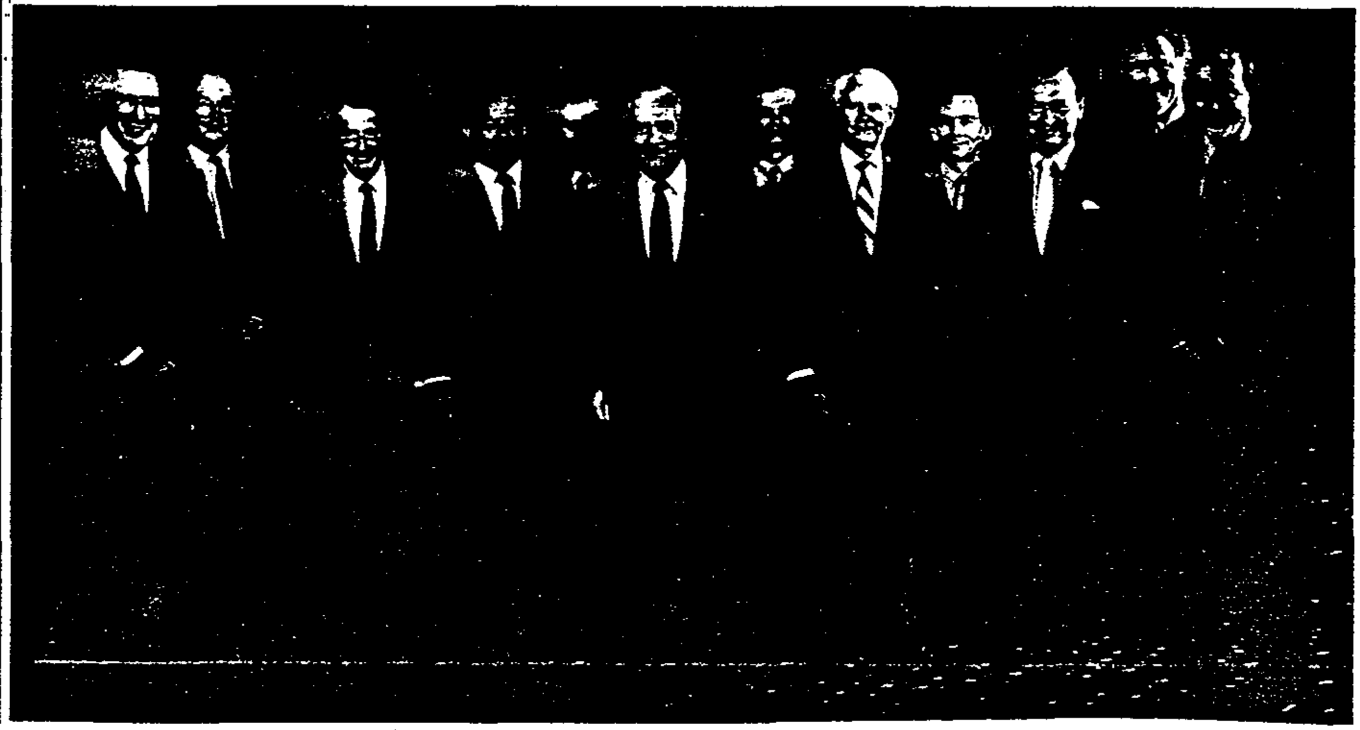
David Voss, BA, LLB, QC, age 58.
Appointed to the CSR Board in 1973.
Formerly a barrister, he is chairman of Sandoz Australia Pty Ltd. His directorships include Perpetual Trustees Australia Ltd, Computer Sciences of Australia Pty Ltd and the New South Wales Board of Advice of the Australian Mutual Provident Society.

Bryan Kelman, AO, CBE, BEng, FTS, age 65.
Appointed to the CSR Board in 1973.
Formerly chief executive of CSR, having joined the company in 1966. Chairman of Jennings Industries Ltd and Simon Engineering (Aust) Ltd. Mr Kelman's directorships include Macquarie Bank Ltd, Prudential Assurance Company of Australia and New Zealand Ltd, Homestake Gold of Australia Ltd and Spotless Services Ltd.

Emeritus Professor Sir Rupert Myers, KBE, MSc, PhD, DSc (Hon), DEng (Hon), LLD (Hon), DLitt (Hon), FTS, age 70.
Appointed to the CSR Board in 1981.
Formerly vice-chancellor and principal of the University of New South Wales. He is chairman of Unisearch Ltd and a director of Energy Resources of Australia Ltd. Sir Rupert is president of the Australian Academy of Technological Sciences and Engineering and is a director of several charitable foundations.

Jim Scully, AO, BA, age 63.
Appointed to the CSR Board in 1984.
Formerly head of a number of Commonwealth Government departments responsible for trade and resources. Chairman of Seabridge Australia Pty Ltd and the Japan Australia Venture Capital Fund, his directorships include Westpac Banking Corporation and Tubemakers of Australia Ltd.

The CSR Board: Bryan Kelman, Ben Macdonald, Ian Burgess, Jim Scully, Jim Kirk, Alan Coates, Keith Barton, Sir Rupert Myers, Geoffrey Kells, John Gough, David Voss and Bill Bennett.



Ben Macdonald, age 58.
Appointed to the CSR Board in 1985.
Formerly managing director of Macdonald Hamilton & Co Pty Ltd. Chairman of Perpetual Trustees Queensland Ltd and the Queensland Cotton Corporation, his directorships include Perpetual Trustees Australia Ltd, Allgas Energy Ltd, AP Group Ltd and Placer Pacific Ltd. Mr Macdonald is a member of the Queensland Board of Advice of the Australian Mutual Provident Society, the Board of Advice of Carlton & United Breweries Ltd, the Queensland Treasury Corporation's Investment Advisory Board and the Queensland Board of Advice of MGICA Ltd.

Jim Kirk, AC, AASA, CPA, age 70.
Appointed to the CSR Board in 1985.
Formerly chairman and managing director of Esso Australia Ltd. He is chairman of Landcare Australia Ltd and a director of Macquarie Bank Ltd.

Ian Burgess, BSc, FTS, age 59.
Appointed to the CSR Board in 1986.
Managing director of CSR since 1987, having joined the company in 1951. He is a director of the Australian Mutual Provident Society, chairman of Business in the Community Ltd and a member of the Australian Public Service Management Advisory Board.

Bill Bennett, BEng, MSc, age 54.
Appointed to the CSR Board in 1986.
Deputy managing director of CSR since 1989, having joined the company in 1959. He is the executive director responsible for sugar milling, raw sugar export marketing, aluminium and human resources. Mr Bennett is a director of Brambles Industries Ltd.

John Gough, AO, OBE, LLD (Hon), Dip Tex Ind, age 62.
Appointed to the CSR Board in 1989.
Formerly managing director of Pacific Dunlop Ltd. Chairman of Pacific Dunlop Ltd and deputy chairman of Newcrest Mining Ltd. His directorships include Amcor Ltd, Australia and New Zealand Banking Group Ltd, The Broken Hill Proprietary Co Ltd and ICI Australia Ltd. Mr Gough is a member of the General Motors Australian Advisory Council and is a director of The Walter and Eliza Hall Institute of Medical Research. He is chairman of the Graduate School of Management at the University of Melbourne.

Keith Barton, BSc, PhD, age 51.
Appointed to the CSR Board in 1990.
He is the executive director responsible for CSR's construction materials operations in the United States. Dr Barton joined CSR in 1979.

Geoffrey Kells, BCom, MEc, age 47.
Appointed to the CSR Board in 1990.
He is the executive director responsible for CSR's building and construction materials and timber products operations in Australia, New Zealand and South-East Asia. Mr Kells joined CSR in 1964.

Board committees

Audit
Non-executive directors: David Voss (chairman), John Gough and Jim Kirk.

Environment, Occupational Health and Safety
Non-executive directors: Sir Rupert Myers (chairman), Alan Coates and Jim Scully.

Remuneration
Non-executive directors: Alan Coates (chairman), John Gough and Bryan Kelman.

Directors fees paid to non-executive directors totalled $A402 000 last year. Details are on page 40. Total fees to be paid this year to current non-executive directors are expected to be about $A430 000. Directors are also reimbursed for expenses they incur in performing their duties.

Non-executive directors have agreements with CSR which conform to the provisions of the company's Articles of Association in respect of entitlements to retirement and termination payments. Executive directors have agreements with CSR in respect of their employment as senior executives and receive remuneration as employees of the company.

No director has received or become entitled to receive any other additional benefit, other than those mentioned here, by reason of a contract made by CSR or a related party with the director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

As at the date of this report no director has any interest in a contract or proposed contract with CSR and none have been entered into since the previous year.

Details of directors' holdings of CSR shares are on page 58.

Organisation and management

I G Burgess
Managing Director

W A Bennett
Deputy Managing Director

R K Barton
Executive Director

G V Kells
Executive Director

D Murden
Chief Financial Officer

Raw sugar

P J Noble
General Manager
Sugar

J E Burman
General Manager
Raw Sugar Marketing Group

Aluminium

P H T Lovell
General Manager
Gove Aluminium Ltd (70% CSR)

Human resources

R H Beardmore
General Manager
Personnel

Refined sugar

P G Currie
General Manager
Sugar

R G Lowndes
Managing Director
New Zealand Sugar Co Ltd

S M Hughes
Chief Manager
Shipping Group

B M Munro
General Manager
Distilleries Group

Construction materials USA

D V Clarke
President
Rinker Materials Corp
Chairman
Southern Aggregates Co

M D Donohoe
President
Associated Sand & Gravel Co Inc
Chairman
WMK Transit Mix

G C Harris
President
American Aggregates Corp

P G James
President
Hydro Conduit Corp

Building and construction materials

B G Baker
General Manager
Gyprock Group

P J Bowen
General Manager
PGH Ltd (51% CSR)

A N Brennan
General Manager
The Readymix Group

S J Droder
General Manager
Bradford Insulation Group

G W Squires
General Manager
Monier Roofing Ltd (51% CSR)

Timber products

H F Pens
General Manager
Softwoods Group

J Purdie-Smith
General Manager
Wood Panels Group

Major associated company

A R Arnold
Chief Executive Officer
Australian Cement Holdings Pty Ltd
(50% CSR)

Finance

E R Beers
Group Manager
Information Systems

J B Bolan
Manager
Group Taxation

A B Carlton
Treasurer

R A Humphries
Chief Group Auditor

R K Philp
Group Chief Accountant

Corporate services

P J Dadswell
Manager
Corporate and Investor Relations

F B Gill
Chief Corporate Lawyer

Various statutory requirements not covered elsewhere are reported in this section.

Payment of recommended dividend. Directors recommend the dividend of 16 cents be paid on 7 August, or otherwise dealt with under the Share Purchase and Employee Share plans, to shareholders entitled to receive dividends and registered on 17 July 1991. Duly completed transfers received by CSR up to 5 pm on 17 July will be registered before dividend entitlements are determined.

Options are held on CSR shares through convertible notes and option bonds. For details see the table on this page.

No contingent or other liability of the CSR Group has become enforceable or is likely to become enforceable this year which will or may substantially affect the ability of the group to meet its due obligations.

We are not aware of any circumstances, not otherwise dealt with in this annual report, which would render misleading any amount stated in the report.

Unusual items have been covered. The state of affairs of the group has not been, in our opinion, substantially affected by any material or unusual matter otherwise than as referred to in this report.

Matters arising since the balance date have been covered in the appropriate sections of this report. Further developments by the time of the annual general meeting will, as appropriate, be reported in the chairman's address to that meeting.

Likely developments in operations and their anticipated results have been reported as appropriate. Further information on likely developments in the operations of the group, including the expected results of those operations in subsequent financial years, would in our opinion prejudice the interests of your company and has therefore not been included in this report.

Signed in accordance with a resolution of directors of CSR Limited.

Ian Burgess
Managing Director

Alan Coates
Chairman

3 June 1991

Statutory information

Year ended 31 March	1991	1990
Dividend ($A)		
Interim 22 December 1989	–	114 394 276[a]
19 December 1990	122 038 067	–
Final 1 August 1990	–	177 581 299
7 August 1991 recommended	125 131 000[b]	–
Books close for dividend entitlement	17 July	11 July
Options held on CSR shares		
$A4.00 8% convertible unsecured notes[c]	311 924	393 423
$A380 option bonds (prepaid to $A0.01) outstanding at 17 May 1991[d]	237 167	296 163

At 17 May 1991	Maturity date	Interest rate % pa	Amount outstanding ($A thousand)
CSR Limited			
Convertible notes	31 March 1997[c]	8.00	1 248
Option bonds	11 December 1992[d]	–	2
			1 250

a Reported in the 1990 annual report.

b For shares on issue at 17 May 1991, plus $A0.16 a share on shares to be issued in June and July 1991 in respect of cash contributions (received by 28 June 1991) under the Share Purchase Plan, and on shares issued as a result of option bonds converted, Executive Share/Option Plan shares which become fully paid prior to 5 pm on 17 July 1991, and 1986 partly-paid shares which become fully paid prior to 5 pm on 3 July 1991.

c 6 232 402 notes were issued in August and September 1987 at par value $A4.00 each. The notes are convertible, at holder's option, on 28 February every year until 1997 at 100 notes to 100 ordinary CSR $A1 shares (adjusted for bonus issues). Notes not converted will be repaid at par together with the final interest payment on 31 March 1997. The notes are listed on the Australian Stock Exchange.

d Each option bond is currently convertible to 102.6797 ordinary CSR $A1 shares on payment of $A379.99 per option bond any time until 11 December 1992. The conversion rate is adjustable in accordance with the anti-dilution provisions under the terms of the issue. The option bonds were issued by CSR Limited in December 1985 as part of CSR Finance Limited's (100% CSR) issue of US$100 million 7.5% Guaranteed Eurobonds, each of US$5000, maturing in 1995. The option bonds are listed on the Australian and London stock exchanges.

Eleven-year performance

Year ended 31 March	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Profit and loss ($A million)											
Gross revenue – group revenue plus sales made as agent	5600	5665	5265	4658	3209	3648	2796	2704	2506	2679	2932
Group revenue	4980	4892	4444	3942	2418	3003	2183	2044	1936	1763	1828
Trading revenue	4566	4516	3438	2672	2077	2212	2074	1852	1757	1603	1652
Depreciation	236	194	164	145	119	125	120	110	109	89	83
Earnings before long-term interest and tax	703	827	621	501	334	286	242	227	189	183	239
before net interest, foreign exchange and tax	671	794	605	421	349	250	229	219	183	154	221
Interest on long-term borrowings	152	87	78	112	108	74	73	67	73	53	41
Income tax expense	190	290	212	190	67	81	68	57	30	35	72
Net profit											
Before abnormal and extraordinary items applicable to CSR shareholders	326	407	306	185	150	125	92	92	75	82	112
for six months to 30 September	206	234	147	80	58	55	49	44	43	42	61
for six months to 31 March	120	173	159	105	92	70	43	48	32	40	51
After abnormal and extraordinary items applicable to CSR shareholders	324	407	307	186	110	(80)	(63)	92	81	81	127
Dividends	247	291	220	115	102	90	64	64	60	47	46
Balance sheet ($A million)											
Current assets	1588	1574	1609	1525	1002	858	796	796	663	771	840
Property, plant and equipment	3559	3450	2507	1998	1519	1285	1003	919	996	1016	831
Interests in joint ventures and partnerships	[illegible]	–	–	–	–	–	470	476	496	447	386
Investments	167	306	272	366	167	156	169	206	194	122	153
Delhi investment	[illegible]	–	–	–	984	1101	271	249	161	147	–
Intangibles	681	696	408	260	42	–	–	34	36	37	–
Future income tax benefits	89	81	82	79	96	103	133	109	75	51	31
Other non-current assets	136	192	168	190	162	249	274	171	89	69	57
Total assets	6220	6299	5046	4418	3972	3752	3116	2960	2710	2660	2298
Current creditors and borrowings	844	907	1040	772	613	775	686	574	393	527	418
Current provisions	510	618	502	428	165	127	128	132	130	147	133
Non-current creditors and borrowings	1219	1414	596	816	1007	916	558	494	568	444	405
Deferred income tax and other non-current provisions	501	475	348	294	320	310	326	281	225	217	185
Deferred foreign exchange gains	[illegible]	–	–	–	3	7	–	–	–	–	–
Total liabilities	3074	3414	2486	2310	2108	2115	1698	1481	1316	1335	1141
Net assets	3146	2885	2560	2108	1864	1617	1418	1479	1394	1325	1157
Paid up capital	778	735	697	658	619	533	359	353	338	315	259
Other reserves	1465	1318	1164	1108	1003	854	628	558	515	495	398
Profits retained	555	480	364	278	206	197	367	496	466	442	410
CSR shareholders' funds (capital and reserves)	2798	2533	2225	2044	1828	1584	1354	1407	1319	1252	1067
Interest of minority shareholders	348	352	335	64	36	33	64	72	75	73	90
Total CSR shareholders' funds (capital and reserves)	3146	2885	2560	2108	1864	1617	1418	1479	1394	1325	1157
Share information											
Share issues – rights	[illegible]	–	–	–	1-for-10	1-for-3	–	–	–	1-for-5	1-for-5
Share issues – private placements	[illegible]	–	–	–	pp	–	–	pp	pp	–	–
Shares issued (million) for cash	42	36	13	10	118	129	6	15	23	50	43
Shares issued (million) for acquisitions	[illegible]	[illegible]	–	30	–	44	–	–	5	1	4
Paid up capital in $A1 shares at 31 March ($A million)	778	735	697	658	619	533	359	353	338	315	259
Earnings per share (cents) – on issue at 31 March	42.0[a]	55.0	44.0	28.4	24.5	23.5	25.7	26.0	22.1	26.6	43.3
Earnings per share (cents) – adjusted for issues[b]	42.0	54.8	31.4	28.3	25.6	25.8	23.5	24.2	21.8	27.2	38.2
Dividends per share (cents) – fully-paid shares	32.0	40.0	32.0	20.0	19.0	18.0	18.0	18.0	18.0	18.0	18.0
Dividends per share (cents) – adjusted for issues[b]	32.0	40.0	32.0	20.0	19.0	17.8	17.2	16.4	16.5	16.1	15.7
Share price adjusted for issues[b] ($A) – high	5.56	5.78	5.06	4.90	4.40	3.77	3.60	4.05	3.22	6.35	6.96
Share price adjusted for issues[b] ($A) – low	4.42	3.90	3.60	2.60	2.53	2.61	2.45	2.41	2.23	2.47	4.05
Share price adjusted for issues[b] ($A) – end	5.36	5.04	4.00	3.75	4.22	3.07	2.86	3.48	2.45	2.75	5.97
Net tangible assets (book value) ($A) – per CSR share[c]	3.11[a]	2.89	2.88	2.96	3.19	3.25	4.13	4.19	4.08	4.26	4.51
Net tangible assets (book value) ($A) – adjusted for issues[b]	2.70	2.50	2.71	2.81	3.01	3.06	3.35	3.69	3.62	3.68	3.74
Ratios and statistics											
Return (%) on CSR shareholders' funds at 31 March	11.6	16.1	13.8	9.1	8.2	7.9	6.8	6.5	5.7	6.6	10.5
Return (%) on total assets at 31 March	5.2	6.5	6.1	4.2	3.8	3.3	3.0	3.1	2.7	3.1	4.9
Return (%) on group revenue	6.5	8.3	6.9	4.7	6.2	4.2	4.2	4.5	3.9	4.7	6.1
Payout ratio (%)	76	72	72	62	68	72	70	69	81	57	42
Interest cover[d] (times)	4.6	9.5	8.0	4.5	3.2	3.9	3.3	3.4	2.6	3.5	5.8
Gearing[e] (%)	27.9	32.9	18.9	27.9	35.1	36.2	28.3	25.0	28.9	25.1	26.0
Current ratio	1.17	1.03	1.04	1.27	1.29	0.95	0.98	1.13	1.27	1.14	1.53
General											
Group capital investment ($A million)	453	1508	1538	1176	336	226	201	247	350	545	226
Group divestments ($A million)	341	272	918	1138	197	695	38	126	116	89	109
Shareholders (thousand)	115	105	99	102	102	101	102	97	97	89	78
Employees (thousand)	20.0	22.4	18.3	16.1	13.4	13.5	14.3	14.5	14.9	16.0	16.1
Wages, salaries and payments to retirement funds ($A million)	839	756	565	480	411	428	418	406	413	378	313
Trading revenue per employee ($A thousand)	228	202	188	166	155	164	145	128	118	100	103
Profit after tax per employee ($A thousand)	16.3	18.2	16.8	11.5	11.2	9.3	6.4	6.3	5.0	5.1	7.0
Value added per employee ($A thousand)	90	79	74	66	68	62	57	54	52	41	39

a Based on approximately 777 million shares which includes partly-paid shares adjusted for the proportion of their paid-up value to their issue price.
b Calculated by research department of the Australian Stock Exchange (Statex), using weighted average of shares on issue adjusted for rights issues. 1991 figures based on preliminary profit statement.
c Future tax benefits, deferred tax provisions, goodwill, patents and trademarks are treated as intangibles, adjusted for minorities.
d Earnings before long-term interest, foreign exchange and tax divided by interest on long-term borrowings.
e Ratio of non-current creditors and borrowings to total shareholders' funds plus non-current creditors and borrowings.

Financial statements

for the year ended 31 March 1991

CSR Limited and subsidiaries

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CSR Limited

The principal registered office in Australia is Level 35, 225 George Street, Sydney.

Telephone (02) 235 8333.

Secretary – D Murden.

Share and/or loan security registers are kept by Deloitte Ross Tohmatsu at the following addresses:

Sydney (principal register)	Level 4, 72-80 Cooper Street, Surry Hills.
Melbourne	Level 12, 461 Bourke Street, Melbourne.
Brisbane	Level 6, 307 Queen Street, Brisbane.
Adelaide	Level 14, 45 Pirie Street, Adelaide.
Perth	Level 3, 19 Pier Street, Perth.
Canberra	Level 5, 10 Rudd Street, Canberra City.
Hobart	c/- Wise, Lord & Ferguson, Level 4, 111 Macquarie Street, Hobart.
Auckland, New Zealand	c/- Deloitte Ross Tohmatsu, Shortland Centre, Shortland Street, Auckland.
New York, USA	c/- Bankers Trust Co., 4 Albany Street, New York.

Profit and loss statement

for the year ended 31 March 1991

CSR Limited and subsidiaries $A million	Note	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Operating profit before abnormal items and income tax	1-8	547.6	739.4	340.9	496.5
Profit (loss) on abnormal items	9	17.1	–	(11.4)	–
Operating profit before income tax		564.7	739.4	329.5	496.5
Income tax expense attributable to operating profit	10	209.7	289.9	86.5	155.2
Operating profit after income tax		355.0	449.5	243.0	341.3
Profit (loss) on extraordinary items		–	0.5	–	(11.3)
Income tax benefit attributable to extraordinary items	10	–	–	–	–
Profit (loss) on extraordinary items after income tax	11	–	0.5	–	(11.3)
Operating profit and extraordinary items after income tax		355.0	450.0	243.0	330.0
Minority interests in operating profit and extraordinary items after income tax		31.5	42.6		
Operating profit and extraordinary items after income tax attributable to members of CSR Limited		323.5	407.4	243.0	330.0
Retained profits at the beginning of the year		480.2	364.0	137.0	98.2
Total available for appropriation		803.7	771.4	380.0	428.2
Dividends provided for or paid	12	248.5	291.2	248.5	291.2
Retained profits at the end of the year		555.2	480.2	131.5	137.0
Operating profit and extraordinary items after income tax attributable to members of CSR Limited consists of:					
Net profit before abnormal items		325.9	406.9	251.2	341.3
Net loss on abnormal items		(2.4)	–	(8.2)	–
Net profit (loss) on extraordinary items		–	0.5	–	(11.3)
		323.5	407.4	243.0	330.0

Notes to and forming part of the accounts are annexed.

Balance sheet
as at 31 March 1991

CSR

CSR Limited and subsidiaries	$A million Note	Consolidated 1991	1990	Parent 1991	1990
Current assets					
Cash	13	290.5	221.8	114.3	103.5
Receivables	14	663.2	773.5	1221.0	1256.0
Investments	15	–	20.5	–	–
Inventories	16	611.1	539.4	205.0	208.1
Other	17	23.0	19.3	12.7	10.3
Total current assets		1587.8	1574.5	1553.0	1577.9
Non-current assets					
Receivables	18	92.0	158.7	1303.4	1729.3
Investments	19	167.0	305.7	959.3	903.8
Inventories	20	15.9	18.1	9.0	9.3
Property, plant and equipment	21, 22	3558.6	3450.5	808.3	747.7
Intangibles	23	680.6	695.7	12.9	13.1
Other	24	118.3	96.0	66.3	48.9
Total non-current assets		4632.4	4724.7	3159.2	3452.1
Total assets		6220.2	6299.2	4712.2	5030.0
Current liabilities					
Creditors and borrowings	25	843.5	907.4	916.2	1045.5
Provisions	26	510.4	617.9	318.9	396.6
Total current liabilities		1353.9	1525.3	1235.1	1442.1
Non-current liabilities					
Creditors and borrowings	27	1219.2	1413.5	952.0	1254.8
Provisions	28	500.8	474.9	188.0	186.0
Total non-current liabilities		1720.0	1888.4	1140.0	1440.8
Total liabilities		3073.9	3413.7	2375.1	2882.9
Net assets		3146.3	2885.5	2337.1	2147.1
Shareholders' equity					
Share capital	29	777.8	735.0	777.8	735.0
Reserves	30	1464.8	1317.6	1427.8	1275.1
Retained profits		555.2	480.2	131.5	137.0
Shareholders' equity attributable to members of CSR Limited		2797.8	2532.8	2337.1	2147.1
Minority shareholders' interest in subsidiaries		348.5	352.7		
Total shareholders' equity		3146.3	2885.5	2337.1	2147.1

Notes to and forming part of the accounts are annexed.

Significant accounting policies used in the CSR Group

Basis of accounting. These accounts are based on historical cost accounting conventions as practised in Australia.

The accounts have been made out in accordance with the requirements in Schedule 5 to the Corporations Regulations and comply with Statements of Accounting Concepts and applicable accounting standards.

Principles of consolidation. The consolidated financial statements give a view of the group as a whole.

The group consolidates the accounts of all companies in which it holds or controls more than half the issued ordinary or voting share capital or in which it controls the composition of the board of directors. The consolidation process eliminates all inter-company accounts and transactions.

In these accounts:

- results of subsidiaries which the group acquired or disposed of during the year are included from the date of acquisition or to the date of disposal;
- shareholdings in listed and unlisted companies which are not subsidiaries are treated as investments. Only the dividend income from these investments is included in profit;
- interests in joint ventures are recorded in the accounts by including the company's share of assets employed, the share of liabilities incurred, and the share of any expenses incurred in relation to joint ventures in their respective categories; and
- interests in partnerships are recorded as part of investments.

Companies in the CSR Group are under no obligation to accept responsibility for liabilities of other companies within the group except where such an obligation has been specifically undertaken.

Group revenue is the total of:

- trading revenue, including sales (net of discounts, returns and allowances), fees for services as agent, rents, royalties and interest on long-term loans;
- non-trading revenue, including dividend income and proceeds from the disposal of non-current assets; and
- interest income from short-term deposits.

Tax effect accounting. The liability method of tax effect accounting is applied throughout the group.

Income tax expense for the year is based on pre-tax accounting profit adjusted for items which, as a result of treatment under income tax legislation, create permanent differences between pre-tax accounting profit and taxable income.

To arrive at tax payable, adjustments to income tax expense are made for items which have been included in time periods for accounting purposes which differ from those specified by income tax legislation. The extent to which these timing differences give rise to income tax becoming payable earlier than is indicated by accounting treatment is recorded in the balance sheet as an addition to future income tax benefits.

The extent to which timing differences give rise to income tax becoming payable later than is indicated by accounting treatment is recorded in the balance sheet as provision for deferred income tax.

Future income tax benefits arising from timing differences and tax losses are not recognised as an asset if there is uncertainty as to whether income will be derived of a nature and an amount sufficient to ensure their realisation.

Valuation of non-current assets. Certain non-current assets have been revalued at various times and are shown at their latest valuation.

The basis for revaluations, unless otherwise indicated, is the value to the company as a going concern.

All non-current assets which have not been revalued are shown at cost.

Increments in the value of a class of assets arising from a revaluation are taken directly to the asset revaluation reserve. Decrements are either offset against previous increments relating to the same class of asset or charged against profit.

Depreciation (including amortisation and depletion). Assets other than quarry and other raw material reserves are depreciated at rates based upon their expected useful economic lives, using the straight-line method.

Quarry and other raw material reserves are depleted over the shorter of forty years or the life of the quarry after taking into account the estimated residual value. Depletion is determined by production for the year as a proportion of total recoverable reserves.

Disposal of non-current assets. Where a significant business is disposed of any surplus or deficiency is shown as an extraordinary item. Surpluses and deficiencies on the disposal of other businesses and non-current assets are reflected in operating profit or loss.

Leased assets. Assets acquired under finance leases are capitalised. The initial amount of the leased asset and corresponding lease liability is the present value of the minimum lease payments.

The assets are amortised over the life of the relevant lease or, where ownership of the asset is likely to be obtained, the life of the asset.

Lease payments are allocated between interest expense and lease liability. The interest component is charged against profit when paid.

Operating leases are expensed as incurred.

Afforestation. Forests are initially shown at cost at the time of acquisition by the group. The increase or decrease in the total volume of timber in the forests is calculated each year at commercial rates, after making allowances for some loss in the harvesting of timber and calamities such as fire and pestilence. The amount of this gain or loss is recognised as profit or loss for the period.

Log licences are recorded at cost and are amortised over the lives of the licences.

Expenses related to growing timber are charged against profit as incurred.

Inventories including work in progress are valued at the lower of cost and net realisable value. Overheads directly related to production are included when calculating inventory costs.

The value of inventory is derived by the method most appropriate to each particular class of inventory. The major portion is valued on either a first-in-first-out or average cost basis.

Foreign currency.

- **Translation of foreign currency transactions.** Foreign currency transactions are converted to Australian dollars at exchange rates ruling at the dates of those transactions. Amounts payable and receivable in foreign currency at balance date are converted to Australian dollars at exchange rates ruling on that date.

  Exchange differences arising from the conversion of amounts payable and receivable in foreign currencies are treated as operating revenue and expenses in the period in which they arise.

- **Translation of foreign currency financial statements.** Assets and liabilities of overseas branches and subsidiaries are translated at currency conversion rates ruling at balance date. Revenue and expense items of overseas branches and subsidiaries are translated at the rates ruling at the end of each month. Exchange differences arising on these translations are recorded in the foreign currency translation reserve.

- ***Hedging of foreign currency commitments.*** Exchange differences on the specific hedging of revenue and expense items are deferred until the date of purchase or sale at which time they are included in the measurement of the transactions to which they relate.

  Exchange differences arising from both general hedging and the specific hedging of amounts payable and receivable are included in profit and loss in the period in which they arise.

  Exchange differences on transactions which hedge a net investment in overseas branches and subsidiaries are transferred on consolidation from profit and loss to the foreign currency translation reserve together with the applicable amount of income tax.

  Costs or gains arising at the time of entering into hedge transactions are accounted for separately and brought to account in profit and loss over the lives of the hedge transactions.

  Transactions such as cross currency swaps and forward foreign exchange contracts which do not give rise to separate assets and liabilities are not recognised in the balance sheet.

Contributions to superannuation funds. The CSR Group participates in several superannuation funds which provide benefits upon the disability, retirement or death of employees. Contributions to these funds are expensed as incurred.

Additional details on the group's superannuation funds are provided in note 41.

Associated companies are those in which the group has a material investment and has capacity to significantly influence their financial and/or operating policies.

Financial information on associated companies is not included in the profit and loss statement or balance sheet prepared in accordance with the Corporations Law. It is shown by way of supplementary information in note 38.

Intangibles. Goodwill acquired or arising on consolidation is included in non-current assets and systematically amortised to profit and loss over the period in which the benefits are expected to arise. The period over which goodwill is amortised does not exceed twenty years.

The unamortised balance of intangibles is reviewed at each balance date and charged to profit and loss to the extent future benefits are no longer probable.

Patents and trademarks are included in the accounts at the cost of acquisition. No amortisation is provided until an event occurs which results in a loss or limitation of the useful life of the asset.

Rounding amounts to nearest $A 0.1 million. Unless otherwise shown in the accounts amounts have been rounded to the nearest tenth of a million dollars and are shown by $A million.

CSR Limited is a company of a kind referred to in Schedule A of the National Companies and Securities Commission Class Order No 630.

All rounding has been conducted in accordance with that class order.

Consolidated statement of source and application of funds

for the year ended 31 March 1991

CSR Limited and subsidiaries	1991 $A million		1990 $A million	
Source of funds				
Operations				
Trading revenue	4566.5		4516.1	
Less outgoings after adjustment for non-fund items	3879.1	687.4	3637.5	878.6
Dividend income		24.7		24.1
Funds from operations		712.1		902.7
Proceeds from disposals of non-current assets				
Ordinary and abnormal items	340.8		228.2	
Extraordinary items	–	340.8	43.9	272.1
Proceeds from share issues				
CSR shareholders		195.6		166.2
Minority shareholders in subsidiaries		0.1		3.8
Term debtors				
Repayments	10.8		5.0	
Less new debtors	2.5	8.3	0.2	4.8
Increase in term creditors		2.6		2.6
		1259.5		1352.2
Application of funds				
Non-current assets acquired[a]				
Property, plant and equipment	411.8		476.5	
Intangibles	15.4		29.5	
Shares in new subsidiaries	–		839.8	
Additional shares in existing subsidiaries	–		1.0	
Other investments	51.2	478.4	137.0	1483.8
Long-term loans				
Made	55.7		40.1	
Less matured and repaid	81.4	(25.7)	15.8	24.3
Capital expenditure		452.7		1508.1
Long-term borrowings				
Received	(532.9)		(962.9)	
Less repayments and borrowing costs	734.3	201.4	175.7	(787.2)
Movement in operating working capital				
Inventories	73.9		129.4	
Receivables and other current assets	(132.7)		(47.4)	
Creditors	35.3	(23.5)	(17.9)	64.1
Increase in deferred costs		14.0		2.5
Income tax paid		250.3		188.6
Dividends paid				
CSR shareholders	299.6		239.5	
Minority shareholders in subsidiaries	36.0	335.6	27.1	266.6
		1230.5		1242.7
Increase in liquidity[b]		29.0		109.5
		1259.5		1352.2

a The acquisition and disposal of subsidiaries are reflected in shares acquired and proceeds from divestments respectively. Therefore the assets and liabilities of those subsidiaries are not included elsewhere.

b Liquidity comprises cash, short-term loans and current investments less bank overdrafts and short-term borrowings and is adjusted for balances with the Queensland sugar industry.

The disposal of subsidiaries affected the group accounts as follows:

Net assets	Disposed of $A million
Property, plant and equipment	3.7
Inventories	2.1
Receivables	0.8
Non-current creditors and borrowings	(0.5)
Provisions	(0.1)
	6.0
Consideration	
Cash for shares in subsidiaries	6.4
Net profit on disposal before income tax	(0.4)
	6.0

Funds from operations comprises:

	1991 $A million	1990 $A million
Operating profit	547.6	739.4
Depreciation	236.3	194.4
Transfers to provisions	129.7	142.1
Payments from provisions	(176.7)	(151.4)
Surplus on disposals of non-current assets	(21.5)	(23.5)
Net foreign exchange losses (gains)	0.4	(2.3)
Other	(3.7)	4.0
	712.1	902.7

CSR Limited and subsidiaries $A million	Note	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990

1 Operating profit

	Note	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Group revenue		4979.5	4892.3	2234.2	2479.1
Less: interest income from short-term deposits	2	47.5	80.0	30.5	55.7
non-trading revenue	3	365.5	296.2	129.6	172.0
Trading revenue		4566.5	4516.1	2074.1	2251.4
Operating costs	4	3705.1	3575.6	1743.6	1772.2
Depreciation	5	236.3	194.4	68.5	61.9
Trading profit		625.1	746.1	262.0	417.3
Dividend income		24.7	24.1	120.7	142.4
Surplus on disposals of non-current assets		21.5	23.5	1.1	5.4
Operating profit before net interest, foreign exchange and income tax		671.3	793.7	383.8	565.1
Net interest expense	6	123.7	60.0	43.8	83.4
Net foreign exchange gain		-	(5.7)	(0.9)	(14.8)
Operating profit before abnormal items and income tax		547.6	739.4	340.9	496.5

2 Interest income from short-term deposits

	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Interest income from: subsidiaries			16.1	23.6
others	50.4	85.9	22.9	58.9
Interest income included in group revenue	50.4	85.9	39.0	82.5
Less interest income from long-term loans	2.9	5.9	8.5	26.8
	47.5	80.0	30.5	55.7

3 Non-trading revenue

	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Dividend income from: subsidiaries			120.7	142.1
others	24.7	24.1	-	0.3
Proceeds from disposals of non-current assets:				
ordinary and abnormal	340.8	228.2	8.9	22.5
extraordinary	-	43.9	-	7.1
	365.5	296.2	129.6	172.0

4 Operating costs

	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Cost of sales	2920.8	2846.8	1355.4	1388.7
Warehouse and distribution costs	137.8	99.8	66.8	60.5
Selling costs	373.7	331.8	161.9	171.6
Administration and other costs	272.8	297.2	159.5	151.4
Total operating costs	3705.1	3575.6	1743.6	1772.2
The above amounts include transfers to (from) provisions for:				
Annual and sick leave	58.0	56.4	29.4	28.8
Contract losses	8.5	0.1	8.4	-
Diminution in value of investments	(8.1)	7.8	10.1	-
Doubtful debts: trade	5.4	17.6	1.3	11.2
other	(2.2)	2.3	(2.4)	(0.3)
Fringe benefits tax	4.0	3.4	2.3	2.1
Long-service leave	9.6	11.5	6.7	8.2
Plant overhaul	11.5	12.4	9.3	10.1
Uninsured losses and future claims	31.7	17.3	11.6	9.0
Other costs	11.3	13.3	11.7	8.5
	129.7	142.1	88.4	77.6
Operating costs also include:				
Contribution to employee retirement funds (refer note 41)	26.2	29.8	12.0	18.4
Mining royalties paid to government	2.0	2.5	0.4	0.7
Operating lease and rental payments	34.2	25.5	27.3	18.0
(No government subsidies were received or receivable)				

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990

5 Depreciation

	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Amounts charged for depreciation, amortisation and depletion of:				
leased assets	2.4	2.7	0.7	0.7
other property, plant and equipment	216.4	177.2	66.8	60.3
goodwill	17.5	14.5	1.0	0.9
	236.3	194.4	68.5	61.9

6 Net interest expense

	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Interest paid or payable on:				
long-term debt to: subsidiaries			47.0	75.8
others	150.1	84.1	12.1	18.6
short-term debt to: subsidiaries			12.3	39.9
others	19.1	52.7	2.3	3.7
Finance leases	2.0	3.2	0.6	1.1
Total interest expense	171.2	140.0	74.3	139.1
Less interest income on short-term deposits (note 2)	47.5	80.0	30.5	55.7
Net interest expense charged against profit	123.7	60.0	43.8	83.4

$A thousand	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990

7 Auditors' remuneration

	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Amounts received or due and receivable by auditors for:				
auditing the accounts	3345	2904	1784	1662
other services	1610	828	905	274
Included above are amounts received or due and receivable by auditors other than the auditor of CSR Limited for:				
auditing the accounts	951	616		
other services	552	596		

8 Directors' and executives' remuneration

	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Aggregate income received or due and receivable by:				
directors of: CSR Limited	2302	1927	2302	1927
subsidiaries	3479	3061		
	5781	4988	2302	1927
Australian executives whose total income equals or exceeds $100 000	6461	5187	5997	4845
Amounts paid to superannuation funds in respect of the directors' and executives' retirement[a]	348	339	–	177

The number of directors and Australian executives whose total income fell within the following bands:

	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990		Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Directors					**Directors**				
$10 000 to $19 999				1	$280 000 to $289 999				1
$30 000 to $39 999				7	$350 000 to $359 999				1
$40 000 to $49 999			7		$380 000 to $389 999			1	
$60 000 to $69 999				1	$460 000 to $469 999				1
$110 000 to $119 999			1		$480 000 to $489 999			1	
$220 000 to $229 999				1	$540 000 to $549 999			1	
$250 000 to $259 999				1	$610 000 to $619 999			1	
Australian executives					**Australian executives**				
$100 000 to $109 999	4	5	4	5	$200 000 to $209 999	1		1	
$110 000 to $119 999	4	9	4	9	$240 000 to $249 999	1		1	
$120 000 to $129 999	6	3	5	3	$250 000 to $259 999		1		1
$130 000 to $139 999	4	2	4	2	$280 000 to $289 999		1		1
$140 000 to $149 999	2	3	2	2	$310 000 to $319 999	1		1	
$150 000 to $159 999	1	3	1	3	$350 000 to $359 999		1		1
$160 000 to $169 999	1	1		1	$380 000 to $389 999	1		1	
$170 000 to $179 999	5		4		$460 000 to $469 999		1		1
$180 000 to $189 999	2	2	2	2	$480 000 to $489 999	1		1	
$190 000 to $199 999	1	1	1		$610 000 to $619 999	1		1	

a The directors believe the provision of full particulars would be unreasonable having regard to the number of persons to whom those particulars relate.

9 Abnormal items

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Loss on disposal of associated company	(36.0)	-	(1.6)	-
Profit on disposal of associated company	56.7	-	-	-
Income tax expense	(20.3)	-	-	-
Provision for plant closure	(14.0)	-	(14.0)	-
Income tax benefit	3.2	-	3.2	-
Writeback of provisions relating to prior business disposals	10.4	-	4.2	-
Income tax expense	(2.4)	-	-	-
Abnormal items net of income tax	(2.4)	-	(8.2)	-

10 Tax effect accounting

Income tax expense

Reconciliation of income tax expense charged in the profit and loss statement with income tax calculated on operating profit and extraordinary items.

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Operating profit and extraordinary items	564.7	739.9	329.5	485.2
Income tax expense calculated at 39 cents in the dollar	220.2	288.6	128.5	189.2
Increase (decrease) in tax expense due to:				
non tax deductible: depreciation	12.5	12.4	3.3	3.5
loss on disposal of associated company	13.4	-	-	-
provision for diminution in value of investments	(3.4)	3.4	3.9	-
provision for loss on business disposals	-	10.7	-	-
provision for product liability of businesses closed	-	5.1	-	5.1
other expenditure	5.1	5.9	2.8	3.5
reassessment of future income tax benefits	(2.7)	-	-	-
prior year capital losses recognised	(14.5)	-	(7.4)	-
excess of net tangible assets over consideration for subsidiary acquired	-	(8.3)	-	-
non-taxable surplus on disposals of assets	(11.4)	(17.7)	(0.8)	(1.1)
rebates on dividends received	(9.6)	(9.4)	(47.1)	(55.5)
overseas tax rate differential	(0.5)	(0.8)	-	-
other items	(0.8)	(3.3)	2.9	3.2
Income tax expense on current year's operating profit and extraordinary items	208.3	286.6	86.1	147.9
Income tax underprovided in previous years	1.4	3.3	0.4	7.3
Total income tax expense on operating profit and extraordinary items	209.7	289.9	86.5	155.2
Total income tax expense comprises additions to:				
provision for current tax	192.8	267.1	79.3	134.2
provision for deferred tax	32.2	27.6	12.0	22.5
future tax benefits	(15.3)	(4.8)	(4.8)	(1.5)
	209.7	289.9	86.5	155.2
Future income tax benefits attributable to tax losses carried forward as an asset	16.0	7.8	-	0.7
Future income tax benefits not taken to account				
Balance at beginning of year	13.1	4.2	7.2	-
Adjustments for subsidiaries acquired and disposed of	4.1	(4.2)	-	-
Benefits (recognised) not recognised	(17.2)	13.1	(7.2)	7.2
Balance at end of year	-	13.1	-	7.2

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990

11 Extraordinary items

Surplus on business disposals	-	20.5	-	6.0
Provision for loss on business disposals	-	(28.4)	-	(4.3)
Excess of net tangible assets over consideration for subsidiary acquired	-	21.4	-	-
Provision for product liability of businesses closed	-	(5.5)	-	(5.5)
Asbestos: provision for claims	-	(6.1)	-	(6.1)
legal and other costs	-	(1.4)	-	(1.4)
Extraordinary items net of income tax	-	0.5	-	(11.3)

12 Dividends

Interim dividend paid fully franked	122.0	114.2	122.0	114.2
Final dividend proposed fully franked	126.5	177.0	126.5	177.0
	248.5	291.2	248.5	291.2

13 Cash

Cash at banks and on hand	13.8	4.7	7.6	3.6
Short-term loans and deposits	276.7	217.1	106.7	99.9
	290.5	221.8	114.3	103.5

14 Current receivables

Trade debtors	602.4	728.0	301.3	366.9
Provision for doubtful debts	(24.6)	(35.3)	(14.3)	(23.6)
	577.8	692.7	287.0	343.3
Amounts owing by subsidiaries			895.3	885.8
Provision for doubtful debts			(6.7)	(1.1)
			888.6	884.7
Other debtors	88.0	96.9	46.5	29.6
Provision for doubtful debts	(2.6)	(16.1)	(1.1)	(1.6)
	85.4	80.8	45.4	28.0
	663.2	773.5	1221.0	1256.0
Bad debts written off against provisions				
Trade debtors	17.8	9.1	10.6	4.8
Other debtors	7.1	-	-	0.1

15 Current investments[a]

Quoted on stock exchanges at cost				
Debentures	-	16.4	-	-
Government stock	-	4.1	-	-
	-	20.5	-	-

a Market value of quoted investments is equal to cost value.

Notes to and forming part of the accounts CSR Limited and subsidiaries — $A million	Consolidated 1991	 1990	Parent 1991	 1990

16 Current inventories

Raw and process materials and stores	235.4	225.0	87.7	108.9
Provision for diminution in value	(2.5)	(2.8)	(0.6)	(0.4)
	232.9	222.2	87.1	108.5
Work in progress	41.4	31.6	13.0	10.3
Finished goods	336.2	284.9	104.3	88.6
Livestock	0.6	0.7	0.6	0.7
	611.1	539.4	205.0	208.1

17 Other current assets

Prepayments	23.0	19.3	12.7	10.3

18 Non-current receivables

Amounts owing by subsidiaries			1242.0	1627.4
Loans to employees[a]				
Directors of group companies[b]	1.2	1.4	1.2	1.4
Other staff	18.4	16.4	18.4	16.3
Other loans	58.5	120.8	26.8	61.1
Provision for doubtful debts	(3.9)	(5.8)	–	(1.9)
	74.2	132.8	1288.4	1704.3
Term debtors	17.8	25.9	15.0	25.0
	92.0	158.7	1303.4	1729.3

a Includes loans to directors of CSR Limited. Amount before rounding $0.033 million (1990 $0.033 million). There are no loans to non-executive directors.
b Amounts before rounding – consolidated $1.239 million (1990 $1.378 million), parent $1.239 million (1990 $1.378 million).

19 Non-current investments

Shares in subsidiaries – not quoted on stock exchanges				
At directors' valuation 1967[a]			0.1	0.1
At cost			957.0	891.2
			957.1	891.3
Provision for losses in subsidiaries			(10.2)	(0.1)
			946.9	891.2
Shares in other companies – not quoted on stock exchanges				
At directors' valuation 1978[a]	0.5	0.5	–	–
At cost	140.2	303.4	–	0.5
Provision for diminution in value	(2.1)	(10.3)	–	–
	138.1	293.1	–	0.5
	138.6	293.6	–	0.5
Shares in other companies – quoted on stock exchanges[b]				
At cost	16.0	–	–	–
Total shares in other companies[c]	154.6	293.6	–	0.5
Debentures and government stock – not quoted on stock exchanges (at cost)	0.1	0.1	0.1	0.1
Interests in partnerships (at cost)	12.3	12.0	12.3	12.0
	167.0	305.7	959.3	903.8

a Shares not quoted on stock exchanges were revalued by the directors by reference to the tangible assets of the respective investee companies.
b Quoted market value $13.9 million (1990 $nil).
c Details of the group's significant investment is shown in note 38.

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990

20 Non-current inventories

Raw and process materials and stores	13.8	14.1	6.9	5.3
Finished goods	1.1	3.0	1.1	3.0
Livestock	1.0	1.0	1.0	1.0
	15.9	18.1	9.0	9.3

21 Property, plant and equipment

Land and buildings[a]	875.1	890.6	192.0	173.8
Quarry and other raw material reserves	622.0	644.3	29.6	40.7
Plant and equipment	1931.6	1791.7	586.7	533.2
Growing timber and log licences	129.9	123.9	-	-
Total property, plant and equipment (details given below)	3558.6	3450.5	808.3	747.7
Land and buildings				
At directors' valuation 1984	2.0	2.0	2.0	2.0
1985	9.0	9.0	9.0	9.0
At independent valuation 1985	81.4	86.2	78.1	82.8
1987	12.1	12.3	-	-
	104.5	109.5	89.1	93.8
Accumulated depreciation	(11.1)	(9.6)	(10.1)	(8.8)
	93.4	99.9	79.0	85.0
At cost	875.9	871.5	140.0	110.6
Accumulated depreciation	(94.2)	(80.8)	(27.0)	(21.8)
	781.7	790.7	113.0	88.8
	875.1	890.6	192.0	173.8
Quarry and other raw material reserves				
At cost	651.3	664.9	32.7	45.5
Accumulated depletion	(29.3)	(20.6)	(3.1)	(4.8)
	622.0	644.3	29.6	40.7
Plant and equipment				
At directors' valuation 1962	10.0	10.6	9.9	10.5
1985	13.5	13.5	13.5	13.5
At independent valuation 1985	89.4	89.6	89.4	89.6
1987	8.7	8.9	-	0.1
At assessed value – leased assets	26.3	27.5	14.2	14.4
	147.9	150.1	127.0	128.1
Accumulated: depreciation – valuation	(54.2)	(49.3)	(46.3)	(41.3)
amortisation – leased assets	(18.4)	(18.8)	(8.6)	(8.1)
	75.3	82.0	72.1	78.7
At cost	3040.9	2759.5	872.7	770.1
Accumulated depreciation	(1184.6)	(1049.8)	(358.1)	(315.6)
	1856.3	1709.7	514.6	454.5
	1931.6	1791.7	586.7	533.2
Growing timber and log licences				
Growing timber at cost	79.2	79.2	-	-
Accumulated value of increase in timber volume	19.7	12.9	-	-
	98.9	92.1	-	-
Log licences at cost	34.3	34.6	-	-
Accumulated amortisation	(3.3)	(2.8)	-	-
	31.0	31.8	-	-
	129.9	123.9	-	-
Total property, plant and equipment	3558.6	3450.5	808.3	747.7

a The group obtains a current value for its interest in land and buildings every 3 years.
The values at 31 March 1990 were $1164.8 million (consolidated), $383.8 million (parent).
Fluctuations in value may have occurred since this date.

Notes to and forming part of the accounts

22 Movements in consolidated property, plant and equipment

CSR Limited and subsidiaries $A million	Land and buildings	Quarry and other raw material reserves	Plant and equipment	Growing timber and log licences	Total
Gross book value					
Balance at beginning of year	981.0	664.9	2909.6	126.7	4682.2
Assets: acquired	19.2	1.8	390.8	–	411.8
disposed of	(46.7)	(6.4)	(51.5)	(0.3)	(104.9)
in subsidiaries disposed of	(2.7)	–	(2.1)	–	(4.8)
Foreign currency movements	(12.6)	(15.1)	(20.6)	–	(48.3)
Increase in timber volume	–	–	–	6.8	6.8
Revaluations and reclassifications	42.2	6.1	(37.4)	–	10.9
Balance at end of year	980.4	651.3	3188.8	133.2	4953.7
Depreciation and other provisions					
Balance at beginning of year	90.4	20.6	1117.9	2.8	1231.7
Provisions raised	14.7	8.9	194.2	1.0	218.8
Depreciation on assets:					
disposed of	(1.0)	–	(43.0)	–	(44.0)
in subsidiaries disposed of	(0.1)	–	(1.0)	–	(1.1)
Foreign currency movements	(1.4)	(0.2)	(9.7)	–	(11.3)
Revaluations and reclassifications	2.7	–	(1.2)	(0.5)	1.0
Balance at end of year	105.3	29.3	1257.2	3.3	1395.1
Net book value of assets at end of year	875.1	622.0	1931.6	129.9	3558.6

23 Intangibles

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Goodwill at cost	**546.1**	554.2	**17.0**	16.4
Accumulated amortisation	**(48.3)**	(31.0)	**(4.4)**	(3.4)
	497.8	523.2	**12.6**	13.0
Patents and trademarks at cost	**182.8**	172.5	**0.3**	0.1
	680.6	695.7	**12.9**	13.1

24 Other non-current assets

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Future income tax benefits	**88.6**	80.5	**53.1**	48.9
Deferred costs	**27.3**	13.2	**13.2**	–
Other	**2.4**	2.3	–	–
	118.3	96.0	**66.3**	48.9

25 Current creditors and borrowings

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Current maturities of long-term loans				
Secured				
Debentures[a]	-	17.0	-	8.3
Finance lease liabilities[b]	3.3	4.5	1.7	1.7
Other	0.6	0.8	-	0.4
Unsecured				
Bank	129.8	1.1	-	-
Notes[c]	0.6	138.7	-	98.0
Other	0.8	11.6	-	0.3
	135.1	173.7	1.7	108.7
Bank overdraft: secured[d]	2.9	6.7	-	-
unsecured	17.4	23.2	9.0	17.8
	20.3	29.9	9.0	17.8
Short-term loans – secured[d]				
Bank	1.7	3.7	-	-
Other	-	0.8	-	-
Other short-term loans – unsecured	179.1	156.0	2.7	3.5
	180.8	160.5	2.7	3.5
Creditors				
Trade	393.6	448.5	142.0	176.9
Other	113.7	94.8	73.5	18.7
Amounts owing to subsidiaries			687.3	719.9
	507.3	543.3	902.8	915.5
	843.5	907.4	916.2	1045.5
Current maturities of long-term loans are repayable in the following currencies:				
(Australian dollar equivalents are shown)				
Australian dollars	2.2	159.5	0.1	107.0
United States dollars	132.7	14.0	1.6	1.7
Other currencies	0.2	0.2	-	-
	135.1	173.7	1.7	108.7

a Debentures were secured by a floating charge over certain assets of CSR Limited and the guaranteeing subsidiaries.
b Secured by a charge over the leased assets.
c Includes convertible notes. Refer to note 29 for details.
d Secured by a charge over the assets of certain subsidiary companies.

26 Current provisions

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Annual and sick leave	51.9	53.8	26.4	26.5
Asbestos claims and costs	9.6	8.7	9.6	8.7
Contract losses	7.5	0.1	7.4	-
Dividend	125.1	176.2	125.1	176.2
Fringe benefits tax	1.5	1.2	0.9	0.8
Income tax	226.3	289.0	103.7	143.1
Long-service leave	15.0	24.8	11.2	18.7
Loss on business disposals	0.5	11.1	-	-
Quarry site restoration	4.1	4.8	1.4	1.3
Pension and retiring allowances	2.4	4.0	1.2	1.6
Plant overhaul	2.6	3.7	1.2	1.7
Plant closure	14.0	-	14.0	-
Uninsured losses and future claims	31.8	15.1	9.0	7.2
Other	18.1	25.4	7.8	10.8
	510.4	617.9	318.9	396.6

Notes to and forming part of the accounts CSR Limited and subsidiaries	SA million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990

27 Non-current creditors and borrowings

Long-term loans				
Secured				
Bank[a]	5.0	2.8	–	–
Finance lease liabilities[a]	13.4	16.4	4.4	6.2
Other[b]	7.7	10.9	–	1.2
Unsecured				
Loans from subsidiaries			938.7	1245.3
Bank	904.4	1014.6	–	–
Notes	255.9	340.3	–	–
Other	18.6	16.2	7.6	0.5
Term creditors	12.9	10.7	–	–
CSR convertible notes – unsecured[c]	1.3	1.6	1.3	1.6
	1219.2	1413.5	952.0	1254.8
Non-current creditors and borrowings are repayable in the following currencies:				
(Australian dollar equivalents are shown)				
Australian dollars	125.5	119.7	950.6	1248.6
United States dollars	1088.8	1284.5	1.4	6.2
Other currencies	4.9	9.3	–	–
	1219.2	1413.5	952.0	1254.8
Total non-current creditors and borrowings will mature as follows:				
Year ending March 1993	266.7		72.8	
1994	138.0		35.8	
1995	174.7		0.8	
1996	219.9		136.6	
1997	378.8		9.7	
1998	6.6		6.2	
1999	19.7		19.4	
2000	0.2		–	
2001	0.2		–	
2002 and after	11.0		–	
	1215.8		281.3	
Creditors and borrowings without fixed maturity date	2.1		669.4	
CSR convertible notes	1.3		1.3	
	1219.2		952.0	

a Refer to note 25 for details of security.
b Secured by a charge over subsidiary company assets.
c Includes convertible notes and option bonds. Refer to note 29 for details.

28 Non-current provisions

Annual and sick leave	2.7	2.0	2.4	1.7
Deferred income tax	370.7	344.2	118.7	107.0
Long-service leave	44.6	33.5	31.0	23.2
Loss on business disposals	27.5	27.5	–	7.5
Quarry site restoration	16.8	14.6	–	–
Pension and retiring allowances	1.3	1.8	0.4	0.3
Product liability of businesses closed	19.4	30.1	19.4	30.1
Uninsured losses and future claims	7.5	9.8	7.4	8.1
Other	10.3	11.4	8.7	8.1
	500.8	474.9	188.0	186.0

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990

29 Share capital

	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Authorised capital				
2 000 000 000 ordinary shares of $1 each (1990 – 2 000 000 000)	**2000.0**	2000.0	**2000.0**	2000.0
Less: unissued capital over which options are held[a]	**24.7**	30.8	**24.7**	30.8
other unissued and uncalled capital	**1197.5**	1234.2	**1197.5**	1234.2
Paid-up capital	**777.8**	735.0	**777.8**	735.0
Paid-up capital comprises:				
776 498 003 ordinary shares of $1 each fully paid (1990 – 732 281 904)	**776.5**	732.3	**776.5**	732.3
1 769 727 ordinary shares of $1 each partly paid to $0.50 (1990 – 4 794 795)	**0.9**	2.4	**0.9**	2.4
4 075 000 ordinary shares of $1 each partly paid to $0.10 (1990 – 3 127 000)	**0.4**	0.3	**0.4**	0.3
782 342 730 ordinary shares on issue (1990 – 740 203 699)	**777.8**	735.0	**777.8**	735.0

a
- 6 232 402 notes were issued August and September 1987 at par value $A4.00: the notes are convertible, at holder's option, on 28 February every year until 1997. Notes not converted will be repaid at par on 31 March 1997. Number of notes not converted 311 924 (1990 – 393 423). Options held on ordinary shares 311 924 (1990 – 393 423).
- 340 000 option bonds of $A380 each paid to $0.01 were issued December 1985; each option bond is convertible to 102.68 ordinary CSR $1 shares at any time until 11 December 1992. Number of option bonds not converted 237 167 (1990 – 296 163). Options held on ordinary shares 24 353 263 (1990 – 30 409 927).

	Ordinary $A1 shares Partly paid	Ordinary $A1 shares Fully paid	Issue price $A	Equity funds $A million
Particulars of shares issued during the year by CSR Limited				
On issue 31 March 1990	7 921 795	732 281 904		
Share Purchase Plan				
reinvested dividends		29 884 439	4.80	143.5
cash contributions		3 663 610	4.73	17.3
Employee Share Plan		1 222 800	5.18	6.3
Executive Share/Option Plan	948 000	281 000	5.18	1.3
Convertible notes converted		81 499	4.00	0.3
Option bonds converted		6 057 683	3.70	22.4
Partly paid to fully paid	(3 025 068)	3 025 068	2.50	4.5
Total movements during year	(2 077 068)	44 216 099		195.6
On issue 31 March 1991	5 844 727	776 498 003		
Issued from 1 April to 17 May 1991		398 299	5.08	
Partly paid to fully paid	(86 932)	86 932	3.85	

	Number of shares issued	Class of shares	Issue price $A	Purpose of issue
Particulars of shares issued during the year to minority shareholders in a subsidiary company				
Bradford Enercon Inc	60	Preferred A $CAN 1000	At par	Refinance

30 Reserves

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Share premium	1329.3	1176.5	1329.3	1176.5
Capital	149.1	149.1	98.4	98.4
Foreign currency translation	(13.6)	(8.0)	0.1	0.2
Total reserves	1464.8	1317.6	1427.8	1275.1
Movements in share premium reserve				
Balance at beginning of year	1176.5	1048.5	1176.5	1048.5
Premium on shares issued	152.8	128.0	152.8	128.0
Balance at end of year	1329.3	1176.5	1329.3	1176.5
Movements in foreign currency translation reserve				
Balance at beginning of year	(8.0)	(33.1)	0.2	–
Exchange differences relating to overseas net assets:				
net (loss) gain on translation	(7.3)	34.8	(0.1)	0.2
net gain (loss) on hedge transactions	1.6	(10.2)	–	–
Reserves of subsidiaries disposed of	0.1	0.5		
Balance at end of year	(13.6)	(8.0)	0.1	0.2

31 Contracted capital expenditure, lease and hire expenditure

$A million		Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Contracted capital expenditure					
Estimated capital expenditure contracted for at balance date but not provided for, payable within 1 year		32.8	27.9	4.7	6.9
Contracted lease and hire expenditure commitments not otherwise provided for in the accounts:					
land and buildings		137.4	76.1	109.9	71.0
quarry and other raw material reserves		27.4	12.4	14.8	12.3
plant and equipment		37.0	22.0	16.9	17.6
		201.8	110.5	141.6	100.9
Contracted lease and hire expenditure comprises:					
Operating leases					
Non-cancellable payable:	within 1 year	19.2	10.9	15.1	11.2
	between 1 and 2 years	17.0	10.4	12.3	10.4
	between 2 and 5 years	37.7	12.7	25.4	13.0
	after 5 years	64.6	34.4	56.2	26.7
		138.5	68.4	109.0	61.3
Other payable:	within 1 year	11.4	5.6	6.5	5.4
	between 1 and 2 years	9.6	4.5	5.8	4.7
	between 2 and 5 years	14.4	11.8	9.6	11.6
	after 5 years	25.2	16.6	10.2	14.9
		60.6	38.5	32.1	36.6
Total operating lease and hire expenditure		199.1	106.9	141.1	97.9
Finance leases payable:	within 1 year	4.9	6.8	2.0	2.5
	between 1 and 2 years	7.5	5.7	4.6	2.5
	between 2 and 5 years	7.0	10.9	–	5.9
	after 5 years	–	1.1	–	–
Total minimum finance lease payments		19.4	24.5	6.6	10.9
Less amounts provided for in the accounts:					
current lease liabilities		3.3	4.5	1.7	1.7
non-current lease liabilities		13.4	16.4	4.4	6.2
Finance lease expenditure not otherwise provided for in the accounts		2.7	3.6	0.5	3.0
Total contracted lease and hire expenditure not otherwise provided for in the accounts		201.8	110.5	141.6	100.9

32 Contingent liabilities

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Contingent liabilities, capable of estimation, arise in respect of the following categories:				
CSR Limited				
Various performance and other guarantees provided to third parties	5.9	4.9	5.9	4.9
Subsidiary companies				
Guarantees given by CSR Limited in respect of:				
amounts borrowed by CSR Finance Ltd and CSR America, Inc			1515.0	1587.5
leverage lease commitment of Austocean Pty Ltd			3.3	4.4
Other	6.1	2.5	0.5	–
	6.1	2.5	1518.8	1591.9
Other persons	–	9.8	–	2.6
	12.0	17.2	1524.7	1599.4

Other contingent liabilities

- Liability as self-insurer – the parent company acts as an authorised self-insurer in New South Wales, Victoria, Western Australia, Australian Capital Territory and South Australia for workers' compensation insurance. Adequate provision has been made for potential claims.
- The maximum contingent liability of the parent company and its subsidiaries for termination benefits under service agreements with directors and persons who take part in the management of the company is $3.7 million. A provision for CSR Limited non-executive directors' retirement benefits of $0.4 million is included in the accounts.

33 Interests in joint ventures

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Interests in joint ventures are included in the accounts in the following categories:				
Current assets				
Receivables	2.5	1.5	–	–
Inventories	36.0	23.7	–	–
	38.5	25.2	–	–
Non-current assets				
Inventories	2.9	4.2	–	–
Property, plant and equipment	242.1	222.4	–	–
Other	10.5	11.5	–	–
	255.5	238.1	–	–
Total assets employed in joint ventures	294.0	263.3	–	–
Current liabilities				
Creditors and borrowings	28.7	20.7	–	–
Provisions	2.7	3.6	–	–
	31.4	24.3	–	–
Non-current liabilities				
Provisions	4.5	3.9	–	–
	4.5	3.9	–	–
Total liabilities	35.9	28.2	–	–
Net assets	258.1	235.1	–	–
Contracted capital expenditure	35.0	–	–	–
Value of CSR's share of joint venture production after delivery costs				
Tomago	95.2	87.0	–	–
Gove	94.2	85.7	–	–

Joint venture	Principal activities	% Interest	$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Details of interests in joint ventures							
Tomago	aluminium	35		193.7	201.9	–	–
Gove	bauxite, alumina	30		64.4	33.2	–	–
Total interests in joint ventures				258.1	235.1	–	–

34 Related party information

Identity of related parties

Interests held in subsidiary and associated companies are identified in notes 35 and 38.

Interests held in joint ventures are identified in note 33.

All directors holding office throughout the year ended 31 March 1991 are identified in note 42.[a]

In addition the group holds a number of immaterial investments in associated companies which are not separately disclosed in note 38. These include the following with which there are material related party transactions:

Gypsum Resources Australia Ltd (50%)
Ready Mixed Industries Pty Ltd (50%)
Penrith Lakes Development Corporation (40%)

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
Amounts receivable from related parties				
Current				
Directors of group companies	**0.1**	–	**0.1**	–
Associated companies	**2.5**	2.8	**2.4**	2.1
Other related parties	**0.1**	–	**0.1**	–
Non-current				
Directors of group companies	**1.2**	1.4	**1.2**	1.4
Associated companies	**35.8**	81.2	**21.0**	46.0
Amounts payable to related parties				
Current				
Directors of partly owned subsidiaries	**0.5**	–	**–**	–
Associated companies	**5.8**	4.5	**5.5**	4.5
Other related parties	**0.4**	5.3	**–**	0.2
Material transactions with related parties[b]				
Interest revenue				
Associated companies	**1.2**	4.5	**–**	4.5
Dividend revenue				
Associated companies	**23.2**	19.6	**–**	–

Group company transacting	Related party[c]	Transaction type	Consolidated 1991	Consolidated 1990	$A million Parent 1991	Parent 1990
CSR Limited	Australian Cement Holdings Pty Ltd	A	**59.2**	59.8	**51.5**	58.1
	Gypsum Resources Australia Ltd	B	**9.4**	15.3	**9.4**	15.3
	Penrith Lakes Development Corporation	C	**8.2**	–	**8.2**	–
	Ready Mixed Industries Pty Ltd	D	**5.3**	7.1	**5.3**	7.1
	Ready Mixed Industries Pty Ltd	E	**2.5**	7.4	**2.5**	7.4
	The Austral Brick Co Pty Ltd	E	**(19.0)**	10.0	**(19.0)**	10.0
CSR Gypsum Products (UK) Ltd	Redland Plasterboard Holdings	E	**(28.8)**	8.4	**–**	–

Transaction type:

- A Purchases of cement from related party.
- B Purchases of gypsum from related party.
- C Management fees paid to related party during the year.
- D Sale of goods and services to related party.
- E Loans (repaid by) advanced to related party during the year.

a Transactions with directors are disclosed in notes 8 and 42.

b All transactions with related parties are made on normal commercial terms and conditions except loans to associated companies of $28.7 million (1990 – $27.3 million) are non-interest bearing.

c All material related party transactions conducted with associated companies.

35 Particulars relating to group companies

Except where shown all subsidiaries are wholly owned by the CSR Group and are investments of CSR Limited.

CSR Limited and subsidiaries $A million	Country of incorporation	Contribution to group operating profit and extraordinary items after income tax 1991	1990	Book value of investment 1991	1990
Corporate					
Cosure Ltd[x]	Australia	0.3	0.4		2.5†
CSR Contracting Pty Ltd (Ord A, B & C)	Australia	–	–	–†	–†
CSR Finance Ltd	Australia	1.6	1.8	5.3	5.3
CSR Insurance Pte Limited[*b]	Singapore	1.0	1.8	0.7	0.7
CSR International Pty Ltd	Australia	–	–	–	–
CSR Investments (Asia) Pte Ltd[*c]	Singapore	–	–	–†	–†
CSR Investments Australia Ltd	Australia	–	0.4	–	–
CSR Portfolio Investments Pty Limited	Australia	–	(12.6)	–†	100.5†
CSR Investments Overseas Ltd	Australia	0.4	–	618.6	552.8
Duinland B.V.[‡b]	Netherlands	(18.8)	(0.8)	139.4†	150.0†
CSR Investments Pty Ltd	Australia	33.0	62.9	130.3	130.3
CSR Travel Pty Ltd	Australia	–	–	0.1	0.1
Farrer Properties Limited	Australia	–	21.4	0.2	0.2
Midalco Pty Ltd	Australia	–	–	–	–
Seltsam Ltd	Australia	–	–	5.8†	5.8†
Building and construction materials					
BI (Australia) Pty Ltd (Ord A & B)	Australia	(0.2)	(0.1)	–†	–†
BI Holdings Australia Pty Limited[f]	Australia	–		–†	
Bradford Insulation Industries Pty Ltd	Australia	–	–	1.3†	1.3†
Bradford Insulation (M) Sdn Bhd[‡z]	Malaysia	–		–†	
Bradford Insulation (SA) Pty Ltd	Australia	–	–	2.4†	2.4†
BI (Contracting) Pty Ltd	Australia	–	–	0.1†	0.1†
Bradford Rockwool (M) Sdn Bhd (70% CSR Group)[*f]	Malaysia	1.4	–	15.3†	13.9†
Bradford Sales & Engineering (M) Sdn Bhd[*f]	Malaysia	–	–	–†	–†
Bradford Rockwool (Thailand) Company Ltd[*a]	Thailand	–	–	–†	–†
Canberra Asphalters Pty Ltd	Australia	(0.2)	(0.3)	0.7†	0.7†
CSR Bricks Limited	Australia	46.0	14.3	–†	–†
Monier PGH Limited (51% CSR Group)	Australia	1.1	0.7	267.5†	267.5†
Monier Roofing Limited (51% CSR Group)	Australia	8.2	10.8	62.9†	62.9†
Monier Colourtile Pty Ltd (51% CSR Group)	Australia	–	–	0.7†	0.7†
Variety Engineering Pty Ltd (Ord A & B – 51% CSR Group)	Australia	–	–	–†	–†
Monier Management Pty Ltd (51% CSR Group)	Australia	–	–	0.1†	0.1†
Reliance Roof Tiles Pty Ltd (51% CSR Group)	Australia	–	–	4.9†	4.9†
PGH Limited (51% CSR Group)	Australia	6.3	7.4	30.7†	30.7†
Rivarol Pty Limited (51% CSR Group)	Australia	0.1	–	–†	–†
Monier Brickmakers Limited (51% CSR Group)[*a]	New Zealand	(0.1)	0.2	3.0†	3.0†
Zacuba Pty Ltd (51% CSR Group)	Australia	2.4	3.3	25.7†	25.7†
CSR Investments Overseas Ltd[‡]					
Beadex Holding Inc[*d]	USA	0.9	–	4.5†	4.5†
Beadex Manufacturing Company Inc[*d]	USA	–	1.3	4.5†	4.5†
Beadex Foreign Sales Corporation[*d]	USA	–	–	–†	–†
Bradford Holdings Inc (Ord A & B)[*k]	Canada	0.2	(3.8)	114.3†	4.9†
Bradford Enercon Inc[*k]	Canada	4.1	(7.5)	11.7†	6.4†
Bradford Insulation (S) Pte Ltd[h]	Singapore	0.3	0.2	1.3†	1.3†
CSR (UK) Holdings[‡m]	UK	–	–	9.0†	83.0†
CSR Building Materials (UK) Ltd[‡m]	UK	2.2	(0.5)	–†	–†
CSR Gypsum Products (UK) Ltd[‡m]	UK	(20.9)	(8.9)	–†	–†
Hume Pipe Group Limited (UK)[‡m]	UK	–	0.7	3.0†	3.0†
Hume Pipe Limited[‡m]	UK	(1.3)	–	1.2†	1.2†
Hume Pipe (Scotland) Ltd[‡m]	UK	–	–	1.1†	1.1†
Hume Pipe (Wales) Ltd[‡m]	UK	–	–	0.2†	0.2†
Duinland B.V.[‡]					
CSR Netherlands B.V.[‡z]	Netherlands	–			
Readymix Services B.V.[‡b]	Netherlands	2.0	2.5	21.3†	21.3†
GPG Canada Holdings Ltd (Ord & Pref)[*k]	Canada	–	–	17.2†	7.4†
Synkoloid Holdings Inc[*k]	Canada	(1.7)	(4.5)	–†	–†
The Synkoloid Company of Canada Ltd[*k]	Canada	5.4	8.3	0.6†	–†
Whippet Holdings Ltd[*k]	Canada	(0.6)	(1.5)	0.7†	0.7†
Hume Industries (South Seas) Ltd[*j]	Fiji	0.1	0.1	4.5†	4.5†
Farley & Lewers Ltd	Australia	0.2	0.2	52.0†	52.0†
F & L (Qld) Pty Ltd (Ord A & B)	Australia	(0.3)	(0.1)	8.2†	8.2†
G & S S Pty Ltd	Australia	–	–	1.3†	1.3†
Gyprock Holdings Pty Limited	Australia	–	–	–†	–†
CSR Hebel Australia Pty Limited (82.5% CSR Group)	Australia	(2.4)	(1.8)	28.2†	28.2†
Keneen Pty Ltd	Australia	–	–	–†	–†
NAP Building Wholesale Pty Ltd	Australia	–	–	–†	–†
Premier Metal & Gravel Pty Ltd[x]	Australia	–	–		2.2†
Ready Mixed Concrete Ltd	Australia	10.1	(0.1)	249.3†	102.2†
Australian Blue Metal Ltd	Australia	–	–	8.4†	8.4†
The Readymix Group (Australia) Ltd	Australia	–	0.1	2.3†	2.3†
Bell Basic Industries (Qld) Pty Ltd	Australia	–	–	–†	–†
CSR Humes Pty Limited	Australia	15.1	12.1	185.0†	–†
CSR Readymix Pty Ltd	Australia	2.3	0.4	41.5†	–†
Spuncon Pty Ltd	Australia	–	–	–†	–†
Diesel Motors (Readymix) Ltd[x]	Australia	–	–		0.8†

35 Particulars relating to group companies (continued)

CSR Limited and subsidiaries $A million	Country of incorporation	Contribution to group operating profit and extraordinary items after income tax 1991	1990	Book value of investment 1991	1990
Building and construction materials (continued)					
Ready Mixed Concrete Ltd (continued)					
Readymix (SA) Pty Ltd	Australia	–	–	–†	–†
Centralian Industries Pty Limited	Australia	(0.5)	0.3	2.5†	2.5
Darwin Crushed Metal Pty Limited	Australia	–	–	0.4†	0.4†
Ready Mix Concrete (NT) Pty Ltd	Australia	(0.2)	0.1	0.7†	0.7†
RGL Services N.V. (Ord & Pref)[†k]	Neth Antilles	0.3	0.8	9.8†	9.8†
River Sand & Gravel Pty Ltd	Australia	–	–	0.8†	0.8†
Sellars Holdings Limited	Australia	1.1	3.4	20.5†	20.5†
Brimik Pty Ltd	Australia	–	–	–†	–†
Sunrock Quarries Pty Ltd	Australia	0.4	(0.8)	3.5†	3.5†
West Moreton Industries Pty Ltd	Australia	(0.4)	(0.6)	4.5†	4.5†
West Moreton Contractors Pty Ltd[x]	Australia	–	1.1		–†
Resource Industries Asia Pty Ltd (Ord A & B)[x]	Australia	0.9	0.3		–†
Skewes Ready Mix Pty Ltd[x]	Australia	–	–		0.6†
Suspended Products (Manufacturing) Pty Ltd[†]	Australia	(0.7)	0.3	–†	–†
Synkoloid Drywall Products Pty Ltd[x]	Australia	–	–		–†
Territory Aggregate Supplies Pty Ltd	Australia	–	(0.2)	1.1†	1.1†
Trafamadore Pty Limited (formerly Territory Asphalt Roadways Pty Ltd)	Australia	(0.2)	–	0.4†	0.8†
Topmix Pty Ltd (66% CSR Group)	Australia	–	–	0.1†	0.1†
Valdosta Investments Pty Ltd (liquidated 1990)	Australia		(0.3)		
WA Gravel & Paving Pty Limited (Ord A & B – 69.4% CSR Group)	Australia	(0.4)	(0.1)	0.5†	1.2†
Waterford Sands Pty Ltd	Australia	(0.5)	0.2	1.0	1.0
Construction materials USA					
CSR Investments Overseas Ltd[‡]					
CSR America, Inc[*d]	USA	(15.1)	(25.5)	456.4†	391.4†
CSR Construction Materials (USA) Inc[*d]	USA	–	–	130.4†	130.4†
ARCA Acquisition Corp[*d]	USA	–	–	137.8†	435.7†
American Aggregates Corporation[*d]	USA	11.1	(5.0)	137.8†	435.7†
Dredging & Hauling, Inc[*d]	USA	–	–	1.1†	1.1†
Ernst Aggregates, Inc[*d]	USA	–	–	12.5†	12.5†
Parkland Properties, Inc[*d]	USA	–	–	0.5†	0.5†
Permacrete Products Corporation[x*d]	USA	–	–		1.2†
Portable Aggregate Producers, Inc[*d]	USA	–	–	4.0†	4.0†
ARC Materials Corporation[*d]	USA	1.6	(0.1)	52.6†	66.6†
CSR Concrete Pipes (USA) Inc[*d]	USA	–	–	80.8†	80.8†
ARC Transportation Company[*d]	USA	–	–	–†	–†
Hydro Conduit Corporation[*d]	USA	5.9	0.1	147.5†	315.2†
Associated Sand & Gravel Company, Inc[*d]	USA	4.9	(1.0)	31.6†	33.5†
Rinker Materials Corporation[*d]	USA	(4.5)	28.0	47.0†	413.7†
Mack Industries, Inc (sold 1990)[*d]	USA		3.8		
Rinker Cen-Con Corp[*d]	USA	–	–	–†	–†
Rinker Realty Corporation[*d]	USA	–	(0.2)	2.6†	2.6†
Rinker Transport Corporation[*d]	USA	1.0	–	2.4†	–†
Southern Aggregates Company[*d]	USA	4.0	4.0	24.5†	24.5†
Timber products					
Hardboards Australia Ltd	Australia	(0.6)	(0.7)	8.3†	7.9†
Pyneboard Pty Ltd	Australia	3.9	(4.2)	24.2†	24.2†
Britash Trading Pty Ltd (Ord A & B)	Australia	(0.1)	0.1	–†	0.6†
Softwood Holdings Limited (Ord A – 100% CSR Group;					
Red Cum Pref – 59% CSR Group)	Australia	2.7	4.0	267.9†	275.6†
Formica Australia Pty Ltd	Australia	2.0	3.3	32.4†	35.1†
Softwood Research and Development Company Proprietary Limited[x]	Australia	–	0.7		1.6†
Softwoods Adelaide Pty Limited	Australia	(1.3)	1.1	0.8†	0.8†
Softwoods Dartmoor Proprietary Limited	Australia	(1.9)	2.4	38.6†	38.6†
Softwood Plantations Pty Limited	Australia	4.2	6.3	70.8†	70.8†
Softwoods Pa[illegible] Pty Limited	Australia	(0.1)	0.1	0.9†	0.9†
Softwoods Portland Pty Limited	Australia	(0.1)	0.1	2.1†	2.1†
Softwoods Queensland Pty Ltd	Australia	(0.2)	0.2	17.6†	17.6†
Perma-Log Holdings Pty Ltd	Australia	–	–	3.1†	3.1†
South Queensland Forests Pty Ltd	Australia	–	–	–†	–†
S.Q. Logging Pty Ltd	Australia	–	–	–†	–†
Perma-Log Products Pty Ltd	Australia	0.4	–	1.7†	1.7†
Perma-Log Products (NSW) Pty Ltd	Australia	–	–	–†	–†
Softwoods SE Land Pty Limited[x]	Australia	–	–		1.9†
The Forestry Pulp & Paper Company of Australia Proprietary Limited	Australia	–	–	0.2†	0.2†
Timber Holdings Ltd	Australia	–	(4.8)	61.9†	61.9†
Alstergren Pty Ltd (Ord A, B & C)	Australia	(0.3)	6.1	24.6†	24.6†
Bendigo Holdings Pty Ltd[x]	Australia	–	3.1		1.3†
Northern Victoria Hardware Pty Ltd[x]	Australia	–	–		0.2†
Brodribb Sawmilling Co Pty Ltd	Australia	(0.1)	–	0.2†	0.2†
Wangaratta Building Supplies Pty Ltd[x]	Australia	–	–		–†
CSR Softwoods (Queensland) Pty Ltd	Australia	(0.1)	–	0.5†	0.5†
Dimone Pty Ltd[x]	Australia	–	–		–†
Ruoak Timbers Pty Ltd[x]	Australia	–	–		0.3†
RGL Services N.V. (Ord & Pref)[p]					
Glamapyne Inc[*d]	USA	–	–	–†	–†
Woodland Ltd (Ord $1A & $0.70B)	Australia	(1.2)	(0.4)	5.8†	7.4†

35 Particulars relating to group companies (continued)

CSR Limited and subsidiaries $A million	Country of incorporation	Contribution to group operating profit and extraordinary items after income tax 1991	1990	Book value of investment 1991	1990
Sugar					
Amalgamated Sugar Mills Pty Ltd	Australia	1.1	1.8	8.0†	8.0†
Austocean Pty Ltd	Australia	0.5	0.3	–	–
CSR Investments Overseas Ltd[‡]					
Chelsea Investments Ltd[*a]	New Zealand	0.5	1.6	4.4†	4.4†
Chelsea Nominees Ltd[*a]	New Zealand	–	–	–†	–†
CSR Timber Products (NZ) Limited (formerly Credit Leveque Limited)[*a]	New Zealand	(0.3)	–	12.3†	12.3†
Formica (NZ) Limited[*a]	New Zealand	1.0	1.7	21.1†	21.1†
Chelsea Retirement Fund Nominees Ltd[*a]	New Zealand	–	–	–†	–†
New Zealand Sugar Co Ltd[*a]	New Zealand	10.0	7.6	12.1†	12.1†
CSR Distilleries Investments Pty Ltd[x]	Australia	–	–		3.0†
Agency Products Pty Limited[x]	Australia	–	–		–†
CSR Distilleries Operations Pty Ltd	Australia	0.6	0.2	1.8†	1.8†
Havelock Food Products Pty Ltd	Australia	(0.1)	–	0.3†	0.3†
J W Edwards Pty Ltd[x]	Australia	–	–		0.4†
Pioneer Sugar Mills Limited	Australia	7.9	23.2	190.8	200.9
				51.3†	51.3†
Plane Creek Central Mill Company Limited	Australia	1.6	6.0	44.5†	44.5†
Queensland Harvesting Co Pty Ltd	Australia			–†	–†
Roger Clarke Packaging Pty Ltd[¶]	Australia	–	–	–†	0.4†
The Haughton Sugar Co Pty Ltd	Australia	3.2	4.7	1.9†	1.9†
Aluminium					
Gove Aluminium Ltd (Ord. Non-red 7.75% pref – 70% CSR Group)	Australia	37.2	50.9	30.1†	30.1†
Gove Aluminium Finance Ltd (Ord. Red pref – 70% CSR Group)	Australia	(2.4)	1.4	33.9†	35.3†
Resources					
Oil and Gas					
Richter Drilling Pty Ltd	Australia	–	(0.2)	–†	–†
Shelf Drilling Pty Ltd	Australia	–	(0.8)	–†	–†
Coal					
Buchanan Borehole Collieries Pty Ltd	Australia	–	–	2.9†	2.9†
Hail Creek Coal Pty Ltd	Australia	–	–	–	–
Thiess Holdings Ltd (Ord A & B)	Australia	–	(2.2)	402.9†	377.6†
Biloela Callide Open Cut Pty Ltd[¶]	Australia	–	–	–†	–†
Thiess Bros Pty Ltd	Australia	8.0	3.9	242.1†	242.1†
Thiess Properties Pty Ltd	Australia	0.1	–	1.5†	1.5†
Minerals					
Blaire Company Limited[*g]	Hong Kong	–	–		–†
Warrock Company Limited[*g]	Hong Kong	–	–		–†
Total subsidiary companies		183.0	235.0		
plus: parent company profit		243.1	330.0		
provision for subsidiary company losses		10.1	–		
other consolidation adjustments		8.0	(15.5)		
less: inter-company dividends		120.7	142.1		
Operating profit and extraordinary items for year attributable to CSR shareholders		323.5	407.4		

a Carries on business in New Zealand.
b Carries on business in Netherlands.
c Carries on business in Netherlands Antilles.
d Carries on business in USA.
f Carries on business in Malaysia.
g Carries on business in Hong Kong.
h Carries on business in Singapore.
j Carries on business in Fiji.
k Carries on business in Canada.
m Carries on business in United Kingdom.
n Carries on business in Thailand.
p Statutory details are reported under Building and construction materials.
r Subsidiary incorporated during the year.
¶ In voluntary liquidation.
x Subsidiary liquidated during the year.
‡ Statutory details reported under Corporate.
τ All shares were sold during the year. Refer note 36 for full details.
§ Audited by firms other than Deloitte Ross Tohmatsu.
* Audited by associated firms of Deloitte Ross Tohmatsu.
† Investment by other group companies.

36 Disposal of subsidiaries

$A million	Net tangible assets	Profit on sale
Subsidiaries disposed of during the year		
CSR Netherlands B.V.	–	–
Hume Industries (South Seas) Ltd	1.4	0.4
Permacrete Products Corporation	4.6	–

Notes to and forming part of the accounts CSR Limited and subsidiaries	Explanatory note	$A million 1991	$US million[a] 1991

37 United States generally accepted accounting principles (US GAAP) information

Provided below is a summary of the differences between net profit and shareholders' equity disclosed in these accounts and that which would be reported if the accounts were prepared in accordance with US GAAP. This summary is not intended to be a comprehensive US GAAP report.

	Explanatory note	$A million 1991	$US million[a] 1991
Net profit			
Operating profit and extraordinary items after income tax attributable to members of CSR Limited		323.5	250.5
Share of associated company profits	A	(1.0)	(0.8)
Depreciation on revalued property, plant and equipment	B	4.7	3.6
Superannuation expense adjustment	C	36.6	28.3
Increase in timber volume	D	(6.8)	(5.3)
Amortisation of goodwill	E	3.8	2.9
Amortisation of patents and trademarks	F	(4.6)	(3.6)
Future income tax benefits attributable to tax losses	G	(5.3)	(4.1)
US GAAP net profit		350.9	271.5
Shareholders' equity			
Shareholders' equity attributable to members of CSR Limited		2797.8	2166.3
Share of associated company shareholders' equity	A	10.2	7.9
Elimination of asset revaluation reserves	B	(83.3)	(64.5)
Superannuation expense adjustment	C	36.6	28.3
Accumulated value of increase in timber volume	D	(19.7)	(15.3)
Accumulated amortisation of goodwill	E	9.8	7.6
Accumulated amortisation of patents and trademarks	F	(12.5)	(9.7)
Future income tax benefits attributable to tax losses	G	(6.4)	(5.0)
Investment in shares in other companies	H	(2.1)	(1.6)
Employees' share plan loans	I	(14.6)	(11.3)
Final dividend provision	J	126.5	97.9
US GAAP shareholders' equity		2842.3	2200.6

Explanatory notes:

A Financial information on associated companies is not included in the group profit and loss statement or balance sheet prepared in accordance with the Corporations Law. It is shown by way of supplementary information in note 38.

B Revaluation of property, plant and equipment is not permitted under US GAAP. The depreciation charge on the revaluation increment of revalued assets has been reversed. When revalued assets are sold any revaluation increment realised is reflected in net profit.

C CSR's superannuation arrangements are detailed in note 41. The only defined benefit fund of significance is the CSR Staff Superannuation Fund. This Fund has a surplus which has been calculated in accordance with the requirements of SFAS 87 Employers' Accounting for Pensions. The company has no legal entitlement to this surplus and may not withdraw excess assets. However, at the Trustee's discretion, contributions have been suspended and excess assets are being transferred to the Accumulation Division accounts over time, which is permitted under the terms of the trust deed. The following information in relation to the Fund is given for information purposes:

	$A million	$US million
Service cost	(2.2)	(1.7)
Interest cost	(9.6)	(7.4)
Actual return on assets	22.1	17.1
Net amortisation and deferral	42.0	32.5
Net periodic pension income	52.3	40.5
Transfer to Accumulation Division	(15.7)	(12.2)
Superannuation expense adjustment	36.6	28.3
Fund status at 31 March 1991:		
Fair value of assets	377.8	292.5
Projected benefit obligation	90.6	70.2
Asset not yet recognised	273.1	211.5

D Forests are initially shown at cost at the time of acquisition by the group. The change in the total volume of timber in the forests is calculated each year and recognised in net profit for the period. US GAAP does not permit the upward revaluation of assets.

E The group systematically amortises goodwill over the period, not exceeding 20 years, during which the benefits are expected to arise. US GAAP allows amortisation on a straight line basis over a period not exceeding 40 years.

F Under US GAAP purchased patents and trademarks are amortised over a period not exceeding 40 years. No amortisation is provided by the group on these assets until an event occurs which results in a loss or limitation of the useful life of the asset.

G The group recognises future income tax benefits of tax losses where realisation of the benefits through future income is virtually certain. Under US GAAP future income is not taken into account in the consideration of the likely recoupment of tax losses. Adjustment has been made to reverse benefits raised for tax losses except where offset by deferred income tax liabilities.

H Non-current investments in shares in other companies quoted on stock exchanges are recorded at cost. No revaluation decrement or provision for diminution is recorded unless, in the opinion of the directors, a permanent diminution in value has occurred. US GAAP requires that any temporary declines in value be deducted from shareholders' equity.

I Loans advanced to employees under share plan loans are offset against shareholders' equity for the purposes of US GAAP.

J Dividends declared by CSR Limited after the end of the financial year are recorded in the year to which they relate. Under US GAAP dividends are recorded in the period in which they are declared.

a Conversion rate – $A1.00 = $US0.7743.

CSR Limited and subsidiaries	Associate's year end[a]	% Interest[b]	Book value of shares held $A million	Value of loans and advances to associate $A million	Share of associate's profit and extraordinary items after tax $A million	Dividends received $A million

38 Equity accounting information

	Associate's year end[a]	% Interest[b]	Book value of shares held $A million	Value of loans and advances to associate $A million	Share of associate's profit and extraordinary items after tax $A million	Dividends received $A million
Investment in associated companies[c]						
Australian Cement Holdings Pty Ltd[d]						
cement manufacture (holding company)	31 Mar 91	50.0	128.6	9.5	11.1	17.0
Other companies			38.4			7.7
			167.0			24.7

$A million	Consolidated 1991	Consolidated 1990	Share of associated companies 1991	Share of associated companies 1990	Consolidation and share of associated companies[e] 1991	Consolidation and share of associated companies[e] 1990
Profit and loss statement						
Operating profit before abnormal items and income tax	547.6	739.4	15.7	18.2	546.3	749.6
Profit on abnormal items	17.1	–	–	–	22.0	–
Operating profit before income tax	564.7	739.4	15.7	18.2	568.3	749.6
Income tax attributable to operating profit	209.7	289.9	4.8	9.5	214.5	299.4
Operating profit after income tax	355.0	449.5	10.9	8.7	353.8	450.2
Profit on extraordinary items after income tax	–	0.5	–	1.1	–	1.6
Operating profit and extraordinary items after income tax	355.0	450.0	10.9	9.8	353.8	451.8
Minority interests in operating profit (loss) and extraordinary items after income tax	31.5	42.6	(0.2)	0.1	31.3	42.7
Operating profit and extraordinary items after income tax attributable to members of CSR Limited	323.5	407.4	11.1	9.7	322.5	409.1
Retained profits (losses) at the beginning of the year	480.2	364.0	(10.3)	(8.3)	469.9	355.7
Adjustment to retained profits for:						
associated companies sold			4.9	–	–	–
dividend income from associated companies			(17.0)	(16.8)	–	–
Dividends provided for or paid	248.5	291.2			248.5	291.2
Other movements	–	–	11.0	5.1	11.0	(3.7)
Retained profits (losses) at the end of the year	555.2	480.2	(0.3)	(10.3)	554.9	469.9
Balance sheet						
Investment in associated companies						
At cost or valuation	128.6	279.5			128.6	279.5
Retained losses			(0.3)	(10.3)	(0.3)	(10.3)
Post-acquisition reserves			10.5	14.0	10.5	14.0
Aggregate carrying amount	128.6	279.5	10.2	3.7	138.8	283.2
Other non-current investments	38.4	26.2	–	–	38.4	26.2
Total non-current investments	167.0	305.7	10.2	3.7	177.2	309.4
Other assets	6053.2	5993.5	–	–	6053.2	5993.5
Total assets	6220.2	6299.2	10.2	3.7	6230.4	6302.9
Total liabilities	3073.9	3413.7	–	–	3073.9	3413.7
Net assets	3146.3	2885.5	10.2	3.7	3156.5	2889.2
Share capital	777.8	735.0			777.8	735.0
Reserves	1464.8	1317.6	10.5	14.0	1475.3	1331.6
Retained profits (losses)	555.2	480.2	(0.3)	(10.3)	554.9	469.9
Minority shareholders' interest in subsidiaries	348.5	352.7	–	–	348.5	352.7
Total shareholders' equity	3146.3	2885.5	10.2	3.7	3156.5	2889.2

a The group is not aware of any significant events or transactions which have occurred after the year end of the associated company which could materially affect the financial position or operating performance of the company.
b All shares held are ordinary.
c The Austral Brick Co Pty Ltd, Redland Plasterboard Holdings and Redland Plasterboard BV which were associated companies were sold during the year.
d Formerly Cement Industries Pty Ltd.
e Figures for current year profits and retained profits are derived by deducting dividend income from associated companies from the consolidated figures and adding the share of profits of associated companies. Losses of associated companies are provided for in the consolidated accounts. Therefore no adjustment to consolidated figures is required.

Dividends received $A million

17.0
7.7
24.7

ation and ssociated anies[c] 1990

749.6
–
749.6
299.4
450.2
1.6
451.8
42.7
409.1
355.7
–
–
291.2
(3.7)
469.9

279.5
(10.3)
14.0
283.2
26.2
309.4
993.5
302.9
413.7
389.2
735.0
331.6
469.9
352.7
589.2

Notes to and forming part of the accounts

39 Segment information

CSR Limited and subsidiaries $A million	Segment revenue[a] 1991	Segment revenue[a] 1990	Operating profit before abnormal items, interest, foreign exchange and income tax 1991	Operating profit before abnormal items, interest, foreign exchange and income tax 1990	Total assets 1991	Total assets 1990
Industry segments						
Building and construction materials	1777.6	1900.0	293.5	360.1	2159.0	2261.3
Construction materials USA	947.4	620.9	111.2	54.2	1739.2	1817.6
Timber products	472.1	537.6	33.9	86.9	779.3	729.8
Sugar	1088.3	1168.7	162.6	191.1	841.8	890.9
Aluminium	304.0	306.3	88.7	111.1	349.8	329.9
Segment totals	4589.4	4533.5	689.9	803.4	5869.1	6029.5
Unallocated items	1.8	6.7	(18.6)	(9.7)	351.1	269.7
	4591.2	4540.2	671.3	793.7	6220.2	6299.2
Geographical segments						
Australia	3424.7	3712.1	543.1	731.0	4156.7	4152.7
North America	1011.7	682.0	104.7	55.3	1908.7	1885.6
New Zealand	117.1	113.6	16.3	13.4	114.7	89.3
Europe	18.9	17.0	3.9	(9.1)	9.1	142.3
Others	18.8	15.5	3.3	3.1	31.0	29.3
	4591.2	4540.2	671.3	793.7	6220.2	6299.2

Products and services

Building and construction materials
aggregates and sand; pre-mixed concrete; asphalt; concrete pipes, blocks and other pre-cast concrete products; cement; clay bricks, pavers and pipes; concrete and clay roof tiles; plasterboard and plasterboard accessories; autoclaved aerated concrete; fibre concrete; glasswool, rockwool and foil insulation; air handling products

Construction materials USA
aggregates and sand; pre-mixed concrete; asphalt; concrete pipes and blocks; pre-stressed concrete products; cement

Timber products
wood panel products; sawn timber products; high pressure laminates; furniture components; plywood

Sugar
raw and refined sugar; ethanol; sugar industry services; shipping

Aluminium
bauxite, alumina, aluminium

a Segment revenue includes dividend income. Inter-segment sales are negligible.

40 Non-hedged foreign currency balances

The Australian dollar equivalents of non-hedged foreign currency balances are included in the accounts as follows:

$A million	Consolidated 1991	Consolidated 1990	Parent 1991	Parent 1990
United States dollars				
Current assets	289.1	293.9	11.8	103.8
Non-current assets	1515.6	1541.0	–	19.9
Current liabilities	(378.3)	(327.9)	(101.9)	(169.2)
Non-current liabilities	(1184.9)	(1302.0)	(157.4)	(160.3)
	241.5	205.0	(247.5)	(205.8)
New Zealand dollars				
Current assets	66.2	42.0	–	–
Non-current assets	30.3	29.3	–	–
Current liabilities	(24.4)	(9.3)	(17.6)	(18.5)
Non-current liabilities	(1.5)	(2.5)	–	–
	70.6	59.5	(17.6)	(18.5)
Canadian dollars				
Current assets	5.2	9.3	–	–
Non-current assets	53.2	44.1	–	–
Current liabilities	(16.4)	(25.1)	–	–
Non-current liabilities	(11.3)	(20.1)	–	–
	30.7	8.2	–	–
Other currencies				
Current assets	26.6	29.5	1.1	0.1
Non-current assets	14.5	106.1	–	–
Current liabilities	(17.1)	(18.5)	(1.1)	(37.8)
Non-current liabilities	(0.1)	(1.4)	–	(21.2)
	23.9	115.7	–	(58.9)

41 Superannuation commitments

The CSR Group participates in a number of superannuation funds in Australia, New Zealand and other countries where it operates. Most were established and are sponsored by the group.
The funds provide benefits either on a defined benefit or cash accumulation basis for employees or their dependants on retirement, resignation, total and permanent disablement or death. The members and the group make contributions as specified in the rules of the respective funds.

The assets of all funds were sufficient to satisfy all benefits which would have been vested in the event of termination of the fund, or in the event of the voluntary or compulsory termination of the employment of each employee.

From 1 April 1990, the name of the CSR Officers' Provident Fund (OPF) was altered to CSR Staff Superannuation Fund (SSF). SSF has two divisions, a Defined Benefit Division and an Accumulation Division. Membership of the Defined Benefit Division comprises previous OPF members, pensioners and spouse pensioners. Membership of the Accumulation Division comprises members of CSR Staff Cash Accumulation Retirement Fund who transferred to the Division with effect from 1 April 1990 and those new employees who are eligible to be admitted to the Division.

Due to an actuarial surplus, the group's contributions to the SSF Defined Benefit Division have been suspended since July 1987. This suspension was confirmed by the fund's current actuary Mr Geoffrey F Burgess FIAA in June 1989 and is subject to review following future actuarial valuations of the Fund.

The group's major funds as at 31 March 1991 are summarised below.

	CSR Staff Superannuation Fund Defined Benefit Division	CSR Staff Superannuation Fund Accumulation Division	CSR Employees' Retirement Fund
Type of benefit	Defined benefits (lump sum and pension)	Cash accumulation benefits (lump sum)	Cash accumulation benefits (lump sum)
Basis of contributions	Such amount as is determined by the Trustee from time to time upon the advice of the actuary	Percentage of member's salary contributed by member and the group	Percentage of member's wage contributed by member and the group
Group legal obligation to contribute	Enforceable obligation to contribute such amount as to ensure that the fund has assets of not less than 120 percent of the amount required to meet the actuarial liabilities of the Division but otherwise subject to a right to reduce or discontinue contributions on six months' notice to the Trustee	Enforceable obligation subject to a right to reduce or discontinue contributions on six months' notice to the Trustee	Enforceable obligation subject to a right to reduce or discontinue contributions on six months' notice to the Trustee
Last actuarial assessment	Completed as at 30 June 1989 by Mr Geoffrey F Burgess FIAA	Not applicable	Not applicable

42 Interests of directors (CSR Group)[a]

Shares held as at 3 June 1991	Fully paid Personally	Fully paid Beneficially	Partly paid Personally	Partly paid Beneficially	Total 1991	Total 1990
A W Coates[b]	2 000	83 440			**85 440**	85 440
D K Voss	8 514	6 052			**14 566**	14 566
B N Kelman	102 843				**102 843**	102 843
R H Myers	18 577				**18 577**	17 114
J Scully	8 504				**8 504**	7 387
B W Macdonald	2 200				**2 200**	2 200
J F Kirk	5 628				**5 628**	5 184
J B Gough	11 212	15 000			**26 212**	20 329
I G Burgess	4 283		180 000		**184 283**	133 769
W A Bennett	10 837		129 000		**139 837**	104 637
R K Barton	1 365		109 000		**110 365**	75 139
G V Kells	2 836		130 000		**132 836**	97 494

a No interests were held in the share capital of related companies.
b Beneficially owned shares are held 50%.

Listed	Fully paid shares – full voting rights Shareholders	%	Shares	%	Partly paid shares – full voting rights Shareholders	%	Shares	%
Distribution of shareholders and shareholding as at 17 May 1991								
Registered address								
Australia	103 063	92.9	740 814 981	95.6	5 566	89.3	1 586 764	91.0
New Zealand	5 556	5.0	14 284 631	1.8	510	8.2	115 754	6.6
United Kingdom	1 471	1.3	4 500 734	0.6	107	1.7	33 333	1.9
Other	887	0.8	15 140 988	2.0	50	0.8	7 944	0.5
	110 977	100.0	774 741 334	100.0	6 233	100.0	1 743 795	100.0
Class of holder								
Individuals	91 596	82.5	167 268 565	21.6	5 256	84.3	837 788	48.0
Companies	19 381	17.5	607 472 769	78.4	977	15.7	906 007	52.0
	110 977	100.0	774 741 334	100.0	6 233	100.0	1 743 795	100.0
Size of holding								
1 – 99	6 963	6.3	302 327	–	3 876	62.2	136 553	7.8
100 – 1000	54 310	48.9	25 579 340	3.3	2 154	34.5	615 249	35.3
1001 – 5000	38 929	35.1	88 381 632	11.4	174	2.8	343 985	19.7
5001 – 10 000	6 669	6.0	46 490 593	6.0	10	0.2	74 492	4.3
10 001 and over	4 106	3.7	613 987 442	79.3	19	0.3	573 516	32.9
	110 977	100.0	774 741 334	100.0	6 233	100.0	1 743 795	100.0

Unlisted	Fully paid shares – full voting rights Shareholders	%	Shares	%	Partly paid shares – no voting rights Shareholders	%	Shares	%
Registered address								
Australia	6 843	94.6	2 119 000	94.5	353	95.9	3 732 000	93.0
Other	391	5.4	122 900	5.5	15	4.1	282 000	7.0
	7 234	100.0	2 241 900	100.0	368	100.0	4 014 000	100.0
Class of holder								
Individuals	7 234	100.0	2 241 900	100.0	368	100.0	4 014 000	100.0
Size of holding								
100 – 1000	7 234	100.0	2 241 900	100.0	51	13.9	51 000	1.3
1001 – 5000					145	39.4	438 000	10.9
5001 – 10 000					61	16.6	474 000	11.8
10 001 and over					111	30.1	3 051 000	76.0
	7 234	100.0	2 241 900	100.0	368	100.0	4 014 000	100.0

	Ordinary $1 shares (million) Fully paid	Partly paid	% of total shares 782.7 million
20 largest shareholders as at 17 May 1991 (ranked for fully paid)[a]			
Australian Mutual Provident Society	115.96	–	14.82
Queensland Treasury Corporation	34.05	–	4.35
Pendal Nominees Pty Limited	33.55	–	4.29
Bank of New South Wales Nominees Pty Ltd	29.43	0.04	3.77
ANZ Nominees Limited	25.34	0.03	3.24
National Nominees Ltd	21.47	0.02	2.74
National Mutual Life Association of Australasia Ltd	17.15	–	2.19
Citicorp Nominees Pty Limited	14.97	–	1.91
State Authorities Superannuation Board	14.87	–	1.90
Toyota Motor Corporation	13.14	–	1.68
Chase AMP Nominees Limited	10.58	0.02	1.35
Perpetual Trustees Nominees Limited	9.91	–	1.26
Superannuation Fund Investment Trust	9.84	–	1.26
Permanent Trustee Company Ltd	9.70	–	1.24
Colonial Mutual Life Assurance Society Ltd	9.48	–	1.21
Devrossi Pty Ltd	8.68	–	1.11
Perpetual Trustee Company Ltd	8.37	0.03	1.07
MLC Life Limited	8.36	–	1.07
CTB Nominees Limited	7.64	–	0.98
Jaminigo Pty Ltd	6.60	–	0.84
	409.09	0.14	52.28

a Substantial shareholders in CSR Limited – The Australian Mutual Provident Society has a relevant interest in 117.86 million fully paid ordinary shares representing 15.05% of the company's total issued capital of $778 million; BT Australia Limited has a relevant interest in 39.45 million fully paid ordinary shares representing 5.04% of the company's total issued capital of $778 million. The shares are held in a number of nominees.

Directors' statement

Statement by directors on the accounts set out on pages 34 to 58.

In the opinion of the directors of CSR Limited:

(a) the profit and loss statement is drawn up so as to give a true and fair view of the results of the company for the financial year ended 31 March 1991;

(b) the balance sheet is drawn up so as to give a true and fair view of the state of affairs for the company as at 31 March 1991;

(c) at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due; and

(d) the accompanying group accounts are drawn up so as to give a true and fair view of:
   (i) the results of the company and its subsidiaries for the financial year ended 31 March 1991; and
   (ii) the state of affairs of the company and its subsidiaries as at 31 March 1991 so far as they concern members of the company.

The accounts and group accounts have been made out in accordance with Statements of Accounting Concepts and applicable accounting standards.

The accounts of the company have been properly prepared by a competent person.

Signed in accordance with a resolution of the directors.

I G Burgess
Managing Director

A W Coates
Chairman

3 June 1991

Auditors' report

Auditors' report to the members of CSR Limited.

We have audited the accounts set out on pages 34 to 58 and 60 in accordance with Australian Auditing Standards.

In our opinion:

the accounts of CSR Limited and the group accounts are properly drawn up in accordance with the provisions of the Corporations Law and so as to give a true and fair view of:

(a) the state of affairs of the company and of the group as at 31 March 1991 and of the results of the company and of the group for the year ended on that date so far as they concern members of the company;

(b) the other matters required by Division 4 of Part 3.6 of that Law to be dealt with in the accounts and in the group accounts;

and are in accordance with Statements of Accounting Concepts and applicable accounting standards.

The names of the subsidiaries of which we have not acted as auditors have been indicated in note 35.

Deloitte Ross Tohmatsu

Deloitte Ross Tohmatsu

R W Freeman
Partner
Chartered Accountants

3 June 1991

Shareholder inquiries. Shareholders with questions about their shareholding, dividend payments or the Share Purchase Plan, should telephone CSR's external share registry Deloitte Ross Tohmatsu on (02) 281 4822 or, if calling from outside Sydney, (008) 252 350. International calls should be made to +61 2 281 4822, or facsimile +61 2 281 9590.

Dividends. The final dividend of 16 cents per share, if approved at the annual general meeting on 29 July, will be paid on 7 August 1991. The dividend will be fully franked for Australian tax purposes. Overseas shareholders will benefit by having no Australian withholding tax deducted from their dividends.

Direct payment to investors' accounts. Dividends may be paid directly to bank, building society or credit union accounts in Australia. These payments are electronically credited on the dividend date and confirmed by mailed payment advices.

Change of address. Shareholders who have changed address should advise CSR's share registry in writing:

Deloitte Ross Tohmatsu
Securities Registry Services
PO Box 152
Surry Hills NSW 2010
Australia
Facsimile (02) 281 9590
International +61 2 281 9590.

Removal from annual report mailing list. Investors who do not want to receive the annual report should advise CSR's share registry in writing.

Investor information. Financial and operating information about CSR is available from the Manager Investor Relations, telephone Sydney (02) 235 8368, facsimile (02) 235 8642.

Share Purchase Plan. CSR's plan offers two ways to increase a shareholding in the company:

- **Dividend reinvestment.** Shareholders may arrange to buy CSR shares, using all or part of their dividends, at an average market price less 5% with no brokerage or other costs. Last year 34 531 shareholders reinvested 48% of dividends this way.
- **Cash contributions.** Shareholders may also contribute up to $A2400 each year ending 30 June to buy shares. Shares are priced and issued on a monthly basis. Monthly purchases can be arranged through an automatic bank transfer. Last year 9000 shareholders bought shares this way.

CSR publications. The annual report is the main source of information for investors. Other publications supplement it:

- the annual results summary promptly informs investors of the highlights of the year
- the report of the annual general meeting updates the annual report
- the half-yearly results summary reviews the September half year
- two facts books, providing detailed information on all CSR's operations and on CSR's operations in the United States, are available on request.

These publications are available from the Corporate and Investor Relations Group, telephone Sydney (02) 235 8412, facsimile (02) 235 8642.

Stock exchange listings. CSR's shares are listed on the Australian, New Zealand, London and Frankfurt stock exchanges. CSR's convertible unsecured notes and option bonds are listed on the Australian Stock Exchange. The option bonds are also listed on the London exchange.

American Depositary Receipts. CSR shares are traded in sponsored American Depositary Receipt form on the over-the-counter market in the United States. ADR holders receive information sent to shareholders. Inquiries about ADR holdings should be made to the Depositary, Morgan Guaranty Trust Company in New York. Their New York telephone number is (212) 648 3143.

CSR's shareholders. At the date of this report, CSR has 115 600 shareholders. Of the 782.7 million shares on issue, 52% are held by the 20 largest registered holders, compared with 53% the previous year. There are 107 400 shareholders with registered addresses in Australia, 5700 in New Zealand, and 2500 elsewhere, mostly in the United Kingdom. About 85% of shares are beneficially held in Australia.

Additional share information. Share capital, shares issued, shareholder and shareholding distribution, and the 20 largest shareholders are listed on pages 48 and 59.

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