

**REPORT OF THE DIRECTORS AND**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**FOR**

**THE INVESTOR RELATIONS SOCIETY**  
**LIMITED BY GUARANTEE**

**THE INVESTOR RELATIONS SOCIETY**  
**LIMITED BY GUARANTEE**

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**FOR THE YEAR ENDED 31 DECEMBER 2015**

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**THE INVESTOR RELATIONS SOCIETY**  
**LIMITED BY GUARANTEE**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**DIRECTORS:**

Susan Scholes ~ Chair  
David Lloyd-Seed ~ Deputy Chairman  
Fay Dodds ~ Treasurer  
John Gollifer ~ General Manager  
Emma Brzeskwinski (nee Burdett)  
Ross Hawley  
Charles King  
Claire Lavery  
Alison Owers  
Sallie Pilot  
Danielle Poulain  
David Shriver  
Fraser Thorne  
David Walker

**SECRETARY:** James Eves

**REGISTERED OFFICE:**

5th Floor  
30 Coleman Street  
London  
EC2R 5AL

**REGISTERED NUMBER:** 02294631 (England and Wales)

**ACCOUNTANTS:**

Cook and Partners Limited  
Chartered Accountants  
108 High Street  
Stevenage  
Hertfordshire  
SG1 3DW

**THE INVESTOR RELATIONS SOCIETY**  
**LIMITED BY GUARANTEE**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

The directors present their report with the financial statements of the company for the year ended 31 December 2015.

**REVIEW OF BUSINESS**

**Overview**

During 2015, the Society, a not-for-profit member organisation, recorded a strong overall performance against a mixed economic backdrop for member companies, service providers and Society sponsors. Membership numbers continued to rise while income from events and professional development programmes increased on the back of growing demand in the UK and overseas. Overall, Society turnover increased 19% year-on-year, including the benefit of investing time to work more closely with our members, sponsors and overseas' counterparts. At the same time, the Society continued to invest in the quality of the staff, services and facilities available to its members, while seeking to improve back-office systems. Our most significant investment in the past two years has been an office move from Bedford Street, following the expiry of the lease, to Coleman Street in the first quarter of 2014. Our purpose-built open plan office and larger meeting room continue to feature as key planks in our overall marketing efforts in that the well-located office offers the Society more walk-in traffic and it creates a fitting impression for visitors to the Society. Following some temporary dislocation in 2014 as we underwent a transition period in the new office and added new staff, we are pleased to report that the Society recorded a post-tax surplus of £29,787 in 2015 (2014: £13,586 deficit). Generally, in keeping with our not-for-profit status, the Society would over time expect to use any surplus position in improving the provision of services for its members.

**Strategy**

The mission of the Investor Relations Society is to lead the development of the investor relations profession through championing best practice, supporting the professional development of its members, representing their views to regulatory bodies, the investment community and government, and acting as a forum for issuers and the investment community. In order to fulfil this purpose, the Society sets itself a range of strategic goals and related key performance indicators (KPIs) against which progress is judged and appropriate incentives for the executive team are provided. The Board of the Society also uses this framework to assess future risks and opportunities for the Society, set appropriate budgets and make long-term decisions around financing and provision of services.

**Financial performance**

During 2015, the Society continued to provide all of its core services for members, including membership subscription and benefits, education, events, advertising, publications and sponsorship. Turnover increased to £878,817 (2014: £738,382). Income allocated to membership increased by 10% to £240,943 (2014: £218,186) during the year. The total number of members increased by 5% year-on-year to 735 from a combination of individual members and continued use of membership and sponsorship packages. Receipts from the education programmes increased by 31% to £322,543 (2014: £246,389) following the higher take-up of the international Certificate in Investor Relations (CIR) and the resumption of the Deliver programme (DEveloping future Leaders through InVEstor Relations). We had another satisfactory year for our core professional development programme, which included new bespoke courses in the UK. Both the annual conference and our Best Practice Awards dinner, along with other events, saw record participation levels and produced a healthy overall surplus on the back of stronger income, up 17% to £276,310 (2014: £236,329).

The gross operating margin increased to 63% (2014: 62%) as we managed our cost of sales which included running more of our courses and events in-house. At the operating level, we ran a surplus of £28,522 (2014: deficit £16,345), mainly on account of a higher revenue base.

Income from our investments decreased in line with the relatively low rates of interest payable on deposits. It should be noted that the landlord of our new office required us to set aside 12 months' rent in a landlord's escrow account, being £70,400 plus VAT. This amount of £84,480 is shown as a prepayment under the debtors on the Balance Sheet and is not shown as part of the net cash deposits.

The Society has recorded a post-tax surplus of £29,787 (2014: £13,586 deficit). The reserves of the Society at the year-end were correspondingly higher at a level of £228,798 (2014: £199,011) and net cash deposits totalled £256,511 (2014: £195,620).

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**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**Key performance indicators**

We measure our success by the following KPIs:

**1. Maintenance of adequate reserves for the Society to continue in operation**

The directors believe that the Society's reserves should be maintained at a level which would permit the Society to continue in operation for a reasonable period if its income was significantly impaired. The directors consider that reserves should be maintained at or above £200,000. The directors have noted that this KPI has been breached at times during the year, including at the beginning of the year following the previous year-end position in 2014 of £199,011. The directors are pleased to see that following a strong performance in 2015, the Society's reserves have been restored. The directors do not propose revising this KPI, albeit the directors recognise that the prevailing economic environment can have an adverse impact on this particular KPI.

**2. Level of membership of the Society**

The directors have established a base level of membership of 700 with the objective of growing it by 5% per annum. It is recognised that membership numbers may fluctuate as a result of the economic backdrop. At the end of 2015, the Society had 735 members (2014: 698). In order to encourage membership and event participation we have increasingly offered group membership and sponsorship packages which include membership. These actions have been reflected in the membership numbers. Moreover, with the aid of a Customer Relationship Management system, we have more actively managed the membership accounts and, where necessary, we have closed those accounts where there had been no activity or contact with the member over the previous 6 months. In common with other membership organisations, members do occasionally move on without advising us and it takes time to establish and reflect this in our membership numbers.

**3. Provision of an active events programme**

The events programme is considered to be an integral part of the benefits of membership of the Society. As a minimum, the directors believe that the Society should organise an annual conference and an annual dinner/awards event. In addition, the Society should organise up to 30 other events throughout the year. During 2015, the Society organised 30 events which, along with record numbers at our flagship annual conference and Best Practice Awards dinner, generally saw higher participation and engagement levels. Our plan for 2016 is to again hold up to 30 events in London with at least one being held in a UK financial centre outside of London.

**4. Support for our education programme through attendance on training courses and registrations for the CIR examination**

The Society's education programmes have continued to expand and are an important element of the Society's reputation as a professional organisation. We have started new initiatives in 2015, including the introduction of Club IR working lunches for IROs. These short courses are run as workshops on topical issues. We plan to run Club IR in 2016 with some new content. We saw an increase in the take-up of our online learning support modules for the CIR. The biennial Deliver programme, that started in 2013, was run again successfully in 2015. Our target in 2016 is to enrol at least 200 new students on our CIR programme and to have at least 300 attendees on our other courses during the year. In 2015, we had 263 (2014: 185) new CIR students and 277 (2014: 293) attendees on our courses with more of the registrations coming from overseas.

**5. Raising the Society's profile**

Given all the excellent content that the Society provides through its Best Practice, Policy and other supporting committee work, the Board thinks it appropriate to consider gauging the extent to which our efforts can raise the Society's profile. Accordingly, the Corporate Affairs committee has been charged with monitoring more closely the number and type of invitations the Society receives to participate in external discussions, interviews and presentations. We expect to be in a position to establish a formal KPI in due course.

**Our market**

The Society's core market for membership and services is professionals involved in investor relations, either in-house working for listed companies, or as providers of investor relations services in the UK and internationally. We believe that the services the Society provides are also of value and relevance to other professionals who may not be involved in investor relations as their primary activity. We believe that there is scope for the Society to provide services, particularly in education and training, for people working overseas who require an understanding of the regulatory requirements of the London stock market or who are involved with companies with London listings. At 31st December 2015, membership of 735 was split approximately 50/50 between corporate IROs and service providers. Of our corporate members, approximately 40% work for FTSE 100 companies and approximately 10% work for overseas companies. The other corporate members come from a broad cross-section of other companies from the FTSE250 to AIM market.

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While the Society is the only UK organisation working solely for those in investor relations in quoted companies, many of our members are also members of other professional bodies and a number of these organisations provide events which cover topics related to investor relations. There are also other organisations that provide training programmes in investor relations. We believe that most of these are complementary to our member services and are useful in increasing the profile of investor relations to other professions. Accordingly, we seek mutually beneficial ways to work with other like-minded organisations, including overseas.

**Organisational structure**

Leadership of the Society is provided by a Board composed of elected, voluntary non-executive members of the Society together with the General Manager, an executive director. The General Manager leads a dedicated executive team who support various voluntary committees and ensure the provision of high quality services and events to benefit members on a day-to-day basis. Our membership is actively involved in running the Society through the committee structure which has continued to work very effectively during the year. The committees, which are primarily composed of full members of the Society, have powers delegated by the Board, but report to the Board regularly and are a valuable way of drawing on additional expertise from across the membership. All the committee chairpersons are Board members.

**Membership**

A significant portion of the Society's operating surplus arises from membership subscriptions. As a result, maintaining a strong focus on providing value-added member services and balancing this with appropriately priced membership categories is a key area of focus for the Society. We have seen a steady increase in membership numbers and expect this trend to continue. We will continue our membership recruitment programmes focusing on our target markets to attract new members. In addition to simplifying the existing membership structure by merging Standard and Standard Plus in 2016, all of whom will now be known as Full Members, we are creating new membership categories, including Associate for new entrants to the industry, for example. The overseas markets remain a natural target given the interest in our professional development programme. Accordingly, we also plan to introduce a new Affiliate membership category that would allow access to more of our content to others, including non-UK members, where it will run alongside the existing Premium International membership. The latter membership continues to attract new members and allows visiting overseas' IROs entry to the annual conference or the Best Practice Awards Dinner.

**Professional Development Programme and Certificate in Investor Relations**

The Society's professional development programme has shown strong growth since 2013 and currently contributes over a third of the turnover. The operation of a professional development programme is a fundamental part of the Society's service to members. In 2015, we continued to operate our core programme of training courses with new and updated courses. We have also continued to add to our roster of trainers. The CIR has continued to appeal with over 1,000 candidates having successfully completed the examination by the end of 2015. In addition to our home market of UK candidates, we were pleased to be in a position to attract candidates from Africa, Asia, Europe and the Middle East.

A significant development in our offering to more senior IROs has been the Deliver programme in partnership with UBS. In 2014, we formed an alumni group, based on the class of 2013, which will continue the regular interactive sessions with key City and industry figures along with the latest class of 2015. An important part of this initiative is to raise the profile of the best in the profession, the value they bring and their potential to move into more senior roles and even beyond IR. We expect this to continue. Further, in 2016 we plan to introduce an advanced level to our IR professional qualification offering, the Diploma in IR. It is envisaged that this new qualification will build on the success of the CIR and existing advanced courses that we offer.

**Events**

As an important service to members, the Society continues to organise an active calendar of events covering regular subject matter and topical issues. We generally aim to present a variety of views from across the IR industry. During the year, we continued the programme of popular monthly lunchtime webinars. We had a successful annual conference that attracted over 350 participants in June 2015 and which was principally sponsored by Berenberg and Nasdaq, alongside other conference sponsors and exhibitors. We were delighted to have Evan Davis of the BBC as our host along with keynote speakers that included Xavier Rolet, CEO, London Stock Exchange Group, Marc Teasdale, director of Market Oversight, FCA and Stephanie Flanders, Managing Director and Chief Market Strategist, UK and Europe, JP Morgan Asset Management.

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In June 2015, we also celebrated the Society's 35<sup>th</sup> anniversary in conjunction with our AGM at a new venue, courtesy of Liberum. In November 2015 we held our Annual Dinner and Best Practice Awards at the Tower of London where we saw a record turnout of well over 500 guests.

The Society's Best Practice Committee undertook a further review of the self-entry categories, guidance and supporting criteria, entry and judging process behind the annual Best Practice Awards in response to feedback and ongoing trends in the way that companies provide investor communications. For our voted awards, we continued to work in partnership with WeConvene Extel.

**Policy**

In 2015, the Policy Committee continued to monitor and analyse legislation and regulation which may affect members in the course of their work. Members of the committee continue to attend the IR and Markets Committee of the 100 Group to discuss areas of mutual interest. This influential group of FTSE 100 Finance Directors has stated that it relies heavily on the IR Society to highlight IR issues of concern. We have continued to use the Society's IR Forum to bring together senior IROs and their buy-side governance counterparts to discuss topical issues.

During 2015, there has continued to be a steady flow of consultations from and discussions with UK and EU regulators, government and other bodies. We responded to, among others:

ESMA's call for evidence on the impact of the Best Practice Principles for providers of shareholder voting research and analysis (BPP)

FCA Investment and Corporate Banking Market Study – Terms of Reference

FCA Asset Management Market Study - Terms of Reference

Shareholder Voting Working Group's (SVWG) discussion paper on improving transparency in the shareholder proxy voting process

2020 Stewardship Working Party steering group and 2015 Stewardship survey

Takeover Panel pre-consultation meetings in relation to the requirement for meetings which take place during an offer to be 'policed' by financial advisers

The focus for the attention of the committee in 2016 is likely to be similar to 2015, with the implications of possible changes to corporate access and independent research as a result of proposed MiFID II legislation remaining of particular interest to our members.

**Communications**

During 2015, we continued to refresh 'Informed', the popular quarterly journal of the Society, which has included high quality articles and contributions from a wider variety of sources, including from overseas. Our weekly 'Bulletin', a timely update on the market, operating and regulatory landscape, is distributed to over 2,500 subscribers worldwide and we have active LinkedIn discussion groups and Twitter feeds. We believe that the use of social media adds another dimension to our communications and marketing efforts and we expect to see such communication continue to grow. We have seen a positive response from members to our monthly 'Policy Roundup' - an email newsletter.

**The Board and employees**

At the AGM in June 2015, Ian Arnold, our long-serving Treasurer and John Dawson, Chairman from 2011 to 2014, retired from the Board. The Board would like to express their thanks to both of them for their wholehearted support and commitment to the Society. Also at the AGM, we were delighted to welcome Charles King and Fraser Thorne to the Board. Charles has been a regular speaker at our annual conference and an active member of the Society's IR Forum and Fraser serves on the Membership Committee. During the latter half of 2015, Reg Hoare, Chairman of the Corporate Affairs committee, retired from the Board and David Shriver joined the Board as Reg's successor as a director and Chairman of the Corporate Affairs committee. The Board would like to express their thanks to Reg who has contributed to the Board for 8 years and played an important role in shaping our communications strategy.

In any organisation such as the Investor Relations Society, we are heavily dependent on the time and goodwill of members. This is particularly true of Board members who make a substantial time commitment to the Society, for which thanks are due. The day-to-day operations of the Society continue to be run efficiently and effectively by the full time executive team under John Gollifer, the General Manager. During the first half of 2015, the existing team of Alina Ardeleanu, Robert Dann, Laura Hayter, Jan Kelly and Alison Hamilton was joined by Nicole Solomon. In the first half of 2016, we will also gain another team member with the addition of Rebecca White following our participation in the Government's Apprenticeship Scheme. The directors would like to formally record their thanks to all members of staff for their efforts during 2015 which were highly valued by the wider membership.

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**FOR THE YEAR ENDED 31 DECEMBER 2015**

**Sponsorship**

The Society also relies on a large number of individual commercial supporters who contribute cash sponsorship and provide access to meeting facilities and speak at events and training courses, among other benefits in kind. During 2015, the Society's activities have been publicised through the Financial Times, IR Magazine and other media services. The directors would like to express their thanks to all the organisations that provided support during the year.

**Key relationships**

We were delighted to retain and attract the following annual sponsors for 2015:

Platinum: The Bank of New York Mellon Depository Receipts  
Gold: RD:IR  
Annual events programme: Orient Capital  
AGM: Liberum  
Professional Development Programme: Deutsche Bank Depository Receipts  
Silver: Investis  
Deliver programme: UBS  
Bronze: Black Sun, Capita Asset Services  
Conference: Berenberg, Nasdaq  
Annual sponsor: EMR, EQS

**Business opportunities**

The key business opportunities for the Society are as follows:

- Expansion of membership base. We believe there is further scope to increase the membership of the Society including from representatives of small and medium-sized companies and internationally. Our marketing programme aims to retain existing members and to target new members. However, it is recognised that increased membership is dependent on making the Society more relevant and vibrant and of course, on the long-term health of the economy and the IR profession.
- Expansion of education and training programmes. Our education programmes have continued to attract new students and we have been particularly pleased with the growing interest we have received from overseas markets. We will actively seek to increase the take up of our programmes, including bespoke courses and to develop further overseas markets. We are also looking to develop the education programmes with the introduction of further levels beyond the existing CIR that will provide potential revenue for the Society as well as increase the recognition of our qualifications as eligibility for more senior roles in the industry.
- Promotion of the Society as the leader in investor relations expertise and the focal point for IR in the UK. We believe that increasing the visibility of the Society with the broader investment community, government, regulators and the media will help to establish our organisation as the primary source of information for investor relations and enable us to lobby more effectively on behalf of our members. This will in turn increase the Society's relevance to those working in investor relations and encourage growth through additional memberships, increased sponsorship and participation in events as well as our education programmes.
- Development of attractive programmes for senior investor relations officers. Our aim is to provide events for members at all levels in investor relations. We believe that newer entrants to the profession are well served by our entry level training and examination programmes. However, we consider that there is a need to provide more relevant activities for more experienced members to enable them to network and share knowledge with their peers. Newer initiatives, like Club 11 and Club IR give more IROs the opportunity to discuss topical issues with their peers. Further, our Deliver programme initiative with UBS now provides a proven opportunity for senior IROs, with a focus on developing future leaders through investor relations. We believe that we are in a position to build on our efforts to date and take our content and IR expertise to new levels, including through the introduction of the Diploma in IR, an advanced level qualification for IR professionals, and possibly for the non-executive level of Boards of directors. Along these lines, we have re-launched a quarterly seminar in 2016 targeted at more senior executives, including the C-suite and NEDs, in conjunction with Edison Investment Research.



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**Business risks**

The key business risks for the Society are as follows:

- Decline in membership arising from a downturn in economic activity. The Society believes that its core membership has some resilience against an economic downturn as the need for good communications and investor relations is even more necessary in difficult markets, but we recognise that, at times of pressure on corporate expenditure, membership and course income may suffer. We therefore believe that it is important to ensure that the Society is continually striving to ensure that it is offering appropriate and good value services to members. Accordingly, we survey members after each course and event, as well as annually, to ensure that our content is relevant to their needs.
- Inability to maintain sponsorship at current levels. The Society is significantly dependent upon cash and in-kind sponsorship to maintain the viability of its major events (conference, annual dinner) and the education and events programmes. The last economic recession put considerable pressure on the level of sponsorship. To counter this, we have increased our marketing resources and developed new sponsorship packages which offer increased visibility for sponsors throughout the year and reward them for their commitment to the Society through added benefits. This programme has been successful in maintaining sponsorship income to date. We believe that an active and growing corporate membership and a relevant and engaging programme of events are key to retaining and attracting corporate sponsors. The Society will continue to keep its cost base under review and will take appropriate action to mitigate the impact of any longer term shortfall in sponsorship.
- Loss of support for major events. The Society is significantly dependent on the success of the conference and dinner each year. If support for these events declines, either through lack of bookings or sponsorship, such that we are not able to cover our fixed costs, we would not be able to run them and we would need to consider other ways of raising funds or reducing the operations of the Society. The best way of retaining the attractiveness of these events is through the quality of the speakers and efficient organisation. We continue to actively explore ways of improving the marketing of these events, including the introduction of a conference micro-site in 2015.
- Loss of key staff. In any small office, the loss of an individual member of staff can have a disproportionate effect. The Society aims to offer competitive remuneration packages and career development opportunities for its staff together with an open and consensual working environment. Despite some staff changes in 2013 and role changes in 2014, we have benefited from a core, hardworking executive team who have provided valuable continuity, further improvements to working practices and shown a healthy appetite to grow into bigger, more responsible roles. Given our increasing level of activity and a growing revenue base, our plans include further investment in an apprentice in 2016 rather than take on temps and interns during peak periods of activity.
- Major increase in overhead costs. Most of the Society's overhead costs are fairly predictable. We are not significantly exposed to raw material cost increases apart from electricity. The lease on our Bedford Street office ended on 16 March 2014 and we took the opportunity to move to a newly refurbished office at 30 Coleman Street in the heart of the City. These larger premises, reflecting the more-than-doubling-in size of the Society since moving in to Bedford Street, suit both staff and members in terms of location and additional space to undertake more activities ourselves. Accordingly, our cost of premises, including rent, service charges and rates, has increased by approximately £2,000 per month based on the total cost of running the new office compared to the old office.
- Competition. We face some commercial operators and other offerings from banks, for example, in the provision of IR content and education programmes. This potentially means increasing competition in publications and in a core part of our offering to new course attendees. We continue to ensure that all our courses include practical sessions provided by experienced IROs, something which clearly differentiates our courses.

**Environmental**

Although we are a small organisation, it is our objective that we should contribute, where possible, to a sensible use of resources, both from a cost and environmental point of view. We use paper sourced from sustainable forests and all waste paper generated in the office is recycled. Printing is kept to a minimum to reduce usage of ink and paper.

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**THE FUTURE**

We saw some evidence of market uncertainty in the latter part of 2015 and at the beginning of 2016. Given a mixed economic and political outlook, this may well mean we experience a decrease in some corporate budgets. Moreover, with the discretionary nature of our target audience's spending, we may well see an adverse knock-on effect on our offering to members and non-members alike if they choose to spend less. Against this background, the Board strongly believes that the Society should continue to offer relevant services to our members and excellent value to our sponsors. To do this, we will need to be proactive with our marketing, including making more use of our customer relationship management system and further refreshing our website in 2016, keeping our professional education programme up to date and continually searching for new and attractive ideas for events that appeal to our members. The Society remains in a healthy financial position and the Board remains vigilant and will monitor activity carefully during 2016.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report.

Susan Scholes ~ Chair  
David Lloyd-Seed ~ Deputy Chairman  
John Gollifer ~ General Manager  
Emma Brzeskwinski (nee Burdett)  
Fay Dodds  
Ross Hawley  
Claire Lavery  
Alison Owers  
Sallie Pilot  
Danielle Poulain  
David Walker

Other changes in directors holding office are as follows:

Ian Arnold ~ Treasurer - resigned 4 June 2015  
John Dawson - resigned 4 June 2015  
Reginald Hoare - resigned 28 July 2015  
Charles King - appointed 4 June 2015  
David Shriver - appointed 6 October 2015  
Fraser Thorne - appointed 4 June 2015

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

  
.....  
Susan Scholes ~ Chair - Director

Date: 26 April 2016

**THE INVESTOR RELATIONS SOCIETY**  
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**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 £	2014 £
<b>TURNOVER</b>		878,817	738,382
Cost of sales		<u>325,967</u>	<u>279,984</u>
<b>GROSS SURPLUS</b>		552,850	458,398
Administrative expenses		<u>524,328</u>	<u>474,743</u>
<b>OPERATING SURPLUS/(DEFICIT)</b>	3	28,522	(16,345)
Interest receivable and similar income		<u>1,581</u>	<u>3,814</u>
		30,103	(12,531)
Interest payable and similar charges		<u>-</u>	<u>365</u>
<b>SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		30,103	(12,896)
Tax on surplus/(deficit) on ordinary activities	4	<u>316</u>	<u>690</u>
<b>SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR</b>		<u>29,787</u>	<u>(13,586)</u>

The notes on pages 11 to 14 form part of these financial statements

**THE INVESTOR RELATIONS SOCIETY (REGISTERED NUMBER: 02294631)**  
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**BALANCE SHEET**  
**31 DECEMBER 2015**

	Notes	2015 £	£	2014 £	£
<b>FIXED ASSETS</b>					
Tangible assets	5		44,432		57,973
<b>CURRENT ASSETS</b>					
Debtors	6	202,458		239,239	
Cash at bank and in hand		<u>256,511</u>		<u>195,620</u>	
		458,969		434,859	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<u>274,603</u>		<u>293,821</u>	
<b>NET CURRENT ASSETS</b>			<u>184,366</u>		<u>141,038</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>228,798</u>		<u>199,011</u>
<b>RESERVES</b>					
Income and expenditure account	9		<u>228,798</u>		<u>199,011</u>
			<u>228,798</u>		<u>199,011</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2015.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2015 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Directors on 26<sup>th</sup> April 2016 and were signed on its behalf by:



.....  
Fay Dodds - Director



.....  
Susan Scholes ~ Chair - Director

The notes on pages 11 to 14 form part of these financial statements

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The directors have assessed various factors and risks affecting the company and its ability in these difficult economic times to continue to trade as a going concern. They have not identified any material uncertainties or risks related to events or conditions that could cast significant doubt about the company's ability to continue as a going concern and therefore the financial statements for the year ended 31st December 2015 have been prepared using the going concern basis of accounting.

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

**Recognition of income and expenditure**

a) Subscriptions - Annual subscriptions are recognised over the period to which they relate.

b) Publications - All expenditure arising from the printing and publication of Informed magazine is accounted for in the period in which the publication is mailed out. Income from Informed and website advertising is accounted for in the period(s) to which it relates. The cost of production of other publications is spread over a period of 12 months from the date of publication.

c) Conferences - Income and expenditure arising from conferences and dinners are recognised wholly within the accounting period in which the event takes place. Any fees received relating to conferences and dinners taking place post year end are included within deferred income.

d) Educational activities - Income arising from educational activities consists of examination fees, sale of course manuals and course fees. Expenditure relates to the cost of setting and holding examinations, preparation of course material and holding meetings and courses. Income and expenditure are taken to the Income and Expenditure account on a receipts and payments basis. The Society also receives sums from prominent International IR organisations to finance the preparation and presentation of professional exams and symposia. These receipts, together with the costs of presentation, are spread over 12 months.

e) Bank interest - Deposit interest is accounted for on a receipts basis.

f) Sponsorship income - Sponsorship income is recognised over the period or event to which it relates.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- Over the term of the lease
Office equipment	- 33% on cost

**Pensions**

The Society operates a defined contribution pension scheme. Contributions payable for the year are charged in the income and expenditure account.

**Leased assets**

All leases currently in operation are regarded as operating leases and the total payments made under them are charged to the income and expenditure account on a straight line basis over the lease term.

**Tax**

Current tax is the tax payable on taxable profit for the year. As the Society is a non-profit making organisation tax is only charged on Bank deposit interest.

**THE INVESTOR RELATIONS SOCIETY**  
**LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

1. **ACCOUNTING POLICIES - continued**

**Financial risk management**

a) Credit risk - Working capital and longer term funds are held in interest-bearing investments with approved issuing banks with at least an AA rating. The credit risk for cash is considered to be negligible, since counterparties are reputable banks which are all covered by UK or EU deposit guarantees. In respect of trade and other receivables, the Society is not exposed to any significant credit risk from any single customer or group of customers. The majority of the Society's customers are members.

b) Liquidity and interest rate risk - The Society policy is to maintain a strong balance sheet with cash deposits placed for appropriate periods of no more than three years to ensure acceptable levels of liquidity. It does not have significant exposure to interest rate fluctuations or liquidity risk.

2. **DIRECTORS' EMOLUMENTS**

	2015	2014
	£	£
Directors' remuneration and other benefits etc	<u>72,892</u>	<u>74,280</u>

3. **OPERATING SURPLUS/(DEFICIT)**

The operating surplus (2014 - operating deficit) is stated after charging:

	2015	2014
	£	£
Depreciation - owned assets	13,679	15,553
Pension costs	<u>12,796</u>	<u>11,502</u>

4. **TAXATION**

**Analysis of the tax charge**

The tax charge on the surplus on ordinary activities for the year was as follows:

	2015	2014
	£	£
Current tax:		
UK corporation tax	<u>316</u>	<u>690</u>
Tax on surplus/(deficit) on ordinary activities	<u>316</u>	<u>690</u>

The company is established as a not-for-profit organisation and as such only its non-trading income is chargeable to corporation tax.

**THE INVESTOR RELATIONS SOCIETY**  
**LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**5. TANGIBLE FIXED ASSETS**

	Improvements to property £	Office equipment £	Totals £
<b>COST</b>			
At 1 January 2015	43,875	75,401	119,276
Additions	<u>-</u>	<u>138</u>	<u>138</u>
At 31 December 2015	<u>43,875</u>	<u>75,539</u>	<u>119,414</u>
<b>DEPRECIATION</b>			
At 1 January 2015	3,985	57,318	61,303
Charge for year	<u>4,388</u>	<u>9,291</u>	<u>13,679</u>
At 31 December 2015	<u>8,373</u>	<u>66,609</u>	<u>74,982</u>
<b>NET BOOK VALUE</b>			
At 31 December 2015	<u>35,502</u>	<u>8,930</u>	<u>44,432</u>
At 31 December 2014	<u>39,890</u>	<u>18,083</u>	<u>57,973</u>

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Trade debtors	55,358	106,657
Rent deposit held in escrow	84,480	84,480
Prepayments and other debtors	46,657	45,423
VAT	<u>15,963</u>	<u>2,679</u>
	<u>202,458</u>	<u>239,239</u>

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Trade creditors	20,253	16,145
Tax	243	690
Social security and other taxes	17,129	21,124
Subscriptions and other income in advance	146,878	179,871
Accruals and other creditors	<u>90,100</u>	<u>75,991</u>
	<u>274,603</u>	<u>293,821</u>

**8. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	2015 £	2014 £
Expiring: In more than five years	<u>70,400</u>	<u>70,400</u>

**THE INVESTOR RELATIONS SOCIETY**  
**LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

9. RESERVES

	Income and expenditure account £
At 1 January 2015	199,011
Surplus for the year	<u>29,787</u>
At 31 December 2015	<u>228,798</u>

10. PENSION COMMITMENTS

During the year, the Society operated a defined contribution pension scheme for three of its employees. The assets of the scheme are held separately from those of the Society in an independently administered fund.

The aggregate pension charge for the year was £12,796 (2014:£11,502), which represents contributions paid during the year.

11. RELATED PARTY DISCLOSURES

The Directors of the Society are subscriber members of the Society. The only transactions involving the Directors are those in connection with their membership subscriptions or attendance at Society activities except as detailed below.

During the year there were no related party transactions. However, during the previous year, £600 of training services were provided on commercial terms by Split Rock Partners. Keith Russell is the Managing Partner of Split Rock Partners and was a member of the Board of The Investor Relations Society until 26th June 2014.

Also during 2014 and to assist with the Society's cash flow and the impact in particular of the need to pay a substantial rental deposit in respect of new offices, the company borrowed £80,000 from Collegium Consulting Limited, which company is wholly owned by Mr Ian Arnold, who at that time was also a director and the treasurer of the Society. The loan period was from 5th February to 13th May 2014 inclusive and attracted interest at the rate of 1.7%. The interest charge totalled £365. There were no such transactions during 2015.

Ultimate control of the Society is considered to be in the hands of the subscriber members.



**DIRECTORS' RESPONSIBILITIES STATEMENT**  
**ON THE UNAUDITED FINANCIAL STATEMENTS OF**  
**THE INVESTOR RELATIONS SOCIETY**

We confirm that as directors we have met our duty in accordance with the Companies Act 2006 to:

- ensure that the company has kept proper accounting records;
- prepare financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2015 and of its surplus for that period in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015); and
- follow the applicable accounting policies, subject to any material departures disclosed and explained in the notes to the financial statements.

**ON BEHALF OF THE BOARD:**



.....  
Fay Dodds - Director



.....  
Susan Scholes - Chair - Director

Date: 26 April 2016

**INDEPENDENT CHARTERED ACCOUNTANTS' REVIEW REPORT TO THE DIRECTORS OF  
THE INVESTOR RELATIONS SOCIETY**

We have reviewed the financial statements of The Investor Relations Society for the year ended 31 December 2015, which comprise the Income and Expenditure Account, the Balance Sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's directors, as a body, in accordance with our terms of engagement. Our review has been undertaken so that we might state to the directors those matters that we have agreed with them in our engagement letter and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's directors as a body for our work, for this report or the conclusions we have formed.

**Directors' responsibility for the financial statements**

As explained more fully in the Directors' Responsibilities Statement set out on page fifteen, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

**Accountants' responsibility**

Our responsibility is to express a conclusion based on our review of the financial statements. We conducted our engagement in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), 'Engagements to review historical financial statements' and ICAEW Technical Release TECH 09/13AAF 'Assurance review engagements on historical financial statements'. ISRE 2400 also requires us to comply with the ICAEW Code of Ethics.

**Scope of the assurance review**

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed additional procedures to those required under a compilation engagement. These primarily consist of making enquiries of management and others within the entity, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we do not express an audit opinion on these financial statements.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its surplus for the year then ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- in accordance with the requirements of the Companies Act 2006.

*Cook and Partners Limited*

Cook and Partners Limited  
Chartered Accountants  
108 High Street  
Stevenage  
Hertfordshire  
SG1 3DW

Date: 26 April 2016