

REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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 2016

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THE INVESTOR RELATIONS SOCIETY
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COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2016

DIRECTORS: David Lloyd-Seed ~ Chair
David Walker ~ Deputy Chair
Fay Dodds ~ Treasurer
John Gollifer ~ General Manager
Emma Brzeskwinski (nee Burdett)
Ross Hawley
Charles King
Claire Lavery
Alison Owers
Helen Parris
Sallie Pilot
Douglas Radcliffe
Susan Scholes
Charles Sydorowitz
Fraser Thorne

SECRETARY: James Eves

REGISTERED OFFICE: 5th Floor
30 Coleman Street
London
EC2R 5AL

REGISTERED NUMBER: 02294631 (England and Wales)

ACCOUNTANTS: Barker Wilkinson Limited
108 High Street
Stevenage
Hertfordshire
SG1 3DW

THE INVESTOR RELATIONS SOCIETY
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REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

REVIEW OF BUSINESS

Overview

During 2016, the Investor Relations Society, a not-for-profit member organisation, made further good progress against a mixed economic backdrop for member companies, service providers and Society sponsors. Membership numbers continued to rise. Professional development programmes held steady, as far as the number of registrations recorded, on the back of continued demand in the UK and overseas. Turnover from events increased although turnover from education programmes decreased.

At the same time, the Society continued to invest in the quality of its staff and resources available to its members, while seeking to improve back-office systems and develop the website. Our most significant investment in the past three years has been the office move to Coleman Street which has inevitably meant higher associated office costs. However, our purpose-built open plan office and larger meeting room continue to be key elements in our overall marketing efforts in that the well-located office offers the Society more walk-in traffic and creates a fitting impression for visitors to the Society. In 2016, we reported that the Society recorded a post-tax deficit of £12,819 (2015: £29,787 surplus). Generally, in keeping with our not-for-profit status, while we believe that we should continue to invest as needed, the Society would over time expect to use any surplus position in the provision of services for its members while building a reasonable reserve position over and above the target figure of £200,000 that the Board recommends as a key performance indicator.

Strategy

The mission of the Investor Relations Society is to lead the development of the investor relations (IR) 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 2016, the Society continued to provide all of its core services for members, including membership subscription and benefits, education, events, advertising, publications and sponsorship. Turnover decreased by 5% year-on-year to £832,411 (2015: £878,817). This was due primarily to turnover from education programmes decreasing by 22% to £251,667 (2015: £322,543), notwithstanding some new courses and bespoke courses. Moreover, this performance followed a record number of Certificate in Investor Relations (CIR) registrations in 2015, a historically high base. This meant that take-up of the CIR was lower year-on-year and, as planned, there was no DELIVER programme (DEveloping future Leaders through InVEstor Relations) in 2016.

Elsewhere, membership turnover increased by 4% to £250,963 (2015: £240,943) during the year. The total number of members increased by 5% year-on-year to 772 from a combination of individual members and continued use of membership and sponsorship packages. Both the annual conference and our Best Practice Awards dinner, along with other events, saw record registration levels and produced turnover that was up 5% to £288,926 (2015: £276,310).

The gross operating margin stayed at a similar level of 62.4% (2015: 62.9%) as we continued to manage our cost of sales, helped by running some of our courses and events in-house. Administrative expenses increased by 2% including investment in the website and back office systems. At the operating level, we ran a deficit of £13,583 (2015: surplus £28,522), mainly on account of the lower revenue base.

Income from our investments decreased in line with the 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. At 31 December 2016, the latter totalled £249,106 (2015: £256,511).

The Society has recorded a post-tax deficit of £12,819 (2015: £29,787 surplus). The reserves of the Society at the year-end were correspondingly lower at a level of £215,979 (2015: £228,798).

THE INVESTOR RELATIONS SOCIETY
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REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2016

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, reflecting the seasonal nature of our cashflows. The directors are pleased to see that, the Society's reserves have been maintained at above the target level of £200,000 at 31 December 2016. The directors do not propose revising this KPI, albeit they 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 this by 5% per annum. It is recognised that membership numbers may fluctuate as a result of the economic backdrop. At the end of 2016, the Society had 772 members (2015: 735). In order to encourage membership and event participation we have increasingly offered group membership and sponsorship packages which include membership, as well as offering new categories of membership. Introduced in July 2016, these include Affiliate membership for our overseas members and those in between roles, while Associate membership caters to new entrants to the industry. These initiatives 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 as far as our activities are concerned, including marketing initiatives. Where there had been no activity or contact with the member over the previous 12 months, we have closed those accounts.

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 2016, the Society organised 30 events which, along with strong numbers at our flagship annual conference and Best Practice Awards dinner, generally saw higher participation and engagement levels. Our plan for 2017 is to again hold at least 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 started a number of new initiatives in 2016, including the successful pilot of a new Diploma in IR, a senior level qualification that will be formally rolled out in 2017. At the same time, we continued Club IR working lunches for IROs. These short courses are run as workshops on topical issues. We plan to run Club IR in 2017 with some new content. The DELIVER programme that started in 2013 will run again in 2017. Our target in 2017 is to enrol at least 200 new students on our CIR programme and to have at least 250 attendees on our other courses during the year. In 2016, we had 207 (2015: 263) new CIR students and 310 (2015: 277) attendees on our courses, including registrations coming from overseas. We saw some continued interest in our online learning support modules for the CIR.

5. Raising the Society's profile

Given all the excellent content that the Society provides through its Best Practice guidelines and annual Awards process, Policy and other supporting committee work, the Board thinks it appropriate to consider further efforts to raise the Society's profile. Accordingly, the Corporate Affairs and Marketing 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.

Our market

The Society's core market for membership and services is professionals involved in IR, either in-house working for listed companies, or as providers of IR services, both 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 IR as their primary activity.

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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 31 December 2016, membership of 772 was split approximately 50/50 between in-house corporate IROs and service providers. Of our corporate members, approximately 40% work for FTSE100 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 the AIM market.

Given that we have a lower take-up of membership from medium and smaller-sized companies, we believe that people working for these companies, including those working for the FTSE350 who are not members of the Society, should be targets for membership. While the Society is the only UK organisation working solely for those in IR 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 IR. 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 IR 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 turnover 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 in 2016 by merging Standard and Standard Plus to become Full Members, we created new membership categories, including Affiliate and Associate memberships. Following the introduction of a new members' Code of Conduct on 16 February 2017, annual renewal of membership is now subject to adherence to the Society's Code of Conduct.

Professional Development Programme

The Society's professional development programme has shown strong growth since 2013 and currently contributes about a third of the turnover. The operation of a professional development programme is a fundamental part of the Society's service to members. In 2016, 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 1,200 candidates having successfully completed the examination by the beginning of 2017. In addition to our home market of UK candidates, we are pleased to be in a position to attract candidates from Africa, Asia, Europe, the Middle East and most recently, Latin America. The overseas markets remain a natural target given the interest in our professional development programme and we continue to work with other IR associations overseas. Part of this relationship includes offering these partners access to more of our content.

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 and now 2017. 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. Further, following the successful pilot of a new Diploma in IR, we plan to introduce this more advanced level to our IR course offering in 2017. It is envisaged that this new programme will build on the success of the CIR and existing advanced courses that we offer.

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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 in June 2016 which was principally sponsored by Berenberg, Elite Connect and Nasdaq, alongside other conference sponsors and exhibitors. We were again delighted to have Evan Davis of the BBC as our host along with keynote speakers that included Professor John Kay, economist and Chair of the Review of UK Equity Markets and Long-Term Decision-Making, and Sebastian James, Group CEO of Dixons Carphone.

In June 2016, we held our AGM at a new venue, courtesy of Orient Capital, our annual events programme sponsor. In November 2016, we held our Annual Dinner and Best Practice Awards at the Tower of London where we saw a record turnout of over 550 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 the self-entry categories, we saw higher numbers of entries. For our voted awards, we continued to work in partnership with WeConvene Extel.

Policy

In 2016, the Policy Committee continued to monitor, analyse and engage with relevant bodies on legislation and regulation which may affect members in the course of their work. Members of the committee attend the IR and Markets Committee of the 100 Group to discuss areas of mutual interest. This influential group of FTSE 100 Finance Directors says 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 2016, there was a steady flow of consultations from and discussions with UK and EU regulators, government and other bodies. We responded to, among others:

BIS: Non-financial reporting directive

FCA: Availability of information in the IPO process

FCA: MiFID II implementation

Investment Association: Productivity Action Plan, including Quarterly Reporting

Takeover Panel: Communication and distribution of information during an offer

The focus for the attention of the committee in 2017 is likely to be similar to 2016, with the implications of possible changes to corporate access and equity research as a result of proposed MiFID II legislation remaining of particular interest to our members. Further, following the introduction of the Market Abuse Regulation in July 2016, the practical implications for companies and best practice are expected to evolve. Other likely areas of interest to our members include: Stewardship and Governance; and any Government policy relating to our members and their companies.

Communications

During 2016, we continued to refresh 'Informed', the popular quarterly journal of the Society, which 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 3,000 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 continue to see a positive response from members to our monthly 'Policy Roundup' - an email newsletter.

The Board and employees

At our AGM in June 2016, Douglas Radcliffe of Lloyds Banking Group, a member of the Education Committee and an active supporter of the Society, joined the Board. In November 2016, Danielle Poulain and David Shriver, Chairs of the Events and Corporate Affairs Committees, respectively, retired from the Board. Helen Parris of G4S, one of our DELIVER programme alumni and an active member of the Education Committee, and Charles (Cas) Sydorowitz of Georgeson joined the Board with Cas taking on the Chair of the Events Committee. In March 2017, Sue Scholes, our former Society Chair, retired from the Board having successfully led the Diploma pilot programme. The Board would like to express their thanks to all the past directors for their wholehearted support of and commitment to the Society.

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FOR THE YEAR ENDED 31 DECEMBER 2016

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 led by John Gollifer, the General Manager. During the first half of 2016, the existing team of Alina Ardeleanu, Robert Dann, Alison Hamilton, Laura Hayter, Jan Kelly and Nicole Solomon were joined by Rebecca White, an apprentice, 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 2016 which were highly valued by the wider membership.

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 2016, 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 2016:

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

Business opportunities

The key business opportunities for the Society are as follows:

- Promotion of the Society as the leader in championing IR best practice and a focal point for IR. 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 IR 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 IR and encourage growth through additional memberships, increased sponsorship and participation in events as well as our education programmes.
- 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, including key influencers like corporate brokers, financial PR and other service providers. However, it is recognised that increased membership is dependent on making the Society more relevant and vibrant and on the long-term health of the economy and the IR profession.
- Evolution of education and training programmes. Our education programmes have continued to attract new delegates and we have been particularly pleased with the keen interest we have received from overseas markets, including some new ones. 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 the Diploma in IR that goes beyond the existing CIR and 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.

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- Development of attractive programmes for senior IROs. Our aim is to provide events for members at all levels in IR. 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. Initiatives like Club 22 and Club 11, as well as the newer 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 IR. 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, a more advanced offering for IR professionals, and possibly other offerings for non-executive directors. Along these lines, we re-launched a quarterly seminar in 2016 targeted at more senior executives, including executive and non-executive board members, in conjunction with Edison Investment Research while also seeking to work with other suitable partners.

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 in an economic downturn as the need for good communications and IR 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 offer 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 and 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 continued use of a conference micro-site.

- 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 impending role changes in 2017, we have benefited from a core, hardworking executive team who have provided valuable continuity, further improvements to working practices and shown the ability and ambition to grow into bigger, more responsible roles.

- 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 office at 30 Coleman Street has a break clause in February 2019 which will afford us an opportunity to review our location in the heart of the City. These premises currently 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 previous office in Bedford Street.

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FOR THE YEAR ENDED 31 DECEMBER 2016

- Competition that we face from some commercial operators and other offerings from banks, for example, in the provision of IR content and education programmes, as well as other associations. This potentially means increasing competition in publications and in a core part of our offering to new course attendees. We continue to ensure that our publications remain fresh and relevant and 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. Our increasing use of the website to communicate with members should help to reduce paper usage and postage costs.

THE FUTURE

We saw evidence of much market uncertainty in 2016 following the EU Referendum result on 23 June 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 consequential 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 IT, including the website in 2017, 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, but the Board remains vigilant and will monitor activity carefully during 2017.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

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

Other changes in directors holding office are as follows:


Danielle Poulain - resigned 1 November 2016
David Shriver - resigned 1 November 2016
Douglas Radcliffe - appointed 2 June 2016
Helen Parris - appointed 1 November 2016
Charles Sydorowitz - appointed 1 November 2016
Susan Scholes - resigned 28 March 2017

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REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2016

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

ON BEHALF OF THE BOARD:


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David Lloyd-Seed – Chair - Director

Date: 25 April 2017

THE INVESTOR RELATIONS SOCIETY
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INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
TURNOVER		832,411	878,817
Cost of sales		<u>(312,994)</u>	<u>(325,967)</u>
GROSS SURPLUS		519,417	552,850
Administrative expenses		<u>(533,000)</u>	<u>(524,328)</u>
OPERATING (DEFICIT)/SURPLUS	4	(13,583)	28,522
Interest receivable and similar income		<u>1,048</u>	<u>1,581</u>
(DEFICIT)/SURPLUS BEFORE TAXATION		(12,535)	30,103
Tax on (deficit)/surplus		<u>(284)</u>	<u>(316)</u>
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR		<u>(12,819)</u>	<u>29,787</u>

The notes on pages 12 to 14 form part of these financial statements

THE INVESTOR RELATIONS SOCIETY (REGISTERED NUMBER: 02294631)
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BALANCE SHEET
31 DECEMBER 2016

	Notes	2016	2015
		£	£
FIXED ASSETS			
Tangible assets	5	45,552	44,432
CURRENT ASSETS			
Debtors	6	175,847	202,458
Cash at bank and in hand		<u>249,106</u>	<u>256,511</u>
		424,953	458,969
CREDITORS			
Amounts falling due within one year	7	<u>(254,526)</u>	<u>(274,603)</u>
NET CURRENT ASSETS		<u>170,427</u>	<u>184,366</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>215,979</u>	<u>228,798</u>
RESERVES			
Income and expenditure account		<u>215,979</u>	<u>228,798</u>
		<u>215,979</u>	<u>228,798</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2016 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 provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 25 April 2017 and were signed on its behalf by:



 Fay Dodds - Director



 David Lloyd-Seed ~ Chair - Director

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. STATUTORY INFORMATION

The Investor Relations Society is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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 31 December 2016 have been prepared using the going concern basis of accounting.

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 are 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 is 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.

THE INVESTOR RELATIONS SOCIETY
LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

2. **ACCOUNTING POLICIES - continued**

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.

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.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 8 (2015 - 7).

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

The operating deficit (2015 - operating surplus) is stated after charging:

	2016	2015
	£	£
Depreciation - owned assets	11,904	13,679
	<u> </u>	<u> </u>

5. **TANGIBLE FIXED ASSETS**

	Improvements to property £	Office equipment £	Totals £
COST			
At 1 January 2016	43,875	75,539	119,414
Additions	<u> </u> -	<u> </u> 13,024	<u> </u> 13,024
At 31 December 2016	<u> </u> 43,875	<u> </u> 88,563	<u> </u> 132,438
DEPRECIATION			
At 1 January 2016	8,373	66,609	74,982
Charge for year	<u> </u> 4,387	<u> </u> 7,517	<u> </u> 11,904
At 31 December 2016	<u> </u> 12,760	<u> </u> 74,126	<u> </u> 86,886
NET BOOK VALUE			
At 31 December 2016	<u> </u> 31,115	<u> </u> 14,437	<u> </u> 45,552
At 31 December 2015	<u> </u> 35,502	<u> </u> 8,930	<u> </u> 44,432

THE INVESTOR RELATIONS SOCIETY
LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2016	2015
	£	£
Trade debtors	43,185	55,358
Rent deposit held in escrow	84,480	84,480
Prepayments and other debtors	48,182	46,657
VAT	-	15,963
	<u>175,847</u>	<u>202,458</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2016	2015
	£	£
Trade creditors	27,503	20,253
Tax	211	243
Social security and other taxes	14,942	17,129
VAT	5,450	-
Subscriptions and other income in advance	137,697	146,878
Accruals and other creditors	<u>68,723</u>	<u>90,100</u>
	<u>254,526</u>	<u>274,603</u>

8. 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.

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

9. FIRST YEAR ADOPTION OF NEW ACCOUNTING STANDARD

The company adopted Financial Reporting Standard 102 (section 1A) with effect from 1st January 2016. There are no material impacts on how the prior financial period's transactions and balances were originally recorded under the preceding standard adopted, which was the Financial Reporting Standard for Smaller Entities (effective January 2015), and therefore the comparative figures within these financial statements have not been required to be re-stated.

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 2016 and of its deficit for that period in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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



.....
David Lloyd-Seed - Chair - Director

Date: 25 April 2017

**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 2016, which comprise the Income Statement, Balance Sheet and the related notes 1 to 9. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 review 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 2016 and of its deficit for the year then ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- in accordance with the requirements of the Companies Act 2006.

Barker Wilkinson Limited

Barker Wilkinson Limited
108 High Street
Stevenage
Hertfordshire
SG1 3DW

4 May 2017