

**REPORT OF THE DIRECTORS AND**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**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 2020**

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**THE INVESTOR RELATIONS SOCIETY**  
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**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**DIRECTORS:**

David Walker : Chairman  
Sallie Cooke-Pilot  
Ross Hawley  
Claire Lavery  
Alison Owers  
Douglas Radcliffe  
Fraser Thorne  
Helen Parris  
Laura Hayter  
Nigel Pears

**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

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**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

## **REVIEW OF BUSINESS**

### **Overview**

**2020 was an extraordinary and challenging year for all of us, with Covid-19 bringing unprecedented challenges for the Society. We have, however, shown resilience in this difficult operating environment, responding to the changing market dynamics by embracing technology, exercising disciplined cost control and continuing to deliver high quality events, professional development, content and benefits to our IR Society members. None of this would have been possible without the support and dedication of our IR Society executive team, who worked quickly and seamlessly to adapt to these changes.**

**Like many other organisations, the pandemic may continue to impact aspects of the IR Society's business in the coming months, although we are seeing some positive signs as the rollout of the vaccination programme in the UK progresses well and further lifting of restrictions in the coming months will benefit the economy. We have entered this year in a solid financial position and are grateful to have a loyal and supportive membership, without whom much of what we do would not be possible. We therefore remain confident that we are well-placed for the future to continue promoting excellence in investor relations.**

During 2020, the Investor Relations Society, a not-for-profit member organisation, responded quickly to the coronavirus restrictions which came into effect at the end of the first quarter. Despite a very challenging backdrop for member companies, service providers and Society sponsors, we were able to quickly adapt IR society activities, including events and professional development programmes, to a fully virtual environment. Although membership has remained broadly stable during the year, we experienced a decline in income from our two flagship events, the Annual Conference and Best Practice Awards dinner. As a result, turnover decreased 25% to £672,695 (2019: £899,149). Despite this, operating losses were limited to £14,091 (2019: losses of £7,694), as the management team acted quickly to adapt activities, with particular success in reducing the cost base. Cash balances ended the year at £388,513 (2019: £326,128) with the increase largely due to utilisation of a £50,000 Bounce Back loan.

Given the challenging environment in 2020, key performance indicators (KPIs) were impacted, however, given the circumstances performance remained resilient. Membership stood at 826 and although below our target of 894, this was only a modest decline from our 2019 level (2019: 851). On professional development, the Certificate in Investor Relations (CIR) and International Certificate in Investor Relations (ICIR) saw a decline in the number of candidates (190 candidates vs 234 target). Furthermore, professional development course attendance fell short of an ambitious target of 340 at 261 attendees. Finally, 29 other events in our calendar were delivered versus a target of 30. We responded quickly to continuing our events programme online at the start of the pandemic, ensuring event content met members' needs and as a result we continued to see very active participation and engagement levels.

Generally, in keeping with our not-for-profit status, we believe that we should continue to invest as needed, and that the Society should, over time, expect to use any surplus position in the provision of services for its members. For 2020, the Society recorded a post-tax deficit of £13,465 (2019: £6,140 deficit), with the closing reserve position of £201,251 (2019: £214,716). This reserve position is in line with the target figure of £200,000 that the Board recommends as a KPI and will provide some protection for our members and staff as we continue to see some uncertainty in 2021.

### **Strategy**

The mission of the Investor Relations Society is to lead the development of the 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 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. Ambitious KPIs were set in 2018 for the period 2019-2021 and these are outlined in the KPI section below.

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**Financial performance**

During 2020, despite a challenging environment and global pandemic, the Society continued to provide all of its core services for members, albeit in a virtual capacity, including membership subscription and benefits, education, events, advertising, publications and sponsorship. Turnover decreased by 25% year-on-year to £672,695 (2019: £899,149).

Membership: Turnover from membership decreased by 1% year-on-year to £280,443 in 2020 (2019: £283,377). The total number of members slightly dipped for the year at 826 (2019: 851) from a combination of individual members and continued use of group membership and sponsorship packages.

Professional development: Turnover from professional development as a whole decreased by 25% to £223,924 (2019: £298,506). Unsurprisingly, professional development course registrations were down, and although Certificate in IR registrations were also down, we saw a good mix of registrations across the UK and overseas with continued support from our international CIR partners across Europe, the Middle East and Asia. After some delay, the DELIVER (DEveloping future Leaders through InVEstor Relations) programme was launched in January 2020 and completed in January 2021.

Events: The Annual Conference and our Best Practice Awards (BPA) dinner, the Society's two flagship events, were rescheduled and hosted in a virtual capacity as a result of restrictions around live events due to the pandemic. Originally timetabled for June, the Annual Conference was postponed to September 2020, when it was hosted through a professional virtual conference platform. Despite this change in format, we enjoyed good registration levels with over 400 registrations and received very positive feedback on the quality of the conference programme and speakers. Given the lack of face-to-face networking opportunities that sponsors and members would typically experience, ticket prices were reduced to reflect this. All other events throughout the year were also adapted to an online format, focusing on relevant and topical content which was reflected in good registration and engagement levels. Due to social distancing measures, the BPA dinner was unable to be run as a live event in November. However, we saw a consistent number of award entries compared to 2020 and winners were celebrated through a virtual awards webinar. As a result, turnover from events declined 52% in 2020 to £134,193 (2019: £281,308).

The gross margin increased significantly to 83.9% (2019: 64.3%). This can be mainly attributed to no venue hire costs as the annual conference and best practice awards were hosted online. Administrative expenses for the year were broadly in line with 2019. An increase in rent, rates and service charges was offset by lower office costs and bank charges. At the operating level, we ran a deficit of £14,091 (2019: £7,694 deficit).

Income from our investments decreased slightly in line with the level of rates of interest payable on deposits. It should be noted that the landlord of our Coleman Street office requires 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 included as part of the net cash deposits. At 31 December 2020, the latter totalled £388,513 (2019: £326,128).

Despite a marked downturn in revenue, we acted quickly to protect the bottom line. We took events and courses online which reduced operating costs. We also took advantage of government support to help companies during the COVID pandemic including furloughing some staff, and receiving a Bounce Back loan of £50,000, which is repayable monthly over 5 years commencing in July 2021 at an interest rate of 2.5%. We also deferred payment of one quarter of VAT and one quarter of office rent to 2021.

The Society recorded a post-tax deficit of £13,465 (2019: £6,140 deficit). The reserves of the Society at the year-end were at a level of £201,251 (2019: £214,716).

**Key performance indicators**

We measure our success against the following KPIs:

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

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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 are pleased to see that the Society's reserves of £201,251 (2019: £214,716) at 31 December 2020 have been maintained at slightly above the target level. The Directors do not propose revising this KPI, while recognising that the prevailing economic environment - particularly against the backdrop of the coronavirus pandemic - could have an adverse impact on this particular KPI in 2021.

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

At the end of 2020, the Society had 826 members, a decrease of 3% on the previous year (2019: 851). While it is recognised that membership numbers may fluctuate as a result of the economic backdrop, in order to encourage membership and event participation, we continue to offer group membership and sponsorship packages which include membership. Where there has been no activity or contact with the member over the previous 12 months, we have also closed those accounts.

About a third of the Society's recurring 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. New member recruitment remains strong and while total member numbers did not grow in 2020, over 70% of the cancellations were due to reasons beyond our control, including budget freezes as a result of the pandemic, leaving the company, moving out of IR, companies being privatised, etc. We have dedicated further resource to membership sales and plan to focus on increased member engagement and value, as well as targeting potential members from the core target groups of the FTSE100 and FTSE250 again in 2021.

**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 and target up to 30 additional events throughout the year. During 2020, the Society organised 29 events which, generally, saw active participation and engagement levels. Throughout this challenging period, we have embraced technology and adapted our offerings to keep members updated with topical events and best practice guidelines in response to the global pandemic and the changing working and regulatory environment that has affected the IR profession.

We hosted our first virtual conference in September 2020 entitled 'IR 2020: The Future is Now' with over 400 registrations alongside conference sponsors and online exhibitors. It was not possible for our members to attend the AGM in person in 2020 due to restrictions of group gatherings of more than 6 people. Members were therefore encouraged to vote by proxy. In November 2020, although we were unable to hold our Annual Dinner and Best Practice Awards ceremony, we instead hosted a virtual awards event profiling the judges, awards criteria, winners and sponsors.

Our plan for the period 2021 to 2022 is to hold 30 high quality events per annum. As we adapt to a more agile working environment and gradual easing of lockdown restrictions, we anticipate our events programme will be a mix of virtual and face to face events depending on content and format. As soon as it is safely possible to do so, we intend to resume small group events in person. In 2021, our annual conference in June will once again be held virtually but we hope to be able to run a live awards event and dinner in November 2021. When it is safe to resume travel further afield, we would like to restart our regional programme with events held in other financial centres outside London.

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

The Society's professional development programme has continued to develop and is an important element of our proposition as a professional organisation and currently contributes about a third of turnover. In 2020, we had 190 (2019: 246) new students register for our Certificate in IR and 261 (2019: 337) attendees on our other courses, including registrations from overseas.

In 2020, we continued to operate our core programme of training courses and early on in the pandemic we quickly adapted all our professional development courses to be delivered online. This worked well with the same excellent trainers, in-depth content and interactivity between the tutor, guest speakers and participants. The CIR has continued to appeal, with more than 1,780 candidates having successfully completed the examination by the end of 2020. 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 Latin America. In 2020, we were also able to offer the CIR and ICIR exams online, making it more accessible and flexible to all students both in the UK and overseas.

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In 2020, we also added two new geographies to our 'CIR family' which were Kazakhstan and the Kingdom of Saudi Arabia (KSA), the latter delivered in partnership with the Middle East IR Association. We continue to collaborate with a number of international IR associations across professional development and will work with societies and companies that can help us offer the CIR in at least one new country per year in the period 2021 to 2022.

At the end of 2020, we launched marketing for our next cohort of candidates for our Diploma in IR programme, the Society's senior level qualification. We also made the Diploma more relevant for IR advisers as we have recognised the attraction of the qualification to experienced advisers as well as in-house IROs. This programme now has a healthy pipeline of potential candidates and we plan to run this twice a year going forward.

The DELIVER (DEveloping future Leaders through InVEstor Relations) programme, aimed at high potential IROs who are seeking the next step up in their career, was completed in January 2021 with support from our sponsor Bank of America. This cohort was delayed from 2019, and as we typically run this programme every two years, we will look to run this again towards the end of 2021.

In 2021, as we reflect on the increasingly agile workforce and interest in e-learning, we will also look to support our professional development programme with an online course offering.

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

Given all the excellent content that the Society provides through its Best Practice guidelines and annual Awards process, together with other supporting policy committee work, the Board thinks it is appropriate to consider further efforts to raise the Society's profile.

In 2020, as well as our regular contributions to other trade publications, we stepped up our use of social media and participated in a range of external discussions, interviews, presentations and publications. In light of regulatory changes and updates to the Corporate Governance and Stewardship Code, we strengthened our relationships with regulators and the buy-side during 2020. We also saw a heightened interest around best practice in ESG, an area the Society will continue to focus on in 2021, as this becomes further integrated into regular company disclosure.

The Best Practice Committee continues to review and evaluate the awards process each year, such that award requirements and criteria for 2020 were updated and refined so that they reflected changes in the operating and regulatory environment. As well as appointing an independent Chair, we also strengthened the judging panel with additional buy-side participants. We continued to make use of Business School research as part of the assessment process for all entries. For our voted awards, we continued to work in partnership with Extel, an Institutional Investor company.

#### **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 be involved in IR but not as their primary activity. ESG and stewardship are important topics amid our changing regulatory landscape and the Society firmly believes that the role and responsibilities of IR continues to grow within organisations. We have an important part to play in serving our members and the broader IR community and helping them respond to these changing market dynamics.

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 2020, our membership of 826 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 12% work for overseas companies. The other corporate members come from a broad cross-section of other companies from the FTSE250 to the AIM market.

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Given that we have a lower proportional take-up of membership from medium and smaller-sized companies, we believe that people working for these companies, including those working in other communications roles and functions 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 IR. We believe that most of these are complementary to our member services and are useful in increasing the profile of IR to other professions.

We also seek mutually beneficial ways to work with other like-minded organisations overseas. For example, in 2020, we continued to work with our CIR partners in Asia, Europe, the Middle East and Latin America. The IR Society enjoys a strong network among other international associations as well as assisting those smaller associations to develop best practice and offering access to our own IR Society member benefits where appropriate and relevant.

### **Organisational structure**

Leadership of the Society is provided by a Board composed of elected, voluntary non-executive members of the Society, together with the Chief Executive Officer (CEO) who is an Executive Director. The CEO 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.

Gender diversity is very important to the Board and the Executive Team. Of the nine directors on the current Board, and seven members of the executive team, 5 are male and 11 are female.

### **Policy**

The policy committee is responsible for keeping abreast of changes in legislation and regulation and engaging with regulators and other professional bodies on these changes and on any other wider issues which may affect the IR Society's members in the course of their work.

During 2020, the IR Society hosted a number of virtual events for members, addressing key topics such as the IR response to Covid, ESG and shareholder activism. We were still able to conduct activities online such as small group roundtable discussions, panel sessions and presentations. These continue to be a useful way to bring together IROs and industry representatives for discussion, to aid professional development and to enable the Society to represent the views of its members.

Over the past year, there were a number of consultations from, and discussions with, UK, EU and US regulators, government and other bodies. The policy committee provided formal responses to the FCA's proposals to enhance climate-related disclosures by listed issuers and the Securities and Exchange Commission's proposed amendments to the Form 13F reporting requirements.

On a quarterly basis, members of the policy 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 confirms that it relies heavily on the Society to highlight IR issues of concern.

In 2021, the committee will continue to monitor, contribute to and, where necessary, challenge regulatory and legislative developments. ESG will remain at the top of the agenda, with new reporting requirements for climate-related disclosures (TCFD) mandated by the FCA. Guidance for members will be updated as regulation and best practice in this area evolves. We also continue to engage with the FRC and their FRC Lab around changes to the UK Corporate Governance Code and the UK Stewardship Code. We also expect to actively engage with the relevant bodies on important reviews around UK listings and reforms to the audit sector.



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**Communications**

During 2020, we continued to seek to position the Society as an authority on IR in the UK and beyond through a variety of communications channels, including press coverage among the UK financial press and other trade journals. While ensuring that our website remains updated with events, courses and changes, 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 around 3,000 subscribers worldwide, achieving an impressive 30% click-through rate. We believe that the growing use of social media and platforms such as LinkedIn add another dimension to our communications and marketing efforts for courses and events. We continue to see a positive response from members to our regular snap polls, surveys and monthly 'Policy Roundup' - an email newsletter sent to all members with a 25% click-through rate.

**Sponsorship**

The Society also relies on a large number of individual commercial supporters who contribute cash sponsorship, provide access to meeting facilities and speak at events and training courses, among other benefits in kind. The Directors would like to express thanks to all the organisations that provided support and assistance during a very challenging year.

**Key relationships**

We were delighted to retain and attract the following annual sponsors for 2020:

Gold: RD:IR

Silver: ingage, Investis Digital, Q4

Annual events programme: Orient Capital

Professional Development Programme: Deutsche Bank Depository Receipts

Conference: Euronext, FHF, Gather, RMS Partners, Visible Alpha, Workiva

Annual sponsors: Black Sun, FourthQuarter, Institutional Investor, MerchantCantos

In addition, other key partners included BRR Media, Emperor, Fidelio Partners, Instinctif, Invicomm, Master Investor, QuantiFire and WorkCast.

**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 (SMEs) as well as internationally. Our marketing programme aims to retain existing members and to target new members, including key influencers including 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, as well as on the long-term health of the economy and the IR profession.

- Evolution of professional development and training programmes. Professional development is an important part of the IR Society's revenue and remains a key element of the broader membership offering, especially relevant to new members and new target audiences. Our professional development 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, supported by strong marketing actions, including bespoke courses, and to develop further overseas markets. We are also looking to broaden our professional development offering with the introduction of online courses in 2021, as well as increase the recognition of our CIR and Diploma in IR qualifications to define 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. Our Senior IRO Dinners and IRO Lunches offer a tremendous opportunity for IROs to discuss topical issues and share experiences with their peers. Further, our leadership programme, DELIVER, 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 our Diploma in IR, a more advanced offering for senior IR professionals.

- Promotion of the Society as the leader in championing IR best practice and as a focal point for IR matters. We believe that increasing the visibility of the Society with the broader investment community, government, regulators and the media will help to establish the Society 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.

**Business risks**

The key business risks for the Society are as follows:

- Global pandemics and coronavirus impacting many aspects of the IR Society's business and activities. Many of our member interactions and offerings such as our courses, events, networking and professional qualifications are traditionally carried out face-to-face. While we quickly adapted to the ever-changing circumstances in 2020, by moving many of our member benefits online, we are aware our members value the face-to-face interaction and networking opportunities we traditionally provide. Furthermore, should members face pressure on budgets and discretionary spending, this will certainly impact membership revenues, event revenues (the annual conference and best practice awards in particular), as well as spending on professional development and CIR registration. We continue to review our online training and events offerings and will plan accordingly in light of the current environment. While face-to-face networking opportunities were unable to take place for much of 2020, we plan to resume these as soon as safely possible and in line with government guidelines in 2021.

- 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. However, 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, relevant 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. The executive team works closely with the membership committee to carefully monitor membership and engage with members to determine any potential impact the current period of uncertainty with the coronavirus pandemic may have.

- 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 (the annual 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 increased our marketing resources and developed 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 Best Practice Awards dinner each year. If support for these events declines, either through lack of bookings or through sponsorship as mentioned above, 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, and if required a virtual conference platform.

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- 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. In 2020, we had a core, hardworking executive team who have provided valuable continuity in a challenging environment. They adapted quickly and seamlessly to working from home from the first lockdown period and this has been reflected in both the quality and quantity of activities over the year.

- Major increase in overhead costs. Most of the Society's overhead costs are fairly predictable, including the cost of a full staff complement. We are not significantly exposed to raw material cost increases apart from electricity. At the end of 2019 we were subject to a landlord's rent review on our office at 30 Coleman Street, and after some delay in discussions, in early 2020 we reached an agreement to renew the lease for a further five years.

- 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.

- Legislation, which we continue to monitor for the most relevant and pressing issues for the Society.

**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 wastepaper generated in the office is recycled. Printing is kept to a minimum to reduce usage of ink and paper. Since the start of the pandemic in 2020, all IR Society communications have been digital, including our new membership packs, our quarterly magazine, Informed, therefore reducing paper usage and postage costs. As we plan a return to the office in 2021, we aim to limit these costs as we adapt to an increasingly online working environment.

**OUTLOOK**

With the ongoing nature of the pandemic and an uncertain economic recovery, the environment remains challenging in 2021 so spending plans among our members may be impacted. Our focus as a Society is to continue to offer relevant services and benefits to our members and excellent value to our sponsors.

The Society prides itself on the strong community we provide for our members, with many of our interactions such as our courses, events and professional qualifications traditionally carried out face-to-face. With social distancing measures currently still in place and restrictions anticipated for some time to come, we have responded to the changing operating environment and embraced technology in our work. Given the past success, our flagship Annual Conference will again be delivered virtually in June 2021, but with greater content. We also plan for a live Awards dinner in November, restrictions permitting.

Despite the challenging operating environment and economic uncertainty experienced throughout 2020, the Society entered this year in a stable financial position. We are very grateful to a dedicated and committed executive team, and for a loyal and supportive membership and believe we can innovate and adapt quickly to any further emerging circumstances. Consequently, although the outlook remains uncertain, we are seeing some positive signs as we enter 2021 and are confident that we are well-placed for the future to continue in our purpose of promoting excellence in investor relations.

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**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

David Walker : Chairman  
Sallie Cooke-Pilot  
Ross Hawley  
Claire Lavery  
Alison Owers  
Douglas Radcliffe  
Fraser Thorne  
Helen Parris  
Laura Hayter

Other changes in directors holding office are as follows:

David Lloyd-Seed - resigned 31 December 2020

Nigel Pears was appointed as a director after 31 December 2020 but prior to the date of this report.

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:**

David Walker : Chairman - Director

23 March 2021

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**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
<b>TURNOVER</b>		672,965	899,149
Cost of sales		<u>107,716</u>	<u>317,959</u>
<b>GROSS SURPLUS</b>		565,249	581,190
Administrative expenses		<u>590,115</u>	<u>588,884</u>
		(24,866)	(7,694)
Other operating income		<u>10,775</u>	<u>-</u>
<b>OPERATING DEFICIT</b>	4	(14,091)	(7,694)
Interest receivable and similar income		<u>1,544</u>	<u>1,783</u>
		(12,547)	(5,911)
Interest payable and similar expenses		<u>625</u>	<u>-</u>
<b>DEFICIT BEFORE TAXATION</b>		(13,172)	(5,911)
Tax on deficit		<u>293</u>	<u>229</u>
<b>DEFICIT FOR THE FINANCIAL YEAR</b>		<u><u>(13,465)</u></u>	<u><u>(6,140)</u></u>

The notes on pages 14 to 18 form part of these financial statements

**THE INVESTOR RELATIONS SOCIETY (REGISTERED NUMBER: 02294631)**  
**LIMITED BY GUARANTEE**

**BALANCE SHEET**  
**31 DECEMBER 2020**

	Notes	2020 £	£	2019 £	£
<b>FIXED ASSETS</b>					
Tangible assets	5		15,757		19,551
<b>CURRENT ASSETS</b>					
Debtors	6	155,901		191,630	
Cash at bank and in hand		388,513		326,128	
		<u>544,414</u>		<u>517,758</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	7	292,800		304,748	
<b>NET CURRENT ASSETS</b>			<u>251,614</u>		<u>213,010</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			267,371		232,561
<b>CREDITORS</b>					
Amounts falling due after more than one year	8		(45,275)		-
<b>PROVISIONS FOR LIABILITIES</b>			(20,845)		(17,845)
<b>NET ASSETS</b>			<u>201,251</u>		<u>214,716</u>
<b>RESERVES</b>					
Income and expenditure account			<u>201,251</u>		<u>214,716</u>
			<u>201,251</u>		<u>214,716</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 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 INVESTOR RELATIONS SOCIETY (REGISTERED NUMBER: 02294631)**  
**LIMITED BY GUARANTEE**

**BALANCE SHEET - continued**  
**31 DECEMBER 2020**

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 23 March 2021 and were signed on its behalf by:

David Walker : Chairman - Director

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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

As at the date of this report, the COVID-19 pandemic continues to have a major impact on the economies of the world. Consequently, the directors have necessarily assessed various factors and risks affecting the company and its ability in these difficult social and economic times to continue to trade as a going concern. In line with some political and economic commentators' views the directors are hopeful that trading conditions will eventually improve.

Meanwhile, the company has availed itself of COVID-19-related Government initiatives and in that regard took out a bank loan under the Bounce Back Loan scheme and some staff have been furloughed, whereby the Government has reimbursed a limited amount of individuals' salaries and the employer's national insurance and pension contributions on the salary amounts reimbursed. Certain VAT liabilities have been able to be deferred until 31st March 2021 and the directors took up this option.

Given the nature of the various assets and liabilities as at 31st December 2020, the directors do not believe that their carrying values have been impaired as a consequence of COVID-19.

On the basis of all of the foregoing, the financial statements for the year ended 31st December 2020 have been prepared using the going concern basis of accounting.

**Significant judgements and estimates**

In the application of the company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.



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

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

2. **ACCOUNTING POLICIES - continued**

**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

**Financial instruments**

The directors consider all financial instruments to be basic financial instruments in accordance with paragraph 11 of FRS102. All basic financial instruments including trade and other debtors, cash and cash equivalents, and trade and other creditors, are initially recognised at transaction price and thereafter stated at amortised 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 benefits of lease incentives are recognised in profit and loss account over the shorter of the lease period and the period to the next rent review at which rent is expected to be reset to market rates.

**Taxation**

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

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

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

2. **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.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 9 (2019 - 8).

4. **OPERATING DEFICIT**

The operating deficit is stated after charging:

	2020	2019
	£	£
Depreciation - owned assets	6,030	11,128
	<u>          </u>	<u>          </u>

5. **TANGIBLE FIXED ASSETS**

	Improvements to property £	Office equipment £	Totals £
<b>COST</b>			
At 1 January 2020	43,875	92,405	136,280
Additions	-	2,236	2,236
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2020	43,875	94,641	138,516
	<u>          </u>	<u>          </u>	<u>          </u>
<b>DEPRECIATION</b>			
At 1 January 2020	25,952	90,777	116,729
Charge for year	4,388	1,642	6,030
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2020	30,340	92,419	122,759
	<u>          </u>	<u>          </u>	<u>          </u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	13,535	2,222	15,757
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2019	17,923	1,628	19,551
	<u>          </u>	<u>          </u>	<u>          </u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

6.	<b>DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	2020 £	2019 £
	Trade debtors	39,497	65,242
	Rent deposit held in escrow	84,480	84,480
	Prepayments and other debtors	31,924	39,370
	VAT	-	2,538
		<u>155,901</u>	<u>191,630</u>
		<u>155,901</u>	<u>191,630</u>
7.	<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	2020 £	2019 £
	Bank loans and overdrafts	4,724	-
	Trade creditors	36,463	25,727
	Tax	289	326
	Social security and other taxes	6,784	12,738
	VAT	23,921	-
	Subscriptions and other income in advance	154,494	175,342
	Accruals and other creditors	66,125	90,615
		<u>292,800</u>	<u>304,748</u>
		<u>292,800</u>	<u>304,748</u>
8.	<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	2020 £	2019 £
	Bank loans - 1-2 years	9,626	-
	Bank loans - 2-5 years	30,364	-
	Bank loans more 5 yr by instal	5,285	-
		<u>45,275</u>	<u>-</u>
		<u>45,275</u>	<u>-</u>
	Amounts falling due in more than five years:		
	Repayable by instalments		
	Bank loans more 5 yr by instal	5,285	-
		<u>5,285</u>	<u>-</u>
		<u>5,285</u>	<u>-</u>
9.	<b>PROVISIONS FOR LIABILITIES</b>	2020 £	2019 £
	Provisions		
	Provision for dilapidations	20,845	17,845
		<u>20,845</u>	<u>17,845</u>
		<u>20,845</u>	<u>17,845</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

9. **PROVISIONS FOR LIABILITIES - continued**

	Other provisions £
Balance at 1 January 2020	17,845
Provided during year	<u>3,000</u>
Balance at 31 December 2020	<u><u>20,845</u></u>

The company provides at the rate of £3,000 per year for dilapidation costs, which the directors anticipate will arise at the end of the lease on its office premises in accordance with the terms of that lease.

10. **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.

**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 2020 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:**

David Walker : Chairman - Director

23 March 2021

**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 2020, which comprise the Income Statement, Balance Sheet and the related notes 1 to 10. 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 nineteen, 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 2020 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  
108 High Street  
Stevenage  
Hertfordshire  
SG1 3DW

12 May 2021

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

**DETAILED INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020		2019	
	£	£	£	£
<b>Income</b>				
Annual subscriptions	280,443		283,377	
Events, conference & annual dinner	134,193		281,308	
Publications, website & advertising	34,405		35,958	
Education	223,924		298,506	
Government grants	10,775		-	
Interest receivable	1,544		1,783	
	<u>          </u>	685,284	<u>          </u>	900,932
<b>Expenditure</b>				
Membership costs	1,008		2,309	
Events, conference & annual dinner	25,414		187,392	
Publications, website & advertising	31,450		41,646	
Education	48,584		84,982	
Commission	1,260		1,630	
Rent, rates & service charges	116,680		106,931	
Insurance	3,629		3,893	
Light and heat	3,132		3,470	
Directors' salaries	85,000		102,892	
Directors' social security	14,517		12,070	
Directors' pension contributions	-		962	
Wages	261,940		246,107	
Social security	25,040		22,879	
Pensions	12,568		10,406	
Staff health insurance	3,671		3,625	
Postage, stationery & office running costs	2,169		4,698	
Travelling	395		2,735	
Telephone	7,352		6,829	
Repairs and renewals	8,040		9,012	
Household and cleaning	841		3,844	
Staff recruitment & training costs	145		1,567	
Computer running costs	10,841		11,584	
Sundry expenses	1,234		2,206	
Accountancy	6,000		6,000	
Employment Consultancy	1,977		-	
Legal & professional	6,593		5,354	
Marketing	2,165		2,844	
Entertainment	74		232	
Bad debts	4,525		(2,950)	
Bank charges	5,558		10,566	
Bank loan interest	625		-	
Depreciation of leasehold improvements	4,387		4,417	
Depreciation office equipment	1,642		6,711	
	<u>          </u>	698,456	<u>          </u>	906,843
<b>EXCESS OF EXPENDITURE OVER INCOME</b>		<u><u>(13,172)</u></u>		<u><u>(5,911)</u></u>