

Financial Statements

CFA Society Ireland Limited (previously
The Institute of Investment Analysts in
Ireland Limited)

For the year ended 30 June 2014

Company Information

Directors

Oliver McClure (resigned 30 April 2014)
Joseph Kavanagh (Treasurer)
John Stokes
Olwyn Alexander
Rebekah Brady
Samantha McConnell
Ronan McCabe (Chairman)
Caitriona O'Brien
Noel Friel
Gerard Greene
Joseph Harrigan
Linda Duffy
Francis Carter (appointed 30 April 2014)

Company secretary

Francis Carter

Registered number

176190

Registered office

24-26 City Quay
Dublin 2

Independent auditors

Grant Thornton
Chartered Accountants & Registered Auditors
24 - 26 City Quay
Dublin 2

Bankers

Allied Irish Banks
1 Lower Baggot Street
Dublin 2

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Directors' report

For the year ended 30 June 2014

The directors present their report and the financial statements for the year ended 30 June 2014.

Principal activities and business review

The principal activity of the Society is to act as an independent representative body for those professionally engaged in investment analysis and portfolio management in Ireland. The Society also wishes to raise awareness of the profession in Ireland. The Society is a member society of the CFA Institute, which is based in the United States. The CFA Institute is an international non-profit association of more than 109,000 members around the world.

The directors are satisfied with the results for the period and look forward to further profitability in the coming years.

The name of the Society changed from The Institute of Investment Analysts in Ireland Limited to CFA Society Ireland Limited during the year.

Results and dividends

The surplus for the year, after taxation, amounted to €7,139 (2013 - €31,639).

The directors have not recommended a dividend.

Principal risks and uncertainties

The directors consider that the principal risks and uncertainties faced by the company are in the following categories:

Economic risk:

A significant proportion of our revenue is collected by CFA Institute in the form of US Dollar membership dues from our membership. The firm potentially suffers exchange rate risk on conversion of these monies to Euro. CFA Institute have agreed to remit monies in Euro using the better of the average spot rate over the previous year or the current spot rate, whichever benefits the firm the best. The exchange risk is thus protected from severe adverse movement in the US Dollar/Euro spot exchange rate.

A downturn in the economy might impact on new exam registrations given the high cost of same. New membership applications, where the firm earns revenue, are invariably generated from the pool of successful CFA Program exam candidates completing the exam program. The firm supports the new registration of candidates annually through the hosting of briefings on exam program content for those contemplating an exam registration. The firm makes every effort to engage with exam candidates through the course of their studies through invitation to investment programming events, support through sales of study aids and the hosting of practice exams. The firm has enjoyed a high conversion rate of successful Level III candidates to full membership.

Financial risk:

The firm has appropriate budgetary and financial reporting procedures. These procedures are under regular review at our board meetings.

Key performance indicators used include membership dues revenue, turnover of exam study aid sales, and revenues from our practice exams.

Important events since the year end

There have been no significant events affecting the Society since the year end.

Directors' report

For the year ended 30 June 2014

Directors

The directors who served during the year were:

Oliver McClure (resigned 30 April 2014)
Joseph Kavanagh (Treasurer)
John Stokes
Olwyn Alexander
Rebekah Brady
Samantha McConnell
Ronan McCabe (Chairman)
Caitriona O'Brien
Noel Friel
Gerard Greene
Joseph Harrigan
Linda Duffy
Francis Carter (appointed 30 April 2014)

The company is limited by guarantee without a share capital and neither the directors or the secretary have a beneficial interest in the company.

Accounting Records

The measures taken by the directors to ensure compliance with the requirements of Section 202 of the Companies Act 1990, regarding proper books of account are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The books of account of the company are maintained at 17 Grattan Court, Celbridge, Co Kildare.

Auditors

The auditors, Grant Thornton, continue in office in accordance with section 160(2) of the Companies Act 1963.

This report was approved by the board on 14 April 2015 and signed on its behalf.

.....
Caitriona O'Brien
Director

.....
Joseph Kavanagh (Treasurer)
Director

Directors' responsibilities statement

For the year ended 30 June 2014

The directors are responsible for preparing the Directors' report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare financial statements giving a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland and Irish law).

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

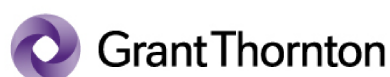
The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Acts 1963 to 2013. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

On behalf of the board 14 April 2015

.....
Caitriona O'Brien
Director

.....
Joseph Kavanagh (Treasurer)
Director



Independent auditors' report to the members of CFA Society Ireland Limited (previously The Institute of Investment Analysts in Ireland Limited)

We have audited the financial statements of CFA Society Ireland Limited (previously The Institute of Investment Analysts in Ireland Limited) for the year ended 30 June 2014, which comprise the Income and expenditure account, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act 1990. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' report 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at 30 June 2014 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013.

(A company limited by guarantee)



Independent auditors' report to the members of CFA Society Ireland Limited (previously The Institute of Investment Analysts in Ireland Limited)

Matters on which we are required to report by the Companies Acts 1963 to 2013

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the company.
- The financial statements are in agreement with the books of account.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2013 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

24 - 26 City Quay
Dublin 2

14 April 2015

Tony O'Carroll FCA
for and on behalf of
Grant Thornton
Chartered Accountants
Registered Auditors

Income and expenditure account

For the year ended 30 June 2014

	Note	2014 €	2013 €
Income	1,2	86,956	86,146
Administrative expenses		(80,650)	(56,556)
Operating surplus	3	6,306	29,590
Interest receivable and similar income		833	2,071
Surplus on ordinary activities before taxation		7,139	31,661
Tax on surplus on ordinary activities	6	-	(22)
Surplus on ordinary activities after taxation		7,139	31,639
Surplus brought forward		145,669	114,030
Retained surplus carried forward		152,808	145,669

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the income and expenditure account.

Signed on behalf of the board

.....
Caitriona O'Brien
 Director

.....
Joseph Kavanagh (Treasurer)
 Director

Date: 14 April 2015

Date: 14 April 2015

The notes on pages 9 to 14 form part of these financial statements.

Balance sheet

As at 30 June 2014

	Note	€	2014 €	€	2013 €
Fixed assets					
Tangible assets	7		1,472		-
Current assets					
Debtors	8	6,913		5,726	
Cash at bank and in hand		157,334		144,047	
		<u>164,247</u>		<u>149,773</u>	
Creditors: amounts falling due within one year	9	(12,911)		(4,104)	
Net current assets			<u>151,336</u>		<u>145,669</u>
Net assets			<u>152,808</u>		<u>145,669</u>
Reserves					
Income and expenditure account	11		<u>152,808</u>		<u>145,669</u>
			<u>152,808</u>		<u>145,669</u>

Signed on behalf of the board:

.....
Caitriona O'Brien
 Director

.....
Joseph Kavanagh (Treasurer)
 Director

Date: 14 April 2015

Date: 14 April 2015

The notes on pages 9 to 14 form part of these financial statements.

Cash flow statement

For the year ended 30 June 2014

	Note	2014 €	2013 €
Net cash flow from operating activities	12	14,728	39,995
Returns on investments and servicing of finance	13	(96)	2,071
Taxation		525	(473)
Capital expenditure and financial investment	13	(1,870)	-
Increase in cash in the year		13,287	41,593
Movement in net debt in the year		13,287	41,593
Net funds at 1 July 2013		144,047	102,454
Net funds at 30 June 2014		157,334	144,047

The notes on pages 9 to 14 form part of these financial statements.

Notes to the financial statements

For the year ended 30 June 2014

1. Accounting policies

1.1 Basis of accounting

The financial statements are prepared in accordance with generally accepted accounting principles under the historic cost convention and comply with the financial reporting standards of the Financial Reporting Council, as promulgated by the Institute of Chartered Accountants in Ireland, and Irish statute comprising the Companies Acts, 1963 to 2013.

1.2 Income

The company recognises income on a cash receipts basis.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	-	20% straight line
Computer equipment	-	33.33% straight line

1.4 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into euros at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into euros at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the income and expenditure account.

1.5 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. Income

The income and profit before tax are attributable to the one principal activity of the company.

All turnover arose in Ireland.

Notes to the financial statements

For the year ended 30 June 2014

3. Operating surplus

The operating surplus is stated after charging:

	2014 €	2013 €
Depreciation of tangible fixed assets: - owned by the company	398	1,246

During the year, no director received any emoluments (2013 - €NIL).

4. Auditors' remuneration

	2014 €	2013 €
Fees payable to the company's auditor, net of VAT, for the audit of the company's annual accounts	3,000	3,000
Fees payable to the company's auditor, net of VAT, in respect of: Other non audit services	4,475	845

5. Staff costs

Staff costs were as follows:

	2014 €	2013 €
Wages and salaries	19,875	19,750
Social welfare costs	2,117	2,123

The average monthly number of employees, including the directors, during the year was as follows:

	2014 No.	2013 No.
Number of administrative staff	1	1

6. Taxation

	2014 €	2013 €
Irish corporation tax charge on surplus for the year	-	22

Notes to the financial statements

For the year ended 30 June 2014

6. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - lower than) the standard rate of corporation tax in Ireland of 25% (2013 - 25%). The differences are explained below:

	2014 €	2013 €
Surplus on ordinary activities before tax	7,139	31,661
Surplus on ordinary activities multiplied by standard rate of corporation tax in Ireland of 25% (2013 - 25%)	1,785	7,915
Effects of:		
Short term timing difference leading to an increase (decrease) in taxation	-	(495)
Adjustments for non-taxable income	(1,785)	(7,398)
Current tax charge for the year (see note above)	-	22

7. Tangible fixed assets

	Office equipment €	Computer equipment €	Total €
Cost			
At 1 July 2013	6,900	7,082	13,982
Additions	459	1,411	1,870
At 30 June 2014	7,359	8,493	15,852
Depreciation			
At 1 July 2013	6,900	7,082	13,982
Charge for the year	84	314	398
At 30 June 2014	6,984	7,396	14,380
Net book value			
At 30 June 2014	375	1,097	1,472
At 30 June 2013	-	-	-

Notes to the financial statements

For the year ended 30 June 2014

8. Debtors

	2014	2013
	€	€
Trade debtors	5,367	3,215
Corporation tax repayable	933	529
Prepayments and accrued income	613	1,982
	<u>6,913</u>	<u>5,726</u>

9. Creditors: Amounts falling due within one year

	2014	2013
	€	€
Trade creditors	7,863	693
Other taxes (see below)	323	311
Accruals and deferred income	4,725	3,100
	<u>12,911</u>	<u>4,104</u>

Other taxes

	2014	2013
	€	€
PAYE/PRSI	<u>323</u>	<u>311</u>

10. Company status

The company is limited by guarantee and the liability of each member of the Society is limited to €6. Every member of the Society undertakes to contribute to the assets of the Society, in the event of the same being wound up while he is a member, or within one year after he ceases to be a member, for payments of the debts and liabilities of the Society contracted before he ceases to be a member and for the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amounts as may be required not exceeding €6.

11. Reserves

	Income and expenditure account
	€
At 1 July 2013	145,669
Surplus for the financial year	7,139
	<u>152,808</u>
At 30 June 2014	<u>152,808</u>

Notes to the financial statements

For the year ended 30 June 2014

12. Net cash flow from operating activities

	2014 €	2013 €
Operating surplus	6,306	29,590
Depreciation of tangible fixed assets	398	1,246
(Increase)/decrease in debtors	(783)	9,969
Increase/(decrease) in creditors	8,807	(810)
Net cash inflow from operating activities	14,728	39,995

13. Analysis of cash flows for headings netted in cash flow statement

	2014 €	2013 €
Returns on investments and servicing of finance		
Interest received	(96)	2,071
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,870)	-

14. Analysis of changes in net funds

	1 July 2013 €	Cash flow €	Other non-cash changes €	30 June 2014 €
Cash at bank and in hand	144,047	13,287	-	157,334
Net funds	144,047	13,287	-	157,334

15. Related party transactions

No transactions with related parties were undertaken during the year such as are required to be disclosed under Financial Reporting Standard 8.

16. Restatement of prior year income

The prior year income figure in the income and expenditure account has been restated for disclosure

Notes to the financial statements

For the year ended 30 June 2014

purposes. The prior year surplus on ordinary activities is unchanged.

17. Approval of financial statements

The board of directors approved these financial statements for issue on 14 April 2015.

Detailed income and expenditure account

For the year ended 30 June 2014

	Page	2014 €	2013 €
Turnover	16	86,956	86,146
Less: Overheads			
Administration expenses	16	(80,650)	(56,556)
Operating surplus		6,306	29,590
Interest receivable	16	833	2,071
Surplus for the year		7,139	31,661

Schedule to the detailed accounts

For the year ended 30 June 2014

	2014 €	2013 €
Turnover		
Functions	4,560	5,080
Member subscriptions	34,938	36,580
Exam and exemption fees	6,710	6,633
Sponsorship	31,189	27,590
Other income	9,559	10,263
	<u>86,956</u>	<u>86,146</u>
	<u><u>86,956</u></u>	<u><u>86,146</u></u>
	2014 €	2013 €
Administration expenses		
Functions and evening meetings	31,208	21,294
Educational courses and exam expenses	1,422	1,162
Wages and salaries	19,875	19,750
Employers PRSI	2,117	2,123
Office expenses	6,256	4,336
Sundry expenses	477	1,398
Insurance	857	-
Advertising and conferences	6,897	-
Legal and professional	6,505	1,725
Auditors' remuneration	4,280	3,000
Depreciation	398	1,246
Bank charges	358	522
	<u>80,650</u>	<u>56,556</u>
	<u><u>80,650</u></u>	<u><u>56,556</u></u>
	2014 €	2013 €
Interest receivable		
Bank interest receivable	833	2,071
	<u>833</u>	<u>2,071</u>
	<u><u>833</u></u>	<u><u>2,071</u></u>