



Institute of Internal Auditors
UK AND IRELAND

**The Institute of Internal Auditors
UK and Ireland Limited**

Report and Accounts

18 months to 31 March 2012

Registered in England and Wales
Nº. 1474735



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Directors' report

The Director has pleasure in submitting his annual report and the unaudited accounts for the eighteen months ended 31 March 2012

Cessation of trade

The Institute of Internal Auditors – UK and Ireland Limited ceased trading on 30 September 2010 and transferred its business, assets and liabilities to the Chartered Institute of Internal Auditors on 1 October 2010

Directors

The following Directors have held office since 1 October 2010

S Blackburn	President and Chairman from to 11 January 2011
R Beattie	Retired 11 January 2011
M Craig	Retired 11 January 2011
P Haley	Retired 10 November 2010
P McDonald	Retired 11 January 2011
P McKenzie	Retired 10 November 2010
M Neate	Retired 11 January 2011
I Peters	
P Ratcliffe	Retired 11 January 2011
D Reynolds	Retired 11 January 2011
A Richmond	Retired 10 November 2010
N Rimmer	Retired 11 January 2011
V Watson	Retired 11 January 2011

No Director received a fee in the year (2010 £nil)

Statement of Directors' Responsibilities

We are required under company law to prepare accounts that give a true and fair view of the state of affairs of the Institute, and of the surplus or deficit of the Institute for the period of account. In preparing these accounts we are required to

The Institute of Internal Auditors - UK and Ireland Limited

- Select suitable accounting policies and apply them consistently,
- Make reasonable and prudent judgements and estimates,
- State whether accounting standards have been followed, and give details of any departures, and;
- Prepare the accounts on a going concern basis unless in our view the Institute will be unable to continue in business.

We are also responsible for keeping proper accounting records; safeguarding the Institute's assets; ensuring that only authorised transactions are entered into, and taking reasonable steps for the prevention and detection of fraud.

Retirement of auditors

For the period ended 31 March 2012 the company was entitled to exemption from audit under section 480 of the Companies Act 2006. Accordingly, Warrener Stewart retired as auditors at the 2011 Annual General Meeting

By Order of the Director



Dr Ian Peters, Chief Executive
13 Abbeville Mews
88 Clapham Park Road, London SW4 7BX
19 July 2012

Income and expenditure account

	Note	18 months to 31/3/12 £	6 months to 30/9/10 £
Operating income		-	1,832,082
Direct expenses		-	(1,922,887)
Operating deficit	2	-	(90,805)
Interest receivable	3	-	1,793
Deficit on ordinary activities before taxation		-	(89,012)
Taxation	5	-	4,000
Deficit on ordinary activities after taxation for the financial period	12	-	(85,012)

Statement of total recognised gains and losses

	Note	18 months to 31/3/12 £	6 months to 30/9/10 £
Deficit for the period		-	(85,012)
Prior year adjustment	11	-	26,820
		-	(58,192)

The cumulative effect of prior year adjustments as at 30 September 2010 was £20,738

Balance sheet

		As at 31/3/12	As at 30/3/10
	Note	£	£
Fixed assets			
Tangible assets	6	-	877,003
Investment in subsidiary company	7	-	68
		-	877,071
Current assets			
Stock	8	-	8,169
Debtors	9	-	722,739
Cash at bank		-	1,505,155
		-	2,236,063
Less creditors amounts falling due within one year	10	-	1,780,517
Net current assets		-	455,546
Total assets less current liabilities		-	1,332,617
Reserves			
Income and expenditure account	12	-	1,332,617

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

For the period ended 31 March 2012 the company was entitled to exemption from audit under section 480 of the Companies Act 2006

Members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Companies Act 2006 and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its loss for the financial period, in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company

Approved by the Director for issue on 19 July 2012.



Dr I J Peters
Director
Company Registration No 1474735

Notes to the accounts

1. Principal accounting policies

Basis of preparation of the financial statements

The company ceased trading on 30 September 2010 and its assets and liabilities were transferred to the Chartered Institute of Internal Auditors on 1 October 2010. Therefore the company did not trade during the period and the financial statements present a nil income and expenditure account. The balance sheet reflects the transfer of the trade and assets to the new chartered body. The company is therefore not a going concern and it is the intention of the director that it should be dissolved following the 2012 AGM.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the accounts.

Basis of accounting

The accounts have been prepared in accordance with the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Basis of consolidation

The company has taken advantage of the exemption conferred by section 398 of the Companies Act 2006 and therefore no consolidated accounts have been prepared for the company and its subsidiary undertaking.

Accordingly the accounts present information relating to The Institute of Internal Auditors - UK and Ireland Ltd as an individual undertaking.

Operating income

Operating income comprises membership subscriptions, fees for courses and conferences, examination and open learning fees, and advertising revenue, all excluding VAT.

The following categories of revenue are recognised as income in the period to which they relate: personal subscriptions of voting members, students and affiliates, courses and conference fees, fees for services, advertising revenue. Examination and open learning fees are accounted for in the period in which the examination is sat. Non-refundable group scheme fees and magazine subscriptions are recognised in the period in which their renewal is due.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets on a straight line basis at rates calculated to write off their cost or valuation, less the estimated residual value of each asset, over their expected useful life as follows:

Long leasehold property	50 years
Furniture and fittings	7 years
Office equipment	3 - 5 years

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on the estimated selling price less the estimated cost of disposal.

Pensions

The Institute operates a defined contribution scheme for its employees. The funds of this scheme are administered by trustees and are separate from the company. All payments are charged to the income and expenditure account as and when they arise.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Transactions in foreign currencies are recorded at the rate ruling on the date of the transaction.

Leasing transactions

Rentals payable under operating leases are charged to the profit and loss on a straight line basis over the lease term.

Deferred taxation

Deferred taxation is provided using the full provision method. Deferred tax is recognised in respect of all timing differences. Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

It is the Institute's policy not to discount deferred tax to reflect the time value of money.

2 Operating deficit

	18 months to 31/3/12 £	6 months to 30/9/10 £
The operating deficit is stated after charging		
Depreciation of tangible fixed assets	-	33,294
Operating lease rentals		
- land and buildings	-	-
- other assets	-	4,620
Auditors' remuneration	-	12,000

3 Interest

	18 months to 31/3/12 £	6 months to 30/9/10 £
Interest received and receivable	-	1,793

4. Directors

Total directors' emoluments, including pension contributions and other benefits, amounted to £nil (Prior period: Total directors' emoluments £66,750).

The emoluments, including pension contributions and other benefits, of the highest paid director amounted to £nil (Prior period: £66,750).

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to nil (Prior period: 1).

5. Taxation	18 months to 31/3/12 £	6 months to 30/9/10 £
Corporation tax at 20% and 21% (2010 21%)	-	5,000
Over provision in earlier years	-	(9,000)
	-	(4,000)

The Institute is liable to corporation tax only on its investment income and on any surplus on transactions with non-members

6 Tangible fixed assets

	Long leasehold property £	Furniture & fittings £	Other equipment £	Total £
Cost				
At 1 October 2010	993,148	228,682	54,821	1,276,651
Transferred on cessation of trade	(993,148)	(228,682)	(54,821)	(1,276,651)
At 31 March 2012	-	-	-	-

Depreciation

At 1 October 2010	262,317	100,489	36,842	399,648
Transferred on cessation of trade	(262,317)	(100,489)	(36,842)	(399,648)
At 31 March 2012	-	-	-	-

Net book value

At 31 March 2012	-	-	-	-
At 30 September 2010	730,831	128,193	17,979	877,003

7. Investment in subsidiary company

100 ordinary shares of €1 each in IIA Training Limited, a company registered in the Republic of Ireland

	£
At 1 October 2010	68
Transferred on cessation of trade	(68)
At 31 March 2012	-

The company owned 100% of the ordinary share capital of its subsidiary company. The subsidiary company commenced trading on 1 April 2007. It provides member services in the Republic of Ireland and made a surplus of €19,843 in the year to 31 March 2011. At 30 September 2010 share capital amounted to €100 and the deficit carried forward in reserves amounted to €44,781.

8. Stock	As at 31/3/12 £	As at 30/9/10 £
Open learning study packs	-	8,169

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9. Debtors	As at 31/3/12 £	As at 30/9/10 £
Fees receivable	-	488,628
Amounts owed by subsidiary company	-	62,762
Other debtors	-	171,349
	-	722,739

10. Creditors	As at 31/3/12 £	As at 30/9/10 £
Trade creditors	-	61,779
Taxation and social security	-	124,789
Other creditors	-	156,376
Deferred income - learning and exam fees paid in advance	-	607,304
Deferred income - subscriptions paid in advance	-	508,662
Deferred income - course fees paid in advance	-	175,912
Deferred income - annual conference	-	145,695
	-	1,780,517

11 Prior year adjustment

The prior year adjustment related to certain accounting policies for income recognition and the release of previously deferred income that is no longer required

12. Reserves

	£
At 1 October 2010	1,332,617
Transferred on cessation of trade	(1,332,617)
At 31 March 2012	-

13. Related party transactions

Material balances and transactions with related parties arising during the year were as follows

	As at 31/3/12 £	As at 30/9/10 £
Debtor balances arising from the provision of funding for the wholly owned subsidiary IIA Training Ltd	-	62,762

There were no trading transactions between the Institute and IIA Training Ltd

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	18 months to 31/3/12	6 months to 30/9/10
Transactions with related parties with:	£	£
BHBI Consultancy Ltd		
Purchase of the time of training staff	-	1,602
Sale of advertising space in Internal Auditing magazine to BHBI Consultancy Ltd	-	4,320
Sale of training material to BHBI Consultancy Ltd	-	8,952

Mr P Haley is a director of BHBI Consultancy Ltd and was a director of the Institute