

Full Form Accounts 2013/14

Professionalism

Integrity

Excellence

TRUSTEES' REPORT

The Trustees present their annual report and financial statements for the year from 1 April 2013 to 31 March 2014. The Chartered Institute for Securities & Investment ("CISI") is registered as a charity in England & Wales by the Charity Commission (Registration No. 1132642) and in Scotland by the Office of the Scottish Charities Regulator (Registration No. SC040665). The company was incorporated by Royal Charter (Registration No. RC00834), and is governed by said Charter and its associated Bye Laws. The group results combine the results of the charity with the results of the following:

- Chartered Institute for Securities & Investment (Services) Ltd, a wholly owned subsidiary, which runs the trading activities of the Institute.
- Securities & Investment Institute, a registered charity number 1036566 and a company limited by guarantee, governed by a memorandum and articles of association, company registration number 2687534. The company is dormant and a wholly owned subsidiary of CISI.
- Chartered Institute for Securities & Investment (India), a wholly owned subsidiary, established in Mumbai and which acts as a liaison office for the Indian subcontinent.
- Chartered Institute for Securities & Investment (Singapore) Pte Ltd, a wholly owned subsidiary of Chartered Institute for Securities & Investment (Services) Ltd, established in Singapore, which runs the trading activities of the Institute in South East Asia.
- Securities & Investment Institute (China), a wholly owned subsidiary of Chartered Institute for Securities & Investment (Services) Ltd, established in the People's Republic of China, which runs the consulting activities of the Institute in China.
- Chartered Institute for Securities & Investment (Services) Ltd (DMCC Branch), a wholly owned subsidiary of Chartered Institute for Securities & Investment (Services) Ltd, established in Dubai, UAE which runs the consulting activities of the Institute in the Gulf Cooperation Council countries.
- Chartered Institute for Securities & Investment (Services) Ltd, a legally registered Sri Lankan branch office of the UK company of the same name, which also provides operational support for the global activities of the Institute.

INVESTMENT POWERS

The Institute's Charter provides the Board with the power to invest monies not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject to such conditions and with such sanction as may for the time being be imposed or required by law.

ORGANISATION

The Institute comprises the non-executive Board of Trustees shown above, including up to three Board appointed co-opted Trustees, which decides upon strategic and policy matters. The executive staff are organised into the departments of qualifications, membership & professional development, operations, international, corporate governance & support and services (Chartered Institute for Securities & Investment (Services) Ltd).

Chief Executive

Simon Culhane, Chartered FCSI

Director of Global Business Development

Kevin Moore, Chartered MCSI

Managing Director

Ruth Martin

Global Director of Finance and IT

Edward Brunel-Cohen, FCA Chartered MCSI

Trustees

The following individuals all served as Trustees throughout the year (except where noted).

	Committee
Robert Barnes, Chartered FCSI	
Charlotte Black MCSI	H, J
Fionnuala Carvill, Chartered FCSI	L
Richard Charnock, Chartered FCSI	E
Philippa Foster Back CBE *	E
Chris Harris-Deans, Chartered FCSI	F
Paul Hedges, Chartered FCSI	F
Sir David Howard FCSI(Hon)	B, H, J
David Kane *	
Frank Moxon, Chartered FCSI	C, F
David Nicol, Chartered FCSI	C, H, J
Nick Parkes, Chartered FCSI	A
Tony Stewart-Jones FCSI	C, E
Richard Stockdale, Chartered FCSI	
Nick Swales, Chartered FCSI	B, D, K
Richard Wastcoat *	I, J
Martin Watkins, Chartered FCSI	F
Alan Yarrow, Chartered FCSI(Hon) (Chairman)	F, G, H, I, J

The Trustees, all of whom are non-executive, are elected by the members (except for co-optees who are appointed by the Board) at the Annual General Meeting for a term of office of three years. None of the Trustees had any interest in the company or its subsidiaries.

The Trustees served on the following Committees:

A	Accredited Body
B	Examinations Board
C	Audit Committee
D	Education
E	Integrity & Ethics Committee
F	Membership Committee
G	Securities & Investment Review Editorial Panel
H	Nomination Committee
I	International Committee
J	Remuneration Committee
K	Investment Committee
L	Educational Trust

* denotes a co-opted Trustee

CHARITABLE OBJECTIVES

The Institute's charitable objectives are to:

1. promote for the public benefit the advancement and dissemination of knowledge in the field of securities and investments;
2. develop high ethical standards for practitioners in securities and investments and to promote such standards in the United Kingdom and overseas; and
3. act as an authoritative body for the purpose of consultation and research in matters of education or public interest concerning investment in securities.

A full description of the activities undertaken by the CISI in pursuit of its charitable objects can be found in the published annual report or online at the CISI's website (www.cisi.org).

REVIEW OF ACTIVITIES

The financial results for the year were satisfactory. Including investment gains of £92,997, the Institute recorded a retained surplus of £974,440 (£853,327 in 2012/13) from income of £12.59m (£11.78m in 2012/13).

Income increased by £813,000 (7%), while expenditure increased by £484,000 (4%).

Reserves have increased from £8.00m to £8.97m after the Board made a significant donation of £500,000 to the CISI Educational Trust, which is a charity in its own right with a separate Board of Trustees.

Charitable Objective 1: How the CISI promotes, for the public benefit, the dissemination and advancement of knowledge in the field of securities and investments.

ATTAINING COMPETENCE

Although the number of examinations taken during the year fell from 41,000 to slightly short of 39,000, there was a better than expected take up of wealth examinations and those traditionally taken by customer facing staff in investment banking, although there continues to be a decline in investment banking qualifications generally.

In response to the falling numbers of Operations examinations, the Institute is developing an expanded range for this important suite which will include new modules on Platforms, Pensions Administration and Separation of Client Funds.

The Institute has also expanded its range into schools and was delighted by its successful application for a full A Level equivalent, which qualifies for Government funding and is recognised by UCAS for 120 points. We also gained acceptance of a GCSE equivalent qualification. These successes are significant as it allows the Institute to offer practical financial qualifications to school leavers who can immediately utilise their skills in financially related jobs.

Candidates preparing for the CISI's examinations have the benefit of a range of products to assist them as they study, including workbooks and the revision tool, Revision Express. This year for the first time these have been supplemented by examination standard sample papers for the 17 exams which have the highest candidature. The sample papers are made up of questions that have previously been in a live examination, so we can be assured that candidates preparing for the examinations have a truly exam standard exemplar as they prepare for the test.

Revision Express Interactive continues to be a key revision aid for candidates, with almost 5,000 licenses purchased over the year. The programme of increasing the number and complexity of revision questions continued and a further 500 questions were added across all subjects that closely reflect the level of question to be expected in the exam itself.

Professional apprenticeships are becoming increasingly popular, with the CISI Investment Operations Certificate available to take as a knowledge component within a Level 3 Apprenticeship in Providing Financial Services. The government has announced major reforms to apprenticeships moving forward and the CISI is working with a number of firms and training providers to develop a new employer-led 'trailblazer' apprenticeship in financial operations.

Last year was the first year where, following concern from firms about the variable quality of some learning materials available from a variety of sources, the Institute sold workbooks with its examinations as a discounted package. This means that the Institute is committed to providing the learning materials for 96% of its exams, regardless of the volume of each title.

Over the past year the CISI Educational Trust has received further funding from the CISI and now has healthy reserves in excess of £1,200,000. The Trust continues to offer scholarships and prizes in the educational sector, including The Educational Trust Award, and is also sponsoring a full-time teaching post in Liverpool. The Educational Trust Award celebrates high standards of work amongst Masters degree students studying CISI accredited courses at Centres of Excellence around the UK. During the year, ten students were awarded £2,500 in recognition of their achievements in the study of finance.

The Institute's work outside of the UK continues to grow, and this year saw a record 9,166 overseas exams sat in 74 different countries. It was also a record year for award winners, as 20 out of our 96 award winners were from outside the UK.

2013/14 was also the year in which our starting qualification, "Fundamentals of Financial Services" took off, with over 5,000 students taking the examination in Colombo under a Sri Lankan Government initiative that sought to raise the general financial educational knowledge for those leaving school. We hope to repeat and expand the group this year through an application to the Asian Development Bank.

We have continued our fruitful collaboration with international regulators, as they seek to promote professionalism within their financial services. This year we launched an exam for the Palestine Capital Market Authority and have been developing two examinations for the Cyprus Securities and Exchange Commission.

CISI qualifications are now formally recognised by over 27 regulators and we expect this to increase further during 2015. We are actively working with the regulators in many other countries, including Russia, Africa, Europe, the Caribbean and Latin America.

MAINTAINING COMPETENCE

After the significant rise last year in qualified core membership, numbers this year remained level, having netted off joiners and leavers. At the end of the year, the total of core and student members was in excess of 41,000.

Part of the attraction of membership has been the wide range of CPD activities we offer, particularly the ability to watch these a few days later on CISI TV. Twelve months ago the number of downloads were about 3,000 a month and this has now climbed to more than 10,000 on a regular basis.

Another popular free membership benefit has been the e-delivery of Professional Refreshers, comprising a suite of over 55 highly topical subjects ranging from the traditional, such as Anti-Money Laundering and Anti-Bribery, to cutting edge, such as Cyber Crime, Dodd-Frank, UCITS, and Banking Standards. These topics are bite-sized, taking between 30 and 90 minutes to complete and conclude with a test. Successful participants receive a certificate and credit to their CPD log. As with CISI TV, because delivery is via the internet, these are available to all members regardless of geography. Firms are also realising the value of these modules, with some purchasing them directly, which has contributed to a significant rise in their usage, from 2,500 in April 2013 to over 15,000 in March 2014.

For the third consecutive year CISI members regarded the CPD scheme as the top membership benefit, and we have continued to evolve it, particularly to allow even more activities to be automatically logged directly and for firms to access records as a 'superuser' to monitor the CPD of staff, particularly important for those regulated through the Retail Distribution Review.

During the year, CISI ran 71 fee-based CPD training courses with 496 attendees. We introduced seven new "hot-topic" courses to ensure we met the demands of the industry and continued to modify existing courses to help attendees keep up to date with the most current industry developments. Including those for which no charge is made, the CISI welcomed in excess of 16,000 members to events during 2013/14.

We are delighted to have seen membership of our six Professional Forums (Compliance, Corporate Finance, Financial Technology, Risk and Wealth Management) grow further over the last 12 months. Now with over 2,300 members across the six forums (a 17% increase since 2012/2013) this active engagement demonstrates the dedication of our membership to CPD.

During the year, the Institute spent £7,517,031 in the pursuance of this charitable objective, which was very similar to the amount spent in the preceding year.

Charitable Objective 2: How the CISI seeks to develop high ethical standards for practitioners in securities and investments and to promote such standards in the United Kingdom and overseas

In January 2013, the Institute announced that, with effect from April 2013, candidates for the CISI Level 3 Certificate in Capital Markets would have to pass the online IntegrityMatters test at Grade B or higher. This resulted in significant media comment at that time, and with the enhanced requirements of CISI members to complete an integrity unit (either IntegrityMatters or the CISI Professional Refresher unit Integrity & Ethics), the number of IntegrityMatters tests taken exceeded 8,000.

Equally reflective of the growing acceptance of the Institute's influence in providing leadership on integrity issues is the fact that two major financial institutions retained the CISI to provide a programme of more than 200 Integrity at Work seminars, covering almost 10,000 staff, to key groups within their firms, both in the UK and, in the case of one bank, globally. We continue to talk to a number of major financial institutions about offering or mandating IntegrityMatters for selected groups of their staff as a part of their basic training.

During the year, we launched Volume 4 of our successful publication, Integrity at Work. Since the series began in 2007, more than 150,000 copies have been distributed to members, as well as to all members of both Houses of Parliament.

The long running series, Grey Matters is now in its 10th year, having published 75 dilemmas, as well as a number of other articles highlighting aspects of ethical behaviour considered relevant to readers. The articles continue to offer readers the chance to vote in favour of a number of possible courses of action, as well as inviting feedback from readers, which produces many interesting responses.

The Institute is a partner with the Institute of Business Ethics in Investing in Integrity, a not for profit enterprise, which provides an "audit" of the ethical policies, practices and procedures which flow from the code of conduct of an organisation. Achievement of the required standard results in the award of the "Investing in Integrity" Chartermark. During the year, audits have continued on two international businesses in the construction and related service industries, and an audit has begun on another international organisation. Discussions continue with a number of businesses within the financial services sector and we remain optimistic that this will lead to further audits.

Resources expended during the year in connection with this charitable objective amounted to £973,907, which was an increase of 11% over the amount spent in the preceding year.

Charitable Objective 3: How the CISI acts as an authoritative body for the purpose of consultation and research in matters of education or public interest concerning investments in securities.

Our publication, Securities & Investment Review, continued to inform CISI members around the world by providing topical analysis of key developments within the financial services industry. Issues covered included an in-depth analysis of the impact of the Retail Distribution Review, a year on from its implementation; an analysis of why behavioral finance is being viewed by regulators as of growing importance and a look into the rapid rise of Bitcoin. As part of the ongoing development programme for the publication, the first edition of a new CISI academic journal, Review of Financial Markets, was included in the March 2014 edition of the magazine.

Our quarterly publication, Change – The Regulatory Update, is an important source of information on current and future regulatory changes in the UK, EU, US and globally for members. It includes information about new UK regulators' policies and a raft of international and EU prudential and conduct developments. It also communicates the activities of the CISI Compliance Professional Forum and European Regulation Interest Group. Its format continues to evolve to meet readers' requests and publishing developments. The online edition of the magazine, available to all members, features live links to documents from regulators and industry bodies worldwide.

During the year, our Compliance Forum had two meetings with the Financial Services Practitioner Panels' Secretariat. Regulatory issues presented on behalf of the Forum's 1,000 plus members included the FCA website, the signing of Attestations by Compliance Officers, and especially the variety, lack of priority rating, and volume of FCA communications to firms.

In September 2013, the Department for Education announced financial education's place in the new National Curriculum for England, in Key Stage 3 mathematics and Key Stage 3 and 4 Citizenship education, taking effect from the start of the 2014/15 academic year. In February 2014, the Institute

entered into a partnership with pfeg (Personal Finance Education Group) to produce and disseminate teaching guidance and materials for the financial literacy elements contained within the new Citizenship programme of study. Work has already begun, with this free resource being made available during the summer of 2014 to those delivering and coordinating Citizenship education at Key Stages 3 and 4.

Costs incurred in connection with this charitable objective during the year amounted to £3,139,448, compared to £2,693,018 in the previous year.

How the CISI provides Public Benefit

Whilst the Institute's primary function is to provide education for the public, it is conscious that it has a public service obligation and, as well as general education, the CISI has continued its commitment to provide wider general access, regardless of means.

During the year, the CISI:

- Provided free reference copies of its foundation workbooks to libraries throughout the UK.
- Worked with members and firms in schools and colleges to provide information, mentoring and support for students working towards CISI qualifications or considering a career in financial services.
- Offered reduced membership and exam packages to full time students and the financially disadvantaged in the UK and abroad.
- Worked with schools and colleges, running free 'train the trainer' events to prepare teachers to teach courses that will allow students to sit our exams.
- Provided free and paid CPD events to both members and non-members to raise awareness of good practice and ethical dealing within the securities and investment industry.
- Worked with other professional and charitable bodies, offering our knowledge and expertise to help advance appropriate projects.
- Offered Charity Days: CISI employees can take a charity day each year to work for a charity or on a community project of their choice.
- Provided the public with delayed, free access to its industry journal.

FUTURE ACTIVITIES

The CISI's key objectives for 2014/15 are:

1. To continue to expand our overseas exams network in order to further our global objective to advance knowledge in our field, aiming to increase the number of exams sat abroad by at least 9%.
2. Building on our current success in developing our online CISI TV audience, we aim to expand the number of monthly sessions viewed from 12,000 to 14,000.
3. Enhance our involvement in the field of further/higher education by enrolling at least 50 UK schools into our new A Level exam programme.
4. In furtherance of our objective to promote integrity and ethics in the market, we will be adding the topics of whistleblowing and corporate governance to the range of seminars that we present to practitioners.
5. With the aim of developing expertise in our field, we plan to offer CISI qualifications to at least 500 new apprentices.

REVIEW OF FINANCIAL POSITION

The Institute has continued to maintain its healthy financial position, with free reserves now nearing 9 months' operating costs, considered by the Trustees as prudent (see reserves policy below). This year the Institute saw an increase in group funds of £974,440 (2013: £853,327), bringing net assets up to £8,973,110 (2013: £7,998,670). During the year, funds were applied towards achieving the Institute's main objectives through the provision of relevant qualifications, membership, events and learning resources.

The Institute's wholly owned UK subsidiary trading company, which is established to undertake the commercial activities of the Institute, recorded a profit before tax, and before the donation under gift aid, of £52,045 (2013: £25,497).

The Chartered Institute for Securities & Investment continues to remain financially independent, deriving funding through fees charged in relation to its charitable activities such as individual membership, exams, and professional development events.

RESERVES POLICY

The Institute has high operational gearing in a cyclical industry and therefore requires sufficient reserves to draw upon during times of industry downturn and to meet its charitable objectives. The Board has therefore adopted a policy of maintaining free reserves at a level that is equivalent to between six and ten months' running costs. At the year end the total free reserves of the Institute amounted to £8,914,790 (2013: £7,925,032), which represented slightly less than nine months' running costs. While first discharging its obligations and carrying out its strategic plans, the Board hopes that, in the medium term, the Institute will be able to accumulate reserves closer to the upper end of the policy range. This policy, together with the approach to investing reserves, is reviewed and approved annually by the Board. Such a review has been conducted during the year, including reviewing rates of interest received from the Charity's deposit facilities utilised, to ensure that the Institute's investments continue to contribute effectively to the achievement of the aims of the organisation and are in line with the adopted policy. The policy of the Charity with regard to payments to suppliers is to make payments no later than the agreed terms in relation to the goods or service received.

INVESTMENT POLICY

The Board has delegated the regular review and supervision of the investment of surplus funds to an Investment Sub-Committee (ISC), appointed by the Board and comprising suitably experienced trustees, which is tasked with addressing the maintenance of a short term cash portfolio and a medium to long term capital portfolio.

The Cash Portfolio

This will consist of deposit accounts of various duration with institutions the ISC recommends, based on a review of credit risk, rates offered and administrative issues. When required, and provided they meet pre-agreed risk tolerances set by the Board, the ISC has the Board's authority to approve the opening of new deposit accounts; otherwise, any recommendations must first be considered by the Board. There should be a spread of accounts and they will be reviewed regularly by the ISC. This cash portfolio will be low risk.

The Medium to Long Term Portfolio

The ISC and the Board will discuss the CISI's reserve funds on a regular basis and between them decide when and how much capital can be invested for a longer period. These funds will then fall within the Medium to Long Term Portfolio (MLTP) where there will be widest investment powers.

Funds in the MLTP will be invested with a view to achieving a total return in excess of that achievable on cash deposit over the medium to long term (3 to 5 years). The risk profile of the MLTP will be medium risk. The ISC will appoint qualified fund managers to manage the funds on a discretionary mandate and they will be expected to report to the ISC on a six monthly basis to a given benchmark agreed at the time of appointment. The Finance Director will also monitor progress of the investments on a regular basis.

The ISC will monitor the investments and review new opportunities on a regular basis; however, any appointment of managers will require the Board to delegate authority to the ISC on a case by case basis.

The Board and the ISC will consider styles of investment and any ethical or other restrictions it may have on a regular basis.

CHARITABLE GRANTS

In 2010, an independent charity, the Chartered Institute for Securities & Investment Educational Trust, was formed. The CISI is a corporate trustee of this charity, but the other trustees are all independent from the main board of the Institute. Its objectives are "to promote for the public benefit the advancement and dissemination of knowledge in the field of securities and investment". During the year, the Institute donated £500,000 to this charity.

VOLUNTEERS

The Institute derives benefit from the services of unpaid volunteers, by virtue of the time given by its Trustees (other than the Chairman who is remunerated for his services) and by practitioners who serve on various committees and panels. No donations in kind were received during the year.

RELATIONSHIPS WITH OTHER BODIES

In pursuit of its charitable objectives, the Institute provides relevant qualifications to the securities and investment industry, certain of which are on the Financial Skills Partnership's (formerly known as the Financial Services Skills Council) list of appropriate exams. The Institute is registered with the Charity Commission for England & Wales and with the Office of the Scottish Charity Regulator. It is recognised by Ofqual as an awarding body for the securities and investment industry, and is also accredited by the FCA for the issuance of Statements of Professional Standing to retail investment advisers.

FIXED ASSETS

During the year, the Institute purchased tangible fixed assets amounting to £45,031 (2013: £62,674).

RESULTS

The results for the financial year are shown on page 11. The group's net retained resources for the year, including investment gains of £92,997, were £974,440 (2013: £853,327).

CORPORATE GOVERNANCE

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to guidance in respect of public benefit published by the Charity Commission.

Board

The Board of the Chartered Institute for Securities & Investment normally meets six times per year and comprises all non-executive Trustees. The Trustees are typically employed in senior positions within firms operating in the securities industry. They are identified by existing Board members for their expertise or nominated by members of the Institute. Up to 15 Trustees are elected for a term of three years, either by a ballot of the membership at the AGM, or by the Board. If Board-appointed, the Trustee is required to stand down from the Board at the next AGM and seek re-election by membership ballot, in accordance with the charity's articles.

Up to a further three Trustees may also be co-opted by the Board to serve such period as the Board decides. On election, or appointment, the new Trustees are given an induction which contains information on the Institute, its activities and their responsibilities under charity law. The Board appoints the Chairman and the Chief Executive. The Chief Executive is not a Trustee. At its meetings, the Board considers matters including:

- policy and strategy;
- financial performance, including annual budgets;
- responses to industry consultation papers; and
- reports from the standing committees.

The executive staff of the Institute submits management information to the Trustees to enable them to discharge their duties. The Trustees may take independent advice at the charity's expense.

Committees

The Board has delegated some of its powers to certain committees and a full list of all committees, together with the names of the serving Trustees, are shown on page 3. Those committees to which the Board has delegated powers have specific terms of reference. The Audit Committee is chaired by David Nicol CA, Chartered FCSI.

Trustees' Remuneration

All Trustees give their time freely and are not paid for their trusteeship, with the exception of the Chairman who is remunerated for his services.

Financial Reporting

A review of the Institute's operating performance is shown on pages 4 to 6. The Board considers that such information presents a balanced view of the group's position and prospects.

Key Risks

The following are the key risks assessed as the most significant for the Institute:

1. IT systems;
2. Reputational risk;
3. Loss of key staff;
4. Data security and integrity;
5. Regulatory compliance

Internal Control and Risk Management

The Trustees acknowledge that they are responsible for the maintenance of an effective system of internal control. However, no system of internal financial control can provide absolute assurance against material misstatement or loss. The Trustees have considered the major business risks and control objectives relevant to the Institute and controls were found to be appropriate and generally satisfactory. However, as part of an overall and continuing drive for quality, an ongoing review of internal controls is addressing those areas where controls may be improved. The Institute's control objectives include:

- the maintenance of the industry's confidence in the Institute's relevance, integrity and status;
- the identification and evaluation of business risks, through regular risk assessment and review, and the direction of operating and financial strategy;
- the nurturing of high ethical standards, effective communications and a strong overall control environment;
- the safeguarding of the assets of the Institute and the effective use of resources; and
- the promotion of detailed financial and operational controls necessary for the production of reliable and up-to-date financial information.

The Board has conducted a review of the effectiveness of the system of internal control for the year ended 31 March 2014. In pursuit of the above control objectives the Institute has in place a number of key internal controls and processes that include:

- liaising with its members and their employers to ensure the Institute's continued relevance;
- formally identifying, evaluating and reviewing risks;
- communicating the high standards of behaviour expected of its employees by inclusion of the Institute's code of conduct in employment contracts and additionally, through formal objective setting and performance appraisal schemes, including regularly identifying and taking action to satisfy training needs;
- creating a secure environment to protect the charity's assets and regularly reviewing management information to ensure the effective use of resources;
- seeking legal protection for CISI trademarks and domain names by registering them in appropriate jurisdictions;
- operating signing limits to ensure that the charity cannot be committed financially without proper authority, and producing regular financial reports for Board review which include estimates and judgments made by the business managers.

The Institute's Audit Committee currently comprises three non-executive Trustees. Its scope includes the assessment of the cost effectiveness of the external Auditors, consideration of the financial statements of the Chartered Institute for Securities & Investment and the consideration of any internal control matters, which may be brought to its attention. The Board has reviewed the need for an internal audit function and does not consider that such a function is necessary given the size and nature of its operations.

REGISTERED OFFICE AND PROFESSIONAL ADVISERS

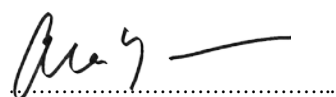
Registered Office 8 Eastcheap, London EC3M 1AE

Solicitors Bircham Dyson Bell LLP, 50 Broadway, London SW1H 0BL

Auditors Crowe Clark Whitehill LLP, St Bride's House, 10 Salisbury Square, London EC4Y 8EH

Bankers Bank of Scotland, 600 Gorgie Road, Edinburgh EH11 3XP

Approved by the Board of Trustees on 17 July 2014 and signed on behalf of the Board by



Alan Yarrow, Chartered FCSI(Hon)

Chairman

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales/Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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 charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE CHARTERED INSTITUTE FOR SECURITIES & INVESTMENT

We have audited the financial statements of The Chartered Institute for Securities & Investment for the year ended 31 March 2014 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Cash Flow Statement and the related notes numbered 1 to 13.

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).

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011 and section 44(1c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 151 of the Charities Act 2011 and section 44(1c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable 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 charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report and any other surround information 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 of the state of the group's and the charity's affairs as at 31 March 2014 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 or the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees Annual Report is inconsistent in any material respect with the financial statements; or
- returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Crowe Clark Whitehill LLP

Statutory Auditor

St Bride's House

10 Salisbury Square

London EC4Y 8EH

21 July 2014

Crowe Clark Whitehill LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 March 2014

	Note	2014 £	2013 £
INCOMING RESOURCES			
Incoming resources from charitable activities:			
Membership subscriptions		3,539,834	3,141,581
Membership entry fees		55,150	41,680
Qualifications and development		5,585,175	6,034,764
Publications and conferences		2,855,667	1,822,250
Investment income	4	100,724	162,364
Other incoming resources	5	453,180	574,462
TOTAL INCOMING RESOURCES		12,589,730	11,777,101
RESOURCES EXPENDED			
Charitable activities			
Dissemination & advancement of knowledge	3	7,517,031	7,575,776
Ethics	3	973,907	873,641
Consultation & research	3	3,139,448	2,693,018
Total charitable activities		11,630,386	11,142,435
Governance	3	77,901	82,036
TOTAL RESOURCES EXPENDED	2,3	11,708,287	11,224,471
NET INCOMING RESOURCES		881,443	552,630
OTHER RECOGNISED GAINS AND LOSSES			
Investment gains	7	92,997	300,697
NET MOVEMENT IN FUNDS FOR THE YEAR		974,440	853,327
FUNDS AS AT 1 APRIL 2013 & 2012		7,998,670	7,145,343
FUNDS AS AT 31 MARCH 2014 & 2013		8,973,110	7,998,670

As permitted by the SORP Paragraph 397 a separate statement of financial activities, for the charity only, has not been presented.

The group's activities derive wholly from continuing activities in the current and preceding year

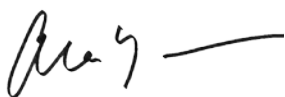
BALANCE SHEETS

As at 31 March 2014

	Note	GROUP		CHARITY	
		2014	2013	2014	2013
		£	£	£	£
FIXED ASSETS					
Tangible assets	7	58,320	73,638	58,320	73,638
Investments	7	4,146,054	3,453,057	4,396,054	3,453,057
		<u>4,204,374</u>	<u>3,526,695</u>	<u>4,454,374</u>	<u>3,526,695</u>
CURRENT ASSETS					
Stock		12,176	957	12,176	957
Debtors	9	1,429,747	1,393,061	1,429,747	1,391,061
Cash at bank and in hand		6,525,299	6,020,148	6,524,462	6,019,314
		<u>7,967,222</u>	<u>7,414,166</u>	<u>7,966,385</u>	<u>7,411,332</u>
CREDITORS:					
amounts falling due within one year	10	(3,198,486)	(2,942,191)	(3,459,069)	(3,162,259)
NET CURRENT ASSETS		<u>4,768,736</u>	<u>4,471,975</u>	<u>4,507,316</u>	<u>4,249,073</u>
TOTAL NET ASSETS		<u>8,973,110</u>	<u>7,998,670</u>	<u>8,961,690</u>	<u>7,775,768</u>
REPRESENTED BY:					
Unrestricted income fund		<u>8,973,110</u>	<u>7,998,670</u>	<u>8,961,690</u>	<u>7,775,768</u>

These financial statements were approved and authorised for issue by the Board of Trustees on 17 July 2014.

Signed on behalf of the Board of Trustees:



Alan Yarrow, Chartered FCSI(Hon)
Chairman



David Nicol, CA Chartered FCSI
Trustee

CONSOLIDATED CASH FLOW STATEMENT

Year Ended 31 March 2014

	Note	2014 £	2013 £
Net cash inflow from operating activities	12	1,049,458	86,124
Returns on investments and servicing of finance	4	100,724	162,364
Capital expenditure and financial investment			
Purchase of tangible assets	7	(45,031)	(62,674)
Proceeds of disposal of investments		500,000	-
Purchase of investments, at cost		(1,100,000)	(1,000,000)
Net cash outflow from capital expenditure and financial investment		(645,031)	(1,062,674)
Increase/(decrease) in cash in the year		505,151	(814,186)

Reconciliation of net cash flow to movement in net funds

	2014 £	2013 £
Change in net funds	505,151	(814,186)
Net funds at 1 April 2013	6,020,148	6,834,334
Net funds at 31 March 2014	6,525,299	6,020,148
Represented by:		
Cash at bank and in hand	6,525,299	6,020,148

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2014

1. ACCOUNTING POLICIES

These financial statements have been prepared under the historical cost convention (modified by the revaluation of investments) in accordance with the Charities Act 2011, regulation 8 of the Charities Accounts (Scotland) Regulations 2006, the Statement of Recommended Practice 'Accounting and Reporting by Charities, 2005 and in accordance with applicable accounting standards. References throughout these financial statements to the charity refer to the parent charity, Chartered Institute for Securities & Investment. The particular accounting policies adopted are described below.

Basis of Consolidation

The group financial statements consolidate the financial statements of Chartered Institute for Securities & Investment and its subsidiaries up to 31 March 2014 on a line by line basis.

No separate Statement of Financial Activities has been presented for the charity alone as permitted by paragraph 397 of the Charities SORP 2005.

The net incoming resources of the charity for the year were £842,925 (2013: £527,131).

Basis of Accounting

After making enquires, the trustees have a reasonable expectation that the charity and group has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities on page 9.

Foreign Currency Translation

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities are shown in the balance sheet at the rate of exchange ruling at the balance sheet date. Gains and losses on exchange are included in the Statement of Financial Activities in the expenditure of the charitable activities having been allocated amongst the other support costs shown in note 5 in the notes to the financial statements.

Membership Subscriptions

The membership subscription year runs from 1 April to 31 March. Subscriptions received from members are included in the financial statements in full for the year to which they relate. Sums received prior to the year end in respect of the forthcoming subscription year are treated as subscriptions received in advance in the balance sheet and taken to income in the new subscription year. Entry fees are taken to income as they are received.

Examination Entry Fees

The qualification registration fee attracts one year's free student membership and as such this income is recognised over the year.

Examination fees are recognised only when the exam is taken.

Training Services Income

Income from courses and training services are accounted for on an accruals basis.

Investment Income

Income from bank deposits is accounted for on an accruals basis.

Allocation of Resources Expended

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Other salaries are allocated between expense headings on the basis of time spent, and other costs are allocated in proportion to direct costs relating to each charitable activity.

Governance Costs

Governance costs are those costs associated with the governance arrangements as opposed to fundraising or charitable activities, and include but are not limited to external audit, legal advice for Trustees and costs associated with constitutional and statutory requirements eg, Trustees' meetings and statutory accounts.

Funds

All funds currently belonging to the charity are unrestricted. Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation. An asset is capitalised when its original cost is in excess of £2,500. Depreciation is provided at rates calculated to write off the cost of fixed assets over the estimated useful lives of the assets. The rates of depreciation used in the year are as follows:

Computer equipment & telephones	Straight line, over three years
Fixtures and fittings	Straight line, over three years
Leasehold improvements	Straight line, over four years

Investments

Investments are revalued to market value as at the balance sheet date and the surplus or deficit of this revaluation is shown as unrealised gains or losses on the face of the Statement of Financial Activities. Realised gains and losses represent the difference between the sale proceeds and the opening market value of an investment or cost if purchased during the year.

Investment in Subsidiary Undertaking

The investment in subsidiary undertaking is stated at cost less provision for any impairment.

Stocks

Stocks of workbooks and publicity items are valued at the lower of cost and net realisable value in accordance with SSAP 9.

Leases

Operating lease rentals are charged to the statement of financial activities in equal annual amounts over the lease term.

Pension Costs

The charity offers a defined contribution pension scheme in the UK and other appropriate arrangements overseas. In the UK the charity contributes fixed percentage rates of salary to an employees' personal pension scheme and has no further liability for the scheme, which is administered on behalf of the Chartered Institute for Securities & Investment's employees by an independent manager. The Institute's pension policy fulfils the requirements of the Employment Equality (Age) Regulations Act 2006. There are two levels of contribution, dependent upon the length of service of each employee.

Taxation

The Institute is registered as a charity and therefore benefits from exemption from corporation tax on certain sources of income, so long as the income is applied for charitable purposes.

Deferred Taxation

As the Institute's subsidiary company incurs corporation tax, a deferred tax liability may also arise on accelerated capital allowances within the subsidiary and other timing differences.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2. INFORMATION REGARDING TRUSTEES AND EMPLOYEES

None of the Trustees who served during the year received any emoluments from the charity in the current or prior year, with the exception of the Chairman. The charity's Royal Charter provides for the Chairman to be remunerated for his services and emoluments totalling £35,000 (2013: £35,000) were paid to the holder of that post during the year.

During the year, four of the Trustees were reimbursed by the Institute for travel and subsistence expenses incurred; these amounted to £3,740 (2013: four Trustees, £2,153).

Staff costs during the year	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Wages and salaries	4,853,114	4,795,554	4,848,712	4,788,473
Social security costs	427,626	464,911	427,374	464,659
Pension costs	442,558	422,777	442,558	422,777
	<u>5,723,298</u>	<u>5,683,242</u>	<u>5,718,644</u>	<u>5,675,909</u>

The emoluments (including taxable benefits in kind and bonuses but excluding pension contributions) of persons employed by the group as at the year end that exceeded £60,000 were as follows:

	2014	2013
	No	No
£60,001 - £70,000	1	3
£70,001 - £80,000	4	3
£80,001 - £90,000	1	2
£100,001 - £110,000	1	-
£110,001 - £120,000	1	1
£160,001 - £170,000	1	1
£270,001 - £280,000	1	-
£290,001 - £300,000	-	1

The average number of persons employed by the group in the year (including term contract posts) was as follows:

	2014	2013
	No	No
Dissemination & advancement of knowledge	85	86
Ethics	13	11
Consultation & research	23	22
Governance	2	2
	<u>123</u>	<u>121</u>
Operations	27	27
Business development	6	7
Chartered Institute for Securities & Investment (Services) Ltd	1	1
Membership, professional development & marketing	18	20
Qualifications & development (including international)	29	28
Management & administrative support	9	9
	<u>90</u>	<u>92</u>
Overseas staff	26	24
Temporary positions	7	5
	<u>123</u>	<u>121</u>

3. RESOURCES EXPENDED

Resources expended include the following:

	2014	2013
	Group	Group
	£	£
Depreciation of assets	60,349	72,778
Rentals under operating leases	770,459	717,833
Auditors' remuneration for audit work	25,200	24,600
Auditors' remuneration for other services	11,495	6,070

ANALYSIS OF TOTAL RESOURCES EXPENDED

GROUP	Staff Costs	Depreciation	Other Direct	Other Support	Total 2013-14	Total 2012-13
	£	£	£	£	£	£
Charitable activities:						
Dissemination & advancement of knowledge	3,998,319	35,744	1,862,582	1,620,386	7,517,031	7,575,776
Ethics	598,715	3,811	198,603	172,778	973,907	873,641
Consultation & research	1,092,412	20,794	1,083,571	942,671	3,139,448	2,693,018
Governance	33,852	-	44,049	-	77,901	82,036
Total	<u>5,723,298</u>	<u>60,349</u>	<u>3,188,805</u>	<u>2,735,835</u>	<u>11,708,287</u>	<u>11,224,471</u>

Governance costs comprise board & committee expenses, audit and legal fees and costs arising in relation to the provision of company secretarial and corporate registration services.

Other direct costs comprise the non-staff costs associated with the delivery of the different charitable activities whilst the other support costs comprise the overall establishment and office costs of the charity, which are allocated across the charitable activities and governance headings.

Analysis of other support costs:

	Dissemination & advancement of knowledge	Ethics	Consultation & research	Total 2013-14	Total 2012-13
	£	£	£	£	£
Premises	505,833	53,936	294,272	854,041	808,182
Printing, postage & stationery	85,509	9,118	49,746	144,373	132,818
Marketing	83,349	8,887	48,489	140,725	109,037
Travel & subsistence	38,704	4,127	22,516	65,347	57,416
Irrecoverable VAT	279,610	29,814	162,665	472,089	444,886
Communications & IT	359,645	38,348	209,226	607,219	488,281
Equipment hire	57,207	6,100	33,280	96,587	65,467
Other	210,529	22,448	122,477	355,454	269,533
Total	<u>1,620,386</u>	<u>172,778</u>	<u>942,671</u>	<u>2,735,835</u>	<u>2,375,620</u>

4. INVESTMENT INCOME

	2014	2013
	£	£
UK bank interest receivable	100,724	162,364

5. OTHER INCOMING RESOURCES

The figure of other incoming resources in the Statement of Financial Activities includes income from regional, social and networking activities of £110,066 (2013: £124,397), consultancy services in Singapore of £94,142 (2013: £113,115), income to defray the costs of the London annual dinner of £30,768 (2013: £50,900), and income relating to the issuance of Statements of Professional Standing of £148,180 (2013: £233,900).

6. TAXATION

The Chartered Institute for Securities & Investment is a charity and enjoys certain exemptions from tax according to Part 11 Corporation Tax Act 2010. Accordingly no liability to UK Corporation Tax arises on its activities.

The subsidiary company, the Chartered Institute for Securities & Investment (Services) Ltd, has no tax liability since its taxable profit has been offset by losses brought forward and a Gift Aid donation to its parent company.

The Singapore subsidiary is subject to local taxation requirements. There is no tax liability because of accumulated tax losses.

Deferred Taxation

A deferred tax asset has not been recognised in respect of timing differences relating to tax losses carried forward and capital allowances in excess of depreciation, as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £2,791 (2013: £10,495). The asset would be recovered if suitable, sufficient taxable profits arise in the foreseeable future.

7. FIXED ASSETS

TANGIBLE ASSETS

Group and Charity	Computer equipment	Fixtures and fittings	Leasehold improvements	Total
Cost	£	£	£	£
As at 31 March 2013	277,298	122,295	395,066	794,659
Removal of assets older than five years	(21,455)	(4,173)	-	(25,628)
Additions	45,031	-	-	45,031
As at 31 March 2014	300,874	118,122	395,066	814,062
Depreciation				
As at 31 March 2013	213,110	112,845	395,066	721,021
Removal of assets older than five years	(21,455)	(4,173)	-	(25,628)
Charge for the year	58,308	2,041	-	60,349
As at 31 March 2014	249,963	110,713	395,066	755,742
Net book value 31 March 2014	50,911	7,409	-	58,320
Net book value 31 March 2013	64,188	9,450	-	73,638

INVESTMENTS

	2014		2013	
	Group	Charity	Group	Charity
	£	£	£	£
Balance at market value as at 31 March 2013	3,453,057	3,453,057	2,152,360	2,152,360
Disposals at market value during the year	(492,129)	(492,129)	-	-
Additions at cost during the year	1,100,000	1,100,000	1,000,000	1,000,000
Unrealised gain during the year	85,126	85,126	300,697	300,697
Partial release of provision against cost of investment in subsidiary	-	250,000	-	-
Balance at market value as at 31 March 2014	4,146,054	4,396,054	3,453,057	3,453,057

The Group investment balance represents 2,702,047 units in Barings Targeted Return Accumulation Fund and 955,827 units in Jupiter Strategic Reserve at market value (combined original cost: £3,600,000).

8. SUBSIDIARY COMPANIES

On 1 March 1994, the charity's predecessor established a wholly-owned subsidiary company, Securities & Investment Institute (Services) Ltd, now known as Chartered Institute for Securities & Investment (Services) Ltd. The subsidiary company is registered in England and Wales.

The purpose of Chartered Institute for Securities & Investment (Services) Ltd is to carry on the trading activities of the Chartered Institute for Securities & Investment, which comprises bespoke training courses and non-charitable activities carried out on behalf of the Chartered Institute for Securities & Investment.

Subsidiary operations were also incorporated in Singapore (3 April 2006), in India (8 July 2006), in the People's Republic of China (20 August 2007), and in Dubai (15 July 2009). The companies in India and Dubai are liaison offices which represent and promote the interests of Chartered Institute for Securities & Investment. Chartered Institute for Securities & Investment (Singapore) PTE Ltd began trading during the year to 31 March 2007 and Securities & Investment Institute (China) received its WOFE (wholly owned foreign enterprise) licence in January 2008, but does not currently trade.

In January 2011 a wholly-owned company was registered in Sri Lanka. This company acts as liaison office, in the same way as the ones in India and Dubai, and does not trade in its own right.

There are also the following wholly-owned dormant companies in the group:

Institute of Wealth Management Ltd

The Compliance Institute

Both companies were incorporated in England and Wales.

No details of the income/expenditure and assets/liabilities of the overseas subsidiaries are included in the figures below which relate to the UK services company (Chartered Institute for Securities & Investment (Services) Ltd). Any income and funding costs of the overseas subsidiaries are reflected in the charity and the group figures.

Chartered Institute for Securities & Investment (Services) Ltd	Investment in Subsidiary
Cost	£
At 31 March 2013 and 31 March 2014	<u>500,000</u>
Provision for impairment of value	
At 31 March 2013	500,000
Reduction during year	(250,000)
At 31 March 2014	<u>250,000</u>
Net book value	
At 31 March 2014	<u>250,000</u>
At 31 March 2013	<u>-</u>

For the year ended 31 March 2014, the subsidiary's profit and loss account showed:

	2014	2013
	£	£
Income	84,537	58,449
Expenses	32,492	32,952
Profit for the year before taxation and donation under gift aid	<u>52,045</u>	<u>25,497</u>
Its balance sheet showed:		
Current assets	261,420	222,902
Current liabilities	-	-
Funds	<u>261,420</u>	<u>222,902</u>

For the year ended 31 March 2014, the subsidiary made a donation under gift aid of £13,527 (2013: £3)

9. DEBTORS

	2014		2013	
	Group	Charity	Group	Charity
	£	£	£	£
Trade debtors	1,110,984	1,110,984	1,005,389	1,003,389
Other debtors	14,340	14,340	29,158	29,158
Prepayments and accrued income	304,423	304,423	358,514	358,514
	<u>1,429,747</u>	<u>1,429,747</u>	<u>1,393,061</u>	<u>1,391,061</u>

10. CREDITORS

Amounts falling due within one year	2014		2013	
	Group £	Charity £	Group £	Charity £
Subscriptions received in advance	102,997	102,997	191,282	191,282
Trade creditors	199,362	199,362	162,586	162,586
Other taxes and social security	308,642	308,642	344,518	344,518
Other creditors	120,581	120,581	87,448	87,448
Accruals and deferred income	2,466,904	2,466,904	2,156,357	2,156,357
Amounts owed to subsidiary undertaking	-	260,583	-	220,068
	3,198,486	3,459,069	2,942,191	3,162,259

Income received in advance during the year can be summarised as follows:

	Balance brought forward at 1 April 2013 £	Received during the year £	Balance carried forward at 31 March 2014 £	Income recognised during year £
Membership subscriptions (including received from students)	297,373	3,507,410	264,949	3,539,834
Qualifications & development	571,514	5,606,565	592,904	5,585,175
Publications & conferences	6,633	2,865,774	16,740	2,855,667
Other income	-	453,180	-	453,180
	875,520	12,432,929	874,593	12,433,856

11. FINANCIAL COMMITMENTS

Operating lease commitments

At 31 March 2014, the charity was committed to making the following future annual payments in respect of operating leases:

Leases which expire:	2014	2013
	Land and Buildings £	Land and Buildings £
Between two and five years	781,318	797,237

At 31 March 2014 the group and the charity had no financial commitments which were contracted for but not provided.

12. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Net incoming resources	881,443	552,630
Investment income	(100,724)	(162,364)
Depreciation	60,349	72,778
(Increase)/decrease in stocks	(11,219)	5,289
(Increase)/decrease in debtors	(36,686)	143,556
Decrease/(increase) in creditors	256,295	(525,765)
Net cash inflow from operating activities	1,049,458	86,124

13. JOINT VENTURE

The company has a 50% holding in Investing In Integrity Limited, which was incorporated in England and Wales. The total cost of this investment is £5,000. That company's principal activity is the promotion of integrity in business practices by the granting of a charter mark to approved organisations. The company's result for the year was break-even.



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Company Registration No. RC000834

Registered Charity No.1132642 (England & Wales)
SC040665 (Scotland)

cisi.org

August 2014

