

REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2009

FOR

THE INVESTOR RELATIONS SOCIETY
LIMITED BY GUARANTEE

THE INVESTOR RELATIONS SOCIETY
LIMITED BY GUARANTEE

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FOR THE YEAR ENDED 31ST DECEMBER 2009

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THE INVESTOR RELATIONS SOCIETY
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COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2009

DIRECTORS:

Richard Davies ~ Chairman
John Dawson ~ Deputy Chairman
Ian Arnold ~ Treasurer
Michael Mitchell ~ General Manager
Emma Brzeskwinski (nee Burdett)
Richard Carpenter
Rebecca Ford
Reginald Hoare
Mark Hynes
Claire Jenkins
Karen Keyes
Gary Leibowitz
Alexander Loehnis
Keith Russell
Lisa Williams

SECRETARY: Hazel Jarvis

REGISTERED OFFICE: Bedford House
3 Bedford Street
London
WC2E 9HD

REGISTERED NUMBER: 02294631 (England and Wales)

ACCOUNTANTS: Cook and Partners Limited
Chartered Accountants
108 High Street
Stevenage
Hertfordshire
SG1 3DW

THE INVESTOR RELATIONS SOCIETY
LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2009

The directors present their report with the financial statements of the company for the year ended 31st December 2009.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the promotion of commerce by fostering and improving good relations, for the benefit of its members, between companies quoted on the stock exchanges throughout the world and their investors and potential investors.

REVIEW OF BUSINESS

Overview and strategy

In the light of the severe downturn in the UK economy, 2009 was a challenging year for the Society. Membership numbers are down by 10% and we have seen a reduction in the overall levels of sponsorship and income from our professional development programmes. We have contained our administrative expenses while maintaining core services for members. Despite recording a small deficit for the year, the directors remain confident that the Society is properly financed to withstand the continuing downturn. The strategy of the Investor Relations Society is to develop and disseminate best practice in investor relations, to represent the views of members of the Society to governmental and regulatory bodies and to provide members with a range of educational and professional services which assist them in their roles.

Operating performance

The Society has recorded a pre tax deficit of £22,436 (2008: surplus £28,593). Income from membership subscriptions was down by 10% and surpluses on the conference and annual dinner were reduced, mainly due to lower levels of external sponsorship. Surpluses from our professional development programmes were down by 13%. Administrative expenses were reduced by 1% but income from our investments was down by 65%, reflecting the lower rates of interest. The reserves of the Society remain at a satisfactory level of £238,735 (2008: £262,195) and net cash deposits total £341,849 (2008: £319,416). It is the objective of the Society to be self-funding, while maintaining adequate reserves for the maintenance of services to members.

The key performance indicators by which we measure our success are:

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

The directors believe that the Society's cash reserves should be maintained at a level which would permit the Society to continue in operation for a reasonable period if its income was significantly impaired. The directors consider that cash reserves should be maintained at or above £200,000. This level has been maintained throughout 2009.

2. Level of membership of the Society

The directors have established a base level of membership of 600 with the objective of growing it by 5% per annum. It is recognised that economic circumstances may impact on the potential for new members. At the end of 2008 the Society had 643 members but this fell to 578 by the end of 2009, a decrease of 10%. Since the year end the decline in membership has continued and whilst strenuous efforts are being made to recruit new members, the continuing financial difficulties faced by many of our members and prospective members make it unlikely that we will regain our target membership level in 2010.

3. Provision of an active events programme

The events programme is considered to be an integral part of the benefits of membership of the Society. As a minimum, the directors believe that the Society should organise an annual conference and an annual dinner/awards event. In addition the Society should organise at least 20 events throughout the year. During 2009 the Society organised 21 events. Our budget for 2010 is 20.

4. Support for our education programme through attendance on training courses and registrations for the Certificate in Investor Relations examination.

The Society's education programmes have continued to expand and are now an important element of the Society's reputation as a professional organisation. Our target is to enrol at least 90 new students on our CIR programme each year and to have a total of 200 attendees on our courses during the year. In 2009 we had 136 new CIR students and 207 attendees on our courses.

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REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2009

Our market

The Society's core market for membership and services is professionals involved in investor relations, either in-house working for listed companies, or as providers of investor relations services. We believe that the services the Society provides are also of value and relevance to other professionals who may not be involved in investor relations as their primary activity. We believe that there is scope for the Society to provide services, particularly in education and training, for people working overseas who require to understand the regulatory requirements of the London market or who are involved with companies with London listings. At 31 December 2009 membership was 578 and we had representatives from approximately 70% of the FTSE 100.

We have a much smaller percentage of members from medium and smaller sized companies and we believe that people working for these companies, together with those working for the remainder of the FSTE 100, should be our key targets for increased membership. Whilst the Society is the only UK organisation working solely for those in investor relations in quoted companies, many of our members are also members of other professional bodies and a number of these organisations provide events which cover topics related to investor relations. There are also other organisations which provide training programmes in investor relations. We believe that most of these are complementary to our member services and are useful in increasing the profile of investor relations to professional people.

Organisational structure

Our membership is actively involved in running the Society through the committee structure which has continued to work very effectively during the year. The committees, which are all composed of full members of the Society, have powers delegated by the Board, but report to the Board regularly and are a valuable way of drawing on additional expertise from outside the Board and the executive team. All the committees are chaired by a Board member. The members of the Board all act in a non-executive capacity and we rely heavily on the dedication of the small executive team for the operation of the Society on a day-to-day basis.

Membership

Over half of the Society's gross operating surplus arises from membership subscriptions. This is therefore a key area of focus for the executive team. During the year we experienced a reduction in membership due to the impact of the continuing difficult economic environment and the loss of a number of members through take-overs and mergers. This trend has continued into the first part of 2010. We will continue our membership recruitment programme and we will be developing targeted offers to retain and attract new members.

Professional Development Programme and Certificate in Investor Relations

The Society's professional development programme has grown in importance and now contributes approximately 30% of the gross operating surplus. The operation of a professional development programme is a fundamental part of the Society's service to members. In 2009 we continued to operate our core programme of training courses and new courses covering press relations and annual report writing. The Certificate in Investor Relations (CIR) has continued to expand; 303 candidates have now successfully completed the examination. We were delighted with the success of candidates from Russia, and a number of other countries.

Events

Our events programme, including the Conference and Annual Dinner, contributes approximately 20% of our gross operating surplus. As a service to members, the Society continues to organise an active events programme covering topical and informative issues with particular emphasis in the last twelve months on dealing with issues arising from the more difficult market conditions. During the year we also continued the programme of popular monthly lunchtime 'webinars' which enable people to listen to, and participate in, discussions without leaving their desks. We had a successful Annual Conference in May 2009 which was sponsored by Bank of New York Mellon. We were delighted to have Willie Walsh and Vince Cable as keynote speakers. In June we held our AGM at the Royal Festival Hall, courtesy of RFH conferencing. The Annual Dinner in November was the venue for the Society's new Best Practice Awards and the Extel UK IR Grand Prix awards. A capacity audience attended the event which was held at the Royal Hospital Gardens, Chelsea.

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REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2009

Policy

In 2009, the Policy Committee has continued to monitor and analyse legislation and regulation which may impact members in the course of their work. Members of the Committee continue to attend the IR and Markets Committee of the 100 Group to discuss areas of mutual interest.

This influential group of FTSE 100 Finance Directors says it relies heavily on the IRS to highlight IR issues of concern. We have responded to FSA consultations and we have developed a draft good practice guide on the UK Corporate Governance code for investor relations professionals. We are also alerting members on potential proposals from the European Central Bank to change the settlement system for UK securities. We will consult with members to obtain their views and alert them to issues of concern as they arise. When required we will develop positioning papers on issues which are important to our members and use them to obtain a higher profile for the industry with commentators and the financial press.

Publications

During 2009 we continued to publish 'Informed', the quarterly journal of the Society, which is well regarded by readers and includes regular features on overseas financial markets as well as technical updates, news and comment. Our weekly Bulletin is distributed to approximately 2,500 subscribers worldwide.

The Board and employees

At the AGM in June 2009 Peregrine Riviere resigned as Chairman and from the Board. The Board would like to express their thanks to Peregrine for his commitment to the Society as both Treasurer and Chairman. Richard Davies took over as Chairman and John Dawson as Deputy Chairman with effect from June 2009. In addition, on 11 May 2009, Emma Burdett of Maitland and Lisa Williams of Debenhams were appointed to the Board and were elected at the AGM in June 2009. In any organisation such as the Investor Relations Society we are heavily dependent on the time and goodwill of members. This is particularly true for Board members who make a substantial time commitment to the Society, for which thanks are due. The day-to-day operations of the Society continue to be run by the full time executive team under Michael Mitchell. The operational resilience of the Society in 2009, against a very difficult economic background for voluntary organisations, was due to the hard work of the executive team of Rachael Simmonds, Richard Knight, Sara Abuzaid and Patrizia Martinoli. At the end of 2009 Sara left the Society and Dipty Patel joined the team in January 2010. The directors would like to thank all members of staff for their efforts.

Key contractual relationships

The Society relies on a large number of individual commercial supporters who contribute both cash sponsorship for our programmes and events and provide access to meeting facilities and other business services. The Society's website is designed and maintained by The Group, the online corporate communications consultancy. We recognise that this constitutes a major contribution to the Society. The Society's activities have been publicised through PR Newswire services and our events and webinars are recorded and broadcast by PrecisionIR. The directors would like to express their thanks to all these organisations.

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REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2009

Business risks and opportunities

The key business risks for the Society are as follows:

- **Decline in membership arising from a downturn in economic activity.** The Society believes that its core membership has some resilience against an economic downturn as the need for good communications is even more necessary in difficult markets, but we recognise that, at times of pressure on corporate expenditure, membership income may suffer. As noted above, membership has declined during 2009 and in the first part of 2010, but we will continue our proactive membership recruitment and marketing programmes with the objective of retaining existing members and attracting new members. In addition we survey members each year to ensure that our programmes are relevant to their needs.
- **Inability to maintain sponsorship at current levels.** The Society is significantly dependent upon cash sponsorship to maintain the viability of its major events (Conference, Annual Dinner) and the education and events programmes. In 2009, we experienced pressure on the level of sponsorship and this has continued into 2010. To counter this we have developed new sponsorship packages which offer increased visibility for sponsors throughout the year and reward them for their commitment to the Society through added benefits. We believe that an active and growing corporate membership and a relevant and engaging programme of events are key to continuing to attract corporate sponsors. However, the Society will need to keep its cost base under review and will take appropriate action to mitigate the impact of any longer term shortfall in sponsorship.
- **Loss of key staff.** In any small office the loss of an individual member of staff can have a disproportionate effect. The Society aims to offer competitive remuneration packages and career development opportunities for its staff.
- **Major increase in overhead costs.** Most of the Society's overhead costs are fairly predictable. We are not significantly exposed to raw material cost increases apart from electricity. We have successfully renegotiated the lease on our Bedford Street office, which expired in March 2009, at a reduced rental for the next five years.
- **Loss of support for major events.** The Society is significantly dependent on the success of the conference and dinner each year. If support for these events declines, either through lack of bookings or sponsorship, such that we are not able to cover our fixed costs, we would not be able to run them and we would need to consider other ways of raising funds or reduce the operations of the Society. The best way of retaining the attractiveness of these events is through the quality of the speakers and efficient organisation. We will also actively explore ways of improving the marketing of these events.

The key business opportunities for the Society are as follows:

- **Expansion of membership base.** As discussed above we believe there is further scope to increase the membership of the Society particularly from representatives of small and medium sized companies. Our marketing programme is targeted at such new members. However it is recognised that this target may be difficult to achieve in the short term until the economy shows signs of recovery.
- **Expansion of education and training programmes.** Our education programmes have continued to attract new students and we have been particularly pleased with the interest we have received from overseas markets. We will actively seek to increase the take up of our programmes and to develop further overseas markets.
- **Promotion of the Society as the leader in investor relations expertise.** We believe that increasing the visibility of the Society with regulators, legislators and the media will help to establish our organisation as the primary source of information on investor relations and enable us to lobby more effectively on behalf of members. This will in turn increase the Society's relevance to those working in investor relations and encourage membership growth.
- **Development of attractive programmes for senior investor relations officers.** Our aim is to provide events for staff at all levels in investor relations. We believe that newer entrants to the profession are well served by our entry level training and examination programmes; however we consider that there is a need to provide more relevant activities for more experienced members to enable them to network and share knowledge with their peers. We also think that there may be an opportunity to work more closely with other investor relations societies in Europe and North America to provide events for members with international interests.

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REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2009

Environmental

Although we are a small organisation it is our objective that we should contribute, where possible to a sensible use of resources, both from a cost and environmental point of view. All waste paper generated in the office is recycled and printing is kept to a minimum to reduce usage of inks and papers.

Development and performance of the Company's business during the year

During 2009, the Society continued to provide all of its core services for members. Turnover decreased by 19% to £556,290 (2008: £684,440). Membership income declined by 10%, despite an increase of £15 in the standard membership fee, and an increase of £25 in the standard plus membership rate. Revenue from conferences and the annual dinner was down by 25% reflecting lower levels of sponsorship and ticket sales. Income from the education programmes decreased by 13%.

The Certificate in Investor Relations (CIR) syllabus has been further updated. During 2009, we continued our successful CIR programme in Russia and we successfully started a further bi-lateral programme with the Malaysian Investor Relations Association. Further discussions are taking place to develop other overseas relationships for the CIR.

Direct costs were reduced by 28% reflecting savings on the conference and annual dinner and a reduction in publication costs by not publishing any new IR Essentials guides and reducing the number of pages in Informed.

As always, we are reliant on a number of regular supporters of the Society who continue to give us access to meeting facilities and we are grateful for this continued support.

Administrative expenses declined by 1%, reflecting lower rental costs following the negotiation of a new lease and other appropriate cost saving measures. Director's emoluments in note 2 relate to the General Manager of the Society who is the only paid director.

At the operating level there was a deficit of £27,427 (2008:£14,273 surplus), and a net deficit after interest and tax of £23,460 (2008: £25,621 surplus).

At the end of the year the cash balance (net of overdraft) was £341,849 (2008: £319,416).

The Future

It seems likely that the economic outlook will continue to be very challenging for many of our members throughout 2010 and that the recovery when it comes will be slow. Against this background the Board expects that the Society will record a further deficit on operations during 2010. It is therefore even more important that we market the Society's services effectively and offer our sponsors excellent value for money. To this end we have developed new sponsorship packages and we are committing resource to improve our marketing. The Society remains in a healthy financial position and is therefore able to utilise some of its reserves to continue to maintain member services. However the Board recognises that over the long term the Society must break even and therefore we will examine ways in which we can make savings in our cost base to mitigate the impact of the lower levels of income. The Board remains confident that the Society is well funded and will be able to ride out the current market uncertainty and looks forward to continuing to make sure that the Society develops and expands in the interests of all its members.

As described, the directors have assessed various factors and risks affecting the company and its ability in these difficult economic times to continue to operate as a going concern. They have not identified any material uncertainties or risks related to events or conditions that could cast significant doubt about the company's ability to continue as a going concern and therefore the financial statements for the year ended 31st December 2009 have been prepared using the going concern basis of accounting.

THE INVESTOR RELATIONS SOCIETY
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REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2009

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2009 to the date of this report.

Richard Davies ~ Chairman
John Dawson ~ Deputy Chairman
Ian Arnold ~ Treasurer
Michael Mitchell ~ General Manager
Richard Carpenter
Rebecca Ford
Reginald Hoare
Mark Hynes
Claire Jenkins
Karen Keyes
Gary Leibowitz
Alexander Loehnis
Keith Russell

Other changes in directors holding office are as follows:

Emma Brzeskwinski (nee Burdett) - appointed 11th May 2009
Lisa Williams - appointed 11th May 2009
Peregrine Riviere - Chairman - resigned 16th June 2009

The following position changes were made to existing directors:

Richard Davies - appointed Chairman from the position of Deputy Chairman on 16th June 2009
John Dawson - appointed Deputy Chairman on 16th June 2009

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

ON BEHALF OF THE BOARD:

Richard Davies ~ Chairman - Director

27th April 2010

THE INVESTOR RELATIONS SOCIETY
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PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2009

	Notes	2009 £	2008 £
TURNOVER		556,290	684,440
Cost of sales		<u>215,082</u>	<u>299,100</u>
GROSS PROFIT		341,208	385,340
Administrative expenses		<u>368,635</u>	<u>371,067</u>
OPERATING (LOSS)/PROFIT	2	(27,427)	14,273
Interest receivable and similar income		<u>4,991</u>	<u>14,320</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(22,436)	28,593
Tax on (loss)/profit on ordinary activities	3	<u>1,024</u>	<u>2,972</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>(23,460)</u>	<u>25,621</u>

The notes form part of these financial statements

THE INVESTOR RELATIONS SOCIETY
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BALANCE SHEET
31ST DECEMBER 2009

	Notes	2009 £	£	2008 £	£
FIXED ASSETS					
Tangible assets	4		939		5,389
CURRENT ASSETS					
Debtors	5	75,064		108,672	
Cash at bank and in hand		<u>341,849</u>		<u>319,504</u>	
		416,913		428,176	
CREDITORS					
Amounts falling due within one year	6	<u>179,117</u>		<u>171,370</u>	
NET CURRENT ASSETS			<u>237,796</u>		<u>256,806</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>238,735</u>		<u>262,195</u>
RESERVES					
Profit and loss account	8		<u>238,735</u>		<u>262,195</u>
			<u>238,735</u>		<u>262,195</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2009.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2009 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Board of Directors on 27th April 2010 and were signed on its behalf by:

Ian Arnold ~ Treasurer - Director

Richard Davies ~ Chairman - Director

The notes form part of these financial statements

THE INVESTOR RELATIONS SOCIETY
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2009

	2009		2008	
	£	£	£	£
Cash generated from operations				
Operating (loss)/profit	(27,427)		14,273	
Reconciliation to cash generated from operations:				
Depreciation	4,550		6,074	
Decrease/(Increase) in debtors	33,608		(39,540)	
Increase in creditors	<u>9,782</u>		<u>12,916</u>	
		20,513		(6,277)
Cash from other sources				
Interest received	<u>4,991</u>		<u>14,320</u>	
		4,991		14,320
Application of cash				
Taxation paid	(2,971)		(1,915)	
Purchase of tangible fixed assets	<u>(100)</u>		<u>(499)</u>	
		<u>(3,071)</u>		<u>(2,414)</u>
Net increase in cash		22,433		5,629
Cash at bank and in hand less overdraft at beginning of year		<u>319,416</u>		<u>313,787</u>
Cash at bank and in hand less overdraft at end of year		<u><u>341,849</u></u>		<u><u>319,416</u></u>
Consisting of:				
Cash at bank and in hand		341,849		319,504
Overdraft included in "bank loans and overdrafts falling due within one year"		<u>-</u>		<u>(88)</u>
		<u><u>341,849</u></u>		<u><u>319,416</u></u>

The notes form part of these financial statements

THE INVESTOR RELATIONS SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2009

1. **ACCOUNTING POLICIES**

Accounting convention

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

Recognition of income and expenditure

a) Subscriptions - Annual subscriptions are recognised over the period to which they relate.

b) Publications - All expenditure arising from the printing and publication of Informed magazine are accounted for in the period in which the publication is mailed out. Income from Informed and website advertising is accounted for in the period(s) to which it relates. The cost of production of other publications - IR Essentials - is spread over a period of 12 months from the date of publication.

c) Conferences - Income and expenditure arising from conferences and dinners are recognised wholly within the accounting period in which the event takes place. Any fees received relating to conferences and dinners taking place post year end is included within deferred income.

d) Educational activities - Income arising from educational activities consists of examination fees, sale of course manuals and course fees. Expenditure relates to the cost of setting and holding examinations, preparation of course material and holding meetings and courses. Income and expenditure are taken to the Income and Expenditure account on a receipts and payments basis. The Society also receives sums from prominent International IR organisations to finance the preparation and presentation of professional exams and symposia. These receipts, together with the costs of presentation, are spread over 12 months.

e) Bank interest - Deposit interest is accounted for on a receipts basis.

f) Sponsorship income - Sponsorship income is recognised over the period or event to which they relate.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- Over the term of the lease
Office equipment	- 33% on cost

Pensions

The Society operates a defined contribution pension scheme. Contributions payable for the year are charged in the income and expenditure account.

Leased assets

All leases currently in operation are regarded as operating leases and the total payments made under them are charged to the income and expenditure account on a straight line basis over the lease term.

Tax

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

Financial risk management

a) Credit risk - Working capital and longer term funds are held in interest-bearing investments with approved issuing banks with at least an AA rating. The credit risk for cash is considered to be negligible, since counterparties are reputable banks which are all covered by UK or EU deposit guarantees. In respect of trade and other receivables, the Society is not exposed to any significant credit risk from any single customer or group of customers. The majority of the Society's customers are members.

b) Liquidity and interest rate risk - The Society policy is to maintain a strong balance sheet with cash balances placed for appropriate periods to ensure acceptable levels of liquidity. It does not have significant exposure to interest rate fluctuations or liquidity risk.

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2009

2. **OPERATING (LOSS)/PROFIT**

The operating loss (2008 - operating profit) is stated after charging:

	2009	2008
	£	£
Depreciation - owned assets	4,550	6,073
Pension costs	<u>9,105</u>	<u>7,558</u>
Directors' remuneration and other benefits etc	<u>64,260</u>	<u>69,514</u>

3. **TAXATION**

Analysis of the tax charge

The tax charge on the loss on ordinary activities for the year was as follows:

	2009	2008
	£	£
Current tax:		
UK corporation tax	<u>1,024</u>	<u>2,972</u>
Tax on (loss)/profit on ordinary activities	<u>1,024</u>	<u>2,972</u>

The company is established as a not-for-profit organisation and as such its non trading income is chargeable to corporation tax.

4. **TANGIBLE FIXED ASSETS**

	Improvements to property £	Office equipment £	Totals £
COST			
At 1st January 2009	18,213	51,531	69,744
Additions	<u>-</u>	<u>100</u>	<u>100</u>
At 31st December 2009	<u>18,213</u>	<u>51,631</u>	<u>69,844</u>
DEPRECIATION			
At 1st January 2009	17,760	46,595	64,355
Charge for year	<u>453</u>	<u>4,097</u>	<u>4,550</u>
At 31st December 2009	<u>18,213</u>	<u>50,692</u>	<u>68,905</u>
NET BOOK VALUE			
At 31st December 2009	<u>-</u>	<u>939</u>	<u>939</u>
At 31st December 2008	<u>453</u>	<u>4,936</u>	<u>5,389</u>

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2009

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2009	2008
	£	£
Trade debtors	45,517	81,365
Prepayments and other debtors	27,396	27,307
VAT	<u>2,151</u>	<u>-</u>
	<u>75,064</u>	<u>108,672</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2009	2008
	£	£
Bank loans and overdrafts	-	88
Trade creditors	41,548	26,443
Tax	1,048	2,995
Social security and other taxes	9,381	13,172
VAT	-	145
Subscriptions and other income in advance	82,276	99,017
Accruals and other creditors	<u>44,864</u>	<u>29,510</u>
	<u>179,117</u>	<u>171,370</u>

7. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2009	2008
	£	£
Expiring:		
Within one year	-	7,705
Between one and five years	<u>31,560</u>	<u>-</u>
	<u>31,560</u>	<u>7,705</u>

8. RESERVES

	Profit and loss account £
At 1st January 2009	262,195
Deficit for the year	<u>(23,460)</u>
At 31st December 2009	<u>238,735</u>

9. PENSION COMMITMENTS

During the year, the Society operated a defined contribution pension scheme for three of its employees. The assets of the scheme are held separately from those of the Society in an independently administered fund.

The aggregate pension charge for the year was £9,105 (2008:£7,558), which represents contributions paid during the year. The ongoing annual commitment payable under these schemes is now £7,855.

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2009

10. **RELATED PARTY DISCLOSURES**

The Directors of the Society are subscriber members of the Society. The only transactions involving the Directors are those in connection with their membership subscriptions or attendance at Society activities.

During the year £3,335 (2008: £3,700) of teaching services were provided on commercial terms by Transparency Matters Limited. Mark Hynes is the Managing Director of Transparency Matters Limited and a member of the Board of The Investor Relations Society.

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

STATEMENT BY THE DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
THE INVESTOR RELATIONS SOCIETY
LIMITED BY GUARANTEE

We confirm that as directors we have met our duty in accordance with the Companies Act 2006 to:

- ensure that the company has kept proper accounting records;
- prepare financial statements which give a true and fair view of the state of the company as at 31st December 2009 and of its loss for that period in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008); and
- follow the applicable accounting policies, subject to any material departures disclosed and explained in the notes to the financial statements.

ON BEHALF OF THE BOARD:

Ian Arnold ~ Treasurer - Director

Richard Davies ~ Chairman - Director

27th April 2010

CHARTERED ACCOUNTANTS' INDEPENDENT ASSURANCE REPORT
TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
THE INVESTOR RELATIONS SOCIETY
LIMITED BY GUARANTEE

We have performed certain procedures in respect of the company's unaudited financial statements for the year ended 31st December 2009 on pages eight to fourteen, made enquiries of the company's directors and assessed accounting policies adopted by the directors, in order to gather sufficient evidence for our conclusion in this report.

This report is made solely to the company's directors, as a body, in accordance with our terms of engagement. It has been released to the directors on the basis that this report shall not be copied, referred to or disclosed, in whole (save for the directors' own internal purposes or as may be required by law or by a competent regulator) or in part, without our prior written consent. Our work has been undertaken so that we might state to the directors those matters that we have agreed to state to them in this 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 directors as a body for our work, for this report or the conclusions we have formed.

Respective responsibilities

You have confirmed that you have met your duty as set out in the directors' statement on page fifteen. You consider that the company is exempt from the statutory requirement for an audit for the year. Our responsibility is to form and express an independent conclusion, based on the work carried out, to you on the financial statements.

Scope

We conducted our engagement in accordance with the Institute of Chartered Accountants in England & Wales Interim Technical Release AAF 03/06. Our work was based primarily upon enquiry, analytical procedures and assessing accounting policies in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). If we considered it to be necessary, we also performed limited examination of evidence relevant to certain balances and disclosures in the financial statements where we became aware of matters that might indicate a risk of material misstatement in the financial statements.

The terms of our engagement exclude any requirement to carry out a comprehensive assessment of the risks of material misstatement, a consideration of fraud, laws, regulations or internal controls, and we have not done so. We are not required to, and we do not, express an audit opinion on these financial statements.

Conclusion

Based on our work, nothing has come to our attention to refute the directors' confirmation that in accordance with the Companies Act 2006 the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2009 and of its loss for the year then ended and have been properly prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Cook and Partners Limited
Chartered Accountants
108 High Street
Stevenage
Hertfordshire
SG1 3DW

27th April 2010

THE INVESTOR RELATIONS SOCIETY
LIMITED BY GUARANTEE

TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2009

	2009		2008	
	£	£	£	£
Turnover				
Annual subscriptions	192,665		212,949	
Events, conference & annual dinner	205,172		274,080	
Publications, and website advertising	16,899		36,961	
Education	<u>141,554</u>		<u>160,450</u>	
		556,290		684,440
Cost of sales				
Events, conference & annual dinner	143,400		199,972	
Publications, and website advertising	30,929		53,884	
Education	<u>40,753</u>		<u>45,244</u>	
		<u>215,082</u>		<u>299,100</u>
GROSS PROFIT		341,208		385,340
Other income				
Interest receivable		<u>4,991</u>		<u>14,320</u>
		346,199		399,660
Expenditure				
Rent & rates	64,309		70,720	
Insurance	2,319		3,285	
Directors' salaries	61,200		66,000	
Directors' social security	7,442		7,855	
Directors' pension contributions	3,060		2,750	
Wages	151,441		140,699	
Pensions	6,045		4,808	
Health Insurance	2,428		1,342	
Telephone	1,968		2,365	
Post and stationery	14,831		21,944	
Travelling	1,716		3,948	
Temporary staff	7,220		2,415	
Subscriptions & memberships	108		883	
Repairs and renewals	7,307		11,271	
AGM & Annual Report expenses	-		73	
Sundry expenses	9,981		10,450	
Accountancy	4,250		2,310	
Advertising	6,593		5,200	
Bad debts	<u>8,158</u>		<u>2,583</u>	
		<u>360,376</u>		<u>360,901</u>
		(14,177)		38,759
Finance costs				
Bank charges		<u>3,709</u>		<u>4,093</u>
Carried forward		(17,886)		34,666

This page does not form part of the statutory financial statements

THE INVESTOR RELATIONS SOCIETY
LIMITED BY GUARANTEE

TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2009

	2009		2008	
	£	£	£	£
Brought forward		(17,886)		34,666
Depreciation				
Improvements to property	453		1,821	
Office equipment	<u>4,097</u>		<u>4,252</u>	
		<u>4,550</u>		<u>6,073</u>
NET (LOSS)/PROFIT		<u>(22,436)</u>		<u>28,593</u>