INSTITUTE OF MANAGEMENT CONSULTANTS AND ADVISERS

Report and Financial Statements

for the year ended

31 December 2016

(A company limited by guarantee)

INSTITUTE OF MANAGEMENT CONSULTANTS AND ADVISERS

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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INSTITUTE OF MANAGEMENT CONSULTANTS AND ADVISERS

DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS

Martin Markey (President)
John Byrne (Secretary)
Edward Byrne (Treasurer)
Kim McClenaghan
Frank Hannigan
Marrita Kavanagh
Louise Keating
Anthony O'Brien
Fredericka Sheppard
Alan Costello
Oonagh Monahan

SECRETARY AND REGISTERED OFFICE

John Byrne
51/52 Fitzwilliam Square West
Dublin 2

AUDITORS

Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre
Block 3
Harcourt Road
Dublin 2

BANKERS

Bank of Ireland
Ballsbridge
Dublin 4

INSTITUTE OF MANAGEMENT CONSULTANTS AND ADVISERS

REPORT OF THE DIRECTORS

The directors submit their report together with the audited financial statements for the year ended 31 December 2016.

1. PRINCIPAL ACTIVITIES

The Institute of Management Consultants and Advisers ("IMCA") is the national and internationally recognised professional institute for management consultants and business advisers in Ireland.

The mission of the company is to foster and promote the value, quality and benefits of business consulting and advisory services in Ireland. The principal activity of the company is to promote the skill, knowledge and the adoption of the highest standards of conduct by members of the management consulting profession.

2. RESULTS AND REVIEW OF BUSINESS

The total income inclusive of deposit interest, for the year ended 31 December 2016 was €84,521 (2015: €81,942).

The number of active members was 1,215 (2015: 1,025). The profit for the year amounted to €7,639 (2015: €8,274). The reserves at 31 December 2015 amounted to €35,971 (2015: €28,332).

3. RISKS AND UNCERTAINTIES

In common with many not-for-profit organisations, the organisation must maintain and develop its income sources to facilitate the ongoing support of its member services. In order to mitigate this risk, the directors review the sources of income on an ongoing basis. The directors are at all times conscious that maintaining the reputation of the organisation is critical.

4. EVENTS SINCE THE YEAR END

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

5. FUTURE DEVELOPMENTS

The company will continue to charge membership subscription and associated fees to its members, to cover the costs of administration and promotion of members' activities.

REPORT OF THE DIRECTORS

6. DIRECTORS

In accordance with the Articles of Association one third of the directors are required to retire at the next Annual General Meeting and being eligible offer themselves for re-election.

The names of the persons who were directors at any time during the year ended 31 December 2016 are set out below. Unless otherwise stated, they all served as directors for the entire year ended on that date.

Edward Byrne	Oonagh Monahan *(appointed 23 Jun 2016)*
Gerard Daly *(resigned 30 Jun 2016)*	Kim McClenaghan
James Fitzsimons *(resigned 30 May 2016)*	Anthony O'Brien
Frank Hannigan	Fredericka Sheppard
Marrita Kavanagh	Alan Costello *(appointed 23 Jun 2016)*
Louise Keating	John Byrne *(appointed 23 Jun 2016)*
Martin Markey	Ray Murphy *(resigned 10 Oct 2016)*

7. INTERESTS OF DIRECTORS AND SECRETARY

The company is limited by guarantee and does not have any share capital. Therefore, the directors and secretary who served during the year did not have any beneficial interest in the company.

8. ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The books and accounting records of the company are maintained at 51/52 Fitzwilliam Square West, Dublin 2.

9. STATEMENT ON RELEVANT AUDIT INFORMATION

In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of Companies Act 2014:

(a) so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
(b) each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

REPORT OF THE DIRECTORS

10. AUDITORS

Mazars, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 383(2) of the Companies Act, 2014.

On behalf of the Board

M. Markey **J. Byrne**

30 May 2017

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Irish Company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council, and promulgated by the Institute of Chartered Accountants in Ireland. Under the law, the directors must not approve the financial statements unless they are satisfied they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reason for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities and financial position of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board

M. Markey **J. Byrne**

30 May 2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

INSTITUTE OF MANAGEMENT CONSULTANTS AND ADVISERS

We have audited the financial statements of Institute of Management Consultants and Advisers for the year ended 31 December 2016 which comprise the Statement of Income and Retained Earnings, the Balance Sheet, the Statement of Cash Flows and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2016 and of its profit for the year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework in particular, with the requirements of the Companies Act 2014.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

INSTITUTE OF MANAGEMENT CONSULTANTS AND ADVISERS

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of our obligation under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act are not made.

Mairéad Divilly
For and on behalf of Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre
Block 3
Harcourt Road
Dublin 2

30 May 2017

STATEMENT OF INCOME AND RETAINED EARNINGS

	Notes	Year ended 31 December 2016 €	Year ended 31 December 2015 €
Income	**4**	84,521	81,942
Operating expenses		(76,882)	(73,668)
Operating profit	**6**	7,639	8,274
Taxation	**7**	-	-
Profit after taxation		7,639	8,274
Retained earnings at 1 January		28,332	20,058
Retained earnings at 31 December		35,971	28,332

INSTITUTE OF MANAGEMENT CONSULTANTS AND ADVISERS

BALANCE SHEET

	Notes	31 December 2016 €	31 December 2015 €
CURRENT ASSETS			
Debtors	**8**	1,837	5,038
Cash and cash equivalents		43,980	36,020
		45,817	41,058
CREDITORS			
Amounts falling due within one year	**9**	(9,846)	(12,726)
NET CURRENT ASSETS		35,971	28,332
TOTAL ASSETS LESS CURRENT LIABILITIES		35,971	28,332
CAPITAL AND RESERVES			
Profit and loss account		35,971	28,332

On behalf of the Board

M. Markey

J. Byrne

30 May 2017

STATEMENT OF CASH FLOWS

	Year ended 31 December 2016 €	Year ended 31 December 2015 €
Operating profit	7,639	8,274
Movement in debtors	3,201	(2,444)
Movement in creditors	(2,880)	5,705
Net cash inflow from operating activities	7,960	11,535
Increase in cash and cash equivalents	7,960	11,535
Cash and cash equivalents at beginning of year	36,020	24,485
Cash and cash equivalents at end of year	43,980	36,020

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Institute of Management Consultants and Advisers is a company incorporated under the Companies Act 2014, without share capital, the liability of which is limited by the guarantee of its members, to such amount that may be required, but not exceeding €1.27. The company is a not-for-profit company and its Memorandum and Articles of Association expressly forbids any form of distribution to the members of the company.

2. ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

a) Basis of Financial Statements

The financial statements have been prepared in compliance with FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" and Companies Act 2014. The financial statements have been prepared on a going concern basis under the historical cost convention.

The financial statements of the company are presented in Euro ("€") which is also the functional currency of the company.

b) Income

Income represents annual subscriptions and associated fees charged to members which are included on the basis of amounts resolved by the directors to be levied in respect of the year ended 31 December 2016 to cover administration and other costs of the company. Revenue is measured at the fair value of the consideration received.

c) Taxation

The company is exempt from corporation tax on its ordinary activities in accordance with the Taxes Consolidation Act, 1997.

d) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2. ACCOUNTING POLICIES (*continued*)

e) Financial Instruments

The company has chosen to adopt Section 11 of FRS 102 in respect of financial instruments.

Financial assets
Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities
Basic financial liabilities, including trade and other payables and deferred income are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting
Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle to liability simultaneously.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The company make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

a) Critical judgements made in applying the company's accounting policy

Management is of the opinion that there are no critical judgements (other than those involving estimates) that have a significant effect on the amounts recognised in the financial statements.

b) Key sources of estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of trade and other receivables
The company assesses its receivables on a continuous basis for any objective evidence of impairment by considering factors, including the ageing profile, the creditworthiness and the past collection history of each debtor. If the financial conditions of these debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

4. INCOME

Income represents annual subscriptions and associated fees charged to members, which are included on the basis of amounts resolved by the directors to be levied in respect of the year ended 31 December 2016 to cover administration and other costs of the company.

5. STAFF COSTS

The company has no remunerated employees. The directors perform their services for the company on a voluntary and non-remunerated basis. Administration, marketing and other services are acquired under contracts for services.

6. OPERATING PROFIT

	2016	2015
	€	€
Operating profit is stated after charging:		
Directors' emoluments in respect of qualifying services	-	-

7. TAXATION

In accordance with the Taxes Consolidation Act, 1997, the company is exempt from corporation tax on its ordinary activities on the basis that any surplus arising is derived from business done with its members. The company is only liable to corporation tax in respect of its deposit interest and any other passive income at the rate of 33%.

8. DEBTORS

Amounts falling due within one year	2016 €	2015 €
Accrued income	1,270	4,263
Sundry debtors and prepayments	567	775
	1,837	5,038

9. CREDITORS

Amounts falling due within one year	2016 €	2015 €
Accruals	9,453	5,216
Subscriptions received in advance	393	7,510
	9,846	12,726

10. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year ended 31 December 2016 (2015: €Nil) that required disclosure under Section 33 of FRS 102 – 'Related Party Transactions and Disclosures'.

11. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the directors on 30 May 2017.

DETAILED INCOME AND EXPENDITURE ACCOUNT

	Schedules	Year ended 31 December 2016 €	Year ended 31 December 2015 €
Income			
General membership subscriptions and fees		47,548	48,677
Accredited practice subscriptions		36,973	33,265
		84,521	81,942
Operating expenses			
Deficit on functions	**A**	71	1,137
Administrative expenses	**B**	3,881	4,602
Office expenses	**C**	9,117	5,813
Development expenses	**D**	56,046	56,821
Marketing and PR	**E**	869	1,374
Audit and accountancy		2,768	2,800
Bad debt		1,219	-
ICMCI costs	**F**	2,911	1,121
		76,882	73,668
Operating profit		7,639	8,274

SCHEDULES TO THE DETAILED INCOME AND EXPENDITURE ACCOUNT

		Year ended 31 December 2016 €	Year ended 31 December 2015 €
A.	**DEFICIT ON FUNCTIONS**		
	CPD and general functions		
	Expenditure	4,531	9,640
	Income	(4,460)	(8,503)
		71	1,137
B.	**ADMINISTRATIVE EXPENSE**		
	Administration charges	2,334	2,616
	AGM and meetings expenses	1,547	1,986
		3,881	4,602
C.	**OFFICE EXPENSES**		
	Website costs	6,357	2,480
	Telephone	438	513
	Stationery and office supplies	570	857
	Credit card and bank charges	1,752	1,963
		9,117	5,813
D.	**DEVELOPMENT EXPENSES**		
	Membership development consultancy	55,350	55,350
	Surveys / newsletters	696	1,471
		56,046	56,821
E.	**MARKETING AND PR**		
	Marketing costs	869	1,374
F.	**ICMCI COSTS**		
	Administration charges	2,911	1,121