2010 at a glance:

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member population</td>
<td>83,487</td>
<td>79,757</td>
<td>76,363</td>
</tr>
<tr>
<td>Student population</td>
<td>99,264</td>
<td>92,909</td>
<td>91,512</td>
</tr>
</tbody>
</table>

- Exam papers taken: 107,613
- Exam centres used: 252
- Income: £43.4m
- Members: 83,487
- Students: 99,264
- Countries: 168

01 Welcome to CIMA
02 Building sustainable businesses
04 Enlarging the talent pool
06 Anti-bribery and corruption initiative
08 Adding value globally
10 President’s message
12 Chief executive statement
14 Five success factors
21 Corporate governance statements
21 Independent auditor’s report
22 Summary accounts
25 Council and committee members
26 Council members and representative
28 Contact details
CIMA is where business and finance meet. Chartered Management Accountants are strategic leaders and business partners who enable organisations to make business-critical decisions. Organisations in the private, public and not-for-profit sectors turn to our members to build effectiveness; they cover broad issues such as enterprise performance, operations management and financial management and stewardship.

Our purpose
The ever greater employability of Chartered Management Accountants.

Our vision
Chartered Management Accountants driving the world’s successful organisations.

Our mission
To be the first choice for employers in the qualification and development of management accountants.
Tackling climate change is not just a question of ‘doing the right thing’.

The precise impact of human activity on global warming remains uncertain. But the influential Stern Report in the UK estimated that climate change could shrink global economic output by 20%. Given the likely effects on habitats, resource availability and consumption, every organisation will be affected. If this process remains unchecked and businesses fail to change the way they operate, we all face potentially devastating consequences.

Tackling climate change is not just a question of ‘doing the right thing’. Businesses have a duty to their customers, employees and, crucially, their shareholders to manage risk and deliver long-term value. In other words, sustainability must be a fundamental strategic goal.

Profit is vital for business survival. But there must be concern for the environment too: no planet, no people, no profit.

Acting sustainably does not mean abandoning the drive for profitability. In an increasingly competitive world, only those companies with robust business models generating durable long-term profitability and cash flow will thrive.
Throughout 2010, CIMA played an active role in the high-profile The Prince’s Accounting for Sustainability (A4S) Project, which was established to embed sustainability into organisations’ daily operations and decision making processes. During the year, the International Integrated Reporting Committee (IIRC) was launched, which aims to create a universally accepted framework for accounting for sustainability. A4S also published the report Accounting for sustainability – practical insights, which was funded by the UK’s accounting bodies and comprised eight in-depth case studies.

Charles Tilley, Chief Executive of CIMA, serves as a member of both the supervisory board of A4S and the steering committee of the IIRC. CIMA was also represented on a number of A4S’s working groups, including the Accounting Bodies Network.

CIMA members have a key role to play in driving sustainability, by providing business intelligence to support sustainable corporate strategy in both immediate and long-term decision making. Our research report Accounting for climate change was shortlisted for the prestigious Globe Sustainability Research Award 2010. The study outlines the ways in which accountants can, and should, take ownership of sustainability initiatives.

In their role as information providers, accountants can be highly influential; they can change mind-sets and influence both decision making and reporting processes. Accountants around the world should encourage boards and senior management teams to commit to embedding sustainability into the ‘DNA’ of their businesses. They should understand and analyse the key sustainability drivers for their organisation and integrate them into business strategy.

Management accountants are especially well equipped to handle non-financial information such as environmental impacts, and to feed through vital analysis to the board in order to ensure the long-term viability of the business model. They can monitor and report on sustainability performance and should ensure that sustainability issues are taken into account clearly and consistently in day-to-day decisions.

**2025**

Two-thirds of the earth’s population will suffer water shortages.
http://blueplanetnetwork.org/

**2030**

The growing world population will cause a ‘perfect storm’ of food, energy and water shortages.
(UK government chief scientist, 2009).
Enlarging the talent pool

Diversity is a valuable ingredient in sound corporate decision making. It also widens the choice of talented individuals for hire.

The finance industry has traditionally been a male-dominated environment, particularly at higher levels. But this is changing – and we are gratified that CIMA has enjoyed one of the highest growth rates in female members of all the UK-based accounting institutes since 2003. Today, we have 72,000 female members and students internationally. But there is still some way to go before female leaders are fully and fairly represented across the business landscape.

Women now make up one-third of CIMA’s membership base and just under half of CIMA’s student population. Yet our female members are six times less likely than their male peers to be in senior executive positions.

CIMA’s gender work survey

The CIMA Centre of Excellence at the University of Bath School of Management conducted an international survey of 4,500 finance and business professionals. It examined, among other things, the use of a range of leadership and professional skills and career progression strategies by gender. Here are some of the key findings:

Mean salary range by gender and years of work experience (UK)

<table>
<thead>
<tr>
<th>Years of Experience</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-5</td>
<td>£0-£35,000</td>
<td>£0-£35,000</td>
</tr>
<tr>
<td>6-10</td>
<td>£35,000-£54,999</td>
<td>£35,000-£54,999</td>
</tr>
<tr>
<td>11-15</td>
<td>£55,000-£69,999</td>
<td>£55,000-£69,999</td>
</tr>
<tr>
<td>16-20</td>
<td>£70,000-£84,999</td>
<td>£70,000-£84,999</td>
</tr>
<tr>
<td>21-30</td>
<td>£85,000-£109,999</td>
<td>£85,000-£109,999</td>
</tr>
<tr>
<td>30+</td>
<td>£110,000-£139,999</td>
<td>£110,000-£139,999</td>
</tr>
</tbody>
</table>

Sandra Rapacioli
Research and Development Manager, CIMA

Theresa Chan ACMA
Corporate Finance Director, Warner Bros, Hong Kong

www.cimaglobal.com/women
The business case for supporting women in leadership roles is clear. Sandra Rapacioli, R&D Manager at CIMA, believes that the argument is about more than just fairness. It’s about organisations having access to, and engaging with, the widest pool of talent in order to drive their businesses forward and about improving business performance.

Numerous studies have demonstrated that companies with women in top management roles have a financial competitive edge, including stronger stock market growth. Financial outperformance is most significant where there is a ‘critical mass’ of women in senior management – that is 30% or more. Companies with more women on their boards were found to outperform their rivals with a 42% higher return in sales, 66% higher return on invested capital and 53% higher return on equity, according to research from McKinsey & Company. When senior leaders are too alike, they tend to look at problems in the same way. By contrast, diverse executive teams are more likely to innovate and excel.

Despite this evidence, women remain under-represented on company boards. Just 3% of Fortune 500 chief executives are women and in the UK 12.5% of board directors in FTSE100 companies are women. At the current rate of change it will take more than 70 years to achieve gender balanced boardrooms in the UK’s largest 100 companies.

In November 2010, CIMA launched the report *Breaking glass – strategies for tomorrow’s leaders*, in which 30 of CIMA’s most senior and influential female members revealed the personal qualities and strategies that helped them to succeed. The report also offered advice for employers on how to nurture and capitalise on female talent. The CIMA Women’s Network was launched to accompany the report, providing a platform for female members and students to share tips on advancing their careers, seek advice and network with peers.

South Africa’s Learnerships

Economic growth in South Africa continues to be held back by chronic skill shortages. The CIMA qualification, prized by both employers and employees from all racial groups, is promoted in the country via the ‘Learnership’ programme, which delivers accredited courses supported by government funding.

MTN, one of South Africa’s largest mobile telephone operators, welcomes a new cohort of CIMA students each year under the scheme. Fiona Wilson, the company’s CIMA programme manager, explains: ‘It’s a given for our company that in order to retain staff we need to upskill. The CIMA qualification is especially valuable for strategy and it equips people to work anywhere in the business.’

The Learnership scheme, funded by a nationwide payroll levy on companies, is one of the most ambitious of its type. Though open to all races, it reflects the South African government’s proactive approach to tackling the economic and academic disadvantage of the black population.

Companies with women in top management roles have a financial competitive edge.

Jasmine Harvey ACMA
Manager, Risk and Sustainability, Qantas, Australia
Anti-bribery and corruption initiative

Poor professional standards have a corrosive effect on all organisations. Management accountants should be the ethical spine of a business.

73% of 178 countries in the Transparency International Corruption Perception Index 2010 score below five, on a scale from ten (highly clean) to zero (highly corrupt).

www.transparency.org
Bribery and corruption remain unpalatable facts of global business life. Indeed, the World Bank estimates that more than $1,000bn is paid in corrupt transactions around the world every year. As well as making a mockery of fair business practice, such activity undermines sustainable development and can jeopardise the success of individual enterprises.

To respond to this ever-growing challenge the UK government has introduced the UK Bribery Act, which is due to come into force later in 2011. It has far-reaching implications for every company doing business in the UK, not least through the new corporate offence of failing to prevent bribery. Like the US federal Government’s Foreign Corrupt Practices Act, introduced in 1977, the extra-territorial jurisdiction means the Act has global impact.

The new UK legislation will have far-reaching implications for the accounting profession. CIMA’s Head of Ethics, Tanya Barman, believes that accountants have the responsibility to serve as the ‘ethical spine’ of their organisation. As the guardians of a company’s finances, accountants are key to ensuring that adequate ethical processes are not only put in place but also strictly adhered to.

There is often a bottom line benefit to demonstrating high ethical standards. A socially and environmentally ethical approach safeguards a company’s ability to thrive in the long-term by protecting its reputation, licence to operate, supply chain, relationships with partners and ability to recruit talent.

Throughout 2010, CIMA staged a series of high level round table discussions on the future of business ethics, with senior executives exchanging ideas with experts in corporate responsibility and environmental sustainability. These discussions highlighted a clear link between ethics and business performance. In a successful company, ethics is embedded in decision making and long-term strategy.

In October 2010, CIMA reissued its Code of Ethics for members and students. This code, which is based on the IFAC code, sets the framework and boundaries of the profession, and helps management accountants to promote an ethics-based culture. By setting high standards of conduct and taking disciplinary action against members where appropriate, CIMA plays an active role in upholding business ethics and ensuring that employers can access a pool of skilled people who act with integrity throughout their careers.

As the guardians of a company’s finances, accountants are key to ensuring that adequate ethical processes are not only put in place but also strictly adhered to.

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United Nations Global Compact (UNGC)

To support its work on sustainability and ethics in relation to management accountants, CIMA has become a signatory to the United Nations Global Compact (UNGC) and is an active participant of the UK UNGC network. By promoting collective action, the UNGC seeks to advance ten principles covering human rights, labour, the environment and anti-corruption through business activities around the world. Approximately 7,700 companies of all sizes from more than 130 countries participate in the UNGC, making it the largest voluntary corporate citizenship initiative in the world.

www.unglobalcompact.org

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Tanya Barman
Head of Ethics, CIMA

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CIMA Bribery Act awareness survey 2010

<table>
<thead>
<tr>
<th>Awareness of Act</th>
<th>Companies prepared</th>
<th>Role affected by Act</th>
</tr>
</thead>
<tbody>
<tr>
<td>66%</td>
<td>43%</td>
<td>32%</td>
</tr>
</tbody>
</table>
Adding value globally

Management accountants can make a tangible contribution to any organisation, east or west.

The socio-economic rise of China, India and other emerging markets is shaping the future of the finance function across the globe.

Throughout the 20th century, definitions of international business best practice were set by western corporations that shared common ownership structures, cultures, practices and principles. But many enterprises elsewhere in the world have built their success on diverging approaches and priorities. In China, for example, the nature of the business relationship-building process, and of state participation in corporate life, are markedly different from North American and European norms. Variations such as these are rendering the old best practice rulebook redundant. CIMA and its global membership base can play a key part in writing the new one.

Accountants in the east cite a lack of recognition and a lack of objectivity as the major obstacles to them progressing into more value adding roles. This could be because of the larger number of family-owned business models in the east.

Despite the differences, business leaders across the world share one crucial belief: that accountants are capable of talking the language of business at all levels, from the board downwards. CIMA-qualified management accountants are particularly well placed to meet the evolving needs of business, thanks to their firm grasp of risk, strategy, sustainability, ethics and the other key building blocks of 21st century commerce. They have a different perspective because they do not just rely on backward-looking financial data. Instead, they are able to draw a rounded picture from a rich pool of data on all aspects of the business landscape. This enables them to make a tangible and sustainable contribution to any organisation in a rapidly changing world.

Corporate reporting
CIMA believes that external reporting acts as a window on internal management information flows. For an organisation to report effectively it must have robust internal data organised in a meaningful way. During 2010, CIMA undertook a number of initiatives to improve the quality of external reporting. Activities including: responding to UK and international financial reporting consultations; a collaborative project with Tomorrow’s Company that is investigating the barriers to the effective development of corporate reporting; and participation in the International Integrated Reporting Committee, which is championing greater integration of non-financial information into mainstream reporting.

The year also saw the publication of the International Accounting Standards Board’s Management Commentary Practice Statement. This sets out a broad, non-binding framework for narrative reporting that provides a context for financial statements. CIMA contributed to the consultation process for this guidance and welcomed its publication. We would have preferred the Practice Statement to provide mandatory guidance and therefore recommend that companies voluntarily apply the relevant provisions in their reporting processes.
Accountants are capable of talking the language of business at all levels.
A message from your president

The world economy put in a stronger than expected performance in 2010 and management accountants played a crucial part.

For the world economy, 2010 was a significantly healthier year than many economists had forecast. CIMA too had a strong 12 months, underlining the importance of management accountants to meeting the core needs of businesses. Yet the aftershocks of the economic crisis sparked three years ago are still being felt, while the challenges that lie in the path of building sustainable businesses remain larger than ever.

Last year underlined the exceptional dynamism of so-called ‘emerging’ economies across Asia and other parts of the world. Even the west has enjoyed somewhat better growth than expected. CIMA members have been in demand to help drive that growth.

In terms of recruitment, 2010 was a year of notable success for CIMA. We have enjoyed a record year for student intake, which increased by 30%. We have also increased our total number of members by 4%.

It is no surprise that the relevance of our qualification is now stronger than ever.

Understanding risk, supporting effective decision making, adhering to a strong code of ethics and being able to speak the language of business – these capabilities are vital requirements throughout the economic cycle, in all parts of the globe and in all sectors. They help to drive the profitability that keeps businesses viable and able to innovate; and they help to create jobs and promote wider economic development.

But as people began to take stock after the crash, it became clear that there are lessons to be learned and that there is a vital need for leadership in the governance field. In June last year, the Financial Reporting Council (FRC) in London updated the UK Corporate Governance Code. The new introduction to the code states that the purpose of corporate governance is to, ‘facilitate effective, entrepreneurial and prudent management that can deliver the long-term success of the company’.

CIMA, with its public interest remit, was well-equipped to contribute to the FRC’s consultation on the new code and we are pleased that the tenets of prudence and longevity are now cornerstones of the revised principles.

Looking ahead, the imperative is to build businesses that last. One of the world’s largest corporates, Coca-Cola, now promises that from 2020 it will replenish to nature and communities an amount of water equivalent to what is used in their finished beverages.

What a welcome contrast to, the well-known investment banks that collapsed three years ago after their own business models were hollowed out by incentives perversely remunerating executives to do the wrong thing.

CIMA’s remit directs us to work both in the public interest and for the benefit of our members. Throughout 2010, we strove hard on three specific fronts: first, to raise the profile of management accounting and demonstrate its remarkable value to organisations of all sizes and all sectors; second, to enhance the recruitment of students; and third, to support these students as they progress through to full membership. We now have in place firm plans...
to maximise student progression. Given the legitimate emphasis currently placed by the global business community on ethics, the updating of our Code of Ethics and other work in this field has been pivotal.

We have also worked hard to demonstrate the added value provided by the CIMA qualification, by compiling an ambitious series of case studies demonstrating the immediate positive impact of our members’ skills and expertise on the bottom line of companies.

No less important has been our work on corporate reporting. CIMA believes that the manner in which organisations explain their strategy, and how their business models can deliver it, provides deep insights into corporate performance, distinguishing those that are excellent from those likely to disappoint their many stakeholders. We are working with PricewaterhouseCoopers and the highly regarded London based think-tank Tomorrow’s Company on a reporting initiative into the behaviours underpinning good – and bad – reporting. Meanwhile, our Chief Executive, Charles Tilley, led on a project for the International Federation of Accountants into the reporting supply chain. He also sits on the supervisory board for the The Prince’s Accounting for Sustainability (A4S) Project and is a member of the International Integrated Reporting Committee, which was created last year.

No one is better equipped to ensure the sustainability of organisations, whether private, public or ‘third’ sector, than management accountants: adept at handling non-financial information, focused on the future and bound by rigorous standards. Now more than ever, organisations need custodians of the business model – ‘corporate navigators’ – who can guard the sustainability of their business and challenge executives to ensure that risk and performance are managed in the long-term interests of stakeholders.

Looking ahead, CIMA moved into 2011 with two steps of strategic significance. First, the institute withdrew from the UK’s Consultative Committee of Accountancy Bodies due to its diminishing relevance to an organisation like CIMA. We will, of course, continue to engage with government, regulators and other stakeholders in the public interest.

Secondly, Council has been asked to consider a proposal to form a new joint venture with the American Institute of Certified Public Accountants. From a CIMA perspective, the objective of the joint venture would be to achieve widespread recognition of management accounting in the US while further increasing the standing of the science of management accountancy worldwide. Above all, the initiative is aligned with our goal of enhancing the CIMA qualification as a passport to careers throughout the world.

George Glass FCMA
CIMA President
From the chief executive

As the excellent recruitment figures to CIMA in 2010 testify, the value placed on a career in management accountancy has never been higher.

The academic and practical experience required to achieve CIMA’s qualification provide the vital skills that people need to develop and implement strategy, allocate resources and drive key initiatives on leadership, cost reduction and risk management.

The financial crisis has highlighted the criticality of professionalism both in the boardroom and at all other levels of an organisation. We at CIMA continue to stress how vital it is to concentrate on the long-term, setting the right values and being unafraid of doing the right thing. This professionalism sets our members apart. Together with their other qualities and skills, it allows them to be members of any team that drives sustainable success.

CIMA has been working with the UK’s Department of Business, Innovation and Skills to enhance the effectiveness of the finance function within central government and with Bath University on international research on the future of the finance function at large.

All such initiatives undertaken by the institute support businesses generally, and our members specifically, in achieving long-term success: first, by helping them to make the right business critical decisions; second, by giving them the tools required to address urgent environmental issues such as the supply of critical resources and third, by encouraging them to conduct themselves according to the highest professional standards.

The success of our student recruitment this year clearly demonstrates the growing global recognition of the relevance of the CIMA qualification and its importance to organisational success. It is particularly gratifying to see new recruits coming from an ever-widening variety of organisations and countries. These range from our traditional markets, such as the UK and Ireland, Southern Africa, Malaysia and Sri Lanka, through to our developing markets including China and India. They also come from relatively new markets for CIMA, such as Indonesia, Pakistan, the Philippines, Russia and, most recently, Nepal.

Much of CIMA’s success ultimately depends upon the achievements of each of our students. Our ability to ensure that they have every opportunity to optimise their performance in examinations is therefore of utmost importance. Students have their own preferences as to the most effective ways to study, although the study facilities available to them differ by country and city. Our relationships with education providers have always been crucial and we have particularly focused on the calibre of individual tuition providers. We have produced study guides and sample exam questions for all of the papers in the syllabus for many years – but now offer all of these online, together with a virtual classroom for each paper.

We continue to research the needs and wishes of our students to provide them with the most effective face to face and online support, as well as ensuring that the syllabus and practical experience requirements continue to meet the needs of employers. We updated our main syllabus and are now revising the CIMA Certificate in Business Accounting; both of these updates involve extensive research and communication with employers. We also continue our research with CIMA’s Centre of Excellence at the University of Bath School of Management, with the second stage of findings to be released in 2011.
The most important thing we can do for our members is to maintain the relevance of the CIMA qualification with employers across the globe, in all sectors both private and public. I am convinced that our initiative to launch a joint venture with the American Institute of Certified Public Accountants would boost the recognition that management accountancy receives in the Americas. We need to demonstrate the value of management accountants and their unique contribution to the overall success of an organisation through best governance practice, performance management, reporting, the quality of decision making and risk management. We have undertaken research and published a wide range of publications on these and other topics.

In 2009, CIMA went through a significant reorganisation process aimed at improving our focus and in particular moving our activities as close to our members, students, employers and other stakeholders as possible. In the same year, we also embarked on a business excellence programme, adopting the European Foundation for Quality Management (EFQM) methodology. A significant element of the success of CIMA in 2010 can be attributed to these initiatives. In a follow-up EFQM assessment during 2010 we were successfully awarded five stars for business excellence by the British Quality Foundation.

In 2010 CIMA also achieved a surplus £1.1m (including trusts and funds) which has enabled a strengthening of the balance sheet bringing liquid assets (net current assets) to £8.6m and net assets to £12.2m.

In summary, our achievements in 2010 show that CIMA is fulfilling its goal of giving ambitious people rewarding careers in respected organisations. I would like to thank all of the CIMA people around the world who make that possible.

Charles Tilley
CIMA Chief Executive

Five KPIs

01
Membership growth
Year ended 31 December 2010

<table>
<thead>
<tr>
<th>Year ended 31 December</th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership</td>
<td>83,487</td>
<td>79,757</td>
<td>76,363</td>
</tr>
</tbody>
</table>

02
Employer relationships
Year ended 31 December 2010

<table>
<thead>
<tr>
<th>Year ended 31 December</th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer</td>
<td>71%</td>
<td>71%</td>
<td>69%</td>
</tr>
</tbody>
</table>

03
Liquid reserves
Year ended 31 December 2010

<table>
<thead>
<tr>
<th>Year ended 31 December</th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liquid reserves</td>
<td>£8.6m</td>
<td>£8.05m</td>
<td>£8.98m</td>
</tr>
</tbody>
</table>

04
Staff retention
Year ended 31 December 2010

<table>
<thead>
<tr>
<th>Year ended 31 December</th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retention</td>
<td>92%</td>
<td>91%</td>
<td>86%</td>
</tr>
</tbody>
</table>

05
Member satisfaction
Year ended 31 December 2010

<table>
<thead>
<tr>
<th>Year ended 31 December</th>
<th>2010</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member satisfaction</td>
<td>78%</td>
<td>84%</td>
</tr>
</tbody>
</table>

Note: the members’ satisfaction survey was not carried out in 2009.
Five success factors

CIMA is focused on opportunity. As the world’s leading and largest professional body of management accountants, we can use these opportunities to help shape the future of finance. In 2011 we will continue to deliver this through:

01 Recruitment and retention
- Expanding the recognition of our brand worldwide and developing our market messages.
- Driving recruitment across existing markets and raising our profile in new markets.

02 Lifelong learning
- Welcoming new professionals into a relationship with CIMA and enabling progression towards membership.
- Increasing skills support for our students to ensure talented individuals from all backgrounds can succeed as Chartered Management Accountants, and providing continued development support for our members.

03 Professional standards conduct
- Acting in the public interest to develop and promote best practice while continuing to improve our regulatory system.

04 Promoting and developing the science of management accounting
- Producing timely, relevant research and enhancing our profile to build influence through our thought leadership.

05 CIMA’s effectiveness
- Ensuring we have the necessary skills and operational support across our global network.
Recruitment and retention

In these challenging economic times, the CIMA qualification has become even more relevant.

Indeed, the number of people selecting CIMA as the foundation for their careers is greater than ever.

Student recruitment
CIMA recruited a record number of new students during 2010: 23,167, against a target of 22,450. This marked both our biggest ever annual intake and our largest year-on-year rise (30%).

We were pleased to see a resurgence in our traditional key markets after the difficult economic conditions of 2009. Our intake of graduates and school leavers increased in both the UK and Sri Lanka, which laid a solid foundation for our overall success.

In Pakistan, the number of students selecting CIMA doubled for the second consecutive year. In response to this ongoing growth, we opened a second country office, in Lahore.

CIMA also enjoyed a buoyant year in China. We have established strong relationships with some of China’s most respected universities, many of which now include the CIMA syllabus in their curricula. This has created a sustainable teaching model and is expected to ensure a long-term flow of high quality entrants into our programme.

CIMA had another excellent 12 months in Africa. We committed dedicated resources to West Africa during 2010 and will continue to build CIMA’s presence across the sub-Saharan region.

The year also saw further expansion of CIMA’s global footprint, with additional market-facing employees joining our operations across Asia, Australasia, Europe and the Middle East.

Employers
A new global corporate relations team was established in 2010 to manage CIMA’s relationships with the world’s leading employers. This move is to ensure that CIMA continues to deliver consistently high-quality support to the organisations that employ and train CIMA students and members in every part of the world.

We achieved our target of establishing a significant presence (ten or more members and students) in 72% of CIMA’s Top 500 employers. The number of new students registering to study with CIMA through these organisations saw a year-on-year rise of 7%.

Promoting the CIMA brand
Maximising contact with customers was one of CIMA’s key objectives for 2010. To support this goal, we reshaped and expanded our contact centre to ensure that CIMA’s customer-facing processes remain best in class.

We launched an award-winning website in January 2010, which attracted more than 2.5 million unique visitors during the year. In addition, we rolled out a global advertising campaign featuring the strapline ‘Where business + finance meet’. The campaign was designed to reinforce CIMA’s principal points of difference to potential students and employers. The campaign drew 28,000 visitors to our websites from markets across Asia, Africa, the Middle East and Europe.
Recruitment and retention continued

Our ongoing focus on attracting students led to the creation of an updated recruitment section on the CIMA website. This online service features our advertising and messaging material, as well as a searchable database of career profiles showcasing the achievements of more than 170 CIMA members around the world. The ‘CIMA and me’ campaign, which demonstrates the ways in which the CIMA qualification can serve as a springboard for an exciting and rewarding career, continued across the globe.

Global events
The World Congress of Accountants (WCOA), held in Kuala Lumpur during November, was the most significant profile raising event of 2010. The congress took the theme Accountancy: sustaining value creation and attracted a record breaking 6,000 delegates. CIMA was a gold sponsor of the event, which included presentations from 14 CIMA representatives. We launched four new reports at the congress:

- Breaking glass – strategy for tomorrow’s leaders
- Reputation: why it matters and how you can manage it
- Global perspectives on governance: lessons from East and West
- Accounting trends in a borderless world.

The event was preceded by the Sri Lanka CIMA Business Leaders Summit and a series of CIMA road shows in eight countries that reached more than 2,000 business leaders. CIMA generated more than £16.5m advertising-equivalent ratings in the world’s media and engaged writers in China, Singapore and South Africa.

The CIMA Global Business Challenge continued during 2010. This international business competition attracted 12,659 students from 340 universities in 14 global regions. The initiative also built up a fan base of more than 10,000 on Facebook, generated media coverage worth £1m and was the focus of an eight-part, fly-on-the-wall television series. The competition was won by the University of Hong Kong.

The year ahead
CIMA moved into 2011 in a strong position. We aim to continue to broaden and deepen our engagement with universities and potential students across all markets.

Teams from all CIMA divisions will come together to hold the 2011 Global Business Challenge. The event final will be hosted in Chengdu, China, with universities from four new countries joining us for the first time.

We will build on our web strategy to ensure that CIMA remains high on search engine results and that our online traffic increases. We will also channel more of our intellectual content across social media platforms and enhance the use of video and other multimedia content.

We will expand our global advertising campaign, ‘Where business + finance meet’, in order to increase awareness and employer contact across established, developing and new markets.
Lifelong learning is the heart of CIMA membership.

Through ongoing research covering market trends and career expectations, we are continuously updating and developing tools to assist our members in their professional development requirements.

2010 saw the launch of CIMAplus, a new 'one-stop' package of continuing professional development products designed to help meet members' needs. CIMAplus comprises: finance publications (including the quarterly Excellence in Leadership); research reports; articles; webcasts; outputs on finance transformation based on research from the Centre of Excellence at the University of Bath School of Management; and two online courses.

We also launched ‘CIMA on demand’ as a joint venture with training provider BPP. This service offers a wide range of online courses covering a variety of topics relating to management accounting, finance and business skills. Each course concludes with a valuable knowledge assessment and lasts for between 30 and 75 minutes.

In another important development, CIMA partnered with MMU Business School, part of Manchester Metropolitan University, to offer a bachelor’s honours degree top-up and a master’s degree to CIMA students studying CIMA. MMU Business School has a wealth of experience of CIMA delivery and hosts 1,500 finance and accounting students each year.

The MMU Agreement offers two distinctive degrees which are available globally using high quality e-learning. One is a BA honours entitled Sustainable Performance Management and is available to all students with an advanced diploma award. The other is a Master’s in Strategic Business Management available to members.

Moving forward
The above lifelong learning initiatives will be further enhanced in 2011 by an additional degree being negotiated with Nottingham Trent University. The degree will see students study with key CIMA employers and spend the majority of their study time in the workplace gaining a degree and our qualification. In the UK market CIMA is also looking to support the Level 4 Apprenticeship Learning Programme – a government initiative combining workplace experience and the CIMA qualification.

Building on the first research stage from the Centre of Excellence at the University of Bath School of Management, the second stage of research outputs will be released in 2011. Our ground breaking Islamic finance qualification has recently undergone an extensive review, and will be relaunched in 2011.

CIMAplus had over 1,000 subscribers in less than six months
We are committed to instilling and upholding the highest ethical and professional standards in the conduct of our members and students. Our professional standards and conduct department is responsible for ensuring that these high standards are achieved and maintained.

The CIMA Code of Ethics is central to this process. The code has a truly global reach, driving the portability of the qualification through the knowledge and skills it provides. CIMA updated the code during 2010 to account for modifications to the IFAC code issued by the International Ethics Standards Board for Accountants, which forms the basis for our own ethical guidelines. We produced a series of webcasts and a new ethical checklist to accompany the relaunch of the code, and continued to provide members with support through our confidential helpline.

We worked consistently throughout the year to reinforce the global relevance of CIMA’s responsible business agenda, notably through the publication of two new reports:

- **Incorporating ethics into strategy: developing sustainable business models** was launched in Poland in November and included case studies from global firms PricewaterhouseCoopers (PwC) and Kimberly-Clark as well as Brandix.
- **Sustainability in emerging markets: lessons from South Africa** traced the evolution of corporate responsibility issues and examined their impact in emerging markets. The report included an in-depth feature on South Africa, where CIMA has a significant presence and enjoys a high reputation for advancing the global sustainability agenda.

We also held a roundtable meeting on social sustainability. Senior executives from a range of leading organisations took part.

CIMA joined the UK Chapter of the United Nations Global Compact (UNGC) – a voluntary leadership platform with more than 8,200 signatories spread across 135 countries – during 2010. The UNGC is the world’s largest corporate responsibility initiative.

In addition, we made a number of significant regulatory changes to strengthen and streamline our licensing and monitoring regime for members in practice. We introduced a new online facility to deliver these improvements and provided a range of guidance and support materials as well as updates to our members’ handbook. CIMA secured 100% compliance in its CPD monitoring in the UK and 99% worldwide during 2010.

The operating rules for CIMA’s three independent conduct committees were reviewed and revised over the last 12 months. The rules were updated to reflect best practice and are fully compliant with CIMA’s external regulators, allowing us to enforce standards fairly, consistently and proportionately.

CIMA also worked with the Accountancy & Actuarial Discipline Board (AADB) – the independent, investigative and disciplinary body for accountants – to finalise the amendments to the AADB’s Accountancy Scheme, which came into effect at the end of February 2010. The scheme provides for the investigation and, where appropriate, hearing of public interest cases by disciplinary tribunal.

The number of disciplinary hearings continues to rise year-on-year, with twice as many public hearings scheduled for 2010 as seen in 2009. CIMA’s case management work is measured against an internal benchmark of phased stages within the conduct process, resulting in an annual performance rating of 88% of cases, against a target of 75%.

CIMA continued in 2010 to seek reform of the funding arrangements of UK’s Consultative Committee of Accountancy Bodies (CCAB). As an organisation focused heavily on audit, the CCAB has diminishing relevance to CIMA and CIMA has subsequently announced its intention to discontinue its membership in 2011.

Our professional standards and ethics communications featured more widely and consistently throughout 2010 in CIMA publications such as Financial Management, Insight and Velocity; via CIMA’s social networking site, CIMAsphere; and through other online channels including Facebook, Twitter and LinkedIn.
CIMA advances best practice and sustainable business activities through an innovative and dynamic thought leadership programme.

We launched more than 30 pieces of research during 2010, on subjects ranging from budgeting and cost leadership to ethics and sustainability. This reflects our ongoing commitment to advancing the discipline of management accountancy by supporting critical, applied and case study-based research.

During the year, CIMA professor Wim A. Van der Stede of the London School of Economics produced a report, *Accounting trends in a borderless world*, based on research from the University of Bath. The report compared the roles of accountants in the east and west, and demonstrated that momentum towards positions of greater responsibility is likely to continue for accountants the world over. But whereas the trend towards value-added roles for the finance function is apparent worldwide, there is a variation in the speed with which finance professionals in the east and the west are heading in that direction. The west is moving ahead of the east, the survey suggests, possibly as a result of differing starting positions, organisational structures, the mix of manufacturing and service industries, and cultural priorities.

A CIMA campaign to address gender imbalance on company boards ran throughout 2010, culminating in the launch of two reports: *Breaking glass: strategies for tomorrow’s leaders* and *Reflections from Asia Pacific leaders: strategies for career progression*. These publications have been downloaded from our website by more than 6,000 unique visitors. Almost 200 members have joined CIMA’s online Women’s Network which offers peer-to-peer mentoring and advice.

2010 also saw the launch of a partnership between CIMA and The American Institute of Certified Public Accountants to produce joint thought leadership research. The first output, *Enterprise risk oversight: a global analysis* provides insights from business leaders on the current maturity of enterprise risk management in organisations. The second, *Evolution of corporate sustainability practices*, was also produced with the Canadian Institute of Chartered Accountants and examines the state of business sustainability in the UK and North America through surveys with over 2,000 organisational leaders and interviews with sustainability executives from leading companies.

Our research and development team managed more than 30 projects at leading business schools during 2010, covering topics ranging from the CIMA Balanced Scorecard to ‘virtual organisations’. One of these projects, ‘Reporting and managing risk’, was based on case studies from RBS, Tesco and a number of government organisations. The Association of Insurance and Risk Managers co-branded this report and covered production costs.

CIMA continued to make its presence felt within government during the year, leading a project for the UK Department of Business, Innovation and Skills. CIMA was also invited to take part in the new UK All-Party Parliamentary Group on Islamic Finance and Diversity in Financial Markets.

12 MPs and 12 members of the House of Lords participate in this group, with CIMA being the only professional body represented. In addition to enhancing CIMA’s profile within UK government, our participation in the group also enables us to highlight our contribution to training, skills and development in the growing area of Islamic finance. The group meets quarterly in the House of Commons.

We are also one of the founding bodies of Professions for Good (P4G), a public benefit campaign supported by the leading chartered professional organisations in the UK representing accountancy, engineering, law and medicine. Together, these organisations represent more than 750,000 professionals worldwide. P4G will assist in the creation of a more efficient, stable and well-managed economy through public awareness campaigns and participation in the policy development process.
CIMA’s effectiveness

We encourage and empower our employees to play a key role in our efforts to maintain CIMA’s standing as a world class organisation.

Journey to excellence
Following our first European Foundation for Quality Management (EFQM) Excellence Model assessment in 2009, CIMA strove to embed the model throughout the organisation. The institute underwent a follow-up assessment during 2010 and was awarded five stars for business excellence by the British Quality Foundation. With the guidance of the EFQM model, we continue to make business improvements in our ongoing journey towards excellence.

A CIMA-wide employee survey was held in September 2010, with a 73% participation rate. The number of employees who feel proud to work for the organisation has increased by more than 10% from last year to 86%. We will continue to make further improvements based on lessons learned from the survey.

CIMA also held a UK staff conference during 2010. This all day event focused on recognising the strengths that every employee brings to the CIMA team. The day enabled us to highlight the talent that we have at CIMA and promote cooperation and collaboration across the organisation. Indeed, a post-event survey found that 80% of our people felt a greater sense of team spirit across CIMA following the conference.

The year also saw changes in the functioning of CIMA’s senior management team. All team members are now based together in an open plan area adjacent to our contact centre and research department. This move reflects the high value that CIMA places on teamwork, as well as the crucial importance of the contact centre and external research.

Taking responsibility for a sustainable future
CIMA’s corporate responsibility team, with strong support from our environmental action group (EAG), introduced a raft of environmental initiatives throughout the organisation during 2010.

For example, our London office took part in the ‘10:10’ campaign, with the aim of reducing our fossil fuel consumption by 10% by the end of the year. With this target in mind, we installed new monitoring systems, rolled out improved teleconferencing and videoconferencing facilities and introduced practical guidelines to help employees to minimise air travel.

We also implemented a ‘switch-off’ campaign to reduce electricity consumption in our UK headquarters. In addition, our IT department completed a desktop upgrade project, which enabled CIMA to donate 168 decommissioned computers to schools and learning centres in Sri Lanka through the Leo Foundation.

86%
Number employees proud to work for CIMA

92%
Staff retention in 2010
Corporate governance statement

The UK Corporate Governance Code
CIMA is committed to the highest standards of corporate governance and supports the UK corporate governance code, which is published by the financial reporting Council. This code was drawn up for listed companies, and includes extensive guidance regarding institutional shareholders. As such, CIMA is not obliged to, or able to, follow it completely. However, the Council is committed to applying it as far as is applicable for a professional body. This report describes how the Council has applied and supported the principles in the interests of best practice.

Council
CIMA is governed by a council of up to 54 members (the actual number was 52 at the end of 2010). The Council is responsible for setting strategy and policy in line with the objects of CIMA’s royal charter, and for representing the interests of, and reporting to, the general membership. It determines and reviews CIMA’s vision, mission and values and is the ultimate authority within the organisation. The Council is headed by the president, George Glass, the deputy president, Harold Baird, and the vice president, Gulzari Babber. The Council met five times in the year.

Proposals from a council working party set up to review CIMA’s governance arrangements, including the introduction of a code of conduct for Council and committee members, an updated roles and responsibilities document, a re-drafted schedule of powers and common nomenclatures for CIMA, were approved by the Council in December 2010.

George Glass
President

25 March 2011

Independent auditor’s report to the members of the Chartered Institute of Management Accountants

We have examined the summary financial statements of CIMA for the year ended 31 December 2010 which comprise the consolidated statement of comprehensive income, consolidated balance sheet and consolidated statement of changes in funds. The report is made solely to CIMA members as a body, in accordance with CIMA’s byelaws.

Respective responsibilities of the Council and auditor
Council is responsible for the preparation of the summary financial statements in accordance with the byelaws of CIMA and international accounting standards.

Our responsibility is to report to you our opinion on the consistency of the summary financial statements contained within this CIMA annual review 2010 with the full financial statements. We have also read the other information contained within the annual review and have considered the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summary financial statements.

We conducted our work in accordance with Bulletin 2008/3 issued by the Auditing Practices Board.

Opinion
The summary financial statements are consistent with the full financial statements for the year ended 31 December 2010.

Chantrey Vellacott DFK LLP
Statutory Auditor
Russell Square House
10-12 Russell Square
London WC1B 5LF

25 March 2011
Financial review

In late 2009 CIMA restructured its resources and prioritised them to drive four key strategies: the recruitment of students; their progression through the examination process; the admission of members and their professional support and development; and supporting members to promote the science of management accounting, to encourage prospective students to begin their CIMA qualification and to support them through to membership. Whilst CIMA continued to drive all four of these strategies in 2010 it focused resources mostly on the strategy of student recruitment resulting in an unprecedented surge in the number of prospective students joining CIMA.

To recognise the importance and growth of CIMA’s international operations, 2010 is also the first time that CIMA has undertaken a full financial consolidation of its main divisional operations. Because of this change in accounting policy, the 2009 figures have been restated in the summary financial statements.

CIMA generated a pre-tax surplus of £1.1m in the year (2009: £0.02m), driving a £1.3m growth in net reserves.

Our market focus in 2011 will be to continue to drive further student growth and to improve examination performance by better supporting students in their preparation for exams, with the aim of increasing the member population by 4% to 87,000 by the end of the year.

Student recruitment
CIMA’s principal key performance indicator, membership growth, is driven primarily by the recruitment of students and their progression through the examination process. A record 23,167, students joined CIMA in 2010, which drove growth of 7% in the student population to a year end total of 99,264. This growth, offset in part by discounted pricing schemes, increased student subscription and exemption income to £12.1m (2009: £11.8m).

The restructure focused on recruitment of students, through additional people resource in business development and the contact centre, additional investment in technology, processes and premises to support market facing activities and pricing schemes. Whilst expenditure in brand and business development itself remained flat, there was significant reallocation of resource to divisional activity and operational expenditure increased to reflect higher infrastructure costs to support the growth in the student population. Above average student acquisition was achieved in Pakistan, Russia, Hong Kong, China, UAE, Zimbabwe, and Ghana. Global gateways for people with ACCA and MBA qualifications and from local management accounting institutes were also launched, which contributed an additional 789 students.

Student progression and retention
Progression through examinations and conversion to membership exceeded that of 2009, with 4,849 new members being admitted in 2010 (2009: 4,659). CIMA provides a flexible examination system for its students, with a growing number of exam centres globally and an increasing use of technology in exam sitting. TOPCIMA on PC continued to increase in popularity in 2010, CIMA also rolled out a new computer-based sitting for all the strategic level and two managerial level papers. In addition, CIMASTudy.com online training materials have become a major factor in improving progression of students complementing face to face tuition, on-call learning support and paper-based learning materials.

Income from examinations increased by 3% (£0.3m) reflecting the larger student population and greater number of examinations taken. Consequently exam delivery and process costs to manage these activities along with greater tuition support increased expenditure by 5% (£0.5m).

Member retention and professional development
Member retention remained strong in 2010, despite the global economic turbulence. The member population grew by 4% to a record 83,487 at the end of the year, and along with a 3% fee increase, this increased member subscription income by £0.9m (7%) to £15.8m (2009: £14.9m).

CIMA continues to offer a range of support services: online, printed material including journals and the Financial Management magazine, courses and conferences and CIMAsphere, the online network. Reported income and expenditure on professional development decreased in the year as a result of the transfer of the courses and conferences business to BBP Professional Education Ltd.

Brand and profile activities
Expenditure on brand and profile activities has decreased by £0.4m (9%) to £4.0m (2009: £4.3m), reflecting reduced expenditure on technical research products as we utilised material generated in recent years.

The global advertising campaign continued to promote CIMA’s brand message in 2010. The main CIMA website was revamped in a major project coming online in 2010. CIMA sponsored the World Congress of Accountants in Kuala Lumpur, attended by over 6,000 accountants.

CIMA Operations
In supporting CIMA’s global expansion, expenditure on support costs has increased overall by £0.8m to £10.4m (2009: £9.6m). This included costs of new offices in Ghana and Pakistan, staff development and expenditure on technology. This technology provided a new website, the running of CIMAsphere, online membership processes for Members in Practice, enhanced customer relationship management capability, a new corporate performance management system and new purchasing systems.

CIMA’s investment in capital expenditure remained at a similar level to 2009 with £1.2m of additions, the majority of which was software. CIMA’s balance sheet continues to remain strong, driven by cash balances of £19.7m (2009: £20.5m). The pension fund deficit rose from £6.6m to £6.8m, an increase of £0.2m (2009: £6.0m).

The slow recovery during 2010 from the effect of the economic downturn can most noticeably be seen in the performance of investment income during the year, which decreased by 33% to £0.4m (2009: £0.6m) as a result of the Bank of England’s base rate being set at a record low level of 0.5% throughout 2010. CIMA has maintained its balanced approach to investment management in 2010 with 78% of its year end funds held as cash or cash equivalents.

Risk management and internal audit
CIMA has a robust risk management process in place which is monitored by the Audit and Executive Committees. The internal audit programme is risk based and during 2010 the following activities were audited and presented to the Audit Committee:

- examinations and exemptions
- IT backup processes
- key financial controls
- risk management
- governance key controls
- marketing and brand management
- succession planning.

John Windle
Executive Director
25 March 2011
**Consolidated statement of comprehensive income**

<table>
<thead>
<tr>
<th>Year ended 31 December</th>
<th>Income £000</th>
<th>Direct expenditure £000</th>
<th>2010 Net £000</th>
<th>2009 Net Restated £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscriptions and exam income</td>
<td>38,884</td>
<td>–</td>
<td>38,884</td>
<td>37,250</td>
</tr>
<tr>
<td>Brand and business development</td>
<td>178</td>
<td>(14,173)</td>
<td>(13,995)</td>
<td>(13,992)</td>
</tr>
<tr>
<td>Member and student services</td>
<td>2,357</td>
<td>(13,187)</td>
<td>(10,830)</td>
<td>(10,379)</td>
</tr>
<tr>
<td>Professional standards</td>
<td>–</td>
<td>(3,204)</td>
<td>(3,204)</td>
<td>(2,913)</td>
</tr>
<tr>
<td>Education</td>
<td>179</td>
<td>(9,808)</td>
<td>(9,317)</td>
<td></td>
</tr>
<tr>
<td>Financial income and expense</td>
<td>1,841</td>
<td>(1,799)</td>
<td>42</td>
<td>266</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>43,439</strong></td>
<td><strong>(42,350)</strong></td>
<td><strong>1,089</strong></td>
<td><strong>915</strong></td>
</tr>
</tbody>
</table>

**Restructuring costs**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating surplus / (deficit) attributable to members</td>
<td>1,089 (44)</td>
</tr>
<tr>
<td>Charitable trusts and other funds</td>
<td>9 105</td>
</tr>
<tr>
<td>Deconsolidated operations (General Charitable Trust)</td>
<td>(26) (41)</td>
</tr>
<tr>
<td><strong>Total operating surplus</strong></td>
<td><strong>1,072</strong> 20</td>
</tr>
<tr>
<td>Taxation</td>
<td>– 40</td>
</tr>
<tr>
<td><strong>Surplus for the year</strong></td>
<td><strong>1,072</strong> 60</td>
</tr>
</tbody>
</table>

Deconsolidation of General Charitable Trust brought forward reserves

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase / (decrease) in foreign currency translation reserve</td>
<td>507 (46)</td>
</tr>
<tr>
<td>Increase in fair value reserves</td>
<td>557 1,389</td>
</tr>
<tr>
<td>Actuarial loss on pension scheme</td>
<td>(500) (6,719)</td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td><strong>1,612</strong> (5,316)</td>
</tr>
</tbody>
</table>

In July 2010 The General Charitable Trust became independent of CIMA, therefore income and expenditure relating to the General Charitable Trust has only been included up to this date.

Other results for the year are all derived from continuing operations.

**Consolidated statement of changes in funds**

<table>
<thead>
<tr>
<th></th>
<th>Accumulated fund £000</th>
<th>Fair value reserves £000</th>
<th>Foreign currency translation reserve £000</th>
<th>Total £000</th>
<th>Charitable Trusts reserves £000</th>
<th>Group total £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 31 December 2009</td>
<td>6,697</td>
<td>1,646</td>
<td>(17)</td>
<td>8,326</td>
<td>2,252</td>
<td>10,578</td>
</tr>
<tr>
<td>Changes in funds for 2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealised gain on investment revaluation</td>
<td>–</td>
<td>501</td>
<td>–</td>
<td>501</td>
<td>56</td>
<td>557</td>
</tr>
<tr>
<td>Reversal of impairment loss on investment</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>45</td>
<td>45</td>
</tr>
<tr>
<td>Deconsolidation of General Charitable Trust reserves</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(24)</td>
<td>(24)</td>
</tr>
<tr>
<td>Actuarial loss on pension scheme</td>
<td>(500)</td>
<td>–</td>
<td>–</td>
<td>(500)</td>
<td>–</td>
<td>(500)</td>
</tr>
<tr>
<td>Ordinary surplus / (deficit) for the year</td>
<td>1,089</td>
<td>–</td>
<td>–</td>
<td>1,089</td>
<td>(62)</td>
<td>1,027</td>
</tr>
<tr>
<td>Foreign exchange on translation</td>
<td>80</td>
<td>–</td>
<td>427</td>
<td>507</td>
<td>–</td>
<td>507</td>
</tr>
<tr>
<td><strong>Balance at 31 December 2010</strong></td>
<td><strong>7,366</strong></td>
<td><strong>2,147</strong></td>
<td><strong>410</strong></td>
<td><strong>9,923</strong></td>
<td><strong>2,267</strong></td>
<td><strong>12,190</strong></td>
</tr>
</tbody>
</table>
### Consolidated balance sheet

<table>
<thead>
<tr>
<th>As at 31 December</th>
<th>2010 £000</th>
<th>Restated 2009 £000</th>
<th>Restated 2008 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>3,210</td>
<td>3,381</td>
<td>3,064</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>1,582</td>
<td>1,575</td>
<td>1,139</td>
</tr>
<tr>
<td>Investments</td>
<td>5,631</td>
<td>4,222</td>
<td>3,335</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>10,423</td>
<td>9,178</td>
<td>7,538</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>2,876</td>
<td>2,262</td>
<td>3,101</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>19,741</td>
<td>20,501</td>
<td>21,297</td>
</tr>
<tr>
<td>Current tax refundable</td>
<td>17</td>
<td>16</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>22,634</td>
<td>22,779</td>
<td>24,405</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>33,057</td>
<td>31,957</td>
<td>31,943</td>
</tr>
<tr>
<td><strong>Funds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated fund</td>
<td>7,366</td>
<td>6,697</td>
<td>13,339</td>
</tr>
<tr>
<td>Fair value reserves</td>
<td>2,147</td>
<td>1,646</td>
<td>300</td>
</tr>
<tr>
<td>Foreign currency translation reserve</td>
<td>410</td>
<td>(17)</td>
<td>110</td>
</tr>
<tr>
<td>Charitable trusts and other funds</td>
<td>2,267</td>
<td>2,252</td>
<td>2,145</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>12,190</td>
<td>10,578</td>
<td>15,894</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>4,825</td>
<td>5,225</td>
<td>6,537</td>
</tr>
<tr>
<td>Current tax payable</td>
<td>–</td>
<td>–</td>
<td>40</td>
</tr>
<tr>
<td>Subscriptions and fees received in advance</td>
<td>9,206</td>
<td>9,549</td>
<td>8,846</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14,031</td>
<td>14,774</td>
<td>15,423</td>
</tr>
<tr>
<td><strong>Non current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirement benefit obligation</td>
<td>6,784</td>
<td>6,565</td>
<td>585</td>
</tr>
<tr>
<td>Long term liability</td>
<td>52</td>
<td>40</td>
<td>41</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,836</td>
<td>6,605</td>
<td>626</td>
</tr>
<tr>
<td><strong>Total funds and liabilities</strong></td>
<td>33,057</td>
<td>31,957</td>
<td>31,943</td>
</tr>
</tbody>
</table>

Results for the year are all derived from continuing operations.

Signed on behalf of the Council

George Glass
President

Harold Baird
Deputy President

25 March 2011 25 March 2011
CIMA’s council and committee members

Meetings attended by members of CIMA’s Council and Executive Committee
(January 2010 to December 2010)

<table>
<thead>
<tr>
<th>Name</th>
<th>Electoral Constituency</th>
<th>Council</th>
<th>Executive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adams P J</td>
<td>11</td>
<td>5/5</td>
<td></td>
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<tr>
<td>Agate M</td>
<td>11</td>
<td>5/5</td>
<td>1/1**</td>
</tr>
<tr>
<td>Babber G L vp</td>
<td></td>
<td>5/5</td>
<td>6/6</td>
</tr>
<tr>
<td>Bainbridge Spring A P</td>
<td></td>
<td>5/5</td>
<td></td>
</tr>
<tr>
<td>Baird J H dp</td>
<td></td>
<td>5/5</td>
<td>6/6</td>
</tr>
<tr>
<td>Barnes D</td>
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<td>5/5</td>
<td></td>
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<tr>
<td>Bellis-Jones, R +++</td>
<td>1</td>
<td>2/2</td>
<td></td>
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<tr>
<td>Callander J D</td>
<td>7</td>
<td>5/5</td>
<td></td>
</tr>
<tr>
<td>Chan K K C</td>
<td>15</td>
<td>5/5</td>
<td></td>
</tr>
<tr>
<td>Chrupek J</td>
<td></td>
<td>4/5</td>
<td></td>
</tr>
<tr>
<td>Clackworthy S</td>
<td>12</td>
<td>2/5</td>
<td></td>
</tr>
<tr>
<td>Clutterham R M</td>
<td>1</td>
<td>5/5</td>
<td></td>
</tr>
<tr>
<td>Court I C J</td>
<td>2</td>
<td>5/5</td>
<td></td>
</tr>
<tr>
<td>Evans P G #</td>
<td></td>
<td>1/1</td>
<td></td>
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<tr>
<td>Farnworth W J</td>
<td>6</td>
<td>5/5</td>
<td>6/6</td>
</tr>
<tr>
<td>Furber M L</td>
<td>10</td>
<td>5/5</td>
<td>4/4</td>
</tr>
<tr>
<td>Glass G Mcl p</td>
<td></td>
<td>5/5</td>
<td>6/6</td>
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<tr>
<td>Hassall T</td>
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<td></td>
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<tr>
<td>Hill M E</td>
<td>12</td>
<td>4/5</td>
<td></td>
</tr>
<tr>
<td>Hoof S M</td>
<td>4</td>
<td>4/5</td>
<td></td>
</tr>
<tr>
<td>Hurst S ++</td>
<td></td>
<td>2/4</td>
<td></td>
</tr>
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<td>Jackson N</td>
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<td>James W A</td>
<td>3</td>
<td>4/5</td>
<td>1/1**</td>
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<tr>
<td>Janagol H</td>
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<td>4/5</td>
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</tr>
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<td>Jayasinghe N ++</td>
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<td>4/4</td>
<td></td>
</tr>
<tr>
<td>Joachim A E A ipp</td>
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<td>5/5</td>
<td>6/6</td>
</tr>
<tr>
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<td></td>
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<td>Kleiman I#</td>
<td>17</td>
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<td>2/2</td>
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<td>Lawrence K B+</td>
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<td>3/3</td>
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<tr>
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<td>16</td>
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<td>Lewis M J</td>
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<tr>
<td>Longhorn C G</td>
<td>7</td>
<td>5/5</td>
<td>5/6</td>
</tr>
</tbody>
</table>

CIMA Electoral Constituency

1. Central London and North Thames
2. South West England and South Wales
3. East Midlands & East Anglia
4. West Midlands
5. North East England
6. North West England & North Wales
7. Scotland
8. Northern Ireland
9. Republic of Ireland
10. East, West Central and Southern Africa
11. Central Southern England
12. South East England
13. South Asia
14. North Asia
15. South East Asia
16. Europe, North Africa and Middle East
17. The Americas
18. Australasia

Honorary Officers

President: George Glass
Deputy President: Harold Baird
Vice President: Gulzar Babber
Immediate Past President: Aubrey Joachim

Key

* Non Council Member
p President
dp Deputy President
vp Vice President
pp Past President
ipp Immediate Past President
co Co-opted
nc Non-CIMA Member
s Staff
+ Left Council or Executive Committee November 2010
++ Appointment effective from AGM 2010
+++ Re-Elected to Electoral Constituency 1 October 2010
# Left Council or Executive Committee at AGM 2010
** Attended in capacity as Vice Chairman to the Committee
Council members and representatives

CIMA’s governance committees (as at 31 December 2010)

Executive committee

| Chairman       | George Glass
|----------------|-----------------
|                | Harold Baird
|                | Gulzari Babber
|                | Aubrey Joachim
|                | Francis Rowlands
|                | Malcolm Furber
|                | David Stanford
|                | Myriam Madden
|                | Wilf Farnworth
|                | Mike Agate
|                | Colin Longhorn
|                | Keith Luck
| Secretary      | Robin Vaughan

Appointments committee

| Chairman       | Aubrey Joachim
|                | George Glass
|                | Harold Baird
|                | Gulzari Babber
|                | Jim Callander
|                | Sue Hoof
| Secretary      | Robin Vaughan

Audit committee

| Chairman       | Mike Jeans
|                | Rod Hill
| Vice Chairman  | Derek Barnes
|                | Alan Burton
|                | Steve Carter
|                | Niall Howard
| Secretary      | Maggie Heasman

CIMA’s representatives on external boards and committees (as at 31 December 2010)

Board or committee                CIMA representative

Consultative Committee of Accountancy Bodies (CCAB)

| Chairman                     | George Glass
|------------------------------|-----------------
|                              | Harold Baird
| In attendance                | Charles Tilley
| CCAB Ethics Group            | Nina Barakzai
| CIMA Member                  | Peter Sommerfield
| Representative (Roi)         | Brendan Timbs
| CIMA Member                  | Ray Baxter
| Representative                | Charles Tilley
| International Federation of Accountants (IFAC)
| The Council                  | George Glass
| Professional Accountants     | Alfred Ramosedi
| In Business Committee        | Keith Luck
| Technical Advisor            | Charles Tilley
| International Accounting Education Standards Board
| Technical Advisor            | Robert Jelly

Audit committee

| Chairman       | Mike Jeans
| Vice Chairman  | Rod Hill
|                | Derek Barnes
|                | Alan Burton
|                | Steve Carter
|                | Niall Howard
| Secretary      | Maggie Heasman

CIMA’s representatives on external boards and committees (as at 31 December 2010)

Board or committee                CIMA representative

Consultative Committee of Accountancy Bodies (CCAB)

| Chairman                     | George Glass
|------------------------------|-----------------
|                              | Harold Baird
| In attendance                | Charles Tilley
| CCAB Ethics Group            | Nina Barakzai
| CIMA Member                  | Peter Sommerfield
| Representative (Roi)         | Brendan Timbs
| CIMA Member                  | Ray Baxter
| Representative                | Charles Tilley
| International Federation of Accountants (IFAC)
| The Council                  | George Glass
| Professional Accountants     | Alfred Ramosedi
| In Business Committee        | Keith Luck
| Technical Advisor            | Charles Tilley
| International Accounting Education Standards Board
| Technical Advisor            | Robert Jelly

Audit committee

| Chairman       | Mike Jeans
| Vice Chairman  | Rod Hill
|                | Derek Barnes
|                | Alan Burton
|                | Steve Carter
|                | Niall Howard
| Secretary      | Maggie Heasman

CIMA’s policy committees (as at 31 December 2010)

Global markets committee

| Chairman       | Francis Rowlands
| Vice Chairman  | William James
|                | Derek Barnes
|                | Kenneth Chan
|                | Lailith Fonseka
|                | Amarjeet Hans
|                | Simon Hurst
|                | Y C Lee
|                | Keith Luck
|                | Andrew Miskin
|                | Tom O’Connor
|                | Maryvonne Palanduz
|                | Chandana Randitharane
|                | Hilary Parker
|                | Francesca Windsor
| Secretary      | Andrew Harding

Marketing committee

| Chairman       | David Stanford
| Vice Chairman  | Jaroslaw Chrupi
|                | Joe Anichebe
|                | Phil Evans
|                | Lihong (Lisa) Fan
|                | Simon Hill
|                | Will James
|                | Harbans Janagol
|                | Bina Kakad
|                | Lim Kian Hui
|                | Karen Mclennor
|                | John Weston
|                | Howard Whitehead
|                | Mahes Wickramasinghe
| Secretary      | Ray Perry

Professional standards committee

| Chairman       | Wilf Farnworth David
| Vice Chairman  | Robin Clutterham
|                | Peter Adams
|                | Nidubisi
|                | Anomelechi-Onyeodi
|                | Nina Barakzai
|                | Marcus Hill
|                | Craig Jenkin
|                | Margaret May
|                | Tristan Maynard
|                | Ng Seow Kong
|                | Simon Parkes
|                | Christopher Welford
|                | Francesca Windsor
| Secretary      | Robin Vaughan
Lifelong learning policy committee
Chairman Malcolm Furber
Vice Chairman Trevor Hassall
Ivan Court
Sue Hoof
Nick Jackson
Karen Newbury
Jim O’Hagan*
Jonathan Pott*
David Powell*
Elaine Richardson
Heather Steele*
Tim Stewart*
Louise Weaver*
Secretary Robert Jelly

Members’ services committee
Chairman Myriam Madden
Vice Chairman Sue Parsons
Alix Bainbridge Spring
Derek Barnes
Jim Callander
Kenneth Chan
Peter Fullam*
Nilam Jayasinghe
Colin Longhorn
Amal Ranayake*
Musa Shabne*
Sue Stapleford
Paul Thambar*
Reg Wood
Mark Allen*
Secretary Andrew Harding

Technical committee
Chairman Vacant
Vice Chairman Mike Agate
Charles Batchelor*
Robin Bells-Jones
Prof Michael Bromwich**
Stuart Chaplin
Stephanie Clarkworthy
Hugh Evans*
Jon Fundrey*
Keith Lawrence
Dave Mack
Sharon McCue
Alfred Ramesedi
Robin Tidd
Robert I Wilson (Bob)
Secretary Victor Smart

Investigation Panel
Chairman Luci Blomfield**
Vice Chairman David Higham**
Michael Adams
John Cottam
Jay Jayasundara*
Ian Leigh*
James Mirabal*
Neville Nagler**
John Sadlik**
Raphael Stuart*
John Thornton*
Lesley Ward*
Staff support Joanna Low

Appeal Panel
Chairman Kenneth Hamer**
Vice Chairman Jeremy Strachany**
Peter Curphy*
Malcolm Hewitt**
John Lapthorne*
Jonathan Rao**
Paul Roberts*
Staff support Maggie Heasman

Technical committee
Chairman Vacant
Vice Chairman Mike Agate
Charles Batchelor*
Robin Bells-Jones
Prof Michael Bromwich**
Stuart Chaplin
Stephanie Clarkworthy
Hugh Evans*
Jon Fundrey*
Keith Lawrence
Dave Mack
Sharon McCue
Alfred Ramesedi
Robin Tidd
Robert I Wilson (Bob)
Secretary Victor Smart

Other committees, boards and trusts (as at 31 December 2010)
Benevolent fund committee
Chairman Derek Barnes
Vice Chairman Robert I Wilson (Bob)
Ken Evans*
Frank Guilfoyle*
Andrew Oxley*
Secretary Caroline Aldred

Chief Executive Charles Tilley*
Executive Director, CIMA Markets Andrew Harding*
Executive Director, CIMA Education Robert Jelly*
Executive Director, Brand, Profile and Marketing Ray Perry*
Executive Director Robin Vaughan*
Governance and Professional Standards Robin Vaughan*
Executive Director CIMA Operations John Windle*
Executive Director Global Corporate Relations Emma Cunis

CIMA (Corporate Body)
Director Robin Vaughan*
Company Secretary Maggie Heasman

CIMA Enterprises Ltd (CEL)
Director and Chief Executive Charles Tilley*
Director CIMA (Corporate Body) Robert Jelly*
Executive Director Ray Perry*
Company Secretary Maggie Heasman

General charitable trust
Chairman Tom Glancy**
Vice Chairman Glynn Lowth**
Paul Thackray*
Francesca Windsor
Secretary John Windle

CIMA Annual Review 2010

Independently appointed conduct panels (as at 31 December 2010)
Disciplinary Panel
Chairman Stephen Ware**
Vice Chairman Athene Heynes**
Cyril Barratt
Michael Brooks*
Carloine Byram**
Jayam Dalal*
Elizabeth Derrington**
Ike Ehiribe**
Michael Jordan
Alasdair Macnab*
Lynette Lace*
Iain Richardson*
Martin Sambrook*
Sarah Senior*
Barbara Saunders**
David Tomlinson*
Staff support Joanna Low

CIMA (Corporate Body)
Director Robin Vaughan*
Company Secretary Maggie Heasman

CIMA Enterprises Ltd (CEL)
Director and Chief Executive Charles Tilley*
Director CIMA (Corporate Body) Robert Jelly*
Executive Director Ray Perry*
Company Secretary Maggie Heasman

General charitable trust
Chairman Tom Glancy**
Vice Chairman Glynn Lowth**
Paul Thackray*
Francesca Windsor
Secretary John Windle

CIMA Annual Review 2010
Contact details

CIMA Australia
Suite 1305
109 Pitt Street
Sydney, NSW 2000
T. +61 (0)2 9376 9900
F. +61 (0)2 9376 9905
E. sydney@cimaglobal.com

CIMA Botswana
Physical:
Plot 50374
Block 3
First Floor, Southern Wing
Fairgrounds Financial Centre
Gaborone
Postal:
PO Box 403475
Gaborone
T. +267 395 2362 or 395 2366
F. +267 395 2362 or 395 2366
E. gaborone@cimaglobal.com

CIMA China
Unit 1508A
15th floor of AZIA Center
1233 Lujiangzi Ring Road
Shanghai, 200120
T. +86 (0)21 6160 1558
F. +86 (0)21 6160 1568
E. infochina@cimaglobal.com

CIMA Ghana
4th Floor, Ayeley Building
I.P.S-Attraco Road
Madina, Accra
Ghana
T. +233 (0)30 2503409
M. +233 (0) 263 011992
E. accra@cimaglobal.com

CIMA Hong Kong
2005 Tower One
Times Square
1 Matheson Street
Causeway Bay
Hong Kong
T. +852 2511 2003
F. +852 2507 4701
E. hongkong@cimaglobal.com

CIMA India
Unit 1-A-1, 3rd Floor
Vibgyor Towers
C-62, G Block
Bandra Kurla Complex
Bandra (East), Mumbai - 400 051
T. +91 22 42370100
F. +91 22 42370109
E. india@cimaglobal.com

CIMA Malaysia
Lots 1.03b and 1.05 Level 1
KPMG Tower
First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
T. +60 (0) 3 77 230 230
F. +60 (0) 3 77 230 231
E. kualalumpur@cimaglobal.com

CIMA Middle East
Office E01, 1st Floor, Block 3
PO Box 502221
Dubai Knowledge Village
Al Sofouh Road
Dubai, UAE
T. +9714 4347370
F. +9714 4341998
E. middleeast@cimaglobal.com

CIMA Pakistan
No. 201 2nd floor, Business Arcade
Plot No. 27-A Block-6 P.E.C.H.S.
Shahra-e-Faisal
Karachi
T. +92 21 3432 2387
F. +92 21 3432 2390
E. pakistan@cimaglobal.com

CIMA Republic of Ireland
Block E, 5th Floor
Iveagh Court
Harcourt Street
Dublin 2
T. +353 1 643 0400
F. +353 1 643 0401
E. cima ireland@cimaglobal.com

CIMA Singapore
51 Goldhill Plaza #08-02
Singapore 308900
T. +65 6535 6822
F. +65 6534 3992
E. singapore@cimaglobal.com

CIMA South Africa
1st Floor, South West Wing
198 Oxford Road
Illovo, Johannesburg
PO Box 745
Northlands 2116
T. +27 (0)11 788 8723
F. +27 (0)11 788 8724
E. johannesburg@cimaglobal.com

CIMA Sri Lanka
356 Elvitigala Mawatha
Colombo 5, Sri Lanka
T. +94 (0)11 250 3880
F. +94 (0)11 250 3881
E. colombo@cimaglobal.com

CIMA UK
26 Chapter Street
London SW1P 4NP
T. +44 (0)208 849 2251
F. +44 (0)207 663 5442
E. cima.contact@cimaglobal.com

CIMA Zambia
Physical:
6053 Sibweni Road
Northmead, Lusaka
Postal:
PO Box 30640, Lusaka
T. +260 1 290 219
F. +260 1 290 548
E. lusaka@cimaglobal.com

CIMA Zimbabwe
Physical:
6th Floor Michael House
62 Nelson Mandela Avenue
Harare
Postal:
PO Box 3831, Harare
T. +263 (0)4 708 600 or 702 617
F. +263 (0)4 708 600 or 702 617
E. harare@cimaglobal.com

Our structure

Council
Council is the de facto ‘board of directors’ to whom certain of the provisions of the Companies and Insolvency Acts apply. Council is responsible for the setting of strategy and policy, determining and reviewing the vision, mission, values and space for CIMA and for the approval of any policy changes which may raise significant issues of principle or risk.

Chief executive
The chief executive proposes and advises on strategy and policy to the Executive Committee for initial discussion and formulation of strategy and policy for approval by Council. Responsible for implementation and delivery of approved strategy and policy which Council monitors by report-back.
Charles Tilley  
Chief Executive

International divisional boards

CIMA Enterprises Limited (CEL) and other subsidiaries

Benevolent Fund

General Charitable Trust**

Super-annuation Fund**

Panel of CPD Assessors

Panel of Assessors for the Practising Certificate

Membership Panel

Examinations and Assessment Oversight Panel

Financial Reporting and Development Panel

Research and Development Panel

Professional Standards Committee

Global Markets Committee

Lifelong Learning Committee

Marketing Committee

Technical Committee

Members’ Services Committee

Governance committees

Appointments Committee

Audit Committee

Policy committees

Council

George Glass  
President

Honorary officers and members of Council

CIMA employees

CIMA

Employees

Executive Committee

Independent conduct committees**

Investigation, Disciplinary, Appeal

Note: members are appointed by the Appointments Committee and administration is provided by CIMA.

CIMA trustees appointed by Council; staff trustees elected by active members of the Fund.

Bodies independent of CIMA.

* CIMA trustees appointed by Council; staff trustees elected by active members of the Fund.

** Bodies independent of CIMA.