



## The CIMA difference

**The Chartered Institute  
of Management Accountants**

CIMA UK – Head Office  
26 Chapter Street  
London SW1P 4NP  
United Kingdom

T: +44 (0)20 8849 2251  
F: +44 (0)20 7663 5442  
E: [cima.contact@cimaglobal.com](mailto:cima.contact@cimaglobal.com)

[www.cimaglobal.com](http://www.cimaglobal.com)

# CIMA

The Chartered Institute of Management Accountants, is a leading membership body that offers an internationally recognised professional qualification in management accountancy. We are the only professional body focusing exclusively on accounting for business.

We are determined to provide the best possible qualifications tailored to the needs of employers and our members.

## **Our purpose**

The ever greater employability of CIMA members

## **Our vision**

CIMA members driving the world's successful organisations

## **Our mission**

To be the first choice for employers in the qualification and development of professional accountants in business

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## Financial review

The Financial Statements for 2006 include the four Charities and other funds associated with CIMA (the General Charitable Trust, the Benevolent Fund and the Anthony Howitt Lecture Trust and the Prize Fund). This is in accordance with International Accounting Standard 27. The commentary below relates primarily to the operating activity of CIMA.

### Revenues and costs

In 2006, CIMA generated operating revenues of £38m, 15% higher than in the previous year. The majority of revenue is derived from members and student subscriptions, followed by examination related activity, goods and services, investment income and income generated on the pension fund investments. Membership grew by 3.5% to 70,016 and the student population by 2% to 88,265. Subscription rates increased by 8.6% for members and 4% for students, lifting subscription revenues by 10% (£1.8m) to £20.8m.

While CIMA's focus is on growing the membership base, increasing revenues from non-subscription and exam based activity provided an important contribution to the revenue mix, raising it by £1m (19%) over the previous year.

Courses and Conferences had a particularly successful year, increasing revenues by 30% (£0.6m) through the support for ongoing technical training and member's continuous professional development. Sponsorship for CIMA events also rose in the year by £0.2m (62%). Higher cash holding with relatively stable interest rates improved interest income by 13% (£0.1m). The expected return on pension scheme assets generated income of £1.2m, 21% higher than in the previous year.

The growth in revenues enabled CIMA to increase expenditure on member and student services by 21%, professional standards by 22% and education by 6%. Operational costs increased by 2%. With heightened demand from new markets globally it is essential that CIMA can support student recruitment activities and member and employer services on an increasing scale. This is where we are channelling the additional subscription revenues.

CIMA continually keeps operational costs under review. The main areas of increased expenditure are global IT and communications capability and training and development for employees. Successful completion of an upgrade to the customer relationship system during 2006 kept CIMA at the forefront of software releases.

Against a background of continuing training in technical and soft skills, CIMA launched an 18 month leadership development programme for all managers in 2006.

Property costs in London reduced as a result of a reduction in necessary maintenance work and a rates review, which generated a rebate. Office moves in Ireland, China and Malaysia incurred relocation and fitting out costs in 2006.

There was also a rental charge for the new Malaysia premises, which are now leased.

Expenditure in developing business outside the UK, particularly in the Asia Pacific region, China and India, reflected higher CIMA activity in these regions. Five years ago 35% of new students recruited lived in countries outside the UK; by 2006 that proportion had risen to 45%.

In addition to business development, professional standards also received greater investment, both to support CIMA's involvement with external standards setters and regulators and to monitor members' professional development and conduct.

CIMA technical accounting research continues to be an area of increasing influence for which investment is growing. Increases in education costs in 2006 largely focused on supporting the provision of examinations to an expanding student population.

### Balance sheet

Capital expenditure in the year remained relatively low at £0.7m, most of which related to upgrade of technology and the upgrade of the customer relationship system. Consequently, with the depreciation charge for historic assets outstripping current spend, fixed asset valuations fell by £1m.

CIMA did not add to its equity based investment fund in 2006. However, the fund grew by 5%. Cash holding increased by £3.6m during the year, maintaining CIMA's strong position. It should be noted that CIMA's cash profile throughout the year fluctuated significantly, peaking at £24m and bottoming out at £14m. CIMA's year end liquid reserves (net current assets) closed at £6m, £2m higher than the minimum risk related target holding. This demonstrates CIMA's desire to strengthen the balance sheet and provide a solid financial platform while pursuing our global expansion strategy.

Debtors closed the year £0.6m higher than the previous year. This was largely due to the sale of the Malaysian property and the timing of UK property rental payments. Creditors at year end were £1.7m higher than the previous year as a result of strong advance subscription collections (£1.2m) and the year end timing of trade creditor payment processing (£0.5m).

### Pensions and risks

During the year, the Pension Trustees did a further valuation of the fund (as at 1 April 2006), taking into account the requirements of the Pension Regulator and their obligation to act prudently in the interests of the beneficiaries. Revised maturity tables were adopted (year of birth method) along with a reduction in the deficit correction period from 13 years to 10 years (at the outer parameter for the Regulator, reflecting CIMA's strong financial covenant).

## Financial review continued

In addition to which the rate of investment return for pensions payments pre and post retirement has been equalised. The valuation was consistent with the IAS 19 approach and produced a deficit of £3.3m. Consequently the Trustees agreed with the employer an increase in contributions to the fund which, from 1 January 2007, will be met through an increase in the ongoing regular contribution of 3.6% for future contributions (totalling 22.8% of pensionable salaries) and £160k per annum (to £460k) to finance past service deficit. Updating of the year end IAS19 calculation reflected market conditions and produced a deficit of £2.4m, reflecting improved asset valuations during 2006.

The Trustees also reviewed their investment strategy and during 2007 they will further align the volatility and return levels of their portfolio to the maturity of the liabilities.

The 2006 CIMA risk register was monitored and updated regularly with periodic reports to the Audit Committee. No material risks were experienced during the year, although the London and Sri Lankan offices were at heightened levels of security awareness.

The internal audit programme for 2005/06 covered competitor threats, contract management, regulatory compliance, financial payment and receipts processes, professional conduct and quality of published data. The Audit Committee reviews and monitors the results and action plans to address the issues raised.



**John Windle**

Director of Finance and Operations

23 March 2007

# Corporate governance statement

## The Combined Code

CIMA is committed to the highest standards of corporate governance and supports the Combined Code published in July 2003 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 or able to follow it completely. However, the Council is committed to implementing 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 50 at the end of 2006 – see the back of this report for a full list of members during the year). 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, John Coghlan, the Deputy President, Gordon Grant and the Vice President, Glynn Lowth. The Council met five times in the year.

The president was elected by the membership at the 2006 AGM, on the recommendation of the Council. He is the honorary leader of CIMA for one year, during which time he acts as chairman of the Council and executive committee and represents the interests of the institute externally to government, the public, the profession, regulatory bodies, the media, etc. The president, together with the deputy and vice presidents provides strategic direction to the Council in its deliberations and is responsible for ensuring the democratic process of the Council and the management of the meetings.

Council members, who must be Fellows of CIMA, are either elected by the members residing or working in each area, or are co-opted. All members of the Council are equally responsible for ensuring that the best interests of the general membership are considered in the decision making process. All members of CIMA are entitled to attend the AGM, to vote in person or by proxy on matters required to be referred to the membership and are asked to complete regular satisfaction surveys, to ensure their opinions are heard.

Members of Council may not be financially rewarded for their work for CIMA, except as allowed by the Royal Charter, Byelaws and Regulations. A register of Council members' interests is maintained, which details any personal or business interests which could give rise to a conflict of interest between CIMA and other bodies.

The Council delegates activities in line with an annually updated scheme of delegations, to the appropriate committees, the chief executive, and the Senior Management Team (SMT). The Council has responsibility for setting the terms of reference of these committees, and for reviewing their performance. The chief executive is the most senior staff member of CIMA and is responsible for proposing, advising on and implementing the strategy as agreed by the Council, leading and managing the staff and overseeing CIMA's day-to-day operations. He is the prime source of operational information and advice for the Council and committee members and, with the assistance of the Secretariat department, is responsible for ensuring that adequate and timely information is available, to allow them to prepare for each meeting.

Upon appointment all new members of Council are provided with a comprehensive information pack and for the first time in 2006 were invited to attend an induction day designed to provide closer understanding of CIMA's operations and strategy and the way in which Council meetings are conducted. This induction programme will in future be a regular occurrence. In addition all members of the Council are given the opportunity to attend an annually run governance workshop and, from 2007 onwards an annual session on chairing effective meetings which was developed during 2006.

During 2007 the Council plans to undertake an evaluation of its own performance and, in due course will extend this process to review the performance of each individual committee; developing and adapting the process as appropriate and in the light of experience.

## Reporting responsibilities of the Council

The Byelaws of CIMA require Council to ensure that financial statements are prepared for each financial year which give a true and fair view of the state of affairs and the surplus or deficit for that period. In preparing those financial statements, the Council, in accordance with best practice, is required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- ensure that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that CIMA will continue in business.

## Corporate governance statement continued

Proper books of account are maintained by the direction of the Council, as required by the Byelaws of CIMA. These disclose with reasonable accuracy at any time the financial position of CIMA. The Council is not aware of any relevant information that has not been disclosed to the external auditor. The accounts are prepared on a going concern basis as the Council is satisfied that there is a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future.

The Council are responsible for ensuring the maintenance and integrity of the financial information included on CIMA's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Executive Committee

This committee was formed to deal with the coordination and review of the objectives selected by the Council, to monitor the financial status of CIMA and to approve developments beyond the scope of the annual business plan. The committee met six times in the year (see the back of this report for a list of members during the year). The committee met once during the year without members of staff being present.

### Appointments Committee

Council has set up this committee which meets as necessary, but at least four times per year. It has responsibility for co-ordinating the arrangements for the selection of the next vice presidential candidate, for the election of policy committee chairmen and without portfolio members of Executive and Appointments Committee. It also makes recommendations for all other chairmen and committee members, and for representatives on various external bodies. The committee approves senior management appointments and remuneration packages and in doing so it will consider the remuneration of staff at similar levels in comparable organisations and the relative remuneration of lower level CIMA staff, while avoiding excessive costs. It will also ensure that performance related pay forms an appropriate portion of total remuneration. The committee will monitor the performance of its appointees against predefined criteria, with specific reference to bonus payments. See the back of this booklet for a list of members.

### Audit Committee

This committee, which met three times in the year, was formed to ensure that CIMA is run in line with its agreed regulations and principles; and that appropriate systems are in place to control the business and minimise risk, by overseeing both the internal and external audit functions with reference to the risk framework approved by the Council. Internal control is reviewed with the assistance of the internal auditor, RSM Robson Rhodes LLP, who reports directly to the committee. Financial reporting is reviewed with the assistance of the external auditor, Chantrey Vellacott DFK LLP, who has direct access to the committee.

The committee has responsibility for reviewing the cost effectiveness and independence of both internal and external auditors. Chantrey Vellacott DFK LLP provides some non-audit services, as detailed in the notes to the accounts. The Audit Committee does not feel that these activities represent a threat to auditor objectivity or independence.

The committee met on three occasions during the year without any staff present; it held three closed sessions with the internal auditor and one with the external auditor. See the back of this review for a list of members.

### Risk management

The Council has overall responsibility for determining risk management policy, and the SMT has responsibility for designing, implementing and maintaining systems consistent with this policy. A dynamic system was implemented in 2005, whereby all managers consider the potential risks to their department, grade them by likelihood of occurrence and financial impact, and record the results in the risk register. The Audit Committee has responsibility for ensuring the register is regularly updated, analysing the results, and overseeing the subsequent action plans. It has employed the internal auditor to assist in these procedures. Furthermore, SMT regularly review CIMA's performance against past and budgeted financial and non-financial criteria. Management accounts are prepared every month and budgets are re-forecast every quarter, so that risks can be identified early and the appropriate action taken.

These procedures are designed to identify and manage those risks that could adversely impact the achievement of CIMA's objectives. While they do not provide absolute assurance against material misstatements or loss, the Council is of the opinion that proper systems of risk management and internal control are in place within CIMA.

### **Subsidiary undertakings (directors appointed by CIMA)**

**CIMA Enterprises Limited (CEL)** was incorporated in 2000 to operate the commercial activities of CIMA, namely CIMA Mastercourses, the magazine, CIMA Privileges, and direct mailing. It was believed that such activities could be developed and expand more freely under this structure.

**CIMA China Limited** was incorporated in 2005 to manage a representative office established in China in 2006.

### **Controlled Charitable Trusts**

**The Benevolent Fund** is a registered charity, created to provide assistance to members and ex-members, and their families, in times of hardship. The fund is administered by a committee of two members of Council and three long standing members of CIMA, on behalf of CIMA, the sole Trustee.

**The General Charitable Trust** is a registered charity, created to advance education in accounting and related subjects. The Trust is administered by a member of Council, and three long standing members of CIMA, including two past presidents, appointed by CIMA.

**The Anthony Howitt Lecture Trust** is also a registered charity created to advance education in accounting and related subjects. This takes the form of a lecture, normally every other year, by eminent speakers on matters of interest to accountants and other leading members of the business world. The Trust receives income from funds originally gifted from the founder, Anthony Howitt. The Trustees are all current or past office holders of CIMA.

### **Other funds**

**The Prize Fund** was created by a number of donations to generate prizes in CIMA exams. It is not a registered charity and exists solely to award prizes on the results of CIMA exams.

All these bodies have governance structures consistent with that of CIMA.

### **Social responsibility**

CIMA is very aware of the important role it can play in bringing this area to the forefront of business current affairs. Guidance is issued to all students on commencement of their training, which defines the core ethical attributes a Chartered Management Accountant should hold and display. These attributes are integrity, objectivity, professional competency and due care, confidentiality and professional behaviour. The guidance also explains their responsibility to the collective well being of the community of people and institutions the professional accountant serves. It specifically notes the wider duty of care they owe, beyond their employer or client, and offers guidance on the actions to be taken should an ethical conflict arise.

CIMA also recognises the importance of investment in its own employees, and the link between satisfied staff and satisfied stakeholders. To this end, it has implemented extensive health and safety, employee satisfaction, learning and development, and performance appraisal programmes. Vacancies are filled from within CIMA wherever possible.



**John Coghlan**  
President

23 March 2007

# Independent auditors' report to the members of the Chartered Institute of Management Accountants

We have audited the group financial statements (the 'financial statements') of CIMA for the year ended 31 December 2006 which comprise the consolidated income statement, consolidated balance sheet, statement of changes in funds attributable to CIMA members, consolidated cash flow statement, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Our audit work has been undertaken so that we might state to the 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 CIMA or its members, for our audit work, for this report, or for the opinion we have formed.

## Respective responsibilities of Council and auditor

The responsibilities of Council for preparing the annual report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRS) as adopted for use in the European Union are disclosed within the corporate governance statement.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view. We also report to you if, in our opinion, CIMA has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read other information contained in the annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the financial review and corporate governance statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the audited financial statements. We are not required to consider whether the Council's statements on risk management cover all risks and controls, or form an opinion on the effectiveness of CIMA's corporate governance procedures. Our responsibilities do not extend to any other information.

## Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

In our opinion, the financial statements give a true and fair view, in accordance with IFRS as adopted for use in the European Union, of the state of the group's affairs as at 31 December 2006 and of the group's surplus for the year then ended.

## Chantrey Vellacott DFK, LLP

Registered Auditor  
Russell Square House  
10-12 Russell Square  
London WC1B 5LF

23 March 2007



## Consolidated five year financial summary

<b>Year ended 31 December</b>	2006 £000	2005 £000	2004 £000	2003 £000	2002 £000
Income	37,632	33,820	30,681	27,234	27,057
Expenditure	(35,995)	(31,864)	(30,034)	(27,334)	(26,779)
<b>Operating surplus/(deficit)</b>	<b>1,637</b>	<b>1,956</b>	<b>647</b>	<b>(100)</b>	<b>278</b>
Disposal of publishing business	–	–	–	–	708
<b>Surplus/(deficit) after exceptional items</b>	<b>1,637</b>	<b>1,956</b>	<b>647</b>	<b>(100)</b>	<b>986</b>
Charitable trusts and other funds	(62)	(73)	69	125	(12)
<b>Total surplus</b>	<b>1,575</b>	<b>1,883</b>	<b>716</b>	<b>25</b>	<b>974</b>
Taxation	(18)	(37)	20	–	(48)
<b>Surplus for the year</b>	<b>1,557</b>	<b>1,846</b>	<b>736</b>	<b>25</b>	<b>926</b>
Accumulated fund – revaluation adjustments	–	–	–	5	–
Increase/(decrease) in fair value reserves	489	999	206	434	(1,266)
Actuarial gain/(loss) on pension scheme	801	32	47	1,291	(3,864)
<b>Net movement on reserves</b>	<b>2,847</b>	<b>2,877</b>	<b>989</b>	<b>1,755</b>	<b>(4,204)</b>
Opening funds	11,331	8,454	7,465	5,710	9,914
<b>Closing funds</b>	<b>14,178</b>	<b>11,331</b>	<b>8,454</b>	<b>7,465</b>	<b>5,710</b>

Prior years have been restated to include the effects of the Charitable Trusts and other funds, as explained in note 1a to the financial statements.

## Consolidated income statement

<b>Year ended 31 December</b>	Notes	Income £000	Direct expenditure £000	2006 Net £000	2005 Net (restated) £000
Subscriptions	2a	20,751	–	20,751	18,941
Members' and students' services	2b	4,256	(18,642)	(14,386)	(11,753)
Professional standards	2c	–	(1,927)	(1,927)	(1,578)
Education	2d	10,758	(6,063)	4,695	3,999
Financial income and expense	2e	1,867	(1,106)	761	422
		<b>37,632</b>	<b>(27,738)</b>	<b>9,894</b>	<b>10,030</b>
Indirect costs	2f			(8,257)	(8,131)
Foreign property impairments	2g			–	56
<b>Operating surplus attributable to members</b>	<b>3</b>			<b>1,637</b>	<b>1,956</b>
Charitable trusts and other funds	2h			(62)	(73)
<b>Total operating surplus</b>				<b>1,575</b>	<b>1,883</b>
Taxation	4a			(18)	(37)
<b>Surplus for the year</b>				<b>1,557</b>	<b>1,846</b>

Results for the year are all derived from continuing operations.

A segmental analysis is set out in note 12.

# Consolidated balance sheet

As at 31 December	Notes	CIMA excluding charities		CIMA including charities	
		2006 £000	2005 £000	2006 £000	2005 £000
<b>Non current assets</b>					
Property, plant and equipment	5	4,749	5,787	4,749	5,787
Investments	6	2,951	2,799	5,487	5,060
		<b>7,700</b>	<b>8,586</b>	<b>10,236</b>	<b>10,847</b>
<b>Current assets</b>					
Inventories	7a	2	2	2	2
Trade and other receivables	7b	2,357	1,785	1,926	1,668
Other cash and cash equivalents	7c	16,724	13,159	17,676	13,753
		<b>19,083</b>	<b>14,946</b>	<b>19,604</b>	<b>15,423</b>
<b>Total assets</b>		<b>26,783</b>	<b>23,532</b>	<b>29,840</b>	<b>26,271</b>
<b>Funds</b>					
Accumulated fund		10,574	8,154	10,574	8,154
Fair value reserves		903	694	903	694
Charitable trusts and other funds		–	–	2,701	2,483
		<b>11,477</b>	<b>8,848</b>	<b>14,178</b>	<b>11,331</b>
<b>Current liabilities</b>					
Trade and other payables	8	5,599	5,080	5,955	5,335
Current tax payable	4a	19	37	19	37
Subscriptions and fees received in advance		7,285	6,114	7,285	6,114
		<b>12,903</b>	<b>11,231</b>	<b>13,259</b>	<b>11,486</b>
<b>Retirement benefit obligation</b>	9b	2,403	3,453	2,403	3,453
<b>Total funds and liabilities</b>		<b>26,783</b>	<b>23,532</b>	<b>29,840</b>	<b>26,271</b>

Signed on behalf of Council



**John Coghlan**  
President



**Gordon Grant**  
Deputy President

23 March 2007

## Statement of changes in funds

	Attributable to CIMA members Accumulated fund £000	Fair value reserves £000	Total Attributable to CIMA members £000	Charitable Trusts reserves £000	Total £000
<b>Balance at 1 January 2005</b>	6,203	–	6,203	–	6,203
Charitable trusts as at 1 January 2005	–	–	–	2,251	2,251
<b>Restated balance at 1 January 2005</b>	<b>6,203</b>	<b>–</b>	<b>6,203</b>	<b>2,251</b>	<b>8,454</b>
<b>Changes in funds for 2005</b>					
Unrealised gain on property revaluation	–	203	203	–	203
Unrealised gain on investment revaluation	–	491	491	305	796
Actuarial gain on pension scheme	32	–	32	–	32
Surplus/(deficit) for the year	1,919	–	1,919	(73)	1,846
<b>Balance at 31 December 2005</b>	<b>8,154</b>	<b>694</b>	<b>8,848</b>	<b>2,483</b>	<b>11,331</b>
<b>Changes in funds for 2006</b>					
Unrealised gain on property revaluation	–	69	69	–	69
Unrealised gain on investment revaluation	–	140	140	280	420
Actuarial gain on pension scheme	801	–	801	–	801
Surplus/(deficit) for the year	1,619	–	1,619	(62)	1,557
<b>Balance at 31 December 2006</b>	<b>10,574</b>	<b>903</b>	<b>11,477</b>	<b>2,701</b>	<b>14,178</b>



# Consolidated cash flow statement

<b>Year ended 31 December</b>	2006 CIMA Excluding Charities £000	2006 CIMA Including Charities £000	2005 CIMA Excluding Charities £000	2005 CIMA Including Charities £000
<b>Cash flows from operating activities</b>				
Operating surplus	1,637	1,575	1,956	1,979
Adjustments for:				
Pension scheme service cost	527	527	520	520
Pension scheme finance cost	(84)	(84)	55	55
Pension contributions	(691)	(691)	(570)	(570)
Depreciation and impairment	1,516	1,516	1,421	1,421
Investment income	(694)	(766)	(615)	(668)
Profit on disposal of non current assets	17	17	138	138
Operating cash flow before movement in working capital	<b>2,228</b>	<b>2,094</b>	<b>2,905</b>	<b>2,875</b>
Increase in receivables	(571)	(258)	(656)	(621)
Increase in payables	1,689	1,792	1,408	1,407
Increase in inventories	-	-	(1)	(1)
Cash generated from operations	<b>3,346</b>	<b>3,628</b>	<b>3,656</b>	<b>3,660</b>
Taxation	(37)	(37)	-	-
<b>Net cash from operating activities</b>	<b>3,309</b>	<b>3,591</b>	<b>3,656</b>	<b>3,660</b>
<b>Cash flows from investing activities</b>				
Purchase of investments	(12)	(12)	(21)	(58)
Sale of investments	-	4	-	-
Purchase of property, plant and equipment	(665)	(665)	(823)	(823)
Sale of property, plant and equipment	239	239	128	128
Investment income	694	766	615	668
<b>Net cash used in investing activities</b>	<b>256</b>	<b>332</b>	<b>(101)</b>	<b>(85)</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,565</b>	<b>3,923</b>	<b>3,555</b>	<b>3,575</b>
Cash and cash equivalents at 1 January	13,159	13,753	9,604	10,178
<b>Cash and cash equivalents at 31 December</b>	<b>16,724</b>	<b>17,676</b>	<b>13,159</b>	<b>13,753</b>

# Notes to the consolidated accounts

## 1 Summary of accounting policies

### a Basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), and under the historical cost convention, as modified by the revaluation of freehold properties and investments. The group financial statements comprise the accounts of CIMA and its wholly owned subsidiaries together with the Charitable Trusts and other funds under the control of CIMA as shown in note 11. All financial statements are made up to 31 December each year.

The Charitable Trusts and other funds were previously excluded on the basis that their assets were held separately from those of CIMA. IAS 27 – Consolidated and Separate Financial Statements – requires CIMA to consolidate the Charitable Trusts and other funds as in all cases CIMA is effectively the Trustee and is deemed to control those funds.

This represents a change in accounting treatment, the effect of which is shown in the Statement of Changes in Funds, with the surplus reported for the year ended 31 December 2005 being reduced by £73k compared to that previously reported.

### b Income recognition

The main income streams are recognised as follows:

- subscriptions in the year when they fall due, where there is no significant uncertainty as to collectibility
- exam fees by the date of the exam
- Mastercourse fees by the date of the course
- magazine sales and advertising by the month of publication
- dividends from investments when CIMA's right to receive payment is established
- interest is accrued on a daily basis
- sponsorship income is recognised when the event occurs
- charitable donations and income are recognised when they are received.

### c Expenditure recognition

Expenditure related to a specific income stream is recognised in the same period as the income. Expenditure related to a specific period of time or service is recognised in that period. Goods or services delivered, for which the invoice has not been received, are accrued in the accounting period when they are received. Expenditure delivering the core products or services of CIMA or its ongoing functional activity for which there is no direct revenue benefit is expensed in the accounting period in which the commitment was made. Charitable expenditure is recognised on an accruals basis.

### d Grants made to non UK divisions and offices

Grants are expensed in the year to which they relate. Locally generated income and any assets or liabilities arising, which are not of a material nature, are not included in these financial statements.

### e Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to CIMA. All other leases are classified as operating leases, and rental payments are charged against income on a straight line basis over the term of the lease.

### f Taxation

Corporation tax arises on CIMA's chargeable gains, investment income less any charitable donations by way of gift aid and trading profits. Provision is made for deferred taxation to the extent that timing differences are expected to reverse in future periods. No provision for deferred taxation is included in respect of surpluses on revaluation of property and investments.

### g Investments

Investments are recognised at cost on the trade date, and are restated on the reporting date at fair value. Unrealised gains and losses (including those arising on translation of investments denominated in foreign currencies) are recognised directly in fair value reserves until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in fair value reserves is included in net surplus or deficit for the period.

## **1 Summary of accounting policies (continued)**

### **h Property, plant and equipment**

The freehold interests are carried at fair value, based on valuations conducted every three years, with subsequent additions at cost; and are depreciated at 2% reducing balance method on the fair value. Leasehold improvements made to 26 Chapter Street, London, UK are carried at cost and depreciated on a straight line basis over the period of occupation, from November 2001 to September 2015. Other equipment, comprising of IT systems and related hardware is carried at cost and depreciated on a straight line basis at rates varying from 20% to 50%, depending on the useful economic life of the equipment. Small items of furniture and office equipment are expensed in the year of purchase.

### **i Impairment**

At each balance sheet date the carrying amounts of tangible non-current assets with finite lives are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

If the recoverable amount of the asset is estimated to be less than the carrying amount, the carrying amount is reduced to the recoverable amount. Impairment losses are recognised in the income statement, unless the asset is land or buildings at a revalued amount, in which case the impairment loss is treated as a decrease in the fair value reserve.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in the income statement, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as an increase in the fair value reserve.

### **j Inventories**

Inventories are valued at the lower of cost or net realisable value.

### **k Foreign currencies**

Transactions in currencies other than sterling are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities are retranslated at the rates prevailing on the balance sheet date. Surpluses and deficits arising on exchange are included in the net surplus or deficit for the period.

### **l Retirement benefits**

For defined benefit plans, the cost of providing benefits is determined using the projected credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses which exceed 10% of the greater of the present value of the pension obligation and the fair value of plan assets are amortised over the expected average remaining working lives of the participating employees. Past service cost is recognised immediately, to the extent that benefits are already vested, and otherwise is amortised on a straight line basis over the average period until the amended benefits become vested.

The amount recognised in the balance sheet represents the present value of the defined benefit obligation, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the unrecognised actuarial losses and past service cost, plus the present value of available funds and reductions in future contributions to the plan.

For the defined contribution scheme, the cost recognised for the period is the contribution payable in exchange for service rendered by employees during the period.

## Notes to the consolidated accounts continued

### 2 Detailed consolidated income statement

	2006 Income £000	2006 Direct expenditure £000	2006 Net £000	2005 Income £000	2005 Direct expenditure £000	2005 Net £000
<b>a Subscriptions</b>	<b>20,751</b>	<b>–</b>	<b>20,751</b>	<b>18,941</b>	<b>–</b>	<b>18,941</b>
<b>b Members' and students' services</b>						
Communications	1,422	(7,095)	(5,673)	1,397	(6,126)	(4,729)
External mail	252	(100)	152	218	(91)	127
Mastercourses	2,574	(2,167)	407	1,974	(1,687)	287
Secretariat	–	(1,470)	(1,470)	–	(1,533)	(1,533)
International	–	(5,254)	(5,254)	–	(3,746)	(3,746)
Technical services	8	(1,375)	(1,367)	9	(1,182)	(1,173)
Business development	–	(1,181)	(1,181)	–	(986)	(986)
	<b>4,256</b>	<b>(18,642)</b>	<b>(14,386)</b>	<b>3,598</b>	<b>(15,351)</b>	<b>(11,753)</b>
<b>c Professional standards</b>						
Professional standards	–	(848)	(848)	–	(723)	(723)
Accountancy bodies	–	(1,079)	(1,079)	–	(855)	(855)
	<b>–</b>	<b>(1,927)</b>	<b>(1,927)</b>	<b>–</b>	<b>(1,578)</b>	<b>(1,578)</b>
<b>d Education</b>						
Exams	10,547	(3,958)	6,589	9,567	(3,850)	5,717
Development	122	–	122	39	(1,845)	(1,806)
Publishing royalty	89	–	89	88	–	88
Learning partnerships	–	(1,786)	(1,786)	–	–	–
Centre of excellence	–	(319)	(319)	–	–	–
	<b>10,758</b>	<b>(6,063)</b>	<b>4,695</b>	<b>9,694</b>	<b>(5,695)</b>	<b>3,999</b>
<b>e Financial income and expense</b>						
Investment income	694	–	694	615	–	615
Net (loss)/profit on non current asset disposal	–	(17)	(17)	–	(138)	(138)
Expected return on pension scheme assets	1,173	–	1,173	972	–	972
Interest on pension scheme liabilities	–	(1,089)	(1,089)	–	(1,027)	(1,027)
	<b>1,867</b>	<b>(1,106)</b>	<b>761</b>	<b>1,587</b>	<b>(1,165)</b>	<b>422</b>
<b>f Indirect costs</b>						
Financial services			(1,491)			(1,150)
IT and facilities			(3,363)			(3,131)
Property			(1,372)			(1,875)
Depreciation			(1,516)			(1,477)
Human resources			(785)			(682)
Recoverable VAT			270			184
			<b>(8,257)</b>			<b>(8,131)</b>



## 2 Detailed consolidated income statement (continued)

	2006 Income £000	2006 Direct expenditure £000	2006 Net £000	2005 Income £000	2005 Direct expenditure £000	2005 Net £000
<b>g Foreign property impairments</b>						
<b>Impairment</b>			-			<b>56</b>
<b>h Charitable trusts and other funds</b>						
Benevolent Fund	79	(96)	(17)	58	(80)	(22)
General Charitable Trust	537	(582)	(45)	462	(519)	(57)
Anthony Howitt Lecture Trust	9	-	9	27	(12)	15
Prize Fund	-	(9)	(9)	-	(9)	(9)
	<b>625</b>	<b>(687)</b>	<b>(62)</b>	<b>547</b>	<b>(620)</b>	<b>(73)</b>

## 3 Operating surplus

### a The operating surplus has been arrived at after charging:

	2006 £000	2005 £000
Audit fees	50	46
Taxation and other services paid to auditors	46	50
	<b>96</b>	<b>96</b>
Net foreign exchange (gain)	<b>(88)</b>	<b>(22)</b>
Research and development costs	<b>208</b>	<b>140</b>
Depreciation	<b>1,516</b>	<b>1,477</b>

In accordance with article 3(c) of the Royal Charter, no Council member was remunerated during the year, except under byelaw 34(b) (examiners' fees). No Council member benefited personally from any contract with CIMA, and contracts with organisations with which Council members were connected are not of a material nature. The total reimbursement of expenses incurred by Council members on CIMA business was £426k (2005: £402k).

### b Employees

	2006 £000	2005 £000
Salaries and wages (including temporary staff) *	9,411	8,023
National insurance	861	688
Defined benefit pension scheme	527	520
Defined contribution scheme	247	245
	<b>11,047</b>	<b>9,476</b>

\* These figures include the Senior Management Team detailed below.

The year end number of UK employees was 251 (2005: 246), and overseas employees was 99 (2005: 80). All employees work in administrative roles.

## Notes to the consolidated accounts continued

### 3 Operating surplus (continued)

#### c Senior Management Team

Remuneration and individual short term employee benefits paid during the year, to members of the UK SMT in post at the year end, fell within the following ranges:

	2006	2005
£190k – £200k	1	1
£120k – £130k	1	1
£110k – £120k	3	4
<£100k	2	–
	<b>7</b>	<b>6</b>

### 4 Taxation

	2006 £000	2005 £000
<b>a UK corporation tax payable on surplus for the year</b>	<b>18</b>	<b>37</b>

#### b Factors affecting the tax charge for the year

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30%); the difference is explained below.

Operating surplus	<b>1,575</b>	<b>1,883</b>
Tax at the standard rate of 30%	473	565
Effects of:		
Net income not taxable	(426)	(497)
UK dividends received	(3)	(10)
Capital allowances (more)/less than depreciation	(3)	(4)
Utilisation of tax losses	(34)	(26)
Lower rates of taxation	(8)	(13)
Charitable Trusts	19	22
<b>Current tax charge/(credit) for the year</b>	<b>18</b>	<b>37</b>

No tax liabilities arise under the activities of the charitable trusts.

## 5 Property, plant and equipment

	Freehold land and buildings (at valuation) £000	Leasehold property (at cost) £000	Other equipment (at cost) £000	Total £000
<b>Cost or valuation</b>				
At 1 January 2006	992	3,711	4,302	9,005
Additions	–	70	595	665
Revaluation	39	–	–	39
Disposals	(273)	–	–	(273)
<b>At 31 December 2006</b>	<b>758</b>	<b>3,781</b>	<b>4,897</b>	<b>9,436</b>
<b>Accumulated depreciation</b>				
At 1 January 2006	(27)	(1,252)	(1,939)	(3,218)
Charge for the year	(20)	(296)	(1,200)	(1,516)
Eliminated on revaluation	30	–	–	30
Eliminated on disposals	17	–	–	17
<b>At 31 December 2006</b>	<b>–</b>	<b>(1,548)</b>	<b>(3,139)</b>	<b>(4,687)</b>
<b>Carrying amount</b>				
<b>At 31 December 2006</b>	<b>758</b>	<b>2,233</b>	<b>1,758</b>	<b>4,749</b>
At 1 January 2006	965	2,459	2,363	5,787

The valuation of the freehold land and building in Sri Lanka, has been prepared by Philip Motha, Chartered Valuer, on the basis of depreciated replacement cost at 30 November 2006.

On a historical cost basis the revalued freehold land and buildings in Sri Lanka would have been included at a cost of £670k less accumulated depreciation of £184k.

## 6 Investments

	Charitable Institute £000	2006 Trust Funds £000	2005 Total £000	Total £000
<b>At 1 January 2006</b>	2,799	2,261	5,060	4,240
Additions	12	–	12	21
Disposals	–	(4)	(4)	(17)
Gain on disposals	–	–	–	–
Revaluation	140	279	419	816
<b>At 31 December 2006</b>	<b>2,951</b>	<b>2,536</b>	<b>5,487</b>	<b>5,060</b>
Historic cost	2,320	1,928	4,248	4,240

The above investments comprise listed investments.

## Notes to the consolidated accounts continued

### 7 Current assets

Council considers that the carrying amounts of these assets approximates to their fair values.

**a Inventories** comprise books and Mastercourse materials held for resale.

**b Trade and other receivables** comprise:

	CIMA excluding charities		CIMA including charities	
	2006 £000	2005 £000	2006 £000	2005 £000
Trade receivables	719	674	719	674
Prepayments	818	161	818	514
Due from CIMA's Charitable Trusts	464	436	–	–
Other receivables	356	514	389	438
Charitable Trusts receivables	–	–	–	41
	<b>2,357</b>	<b>1,785</b>	<b>1,926</b>	<b>1,668</b>

The average credit period taken on trade receivables is 40 days. No allowance has been made in respect of trade receivables as they are all considered to be recoverable (2005: £20k).

**c Other cash and cash equivalents** comprise:

	CIMA excluding charities		CIMA including charities	
	2006 £000	2005 £000	2006 £000	2005 £000
Cash on hand and bank balances	3,724	4,159	3,724	4,157
Short term cash deposits	8,000	9,000	8,000	9,000
Cash equivalent investments repayable on demand	5,000	–	5,000	–
Charitable Trusts bank balances	–	–	952	596
	<b>16,724</b>	<b>13,159</b>	<b>17,676</b>	<b>13,753</b>

### d Credit risk

The risk on cash balances, deposits and available for sale investments is minimal, as all are held with banks with high credit ratings assigned by international agencies.

The trade credit risk is mainly attributable to subscription and exam fee income. There is no concentration of risk in this area, as income is diversified over a large number of members and students. As noted above, no allowance is considered necessary.



## 8 Current liabilities

Council considers that the carrying amounts of these liabilities approximates to their fair values.

**Trade and other payables** comprise:

	CIMA excluding charities		CIMA including charities	
	2006	2005	2006	2005
	£000	£000	£000	£0000
Trade payables and accruals	4,820	4,215	4,820	4,215
Due to CIMA's Charitable Trusts	–	7	–	–
Other taxes and social security costs	532	492	532	492
Research accruals	172	254	172	254
Deferred income	75	112	75	114
Charitable Trusts payables	–	–	356	261
	<b>5,599</b>	<b>5,080</b>	<b>5,955</b>	<b>5,335</b>

## 9 Retirement benefits

CIMA operates a defined benefit pension scheme in the UK; it has been closed to new entrants since 1 January 2002. In April 2004 three changes were made to the scheme: increasing normal retirement age to 65, pension income based upon the average of the 5 years prior to retirement and removal of the 3% inflation index floor. In addition CIMA increased its contribution to the fund by £250k per year, to recover the past deficits over 15 years. In April 2005 a triennial valuation was carried out. Based upon the results CIMA (from 1 January 2006) increased contributions by 3.2% to 19.2% (on active members' pensionable salary), and contributed a further £50k per annum towards the recovery of the current deficit over 13 years. Following a further valuation as at 1 April 2006, with effect from January 2007 it has been agreed that contributions will increase by 3.6% to 22.8% together with a total of £460k per annum towards the recovery of the current deficit, over 10 years.

### a The assumptions used were:

	2006	2005
	%	%
Rate of increase in salaries	4.00	4.00
Rate of increase in pensions in payment (pre April 2004)	3.00	3.00
Rate of increase in pensions in payment (post April 2004)	3.00	2.80
Discount rate	5.10	4.80
Inflation assumption	3.00	2.80

The choice of assumptions is the responsibility of Council, and they are agreed with the actuary. The assumptions chosen are the best estimates from a range of possible actuarial assumptions, which due to the timescale covered, may not necessarily be borne out in practice.

## Notes to the consolidated accounts continued

### 9 Retirement benefits (continued)

b The assets in the scheme and the expected rate of return were:

	2006 Value £000	Long term rate of return expected %	2005 Value £000	Long term rate of return expected %
Bonds – Government	1,638	4.50	1,292	4.00
Bonds – Corporate	2,808	5.10	2,019	4.80
Equities	16,843	6.50	15,463	6.50
Cash	467	5.00	471	4.50
<b>Total market value of assets</b>	<b>21,756</b>	<b>6.14</b>	<b>19,245</b>	<b>6.10</b>
Present value of scheme liabilities	(24,160)		(22,698)	
<b>Deficit in the scheme</b>	<b>(2,404)</b>		<b>(3,453)</b>	

c Amounts charged to the income statement

	2006 £000	2005 £000
Current service costs	527	520
Interest on pension scheme liabilities	1,089	1,027
Expected return on pension scheme assets	(1,173)	(972)
<b>Total cost</b>	<b>443</b>	<b>575</b>

d Movement in deficit during year

	2006 £000	2005 £000
Deficit in scheme at beginning of the year	(3,453)	(3,480)
Movement in year:		
Current service cost	(527)	(520)
Contributions	691	570
Other finance income/(expense)	84	(55)
Actuarial gain in the Statement of changes in funds attributable to CIMA members	801	32
<b>Deficit in scheme at end of the year</b>	<b>(2,404)</b>	<b>(3,453)</b>

e Analysis of gain recognised in the Statement of changes in funds attributable to CIMA members

	2006 £000	2005 £000	2004 £000	2003 £000	2002 £000
Actual return less expected return on pension scheme assets	1,116	2,390	660	1,518	(3,506)
Experience (losses)/gains arising on the scheme liabilities	(249)	32	(12)	(334)	224
Changes in assumptions underlying the present value of the scheme liabilities	(66)	(2,390)	(601)	107	(582)
	<b>801</b>	<b>32</b>	<b>47</b>	<b>1,291</b>	<b>(3,864)</b>

## 9 Retirement benefits (continued)

### f History of experience gains and losses

	2006 £000	2005 £000	2004 £000	2003 £000	2002 £000
Difference between actual and expected returns on assets:					
amount	1,116	2,390	660	1518	(3506)
% of scheme assets	5.1%	12.4%	5.1%	12.4%	4.2%
Experience (losses) and gains on liabilities:					
amount	(249)	32	(12)	(334)	224
% of scheme assets	(1.0)%	0.1%	(0.1)%	(1.9)%	1.4%
Total amount recognised in the Statement of changes in funds attributable to CIMA members:					
amount	801	32	47	1291	(3,864)
% of scheme assets	(3.3)%	(0.1)%	(0.2)%	(7.5)%	(24.5)%

The assets performed significantly better than expected due to a general strengthening of the stock market. Additional contributions of £300k per annum have also been made into the scheme in the year. The membership remained stable over the year and the funding level of the scheme has improved from 85% to 90%.

The main financial and demographic assumptions, e.g. those relating to salary increases, inflation, mortality and withdrawals are unchanged from the previous year.

## 10 Commitments

a CIMA is the leaseholder for 26 Chapter Street for a period of 15 years to September 2015. Annual rental is payable under the lease of £775k subject to an upward only review every 5 years.

### b Other property rentals

Other property rentals expiring within 2 years amount to £50k per annum.

Other property rentals expiring within 2 to 5 years amount to £102k per annum.

## 11 Subsidiaries and associated bodies

The group financial statements consolidate the accounts of CIMA and its wholly owned subsidiary undertakings, together with the Charitable Trusts under control of CIMA, made up to 31 December each year.

### a CIMA Enterprises Limited

	Share capital £000	Loans £000	Provision £000	Total £000
At 1 January 2006	1,569	1,787	3,102	254
Loans advanced	–	1,305	(123)	1,428
Repayments	–	(1,700)	–	(1,700)
<b>At 31 December 2006</b>	<b>1,569</b>	<b>1,392</b>	<b>2,979</b>	<b>(18)</b>

CEL was incorporated in England on 2 March 2000, and commenced trading on 1 September 2000. CIMA holds 100% of the issued share capital of CEL. Its principal activities during the year were magazine publications, CIMA Mastercourses, CIMA privileges and direct mailing.

## Notes to the consolidated accounts continued

### 11 Subsidiaries and associated bodies (continued)

#### b Other companies

CIMA also holds 100% of the 100 £1 issued ordinary shares of CIMA China Limited. This company was incorporated on 15 December 2005, to manage a representative office to be established in China in 2006. It was dormant until it commenced activities on 16 April 2006. There were no outstanding balances between CIMA and CIMA China Limited at 31 December 2006.

CIMA holds 98% of the 100 issued £1 ordinary shares of The Corporate Society of Financial Management Limited, 100% of the two issued £1 ordinary shares of The Institute of Cost and Works Accountants Limited and 100% of the 100 £1 issued ordinary shares of Global Professional Accountants In Business Limited, Global Management Accountants In Business Limited, Professional Accountants In Business Limited and Management Accountants In Business Limited. All these companies were dormant in the periods covered by these financial statements.

#### c CIMA Charitable Trusts

Each of the following Trusts either have CIMA as Trustee or CIMA appoints the Trustees.

##### Benevolent Fund

The Fund was created for the relief of necessitous persons who are or have been members of CIMA, or any predecessor body. At 31 December 2006 the net assets of the Fund stood at £2,312k (2005: £2,079k).

##### General Charitable Trust

The Trust was formed for the advancement of education in the subjects of accounting, management accounting, electronic data processing, costing, auditing, taxation, applied economics, finance and other related subjects of an educational nature. At 31 December 2006 the net assets of the Trust stood at £52k (2005: £97k), and owed £454k to CIMA.

##### Anthony Howitt Lecture Trust

A trust deed was established in 1984 by Anthony Howitt to finance biennial lectures. At 31 December 2006 the net assets of the Trust stood at £324k (2005: £287k), of which investments at market value were £304k (2005: £275k), and owed £5k to CIMA.

#### d Other funds

##### Prize Fund

This Fund was created by a number of donations to generate prizes in CIMA exams. At 31 December 2006, the net assets of the fund, comprising mainly cash, stood at £12k (2005: £20k), and it owed £5k to CIMA.



## 12 Segmented information

CIMA comprises three separate reportable business segments encompassing CIMA, CEL and CIMA's Charitable Trusts. CIMA's activities relate to the membership. CEL undertakes the commercial activities such as courses which are available to members and non-members. The Charitable Trusts undertake charitable activities, in particular with regard to members in hardship and technical research.

### Segment net assets

	CIMA		CEL		Charitable Trusts		Group	
	2006 £000	2005 £000	2006 £000	2005 £000	2006 £000	2005 £000	2006 £000	2005 £000
Revenue	33,565	29,292	4,067	4,015	624	547	38,256	33,854
Result								
<b>Segment result</b>	<b>9,771</b>	<b>9,927</b>	<b>123</b>	<b>103</b>	<b>(62)</b>	<b>(73)</b>	<b>9,832</b>	<b>9,957</b>
Indirect expenses							(8,257)	(8,130)
Foreign property impairments							-	56
Operating surplus							1,575	1,883
Taxation							(18)	(37)
<b>Surplus</b>							<b>1,557</b>	<b>1,846</b>
Assets	25,500	22,589	816	789	3,524	2,893	29,840	26,271
Liabilities	(14,472)	(14,145)	(834)	(534)	(356)	(261)	(15,662)	(14,940)
<b>Net assets</b>	<b>11,028</b>	<b>8,444</b>	<b>(18)</b>	<b>255</b>	<b>3,168</b>	<b>2,632</b>	<b>14,178</b>	<b>11,331</b>

# CIMA's Council and Executive Committee

Meetings attended by members of CIMA's Council and Executive Committee (January 2006 to December 2006)

Name	Area	Council	Executive	Name	Area	Council	Executive	Name	Area	Council	Executive
Babber G L	1	5/5	5/6	Glass G Mcl +	12	4/5	6/6	MacSween CG #			0/1
Bainbridge Spring A P	1	5/5		Grant J G <i>dp</i>		5/5	6/6	Madden M + <i>co</i>			2/4
Baird J H	8	5/5		Haggis I B <i>co</i>		2/5		Marler D M	2	4/5	6/6
Banham R E	11	5/5		Hassall T	5	3/5		May M R ++	4	4/5	1/1
Banks-Cooper S A	5	3/5		Hoof S M	4	4/5		Mendis C H <i>co</i>			3/5
Barnes D	4	5/5		Jacklin D ~ ~ ~	3	2/3		Parsons S B	2	5/5	
Brownlee C	9	4/5		Joachim A E A	19	5/5	6/6	Patterson G ~ ~	3	0/1	
Bush D J ~	18	4/5	1/3	Kaye G R <i>pp</i>		1/1	2/2	Ramosedi A <i>co</i>			3/5
Callander J	7	5/5		Kenworthy R F	6	5/5		Rowlands W F**	12	5/5	5/6
Chan K K C	15	5/5		Kleinman I	17	3/5		Senaratne H S A	14	5/5	
Christison I <i>ipp</i>		5/5	6/6	Lawrence K B	11	4/5		Sheppard M C B <i>co</i>			4/5
Clutterham R M	1	5/5		Lee O K	16	5/5		Sneller K J	5	2/5	
Coghlan J P <i>p</i>		5/5	6/6	Lewis M + <i>co</i>		4/4		Stanford D	6	5/5	2/2
Connell W E # <i>co</i>		1/1	1/2	Longhorn C G	7	5/5		Tidd R +	3	2/4	
Crum R ≈	3	n/a		Lowth G M <i>vp</i>		5/5	6/6	Watson M A	11	4/5	
Davies R J J	11	5/5		Luck K + <i>co</i>		4/4		Wilson R I	2	5/5	
Evans P + <i>co</i>		4/4		McCluskey J A	12	4/5		Windsor F	6	5/5	
Farnworth W J***	6	5/5	4/6	McCue S + <i>co</i>		4/4		Wood A R	3	4/5	3/4
Furber M L	10	5/5									

## Senior Council Officers

President	John Coghlan
Deputy President	Gordon Grant
Vice President	Glynn Lowth

## Key

*	Council Member
<i>p</i>	President
<i>dp</i>	Deputy President
<i>vp</i>	Vice President
<i>pp</i>	Past President
<i>ipp</i>	Immediate Past President
<i>co</i>	Co-opted
<i>nc</i>	Non-CIMA Member
<i>s</i>	Staff
+	Appointment effective from AGM 2006
#	Left Council/or Executive Committee at AGM 2006
++	Joined the Executive Committee November 2006
~	Left Executive Committee October 2006
~~	Resigned June 2006
~~~	Resigned October 2006
≈	Elected 18 December 2006

## Executive Committee Meetings

**	alternate for two meetings (Kenneth C Chan)
***	alternate for one meeting (Iain Haggis)

## Area

1	Central London and North Thames	10	East, West Central and Southern Africa
2	South West England and South Wales	11	Central Southern England
3	East Midlands	12	South East England
4	West Midlands	14	South Asia
5	North East England	15	North Asia
6	North West England and North Wales	16	South East Asia
7	Scotland	17	Europe, North Africa and Middle East
8	Northern Ireland	18	The Americas
9	Republic of Ireland	19	Australasia

# CIMA Representatives on external boards and committees

as at 31 December 2006

Board or Committee	CIMA Representative
<b>Consultative Committee of Accountancy Bodies (CCAB)</b>	
	John Coghlan* <i>p</i>
	Gordon Grant* <i>dp</i>
In attendance	Charles Tilley <i>s</i>
<b>CCAB Ethics Group</b>	
	Nina Barakzai
	Danielle Cohen <i>s</i>
<b>CCAB European Issues Task Force</b>	
	Richard Mallett <i>s</i>
<b>CCAB International Issues Task Force</b>	
Ex-officio as IFAC Board Member for the UK	Charles Tilley <i>s</i>
	Richard Mallett <i>s</i>
<b>CCAB Money Laundering Working Party</b>	
	David Cafferty
	Martin Nimmo <i>s</i>
<b>CCAB Ireland (CCABI)</b>	
CIMA Member Representative (Republic of Ireland)	Peter Sommerfield
CIMA Member Representative (Northern Ireland)	Graham Kane
<b>International Federation of Accountants (IFAC)</b>	
The Council CIMA Representative	John Coghlan* <i>p</i>
The Board Member	Charles Tilley <i>s</i>
<b>Professional Accountants in Business Committee</b>	
UK Representative and Chairman	William Connell* <i>(until December 2006)</i>
Member	Alfred Ramosedi
Technical Adviser	Richard Mallett <i>s</i>
<b>International Accounting Education Standards Board</b>	
Technical Adviser	Robert Jelly <i>s</i>
<b>Developing Nations Permanent Task Force</b>	
Member	Lalith Fonseka
Technical Adviser	Kathy Grimshaw <i>s</i>
<b>Federation des Experts Comptables Europeens (FEE)</b>	
Accounting Working Party	Jim Metcalf
	Nick Topazio <i>s</i>
Auditing: Internal Control Sub Group	James Duckworth
Auditing: Money Laundering Sub Group	Martin Nimmo <i>s</i>

Board or Committee	CIMA Representative
Company Law and Corporate Governance Working Party	Richard Mallett <i>s</i>
Ethics Working Party	Danielle Cohen <i>s</i>
Financial Reporting Policy Group	Jim Metcalf
	Nick Topazio <i>s</i>
Liberalisation/Qualification Education Sub Group	Robert Jelly <i>s</i>
Sustainability Working Party	Martin Houldin
<b>Council of the Association of Accounting Technicians (AAT)</b>	
2nd out of 3 years (1st term)	John Joyce
1st out of 3 years (1st term)	Karen Newbury
1st out of 3 years (3rd term)	Phil Whitworth
<b>Financial Executives Group Ltd (FEG)</b>	
Director	Harry Byrne <i>pp</i>
Director	Jim Metcalf
Director	Pat Redrup
<b>Consultative Committee of Professional Management Organisations (CCPMO)</b>	
	Charles Tilley <i>s</i>
<b>H M Revenue and Customs Joint VAT Consultative Committee</b>	
	Keith Lawrence*
<b>University Courts</b>	
The University of Bath	Derek Barnes*
The University of Lancaster Kenworthy*	Richard
The University of Technology, Loughborough	Ron Giffin <i>pp</i>
The University of Surrey	Brian Chester
The University of Cranfield	Mike Jeans <i>pp</i>
The University of Stirling Conference	Jim Callander*
The University of Cardiff	Robert Wilson*
<b>Other Senior Appointments held by CIMA Members</b>	
<b>UK Financial Reporting Council (FRC)</b>	
Council Member	Rosemary Thorne
<b>UK FRC Financial Reporting Review Panel</b>	
	Barbara Moorhouse
	Rosemary Thorne
	George Rose
<b>UK FRC Accounting Standards Board</b>	
	Helen Weir
<b>UK FRC SME Audit Sub-Committee</b>	
	Craig Jenkins
<b>Council of the Association of Accounting Technicians (AAT)</b>	
Council Member	Rod Davies*

## CIMA's Executive Committee and Sub-Committee

as at 31 December 2006

### Executive Committee

Chairman	John Coghlan <i>p</i> *
	Gordon Grant <i>dp</i> *
	Glynn Lowth <i>vp</i> *
	Gulzari Babber*
	Ian Christison <i>ipp</i> *
	Wilf Farnworth*
	Margaret May*
	George Glass*
	Aubrey Joachim*
	Daphne Marler*
	Francis Rowlands*
	Reg Wood*
Secretary	Charles Tilley <i>s</i>

### Investment Performance Sub-Committee

Chairman	Roger Boyes
	Tony Clinch
	Tom Glancy <i>pp</i>
	Julie Kalnins
	Mary Sheppard*
Secretary	John Windle <i>s</i>

## CIMA's Policy Committee

as at 31 December 2006

### International Development Committee

Chairman	Francis Rowlands*
Vice Chairman	Kenneth Chan*
	Harold Baird*
	Simon Banks-Cooper*
	Derek Barnes*
	Stewart Bond
	Clive Brownlee*
	Anne Caine
	Priyan Fernando
	Lalith Fonseka
	Malcolm Furber*
	O K Lee*
	Keith Luck*
	Alfred Ramosedi*
	Francesca Windsor*
Secretary	Kathy Grimshaw <i>s</i>

### Marketing Committee

Chairman	Margaret May*
Vice Chairman	Michael Watson*
	Harold Baird*
	Andrew Billington
	Rod Davies*
	Phil Evans*
	Jonathan Fearn
	Ben Fletcher
	Jim McCluskey*
	Karen McLernon
	Mathew Needham
	Mary Sheppard*
	Robin Tidd*
Secretary	Ray Perry <i>s</i>

### Professional Standards Committee

Chairman	Gulzari Babber*
Vice Chairman	Hiran Mendis*
	Nina Barakzai
	Alan Burton
	Ivan Court
	Craig Jenkins
	Keith Lawrence*
	Colin Longhorn*
	Sharon McCue*
	Simon Parkes
	Elaine Richardson
	Kevin Sneller*
	Francesca Windsor*
Secretary	Robin Vaughan <i>s</i>

### Lifelong Learning Policy Committee

Chairman	Wilf Farnworth*
Vice Chairman	Ian Haggis*
	Alix Bainbridge Spring*
	Beryl Castle
	Trevor Hassall*
	Sue Hoof*
	Ian Kleinman*
	Myriam Madden*
	Daphne Marler*
	Katrina Nurse
	Simon Parkes
	David Stanford*
	Tim Stewart
	Robert Wilson*
	Robert Wood
Secretary	Robert Jelly <i>s</i>

### Members' Services Committee

Chairman	Aubrey Joachim*
Vice Chairman	Bob Banham*
	Phil Barker
	Peter Fullam
	Malcolm Furber*
	Richard Kenworthy*
	Paul Koumi
	Keith Lawrence*
	Tuan Haji Muztaza bin Haji Mohamad
	Maryvonne Palanduz
	Sue Parsons*
	Sudarshan Senaratne*
Secretary	John Windle <i>s</i>

### Technical Committee

Chairman	George Glass*
Vice Chairman	Alfred Ramosedi*
	Robin Bellis-Jones
	Steven Bliss
	Professor M Bromwich <i>pp</i>
	Jim Callander*
	Jacqueline Darroch
	Hugh Evans
	Richard Kenworthy*
	Jim Metcalf
	Reg Wood*
Secretary	Kim Ansell <i>s</i>

## Governance Committees

as at 31 December 2006

### Appointments Committee

Chairman	Ian Christison <i>ipp*</i>
Vice Chairman	Roland Kaye <i>pp</i>
	John Coghlan <i>p*</i>
	Gordon Grant <i>dp*</i>
	Glynn Lowth <i>vp*</i>
	Robin Clutterham*
	Sue Hoof*
Secretary	Charles Tilley <i>s</i>

### Audit Committee

Chairman	Allan McNab <i>pp</i>
Vice Chairman	Mike Jeans <i>pp</i>
	Harold Baird*
	Steve Carter
	Robin Clutterham*
	Niall Howard
Secretary	Erica Lee <i>s</i>

## Independently Appointed Conduct Committees

as at 31 December 2006

### Investigation Committee

Chairman	Vacancy
Vice Chairman	Caroline Langridge <i>nc</i>
	Martha Blomfield <i>nc</i>
	Roger Brocklebank
	James Buchan <i>nc</i>
	John Burns
	Tony Dart
	Christine Hayhurst <i>nc</i>
	Marcus Hill
	Premaraj Jayasundara
	Ian Leigh
	James Mirabal
	Ian Watts
	Ronald Whitfield <i>nc</i>
Secretary	Joanna Low <i>s</i>

### Disciplinary Committee

Chairman	Alexandra Marks <i>nc</i>
Vice Chairman	Patricia Thomas <i>nc</i>
	Peter Aspinall
	Jeremy Atkinson <i>nc</i>
	Cyril Barratt
	Michael Brooks
	Ray Brown
	Philip Davis <i>nc</i>
	Kevin Heal
	Rita Lewis <i>nc</i>
	Alasdair MacNab
	Suzanne McCarthy
	Laurence Peterken <i>nc</i>
	Barbara Saunders <i>nc</i>
	John Vick <i>nc</i>
Secretary	Joanna Low <i>s</i>

### Appeal Committee

Chairman	Kenneth Hamer <i>nc</i>
Vice Chairman	Jeremy Strachan <i>nc</i>
	Michael Adams <i>nc</i>
	Jayan Dalal <i>nc</i>
	Elizabeth Derrington <i>nc</i>
	Malcolm Hewitt <i>nc</i>
	Athene Heynes <i>nc</i>
	Linda Jacobs <i>nc</i>
	John Laphorne
	Jonathan Rao <i>nc</i>
	Raphael Stuart
	David Tomlinson
Secretary	Kathy Grimshaw <i>s</i>

## Other Committees, Boards and Trusts

as at 31 December 2006

### Benevolent Fund Committee

Chairman	Richard Kenworthy*
Vice Chairman	Jim McCluskey*
	Ken Evans
	Frank Guilfoyle
	Andrew Oxley
Secretary	Caroline Aldred <i>s</i>

### CIMA Enterprises Ltd (CEL)

Chief Executive Officer	Charles Tilley <i>s</i>
Director	CIMA (Corporate Body)
Executive Director	Robert Jelly <i>s</i>
Executive Director	Ray Perry <i>s</i>
Company Secretary	Erica Lee <i>s</i>

### General Charitable Trust

Chairman	Tom Glancy <i>pp</i>
Vice Chairman	Harry Byrne <i>pp</i>
	Paul Thackray
	Francesca Windsor*
Secretary	John Windle <i>s</i>

### CIMA China

Director	CIMA (Corporate Body)
Director	Kathy Grimshaw <i>s</i>
Company Secretary	Erica Lee <i>s</i>

# CIMA

