



Chartered Institute of
Internal Auditors

Report and Accounts

2010/11

A message from the President

This has been a memorable year for everyone involved with the Institute. Our vision for internal audit as 'essential to success' is gaining pace and we proudly launched the new Chartered Institute of Internal Auditors in October 2010.

The internal audit profession is facing a number of challenges, in part due to the current economic environment. The Chartered Institute has responded well to these challenges in the last financial year, concentrating on maintaining membership levels and controlling costs.

But today's complex corporate environment also provides a real opportunity for the internal audit profession, and those working within it, to raise our profile and to demonstrate real value to directors and business leaders.

With this in mind the Institute set itself two goals; to develop our members and to promote the role and the value of internal audit as a profession. In the last financial year we have made solid progress towards meeting these objectives.

Continuous development of professional skills and competencies will help ensure we meet stakeholder expectations and this year we created the first Chartered Internal Auditors, increased our output of technical guidance for members and offered the widest and largest selection of internal audit training courses and seminars in the UK and Ireland.

Work also continued on providing tailored professional development services for members with a series of events with FTSE100 internal audit leaders and the launch of a new networking group for representatives of leading professional services firms.

Developing relationships with our key audiences such as government, regulators and the media is also vital to raising our profile. This year we gave evidence at the House of Lords Economic Affairs Committee Inquiry into Audit Concentration, created a policy and influence team, started engaging with stakeholders and business organisations and responded to consultations from regulators in the UK, Ireland and Europe.

You can read more about our achievements within 'Essential to Success', which you will find online at www.iaa.org.uk under Publications, and also within the September 2011 edition of Internal Auditing magazine.

The Limited Company and the Chartered Institute accounts

Due to the transfer to Chartered status, our accounts this year are split into two 6-month periods. The first covers the old limited company (1 April 2010 – 30 September 2010) and the second the new Chartered Institute (1 Oct 2010 – 31 March 2011). Both sets of accounts are available from our website at www.iaa.org.uk, under About Us, Annual Reports. In order for members to gain a full view of our performance over the 2010/11 financial year we have produced a set of pro-forma accounts which you will find within these pages.

On behalf of myself and my Council colleagues I would like to extend thanks to members for your continued support and we look forward to supporting you in your professional goals in 2011/12.



Melvyn Neate FIIA, President

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Directors' report

The Directors have pleasure in submitting their report and the audited accounts for the period ended 31 March 2011 for the Chartered Institute of Internal Auditors, together with a pro-forma financial statement reflecting the merged businesses of the Chartered Institute of Internal Auditors and The Institute of Internal Auditors – UK and Ireland Limited.

The pro-forma financial statements have been produced in order for members to gain a full view of our performance over the 2010/11 financial year.

Accounting for the ongoing business of the Institute

The Chartered Institute of Internal Auditors was granted its Royal Charter on 24 June 2010. Trading commenced on 1 October 2010 with the transfer to it of the business, assets and liabilities of The Institute of Internal Auditors – UK and Ireland Limited. Accordingly, in the year to 31 March 2011 the Institute's activities were conducted through two legal entities: The Institute of Internal Auditors - UK and Ireland Limited for the six months from 1 April 2010 to 30 September 2010; and the Chartered Institute of Internal Auditors for the six months from 1 October 2010 to 31 March 2011.

Principal activities

The principal activities of the Institute are: the promotion and development of the practice of internal auditing, the dissemination of technical and professional guidance to members, the development of professional education and training programmes for internal auditors and the provision of opportunities for members to network, exchange information and share best practice.

Financial stewardship

Trading conditions remained difficult throughout the year as many employers of our members reduced their training budgets. In consequence the Executive focused on maintaining membership levels and containing costs. Operating income was £3,961,649 a decrease of £132,638 (3.2%) on the previous year. Direct expenses were £3,882,187 a decrease of £303,402 (7.2%) on the previous year. Overall, the accounts for the year show a surplus after tax of £81,001 against a deficit of £83,273 for 2009/10.

The financial position of the Institute remains strong. We have net assets of £1,498,630 and cash balances of £1,483,549 at 31 March 2011. In addition, in the Council's opinion the market value of the Institute's leasehold property continues to exceed its carrying value.

Directors

The following Directors have held office in the year:

S Blackburn	President and Chairman to 10/11/10
R Beattie	
M Carawan	Appointed 23/03/11
M Craig	
D Finch	Appointed 10/11/10
P Haley	Retired 10/11/10
P Kaczmar	Appointed 10/11/10
M Lock	Appointed 10/11/10
P McDonald	
P McKenzie	Retired 10/11/10
M Neate	President and Chairman from 10/11/10
J Paterson	Appointed 10/11/10
I Peters	
P Ratcliffe	
D Reynolds	
A Richmond	Retired 10/11/10
N Rimmer	
V Watson	

No Director received a fee in the period.

Control, monitoring and reporting

Council, through the Chief Executive, is responsible for ensuring that budgets and plans are prepared and that programmes of work are implemented. There are ongoing processes embedded within the Institute's overall business operations, and addressed by senior management, which monitor the effective application of the policies, processes and activities related to internal control and risk management.

An annual risk assessment and audit plan is developed, presented to and approved by the Audit Committee. Internal audit reports in respect of this financial year were reviewed with management and communicated to the Audit Committee. Recommendations to address any identified issues are monitored by the Audit Committee, which in turn reports to Council. The Risk Register and key strategic risks are reported to and considered by Council, via the Audit Committee. Council also receives regular reports on key performance indicators.

The members of the Audit Committee during the year were: R. Beattie, C. Jones, P. Ratcliffe, P. Swift, L. Turner, V. Watson (Chairman) and M. Zack. Throughout this time internal audit services were provided to the Institute by Moore Stephens LLP.

With regard to internal control, The Institute's culture, code of conduct and human resources policies support the achievement of its objectives, the management of risk and the internal control system. A Remuneration Committee sets on-going policy for the pay and reward of staff and approves the salary of the Chief Executive. Processes and controls are adjusted to reflect new and / or changing risks or operational deficiencies.

Statement of Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with the United Kingdom General Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

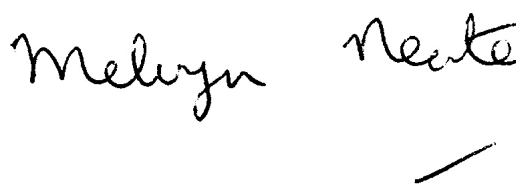
So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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

Re-appointment of auditors

Warrener Stewart have agreed to offer themselves for re-election as auditors to the Institute.

By Order of the Council of Directors



Melvyn Neate FIIA, President
13 Abbeville Mews
88 Clapham Park Road, London SW4 7BX
20 July 2011

Auditors' report

Independent auditors' report to the members of the Chartered Institute of Internal Auditors

We have audited the financial statements of the Chartered Institute of Internal Auditors for the period ended 31 March 2011 which comprise the Income and Expenditure Account, Statement of Total Recognised Gains and Losses, Balance Sheet, and the related notes, together with the pro-forma financial statement of the Institute for the year then ended, including its Income and Expenditure Account, Balance sheet, Cash Flow Statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Institute's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Practices for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Institute's circumstances and have been consistently applied and adequately disclosed; the reasonableness

of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Institute's affairs as at 31 March 2011 and of its surplus for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.



Colin Edney (Senior Statutory Auditor) for and on behalf of Warrener Stewart Chartered Accountants and Registered Auditor Harwood House, 43 Harwood Road, London SW6 4QP
24 August 2011

Income and expenditure account

	Chartered Institute Period to 31/3/11	Combined business for the year ended 31 March on a pro-forma basis	
		2011	2010 as restated
	Note	£	£
Operating income		2,129,567	4,094,287
Direct expenses		(1,959,299)	(4,185,589)
Operating surplus / (Operating deficit)	2	170,268	(91,302)
Interest receivable	3	746	4,741
Surplus / (Deficit) on ordinary activities before taxation		171,014	(86,561)
Taxation: (charge) / overprovision net of charge	5	(5,000)	3,288
Surplus / (Deficit) on ordinary activities after taxation for the period	13	166,014	(83,273)

Statement of total recognised gains and losses

	Chartered Institute Period to 31/3/11	Combined business for the year ended 31 March on a pro-forma basis	
		2011	2010 as restated
	Note	£	£
Deficit for the period		166,014	(77,191)
Prior year adjustment	12	-	(6,082)
Total recognised gains and losses since last annual report		166,014	(83,273)

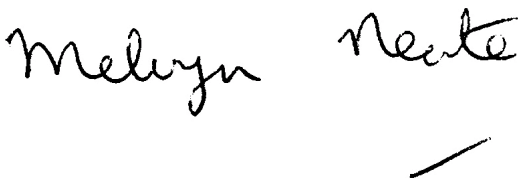
The cumulative effect of prior year adjustments as at 31 March 2011 is £20,738.

Balance sheet

	Note	Chartered Institute 2011 £	Pro-forma basis 2010 as restated £
Fixed Assets			
Tangible Assets	6	867,993	895,754
Investment in subsidiary companies	7	68	68
		<u>868,061</u>	<u>895,822</u>
Current Assets			
Stock	8	15,640	12,983
Debtors	9	841,047	738,819
Cash at bank		1,483,549	1,448,838
		<u>2,340,236</u>	<u>2,200,640</u>
Less Creditors: amounts falling due within one year	10	1,709,667	1,678,833
Net current assets		<u>630,569</u>	<u>521,807</u>
Total assets less current liabilities		<u>1,498,630</u>	<u>1,417,629</u>
Reserves			
Income and expenditure account	13	1,498,630	1,417,629

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

Approved by the Council of Directors for issue on 20 July 2011.



M Neate FIIA
President



P Kaczmar FIIA
Chair of Business and Finance Committee

Cash flow statement

	Combined business for the year ended 31 March on a pro-forma basis	
	2011	2010 as restated
	£	£
Reconciliation of operating surplus to net cash inflow from operating activities		
Operating surplus/(Operating deficit)	79,462	(91,302)
Depreciation charge	72,166	70,538
Increase in stocks	(2,657)	(4,438)
Increase in debtors	(102,228)	(83,681)
Increase/ (Decrease) in creditors	29,834	(118,636)
Net cash inflow/(outflow) from operating activities	76,577	(227,519)
Returns on investments and servicing of finance		
Interest received	2,539	4,741
Tax paid	-	(6,712)
Capital Expenditure		
Purchase of tangible fixed assets	(44,405)	(10,753)
Increase/(Decrease) in cash	34,711	(240,243)
Reconciliation of net cash flow to movement in net funds and analysis of change in net funds		
Net funds at 1 April		
Cash at bank	1,448,838	1,689,081
Increase/(Decrease) in cash	34,711	(240,243)
Net funds at 31 March		
Cash at bank	1,483,549	1,448,838

Notes to the accounts

1. Basis of preparation of the financial statements

The financial statements present the statutory income and expenditure account for the Chartered Institute of Internal Auditors for the period from grant of its Royal Charter on 24 June 2010 to its first period end on 31 March 2011 together with a pro-forma annual financial statement for the combined business activities of the Chartered Institute of Internal Auditors and The Institute of Internal Auditors - UK and Ireland Limited covering the year ended 31 March 2011.

The pro-forma financial statement therefore represents the continuing business of the Institute in the year to 31 March 2011 comprising the results of The Institute of Internal Auditors - UK and Ireland Limited for the six months from 1 April 2010 to 30 September 2010 together with the results of the Chartered Institute of Internal Auditors for the period from commencement of trade on 1 October 2010 to 31 March 2011.

Restatement of comparative figures

As part of the process leading to the Institute's application for a Royal Charter, the Council reviewed the Institute's accounting policies and decided to change certain policies in relation to income recognition and the release of previously deferred income. This gives rise to a prior year adjustment in the final accounts of The Institute of Internal Auditors - UK and Ireland Limited, see note 12. The comparative figures in the pro-forma financial statement are prepared on a "restated" basis to show the effect of the prior year adjustment.

Basis of accounting

The accounts have been prepared in accordance with the historical cost convention and in accordance with the Financial reporting Standards for Smaller Entities (effective April 2008).

The Charter is not prescriptive as to the statutory provisions under which the financial statements are to be prepared, although the Auditors are required to report on the financial statements under the appropriate Companies Act. The Institute has adopted the provisions of the Companies Act 2006 for reporting purposes.

Basis of consolidation

No consolidated accounts have been prepared for the Institute and its subsidiary undertakings. The pro-forma financial statement presents the combined businesses of the Chartered Institute of Internal Auditors and The Institute of Internal Auditors - UK and Ireland Limited using the principles of merger accounting.

Cash flow statement

In adopting the small companies regime, the Institute is not required to prepare a cash flow statement. For clarity, a cash flow statement has been prepared on a pro-forma basis, reflecting the cash flows of the combined business entities for the year.

Operating income

Operating income comprises membership subscriptions, fees for courses and conferences, examination and open learning fees, and advertising revenue, all excluding VAT.

The following categories of revenue are recognised as income in the period to which they relate: personal subscriptions of voting members, students and affiliates; courses and conference fees; fees for services; advertising revenue. Examination and open learning fees are accounted for in the period in which the examination is sat. Non-refundable group scheme fees and magazine subscriptions are recognised in the period in which their renewal is due.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets on a straight line basis at rates calculated to write off their cost or valuation, less the estimated residual value of each asset, over their expected useful life as follows:

Long leasehold property	50 years
Furniture and fittings	7 years
Office equipment	3 - 5 years

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on the estimated selling price less the estimated cost of disposal.

Pensions

The Institute operates a defined contribution scheme for its employees. The funds of this scheme are administered by trustees and are separate from the company. All payments are charged to the income and expenditure account as and when they arise.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Transactions in foreign currencies are recorded at the rate ruling on the date of the transaction.

Leasing transactions

Rentals payable under operating leases are charged to the profit and loss on a straight line basis over the lease term.

Deferred taxation

Deferred taxation is provided using the full provision method. Deferred tax is recognised in respect of all timing differences. Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

It is the Institute's policy not to discount deferred tax to reflect the time value of money.

2. Operating surplus/deficit

	Chartered Institute Period to 31/3/11 £	Combined business for the year ended 31 March on a pro-forma basis 2011 £	2010 as restated £
The operating surplus is stated after charging:			
Depreciation of tangible fixed assets	38,872	72,166	70,538
Operating lease rentals:			
- land and buildings	-	-	-
- other assets	4,620	9,240	8,711
Auditors' remuneration	11,000	23,000	11,000

3. Interest

	Period to 31/3/11 £	2011 £	2010 as restated £
Interest received and receivable	746	2,539	4,741

4. Directors

	Period to 31/3/11 £	2011 £	2010 as restated £
Total directors' emoluments, including pension contributions and other benefits	77,010	143,760	174,499
The emoluments, including pension contributions and other benefits, of the highest paid director	77,010	143,760	106,386

The number of directors for whom retirement benefits are accruing under money purchase pension schemes

1	1	1
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5. Taxation

	Period to 31/3/11	2011	2010 as restated
	£	£	£
Corporation tax at 21% (2010: 21%)	5,000	10,000	10,000
Over provision in earlier years	-	(9,000)	(13,288)
	5,000	1,000	(3,288)

The Institute is liable to corporation tax only on its investment income and on any surplus on transactions with non-members.

6. Tangible fixed assets

	Long leasehold property	Furniture & fittings	Other equipment	Total
	£	£	£	£
Cost				
At 1 April 2010	993,148	226,067	55,143	1,274,358
Additions	-	25,593	18,812	44,405
Elimination of fully depreciated items	-	(14,033)	(23,995)	(38,028)
Disposals	-	-	-	-
At 31 March 2011	993,148	237,627	49,960	1,280,735
Depreciation				
At 1 October 2010	252,386	84,305	41,913	378,604
Charge for the period	19,863	35,650	16,653	72,166
Elimination of fully depreciated items	-	(14,033)	(23,995)	(38,028)
Disposals	-	-	-	-
At 31 March 2011	272,249	105,922	34,571	412,742
Net book value				
At 31 March 2011	720,899	131,705	15,389	867,993
At 31 March 2010	740,762	141,762	13,230	895,754

7. Investment in subsidiary companies

	Chartered Institute 2011	Pro-forma basis 2010 as restated
	£	£
Irish subsidiary		
100 ordinary shares of €1 each in IIA Training Limited, a company registered in the Republic of Ireland.	68	68

The company owns 100% of the ordinary share capital of IIA Training Limited. This subsidiary company commenced trading on 1 April 2007. It provides member services in the Republic of Ireland.

	Chartered Institute Period to 31/3/11	Combined business for the year ended 31 March on a pro-forma basis 2011	2010
	€(22,375)	€19,843	€(22,171)
IIA Training Limited - (deficit) / surplus			
As at 31 March		2011	2010
IIA Training Limited - share capital		€100	€100
IIA Training Limited - deficit carried forward in reserves		€44,781	€64,624

The Institute of Internal Auditors – UK and Ireland Limited

On 24 June 2010 the Chartered Institute of Internal Auditors was granted its Royal Charter and members of the The Institute of Internal Auditors – UK and Ireland Limited automatically became members of the chartered institute.

On 30 September 2010 membership of The Institute of Internal Auditors – UK and Ireland Limited was revoked for all but two members. Subsequently, the chartered institute assumed the rights and obligations

under the guarantee that was previously provided by the membership, and the membership of the two remaining members was revoked.

On 1 October 2010, The Institute of Internal Auditors – UK and Ireland Limited transferred its business, assets and liabilities to the Chartered Institute of Internal Auditors and became a dormant subsidiary of the chartered institute.

	Chartered Institute 2011	Pro-forma basis 2010 as restated
	£	£
Open learning study packs	15,640	12,983

9. Debtors

	2011	2010 as restated
	£	£
Fees receivable	588,221	494,923
Amounts owed by subsidiary company	86,351	48,097
Other debtors	166,475	195,799
	841,047	738,819

10. Creditors

	2011	2010 as restated
	£	£
Trade creditors	204,460	115,286
Taxation and social security	138,471	128,708
Other creditors	205,338	231,747
Deferred income - learning and exam fees paid in advance	677,867	479,999
Deferred income - subscriptions paid in advance	324,911	590,618
Deferred income - course fees paid in advance	158,620	132,475
	1,709,667	1,678,833

11. Financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due within 12 months of the balance sheet date.

	2011		2010	
	Land and buildings £	Other £	Land and buildings £	Other £
Expiring				
Within one year to five years	-	9,240	-	8,045
After five years	-	-	-	-
	-	9,240	-	8,045

12. Prior year adjustment

A prior year adjustment arises in the accounts of The Institute of Internal Auditors - UK and Ireland Limited for the six months to 30 September 2010 in respect of changes to certain accounting policies in relation to income recognition and the release of previously deferred income that is no longer required. The areas of income that are affected are shown below.

The prior year adjustment does not affect the accounts of the Chartered Institute of Internal Auditors because the accounting policies were determined by the Council with effect from its incorporation.

(a) Study programme fees

In earlier accounting periods, income from study programme fees was reflected in the accounting period in which it was invoiced. The accounting policy has been changed so that the income is now deferred and reflected in the accounting period in which the examinations are sat. Council considers this treatment to reflect a more representative view of the point at which income from these fees is earned.

(b) Group scheme fees

Fees paid by employers under group scheme arrangements had previously been deferred and the income released over the twelve months following the commencement of the scheme. The accounting policy has been changed in order to recognise such income on the commencement of each group scheme, being the point at which the income becomes non-refundable.

(c) Certificate programme fees

Certificate income relates to fees that have been invoiced and span services provided over a number of accounting periods. It is the policy of the Institute to defer certificate income at the point of sale and to release it at the stage that services are provided under the programme to each individual under that scheme. In reviewing accounting matters, previously deferred amounts have been identified that are no longer required, for example where individuals have subsequently left the scheme.

The prior year adjustment is made up as follows:	£	£
Net decrease in revenue for the year ended 31/03/2010		
Deferral of study programme fees	(29,168)	
Change to income recognition basis for group scheme fees	(2,866)	
Reversal of deferred certificate programme fees	25,952	
Net decrease in revenue for the year ended 31/03/2010, included within the 2010 deficit as restated in Note 13		(6,082)
Net increase in revenue for the year ended 31/03/2009 and earlier		
Deferral of study programme fees	(140,939)	
Change to income recognition basis for group scheme fees	130,217	
Reversal of deferred certificate programme fees	37,542	
Net increase in revenue for the year ended 31/03/2009 and earlier shown as the prior year adjustment in Note 13		26,820
Increase in reserves at 31/03/2010		20,738

The impact of the above changes on the results of the Institute is set out below:

	2011	2010 as restated
	£	£
Decrease in operating income and increase in deficit after taxation	(40,279)	(6,082)

13. Reserves

	2011	2010 as restated
	£	£
At 1 April as previously stated		1,474,082
Prior year adjustment		26,820
At 1 April as restated	1,417,629	1,500,902
Surplus/(deficit) for the year	81,001	(83,273)
At 31 March	1,498,630	1,417,629

14. Related party transactions

Material balances and transactions with related parties arising during the year were as follows:

		Chartered Institute 2011 £	Pro-forma basis 2010 as restated £
Debtor balances arising from the provision of funding for the wholly owned subsidiary IIA Training Ltd	Note 9	86,351	48,097

There were no trading transactions between the Institute and IIA Training Ltd.

Creditor balances arising in the normal course of business with:

Mr J Paterson	400	-
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	Chartered Institute Period to 31/3/11 £	Combined business for the year ended 31 March on a pro-forma basis 2011 2010 as restated £
Transactions with related parties with:		

Mr J Paterson

Purchase of his time as a trainer	5,404	5,404	-
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Mr J Paterson is a director of the Institute.

BHBi Consultancy Ltd

Purchase of the time of training staff	-	1,602	11,217
Sale of advertising space in Internal Auditing magazine to BHBi Consultancy Ltd	1,440	5,760	7,920
Sale of training material to BHBi Consultancy Ltd	160	9,112	9,400

Mr P Haley is a director of BHBi Consultancy Ltd and was a director of the Institute to 10 November 2010.