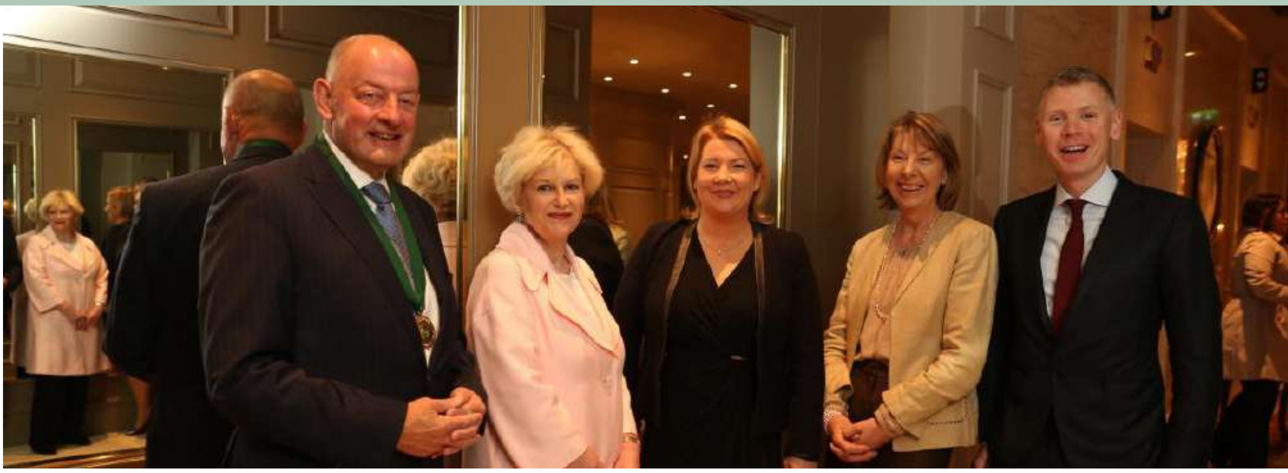
INSTITUTE OF DIRECTORS
IN IRELAND

A company limited by guarantee and not having share capital

CONTENTS

PRESIDENT'S REPORT

DES LAMONT



The IoD hosted an event on the risks and implications of Brexit with guest speaker (pictured on the far right) Philippe Legrain, senior visiting fellow at the London School of Economics and former adviser to European Commission President, José Manuel Barroso. Also pictured (L - R), IoD President Des Lamont, IoD CEO Maura Quinn, Joanne McEnteggart, MD of First Names Group who sponsored the event and RTE presenter Áine Lawlor who was facilitator for the event.

THE ANNUAL REPORT IS TRADITIONALLY A DOCUMENT OF FACT AND STATISTICS, A RECORD OF THE YEAR PAST AND AN INDICATOR OF WHAT IS PLANNED FOR THE YEAR AHEAD. IT IS SAID THAT HISTORY REQUIRES CONTEXT FOR VALID INTERPRETATION AND AS I WRITE MY FINAL PRESIDENT'S REPORT, THAT ADAGE RINGS TRUE.

Part of that context was the manner in which the Institute's dedicated staff coped, and thrived, with the up-and-down events which constitute daily life. To CEO, Maura Quinn, Chief Operating Officer, Thora Mackey and all their colleagues, I want to pay tribute for the excellent service they provided to all our members, and to the President and Council, in their administration and development of the Institute, by their diligence and professionalism. Throughout the year, I have been struck by their dedication; and at various events members have remarked on the excellent manner in which they represent our Institute.

UNEXPECTED NEW CHALLENGES

After a number of years of relative economic stability internationally and encouraging progress nationally, 2016 threw up a whole new set of uncertainties.

In Ireland, we had a hiatus in government and continuing crises in housing and migration, which were unsettling features throughout the year. The UK Referendum provided a result that few in Ireland anticipated and brought the decision that our neighbours would become the first Member State to seek an exit from the European Union. The potential difficulties this might cause for Northern Ireland have been a source of business and political concern since. In the US, a new President was elected, threatening an unprecedented shake-up in international trade and diplomatic relations where there has been a strong and stable partnership for the Irish business community for decades past.

While trying to come to grips with the various new challenges in different business sectors, which this tumult presents, the more prosaic aspects of strategic direction had to be addressed for all our membership.

KEY TOPICS IN 2016

Aside from external developments, there were new regulatory requirements in different fields, to which we responded by providing factsheets to members with the help of McCann FitzGerald and briefings from some of Ireland's foremost experts in their fields.

For instance, in November 2016, EU-wide regulations aimed at fighting the financing of terrorism and money laundering came into effect. In response, we circulated advice from McCann FitzGerald.

Similarly, new statutory auditing regulations and financial disclosure obligations for unlimited companies came into force. Mark Kennedy, Managing Partner at Mazars, gave members an up-to-date briefing on what Irish directors need to know.

In 2016, the IoD reached a key milestone of having over 100 accredited Chartered Directors.

A significant development in 2016 was the publication of the revised Code of Practice for the Governance of State Bodies by the Minister for Public Expenditure and Reform, Paschal Donohoe. The Code has been updated to take account of developments in respect of oversight, reporting requirements and the appointment of board members. We offered a workshop in October to update members. Other topics for briefings included Brexit, risk management, detecting fraud and the property market outlook.

As President, it was my good fortune to attend these briefings and to see and hear the advice being offered by expert speakers. After every function members confirmed to me the value of the contributions they had heard and the quality of the discussion and debate on offer. To all our speakers and advisers in their different fields of expertise, I again offer my sincere thanks for your contributions.

SURVEYS

This year, the Institute again conducted a number of surveys among members. Two in particular stand out. We got a very high response rate – almost 400 members – to our survey about the role of non-executive directors in Ireland.

That research demonstrates that members believe the work of non-executive directors has become more complex and demanding over the past three years, with more time spent preparing for, travelling to, and attending board and committee meetings.

Following the surprise Brexit vote we teamed up with our Institute of Directors UK colleagues for the first time to survey members' reaction. The most specific finding was that 47 percent expect Brexit to take effect in 2019.

CHARTER DIRECTOR PROGRAMME

In 2016, the IoD reached a key milestone of having over 100 accredited Chartered Directors. With the guidance of our new Programme Director, Eileen Gleeson, our Chartered Director Programme is going from strength-to-strength, proven by our 35th cohort beginning their course in September 2016. This is a wonderful achievement for a programme which only commenced in 2008. The IoD in Ireland is particularly proud of the quality of the results which emerge from our Irish candidates and I congratulate all for their diligence and commitment.

IoD SPONSORS

We attracted new sponsorship for our 2017 series of events with Mazars sponsoring our breakfast and evening briefings, First Names Group sponsoring Lunch Bites @ the IoD and Diligent renewed its sponsorship of our Building Better Boards series. Each of these sponsors make an invaluable contribution to the services we can offer to members and we truly appreciate their support.

Our thanks also to McCann FitzGerald and Amrop for the various partnerships and sponsorships that enable the work we do for our members. Diligent also kindly sponsored our Christmas Lunch at which members raised over €20,000 for homeless charity, the Peter McVerry Trust.

COUNCIL

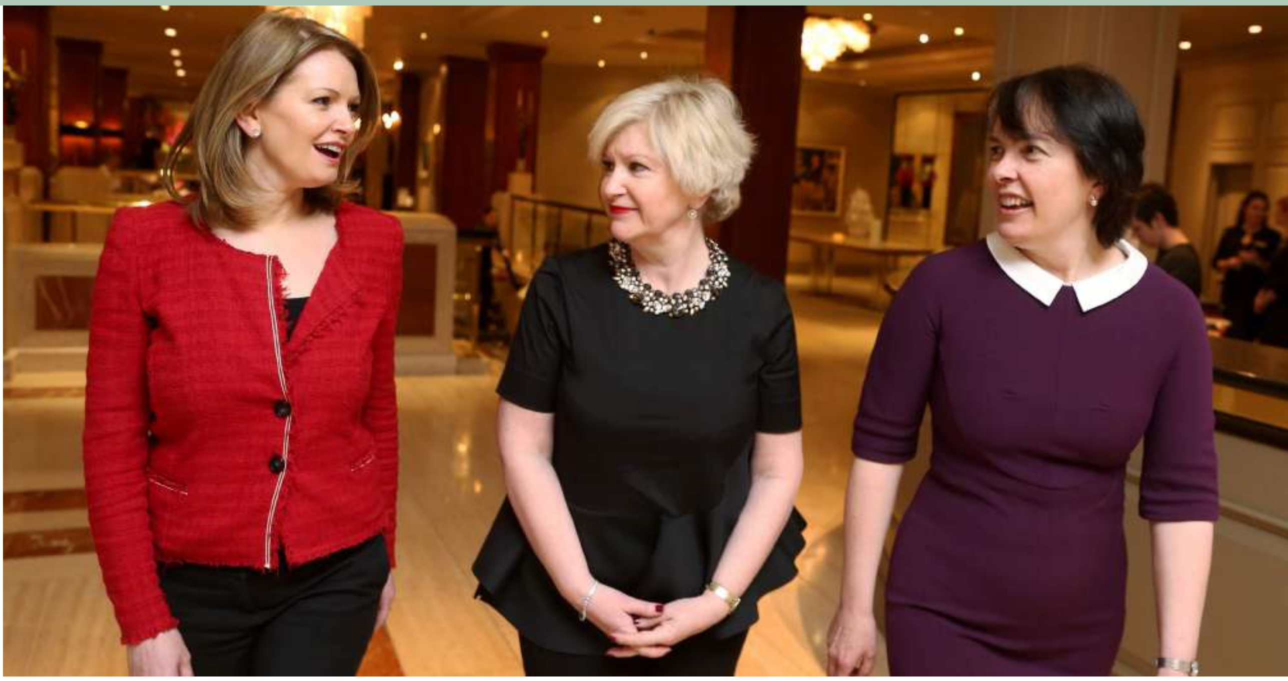
Finally, to my colleagues on the Council, I offer my sincere thanks for their work and support of the Institute. Their wise words of advice and experience were invaluable to me as President and their dedication will ensure that our Institute continues to develop and serve. Two new members, Dan Flinter and Harry Lorton, joined the Council in 2016 and have been excellent additions around the table.

In completing my term as President of the Institute I want to put on record my thanks to every member of the IoD for their participation, in whatever fashion, during the year. I wish to reiterate my appreciation of the courtesy and friendship shown to me by members at every function I attended during the year. The strength of the Institute of Directors in Ireland directly reflects the involvement of our members and by that measurement, it is a healthy, growing, organisation.

Warmest Regards

Des Lamont
President

CHIEF EXECUTIVE'S REPORT
MAURA QUINN



Maura Quinn, CEO of the Institute of Directors in Ireland (middle) with Olivia Buckley (left) and Cora O'Brien of the Irish Tax Institute at the IoD's Tax in the Boardroom briefing in April 2016 at the Westbury Hotel.

IN LAST YEAR'S ANNUAL REPORT I EXPRESSED THE HOPE THAT THE IoD'S MEMBERSHIP WOULD CONTINUE TO INCREASE IN 2016. I AM PLEASED TO REPORT THAT IS EXACTLY WHAT HAPPENED AND OUR MEMBER NUMBERS NOW EXCEED 2,600 FOR THE FIRST TIME.

I believe this reflects two key developments over the past twelve months. Firstly, directors' responsibilities have continued to increase and secondly, issues of corporate governance have continued to be scrutinised. We have responded by increasing our visibility; and deepening our engagement with members, stakeholders and government, providing expert insight and original research to maintain our position as Ireland's leading promoter of best practice in corporate governance.

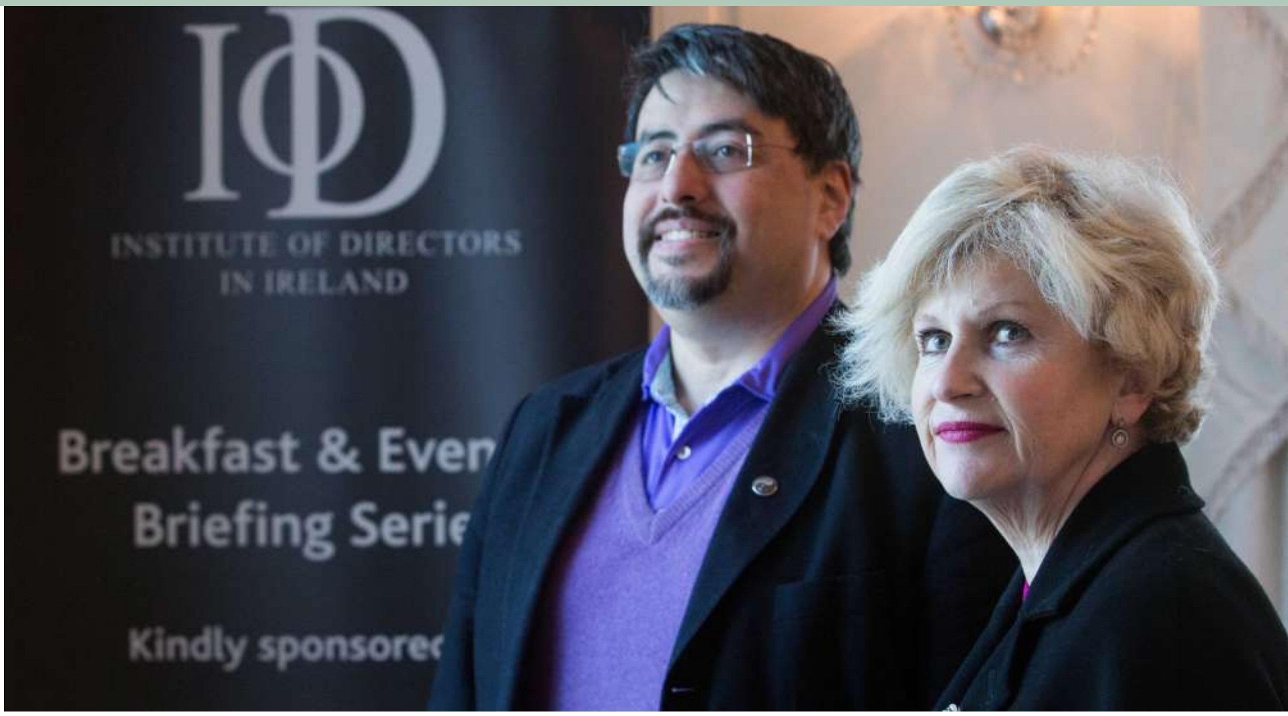
We have continued to develop our range of training, information and networking events with an array of high-level, expert speakers. Nearly 5,000 people attended our events which addressed the priority issues directly affecting the work of executive and non-executive directors in areas such as the economy, politics, regulatory compliance, risk management and building better boards.

An important part of our work is to inform both government and the public about matters critical to good corporate governance. To that end, we increased our communications activity with more webinars, a 66 percent jump in Twitter followers and a 38 percent jump in LinkedIn followers. We also ran a six-week national radio and online campaign in 2016.

The redevelopment of our website in 2015 also brought benefits. In 2016, the site attracted nearly 35,000 new users; a 72 percent increase in visits; and 176 membership applications through the new online service. This was achieved through a combination of content marketing, advertising and the hard work of our team.

Our lobbying in support of members' interests and the promotion of better standards included approaching the Minister for Finance to end the anomalous tax treatment of non-executive directors in respect of their expenses. We also provided input into the review of the State Board Appointment process.

We continued to provide our broad range of services to boards and directors in Ireland through our Board



Technology entreprenuer and author Bill Liao with IoD CEO Maura Quinn at a briefing for members in Cork.

Evaluation service, bespoke board training and personalised director coaching.

Meanwhile, our non-executive director and chairperson appointment service delivered through the Boardroom Centre continued to grow. In 2016, we assisted companies across all sectors – from SMEs and family businesses to major financial institutions – to source excellent candidates. In addition, the Boardroom Centre provided confidential advice and resources to members and client companies.

The response to our membership satisfaction survey provided good results with 81 percent of respondents saying that our service matched or exceeded expectation while 66 percent said their membership helped them to network. Overall, our satisfaction rating was 4.2 out of 5.

Finally, I want to express my deep thanks to the Council of the Institute of Directors for their support and direction over the past 12 months. In particular, our outgoing President Des Lamont for his commitment, professionalism and insight in leading the Institute during a period of membership and service growth. I am sure I speak on behalf of all members in wishing Des all the very best for the future.

Warmest regards

Maura Quinn

Maura Quinn
Chief Executive

To that end, we increased our communications activity with more webinars, a 66 percent jump in Twitter followers and a 38 percent jump in LinkedIn followers. We also ran a six-week national radio and online campaign in 2016.

2016 IN NUMBERS

MEMBERSHIP

2,604 Members

+6.5% net growth in membership

176 Membership applications through new online service

30% OF NEW MEMBERS FEMALE

509 NEW MEMBERS

EVENTS & TRAINING

40 EVENTS HELD

5000 attendance

37 FREE EVENTS

6 EVENTS AND WORKSHOPS HELD OUTSIDE OF DUBLIN

3 SEASONAL LUNCHES

359 attended Thought Leadership and Tax Events

16 TRAINING WORKSHOPS

134 Chartered Directors

450 Non-Executive Directors / Chairs on Boardroom Centre Panel

781 Completed or registered for the Chartered Director Programme (41 cohorts)

COMMUNICATIONS

35,000 WEBSITE NEW USERS + 72%

SESSIONS 56,000

600 NEW FOLLOWERS 66% INCREASE

800 NEW FOLLOWERS

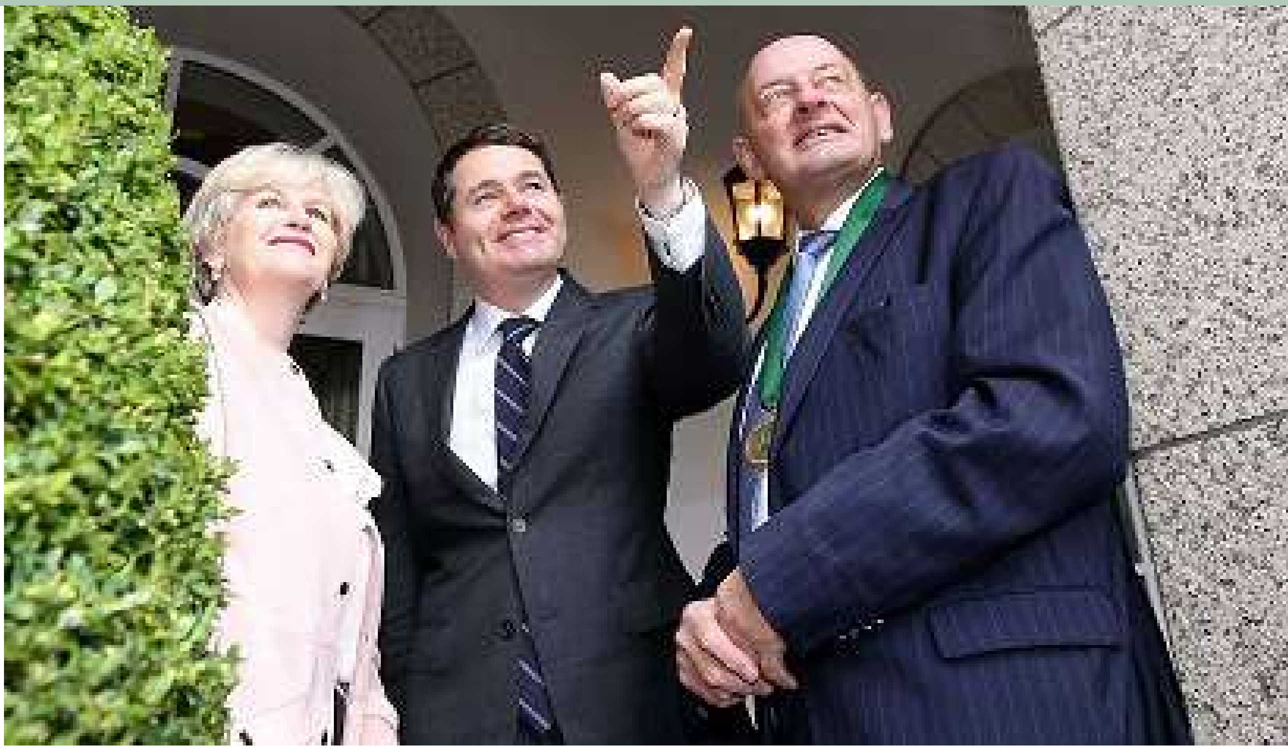
LINKEDIN FOLLOWERS 38% INCREASE

5 WEBCASTS

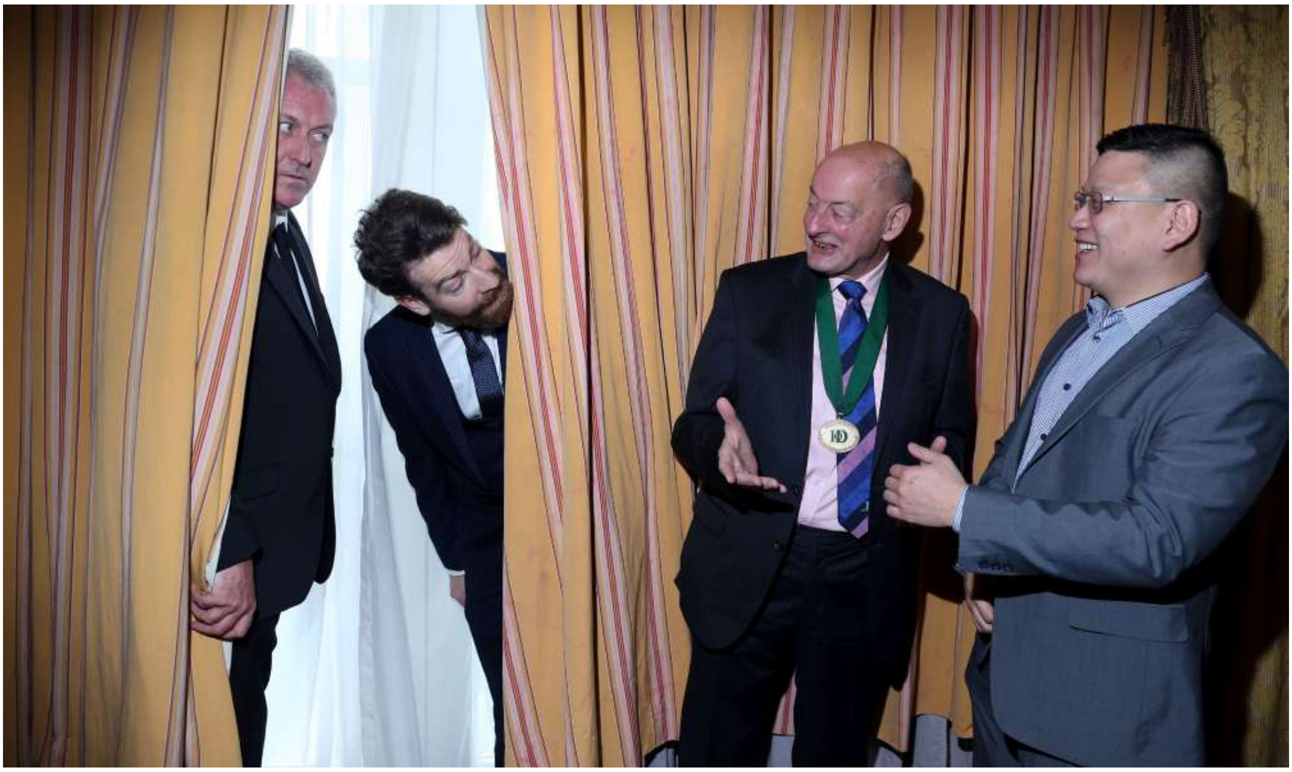
439 APPEARANCES IN MEDIA

Research Reports 4

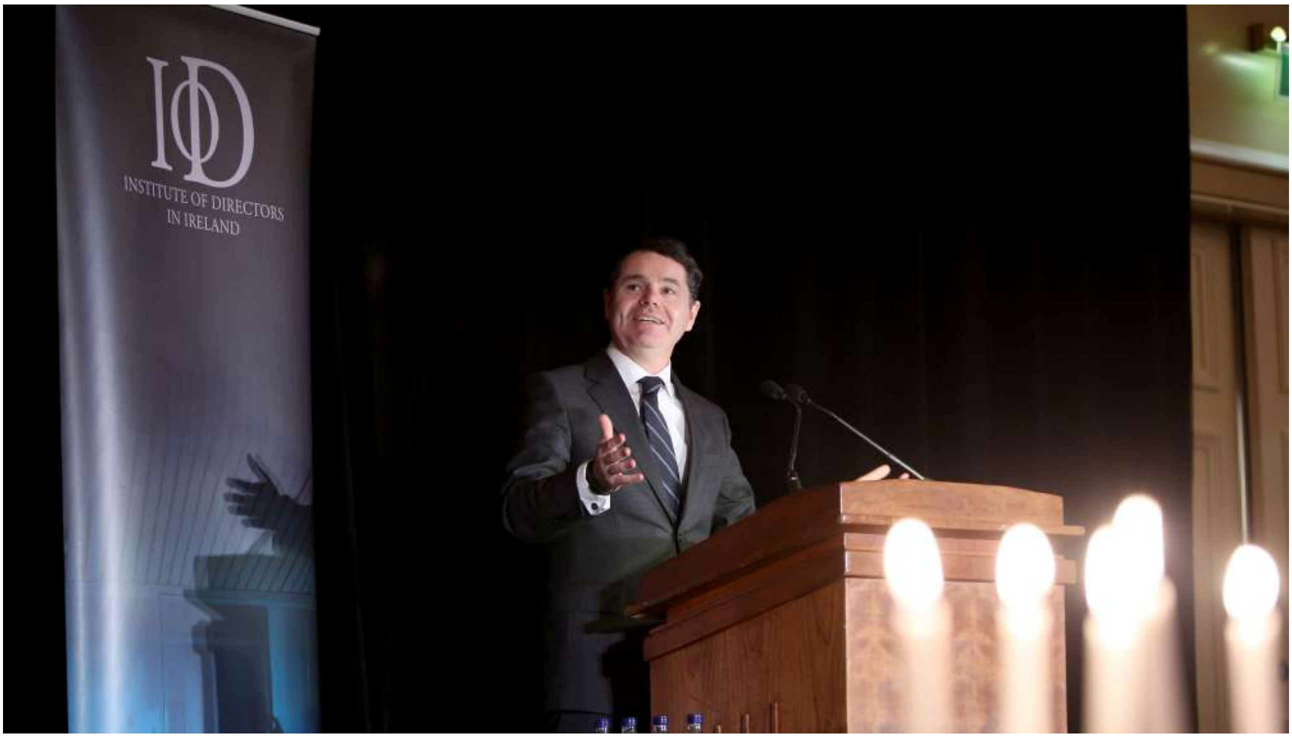
2016 IN PICTURES



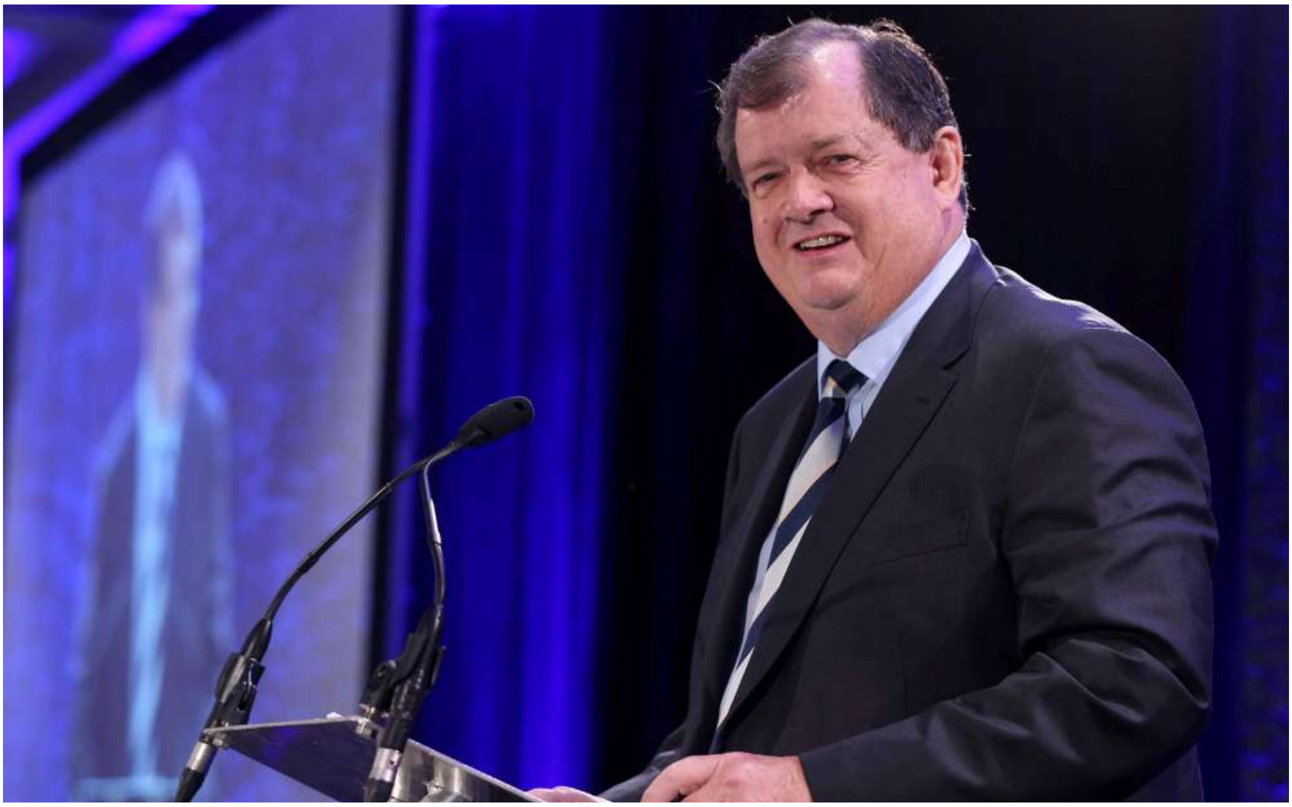
(L - R) Maura Quinn, Institute of Directors in Ireland CEO, with Minister for Public Expenditure & Reform, Paschal Donohoe TD, and IoD President Des Lamont at the IoD Spring Lunch at the InterContinental Hotel, Dublin.



(L – R) At the IoD Christmas Lunch 2016, comedians Barry Murphy and Colm O'Regan eyeballing IoD President Des Lamont and Anderson Dye, Director of Regional Sales and Business Development at Diligent who sponsored the event.



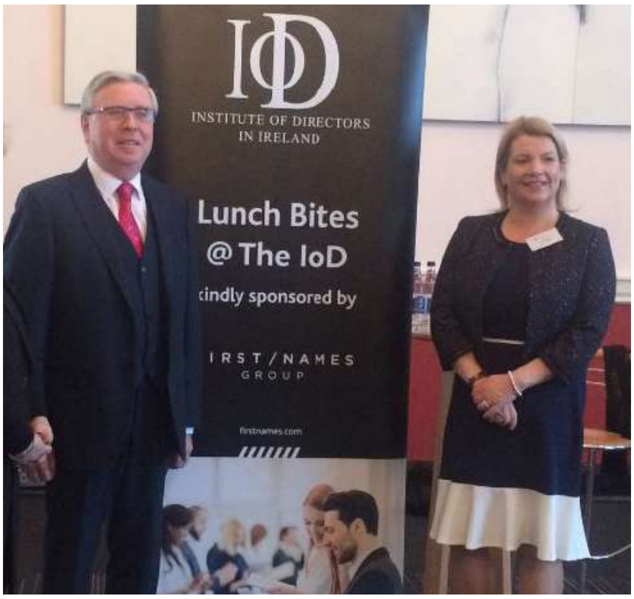
Minister Paschal Donohoe addresses members at the IoD Spring Lunch at the InterContinental Hotel in Dublin



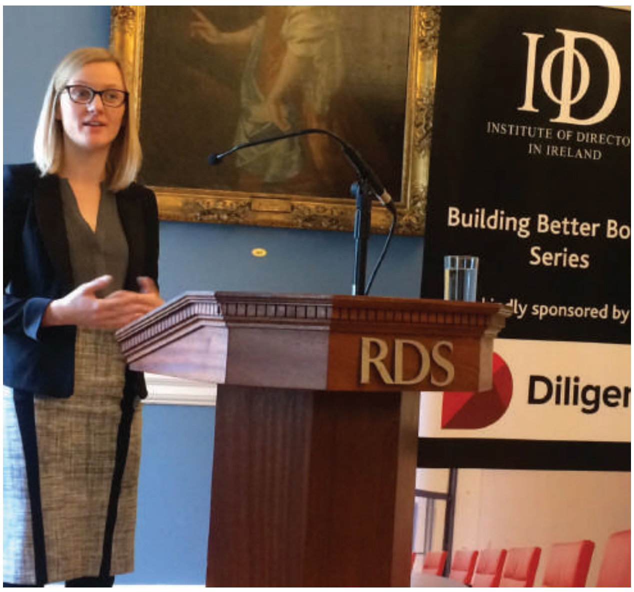
Paul Coulson, Chairman of Ardagh Group, addressing members at the IoD Autumn Lunch sponsored by Amrop.

(L - R) Des Lamont, President of the IoD, Marian Finnegan Chief Economist at Sherry FitzGerald, and Mark Kennedy, Managing Partner of Mazars, at the Irish Property briefing. The IoD Breakfast & Evening Briefing Series 2017 is sponsored by Mazars.

Ciaran Crean, Managing Director of MicksGarage.com, addresses members at an evening briefing, sponsored by Grant Thornton.



Managing Director of First Names Group, Joanne McEnteggart, with Pat Cox, guest speaker at Lunch Bites @ The IoD sponsored by First Names Group.



Magda Borcal Director of Customer Success at Diligent at the IoD Building Better Boards event at the RDS sponsored by Diligent.

DIRECTORS & OTHER INFORMATION

DIRECTORS	D Lamont (President) L Daniel I Gibney H A McSharry J Murphy K Neary M Somers E Coughlan G D'Arcy H Lorton (appointed 2 February 2016) D Flinter (appointed 2 February 2016)
COMPANY SECRETARY	L Daniel
REGISTERED NUMBER	197643
REGISTERED OFFICE	Europa House Harcourt Street Dublin 2
BANKERS	Bank of Ireland Pembroke Road Ballsbridge Dublin 4
SOLICITORS	Eugene F Collins Temple Chambers 3 Burlington Road Dublin 4

IOD COUNCIL MEETING ATTENDANCE 2016

Council Member	Feb 16	April 16	May 16	Sept 16	Nov 16	Total
Des Lamont	Yes	Yes	Yes	Yes	Yes	5/5
Jimmy Murphy	Partial	Yes	No	Yes	Yes	3/5
Dan Flinter	-	No	No	No	Yes	1/4
Ita Gibney	Yes	Yes	No	Yes	Yes	4/5
Kevin Neary	Yes	Yes	Yes	Yes	Yes	5/5
Elaine Coughlan	Yes	Yes	Yes	No	No	3/5
Harry Lorton	-	Yes	Yes	Yes	Yes	4/4
Gabriel D'Arcy	No	Yes	No	Yes	Yes	3/5
Michael Somers	Yes	Yes	Yes	Yes	Yes	5/5
Heather Ann McSharry	Yes	Yes	Yes	Yes	Yes	5/5
Liam Daniel	Yes	Yes	Yes	Yes	Yes	5/5

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

THE DIRECTORS PRESENT THEIR ANNUAL REPORT AND THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016.

COMPANIES ACT 2014
In preparing the financial statements, the directors have exercised the options available to a small private company under the Companies Act 2014. On 25 May 2016, the directors decided to convert to a Company Limited by Guarantee (CLG).

PRINCIPAL ACTIVITIES
The company is engaged in representing the professional interest of its members. This takes the form of organising training, discussions, lectures, meetings and the preparation of papers on matters of interest or benefit to the members of the Institute.

Through the Boardroom Centre, the Institute provides placement services for non-executive directors for companies requiring them and encourages and supports the establishment of best practices.

The Institute provides educational courses for members of the Institute of Directors.

BUSINESS REVIEW
The level of business and the financial year-end position were satisfactory and the directors expect that the present level of activity will be sustained for the foreseeable future.

The cash at bank figure incorporates prepayments for Director Development courses scheduled to take place in 2017.

RESULTS AND DIVIDENDS
The profit for the financial year, after taxation, amounted to €151,665 (2015: €118,975).

DIRECTORS
The directors who served during the financial year were:
D Lamont (President)
L Daniel
I Gibney
H A McSharry
J Murphy
K Neary
M Somers
E Coughlan
G D'Arcy
H Lorton (appointed 2 February 2016)
D Flinter (appointed 2 February 2016)

The following directors retire by rotation and being eligible offer themselves for re-election
M Somers
I Gibney

TRANSACTIONS INVOLVING DIRECTORS
There are no contracts or arrangements of any significance in relation to the business of the company in which the directors had any interest, as defined within the Companies Act 2014, at any time during the financial year ended 31 December 2016.

PRINCIPAL RISKS AND UNCERTAINTIES
The principal risks and uncertainties facing the business include loss of membership income, reduced attendance at the Institute of Directors in Ireland events, loss of income from reduced attendance at courses run by the Institute of Directors in Ireland and reduced activities at the Boardroom Centre. The directors are satisfied that under the above headings the risks are containable and that any financial implications that may arise can be accommodated within existing resources.

The profit for the financial year, after taxation, amounted to €151,665 (2015: €118,975).

ACCOUNTING RECORDS

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Europa House, Harcourt Street, Dublin 2.

EVENTS SINCE THE END OF THE YEAR

There have been no significant events since the financial year end.

FUTURE DEVELOPMENTS

The company will continue to operate at its present activity level in the ensuing financial year.

RESEARCH AND DEVELOPMENT

The company did not engage in any research and development activities during the financial year.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, BDO, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.

D Lamont (President)
Director

L Daniel
Director

Date: 11/4/2017

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

THE DIRECTORS ARE RESPONSIBLE FOR PREPARING THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS IN ACCORDANCE WITH IRISH LAW AND REGULATIONS.

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (relevant financial reporting framework).

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date, of the profit or loss of the company for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

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

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

On behalf of the board

D Lamont (President)
Director

L Daniel
Director

Date: 11/4/2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE INSTITUTE OF DIRECTORS IN IRELAND

WE HAVE AUDITED THE FINANCIAL STATEMENTS OF THE INSTITUTE OF DIRECTORS IN IRELAND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016, WHICH COMPRISE THE STATEMENT OF INCOME AND RETAINED EARNINGS, THE BALANCE SHEET, THE STATEMENT OF CASH FLOWS AND THE RELATED NOTES.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 FRS 1-2 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement on page 14, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express our opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

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Ireland

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY THE COMPANIES ACT 2014

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

John O'Callaghan

for and on behalf of
BDO
Dublin
Statutory Audit Firm
AI223876
Date: 11/4/2017

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STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	NOTE	2016 €	2015 €
Turnover	4	2,331,428	2,211,641
Operating expenses		(2,166,187)	(2,083,099)
Operating profit	5	165,241	128,542
Interest receivable and similar income	7	16,402	29,988
Bank charges	8	(25,607)	(28,645)
Profit before tax		156,036	129,885
Tax on profit	9	(4,371)	(10,910)
Profit after tax		151,665	118,975
Retained earnings at the beginning of the financial year		1,079,904	960,929
		1,079,904	960,929
Profit for the financial year		151,665	118,975
Retained earnings at the end of the financial year		1,231,569	1,079,904

All amounts relate to continuing operations.

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of income and retained earnings.

Signed on behalf of the board:

D Lamont (President)
Director

L Daniel
Director

Date: 11/4/2017

The notes on pages 20 to 29 form part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2016

FIXED ASSETS	NOTE		2016 €		2015 €
Tangible Fixed Assets	10		66,956		61,487
			66,956		61,487
Current assets					
Debtors: amounts falling due within one year	11	105,199		107,348	
Cash at bank and in hand	12	2,259,344		2,033,627	
		2,364,543		2,140,975	
Creditors: amounts falling due within one year	13	(1,124,767)		(1,047,395)	
Net current assets			1,239,776		1,093,580
Total assets less current liabilities			1,306,732		1,155,067
Net assets			1,306,732		1,155,067
Capital and reserves					
Other reserves	15		75,163		75,163
Profit and loss account	15		1,231,569		1,079,904
Shareholders' funds			1,306,732		1,155,067

The financial statements were approved and authorised for issue by the board:

D Lamont (President)
Director

L Daniel
Director

Date: 11/4/2017

The notes on pages 20 to 29 form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	2016	2015
	€	€
Cash flows from operating activities		
Profit for the financial year	151,665	118,975
Adjustments for:		
Depreciation of tangible assets	22,852	20,615
Interest paid	25,607	28,645
Interest received	(16,402)	(29,988)
Taxation charge	4,371	10,910
Decrease/(increase) in debtors	2,149	(9,142)
Increase/(decrease) in creditors	84,148	(12,488)
Corporation tax (paid)/received	(11,147)	811
Net cash generated from operating activities	263,243	128,338
Cash flows from investing activities		
Purchase of tangible fixed assets	(28,321)	(70,653)
Interest received	16,402	29,988
Net cash from investing activities	(11,919)	(40,665)
Cash flows from financing activities		
Interest paid	(25,607)	(28,645)
Net cash used in financing activities	(25,607)	(28,645)
Net increase in cash and cash equivalents	225,717	59,028
Cash and cash equivalents at beginning of financial year	2,033,627	1,974,599
Cash and cash equivalents at the end of financial year	2,259,344	2,033,627
Cash and cash equivalents at the end of financial year comprise:		
Cash at bank and in hand	2,259,344	2,033,627
	2,259,344	2,033,627

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

1. GENERAL INFORMATION

These financial statements comprising the Statement of income and retained earnings, the Balance Sheet, the Statement of cash flows and the related notes constitute the individual financial statements of the Institute of Directors in Ireland for the financial year ended 31 December 2016.

The Institute of Directors in Ireland is a Company Limited by Guarantee and not having a share capital (registered under Companies Act 2014), incorporated in the Republic of Ireland. The Registered Office is Europa House, Harcourt Street, Dublin 2, which is also the principal place of business of the company. The principal activity of the company is representing the professional interest of its members. This takes the form of organising training, discussions, lectures, meetings and the preparation of papers on matters of interest or benefit to the members of the Institute. Through the Boardroom Centre, the Institute provides placement services for non-executive directors for companies requiring them and encourages and supports the establishment of best practices. The Institute provides educational courses for members of the Institute of Directors.

Guarantee liability

In the event of the company being wound up, the liability of such a member to contribute to the company for payment of debts of the company is limited to such an amount as may be required not exceeding €1.27. At 31 December 2016 the company had 2,604 members (2015: 2,446).

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- 20% Straight line
Computer equipment	- 20% Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.3 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.4 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.5 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.
For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.6 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.7 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Pensions: defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.9 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.10 Historic cost convention

The financial statements have been prepared on the historical cost basis of accounting and are denominated in Euro, denoted by the symbol "€".

2.11 Members' fees

Annual income and registration fees for members are included in the income and expenditure account when no significant uncertainty about its collectability exists. Subscriptions received in advance are included in deferred income.

2.12 Boardroom Centre income

Boardroom Centre income is included in the income and expenditure account in the period to which it relates.

2.13 Chartered Director income

Chartered Director income is included in the income and expenditure account in the period to which it relates.

2.14 Affiliation fees

Affiliation fees are payable annually by the Institute of Directors in Ireland to the UK Institute of Directors, based on the number of its members.

2.15 Deferred income

Deferred income consists of membership subscriptions for the calendar year received in advance and Chartered Director income received in respect of courses which are scheduled to be held after the statement of financial position date.

2.16 Taxation

Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The directors consider the accounting estimates and assumptions below to be its critical accounting estimates and judgments:

Useful Lives of Tangible Fixed Assets

Long-lived assets comprising primarily of plant and equipment and office equipment represent a significant portion of total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumptions, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of fixed assets subject to depreciation at the financial year end date was €66,956 (2015: €61,487).

4. TURNOVER

An analysis of turnover by class of business is as follows:

	2016	2015
	€	€
Director development and training programmes	**1,348,728**	1,273,821
IoD events	**175,915**	176,653
The IoD members' annual subscriptions and new members' registration fees	**806,785**	761,167
	2,331,428	2,211,641

All turnover arose in Ireland.

5. OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The operating profit is stated after charging:

	2016	2015
	€	€
Auditors' remuneration	**6,750**	6,500
Depreciation of tangible fixed assets	**22,852**	20,615
Operating lease lentals	**65,651**	65,651
Directors' remuneration	**-**	-
Directors' pension	**-**	-
Affiliation fee to the UK Institute of Directors	**68,226**	61,215

6. EMPLOYEES

Staff costs, including directors' remuneration, were as follows:

	2016	2015
	€	€
Wages and salaries	650,022	594,058
Social insurance costs	66,670	66,491
Cost of defined contribution scheme	57,581	57,986
	774,273	718,535

Capitalised employee costs during the financial year amounted to €NIL *(2015: €NIL)*.

	2016	2015
	No.	No.
The average number of monthly employees were as follows:	10	9

6.1 Key Management Compensation

Key management compensation	2016	2015
	€	€
Total key management compensation	258,104	243,088

The Chief Executive receives a salary and benefits package including pension allowance:

	2016	2015
	€	€
Salary	175,000	170,000
Pension costs	17,500	17,000
Bonus	24,500	34,000
Benefit in kind	17,750	668
Employer social security costs	23,354	21,420
	258,104	243,088

7. INTEREST RECEIVABLE

	2016	2015
	€	€
Interest receivable	16,402	29,988

8. BANK CHARGES

	2016	2015
	€	€
Bank charges	25,607	25,607
	25,607	25,607

9. TAXATION

	2016	*2015*
	€	€
Corporation tax		
Current tax on surplus for the year	4,371	*10,910*

Factors affecting tax charge for the financial year

The tax assessed for the financial year is lower than (2015: lower than) the standard rate of corporation tax in Ireland of 12.5% (2015: 12.5%). The differences are explained below:

	2016	*2015*
	€	€
Surplus on ordinary activities before tax	156,036	*129,885*
Surplus on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (2015: 12.5%)	19,505	*16,236*
Effects of:		
Other differences leading to a (decrease) in the tax charge	(15,134)	*(5,326)*
Total tax charge for the financial year	4,371	*10,910*

10. TANGIBLE FIXED ASSETS

	Office equipment €	Computer equipment €	Total €
Cost or valuation			
At 1 January 2016	17,284	122,183	139,467
Additions	-	28,321	28,321
At 31 December 2016	17,284	150,504	167,788
Depreciation			
At 1 January 2016	13,068	64,912	77,980
Charge for the period	1,735	21,117	22,852
At 31 December 2016	14,803	86,029	100,832
Net book value			
At 31 December 2016	2,481	64,475	66,956
At 31 December 2015	*4,216*	*57,271*	*61,487*

	Office equipment €	Computer equipment €	Total €
Cost or valuation			
At 1 January 2015	17,284	51,530	68,814
Additions	-	70,653	70,653
At 31 December 2015	17,284	122,183	139,467
Depreciation			
At 1 January 2015	11,249	46,116	57,365
Charge for the period	1,819	18,796	20,615
At 31 December 2015	13,068	64,912	77,980
Net book value			
At 31 December 2015	4,216	57,271	61,487
At 31 December 2014	*6,035*	*5,414*	*11,449*

11. DEBTORS

	2016	*2015*
	€	€
Other debtors	71,296	*63,493*
Prepayments and accrued income	33,903	*43,855*
	105,199	*107,348*

All debtors are due within one year.

12. CASH AND CASH EQUIVALENTS

	2016	*2015*
	€	€
Cash at bank and in hand	2,259,344	*2,033,627*
	2,259,344	*2,033,627*

13. CREDITORS

	2016	2015
	€	€
Corporation tax	4,104	10,880
Other taxes (see below)	40,193	35,396
Other creditors	-	209
Accruals	183,693	140,980
Deferred income	896,777	859,930
	1,124,767	1,047,395

The terms of the accruals are based on the underlying agreements. Other amounts within creditors are unsecured, interest free and repayable on demand.

	2016	2015
	€	€
Other taxation and social insurance		
PAYE/PRSI control	22,000	22,000
VAT control	18,193	13,396
	40,193	35,396

14. FINANCIAL INSTRUMENTS

	2016	2015
	€	€
Financial assets		
Financial assets measured at fair value through profit or loss	2,259,344	2,033,627
	2,259,344	2,033,627

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

15. RESERVES

Other reserves

The company took over the net assets of the Irish branch of the UK Institute of Directors on 18 January 1993. This was valued at €17,446. Consideration for the net assets amounted to €1 and the balance of €17,445 was credited to the capital reserve.

On 1 January 2002 the company took over the trade, assets and liabilities of The Centre for Boardroom Studies Limited for nil consideration. The surplus arising, which amounted to €57,717, has been credited to the capital reserve.

Profit and loss account

The profit and loss account represents cumulative gains and losses recognised in the profit and loss account, net of transfers to/from other reserves and dividends paid.

16. CONTINGENT LIABILITIES

The company had no contingent liabilities at the financial year end *(2015: €NIL)*.

17. CAPITAL COMMITMENTS

The company had no capital commitments at the financial year end *(2015: €NIL)*.

18. RETIREMENT BENEFIT OBLIGATIONS

The company operates a defined contribution scheme for certain employees. The pension entitlements of employees are secured by contributions by the company to a separately administered pension fund. The defined contribution pension charge for the financial year was €57,581 *(2015: €57,986)*. The amount payable at the financial year end was €NIL *(2015: €NIL)*.

19. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2016 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2016	*2015*
	€	€
Within one year	32,824	*65,651*
Between 1 and 5 years	-	*5,471*
	32,824	*71,122*

20. ULTIMATE CONTROLLING PARTY

The directors regard the members in a general meeting as the ultimate controlling party.

21. APPROVAL OF FINANCIAL STATEMENTS

The board of directors approved these financial statements for issue on 11 April 2017

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