



INSTITUTE OF DIRECTORS
IN IRELAND

ANNUAL REPORT 2019

A company limited by guarantee
and not having a share capital



OUR VISION

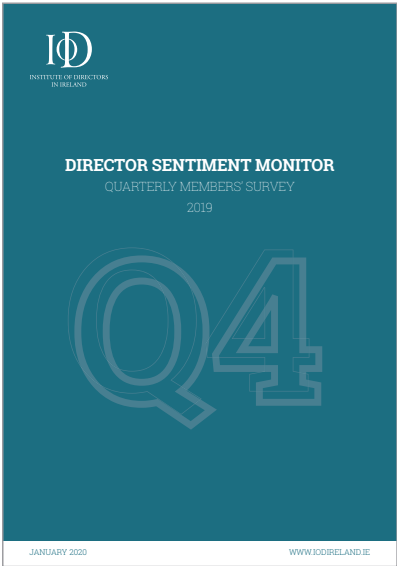
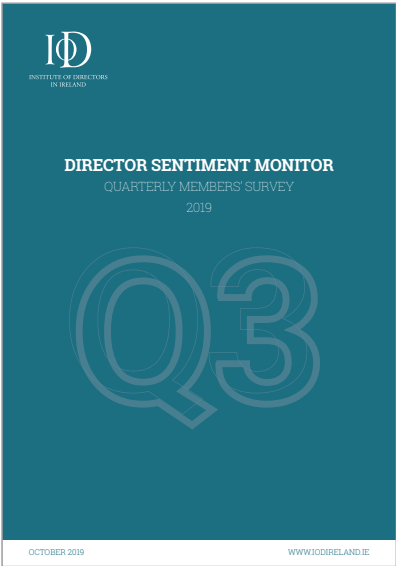
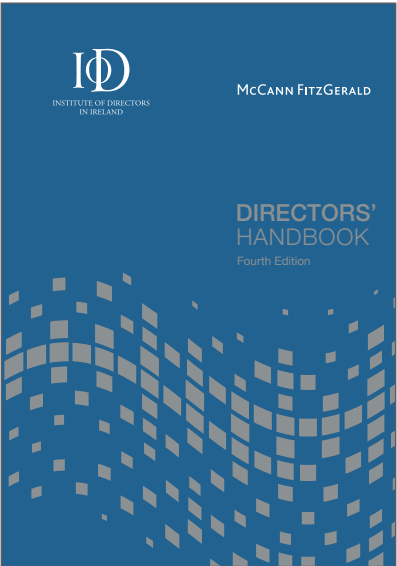
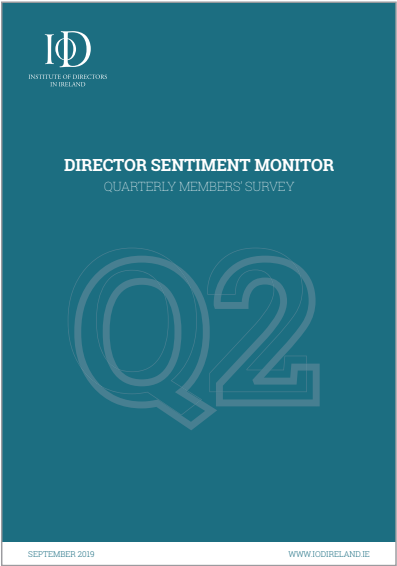
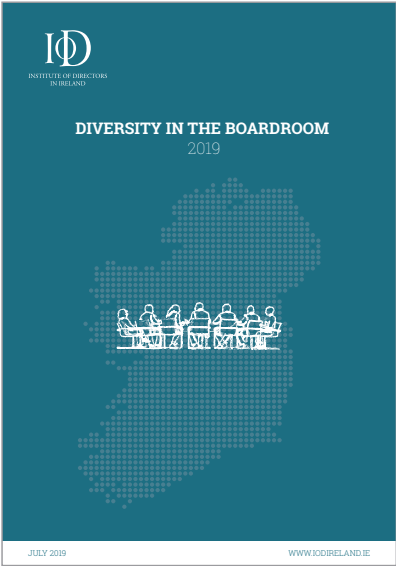
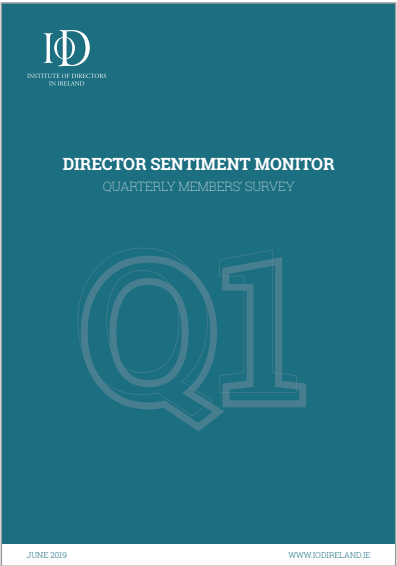
Our vision is to be the leading authority on, and influencer of, good corporate governance standards in Ireland for directors and boards and a dynamic and relevant membership body for directors and senior business leaders, supporting them through the lifecycle of their business lives.

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RESEARCH AND PUBLICATIONS

2019



IOD IRELAND IN NUMBERS 2019

Membership Profile



3,092
members

- **577** new members, a net growth of ▲6.2%
- **37%** of new members in 2019 were female
- **32%** of members have done the Chartered Director Programme

Benefits of IoD Membership in 2019

EVENTS

45
EVENTS with an attendance of
6,372
attendees

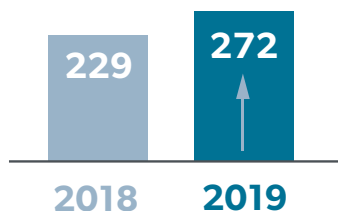
80%
INCREASE

in the number of events and workshops outside of Dublin

PROFESSIONAL DEVELOPMENT

18 **DIRECTOR WORKSHOPS**
with **370** attendees

Number of accredited **Chartered Directors** continues to grow



ACCESS TO EXPERTISE



- 1** updated Director Handbook
- 5** Research Publications
- 12** Director Factsheets
- 16** Briefing Presentations
- 25** Blogs and Member Profiles

14 webcasts and videos, with
13,071 views



155 emails issued to members, with average open rate of 42%
12 monthly ezines, with an average open rate of 47%

IoD Ireland in Profile

264,171
website
page views



2,040 new followers on LinkedIn, with **330,409** impressions



537,100 impressions on Twitter



14 press releases, leading to **264** individual items of media coverage, with an advertising value **€811,930**.

PRESIDENT'S REPORT HARRY LORTON



“ Another strong year for the IoD in 2019 which laid a solid foundation for our ability to adjust to the new realities brought by COVID-19 in 2020. ”

As 2019 came to a close, little did we realise the coming year would be one of unique and unprecedented challenges for the wider business community and, indeed, Irish society.

One of the consistent findings of our quarterly Director Sentiment Monitor surveys throughout 2019 was that our members believed Brexit to be the single biggest risk facing their organisation and this remained the case until the end of the year. Our members also told us that they were well prepared for Brexit, but they also indicated that the air of uncertainty hanging over 2019 had impacted not just their strategic planning, but their feelings on the Government's performance, the economy, consumer confidence and business decision-making, future market opportunities, and Ireland-UK relations. Purely domestic issues, too, were of concern: talent availability, the impact of high rents and a shortage of housing stock on recruitment, insurance costs, carbon taxes and sustainability.

But where there are challenges, there are also opportunities, and the year closed out on a more optimistic note.

There was more positivity about the prospects for the Irish economy, about the financial performance of our members' organisations in the coming year, and about Ireland-EU relations post-Brexit, amongst other indicators. Our Q4 2019 survey found conclusive results, too, in relation to what business leaders were saying about the approach to wellness in their organisations and whether sustainability should be a standing item on board agendas.

And, then, Q1 2020 brought an inconclusive General Election result followed in short order by the extraordinary arrival of COVID-19 on our shores and the declaration of a global pandemic.

STRATEGIC AND FINANCIAL REVIEW

Amidst the uncertainty of the new year's opening quarter, it became clear that good governance and the need for informed, qualified directors was never more important. The upholding of the highest standards of professionalism and ensuring compliance with relevant legislation should be paramount in any circumstances, but even more so right now.

As Ireland's leading advocate for best practice in corporate governance, the Institute of Directors in Ireland provides training, resources, board services, expert speaker events and peer networking opportunities for the sharing of knowledge and insights. IoD Ireland delivered all of these and more in 2019 while boosting membership numbers and the brand profile of the organisation.

The IoD is acutely aware of the need for directors to keep up-to-date with

best practice and their responsibilities in key areas of governance and of the organisation's role in providing assistance in this regard. Building better boards based on the highest standards of corporate governance is central to our ethos and our values. In the Chief Executive's foreword, Maura Quinn will outline the programmes that have been delivered by the executive team over the course of 2019 to meet this objective.

It is encouraging, then, that the IoD's numbers reflect the good performance last year, with 2019 being another strategically and financially successful year in which turnover increased by 17% to €3.5 million as revenues increased in all relevant areas. In tandem with this, we continue to exercise prudent financial management, re-investing funds into the business in order to provide a wide and varied programme of activity for our membership, while building our reserves to safeguard against any future financial risk to the organisation.

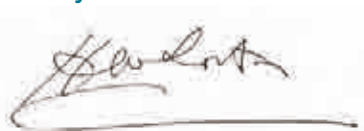
GOVERNANCE

As this introduction to an IoD annual report is my first as President, I would like to take this opportunity to thank my predecessor Michael Somers and the Council of the IoD for the wonderful support offered by them. It is a great honour to assume this role and I wish to acknowledge the efforts of all those on our Council in upholding the highest standards of corporate governance across the organisation.

My thanks also go to Maura Quinn, our Chief Executive, Thora Mackey, our Chief Operating Officer, and to all of the team, for their dedication to delivering such a high quality service to members and such impressive results for the IoD.

Warmest regards

Harry Lorton



CHIEF EXECUTIVE'S REPORT MAURA QUINN



“ Over 3,000 members, 6,372 attendees at events, eight cohorts of the Chartered Director Programme, a *Diversity in the Boardroom 2019* report and 264,171 website page views are key highlights of the year. ”

2019 continued to build on the impressive growth of previous years while offering an overall enhanced member experience. Across the five pillars of IoD Ireland's operations, we saw significant gains and improvements coupled with encouraging feedback and engagement from our members.

MEMBERSHIP

When we planned for 2019, one of our goals was to continue the positive trajectory of our membership growth in recent years by achieving 3,000 members, and I can confirm that we exceeded that target. Indeed, in reaching 3,092, we gained 577 new members, a net growth of 6.2% on the previous year.

EVENTS

Over the course of the year, we grew our 2018 numbers by hosting 45 events, in Dublin and across the country, which attracted 6,372 attendees. Post-event surveys continued to be very positive but, importantly, also provide forums for feedback and suggestions from members.

Our two main events series, the IoD Breakfast and Evening Briefings Series was sponsored by Mazars, and our Lunch Bites @ the IoD series was sponsored by IQ-EQ. We were delighted to present Mark Little, CEO of Kinzen, as guest speaker at our 2019 Spring Lunch sponsored by Mason Hayes and Curran LLP, and Michael Stanley, Chief Executive Officer of Cairn Homes plc, at our 2019 Autumn Lunch sponsored by Eversheds Sutherland. Our 2019 Christmas Lunch was sponsored by Arkphire, where our members and their guests raised €21,705 for Our Lady's Hospice & Care Services.

PROFESSIONAL DEVELOPMENT AND DIRECTOR EDUCATION

In 2019 we ran eight cohorts, each with 20 participants, of the IoD Chartered Director Programme.

By the end of the eleventh year of the Chartered Director Programme in the Republic of Ireland, we had reached a total of 61 cohorts with 1,182 participants. It is notable, too, that 32% of our members have undertaken the programme to date. Furthermore, the number of Chartered Directors continues to grow in the Republic, with 272 having successfully completed the programme, an increase of 43 over the previous year.

Throughout 2019, we held 18 one-day workshops across the country, with participation from 370 attendees. Workshop themes included finance for directors, chairing the board, the responsibilities of directors, risk management and strategy.

BOARD SERVICES

2019 saw strong demand for our Board Evaluation Service, while the Boardroom Centre assisted numerous client companies across multiple business sectors in sourcing non-executive directors for their boards and it continued to advise IoD members on boardroom matters and specific queries.

LEADERSHIP AND ADVOCACY

We continued to provide essential resources to our members on corporate governance across 2019, through insightful events/webinars, and sharing important updates and information. Members also benefitted from 25 blogs, articles and profiles of fellow members. During 2019, this included, in partnership with McCann FitzGerald, the launch of the Fourth Edition of the Directors' Handbook, as well as the monthly Director Factsheets. We also

worked with our partner Davy in relation to charity board governance and IAPI on putting brand at the heart of financial strategy

We published five research-based publications: Diversity in the Boardroom 2019, as well as our four Director Sentiment Monitor reports. We continued to provide comment on key areas of interest and relevance for our members.

PROFILE OF THE IOD

We maintained a strong profile across both digital and traditional media platforms in 2019, which is vital for a membership organisation. Our high print and broadcast media presence included 264 individual items of media coverage, with an advertising value of €811,930. This applied to both national and regional media, such as RTE's Morning Ireland, *The Irish Times*, the *Irish Independent*, the *Irish Examiner*, Galway Bay FM, and Cork's main radio stations. Our digital footprint continued to grow, with the IoD Ireland website having 264,171 page views while our presence on LinkedIn – which added 2,040 new followers – had 330,409 impressions, and our Twitter account 537,100.

THANK YOU

Finally, I wish to express my gratitude to the IoD President and Council for the support offered during the year. Council members give freely and willingly of their time, and their insight and commitment has contributed to the continued growth of the organisation.

Thank you, too, to you our members for your support of the IoD, to our many partners, to all those who chose to undertake training with the IoD and avail of our board services and attend our events.

Finally, I want to thank and acknowledge Thora Mackey, COO, and the entire IoD team for all that they do and who continuously strive to do more and to do it better.

Warmest regards

Maura Quinn



2019 IN PICTURES



Harry Lorton, President, IoD Ireland; Michael Stanley, Chief Executive Officer, Cairn Homes plc; Maura Quinn, CEO, IoD Ireland; and Alan Murphy, Managing Partner, Eversheds Sutherland Ireland, at the IoD Autumn Lunch 2019



Claire Lord, Corporate Partner and Head of Governance and Compliance, Mason Hayes & Curran LLP; Mark Little, CEO, Kinzen; Thora Mackey, COO, IoD Ireland; and Michael Somers, Former President, IoD Ireland, at the IoD Spring Lunch 2019



Maura Quinn, CEO, IoD Ireland and Mark Kennedy, Managing Partner, Mazars Ireland, at a 2019 IoD Evening Briefing event



Recipients at the September 2019 Certificate and Diploma in Company Direction presentation event at the National Concert Hall



Dr Simon Haslam, Strategy Consultant, leading a Director Workshop



An engaged audience at the IoD and IAPI partnership event, 'Putting Brand at the Heart of Your Financial Strategy', at the Google Foundry

2019 IN PICTURES



Sharon Kirwan, Senior Events Executive, IoD Ireland; Eleanor Flew, Director of Fundraising & Communications, Our Lady's Hospice and Care Services; and Thora Mackey, COO, IoD Ireland, at the cheque presentation at Our Lady's Hospice and Care Services



Harry Lorton, President, IoD Ireland; Maura Quinn, CEO, IoD Ireland; Barry Murphy, Comedian; and Paschal Naylor, CEO and Co-Founder, Arkphire, at the IoD Christmas Lunch 2019 in the InterContinental Dublin Hotel



Maura Quinn, CEO, IoD Ireland; Bobby McDonagh, former Irish Ambassador to the UK and Italy; and Joanne McEnteggart, Managing Director, IQ-EQ, at a Lunch Bites @ the IoD event



Paschal Donohoe TD, Minister for Finance giving his keynote address at the Edelman Trust Barometer 2019 launch, which was held in partnership with IoD Ireland



Members networking at the IoD Summer Networking Event 2019 at Airfield Estate, Dublin



Sarah Keane, CEO, Swim Ireland, presenting at a Lunch Bites @ the IoD event



Eavan Gannon, Senior Consultant, Powerscourt Group; Thora Mackey, COO, IoD Ireland; and Mary Brassil, Partner, Employment Law, McCann FitzGerald, at the IoD and McCann FitzGerald partnership event, 'Gender Pay Gap Reporting - Getting It Right'

COMPANY INFORMATION

DIRECTORS

Harry Lorton (President)
Liam Daniel
Dan Flinter
Ita Gibney (resigned 25 February 2019)
Gary Kennedy (appointed 23 May 2019)
Heather Ann McSharry
Helen Nolan (appointed 23 May 2019)
Imelda Reynolds
John Reynolds
Gervaise Slowey (appointed 18 September 2019)
Michael Somers

COMPANY SECRETARY

Liam Daniel

REGISTERED NUMBER

197643

REGISTERED OFFICE

Europa House
Harcourt Street
Dublin 2

INDEPENDENT AUDITORS

BDO
Statutory Audit Firm
Beaux Lane House
Mercer Street Lower
Dublin 2

BANKERS

Bank of Ireland
Pembroke Road
Ballsbridge
Dublin 4

COUNCIL MEETING ATTENDANCE 2019



COUNCIL MEMBER	20 FEB	9 APRIL	24 MAY	17 SEPT	18 NOV	TOTAL
Michael Somers	✓	✓	✓	✓	✓	5/5
Gary Kennedy			✓	✓	✓	3/3
Dan Flinter	✓	✓	✓	✓	✗	4/5
Ita Gibney	✗					0/1
Helen Nolan			✗	✓	✓	2/3
Gervaise Slowey					✓	1/1
Harry Lorton	✓	✓	✓	✓	✓	5/5
Imelda Reynolds	✓	✓	✓	✓	✓	5/5
John Reynolds	✓	✓	✓	✓	✓	5/5
Heather Ann McSharry	✓	✓	✓	✓	✓	5/5
Liam Daniel	✗	✓	✓	✓	✓	4/5

DIRECTORS' REPORT

For the financial year ended 31 December 2019

The directors present their annual report and the audited financial statements for the financial year ended 31 December 2019.

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.

The Institute provides a board evaluation service. The service enables boards of companies to understand how effectively they are performing while also providing assurance to regulatory authorities, stakeholders and potential investors.

BUSINESS REVIEW

The level of business and the financial year-end position were satisfactory.

The cash at bank figure incorporates prepayments for Director Development courses scheduled to take place in 2020.

RESULTS AND DIVIDENDS

The profit for the financial year, after taxation, amounted to €363,441 (2018 : €153,321).

DIRECTORS

The directors who served during the financial year were:

Harry Lorton (President)
Liam Daniel
Dan Flinter
Ita Gibney (resigned 25 February 2019)
Gary Kennedy (appointed 23 May 2019)
Heather Ann McSharry
Helen Nolan (appointed 23 May 2019)
Imelda Reynolds
John Reynolds
Gervaise Slowey (appointed 18 September 2019)
Michael Somers

The following director offers herself up for election:
Gervaise Slowey

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 2019.

DIRECTORS' REPORT (CONTINUED)

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the business include loss of membership income, loss of income from courses run by the Institute of Directors in Ireland including the Chartered Director Programme which is run under license from the Institute of Directors in the U.K, reduced attendance at the Institute of Directors in Ireland events and from 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.

COVID-19

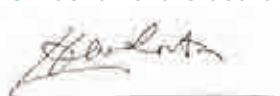
Covid-19 is likely to bring many challenges for both the company and the wider economy, the full extent of which is still unknown. In line with government guidelines, The Institute of Directors in Ireland suspended the Chartered Director Programme and all other training and development programmes in March 2020. We are working to resume the Chartered Director Programme in September 2020. The company will continue to monitor the situation and will take all necessary action as required.

As the Institute of Directors in Ireland has sufficient reserves the directors are satisfied that the company will continue as a going concern.

ACCOUNTING RECORD

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.

On behalf of the board



Harry Lorton (President)
Director

3 July 2020

EVENTS SINCE THE END OF THE FINANCIAL YEAR

Other than the impact of Covid-19, there have been no significant events since the financial year end.

FUTURE DEVELOPMENTS

In line with government guidelines, the Chartered Director Programme and other training and development programmes and events have been suspended and we plan to resume the Chartered Director Programme in September 2020. The Board is monitoring the situation and the financial impact thereof.

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.



Liam Daniel
Director

DIRECTORS' RESPONSIBILITIES STATEMENT

For the financial year ended 31 December 2019

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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council ("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 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 for the company's financial statements 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



Harry Lorton (President)
Director



Liam Daniel
Director

3 July 2020

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INSTITUTE OF DIRECTORS IN IRELAND

Report on the audit of the financial statements.

OPINION

We have audited the financial statements of the Institute of Directors in Ireland (the 'company') for the financial year ended 31 December 2019, which comprise the Statement of Income and Retained Earnings, the Balance Sheet, the Statement of Cash Flows and the Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2019 and of its profit for the financial year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) requires us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INSTITUTE OF DIRECTORS IN IRELAND (CONTINUED)

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the Directors' Report is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with applicable legal requirements.

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, and the financial statements are in agreement with the accounting records.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

RESPECTIVE RESPONSIBILITIES

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.


In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INSTITUTE OF DIRECTORS IN IRELAND (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our Auditors' Report.



John O'Callaghan

for and on behalf of
BDO

Dublin
Statutory Audit Firm
AI223876

3 July 2020

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

Our 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.

STATEMENT OF INCOME AND RETAINED EARNINGS

For the financial year ended 31 December 2019

	NOTE	2019 €	2018 €
Turnover	4	3,473,920	3,027,303
Gross profit		3,473,920	3,027,303
Administrative expenses		(3,070,534)	(2,844,820)
Operating profit	5	403,386	182,483
Bank charges	7	(37,685)	(30,496)
Interest receivable and similar income	8	3,046	3,391
Profit before taxation		368,747	155,378
Tax on profit	9	(5,306)	(2,057)
Profit for the financial year		363,441	153,321
Retained earnings at the beginning of the financial year		1,559,531	1,406,210
		1,559,531	1,406,210
Profit for the financial year		363,441	153,321
Retained earnings at the end of the financial year		1,922,972	1,559,531

All amounts relate to continuing operations.

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of income and retained earnings.

Signed on behalf of the board:



Harry Lorton (President)

Director



Liam Daniel

Director

3 July 2020

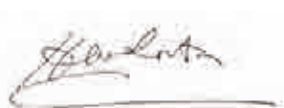
The notes on pages 21 to 29 form part of these financial statements.

BALANCE SHEET

As at 31 December 2019

		2019	2018
	NOTE	€	€
Fixed assets			
Tangible assets	10	33,093	43,614
		<u>33,093</u>	<u>43,614</u>
Current assets			
Debtors: amounts falling due within one year	11	153,377	218,542
Cash at bank and in hand	12	3,985,638	3,165,068
		<u>4,139,015</u>	<u>3,383,610</u>
Creditors: amounts falling due within one year	13	(2,173,973)	(1,792,530)
Net current assets		<u>1,965,042</u>	<u>1,591,080</u>
Total assets less current liabilities		<u>1,998,135</u>	<u>1,634,694</u>
Net assets		<u>1,998,135</u>	<u>1,634,694</u>
Capital and reserves			
Other reserves	15	75,163	75,163
Profit and loss account	15	1,922,972	1,559,531
Shareholders' funds		<u>1,998,135</u>	<u>1,634,694</u>

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



Harry Lorton (President)

Director



Liam Daniel

Director

3 July 2020

The notes on pages 21 to 29 form part of these financial statements.

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2019

	2019	2018
	€	€
Cash flows from operating activities		
Profit for the financial year	363,441	153,321
Adjustments for:		
Depreciation of tangible assets	25,547	23,805
Bank charges	37,685	30,496
Interest received	(3,046)	(3,391)
Taxation charge	5,306	2,057
Decrease/(increase) in debtors	65,165	(41,845)
Increase in creditors	379,042	358,477
Corporation tax (paid)	(2,905)	(1,399)
Net cash generated from operating activities	870,235	521,521
Cash flows from investing activities		
Purchase of tangible fixed assets	(15,026)	(5,800)
Interest received	3,046	3,391
Net cash from investing activities	(11,980)	(2,409)
Cash flows from financing activities		
Bank charges	(37,685)	(30,496)
Net cash used in financing activities	(37,685)	(30,496)
Net increase in cash and cash equivalents	820,570	488,616
Cash and cash equivalents at beginning of financial year	3,165,068	2,676,452
Cash and cash equivalents at the end of financial year	3,985,638	3,165,068
Cash and cash equivalents at the end of financial year comprise:		
Cash at bank and in hand	3,985,638	3,165,068
	3,985,638	3,165,068

The notes on pages 21 to 29 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2019

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 2019.

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 with a registered number of 197643. The Registered Office is Europa House, Harcourt Street, Dublin 2, which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report.

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 the debts of the company is limited to such an amount as may be required not exceeding €1.27. At 31 December 2019 the company had 3,092 members.

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 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.3 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.

2.4 Boardroom Centre income

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

2.5 Chartered Director income

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

2.6 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.

2.7 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.

2.8 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.

2.9 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2.10 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is Euros.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Nonmonetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'other operating income'.

2.11 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.

2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.13 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.

2.14 Financial instruments

The company only enters into basic financial instrument 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 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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.

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.

2.15 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.

2.16 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 do not have any accounting estimates and assumptions which they consider to be crucial accounting estimates and judgments.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. TURNOVER

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

	2019	2018
	€	€
Director Development and Training Programmes	2,276,189	1,845,540
IoD events	166,400	196,663
The IoD members' annual subscriptions and new members' registration fees	1,031,331	985,100
	<u>3,473,920</u>	<u>3,027,303</u>

All turnover arose in Ireland.

5. OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The operating profit is stated after charging:

	2019	2018
	€	€
Depreciation of tangible fixed assets	25,547	23,805
Operating lease rentals	145,124	145,124
Affiliation fee to UK Institute of Directors	<u>90,462</u>	<u>84,877</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. EMPLOYEES

	2019	2018
	€	€
Wages and salaries	809,235	729,662
Social insurance costs	82,845	73,739
Cost of defined contribution scheme	60,950	61,941
	<u>953,030</u>	<u>865,342</u>

Capitalised employee costs during the financial year amounted to €NIL (2018 : €NIL).

The average monthly number of employees during the financial year was as follows:

	2019	2018
	No.	No.
The average number of monthly employees was as follows:	<u>12</u>	<u>11</u>

	2019	2018
	€	€
Key management compensation		
Total key management compensation	<u>280,550</u>	<u>271,126</u>

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

	2019	2018
	€	€
Salary	185,400	180,000
Pension costs	18,540	18,000
Bonus	33,001	30,600
Benefit in kind	17,750	17,750
Social security costs	25,859	24,776
	<u>280,550</u>	<u>271,126</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. BANK CHARGES

	2019	2018
	€	€
Bank charges	37,685	30,496

8. INTEREST RECEIVABLE

	2019	2018
	€	€
Interest receivable	3,046	3,391

9. TAXATION

	2019	2018
	€	€
Corporation tax		
Current tax on surplus for the year	5,306	2,057

Factors affecting tax charge for the financial year

The tax assessed for the financial year is lower than the standard rate of corporation tax in Ireland of 12.5% (2018 : 12.5%).

The differences are explained below:

	2019	2018
	€	€
Profit on ordinary activities before tax	368,747	155,378
Profit on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (2018 : 12.5%)	46,093	19,422
Effects of:		
Other differences leading to a (decrease) in the tax charge	(40,787)	(17,365)
Total tax charge for the financial year	5,306	2,057

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. TANGIBLE FIXED ASSETS

	Office equipment	Computer equipment	Total
	€	€	€
Cost or valuation			
At 1 January 2019	38,398	157,184	195,582
Additions	1,807	13,219	15,026
At 31 December 2019	40,205	170,403	210,608
Depreciation			
At 1 January 2019	22,515	129,453	151,968
Charge for the financial year on owned assets	4,217	21,330	25,547
At 31 December 2019	26,732	150,783	177,515
Net book value			
At 31 December 2019	13,473	19,620	33,093
At 31 December 2018	15,883	27,731	43,614

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	€	€
Other debtors	93,278	105,347
Prepayments and accrued income	60,099	113,195
	153,377	218,542

All debtors are due within one year.

12. CASH AND CASH EQUIVALENTS

	2019	2018
	€	€
Cash at bank and in hand	3,985,638	3,165,068
	3,985,638	3,165,068

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	€	€
Corporation tax	2,801	400
Taxation and social insurance	51,243	40,204
Accruals	268,128	238,549
Deferred income	1,851,801	1,513,377
	2,173,973	1,792,530

The terms of the accruals are based on the underlying agreements. 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 balance sheet date.

	2019	2018
	€	€
Other taxation and social insurance		
PAYE/PRSI	34,386	34,253
VAT	16,857	5,951
	51,243	40,204

14. FINANCIAL INSTRUMENTS

	2019	2018
	€	€
Financial assets		
Financial assets measured at amortised cost	4,078,916	3,270,415

Financial assets measured at amortised cost comprise cash at bank and in hand and other debtors.

15. RESERVES

Other reserves

Other reserves represents the surplus of assets and liabilities over the purchase price of the Irish branch of the UK Institute of Directors and the Centre for Boardroom Studies Limited.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. CONTINGENT LIABILITIES

The company had no contingent liabilities at the financial year end (2018 : €NIL).

17. CAPITAL COMMITMENTS

The company had no capital commitments at the financial year end (2018 : €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 €60,950 (2018 : €61,941). The amount payable at the financial year end was €NIL (2018 : €NIL).

19. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 €	2018 €
Within one year	145,124	145,124
Between 1 and 5 years	12,076	157,200
	<u>157,200</u>	<u>302,324</u>

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 21 April 2020.



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