



Chartered
Institute of
Internal
Auditors

Annual report and accounts 2025/2026

President's Report

I am honoured to be the President of the Chartered IIA, am proud of what our Institute does for our profession and am passionate about driving continuous improvement in our services for members. What the Institute has achieved for our members over the last year is inspiring. The leadership team and our colleagues know we cannot stand still. We need to evolve. I am comforted that this is a focus for the leadership team and am excited about our plans in this space.

When I first became President, I reflected on how proud I am of the internal audit profession and what it delivers across all sectors, and that pride extends to the Chartered IIA. It has supported me for 25 years, opened doors to new experiences, listened to me and developed me. I owe it so much. I know many of you feel that too. The Institute is aided by the support of many volunteers. Many of you already help in numerous ways, but if you haven't yet become involved, please consider doing so. It is immensely rewarding and impactful.

I am delighted to report that for the fifth consecutive year the Chartered IIA has returned a surplus in 2025/26. It is a smaller surplus than in previous years as we invested in providing improved services, with continued investments in the new CRM and changes to our certifications programmes in response to the revised standards. As a not-for-profit organisation it is right and proper that we do not endlessly accumulate surpluses for the sake of it but that we invest to improve our services to you. This is why we have introduced our Member First Initiative, which you will hear more of over the coming year. We will be coming out to our members to understand where we can improve our service to you and make it simpler for you to self-serve rather than having to send us an email. We know we need to simplify some of our processes so that you can find things on our website more easily.

Our membership subscriptions have remained stable, even when the drive for cost reduction in many corporates has been apparent. We believe that this is because we deliver what our members want. Subscriptions remain our most significant source of income and, as a membership organisation, our members are our lifeblood.

Our conferences once again proved very popular and is an area where we deliver impactful and actionable insights across all sectors. We also bring something new each year from silent conference for those attending in person, to virtual only sessions and we have some more excitement planned for this year's conference at Tottenham Hotspur Stadium. For the first time since the Covid era, we now have more people attending the Annual Conference in person than online. This shows the value of personal interactions and networking, growing together and sharing best practice. It remains important though that we continue to cater for those who cannot make it in person and we have improved the virtual event by having virtual only break-out sessions.

The new Certified Internal Auditor (CIA) certification was launched during the year, reflecting the new Global Internal Audit Standards. Consequently, there was a delay to registrations being open for this and other certifications impacted by the change in standards.

Our Quality Assurance services, particularly our EQA service, have continued to grow helping to diversify our income base. It is pleasing that our reputation for effective EQAs is spreading internationally with a number of large EQAs completed in the Middle East over the last year.

I want the Chartered IIA and its website to be a one-stop-shop for insights, tools and best practice useful to support fellow internal auditors throughout the UK and Ireland. I think we have made great strides towards this over the past year, but there is so much more to do. We need to embed and strengthen our existing tools and technology to deliver frictionless service to our members, to make it easier for our members to find the support, guidance and insight they are looking for. We are, like many organisations globally, exploring the opportunities of enhanced technology to innovate and transform.

As I said in my first speech as your President, I am committed to "always-on advocacy". For a small organisation we have had significant advocacy wins over the year. We have formed closer relationships with organisations for audit committee members, reference to internal audit abounds in the guidance to the Corporate Governance Code, Audit Scotland, Ofgem and the Charity Commission. Our Parliamentary Reception was a great success, with a lot of knowledgeable support from MPs and Peers, and we have seen an increase in the number of press hits, raising the profile of the profession to a wider audience. I am passionate about the work we do with colleges and universities, raising awareness of the exciting prospects of a career (long or short) in internal audit. We have seen particular success with the North West Committee's engagement with Lancaster University Accounting Society continues to bear fruit in familiarising students with what internal audit is about. Further work is now being done with Liverpool University. Colleagues in Scotland are also building on their engagement with the University of Aberdeen and University of Edinburgh.

Our advocacy work goes beyond influence in the UK. The profession in the UK and Ireland is highly respected internationally and we continue to foster good relationships with our colleagues at Global IIA, across Europe with the ECIIA and Audit Leaders and the wider global community.

All in all, it has been a successful year. I want to thank my colleagues on the Chartered IIA Council, our CEO, Anne Kiem, and the leadership team, colleagues and volunteers for the part they all play in this success.



Arleen McGichen

Office 202, Alliance House, Caxton Street
London, SW1H 0QS
23/07/2026

Directors' Report

for the year ended 31 March 2026

The Directors of the Council have pleasure in submitting the annual report and audited accounts for the year ended 31 March 2026.

Principal activities

Our Royal Charter states that:

The objects for which the Chartered IIA is incorporated shall be to promote and develop of the practice of internal auditing and to foster and maintain investigations and research into the best means and methods of developing and applying such a profession and to encourage, increase, disseminate and promote knowledge, education and training, standard setting and exchange of information and ideas in respect of all questions relating thereto or connected therewith.

Financial stewardship

The Chartered IIA has continued to improve its financial position, with an increase in its cash position and reserves on the Balance Sheet. The operating income for the year decreased to £6,527,400 (2025: £6,861,664) and generated a surplus after tax of £283,517 (2025: £719,373). A sizable portion of the income in the prior year is due to the sale of one of our buildings in Clapham, which contributed £386,265 to the income.

Member numbers at 31 March 2026 were 10,065 (2025: 10,470). Membership numbers have reduced due to the ongoing cost pressures on both individuals as well as organisations, caused by high inflation and the increase in national insurance.

Audit Leaders subscriptions contributed £100,197 (2025: £74,637) of the total income. The Increase in Audit Leader subscriptions is due to an improved offering, as well as focused initiatives to attract more members.

Certification and Learning made up £1,513,282 (2025: £1,696,390) of the total income. The decrease in income is due to the former certifications transitioning into the new standards, which includes the phasing out of the Certificate and the IAP. The new certifications are expected to grow over the next 12 months, bringing certification and learning back to historic levels.

Training contributed £272,887 (2025: £432,339) to the operating income. The decrease on the prior year is thought to be due to increased financial pressures, resulting in businesses reducing their expenditure on training.

Events contributed £842,068 (2025: £756,436) to the operating revenue. The improvement on the prior year is due to the continuing success of the Annual Conference, which generated £733,465 income (2025: £643,216).

The External Quality Assurance (EQA) service generated £816,466 (2025: £693,561) of revenue. The Chartered IIA undertook 31 assessments, including two large assessments.

Overhead costs are in line with the prior year. Payroll costs have increased by £231,148 despite the headcount remaining the same as last year, reflecting the full year cost of people employed in the course of the prior year. Cost savings were realised which is mainly due to the disposal of one of our office buildings in the previous year, saving £186,534. Added to that the Chartered IIA received a business rates rebate which saved £50,404 compared to the prior year.

The cash balance at the end of the financial year is £2,806,700 (2025: £2,527,969) and net assets amount to £2,624,708 (2025: £2,341,191).

As reported in previous years, the head office in Clapham has been marketed for sale. During the financial year, an offer to purchase was accepted and the sale was completed on 19 May 2026, which generated gross sales proceeds of £700,000 (see Note 15).

Future developments

We know we need to build on this work, and with your support, we will.

Our three-year strategic objectives remain:

1. Developing and supporting talent for our members and our own organisation
2. Building knowledge and understanding
3. Influencing for the profession
4. Creating a sustainable and resilient Chartered IIA

Cutting across all these things is the future of the profession, including The IIA's Vision 2035 and our own work in this area. As a profession we need to carefully look at how we respond to things like AI and data analytics and how technology can be embedded in the internal audit proposition. Also, what impact will this have on the internal audit persona, our skills and capabilities. I truly believe there will always be a need for internal audit but am enjoying the conversations happening now on what that will look like. If we don't embrace this reality and prepare ourselves for the opportunities these developments bring, we may miss out or, worst case, become irrelevant. We don't just need to talk; we need to act!

We have recently split out the Data Analytics and AI Forum into its two constituent parts. While these are connected, there is so much in each area, and we have so much interest that we decided to facilitate even greater concentration on each part.

In other areas, we will be revising our membership proposition to make the benefit of membership even clearer. We will be listening to what our members want, so please get involved in those conversations. We know that certifications, training, advocacy, information sharing and networking matter, so we will be looking at how we can build on our current foundations. We will broaden our quality assessment work beyond just EQAs, so look out for that in September.

We are reaping the rewards of the work on the CRM and are now better able to target our communications with our members on areas that most interest to you. We will progress this work further by simplifying actions for you, as we have done with the renewals this year.

The Chartered IIA delivers effective support for those going through the certifications and we will look to enhance this work in the year ahead, in line with our strategic pillar of developing members. We constantly review our support programmes for those going through certifications, and we have committed to reviewing our training programmes, so they deliver what our members need in the way that is most responsive to the demands already upon you, for example, offering shorter, sharper training in an online format.

In doing all this, the Chartered IIA will continue to take a prudent and balanced view in its operational and financial decision making in the year ahead, to remain resilient, ensure we deliver the resources auditors across the UK and Ireland need to thrive and that we protect the future of the profession and of our Institute.

It is an exciting time to work as an internal auditor and help shape the profession alongside the Chartered Institute. I value the engagement I have with internal audit colleagues, peers and friends across the UK and Ireland and thank you all for the passion, commitment and interest you all show. I look forward to another wonderful year.

Control, monitoring and reporting

Council, through the Chief Executive, is responsible for ensuring that budgets and plans are prepared and that programmes of work are implemented. The Chartered IIA's policies support the achievement of its objectives, the management of risk and the internal control system. There have been new policies introduced to comply with changing best practice and policies are regularly reviewed. The senior team monitors the effectiveness of policies, processes and activities related to internal control and risk management. This work is overseen by the Audit, Finance and Risk Committee.

The Audit, Finance and Risk Committee is chaired by Clare Keon CMIIA. Other members are Andrew Hinder CMIIA, Ben Kaye CMIIA, Jeremy Lawson CMIIA and Marina McQuade CMIIA.

The internal auditors, Azets, and the external auditors, HaysMac LLP, meet with the Audit, Finance and Risk Committee to present their findings.

An annual risk assessment and audit plan is presented to and approved by the Audit, Finance and Risk Committee. Senior management monitors the risk assessment during the year and advises this Committee of any significant developments. Recommendations to address any identified issues are monitored by the Committee, which in turn reports to Council. The Risk Register and key strategic risks are reported to and considered by Council, via the Audit, Finance and Risk Committee.

The Remuneration Committee sets the on-going policy for pay and reward for staff and approves the salary of the Chief Executive.

Council also receives regular reports on key performance indicators.

Directors

The following Directors have held office in the year:

Sandro Boeri CMIIA (Immediate Past President)	Past President	04/10/2023
Deepinder Chhabra	Resigned	10/06/2025
Carolyn Clarke CMIIA (Deputy President)	Appointed	21/10/2020
Saida Evans CMIIA	Appointed	04/10/2023
Steve Evenden CMIIA	Resigned	30/06/2025
Piyush Fatania CMIIA	Resigned	08/10/2025
Maria Ghibu FRM	Resigned	10/06/2025
Andrew Hinder CMIIA	Appointed	04/10/2023
Ben Kaye CMIIA	Appointed	08/10/2025
Clare Keon CMIIA (Audit, Finance & Risk Committee Chair)	Appointed	20/10/2022
Post Year end Clare Keon CMIIA Resigned		24/06/2026
Anne Kiem OBE (CEO)	Appointed	09/01/2023
Jeremy Lawson CMIIA	Appointed	08/10/2025
Arleen McGichen CMIIA (President & Chair)	Appointed President	08/10/2025
Marina McQuade CMIIA	Appointed	04/10/2023
Mark Walley	Appointed	19/03/2025
Roza Watson CMIIA	Resigned	08/10/2025
Nicholas Crapp CMIIA	Appointed	08/10/2025

Directors' remuneration and fees are disclosed in note 7. Related parties are disclosed in note 9.

Statement of directors' responsibilities

We are required, under the term of our Royal Charter, to prepare accounts that give a true and fair view of the state of affairs of the Chartered IIA, and the surplus or deficit for the period of account. In preparing these accounts we are required to:

- Select suitable accounting policies and apply them consistently;
- Make reasonable and prudent judgements and estimates;
- State whether the accounting standards have been followed and give details of any departures;
- Prepare the accounts on a going concern basis, unless in our view the Chartered IIA will be unable to continue in business.

We are also responsible for:

- Keeping proper accounting records;
- Safeguarding the Chartered IIA's assets;
- Ensuring that only authorised transactions are entered into; and
- Taking reasonable steps for the prevention and detection of fraud.

Directors' statement as to disclosure of information to auditors

The Directors confirm that, to the best of their knowledge and belief, there is no relevant audit information of which the company's auditors are unaware. The Directors have taken all the steps that they might reasonably be expected to have taken to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Appointment of auditors

HaysMac LLP have agreed to offer themselves for re-election as auditors to the Chartered IIA.
By Order of the Council of Directors



Arleen McGichen

Office 202, Alliance House, Caxton Street
London, SW1H 0QS
23/07/2026

Auditors' Report

Independent auditors' report to the members of the Chartered IIA

Opinion

We have audited the financial statements of the Chartered Institute of Internal Auditors ("Chartered IIA") for the year ended 31 March 2026 which comprise for the Group and the Chartered IIA, the Income and expenditure account, the Balance Sheet, the Statement of Changes in Equity, the Cash flow statement and the Notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is the United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Chartered IIA's affairs as at 31 March 2026 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Chartered IIA's Charter and Byelaws.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and of the Chartered IIA and its environment obtained in the course of the audit, we have not identified material misstatements in the President's Report and Directors' report.

We have nothing to report in respect of the matters where we are required to consider the following matters, and to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 7, 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 Group's and of the Chartered IIA'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 Directors either intend to liquidate the Group or the Chartered IIA or to cease operations, or have no realistic alternative but to do so.

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 auditor's 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to its Charter and Byelaws, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators and tax authorities;
- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluating management's controls designed to prevent and detect irregularities;
- identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions;
- challenging assumptions and judgements made by management in their critical accounting estimates; and
- agreeing the validity of recognised receivables on a sample basis and challenging the recoverability assumptions, further assessing for any fraud or bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Chartered IIA's members, as a body, in accordance with its Charter and Bye-laws. Our audit work has been undertaken so that we might state to the Chartered IIA's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chartered IIA and its members as a body, for our audit work, for this report, or for the opinions we have formed.

HaysMac LLP
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

HaysMac LLP is eligible to act as auditor under section 1212 of the Companies Act

Income and expenditure account

for the year ended 31 March 2026

	Note	Group 2026 £	2025 £	Chartered IIA 2026 £	2025 £
Operating income		6,527,400	6,861,664	6,437,059	6,753,894
Direct expenses		(6,291,247)	(6,384,204)	(6,215,936)	(6,312,064)
Operating surplus	5.	236,153	477,460	221,123	441,830
Interest income		47,364	42,291	47,364	42,291
Gains on sale of property		-	199,730	-	199,730
Interest paid		-	(108)	-	(108)
Surplus on ordinary activities before taxation		283,517	719,373	268,487	683,743
Taxation rebate/(charge)	.	-	-	-	-
Surplus on ordinary activities after taxation		283,517	719,373	268,487	683,743

Balance Sheet

as at 31 March 2026

	Note	Group 2026 £	2025 £	Chartered IIA 2026 £	2025 £
Fixed assets					
Tangible assets	10.	354,508	284,410	354,508	284,410
Intangible assets	11.	258,700	230,047	258,700	230,047
Investment in subsidiary company		-	-	68	68
		613,208	514,457	613,276	514,525
Current assets					
Stock	12.	19,622	-	19,622	-
Debtors	13.	1,652,138	1,544,349	1,667,655	1,578,701
Cash at bank		2,806,700	2,527,969	2,643,365	2,440,825
		4,478,460	4,072,318	4,330,642	4,019,526
Less Creditors: amounts falling due within one year	14.	(2,466,960)	(2,245,584)	(2,356,148)	(2,214,768)
Net current assets		2,011,500	1,826,734	1,974,494	1,804,758
Total assets less current liabilities		2,624,708	2,341,191	2,587,770	2,319,283
Reserves					
Income and expenditure account		2,624,708	2,341,191	2,587,770	2,319,283

Approved by the Council of Directors for issue on 23 July 2026



Arleen McGichen
President



Anne Kiem
Chief Executive

The notes on pages 13 to 18 form part of these financial statements.

Statement of changes in equity

for the year ended 31 March 2026

	Group		Chartered IIA	
	2026	2025	2026	2025
	£	£	£	£
At 1 April	2,341,191	1,621,818	2,319,283	1,635,540
Surplus/(Deficit) for the year	283,517	719,373	268,487	683,743
At 31 March	2,624,708	2,341,191	2,587,770	2,319,283

Cash flow statement

for the year ended 31 March 2026

	Group		Chartered IIA	
	2026	2025	2026	2025
	£	£	£	£
Reconciliation of operating deficit to net cash outflow from operating activities				
Operating surplus	236,153	477,460	221,123	441,830
Depreciation and amortisation	120,804	89,549	120,804	89,549
Loss on disposals	-	(96,093)	-	(96,093)
Decrease/(increase) in stocks	(19,622)	25,476	(19,622)	25,476
(Increase)/decrease in debtors	(107,789)	149,359	(88,954)	118,875
Increase/(decrease) in creditors	221,376	(314,090)	141,380	(302,477)
Net Cash Outflow from operating activities	450,922	331,661	374,731	277,160
Returns on investment and servicing of finance				
Interest received	47,364	42,291	47,364	42,291
Gains on sale of property	-	199,730	-	199,730
Loan repayments	-	(25,000)	-	(25,000)
Interest paid	-	(108)	-	(108)
Tax Received	-	-	-	-
Capital Expenditure				
Purchase of tangible and intangible fixed assets	(219,555)	(303,435)	(219,555)	(303,435)
Disposals of fixed assets	-	282,628	-	282,628
(Decrease)/Increase in cash	278,731	527,767	202,540	473,266
Reconciliation of net cash flow to movement in net funds and analysis of change in net funds				
Cash brought forward	2,527,969	2,000,202	2,440,825	1,967,559
Cash carried forward	2,806,700	2,527,969	2,643,365	2,440,825
Reconciliation of net Debt - Group	at 01 April 2025	Cash flow	Movement	at 31 March 2026
Cash	2,527,969	278,731	-	2,806,700
Total net debt	2,527,969	278,731	-	2,806,700

Notes to the accounts

for the year ended 31 March 2026

General information

The Chartered Institute of Internal Auditors is a professional body incorporated under Royal Charter RC000840. The Registered Office is Office 202, Alliance House, Caxton Street, London, SW1H 0QS

The Royal Charter is not prescriptive as to the statutory provisions under which the financial statements are to be prepared and so Council has chosen to adopt Financial Reporting Standard 102.

2. Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared:

- under the historical cost convention and in accordance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and the Royal Charter and Byelaws.

- on a going concern basis which assumes the Chartered IIA will be able to realise its assets and discharge its liabilities in the normal course of business for the foreseeable future.

- in Sterling, which is the functional currency of the Chartered IIA.

- in compliance with FRS 102, which requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Chartered IIA's accounting policies (see note 3).

The following principal accounting policies have been applied:

Going Concern

The accounts are prepared on a going concern basis on the presumption that the Chartered IIA will continue in operation. Having reviewed the latest forecast to 30 June 2027, the directors are satisfied that there is no material uncertainty regarding going concern.

Basis of consolidation

The consolidated financial statements present the results of the Chartered IIA and its subsidiary ("the Group") as if they form a single entity. Intercompany transactions and balances between the two companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date.

Operating expenditure

Operating expenditure comprises of membership, professional services, running courses, conferences and learning programmes, and overhead costs, including finance, office, payroll, marketing, governance, policy, website and systems costs, all excluding VAT.

The following categories of costs are recognised in the period to which they relate:

membership, courses, conference and learning programmes, professional services and overhead costs.

Operating income

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

The following categories of revenue are recognised as income in the period to which they relate:

membership subscriptions, courses and conference fees, open learning fees, fees for services, and advertising revenue. The Chartered IIA's share of fees for examinations, offered by IIA Global, are accounted for in the period in which the candidate is invoiced.

Tangible fixed assets

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

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

Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation. Amortisation is provided on all intangible fixed assets on a straight-line basis at rates calculated to write off their cost or valuation, less the estimated residual value of each asset, over their expected useful life (three to five years). Provisions for the impairment of intangible fixed assets are made where necessary.

Stocks

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

Pensions

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

Foreign currencies

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

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

Leasing transactions

Rentals payable under operating leases are charged to the income and expenditure account on a straight-line basis over the lease term.

Financial instruments

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the 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 payables or receivables, 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 the 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.

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 the 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 a best estimate of the recoverable amount, which is an approximation of the amount that the Chartered IIA 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.

Taxation

Current tax is recognised for income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date. The Chartered IIA is liable to corporation tax only on its investment income and on any surplus on transactions with non-members.

3. Significant accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements and estimates that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. The following judgements and estimates have had the greatest effect on amounts recognised in the financial statements.

Useful lives of tangible and intangible fixed assets

It is the judgement of management that the likely working life of the Chartered IIA's tangible and intangible fixed assets and hence their values are not less than their remaining book values.

Impairment of trade debtors

Based upon recent and historic experiences, management have made specific and general provisions in relation to the possible impairment of trade debtors amounting to £27,594 (2025: £23,060).

Future value of deferred income

Deferred income is carried in the balance sheet at the value invoiced without any provision for future cancellations and refunds.

4. Analysis of turnover

The whole of the turnover is attributable to the Group's principal activities, as described in the Directors' Report, and arises in the United Kingdom (99%) and the Republic of Ireland (1%), in the year ended 31 March 2026.

5. Operating surplus

	Group		Chartered IIA	
	2026	2025	2026	2025
	£	£	£	£
The operating surplus is stated after charging:				
Depreciation of tangible assets	33,065	28,363	33,065	28,363
Amortisation of intangible assets	87,739	61,186	87,739	61,186
Operating lease rentals:	-	-	-	-
Auditors' remuneration	32,843	31,058	26,975	25,300
- Other non-audit services	-	-	-	-

6. Directors – Group and Chartered IIA

	Group		Chartered IIA	
	2026	2025	2026	2025
	£	£	£	£
Total directors' emoluments, including pension contributions and other benefits	241,309	237,665	241,309	237,665

The emoluments, including pension contributions and other benefits, of the highest paid director	241,309	237,665	241,309	237,665
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	Number		Number	
The number of directors for whom retirement benefits are accruing under money purchase pension schemes	1	1	1	1

The Directors of the Chartered IIA (as listed on page 6) comprise the key management personnel. The Chief Executive in 2025/26 received fees and expenses as shown above. In addition, employer's national insurance contributions of £28,889 (2025: £25,926), and £4,989 (2025: £529) reimbursed expenses were paid. No other Director received a fee in the period.

7. Employees

	Group		Chartered IIA	
Employee cost, including directors' remuneration, were as follows:	2026	2025	2026	2025
	£	£	£	£
Gross pay*	2,813,923	2,658,321	2,759,763	2,609,215
Employer's National Insurance	365,187	292,476	359,172	287,075
Cost of defined contribution pension scheme	130,324	121,207	126,388	117,501
	<u>3,309,434</u>	<u>3,072,004</u>	<u>3,245,323</u>	<u>3,013,791</u>

* including termination payments of £22,067 (2026: £0).

	Group		Chartered IIA	
	2026	2025	2026	2025
The average number of people employed during the year:	55	55	54	54

8. Related parties

IIA Training limited, operating in the Republic of Ireland, is a related party and is represented in the "Group" accounts.

9. Investment in subsidiary company – Chartered IIA

	2026	2025
	£	£
The Chartered IIA holds 100% of the ordinary share capital of IIA Training Limited.		
100 ordinary shares of €1 each	68	68

IIA Training Limited is incorporated in Ireland (Company number 418093) and provides training in internal auditing in Ireland. The Registered Office is Stephen's House, 7-8 Mount Street Upper, Dublin 2, Ireland, D02FT59.

	IIA Training Limited 2026	IIA Training Limited 2025
Operating income	€ 104,152	€ 126,610
Direct expenses	€ (89,756)	€ (84,318)
Operating deficit before tax and dividend paid	€ 14,396	€ 42,292
Taxation	-	-
Dividend paid	-	-
Deficit after tax and dividend paid	€ 14,396	€ 42,292

	2026	2025
Current assets	€ 207,913	€ 121,106
Total liabilities	€ (167,231)	€ (94,820)
Total assets less current liabilities	€ 40,682	€ 26,286

	€ 100	€ 100
Share capital		
IIA Training Limited – surplus in reserves	€ 40,582	€ 26,186
Capital and reserves	€ 40,682	€ 26,286

As at 31 March 2026 there were €0.868 to £1 (2025: €0.836).

10. Tangible fixed assets – Group

	Long leasehold Property	Furniture & Fittings	Other Equipment	Total
Cost	£	£	£	£
At 1 April 2025	710,520	9,216	48,146	767,882
Additions *	90,888 *	-	12,275	103,163
Fully depreciated assets	-	(437)	(13,071)	(13,508)
At 31 March 2026	801,408	8,779	47,350	857,537

* we extended the leases of our office building at Abbeville Mews to 990 years at a cost of £74,000. This and associated costs of £16,888 have been capitalised

Depreciation

At 1 April 2025	448,585	4,200	30,687	483,472
Charge for period	16,028	1,254	15,783	33,065
Fully depreciated assets	-	(437)	(13,071)	(13,508)
At 31 March 2026	464,613	5,017	33,399	503,029

Net Book Value

At 31 March 2026	336,795	3,762	13,951	354,508
At 31 March 2025	261,935	5,016	17,459	284,410

11. Intangible fixed assets – Group and Chartered IIA

comprising software

	2026 £	2025 £
Cost		
At 1 April	356,822	70,687
Additions	116,392	286,135
Disposals	-	-
Fully amortised assets	(63,038)	-
At 31 March	410,176	356,822

Amortisation

At 1 April	126,775	65,589
Charge for period	87,739	61,186
Disposals	-	-
Fully amortised assets	(63,038)	-
At 31 March	151,476	126,775

Net Book Value

At 31 March	258,700	230,047
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12. Stock – Group and Chartered IIA

	2026 £	2025 £
Open learning study packs	19,622	0

13. Debtors

	Group		Chartered IIA	
	2026	2025	2026	2025
	£	£	£	£
Fees receivable	697,595	1,015,706	688,539	1,008,689
Other Debtors	205,929	98,806	205,929	97,844
Prepayments	748,614	429,837	740,432	423,702
Amounts owed by the subsidiary company	-	-	32,755	48,466
	<u>1,652,138</u>	<u>1,544,349</u>	<u>1,667,655</u>	<u>1,578,701</u>

14. Creditors

	Group		Chartered IIA	
	2026	2025	2026	2025
	£	£	£	£
Trade Creditors	545,077	500,174	545,077	500,174
Taxation and social security	151,131	108,255	149,820	107,410
Accruals	177,748	106,883	149,820	101,227
Other creditors	53,170	36,174	51,387	34,835
Deferred income* – subscriptions	1,156,490	1,046,360	1,156,490	1,046,360
Deferred income* – course fees	237,074	337,901	157,284	314,925
Deferred income* – learning fees	146,270	109,837	146,270	109,837
	<u>2,466,960</u>	<u>2,245,584</u>	<u>2,356,148</u>	<u>2,214,768</u>

* Income is deferred into the next accounting period when delivery of the service is in the next accounting period.

15. Post Balance Sheet Events

The Chartered IIA premises at Abbeville Mews, Clapham Park Road, London, were sold during the 2026/27 financial year for £700,000. Contracts were exchanged on a conditional basis on 31 March 2026, with legal completion taking place on 19 May 2026. Accordingly, the disposal will be recognised in the financial statements for the year ending 31 March 2027. Completion of the sale was conditional upon a Licence for Alteration being granted by the freeholder.

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