

Annual report and accounts 2024 / 2025

President's Report

I am very pleased to report that the Chartered IIA has again returned a surplus in 2024/25, further restoring our financial health and our ability to invest in providing better services for our members.

The main drivers for this performance are strong member subscriptions, record-breaking attendance at our four main conferences, and our EQA service. It is hopefully an indication that we are getting things right, even if not perfect.

It has been another busy year with the launch of a new brand, website and CRM system. These have all been delivered so as to improve the experience for our members and to be a more attractive window to the profession.

The Global Internal Audit Standards are now in full use and the new CIA syllabus and examinations will be effective soon. This has meant a lot of work to change our training and support for people undertaking all certifications and designations.

We were delighted to launch the new combined Internal Audit Code of Practice, reflecting the new standards. We were grateful for the work of volunteers from our membership and beyond to bring this to fruition. A special mention to Sally Clark for chairing the independent review process and to EY for their support. The code is there to serve as a benchmark for best practices, providing a framework against which organisations can evaluate their internal audit functions.

Our 2024 annual Internal Audit Conference was our largest yet and again offered the opportunity to join in person or online. We also saw good sales for the video of proceedings afterwards. Other conferences, key events and webinars also achieved record numbers of attendees, thereby highlighting the continuing demand for the Chartered IIA's role in bringing people together to discuss concerns, new ideas and best practice.

Members are the lifeblood of the Chartered IIA. We are here to serve them and to help you and therefore it is rewarding to see that number of members has grown over the course of the year. We continue to work to improve our responsiveness and to be more proactive in delivering what they need.

We know that one of the most valued activities we engage in is advocacy work. The Chartered IIA's Council have sent a clear signal that our focus needs to remain on working with regulators to ensure internal audit is understood and recognised for what it brings.

With a new Government we have also spent some time introducing new ministers and MPs to the mission of the internal audit profession. The Audit Reform & Corporate Governance Bill is mooted to be introduced at some point in this parliament and it is important that within this the need for an independent internal audit capability is understood and reinforced.

It has been an interesting year for our learning provision with an early spike as people wanted to complete their studies before the new standards came into force, and then a hiatus while we await the introduction of the new assessments.

Our EQA work has also grown. We have recruited and trained more EQA assessors and have had greater success in our tendering activities. We will continue to build on this work.

We have been successful in selling the smaller of our two office buildings in Clapham and we are still looking for an option for the remaining building. However, the sale of one building has enabled us to move into a serviced office in Victoria. The office is not large enough to accommodate all staff at the same time and so a rota system is in place to enable all office-based staff to attend 40% of the time.

As a membership organisation we rely on the support of our members, and we are very grateful for all volunteers who work with and through us for the greater good of the profession. I want to reiterate our thanks to them for their efforts. In particular, I thank those serving on committees at regional and country level, in special interest groups, at Global and European levels, and especially to my colleagues on the Council. Together we can make a strong profession even stronger.

Thank you so much to everyone that has contributed to the success of the Chartered IIA this year.



Sandro Boeri CMIIA

Office 202

Alliance House

Caxton Street

London

SW1H 0QS

17 July 2025

Directors' Report

for the year ended 31 March 2025

The Directors of the Council have pleasure in submitting the annual report and audited accounts for year ended 31 March 2025.

Principal activities

Our Royal Charter states that:

The objects for which the Institute 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, notwithstanding an investment into a new Customer Relationship Management (CRM) system and website, a the cost of rebranding, as well as the costs of launching of the new Standards. The operating income for the year increased to £6,861,664 (2024: £6,146,072) and generated a surplus after tax of £719,373 (2024: £637,182). A sizable portion of the increase in income is due to the sale of one of the two buildings in Clapham, which contributed £386,265 to the operating income. The remaining building continues to be marketed.

The number of members as at 31 March 2025 increased to 10,470 (2024: 10,071).

Certification and Learning made up £1,696,390 (2024: £1,557,703) of the operating income. The increase on the prior year is due to £67,084 more income in CIA, and £57,492 in Apprenticeships.

Training contributed £432,339 (2024: £596,534) to operating income. The decrease on the prior year is thought to be due to financial pressures caused by the increased cost of living, as well as the incoming increase in national insurance, resulting in businesses reducing their expenditure on training.

Events contributed £756,436 (2024: £641,861) to operating income. The improvement on the prior year is due to the continuing success of the Annual Conference, which generated £643,216 income (2024: £529,492).

The External Quality Assurance (EQA) service generated £693,561 (2024: £509,086) of the operating income. This year, 31 EQAs were undertaken, 4 more than the prior year.

Direct costs increased by £729,998 on the prior year mainly due to an increase in staffing and depreciation of our new systems. Also, the prior year benefitted from a one-off business rates rebate from Lambeth Council amounting to £54,313. The remainder of the increase can be attributed to the elevated rate of inflation.

The cash balance as at the end of the financial year was £2,527,969 (2024: £2,000,202) and net assets amount to £2,341,191 (2024: £1,621,818). The increase in the cash balance is largely due the sale of the building mentioned above. This resulted in a cash injection of £386,265.

Future developments

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 Chartered IIA's Vision 2035. As a profession we need to take a careful look at how we respond to things like AI and data analytics which can speed up analysis and monitoring, but cannot replace the internal auditor, no matter how tight budgets might be. If we don't embrace this reality and prepare ourselves for the opportunities of the future we may miss out. We don't just need to talk, we need to act!

The year ahead will also be spent ensuring we reap the benefits of the new systems to deliver value for our members. There is much to do on the education side of the business and in aligning our training with the new CIA syllabus. We also want to work with our members to engage more with potential new internal auditors, whether that be people transferring from other roles, or people looking for their first role. The skills required for future generations will continue to evolve and we must be able to support this.

We will continue to run our usual events, training, education, research, guidance and advocacy work.

We will further support specific segments of our membership through our Aspire, Women in Internal Audit, and the Race and Ethnicity groups and forums. One of our most popular forums is the Data Analytics and AI Working Group, but we continue with many other specialist areas. We have been working closely with our Regional Committees to revitalise how we can make best use of volunteers time.

The Chartered IIA will continue to take a prudent and balanced view in its operational and financial decision making in the year ahead and remains optimistic that its financial position will continue to stabilise and improve.

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 human resources policies support the achievement of its objectives, as well as 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 and prior to November 13 by A McGichen CMIIA. Other members are P Fatania CMIIA, M Ghibu FRM, and A Hinder CMIIA.

The internal auditors, Wylie Bisset, 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 the 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 (President & Chairman)	Appointed President	04/10/2023
Deepinder Chhabra	Appointed	13/06/2022
Carolyn Clarke CMIIA (Deputy President)	Appointed	21/10/2020
Peter Elam CMIIA (Immediate Past President)	Resigned	02/10/2024
Saida Evans CMIIA	Appointed	04/10/2023
Steve Evenden CMIIA	Appointed	20/10/2021
Piyush Fatania CMIIA	Appointed	16/10/2019
Maria Ghibu FRM	Appointed	13/06/2022
Andrew Hinder CMIIA	Appointed	04/10/2023
Clare Keon CMIIA	Appointed	20/10/2022
Arleen McGichen CMIIA	Appointed	21/10/2020
Marina McQuade CMIIA	Appointed	04/10/2023
Mark Walley	Appointed	19/03/2025
Roza Watson CMIIA	Appointed	20/10/2022
Anne Kiem OBE (CEO)	Appointed	09/01/2023

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



Sandro Boeri CMIIA

Office 202
Alliance House
Caxton Street
London
SW1H 0QS
17 July 2025

Auditors' Report

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

Opinion

We have audited the financial statements of the Chartered Institute of Internal Auditors ("the Chartered IIA") for the year ended 31 March 2025 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 2025 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 6, 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 the Chartered IIA's 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 the Chartered IIA's 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

Date: 18th August 2025

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 2025

	Note	Group 2025 £	2024 £	Chartered IIA 2025 £	2024 £
Operating income		6,861,664	6,146,072	6,753,894	6,034,075
Direct expenses		(6,384,204)	(5,533,910)	(6,312,064)	(5,433,185)
Operating surplus	5.	477,460	612,162	441,830	600,890
Interest income		42,291	25,710	42,291	25,710
Gains on sale of property		199,730	-	199,730	-
Interest paid		(108)	(690)	(108)	(690)
Surplus on ordinary activities before taxation		719,373	637,182	683,743	625,910
Taxation rebate/(charge)	.	-	-	-	-
Surplus on ordinary activities after taxation		719,373	637,182	683,743	625,910

Balance Sheet

as at 31 March 2025

	Note	Group 2025 £	2024 £	Chartered IIA 2025 £	2024 £
Fixed assets					
Tangible assets	10.	284,410	482,008	284,410	482,008
Intangible assets	11.	230,047	5,098	230,047	5,098
Investment in subsidiary company	9.	-	-	68	68
		514,457	487,106	514,525	487,174
Current assets					
Stock	12.	-	25,476	-	25,476
Debtors	13.	1,544,349	1,693,708	1,578,701	1,697,576
Cash at bank		2,527,969	2,000,202	2,440,825	1,967,559
		4,072,318	3,719,386	4,019,526	3,690,611
Less Creditors: amounts falling due within one year	14.	(2,245,584)	(2,559,674)	(2,214,768)	(2,517,245)
Net current assets		1,826,734	1,159,712	1,804,758	1,173,366
Less Creditors: amounts falling due after one year	15.	-	(25,000)	-	(25,000)
Total assets less current liabilities		2,341,191	1,621,818	2,319,283	1,635,540
Reserves					
Income and expenditure account		2,341,191	1,621,818	2,319,283	1,635,540

Approved by the Council of Directors for issue on 17 July 2025



Sandro Boeri CMIIA
President



Anne Kiem
Chief Executive

The notes on pages 12 to 17 form part of these financial statements.

Statement of changes in equity

for the year ended 31 March 2025

	Group Reserves		Chartered IIA Reserves	
	2025	2024	2025	2024
	£	£	£	£
At 1 April	1,621,818	984,636	1,635,540	1,009,630
Surplus/(Deficit) for the year	719,373	637,182	683,743	625,910
At 31 March	2,341,191	1,621,818	2,319,283	1,635,540

Cash flow statement

for the year ended 31 March 2025

	Group		Chartered IIA	
	2025	2024	2025	2024
	£	£	£	£
Reconciliation of operating deficit to net cash outflow from operating activities				
Operating surplus	477,460	612,162	441,830	600,890
Depreciation and amortisation	89,549	61,347	89,549	61,347
Loss on disposals	(96,093)	(18,255)	(96,093)	(18,255)
Decrease in stocks	25,476	23,823	25,476	23,823
(Decrease)/increase in debtors	149,359	(214,305)	118,875	(260,371)
(Decrease)/increase in creditors	(314,090)	289,094	(302,477)	313,789
Net cash inflow from operating activities	331,661	753,866	277,160	721,223
Returns on investment and servicing of finance				
Interest received	42,291	25,710	42,291	25,710
Gains on sale of property	199,730	-	199,730	-
Loan repayments	(25,000)	(10,000)	(25,000)	(10,000)
Interest paid	(108)	(690)	(108)	(690)
Capital Expenditure				
Purchase of tangible and intangible fixed assets	(303,435)	(25,424)	(303,435)	(25,424)
Disposals of fixed assets	282,628	26,013	282,628	26,013
Increase in cash	527,767	769,475	473,266	736,832
Reconciliation of net cash flow to movement in net funds and analysis of change in net funds				
Cash brought forward	2,000,202	1,230,727	1,967,559	1,230,727
Cash carried forward	2,527,969	2,000,202	2,440,825	1,967,559
Reconciliation of net Debt - Group				
	at 01 April 2024	Cash flow	Movement	at 31 March 2025
Cash	1,955,202	552,767	-	2,507,969
Loans due before one year	10,000	(25,000)	25,000	10,000
Loans due after one year*	35,000	-	(25,000)	10,000
Total net debt	2,000,202	527,767	0	2,527,969

Notes to the accounts

for the year ended 31 March 2025

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 Company 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 2026, 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 £23,060 (2024: £21,890).

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 (98%) and the Republic of Ireland (2%), in the year ended 31 March 2025.

5. Operating surplus

	Group		Chartered IIA	
	2025	2024	2025	2024
	£	£	£	£
The operating surplus is stated after charging:				
Depreciation of tangible assets	28,363	33,221	28,363	33,221
Amortisation of intangible assets	61,186	28,126	61,186	28,126
Auditors' remuneration	27,208	32,908	21,450	27,500
- Other non-audit services	-	-	-	-

6. Directors – Group and Chartered IIA

	2025	2024
	£	£
Total directors' emoluments, including pension contributions and other benefits	237,665	204,250

The emoluments, including pension contributions and other benefits, of the highest paid director	237,665	204,250
--	---------	---------

	Number	Number
The number of directors for whom retirement benefits are accruing under money purchase pension schemes	1	1

The Directors of the Chartered IIA (as listed on page 6) comprise the key management personnel. The Chief Executives in 2024/25 received fees and expenses as shown above. In addition, employer's national insurance contributions of £25,926 (2024: £24,965) were paid. No other Director received a fee in the period.

7. Employees

	Group		Chartered IIA	
Employee cost, including directors' remuneration, were as follows:	2025	2024	2025	2024
	£	£	£	£
Gross pay*	2,658,321	2,322,172	2,609,215	2,273,744
Employer's National Insurance	292,476	254,651	287,075	249,366
Cost of defined contribution pension scheme	121,207	102,092	117,501	98,618
	3,072,004	2,678,915	3,013,791	2,621,728

* Including termination payments of £0 (2024: £0).

	Group		Chartered IIA	
	2025	2024	2025	2024
The average number of people employed during the year:	55	51	54	50

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

	2025	2024
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 to those based in Ireland. The Registered Office is Stephen's House, 7-8 Mount Street Upper, Dublin 2, Ireland, D02FT59.

	IIA Training Limited 2025	IIA Training Limited 2024
Operating income	€ 195,372	€ 129,282
Direct expenses	€ (153,079)	€ (116,942)
Operating surplus before tax and dividend paid	€ 42,293	€ 12,340
Taxation	-	-
Dividend paid	-	-
Surplus after tax and dividend paid	€ 42,293	€ 12,340

	2025	2024
Current assets	€ 121,110	€ 97,602
Total liabilities	€ (94,824)	€ (113,605)
Total assets less current liabilities	€ 26,286	€ (16,003)

Share capital	€ 100	€ 100
IIA Training Limited – surplus in reserves	€ 26,186	€ (16,103)
Capital and reserves	€ 26,286	€ (16,003)

As at 31 March 2025 there were €1.196 to £1 (2024: €1.172).

10. Tangible fixed assets – Group

	Long leasehold Property	Furniture & Fittings	Other Equipment	Total
Cost	£	£	£	£
At 1 April 2024	993,148	9,216	30,846	1,033,210
Additions	-	-	17,300	17,300
Disposals*	(282,628)	-	-	(282,628)
At 31 March 2025	710,520	9,216	48,146	767,882
Depreciation				
At 1 April 2024	530,468	2,946	17,788	551,202
Charge for period	14,210	1,254	12,899	28,363
Disposals*	(96,093)	-	-	(96,093)
At 31 March 2025	448,585	4,200	30,687	483,472
Net Book Value				
At 31 March 2025	261,935	5,016	17,459	284,410
At 31 March 2024	462,680	6,270	13,058	482,008

* Building at 14 Abbeville Mews cost was £282,628 was sold for £386,265, on 04/12/2025, resulting in the significant disposal of £186,53 and a gain of £199,730. There were no impairment losses.

11. Intangible fixed assets – Group and Chartered IIA

	2025 £	2024 £
comprising software		
Cost		
At 1 April	70,687	132,094
Additions	286,135	7,650
Disposals	-	(13,691)
Fully amortised assets	-	(55,366)
At 31 March	356,822	70,687
Amortisation		
At 1 April	65,589	101,956
Charge for period	61,186	28,126
Disposals	-	(9,127)
Fully amortised assets	-	(55,366)
At 31 March	126,775	65,589
Net Book Value		
At 31 March	230,047	5,098

12. Stock – Group and Chartered IIA

	2025 £	2024 £
Open learning study packs	-	25,476

13. Debtors

	Group		Chartered IIA	
	2025	2024	2025	2024
	£	£	£	£
Fees receivable	1,015,706	958,377	1,008,689	920,337
Other Debtors	98,806	188,492	97,844	187,511
Prepayments	429,837	546,839	423,702	535,222
Amounts owed by the subsidiary company	-	-	48,466	54,506
	<u>1,544,349</u>	<u>1,693,708</u>	<u>1,578,701</u>	<u>1,697,576</u>

14. Creditors

	Group		Chartered IIA	
	2025	2024	2025	2024
	£	£	£	£
Trade Creditors	500,174	482,825	500,174	482,825
Taxation and social security	108,255	204,739	107,410	203,764
Accruals	106,883	201,484	101,227	196,237
Other creditors	36,174	2,464	34,835	1,737
Deferred income* – subscriptions	1,046,360	1,023,417	1,046,360	1,023,417
Deferred income* – course fees	337,901	544,156	314,925	508,676
Deferred income* – learning fees	109,837	100,589	109,837	100,589
	<u>2,245,584</u>	<u>2,559,674</u>	<u>2,214,768</u>	<u>2,517,245</u>

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

15. Creditors – Group and Chartered IIA

	Group		Chartered IIA	
	2025	2024	2025	2024
	£	£	£	£
Amounts falling due after one year				
Bounce back loan**	-	25,000	-	25,000
	<u>0</u>	<u>25,000</u>	<u>0</u>	<u>25,000</u>

** Interest from September 2021 is 2.5% per year, over 60 months.

www.charterediia.org
Chartered Institute of Internal Auditors
Office 202, Alliance House, Caxton Street, London, SW1H 0QS
tel 020 7498 0101 **email** membership@charterediia.org
Registered in England and Wales No. RC000840
© July 2025