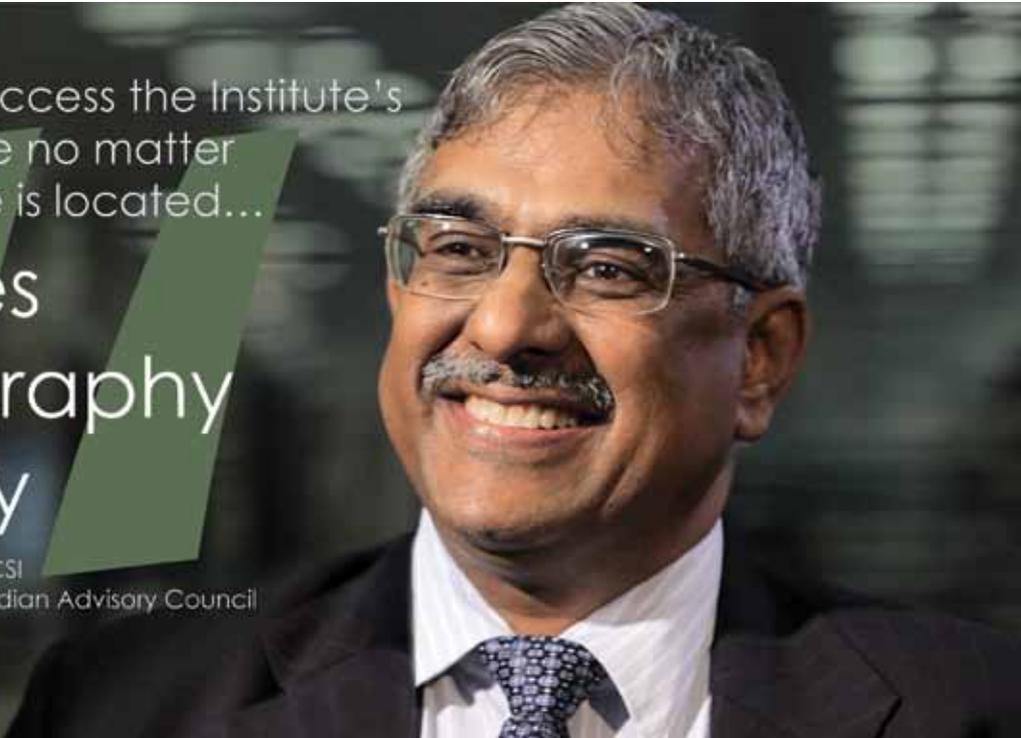


# Report and Accounts 2011/12

one can access the Institute's  
knowledge no matter  
where one is located...

makes  
geography  
history

P.H. Ravikumar MCSI  
President of CISI Indian Advisory Council



professionalism

integrity

excellence



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## CISI ANNUAL REPORT

### Chairman's Statement

As I write this, I recall I stated last year that "the world was a more dangerous place and that risks were no less, but broader and deeper and that revolution was back in fashion". So it was, and so it is more so today, however the revolution today isn't just the Arab Spring - at last shareholders are taking a much more proactive role in governance issues and remuneration. That has to be right; after all, they are their companies and perhaps the only regret is that they should have shouted earlier.

We expect a difficult year for our members and markets generally, as the economy continues to work through the hangover of 2007/8. We will begin to appreciate the efforts that have been expended in modernising the CISI's processes and renewing the IT platform, in readiness for the next decade. The CISI has never been financially healthier than it is now, which is why we froze membership fees again for the second year and continued to allocate some surplus funds to the CISI Educational Trust.

I would like to take this opportunity to thank Simon Culhane, Chartered FCSI, along with Ruth Martin, Kevin Moore, Chartered MCSI, and their teams, for their hard work and intelligent business-like approach to the opportunities and problems we have faced and are facing. It is always very refreshing to meet the staff of the Institute and it is only when you do, that you find energetic, enthusiastic, bright and polite people who understand who the clients are.

We wouldn't be where we are today without our members and particularly those who give their time for free and offer their huge experience. You can't teach experience, but you can share it, in the hope that the younger generation don't make the same mistakes that we did. So thank you too.

I would like to record our appreciation for the contribution of Alan Ramsay FCSI(Hon), who resigned from the Board in September 2011, having served as a Director for 15 years, for many of which he also chaired the Audit Committee. Alan brought a wealth of experience and sound counsel to the Board's deliberations.

My thanks also go to Nick Seaward, Chartered FCSI, for five years' valuable service on the Board. Nick resigned from the Board in 2011, in order to take on a paid role on behalf of the Institute; it is a condition of CISI's constitution that Board members should not be paid by the Institute.

Paul Hedges, Chartered FCSI, resigned from the Board in 2009 to take on a temporary employed position for CISI in Singapore; this assignment ended last year and Paul, now with HSBC in Singapore, was re-elected to the Board in September 2011 for a term of three years.



*Alan Yarrow, Chartered FCSI(Hon),  
Chairman*

**Alan Yarrow, Chartered FCSI(Hon)**  
**Chairman**



*Simon Culhane, Chartered FCSI,  
Chief Executive*

## Chief Executive's Report

On 10 February 2012, the Institute celebrated its 20th anniversary since it emerged from the London Stock Exchange and its primary functions have not changed. They remain:

1. To promote, for the public benefit, the advancement and dissemination of knowledge in the field of securities and investments.
2. To develop high ethical standards for practitioners in securities and investments and to promote such standards in the United Kingdom and overseas.
3. To act as an authoritative body for the purpose of consultation and research in matters of education or public interest concerning investments in securities.

What is different is how the Institute goes about this task and how it is actively using modern technology, not only to help it deliver over 41,000 qualifications and reinforce the importance of integrity, but also to provide increasing opportunities for knowledge and skills to more than 40,000 members, who are now to be found in 89 countries.

## Financial

The Institute is a charity; it does not receive any Government funding. Its aim is to make a modest surplus, which is reinvested, each year and to plan for the longer term. Its income is primarily derived from revenue received from qualifications and membership, which it offers globally.

The financial results for the year were satisfactory. The Institute recorded a retained surplus of £700,000 (£674,000 in 2010/11) on an increased turnover of £11.6m, compared with £10.8m for 2010/11.

Income rose by £830,000, while expenditure increased by £730,000.

Reserves have increased from £6.4m to £7.15m after the Board made a significant donation of £385,000 to the CISI Educational Trust, which is a charity in its own right with a separate Board of Trustees.

This allowed the Board to freeze membership subscription fees during the year and it has committed to do so again for 2012/13.

## Integrity

At the heart of everything the Institute does is integrity.

During the year, the CISI produced a third volume of its highly regarded Integrity at Work book of case studies and was a leading participant in the Lord Mayor of London's Restoring Trust Initiative. It also jointly created and launched, with the Institute of Business Ethics, an assessment aimed at firms, entitled Investing in Integrity.

The Institute's exams, its new membership requirements and its motto - My Word is my Bond - reflect the importance of ensuring that integrity and trust remain one of the bedrock principles of the Institute.

## UK Retail Sector

As well as being a charity, the CISI is also a Chartered organisation and is regarded as the leading professional body in the wealth management industry.

This was further demonstrated in October, when the UK Financial Services Authority (UKFSA) formally recognised the Institute as one of its original six, later eight, "accredited bodies", which are authorised to provide Statements of Professional Standing (SPSs) to competent individuals, whose work involves providing financial advice to retail customers.

In October 2011, the Institute issued its first SPSs, which will be compulsory for all retail advisers by 1 January 2013. However, the Institute will only provide SPSs for its own members, or those of corporate supporters, who are of good standing, have demonstrably adhered to the Institute's Code of Conduct, have completed their CPD and have passed the necessary qualifications.

The accreditation by the UKFSA and the issuing of SPSs is significant. In one area, it does change the relationship between Institute and member to a more formal, quasi-regulatory footing. However, the Institute believes this is consistent with the charitable aims of a professional body, one of which is to act in the public interest. It also means that the Institute is accountable for some of its functions to, and will be audited by, the UKFSA.

The UKFSA has, in effect, mandated membership in the retail industry. This is both an opportunity and a challenge as it means there is now a market amongst professional bodies, as individuals (and firms) have eight organisations from which to choose.



*Angela Knight CBE FCSI(Hon), Chief Executive of the British Bankers' Association, speaking at the CISI Annual Lecture*



*The launch of Investing in Integrity*



*Robert Ward, Chartered FCSI, who received the first SPS issued by the CISI*

I am pleased that the Institute has been successful in most of its competitive tenders, as firms compare its offering with those of our competitors. It is the only accredited body to have a single fixed membership fee and to have a comprehensive and sophisticated electronic, continuing professional development logging system with super-user functionality.

In the last six months we are noticing that firms which had been focused on ensuring their staff are properly qualified are now looking closely at what the Institute offers its members, as membership provides the best way for individuals to ensure they maintain their knowledge, skills and integrity.

### Using Technology to help Members

The Institute is consciously and strategically using the latest technology to help its members.

Last year I reported that the CISI had started to experiment with an App for its publications. Today that is a reality.

Over 2,000 people have used it to download our three major magazines; the monthly Securities & Investment Review and the two quarterly publications; Change, our regulatory review and Investment Management Review, our summary of the main investment topics.

CISI TV was launched in April and has expanded significantly, with over 19,000 downloads. It is now available for all tablet holders, so our members can view relevant seminars on their mobile device at their leisure. Many members tell us that this is particularly effective when using public transport. Both the App and CISI TV automatically upload information to an individual's CPD log. With seminars now being recorded outside the UK and the introduction of live webcasts, our goal is to remove physical land barriers and, in the words of our Indian Advisory Council President, Mr P.H. Ravikumar MCSI, "make geography history."

Technology has allowed us to increase our elearning products, from a handful last year to over 40 - all of which are free to members. We have also invested strongly in a new IT system which will re-engineer much of our back office processes, but also gives us a greatly enhanced virtual shop for our key products, as well as providing each member with a specific portal for their own information through MyCISI.

Therefore, it is particularly pleasing to see that there has been a real 6.6% growth in members, the largest net increase for over a decade. We are also seeing a large increase in our Affiliate grade as firms encourage their non-qualified staff to take advantage of our CPD schemes.



There are close to 4,000 Chartered members and Fellows, who are members at the peak of their profession. All Chartered members have successfully undertaken and passed at the top grade, our IntegrityMatters test, as well as annually completing 35 hours of CPD. This year we started a full audit of 10% of all Chartered members' CPD, which will rise to 20%. The results are encouraging, although in some isolated cases, a few members will have their personal Charter designation suspended.

## Qualifications

The world recovery continued in 2011/12, although it was more fragile in the UK than in many other countries, particularly the Middle East and Singapore, where demand increased.

However, exams numbers held up better than we forecast. The overall total was up 5%, split equally between the UK and International, rising from 39,100 to 41,500. The UK total was just under 32,500, while almost 8,700 exams were taken abroad.

We saw a large increase in our operations exams, up 20% to almost 17,000, and in entries for the Private Client module of the CISI Diploma, which attracted over 1,750 entries.

There was a significant decline in front office certificate qualifications, which are taken by staff working in investment banks. We continue to see a further significant fall in the first few months of 2012.



*Prize winners at the Scottish CISI Awards Ceremony*



*James Birch ACSI, being presented with winner of Overall Investment Advice Diploma Award by Sir David Howard FCSI(Hon)*

The Institute has been very influential in terms of keeping firms and individuals up to speed on the RDR requirements from the FSA

Sandra Jacobs  
Chairman,  
CISI Training and Competence Interest Group





*Stéphane Attali, ESA Dean, Ruth Martin, Raed Charafeddine, Vice Governor of the Banque du Liban and Dr Sami Al Suwailem, Senior Economist Manager, Islamic Development Bank, Saudi Arabia, at the Arabic IFQ launch*

It is, however, surprising that the UKFSA is showing no sign of tackling the increasing disparity between the requirements for the private client sector and the wholesale market, which has arisen because of tightening in one sector and the earlier, pre-crash relaxation in the wholesale market.

As a result, there are significantly different minimum standards for individuals working in the two sectors, ranging from a lower level of initial competence, to no requirement for continuing learning, no requirement to belong to a professional body and no requirement for an annual statement of competence. In February 2012, the CISI helped draft an amendment for the new Financial Services Bill going through the UK Parliament, to raise the wholesale standards to match those of the retail market and it was a surprise to the proposers that this met opposition and needed to be withdrawn.

## International

We are seeing a number of other countries looking to adopt common minimum standards for their market participants. Many have learned from the experience of the UAE and Lebanon, whose regulators the Institute has been working with for a number of years and who have brought in mandatory qualifications regimes.

As a result there has been significant progress in Qatar and Oman, where the authorities are about to introduce new requirements and where we have also helped to create local regulatory papers which are being introduced in Arabic.

We continue to build on our work in Europe, especially Switzerland, Poland, Malta and Gibraltar, and will be starting pilots in the US and some of the Caribbean islands. Our embryonic office in Sri Lanka had a good first year, although a little behind its ambitious targets, while India suffered a delayed slowdown arising from a pause in offshoring activity, but nevertheless over 1,200 exams were taken and we expect a significant upturn in 2012/13.

During the year we concluded work on our proprietary exam software, C-SIT, which allows us to offer secure and encrypted testing over the internet. Combined with secure testing, this technological advance is allowing us to reach and offer skills development to more remote areas.



*Simon Culhane, Chartered FCSI, speaking in Malta*



*Kevin Moore, Chartered MCSI, with Award Winners from BNP Paribas in Singapore*

## CISI Staff Charity Day

A new initiative in 2011/12 was a CISI staff charity day, where staff were given a day each to devote to charitable causes if they wished. Staff contributed to a variety of causes, with a number adopting Springfield Community Flat, a community charity based in the most deprived ward of Lambeth, London.



## Institute People

Over the last 20 years more than 460 people have worked at the Institute and 140 of them attended a special dinner in March to celebrate its achievements. The Executive Team is fortunate that today almost 130 talented and dedicated individuals work for the CISI, with 25 now working abroad, of which 11 are in our operations centre in Colombo.

The Institute values its staff and was pleased to receive confirmation that it has retained its Investors in People accreditation. It is rather a cliché for Chief Executives to thank their colleagues in a report, but it is absolutely true; it is down to the hard work of the CISI staff that this Institute is flourishing - and I am most grateful to them all, especially the present staff.



*20th Anniversary celebratory dinner at Fishmongers' Hall*

**Simon Culhane, Chartered FCSI**  
Chief Executive



*Honorary Fellows' Lunch at Fishmongers' Hall*

*Charitable Objective 1: To promote, for the public benefit, the advancement and dissemination of knowledge in the field of securities and investments.*

## ATTAIN COMPETENCE

### Trends in Existing Qualifications

The volume of exams taken has remained consistent in the last financial year, with an overall total of 41,150 taken. The growth of exams for operational specialists, particularly internationally, together with the increasing use of our Introductory exams as foundations for careers whether in schools, universities, firms or as part of technical qualifications internationally, were noticeable trends.

Within the UK, the higher level qualifications required of retail investment advisers as part of regulatory changes under the Retail Distribution Review (RDR) enabled our new Investment Advice Diploma to flourish, as well as the Certificate for Private Client Investment Advice & Management (PCIAM). These increases were in contrast to the wholesale front office Certificates which declined, reflecting reduced recruitment into the graduate streams of investment banks during the year.



*Certificate Achievers' Reception*

### New Exams Launched in the Year

Two exams with a global reach were launched this year; Combating Financial Crime and Global Financial Compliance. These exams focus on the international context of the fight against money laundering, the financing of terrorism and financial crime and on the principles underlying effective compliance regimes. They now form part of our determined strategy to offer a suite of relevant qualifications to a broader market, particularly in the growing 'middle office', in compliance and risk related job roles.



*Adrian Leppard, Commissioner of Police, City of London, speaking at the launch of the Combating Financial Crime qualification*

## Retail Distribution Review (RDR)

### Private Client Investment Advice & Management (PCIAM)

PCIAM has continued to be the CISI qualification of choice for existing UK advisers preparing for the RDR this year. 1,660 candidates sat the exam between April 2011 and March 2012, achieving a pleasing average pass rate of 72%. Although the PCIAM is a sufficient qualification for RDR purposes (with qualification gap-fill), it can also be used to give exemption from the first paper of the CISI Masters, which we expect to become increasingly appealing as some of the large cohort of PCIAM holders seek further professional development.

This year also saw increasing levels of UK candidature for the CISI's Level 4 Investment Advice Diploma (IAD) which has been designed specifically to meet all the requirements of the RDR.

In the year 2011/12, 470 candidates completed the full IAD (comprising three units). In addition to those completing the qualification, by the end of the year nearly 2,000 candidates had completed the first unit, Regulation and Professional Integrity, which is a clear indicator that, while PCIAM is the CISI qualification favoured by existing advisers, firms are directing their new recruits to the benchmark IAD.

### Gap-fill a Feature of 2011/2012

UK advisers using existing higher level qualifications for the RDR have to bridge any gaps between their qualification and the new exam standards and curriculum with structured learning activity that can be verified 100% by the Institute, and this is known as gap-fill. It will also be a feature of the 2012/2013 year, as all existing advisers in the UKFSA regime complete requirements by the end of December 2012.

The CISI has been the only body to offer online pre-filled templates enabling its members to identify exactly which gaps they need to fill, and offering options as to how this might be achieved. Despite endorsing a wide range of training providers, many firms sought to use the CISI's own courses. Most demand came from practitioners sitting the transitional qualification, PCIAM (Level 6); although courses specifically designed for people holding the Investment Advice Certificate and London Stock Exchange full membership exams were also popular.



*Delegates at an RDR Open Day*



*Chief Examiner for PCIAM Bob Curry (front) with CISI Professional Exams Manager, Simon Walker (rear)*



*Mandeep Kaur Rai being presented with the joint winner of the PCIAM Award by Alan Yarrow, Chartered FCSI(Hon), Chairman, CISI*



David Blackmore FCSI, DB Risk and Compliance Services and Peter Brown, Chartered FCSI, CCL Training at the CISI Awards Ceremony

## Managing Investments

The CISI's Investment Management Panel began work during 2011 to review its Level 3 Certificate in Investment Management and raise this to a Level 4 qualification to be available in the latter part of 2012. This chimed well with the UKFSA's review of the exam standards for managing investments, which began during the year, with a view to these being raised by the regulator to Level 4 in the third quarter of 2013 - in line with the RDR exam standards.

## CISI in Education

### Schools Certificate for Introduction to Securities & Investment (Cert. ISI)

This was the pilot year for the new CISI Schools A/S Level equivalent qualification. A total of 39 students across six schools completed the two unit qualification which comprises the Introduction to Securities & Investment and an extended project. The extended project was a brand new kind of assessment method for the CISI and, together with an Alternative Assessment for PCIAM based on a written submission and interview, marked a new chapter in the CISI's approach, which we plan to build on further.

The pass rate for the Schools' Certificate pilot year was an impressive 77%. Students progressing onto university have been able to benefit from the UCAS tariff points attached to the qualification.



I thoroughly enjoyed taking the qualification and now have a clearer insight into financial services – the field in which I intend to specialise. Not only have I gained the equivalent of an A/S Level, it is also an industry-recognised qualification - something I believe helps me to stand out in such a competitive field.

James Curran, Langley Park School for Boys, Beckenham, who passed the Certificate for Introduction to Securities & Investment.



We are very grateful to our individual members and firms who have supported our education initiatives over this past year, which has included sponsorship. These have included:

- Charles Stanley, Exeter, sponsoring students through the Introduction to Securities & Investment at the Kings School in Ottery St Mary and hosting a visit at their office.
- Collins Stewart Wealth Management, sponsoring Guernsey Business School students through the Cert. ISI.

We are also grateful in particular to Moorad Choudhry FCSI, Andy Murphy, Chartered MCSI, Ian Bailey, Chartered MCSI and Sian Lloyd, Chartered FCSI for providing talks at various careers events.



*Andy Murphy, Chartered MCSI*

### Universities

Up until last year, the CISI worked with universities at postgraduate level and has seven designated Centres of Excellence, which provide excellence in the field of finance on their Masters programmes.

The strategy for the past year has been to develop links with universities at undergraduate level to embed CISI modules into Degree programmes so that students gain a Degree and a professional qualification. The emphasis has been to embed the Level 4 Investment Advice Diploma and so far the CISI has agreements with Canterbury Christ Church University, Aston Business School and the University of Essex to start from September 2013, with many more to follow. The CISI is grateful to Stephen Clark, Chartered FCSI, a Senior Adviser, for his assistance in the Higher Education sector.

Academics at our partner universities are offered free membership to the CISI to support them in the delivery of CISI qualifications and to keep up to date with industry developments.

### Ensuring Quality Assurance

As the CISI grows in profile, presence and reputation, assuring quality becomes even more central. Besides the use of practitioners as external specialists and the regular review of syllabuses, the quality of training provided by our training partners for the CISI exams becomes even more critical. In addition, the CISI itself is regulated by Ofqual, which set out a new compliance regime during the year.



*Stephen Clark, Chartered FCSI, Ruth Martin, Professor Robin Baker and Business School staff at the signing of the MoU at Canterbury Christ Church University*



*Professor John Edwards, Executive Dean, Professor Jim Steeley, Professor of Finance / Head of Group and Ms Adèle MacKinlay, Chief Operating Officer at the MoU signing at Aston Business School*



Brian McNulty MCSI and Balchandra Achary, Chartered FCSI, speaking with other external specialists at HMS Belfast



External specialists at HMS Belfast event

## External Specialists

For qualifications alone, nearly 400 practitioners volunteer help to ensure that CISI exams and learning materials are relevant, accurate and at the appropriate standard for job roles in a fast moving sector. Each exam subject has a panel of practitioners who generously donate their time. There are 40 panels in different subject areas that contribute to six Qualifications Assessment Boards, with an overarching Examinations Board.

In June 2011, as a small token of our gratitude, we were delighted to host a reception for all the external specialists on HMS Belfast in London.

## Accredited Training Providers (ATPs)

The CISI now has over 50 ATPs, spread globally from Sri Lanka to the Bahamas. The provision of such training is very important to the success of the CISI's candidates; equally, the monitoring of such a large range of providers is vital in ensuring that they are working to consistent standards.

We undertake an annual review of both UK and overseas ATPs, and this year we began the periodic process of re-accrediting our main UK ATPs.

Maintaining links with, and providing incentives to achieve high standards is an important part of our work, and we have devised a scheme to evaluate our ATPs against key criteria such as exam pass rates and candidate feedback, rewarding those who meet the criteria with additional recognition and marketing support.

## Ofqual

The new governance structure required by Ofqual meant that the Chairman of the Examinations Board, Sir David Howard FCSI(Hon), together with Lynne Hill, Chartered MCSI, Chairman of the new Self-Assessment Panel, have generously given their time to assist with the new regime. Ofqual will continue to reform the way in which it regulates Awarding Bodies, such as the CISI, which set and offer qualifications recognised by Government, and the change is set to continue during 2012/2013.



ACCREDITED TRAINING PROVIDER



BPP PROFESSIONAL EDUCATION



## CISI Annual Awards Ceremony

The increasing global reach of the CISI was highlighted at its biggest ever Annual Awards Ceremony, where more than 100 top exam performers were recognised.

Of the prize winners honoured at the ceremony, held once again at London's Mansion House, 15 were from outside the UK, including four from India and three from Singapore. For the first time there were award recipients from Australia and Jordan while Bahrain, Qatar, Spain, Sri Lanka, Switzerland and the US were also represented.

It was the Institute's 19th Annual Awards Ceremony and prizes were given in a record 56 categories. Winners were selected from nearly 33,000 entrants in more than 70 countries.

There was also a strong UK regional flavour to the awards headed by Scotland, which provided six winners. A range of firms, including HSBC and Goldman Sachs, led the way, each seeing its employees pick up six prizes, followed by BNP Paribas with five awards.



*Nathan Jacobus, joint award winner for Global Securities Operations (GSO) and now member of the GSO panel as an external specialist with Sir David Howard FCSI(Hon), Chairman of CISI Examinations Board*

## Examinations Board

Sir David Howard FCSI(Hon), Chairman	Charles Stanley
Simon Andrews	Futures & Options Association
John Barrass	Association of Private Client Investment Managers & Stockbrokers
Frank Canosa, Chartered FCSI	British Bankers' Association
Andrew Carter, Chartered MCSI	Towry Law Financial Services
Chris Cummings	TheCityUK
Liz Field	Financial Skills Partnership
Neal Franklin, Chartered FCSI	BNP Paribas
John Gaskell, Chartered FCSI	Institute of Chartered Accountants in England & Wales
Lynne Hill, Chartered MCSI	Lynne Hill Consulting
Sandra Jacobs	Royal Bank of Scotland
Marcus Johnson, Chartered FCSI	NW Brown
David Kanolik MCSI	Investment Management Association
William Macdonald, Chartered MCSI	Craigcrook Management Services
Clare Minchington	Association of Chartered Certified Accountants
Victoria Nye	Investment Management Association
Denis O'Connor FCSI	Association for Financial Markets in Europe
Kevin Rothwell, Chartered FCSI	Kevin Rothwell Consultancy & Training
Clive Shelton, Chartered FCSI	International Financial Data Services
Graham Withers, Chartered FCSI	Rathbone Investment Management



*Clive Shelton, Chartered FCSI*



*Lynne Hill, Chartered MCSI*



*Professor Philip Hamill, Tutor, Ulster Business School at the CISI Awards Ceremony with Ruth Martin and Introduction to Investment (Education) winners; Mark McCoy and Jonathan McAdams*



## The Significance of CISI Work to Benefit the Public

The CISI continues to ensure that it also contributes to a wider world. The Institute offers subsidised fees for exam entries and learning materials for those unemployed or in full time education. The CISI was particularly pleased to have supported the work of the University of Ulster in training unemployed graduates through discounts and also through bespoke assistance, to enable exams to be sat securely on-site in the university.

Most notably, the CISI Board decided to generously increase the amount of money donated to the Educational Trust, a charity in its own right.

## Institute Video

At a time when trust in the sector continues to be challenged, the CISI developed a video, available freely on its website to all. It explains the main purposes of the CISI and seeks to demonstrate to non-members, as well as members, how professionalism, integrity and excellence are embedded globally in its activities and services.

## Careers Information

To help students decide whether a career in securities and investment is right for them, the CISI has attended over 15 careers fairs during the past year at schools, colleges and universities and seven national events. It has promoted and distributed careers and qualifications information, including over 2,000 copies of Inside Careers, a graduate career guide focusing on the securities and investment industry. This work is supplemented by the information provided in the careers section of the CISI website.

The CISI also worked with [www.notgoingtouni.co.uk](http://www.notgoingtouni.co.uk) to provide information on qualifications to those students looking at alternative routes to university.

## Online Careers Support Centre

The CISI maintains an online Careers Support Centre, which has been recently redesigned to make it easier to access information and offers career guidance to those interested in starting or developing a career in financial services.

Packed with useful information, this area of the website is split into three sections:

- Career Choice: aimed at all ages, from 11-16 through to experienced professionals, covering information on apprenticeships, work experience, graduate schemes and guidance on education and training for newcomers to the financial services industry



- Career Entry: aimed at people who have chosen a career in financial services but need qualification guidance, split by sector, covering wholesale banking, asset management, financial advice, retail banking, operations, insurance and accountancy
- Career Development: offering guidance on career progression, CISI membership and continuing professional development (CPD)

### Inside Careers Guide

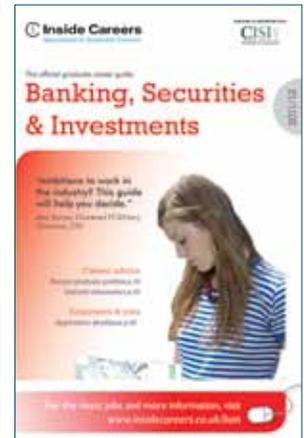
The CISI has worked in partnership for several years with the publishers of the Inside Careers guide to Banking, Securities and Investments. The CISI contributes articles outlining the size, scope and importance of the markets and institutions to the UK and global economies, and also describes the main career choices available in different sectors. The guide also contains "day-in-the-life" examples of recent graduate entrants, and expert advice on key attributes, qualifications and CV preparation. There is an extensive section describing the CISI, its professional qualifications, the benefits of membership and vital information about upcoming graduate and intern opportunities.

### The Brokerage Citylink

The CISI continues to support The Brokerage Citylink, whose aim is to bring together employers in the City, its fringes, Docklands and the potential local workforce, raising the ambition and employability of young people and unemployed adults from the inner city and enabling firms to access a diverse workforce.

As part of its City of London Business Traineeship Programme, it looks to find a work placement of between six and 13 weeks for academically bright students from inner city schools, who have completed their A Levels.

For some of those students unable to find a work placement through The Brokerage programme, the Institute holds a one-day Introduction to Financial Markets course in its London office in July, with the training provided by Julia Kirkland, Chartered MCSI. The Institute has also hosted a separate workshop for Brokerage students giving guidance on producing a CV, as well as looking at interview techniques.



*Inside Careers*



*Julia Kirkland, Chartered MCSI (far right) and Brokerage Citylink, sponsored by the CISI*



*Lynda Johnson, Headmistress of Bruntcliffe School, Ruth Martin, Cllr Judith Elliott, Mayor of Morley, and Keith Loudon, Chartered FCSI, Senior Partner, Redmayne-Bentley, at the launch of the Bruntcliffe School sponsorship*



*Scholarship Award Winner Ingrid Morante, a student at Cass Business School with Clare Gore Langton, Chartered FCSI(Hon), Chairman of the CISI Educational Trust*



*Sian Lloyd, Chartered FCSI, Senior Adviser to the CISI, who initiated the Bond Interest Group*

## The CISI Educational Trust

Over the past year the CISI Educational Trust has received further funds from the CISI and has expanded its remit to work across the education spectrum. It currently has resources in excess of £550,000. The Trust has continued to offer scholarships and prizes across schools, colleges and universities.

The Trust has also focused on ensuring that teachers and tutors within schools and colleges are teaching CISI qualifications with confidence. To this end it agreed to an enhanced training programme which doubled the length of training teachers received and also paid for their travel, accommodation and the cost of a supply cover teacher at their school or college so that they could attend training.

During the past year the Trust was delighted to announce the sponsorship of another teaching post, this time outside of the London region. Bruntcliffe School in Leeds has agreed to a sponsorship to deliver the Certificate for Introduction to Securities & Investment from September 2012 and has already built up a good relationship with local employer Redmayne-Bentley which, along with the CISI Yorkshire Committee, has been extremely supportive of this initiative. We thank Redmayne-Bentley for its involvement and look forward to working together on this partnership.

### Educational Trustees

Clare Gore Langton, Chartered FCSI(Hon), Chairman

Scott Dobbie CBE FCSI(Hon)

Nigel Challis FCSI(Hon)

Fionnuala Carvill, Chartered FCSI

Simon Culhane, Chartered FCSI

### Interest Groups

The CISI's Interest Groups enable both members and non-members to meet together and listen to presentations from senior practitioners, as well as engage in open discussion. The groups offer a unique opportunity to share ideas and discuss relevant issues in a confidential setting, as they are conducted under the Chatham House Rule. Attendees enjoy a light lunch at the quarterly meetings and the opportunity to network with like-minded professionals, which counts towards CISI members' CPD targets.

### Training & Competence Interest Group

The Training & Competence (T&C) Interest Group focuses on issues and discussions relating to training and HR and also provides updates on CISI initiatives. Meetings are attended by representatives from wealth and fund management firms and the top 50 investment banks and both CISI members and non-members are welcome.

#### Committee Members

Sandra Jacobs, Chairman  
Senior Manager, Group Regulatory Affairs,  
Royal Bank of Scotland

Alison Stobbs, Deputy Chairman  
Director, Human Resources, Cazenove Capital



*Alison Stobbs, Director, Human Resources, Cazenove Capital, Deputy Chairman of Training & Competence Interest Group and member of CISI Accredited Body Committee*

### Bond Interest Group

The CISI has partnered with the EFFAS European Bond Commission to form the Bond Interest Group, which is also open to non-members. The Group's aim is to provide a lively forum for presentations and discussion on hot topics related to the bond and derivative markets. Meetings are currently held in London but the aim is to meet in the European financial capitals in 2012. Both CISI members and non-members are welcome. The Committee is currently being formed.

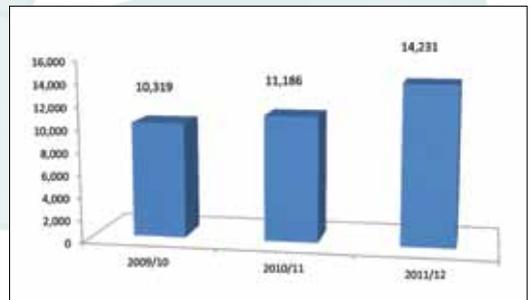
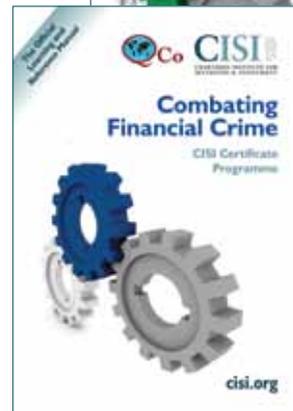
### Supporting Qualifications through CISI Publications

During 2011/12, over 14,000 hard copy workbooks were purchased, with a further 6,000 electronic workbooks distributed to international candidates worldwide.

We launched two new workbooks to support the new qualifications in Global Financial Compliance and Combating Financial Crime.

The Securities & Investment (Schools and Colleges) learning manual was re-designed for a younger audience, with the new look two-column style format proving to be very popular with students. Both the learning manual and elearning product have been reviewed by subject specialists, students and teachers to ensure that the material is relevant to their needs and level of experience.

During 2011/12, the most popular titles were Introduction to Securities & Investment, UKFSA Regulation and Professional Integrity, Derivatives, Investment, Risk & Taxation, Securities and Operational Risk.



*Number of hard copy units sold in last three financial years*



## eLearning

The CISI's specific tool to assist revision for its exams, Revision Express Interactive, has undergone a major review. The sample questions used are now of exam standard and are reviewed by external specialists, with all questions continually assessed for their level of difficulty and accuracy by both internal and external specialists. 2011/12 saw the release of four new Revision Express Interactive titles:

- Combating Financial Crime
- Global Financial Compliance
- Private Client Advice
- Private Client Investment Advice & Management

We are committed to improving both the content and candidate learning experience with our products. We have produced a new blended learning solution for our Securities & Investment for Schools and Colleges. This new style elearning product includes greater use of question testing, enhanced graphics and the use of animation.

## Testing: CISI Secure Internet Testing System (C-SIT)

C-SIT is the Institute's own bespoke exam delivery software, which has been used extensively throughout the world to deliver exams via computer. C-SIT has helped us to deliver exams in remote locations regionally in the UK and globally, where our principal service provider, Prometric, does not operate, or cannot meet unexpectedly high demand. We are able to set up, accredit and launch exams at centres, often within a matter of days.

Since its launch in July 2009, C-SIT has been used to deliver almost 4,000 exams, 58% of which have been outside the UK.

Where possible, we use Prometric to deliver exams on our behalf, but C-SIT has allowed us to fill gaps in testing availability in remote sites quickly, efficiently and securely.



Candidates sitting their exams by C-SIT in the Middle East

## Operations

Our Operations centre in Colombo, Sri Lanka, officially opened for business in March 2011 with seven staff, but its success has resulted in us expanding this to 11. The Colombo team deals primarily with customer enquiries and processing exam bookings for clients locally in Sri Lanka and in India, Singapore and the Middle East. More recently, the team has been managing membership enquiries and applications too.

The addition of Colombo allows us to provide an increased level of customer service with opening times extended to 14 hours a day, Monday to Friday, and an additional nine hours on Sundays. Time differences between London and Colombo and better use of technology have enabled us to offer improved service and efficiency, while keeping down costs. Managing and supporting an operations office remotely is more challenging, but the investment is paying dividends in increased customer satisfaction and improved service levels. The launch of our new booking and database systems in 2012 will increase efficiency and reduce response times even further.

## International Work

Six years after opening its first international office, the CISI's international work continues to develop through its offices in Dubai, Mumbai, Singapore and Sri Lanka. We are very grateful for the guidance given by the International Committee whose members are:

Richard Wastcoat, Chairman	Non-Executive Director, First State Investments, Financial Skills Partnership and Duncan Lawrie Holdings
Alan Yarrow, Chartered FCSI(Hon)	CISI
John Bourbon, Chartered FCSI	Consultant - Compliance and Regulation
Robert Gray	HSBC
Peter Lee	Morgan Stanley
Stephen Sanders FCSI	JPMorgan Chase
Christopher Scott, Chartered FCSI	Quilter
Phanos Theophanous MCSI	Barclays Wealth
Graham Ward	Independent Commission for Aid Impact



*Crystal Martil,  
CISI Operations Manager, Sri Lanka*



*Richard Wastcoat*



*Robert Gray*



*HE Rasheed Al Maraj, Governor of the Central Bank of Bahrain, and Khalid Al Zayani, President of the CISI National Advisory Council in Bahrain, at a CISI awards presentation at the Central Bank*



*Kevin Moore, Chartered MCSI, Matt Cowan ACSI and Richard Stockdale, Chartered FCSI, of the CISI, attended the SCA celebration to mark the 40th anniversary of the UAE*



*HE Abdulla Al Turifi FCSI(Hon) with Ruth Martin and Award Winner Mohammad al Awadi, former General Manager of Emirates Islamic Financial Brokerage Company, during the SCA awards graduation ceremony*

The number of exams taken outside of the UK continued to grow last year, with 8,500 exam sittings taking place in 63 different countries around the world, although this was lower than planned.

As the global nature of the securities and investment industry expands, so too does the demand for education to improve skill and competence levels, with more firms incorporating exams into their training plans. International banks in particular are increasingly looking to promote qualifications and programmes that work on a global basis in terms of access, relevance and recognition.

The continuing trend of increased regulatory supervision and the need to respond to public concerns about competence and skills levels also plays a part in this positive growth trend. The Institute's services complement these trends, enabling candidates to attain and maintain competence and promote integrity.

The three main strategies that the Institute has employed in developing international markets have been:

- Working closely with local regulatory authorities to support the existing/developing regulatory requirements. The Institute complements the local offering, adding a global component.
- Building sustainability by partnering with strong local education and training providers.
- Following major clients and other global financial centres as they develop their business outside the UK.

The Middle East has continued to show growth through partnerships with local regulators, particularly through offering the International Introduction to Securities & Investment and the positive reception and adoption of the International Certificate in Wealth Management by retail banks. Working with individual regulators allows us to develop a local regulation paper and combine that with our existing global exams.

A prime example of this co-operation exists in the UAE, where the qualifications regime which is run in collaboration with the Securities and Commodities Authority (SCA) gathered real momentum. Since it was launched in October 2009, almost 1,900 exams have been taken by individuals seeking to become qualified under the first mandatory qualifications and licensing regime for the UAE.

In Oman, the Muscat Securities Market is running its country's qualifications-led licensing regime. The International Introduction to Investment and local regulations exams, both now available in English and Arabic, underpin this project. As a demonstration of Oman's growing financial presence, the Central Bank of Oman has now started issuing Islamic Banking licences. In order to support this initiative, the CISI is collaborating with the College of Banking and Financial Studies to offer training for our Islamic Finance Qualification, also available in Arabic, to provide access to the wider population.

In November 2011, the CISI signed an agreement with the Qatar Financial Markets Authority (QFMA) to offer its existing qualifications and to develop a local regulatory exam. The Qatar Finance and Business Academy was also part of this agreement and will offer training to the market. In January 2012, the Qatar Financial Centre Regulatory Authority mandated exams for new entrants into the market and also mandated CPD.

In Bahrain, the CISI National Advisory Council continued to support plans to introduce CISI individual membership for risk and private client professionals. This is part of a major initiative driven by the Central Bank of Bahrain and 200 new members have now joined. We are also planning to open a representative office in Bahrain in summer 2012 in order to support more closely the development of education programmes aimed at young people in that country.

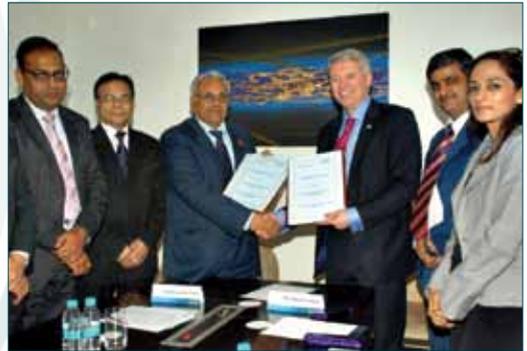
The Central Bank of Lebanon has extended the scope of the licensing regime in its jurisdiction, to include other CISI qualifications including Risk in Financial Services.

In India, the team has continued to focus on relationships with a wide range of multinational and local clients. The implementation of a differentiated pricing policy has also enabled the CISI to make its qualifications more affordable and accessible. Collaboration is key to our work in India, and we formalised an alliance with the Institute of Cost Accountants of India (ICAI) aimed at providing improved access to CISI qualifications and membership.

In the first year of the Sri Lankan office's operation, nearly 400 exams were taken. We are working closely with the regulator, the Securities and Exchange Commission, and with a range of educational establishments. Our office also supports the activities of our clients and members in the Middle East, South East Asia and Asia East.



*David King, Chartered FCSI, and Ahmad Salem Sultan, Head of Marketing at QFMA in Qatar*



*Sanjay Gupta, Chairman of ICAI, Rakesh Singh, Vice President of ICAI, Gopal Krishnan, President of ICAI, Simon Culhane, Chartered FCSI, Ganesh Iyer, Country Head India, and Arwa Tapia MCSI, Regional Head, South Asia and Mauritius*



*Brian Selvanayagam, Chartered MCSI, CISI Country Head, Sri Lanka at the EDEX Expo, Colombo*



*Yan Ling Angela Lua, from Deutsche Bank, Singapore, a double winner at this year's CISI Annual Awards*



*Annual meeting of EFFAS, which the CISI joined in 2011*



*Marios Siathas, Kevin Moore, Chartered MCSI, Charles Charalambous, Chartered MCSI, President CISI Cyprus NAC and Petros Florides*

Singapore has continued to develop well, with an increasing number of clients there, and in the regions, taking CISI qualifications. We held our third Annual Awards Ceremony in December in a different format to the usual, attended by Kevin Moore, Chartered MCSI, Director Global Business Development, with 37 successful Singaporean candidates being recognised for their achievements.

Singapore is also continuing to develop relationships outside traditional financial services, particularly in the vibrant higher education sector. There has been a concerted effort to explore the viability of other collaborative partnerships in Hong Kong, the Philippines and Malaysia, all of which will be developed further in 2012/13. Closer to Singapore, there has been strong interest in both the Investment Operations Certificate (IOC) and the Islamic Finance Qualification in Malaysia and Indonesia.

We have also seen an increasing demand for CISI exams and membership in Europe. We are talking to a number of regulators to explore how the CISI can support regulatory developments, as well as assist with the trend for businesses to look for qualifications with international recognition and portability. We achieved formal recognition for our qualifications in Cyprus and Malta, and anticipate that the number of regulators providing this recognition will grow steadily. During the last year we were delighted to join the European Federation of Financial Analysts Societies (EFFAS) which has much improved our connections with societies across Europe and where we have shared interests in education and professionalism.

The CISI international strategy envisages continued growth in terms of exams, and an increase in our number of international members. Our objectives are challenging, but achievable, as we move further towards becoming a truly global organisation.

## CISI Branch Committees and National Advisory Councils

Within the UK, the Institute is fortunate in that it can rely on a network of industrious committees whose primary role is to support the provision of learning opportunities through speakers and seminars for CISI members. Run by local volunteers and with dedicated support from the CISI, the committees have held 123 events, attended by just over 5,000 CISI members and guests.

The National Advisory Councils in Switzerland, Cyprus, Malta and Gibraltar are now more established and gaining momentum. These councils, formed of senior and influential industry figures, are of immense importance in supporting the international work of the CISI, providing invaluable local expertise and knowledge.

We are particularly grateful to our Presidents, who run the committees and councils worldwide:

### Branch Committees

	President	Firm
<b>Birmingham &amp; West Midlands</b>	Gordon Harvey, Chartered FCSI	Williams de Broë
<b>Bristol &amp; Bath</b>	Nolan Webber, Chartered FCSI	Rathbone Investment Management
<b>East Anglia</b>	Marcus Johnson, Chartered FCSI	NW Brown Group
<b>East Midlands &amp; Lincoln</b>	Jonathan Wernick ACSI	J W Compliance
<b>Guernsey</b>	Justin Oliver, Chartered FCSI	Collins Stewart Asset Management
<b>Isle of Man</b>	Susan Preskey, Chartered FCSI	Thomas Miller Investment
<b>Jersey</b>	Ben Shenton, Chartered FCSI	Team Asset Management
<b>Liverpool &amp; North Wales</b>	Glyn Edwards, Chartered MCSI	Blankstone Sington
<b>Manchester &amp; District</b>	Simon Chatterton, Chartered FCSI	S & T Asset Management
<b>North East</b>	Christine Hawdon, Chartered FCSI	Brewin Dolphin
<b>Northern Ireland</b>	Adrian O'Neill, Chartered FCSI	Northern Bank Wealth Management
<b>Scotland</b>	Stephen Barclay, Chartered MCSI	Morgan Stanley & Co International Plc
<b>South Coast</b>	Peter Jones, Chartered MCSI	Charles Stanley & Co
<b>West Country</b>	Paul Lewis, Chartered FCSI	Charles Stanley & Co
<b>Yorkshire</b>	Alan Fleming, Chartered FCSI	JM Finn & Co



*Gordon Harvey, Chartered FCSI*



*Jonathan Wernick ACSI*

### National Advisory Councils

	President	Firm
<b>Bahrain</b>	Khalid Al Zayani	Al-Zayani Investments
<b>Cyprus</b>	Charles Charalambous, Chartered MCSI	Deloitte Investment Services
<b>Gibraltar</b>	Mark Maloney, Chartered MCSI	Gibraltar Asset Management
<b>Greece</b>	Filimon Antonopoulos MCSI	H & F Analysis
<b>India</b>	P. H. Ravikumar MCSI	Invent Assets Securitisation & Reconstruction Pvt
<b>Ireland</b>	Peter Keane, Chartered FCSI	Consultant, formerly Central Bank of Ireland
<b>Malta</b>	Alex Bustos-Baez, Chartered MCSI	Voiccash Bank
<b>Singapore</b>	Paul Hedges, Chartered FCSI	HSBC
<b>Sri Lanka</b>	Nihal Fonseka MCSI	DFCC Bank
<b>Switzerland</b>	Laurence Rose FCSI	Altaira Wealth Management SA
<b>UAE</b>	Richard Stockdale, Chartered FCSI	QCo Holdings



*P. H. Ravikumar MCSI*



# MAINTAINING COMPETENCE

## Membership

The growing focus on professionalism in the sector, with the emphasis on both integrity and maintaining competence, was reflected in the highest number of core, qualified members in the Institute's history by the end of the year.

We have expanded our range of benefits to add value to the membership offering, many of which are detailed below. We firmly believe that CISI membership is the key to maintaining and demonstrating the highest levels of professionalism, integrity and knowledge in our industry.

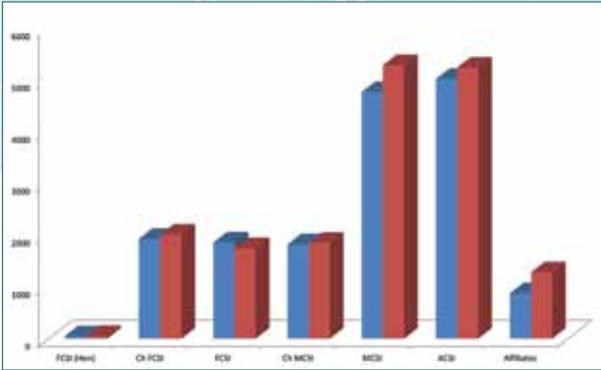
### Membership Cards

Membership cards have been redesigned to recognise the Institute's 20th anniversary, which was formally celebrated in February. When holding internal events, firms can now scan the cards of CISI members and produce an electronic list of attendees. No more crossing people's names off a paper list when they walk through the door!

### MyCISI

This is the new members' portal, providing access to all the relevant areas of our website and offering a more efficient logging in process, with just one sign-in required. With almost a quarter of a million visits, this new benefit is proving a popular tool for members to manage their CISI activities.

Core membership has seen a net increase of 6.6% during the membership year, from 16,310 in March 2011 to 17,459 in March 2012.



Membership figures over last two years



### JobsOnline

In a reflection of the current climate, our support for members seeking new employment opportunities has improved, with the launch of our job board, JobsOnline. Over 600 roles have been advertised by the seven recruitment firms now signed up to our website and members can use the system to create alerts when appropriate vacancies are advertised.

### LinkedIn

The CISI has an official discussion group on LinkedIn with over 3,700 members. This group enables members to network freely with each other, and we actively encourage members to post discussions on areas which may be of interest. New this year are the sub-groups linked to Professional Interest Forums - Compliance, Corporate Finance, Islamic Finance, IT, Operations, Risk and Wealth Management.



Chris Harris-Deans, Chartered FCSI



Frank Moxon, Chartered FCSI

### Membership Committee Members

- |  |                                 |
|--|---------------------------------|
| Chris Harris-Deans, Chartered FCSI, Chairman | Charles Stanley & Co            |
| Paul Hedges, Chartered FCSI                  | HSBC                            |
| Phillip Langton MCSI                         | Barclays Capital                |
| David Loudon, Chartered FCSI                 | Quilter                         |
| Rodney Margot, Chartered FCSI(Hon)           | City Trust                      |
| Frank Moxon, Chartered FCSI                  | Hoyt Moxon                      |
| Nick Parkes, Chartered FCSI                  | Novitas Partners LLP            |
| Christopher Scott, Chartered FCSI            | Quilter                         |
| Nick Swales, Chartered FCSI                  | UBS Wealth Management (UK)      |
| Andrew Turnbull, Chartered FCSI              | Brewin Dolphin                  |
| Martin Watkins, Chartered FCSI               | Euroclear SA/NV (London Branch) |

### CPD

Continuing professional development (CPD) has long been one of the cornerstones of our mission statement. Changes in the industry mean members are focusing on the increasing importance and value of CPD.

The growth in personal Chartered status has driven an increase in the number of members who are maintaining their CPD, along with the RDR effect. While competence has always been a feature of the regulatory environment, the RDR makes CPD content, measurement, monitoring and recording of successful learning outcomes a regulated matter. This is a strategic change for the industry and will be a steep learning curve for firms, individuals, the CISI and indeed the regulator.



## CPD Scheme & Log

The CISI CPD Scheme has been introduced to enable members to demonstrate their on-going commitment to continuing professional development, to both their employer and the relevant regulator. It has been designed to ensure that all members, regardless of seniority, geographical location or industry specialisation, are capable of completing the scheme. It is free of charge for members and usage is on a voluntary basis. All grades of membership may access the scheme and over 14,000 members have registered to use it.

This year has seen the launch of an enhanced CPD log, offering increased functionality. Members now have a greater visual indication of their progress against both CISI and (if applicable) RDR requirements and evidence of CPD activity can be uploaded directly onto their log.

A member can attend a third party CPD event, obtain a confirmation certificate, scan this into their PC and upload it to their CPD log. When selected for audit, the evidence is held in the log and is easily accessible, saving considerable time and effort.

The log is compliant with the UKFSA's RDR requirements and therefore members affected by the RDR can have confidence in a product that is designed to meet their needs in the new regulatory environment. The ability to record CPD as structured and to record learning objectives and outcomes ensures that those affected by the RDR can spend time focusing on CPD activity, rather than CPD administration.

The reaction from firms has been extremely positive and CityWire lauded our scheme as "the best of the bunch".

The CPD recording website and the ability to earn CPD by completing online courses with a test at the end is an outstanding development. It significantly reduces the pain involved in maintaining CPD records and offers a very constructive means of achieving CPD through continuous refresher training in an easy to use and simple way.

Andrew Courtney, Chartered FCSI, Consultant,  
Collins Stewart (CI) Limited



The CISI's CPD is very good in terms of the actual events that it puts on, particularly around ethics. It's especially useful as CPD for IFAs becomes more important

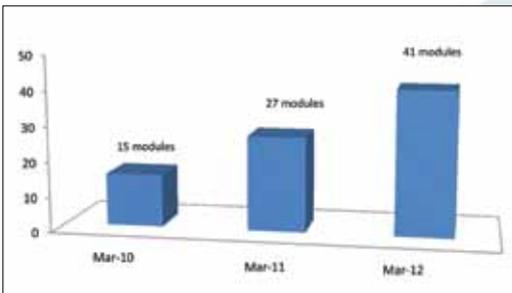
David Norman  
CEO, TCF Investment



*Oliver Taylor,  
Head of CPD Management, CISI*



*Terry Smith, Founder, Fundsmith LLP  
and Chief Executive, Tullett Prebon,  
appeared on CISI TV*



*Number of Professional Refresher modules available*

## CPD Auditing

Maintenance of CPD is an on-going requirement for members holding personal Chartered status. Failure to meet the CPD requirements of either the CISI or RDR CPD schemes will result in administrative sanctions, including suspension of Chartered status. For those affected by the RDR, failure to comply with CPD requirements is a regulatory matter and one which could have more serious consequences, including the refusal or withdrawal of their SPS. For personally Chartered members, auditing normally takes place in the first full year following conferment of the Charter: maintaining CPD is mandatory for personally Chartered members.

All members using the CISI's CPD Scheme, or the schemes of firms accredited by the CISI, are liable to be selected for audit; 20% are audited each year. Of those audited, 89% passed, although further evidence was required in 65% of cases.

## CISI TV

CISI TV has become a key distribution channel for our CPD offering, with over 19,000 viewings during the membership year. Some 3,195 members have viewed broadcasts totalling 10,679 hours. Members now have access to hundreds of different recordings, including more than 80 of our own. The channel is also available to members via compatible mobile devices, offering even more opportunity to keep up with CPD on the go.

## eLearning for Members

As CPD becomes ever more important, the CISI has invested substantially in e-based CPD, such as Professional Refresher, which is free to all members. Over the course of the year, 12 new modules have been added to the product (a 41% increase), bringing the current total to 41 modules.

New modules added were:

- Client Assets and Client Money
- Commodities and Energy Markets
- Data Protection
- Derivatives
- Foreign Account Tax Compliance Act
- Financial Crime
- Insolvency & Bankruptcy
- Insurance
- Islamic Banking
- Pensions and Provision
- Sanctions and Global Markets
- Suitability of Client Investments

### Live Webcast

The UK Budget Day in March 2012 saw the first ever live webcast, from BT Centre in Central London. Focusing on the issues arising from the Budget from a taxation and investment management perspective, members were invited to attend this CPD event either in person or via the web. Another first was an online "trailer" for the webcast, where members were personally invited to join the broadcast from wherever they were based.

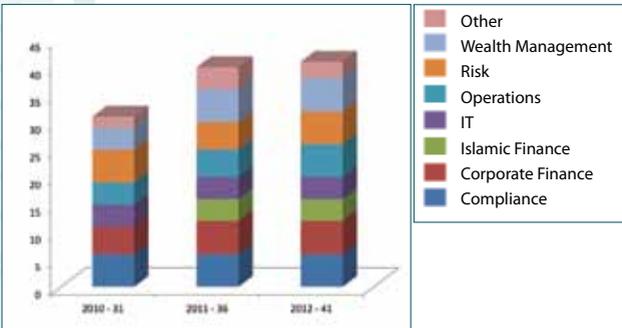


Bill Dodwell, Deloitte, presented CISI's first live webcast

### Professional Interest Forums

A key membership benefit, the Institute's professional interest forums (PIFs) are special interest groups which each meet four to seven times a year to hear from senior industry figures on relevant issues and engage in open discussion under the Chatham House Rule. They are a unique opportunity to share ideas and concerns in a confidential setting.

There are currently seven PIFs covering: Compliance, Corporate Finance, Islamic Finance (in conjunction with the Institute of Islamic Banking and Insurance), IT, Operations, Risk and Wealth Management. The forums are free events open to Chartered members, FCSI, MCSI, ACSI and Affiliate members. Student members may attend one of each PIF meeting per year. Attending forums counts towards 'Active' learning under the CISI CPD Scheme.



Average numbers of attendees per PIF

There's a lot of specialist knowledge and experience that people can tap into, either online or face-to-face through professional interest forums

Richard Charnock, Chartered FCSI  
Chairman, CISI Integrity & Ethics Committee  
and Member of CISI Board





Delegates at a Compliance Forum

The PIFs serve a valuable role on behalf of specialist practitioners as the voice of specific professional interests and this includes responding to relevant consultation papers where appropriate. The Compliance Forum now meets bi-annually with representatives of the Financial Services Practitioner Panel (FSPP) to discuss relevant issues.

The continued success of the PIFs has seen the overall average attendance figures rise from 44 in 2009 to 68 in 2011. The PIFs are going from strength to strength, with a 50% increase in the number of participants each year, now over 2,700 in 2011/12 compared with 1,364 two years ago. We would like to thank the Chairmen and their Committees for their on-going commitment to the PIFs, continuing to drive up the quality and popularity of the events.



Julian Sampson, Chartered FCSI

### Compliance Committee

Julian Sampson, Chartered FCSI, Chairman

David Moland, Chartered FCSI, Deputy Chairman

Tina Wishart, Chartered FCSI, Deputy Chairman

Tony Bronk, Chartered FCSI

Charles Jackson, Chartered FCSI

Stuart Latto, Chartered FCSI

Elizabeth Nelson, Chartered MCSI

Nigel Sydenham, Chartered FCSI

Fulcrum Compliance

Arbuthnot Latham & Co

Evolution Group Plc

Ahli United Bank (UK) Plc

Court Management Associates

Consultant

Société Générale Securities Services UK

BPP Professional Education

### Corporate Finance Committee

Frank Moxon, Chartered FCSI, Chairman

Debbie Clark, Chartered MCSI, Deputy Chairman

Francis De Zulueta FCSI, Deputy Chairman

Stewart Appleby, Chartered MCSI

Nicholas Bealer, Chartered FCSI

John Bridges MCSI

Joseph Dalia MCSI

Peter Freeman MCSI

Clive Garston FCSI

Nicholas Myatt ACSI

Mauro Tortone, Chartered MCSI

Hoyt Moxon

Chantrey Vellacott DFK

Alpine Limited Companies

ABN Amro Commercial Finance

Cornhill Capital

IAF Capital

Oriel Securities

Jenolan

DAC Beachcroft LLP

Berwin Leighton Paisner LLP

P27



Clive Garston FCSI

### Islamic Finance Committee

Natalie Schoon ACSI, Chairman  
 Muhammad Ismail MCSI, Deputy Chairman  
 Rahim Ali

Mark Andrews  
 Mohammed Khan  
 Fiaz Mansha  
 Nigel McFarlane MCSI  
 Mohammad Saeed, Chartered MCSI  
 Mamadou-Abou Sarr ACSI

Formabb  
 Consultant  
 Institute of Islamic Banking  
 and Insurance  
 Risk Reward  
 PricewaterhouseCoopers LLP  
 Gatehouse Bank  
 Blue Sea International  
 Consultant  
 Northern Trust Company



*Nigel McFarlane MCSI*

### IT Committee

Brian McNulty MCSI, Chairman  
 Mark Seaman, Chartered FCSI, Deputy Chairman  
 Martin Watkins, Chartered FCSI, Deputy Chairman  
 Andrew Brown ACSI

Julia George, Chartered FCSI  
 Jitesh Halai MCSI  
 Markus Krebsz, Chartered MCSI  
 Gavin Lonsdale, Chartered MCSI  
 Gavin Marcus ACSI  
 Kevin Sloane MCSI  
 Gary Wright MCSI

DBFS  
 Mark Seaman Consultants  
 Euroclear SA/NV  
 RBS Global Banking &  
 Markets  
 Julia George Associates  
 Avanade UK  
 Consultant  
 Goldman Sachs  
 Redkite Financial Markets  
 Linedata  
 B.I.S.S. Research



*Martin Watkins, Chartered FCSI*

### Operations Committee

Frank Reardon, Chartered FCSI, Chairman  
 Alan Burr, Chartered FCSI, Deputy Chairman  
 Peter Gregory FCSI, Deputy Chairman  
 Wayne Beighton ACSI  
 Richard Crews, Chartered MCSI  
 Robert Forbes, Chartered FCSI  
 Matthew Glass, Chartered FCSI  
 Garo Karabeyekian MCSI  
 Paul Leahy, Chartered MCSI  
 Hamish Rowan-Hamilton, Affiliate Member  
 Gary Wright MCSI  
 Derek Young, Chartered MCSI

JM Finn & Co  
 Burr & Company  
 The Share Centre  
 HSBC Securities Services  
 Consultant  
 Jupiter Asset Management  
 CME Clearing Europe  
 HSBC Bank Plc  
 Fox-Davies Capital  
 TheCityUK  
 B.I.S.S. Research  
 Financial Services Authority



*Paul Leahy, Chartered MCSI*



Atula Abeyssekera, Chartered FCSI

### Risk Committee

Dennis Cox FCSI, Chairman

Atula Abeyssekera, Chartered FCSI, Deputy Chairman

Christopher Forster, Chartered FCSI, Deputy Chairman

Andrew Brown ACSI

Alan Burr, Chartered FCSI

Sophie Dupre ACSI

Markus Krebsz, Chartered MCSI

Robert Sherlock FCSI

Tina Wishart, Chartered FCSI

Risk Reward

Cazenove Capital Management

Financial Services Authority

RBS Global Banking & Markets

Burr & Company

Schroders

Consultant

AXA Investment Managers

Williams de Broë



Amy Lazenby, Chartered FCSI

### Wealth Management Committee

Christopher Jones-Warner, Chartered FCSI, Chairman

Frank Dolan, Chartered MCSI, Deputy Chairman

Bruce Weatherill MCSI, Deputy Chairman

Freddy Barker, Chartered MCSI

Jason Dally, Chartered FCSI

Amy Lazenby, Chartered FCSI

Ian Marsden MCSI

Clive Menzies, Chartered FCSI

Peter Moores, Chartered FCSI

Keith Robertson, Chartered MCSI

William Walker-Arnott MCSI

Playing Hamlet

Novatis Asset Management

Weatherill Consulting

Spear's

Rathbone Investment Management

Wilson King Investment Management

Quilter

Fund Building

Raymond James Investment Services

Armstrong Financial

Charles Stanley & Co



Members attending a course at the CISI

### Fee-based Training

The year saw substantial demand for gap-fill training from the Institute. As a result, the CISI's fee-based training programme increased by 103%, from 32 training courses in 2010/11 to 65 in 2011/12. Of these, 37 courses were designed to help UK members meet RDR gap-fill requirements and for the first time they were held both in London and regional centres including Leeds, Liverpool, Manchester, Edinburgh and Birmingham.

## CPD Seminars for Members

CPD seminars in London continued their excellent trends, both in terms of numbers of members served and quality and innovation in events. Some 4,633 delegates attended 82 seminars over the year. The programme endeavours, alongside the professional interest forum meetings and other events, to cover the basics of continuing learning - including areas such as compliance, governance, regulation and tax - while at the same time opening members' eyes to forthcoming developments that will impact on their clients, firms and themselves.

Deepak Lalwani OBE, Chartered FCSI, developed his acclaimed series on the Indian growth story, which has proven highly popular in London and further afield. Professor Michael Mainelli, Chartered FCSI, of leading consultancy Z/Yen lit a fuse with an exciting session on "confidence accounting" – a fast-developing programme to help foster a fairer and more reliable presentation of financial results.

A series of informative events on the RDR took place around the UK, providing members, firms and other interested parties with clear guidance on requirements and what action must be taken, by when. Supported by further booklets in the series, the emphasis has moved from qualifications and gap-fill to the SPS application process.



*Europe 2012 at Royal United Services Institute*



*Deepak Lalwani OBE, Chartered FCSI*



I find the Compliance and other CISI forums a good use of an occasionally longer lunch break! I rarely fail to benefit from some increased knowledge and new perspectives on an increasingly changing environment. Why not try yourself?!

Tony Bronk, Chartered FCSI,  
Member of Compliance Committee



*Luke Johnson, Entrepreneur*

Serial entrepreneur Luke Johnson, of Channel 4 and Pizza Express fame, led the first Founders' series event of the year. The ebullient Terry Smith kept up the pace with a candid analysis of the principles behind Fundsmith, his new vehicle for managing his own, and others', money - built from years of running Collins Stewart.

The London CPD programme ventured, for the first time, beyond the square mile, to Docklands and the West End, following the trend of membership growth in these areas. The first West End event, at the Royal United Services Institute in January 2012, featured two top Standard & Poor's ratings executives, just days after the firm had downgraded French sovereign debt. The same event was repeated two days later in Canary Wharf, another growth node for the Institute in London. Sir David Omand GCB, former Permanent Secretary at both the Home Office and the Cabinet Office, gave Fellows a taste of what finance and Government can learn from each other at the first Fellows' Masterclass outside the City, in Pall Mall's historic Reform Club in January 2012.



*Sir David Omand GCB, Bronwen Maddox, and Simon Culhane, Chartered FCSI, at an FCSI Masterclass at the Reform Club*

The Institute continued to develop its relationships with partners such as ACCA, Gresham College, Long Finance, Morningstar, Standard & Poor's and Willis in co-developing and hosting events for the wider benefit of CISI members and the business community generally.

*my word*

*Charitable Objective 2: To develop high ethical standards for practitioners in securities and investments and to promote such standards in the United Kingdom and overseas.*

## Integrity & Ethics Committee: Composition and Purpose

### Committee Members

Richard Charnock, Chartered FCSI, Chairman	Standard Life Wealth
Anthony Belchambers	Futures & Options Association
Ben Blackett-Ord	Bovill
Christopher Bond, Chartered MCSI	CISI
Nigel Challis FCSI(Hon)	
Simon Culhane, Chartered FCSI	CISI
Scott Dobbie CBE FCSI(Hon)	Immediate past Chairman, CISI
Philippa Foster Back OBE	Institute of Business Ethics
Nicholas Gibson, Chartered FCSI	Chase Cooper
Charles Hoare Nairne, Chartered FCSI	Messrs. C. Hoare & Co.
Matthew Line, Chartered MCSI	Barclays
Professor Paul Palmer	Cass Business School
Alan Ramsay FCSI(Hon)	HSBC
Ann Roughead	
Ian Stevenson, Chartered FCSI	
Tony Stewart-Jones FCSI	PricewaterhouseCoopers
Andrew Hall (Secretary)	CISI



*Tony Stewart-Jones FCSI  
member of CISI Board*

During the year, two new members joined the Committee; Nicholas Gibson, Chartered FCSI brings his years of experience gained in both regulatory and senior compliance roles and Matthew Line, Chartered MCSI represents the perspective of a younger generation.

The Committee debated whether it should seek to work more widely with other bodies, particularly through the Livery Company movement. It was felt appropriate to seek to improve co-operation with the Worshipful Company of International Bankers with whom, historically, the CISI had strong links. Consequently Joseph King, the Master of the Company, was invited to join the panel and we are sorry to report his untimely death, through illness. We are confident that the improved dialogue achieved by Joseph will be built on by his elected successor.

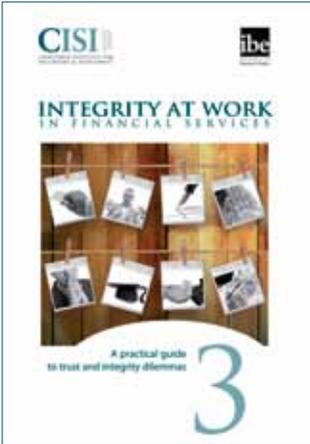


*Nicholas Gibson, Chartered FCSI*



## Monthly Grey Matters Ethical Dilemmas

This highly successful series, which provides the foundation for many of the CISI's other integrity initiatives, has now been running for seven years. During this time, 60 dilemmas have been offered to readers of the Securities & Investment Review, the CISI membership magazine. In the year under review, Grey Matters has also been published on the CISI website, providing readers with the opportunity to vote on their preferred course of action, leading to some surprising outcomes.



## Integrity at Work Book 3

In September 2011, the Institute saw the publication of its third offering in its series of Integrity at Work Books. As previously, David Lascelles, former banking editor of the Financial Times, provided a valuable commentary on ethics in financial services, and Simon Webley of the Institute of Business Ethics discussed ethics in a wider business context. The book was divided into two sections to provide dilemmas appropriate to both the newer and the more experienced practitioner, but all are generally relevant, particularly as they are based on real life incidents.



*Delegates at interactive Integrity seminars*

## Integrity at Work Interactive Seminar

These seminars remain universally popular wherever and to whomever they are offered. Based on the Grey Matters series of dilemmas, attendees are engaged through the use of electronic voting machines and debating the anonymous results, which appear on screen. In addition to regular presentations to CISI corporate supporter firms, the appeal of the seminar has seen it offered also to such diverse groups as the Lord Mayor's Restoring Trust Initiative, the annual conference of the City HR Association, the general Council of the Chartered Institute of Management Accountants, the 6th Form of the City of London Freeman's School and postgraduate students at Imperial College Business School.

Reflecting the Institute's international presence, seminars were held in Singapore, the Gulf States and Malta.



## IntegrityMatters Online Test

Success in the test is a requirement for all Chartered members. In addition, it was proposed that, in line with the regulatory requirement for retail advisers in the financial services industry to demonstrate higher standards of professionalism and integrity, it is appropriate that the Institute requires the same from our members. Accordingly it was agreed that, with effect from 1 April 2012, all new MCSI members would be required to achieve a Grade A result in the IntegrityMatters test as a condition of membership. Existing MCSIs will be required to take the Professional Refresher module in Integrity and Ethics. In the meantime, a substantial updating of the existing offering saw nearly 1,000 additional tests being taken.



## Annual Integrity Debate

The past few years have seen what was once billed as the "Annual Lecture" become the "Annual Integrity Debate" as the format of three speakers rather than one has proved attractive.

This year we were fortunate to attract a high grade panel of Chuka Umunna MP, the Shadow Minister for Small Business and Enterprise; Anthony Hilton of the London Evening Standard; and Angela Knight CBE FCSI(Hon), Chief Executive of the British Bankers' Association, to debate the motion "The City: Asset or Liability?" For the first time, electronic voting was used to record audience views before and after the debate, thus demonstrating a marked shift towards Chuka Umunna's argument that the City is not an unalloyed asset, but not sufficient to convince the majority of the audience, who remained of the view that the City is a vital national asset.



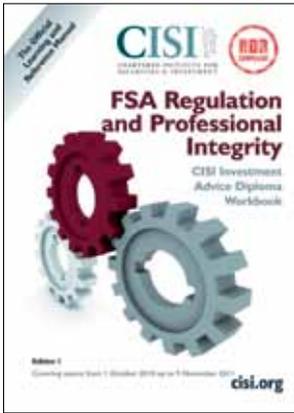
*Simon Culhane, Chartered FCSI, Anthony Hilton, Angela Knight CBE FCSI(Hon) and Chuka Umunna MP at the CISI Annual Integrity Debate*

## Investing in Integrity

For some time the CISI, together with our partner the Institute of Business Ethics, has been working to bring to market the "Charter Mark" Investing in Integrity (IiI) which, unlike the Institute's other integrity offerings, is aimed at businesses, rather than individuals. In March 2012 the scheme was officially launched at the Mansion House in the City of London by CISI Chairman, Alderman and Sheriff Alan Yarrow, Chartered FCSI(Hon), on behalf of the Lord Mayor. At the launch, the FTSE 100 engineering company IMI Plc was awarded formal IiI accreditation. A number of other major companies, both within and outside the financial services sector are progressing through the scheme, seeking to achieve accreditation during the coming year.



*Pictured at the launch of Investing in Integrity are, from left: Andrew Hayward, Balfour Beatty; Philippa Foster Back, Institute of Business Ethics; Jo Morgan, IMI; Debbie Ramsay, GoodCorporation; Simon Culhane, Chartered FCSI, and Andrew Hall, both CISI*



## Integrity in Exams

The Institute's Level 4 unit, Regulation and Professional Integrity, has now been taken by some 2,000 candidates. This is a mandatory unit of the new Level 4 award required by retail advisers under the UKFSA's RDR and 20% of the marks are awarded for questions testing candidates' familiarity with integrity in the environment of financial regulation.

## Disciplinary Process

The Institute has an established disciplinary process and hearings are held as necessary. The year under review saw the Disciplinary Panel convene on a single occasion, resulting in the severe reprimand of the member concerned.

## Accredited Body Status

The CISI has been awarded Accredited Body status by the UKFSA as part of its implementation of the RDR. This means that the CISI is one of just eight bodies which are authorised to issue Statements of Professional Standing (SPSs) to retail investment advisers in the scope of the RDR. Accredited Body status confers a delegated, quasi-regulatory role upon the CISI and ensures that all aspects of the RDR are complied with.



Andrew Hall, Head of Professional Standards, CISI

## Accredited Body Roles and Responsibilities

The key responsibility of an Accredited Body is to issue SPSs. In discharging this effectively on behalf of the regulator, the CISI needs to demonstrate that it:

- acts in the public interest and furthers the development of the profession;
- carries out effective and independent verification services;
- has appropriate systems and controls in place and can provide evidence to the UKFSA of the continuing effectiveness of verification procedures; and
- co-operates with the UKFSA on an on-going basis, including sharing relevant information with the regulator.



### Accredited Body Committee

Nick Parkes, Chartered FCSI, Chairman

Ian Cornwall, Chartered FCSI

Frank Dolan, Chartered MCSI

David Kanolik MCSI

David Loudon, Chartered FCSI

Alison Stobbs

Tina Wishart, Chartered FCSI

Novitas Partners LLP

APCIMS

Novatis Asset Management

IMA

Quilter

Cazenove

Evolution Group Plc

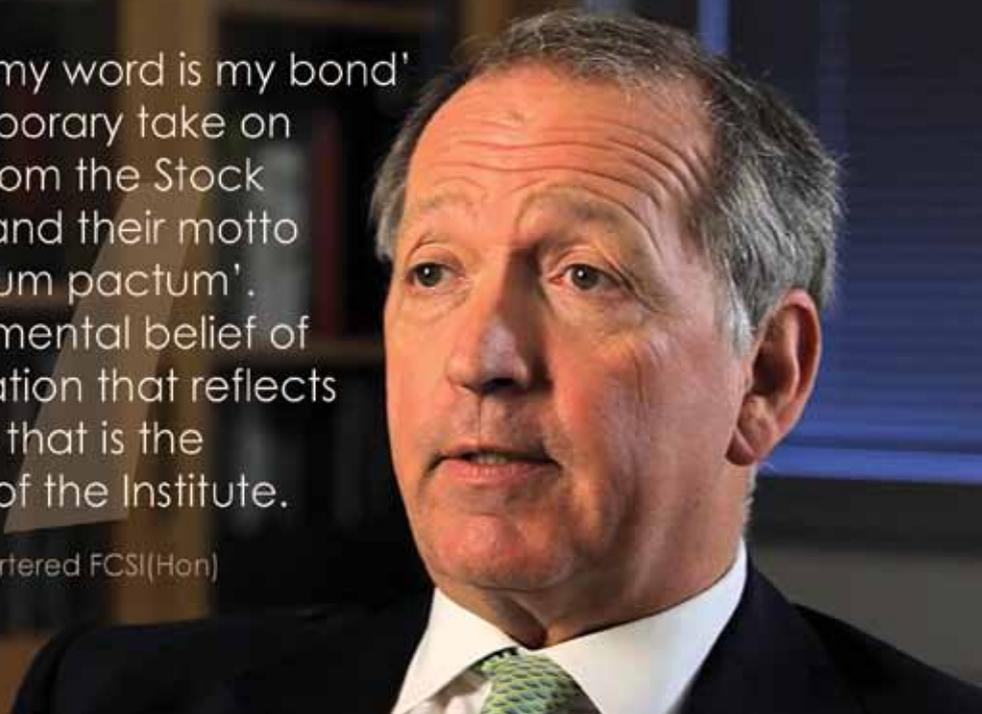


*Nick Parkes, Chartered FCSI*



Our motto 'my word is my bond' is a contemporary take on our origins from the Stock Exchange, and their motto 'dictum meum pactum'. It is a fundamental belief of the organisation that reflects the integrity that is the foundation of the Institute.

Alan Yarrow, Chartered FCSI(Hon)  
Chairman, CISI





*Charitable Objective 3: To act as an authoritative body for the purpose of consultation and research in matters of education or public interest concerning investments in securities.*

## Media

Coverage of topical thought-leadership pieces in key media publications helped the Institute communicate with members, generating 360 items of press coverage across UK national, regional, trade and international media. Our relationship with media is an important tool in our communications, helping the CISI to reach our global membership and the wider public.

Our research on bank account portability attracted coverage in Scotland on Sunday, The Independent and The Times, emphasising the importance of the topic for thousands of consumers.

The CISI penetrated the national airwaves, appearing on BBC Radio 4 Today and BBC Radio 5 Live, discussing our campaign to make bank accounts for 16 year olds mandatory and contributing to the UK's schools' financial literacy drive. An article on the topic was also featured in The Forum column of City A.M. and was covered by The Times.

The Financial Times FM magazine published CISI research on the widening gap between regulatory qualifications required by the retail and wholesale financial sectors. The piece prompted contact by the office of the Shadow Financial Secretary to the Treasury and we were asked to submit an amendment to the Finance Bill.

The launch of our Investing in Integrity Charter Mark with the Institute of Business Ethics was covered by UK and global media, including China Central TV and Finextra.com, demonstrating the importance of ethics and integrity to our home and overseas markets.

The Institute also announced the introduction of mandatory ethics testing for members, attracting interest from publications including International Adviser and Money Marketing, again reflecting the significant interest for public audiences both in the UK and abroad.

## Website

We are very aware that our website is our shop front, and we are continually finding ways to improve the user experience and to provide useful and informative content. To this end, each section of the site has been thoroughly overhauled during the year, and it is constantly reviewed to ensure that information remains accurate and current.

Part of the streamlining process has been the simplification of our members' login to the site. Now, login to MyCISI provides instant access to all sections of the site, giving the user the opportunity to switch seamlessly between account information, personal preferences, purchase history, qualifications and the online shop. Access is also gained this way to CISI TV, where members can view an array of video programmes including CISI produced reports, debates and seminars and also externally produced items of particular relevance to members working in the financial services sector.

Our new online shop now covers the purchase of workbooks and elearning materials, plus the booking of events. This fully integrated service has greatly improved simplicity of use, and feedback has been very positive.

We have also developed a new CISI Intranet to help interdepartmental communication and knowledge sharing, and as a means of keeping staff up to date on all developments at the Institute.



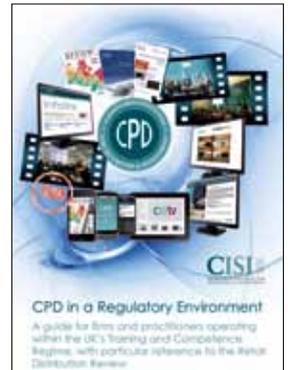
## CPD Thought Leadership

This year saw the launch of our definitive CPD guide, "CPD in a Regulatory Environment", designed for firms and practitioners operating within the UK's Training & Competence regime and with particular reference to the RDR. The guide offers illumination on guiding principles and practical advice on demonstrating ongoing competence.

## Surveys

The 2011/12 annual survey received 1,862 responses, compared with 1,585 the previous year. Response rates were undoubtedly enhanced by the introduction of an online version. Responses were received from members in 41 different countries outside of the UK, with Singapore and Switzerland having the highest response rates. Continuing the trend from previous years, CPD benefits were rated by members as being the most important, with the CPD Scheme with newly enhanced log coming out on top.

More than 5,000 respondents took part in 12 topical surveys run by the CISI on its website, [cisi.org](http://cisi.org), the results being reported in the S&IR. The surveys covered issues ranging from the prospects for the UK economy and whether firms should pay interns, to the likelihood of Greece pulling out of the euro. Those taking part were invited to not only vote, but leave supporting comments.



Your level of membership benefits is spot on. Ethical training components are topical and thought-provoking, and each year I always feel I've benefited from the CISI CPD Scheme. I wish you luck growing your partnership, particularly with your Asia-Pacific training partners - we international members miss London and want to remain engaged.

Amanda Miller, Chartered FCSI, EMEA AML Adviser,  
Reserve Bank of NZ



## Infolink

Infolink is an online library designed to assist members with their CPD. It offers access to a range of information spanning the financial services industry, including latest articles, regulatory updates, analysis of business trends, conference and seminar reports, interviews with industry leaders and research papers.

A new version has been launched recently, allowing members to bookmark, rate and comment on content and share their expertise by submitting material for other members to view. Finding relevant information is easy, with access to a keyword and date search capabilities.

The content for Infolink is provided by a wide range of highly-respected industry sources such as trade organisations, regulatory bodies, recognised industry leaders and CISI professionals. CPD is automatically logged and counts as Reflective Learning hours under the CISI CPD Scheme.



Gabriel Bernardino

## Securities & Investment Review

The S&IR continued to help CISI members around the world maintain their competence by providing topical analysis of key developments within the financial services industry.

Issues covered included the implications of the proposed EU financial transaction tax, the eurozone debt crisis, the RDR and the struggle with corruption that is hampering the Indian economy.

The S&IR featured a string of high-profile interviewees from the UK, Europe and other parts of the world. They included Alastair Clark, the Treasury's Senior Adviser for Financial Stability; Alasdair Haynes, Chief Executive of Chi-X Europe; Dick Saunders, Chief Executive of the Investment Management Association; Gabriel Bernardino, Chairman of the European Insurance and Occupational Pensions Authority; Verena Ross, Executive Director, European Securities and Markets Authority and Nihal Fonseka MCSI, former Chairman of the Colombo Stock Exchange in Sri Lanka.



Nihal Fonseka MCSI



Alastair Clark

The agenda-setting content of the magazine was highlighted by media interest in its leader column, City View. This was particularly evident with a column that called for the Government to give 16 year olds a free bank account to increase their understanding of personal finance, a topic that generated both press and national radio coverage.

Between March 2011 and March 2012, the number of recipients of the printed version of the S&IR increased by 9%, reflecting the rise in CISI membership.

Work began on improving the online S&IR through the development of a digital-magazine version. It will enable members to read the edition on their computer, smartphone or tablet, as if they had the printed version in front of them.

Reading the S&IR counts as learning hours for CISI members under the Institute's CPD Scheme. An advantage of accessing the S&IR online is that these hours are automatically added to their CPD log.



### Editorial Panel

Nick Seaward, Chartered FCSI, Chairman

Suren Chellappah FCSI

Moorad Choudhry FCSI

Simon Culhane, Chartered FCSI

Scott Dobbie CBE FCSI(Hon)

Mike Gould FCSI

Victoria Hoskins, Chartered FCSI

Gregor Logan MCSI

Peter Land, Chartered FCSI

Paul Loughlin, Chartered MCSI

Robert Merrifield FCSI

Frank Reardon, Chartered FCSI

Patricia Robertson, Chartered FCSI

Jeremy Robinson, Chartered FCSI

Hamish Rowan-Hamilton

Markus Ruetimann FCSI

Nimrod Schwarzmann FCSI

Arjuna Sittampalam, Chartered MCSI

Nigel Sydenham, Chartered FCSI

Alan Yarrow, Chartered FCSI(Hon)

Supervision Services Partnership

Sanford C. Bernstein

Royal Bank of Scotland

CISI

Deutsche Bank AG

Russell Investments

Barclays Wealth

Brewin Dolphin

Rathbone Investment  
Management

Legal & General

JM Finn & Co

Westport Global

Charles Stanley

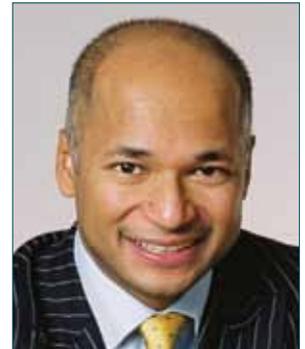
TheCityUK

Schroder Investment  
Management

Sage & Hermes

BPP Professional Education

CISI



*Moorad Choudhry FCSI,  
S&I Review Panel Member and  
Sponsor of Educational work*



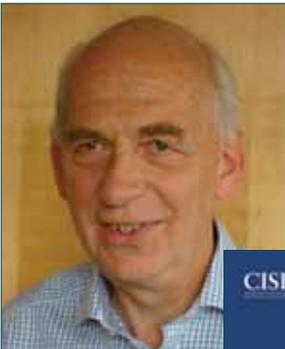
*Frank Reardon, Chartered FCSI*



Mark Hoban MP, Treasury Minister, at the CISI Annual Conference



Delegates at the Annual Conference



Christopher Bond, Chartered MCSI, editor of Change, the Regulatory Update



## Annual Conference

The June 2011 Annual Conference attracted some 251 (a record) members, who heard a range of speakers address “risk, regulation, reputation and revolution,” underlining the Institute’s role in thought leadership for the financial community in both Britain and overseas. They learned about the joys - and perils - of high-frequency trading from a panel chaired by Robert Barnes, Chartered FCSI, Managing Director at UBS and a member of the CISI Board; about cultivating and retaining talent from David Cruickshank, Chairman of Deloitte UK; and about the “Arab spring” and its aftermath, from leading Gulf banker Khalid Rashid Al Zayani, Chairman of the CISI’s Advisory Council in Bahrain, and Talal Al Zain, CEO of the Kingdom’s sovereign wealth fund. Mark Hoban MP, Financial Secretary to the Treasury, gave the keynote speech.

## Change – The Regulatory Update

‘Change - the Regulatory Update’ is written by Christopher Bond, Chartered MCSI. This year has seen an unprecedented volume of regulatory change. The G20’s response to the global financial crisis of 2008 has been slow but will have a huge impact upon all financial firms. The EU and the US are starting to make changes in capital, liquidity, transparency, derivatives and investor protection that will change the way markets and firms operate. Only firms making strategic plans and preparing now will be able to survive, let alone prosper in the new environment.

Seven years after starting the Regulatory Update, we decided it was time to revise its title to ‘Change - The Regulatory Update’. This better describes the focus of the magazine and makes it more accessible to potential readers.

We introduced a comment and response facility on the website to give readers a voice. Comments and appropriate questions and answers on the magazine are also published online. The number of responses has increased through this facility. There is also a feature article written by the editor in each edition and we have made the cover page of the magazine livelier with a relevant picture. The publication is also available through the CISI App.

The international edition of ‘Change’ has become established and has built up a strong reputation with a circulation of 1,200 among the financial community outside the UK. We have also heard that it is used by members of the UK Treasury Select Committee.

We have substantially expanded the coverage of changes made by EU bodies such as the Commission, Parliament and the European Supervisory Authorities. We can now expect no less than 90% of rule changes in the UK to come from them – the UKFSA and its successors' (the Financial Conduct Authority and the Prudential Regulatory Authority) main role will be supervision only. This will require a big change of mind-set by UK consumers, firms, and indeed by regulators.

It is 12 years since the UKFSA was established. Now the UK is moving away from a unitary regulator, and replacing it with several - one responsible for prudential and the other for conduct of business. Already this has meant that firms have different supervisors for each area. Inevitably there will be practical difficulties for consumers and firms until the roles of the two are established. Everyone will need good information during this period, and 'Change' will be an important source.

## Investment Management Review

The Investment Management Review is written by Dr Arjuna Sittampalam, Chartered MCSI, founder and Managing Director of Sage & Hermes Ltd. It provides comprehensive coverage and analysis, drawn from leading sources, of the latest key global developments across all sectors of the asset management industry. The aim of the magazine is to focus on material of potential long-term significance, while ignoring short-term noise. The Investment Management Review is available exclusively to Members and Fellows in an online version, as well as via the CISI Mobile App. Fellows receive it in hard copy.

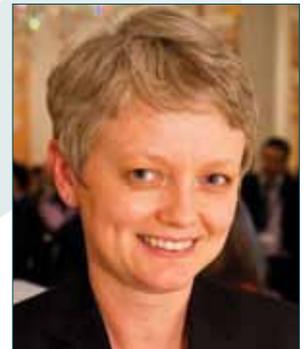
## Compliance PIF Consultation to UKFSA Panel

The CISI (through its Compliance Professional Interest Forum) discusses regulatory matters of concern to firms with the representatives of the Financial Services Practitioner Panel (FSPP). These include a UKFSA Communications Policy including central control over the volume and the presentation of UKFSA documents (annually many thousands of pages) and the contrast between timelines used by the UKFSA and those it imposes on firms. In turn the FSPP raises the matters it decides with the UKFSA at a high level.

The Institute has played its full role in speaking at conferences and presentations to audiences of all sizes on a wide variety of subjects, not only ethics but also Islamic finance and on regulation with the Treasury, the Bank of England, the European Commission and trade bodies such as the European Banking Federation.



*Arjuna Sittampalam,  
Chartered MCSI,  
editor of the Investment  
Management Review*



*Tina Wishart, Chartered FCSI,  
Deputy Chairman of the Compliance PIF*



Nick Seaward, Chartered FCSI



Stephen Clark, Chartered FCSI

## New Exams Under Development

During the year the Institute began work on two further exam units which build on our existing schools qualification, the Certificate for Introduction to Securities & Investment. The new Diploma in Finance, Risk & Decision-Making will be equivalent to a full A Level. We expect to examine this for the first time in 2013. Nick Seaward, Chartered FCSI, has led on the development of this new qualification for schools.

### Diploma Panel Members

Nick Seaward, Chartered FCSI	Supervision Services Partnership
David Dyer	Former chief examiner of A Level Business Studies
Tom Faiers	Economics teacher, former commodity trader
Anita Hibbert, Chartered FCSI	Economics teacher and former City analyst
Christine MacAllister	Chartered accountant, currently Economics teacher
Tim Mercer	Business Studies teacher, former corporate treasury and bond trader
David Myddelton	Emeritus Professor of Finance and Accounting, Cranfield School of Management
Andrew Sykes	Economics teacher, formerly Bank of England
Peter Tinniswood	Former headteacher, chief examiner, Business Studies A Level
Stephen Clark, Chartered FCSI	Senior Adviser, CISI



In partnership with the Institute of Chartered Accountants in England and Wales, we have also been developing a Level 6 Corporate Finance Diploma that will build on our Level 3 Corporate Finance Certificate and lead to personal Chartered status. The first exam sitting is scheduled to take place in December 2012.

For the Middle East this year, we produced two established exams in Arabic format, the Islamic Finance Qualification and UAE Regulations, and work began on a regulatory exam for the Qatar Financial Markets Authority.

## Ofqual Consultations

Considerable time was spent in 2011 on a number of consultations on how Ofqual regulates. We also submitted our first statement of annual compliance with Ofqual's new criteria and conditions of recognition.

We responded to consultations on how and when Ofqual can impose financial penalties and its new risk-based approach to regulation, as well as the Department for Education's consultation on determining what the upper limit should be and the definition of turnover (i.e. 10% of awarding body turnover or 10% of CISI turnover as a whole).

## Ofqual / UKFSA Review

As well as the above consultations, the CISI also contributed to Ofqual's thematic review of all Level 4 Retail Investment Advice qualifications, instigated at the request of the UKFSA. Ofqual's findings confirmed our own Investment Advice Diploma was fit for purpose, as was coverage of the RDR exam standards.

## UKFSA and RDR-related Consultations

The CISI continued to play a full part in contributing to the UKFSA's planned implementation of the RDR, attending forums and meetings to ensure that the voice of this distinctive sector was heard. A further authoritative booklet focusing on RDR implementation, the sixth in a series since 2009, was published and distributed to members.

## UCAS

We also contributed to the UCAS Qualification Information Review consultation and noted our disappointment with the general thrust of the paper - the reference framework is still clearly weighted in favour of General Qualifications (A Levels) with little recognition of the value of professional / vocational qualifications to Higher Education. This becomes essential with the general proposal that the existing UCAS tariff system be suspended and replaced with a new system dependent on Qualification Information Profiles.

Regulated by

**Ofqual**



For more information see <http://register.ofqual.gov.uk>



**UCAS**

## TRUSTEES' REPORT

The Trustees present their annual report and summarised financial statements for the year from 1 April 2011 to 31 March 2012. The Chartered Institute for Securities & Investment ("CISI") is registered as a charity in England & Wales by the Charity Commission (Registration No. 1132642) and in Scotland by the Office of the Scottish Charities Regulator (Registration No. SC040665). The company was incorporated by Royal Charter (Registration No. RC00834), and is governed by said Charter and its associated Bye Laws. The group results combine the results of the charity with the results of the following:

- a) Chartered Institute for Securities & Investment (Services) Ltd, a wholly owned subsidiary, which runs the trading activities of the Institute.
- b) Securities & Investment Institute, a registered charity number 1036566 and a company limited by guarantee, governed by a memorandum and articles of association, company registration number 2687534. The company is dormant and a wholly owned subsidiary of CISI.
- c) Securities & Investment Institute (India), a wholly owned subsidiary, established in Mumbai and which acts as a liaison office for the Indian subcontinent.
- d) Chartered Institute for Securities & Investment (Singapore) Pte Ltd, a wholly owned subsidiary of Chartered Institute for Securities & Investment (Services) Ltd, established in Singapore, which runs the trading activities of the Institute in South East Asia.
- e) Securities & Investment Institute (China), a wholly owned subsidiary of Chartered Institute for Securities & Investment (Services) Ltd, established in the People's Republic of China, which runs the consulting activities of the Institute in China.
- f) Chartered Institute for Securities & Investment (Services) Ltd (DMCC Branch), a wholly owned subsidiary of Chartered Institute for Securities & Investment (Services) Ltd, established in Dubai, UAE which runs the consulting activities of the Institute in the Gulf Coast Countries.
- g) Chartered Institute for Securities & Investment (Services) Ltd, a legally registered Sri Lankan branch office of the UK company of the same name, which also provides operational support for the global activities of the Institute.

*my word*

## Trustees

The following individuals all served as Trustees throughout the year (except where noted).

		Committee
Robert Barnes, Chartered FCSI		
Charlotte Black MCSI		J
Fionnuala Carvill, Chartered FCSI		L
Richard Charnock, Chartered FCSI		E
Philippa Foster Back OBE*	Appointed 22 September 2011	E
Chris Harris-Deans, Chartered FCSI		F
Paul Hedges, Chartered FCSI	Appointed 22 September 2011	F
Sir David Howard FCSI(Hon)		B,H,J
David Kane *		
Frank Moxon, Chartered FCSI		C,F
David Nicol, Chartered FCSI		C,J
Nick Parkes, Chartered FCSI		A
Alan Ramsay FCSI(Hon)	Resigned 22 September 2011	E,H,J
Nick Seaward, Chartered FCSI	Resigned 22 September 2011	G,I
Tony Stewart-Jones FCSI		C,E
Richard Stockdale, Chartered FCSI		I
Nick Swales, Chartered FCSI		F,K
Alison Warden FCSI		C
Richard Wastcoat *		B,I,J
Alan Yarrow, Chartered FCSI(Hon) (Chairman)		F,G,H,I,J

\* denotes a co-opted Trustee

The Trustees, all of whom are non-executive, are elected by the members (except for co-optees who are appointed by the Board) at the Annual General Meeting for a term of office of three years. None of the Trustees had any interest in the company or its subsidiaries.

The Trustees served on the following Committees:

A Accredited Body	H	Nomination Committee
B Examinations Board	I	International Committee
C Audit Committee	J	Remuneration Committee
E Integrity & Ethics Committee	K	Investment Committee
F Membership Committee	L	Educational Trust
G Securities & Investment Review Editorial Panel		

## INVESTMENT POWERS

The Institute's Charter provides the Board with the power to invest monies not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject to such conditions and with such sanction as may for the time being be imposed or required by law.

## ORGANISATION

The Institute comprises the non-executive Board of Trustees shown above, including up to three Board appointed co-opted Trustees, which decides upon strategic and policy matters. The executive staff are organised into the departments of qualifications, membership & professional development, operations, international, corporate governance & support and services (Chartered Institute for Securities & Investment (Services) Ltd).

### Chief Executive

Simon Culhane, Chartered FCSI

### Managing Director

Ruth Martin

### Director of Global Business Development

Kevin Moore, Chartered MCSI

### Director of Global Finance and IT

Edward Brunel-Cohen FCA MCSI

## FUTURE ACTIVITIES

The CISI's key objectives for 2012/13 are to:

1. attract and retain 3,500 new members
2. provide Statements of Professional Standing to applicants, meeting service standards on 99% of occasions
3. audit 15% of all members (annualised) CPD, on a monthly basis
4. obtain approval for full A Level exam by September 2012
5. run a series of seminars across all UK regions and produce an authoritative booklet on final stages of RDR implementation
6. successfully migrate to a new IT platform by the end of August 2012 with no break in service

## REVIEW OF FINANCIAL POSITION

The Institute has continued to maintain its healthy financial position, with free reserves now nearing eight months' operating costs, considered by the Trustees as prudent (see reserves policy below). This year the Institute saw an increase in group funds of £699,966 (2011: £673,638). During the year, funds were applied towards achieving the Institute's main objectives through the provision of relevant qualifications, membership, events and learning resources.

The Institute's wholly owned UK subsidiary trading company, which is established to undertake the commercial activities of the Institute, recorded a profit before tax, and before the donation under gift aid/deed of covenant, of £38,254 (2011: £63,164).

The Chartered Institute for Securities & Investment continues to remain financially independent, deriving funding through fees charged in relation to its charitable activities such as individual membership, exams, and professional development events.

## RESERVES POLICY

The Institute has high operational gearing in a cyclical industry and therefore requires sufficient reserves to draw upon during times of industry downturn and to meet its charitable objectives. The Board has therefore adopted a policy of maintaining free reserves at a level that is equivalent to between six and ten months' running costs. At the year end the total free reserves of the Institute amounted to £7,061,601 (2011: £6,345,446), which represented slightly less than eight months' running costs. While first discharging its obligations and carrying out its strategic plans, the Board hopes that, in the medium term, the Institute will be able to accumulate reserves closer to the upper end of the policy range. This policy, together with the approach to investing reserves, is reviewed and approved annually by the Board. Such a review has been conducted during the year, including reviewing rates of interest received from the Charity's deposit facilities utilised, to ensure that the Institute's investments continue to contribute effectively to the achievement of the aims of the organisation and are in line with the adopted policy. The policy of the Charity with regard to payments to suppliers is to make payments no later than the agreed terms in relation to the goods or service received.

## CHARITABLE GRANTS

In 2010, an independent charity, the Chartered Institute for Securities & Investment Educational Trust, was formed. The CISI is a corporate Trustee of this charity, but the other Trustees are all independent from the main board of the Institute. Its objectives are "to promote for the public benefit the advancement and dissemination of knowledge in the field of securities and investment". During the year, the Institute donated £385,000 to this charity.

## VOLUNTEERS

The Institute derives benefit from the services of unpaid volunteers, by virtue of the time given by its Trustees (other than the Chairman who is remunerated for his services) and by practitioners who serve on various committees and panels. No donations in kind were received during the year.

## RELATIONSHIPS WITH OTHER BODIES

In pursuit of its charitable objectives, the Institute provides relevant qualifications to the securities and investment industry, certain of which are on the Financial Skills Partnership's (formerly known as the Financial Services Skills Council) list of appropriate exams. The Institute is registered with the Charity Commission for England & Wales and with the Office of the Scottish Charity Regulator. It is also recognised by Ofqual as an awarding body for the securities and investment industry.

## FIXED ASSETS

During the year, the Institute purchased tangible fixed assets amounting to £73,343 (2011: £82,317).

## RESULTS

The results for the financial year are shown on pages 58 to 59. The group's liability to corporation tax is restricted to services arising from trading with non-members through the subsidiary company. The group's net retained resources for the year were £699,966 (2011: £673,638). A full copy of the Trustees' report and the audited financial statements can be obtained from the charity's registered office, 8 Eastcheap, London EC3M 1AE, or can be viewed online at [cisi.org](http://cisi.org).

## CORPORATE GOVERNANCE

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to guidance in respect of public benefit published by the Charity Commission.

### Board

The Board of the Chartered Institute for Securities & Investment normally meets six times per year and comprises all non-executive Trustees. The Trustees are typically employed in senior positions within firms operating in the securities industry. They are identified by existing Board members for their expertise or nominated by members of the Institute. Up to 15 Trustees are elected for a term of three years, either by a ballot of the membership at the AGM, or by the Board. If Board-appointed, the Trustee is required to stand down from the Board at the next AGM and seek re-election by membership ballot, in accordance with the charity's articles. Up to a further three Trustees may also be co-opted by the Board to serve such period as the Board decides. On election, or appointment, the new Trustees are given an induction which contains information on the Institute, its activities and their responsibilities under charity law. The Board appoints the Chairman and the Chief Executive. The Chief Executive is not a Trustee. At its meetings, the Board considers matters including:

- policy and strategy;
- financial performance, including annual budgets;
- responses to industry consultation papers; and
- reports from the standing committees.

The executive staff of the Institute submits management information to the Trustees to enable them to discharge their duties. The Trustees may take independent advice at the charity's expense.

### Committees

The Board has delegated some of its powers to certain committees and a full list of all committees, together with the names of the serving Trustees, are shown on page 51. Those committees to which the Board has delegated powers have specific terms of reference. The Audit Committee is chaired by Alison Warden ACA, FCSI.

### Trustees' Remuneration

All Trustees give their time freely and are not paid for their Trusteeship, with the exception of the Chairman who is remunerated for his services.

### Financial Reporting

A review of the Institute's operating performance is shown on pages 58 to 59. The Board considers that such information presents a balanced view of the group's position and prospects.

### Key Risks

The following are the key risks assessed as the most significant for the Institute:

1. IT systems;
2. Reputational risk;
3. Effect of an economic slowdown;
4. Loss of key staff;
5. Managing a global business.

## Internal Control and Risk Management

The Trustees acknowledge that they are responsible for the maintenance of an effective system of internal control. However, no system of internal financial control can provide absolute assurance against material misstatement or loss. The Trustees have considered the major business risks and control objectives relevant to the Institute and controls were found to be appropriate and generally satisfactory. However, as part of an overall and continuing drive for quality, an ongoing review of internal controls is addressing those areas where controls may be improved. The Institute's control objectives include:

- the maintenance of the industry's confidence in the Institute's relevance, integrity and status;
- the identification and evaluation of business risks, through regular risk assessment and review, and the direction of operating and financial strategy;
- the nurturing of high ethical standards, effective communications and a strong overall control environment;
- the safeguarding of the assets of the Institute and the effective use of resources; and
- the promotion of detailed financial and operational controls necessary for the production of reliable and up-to-date financial information.

The Board has conducted a review of the effectiveness of the system of internal control for the year ended 31 March 2012. In pursuit of the above control objectives the Institute has in place a number of key internal controls and processes that include:

- liaising with its members and their employers to ensure the Institute's continued relevance;
- formally identifying, evaluating and reviewing risks;
- communicating the high standards of behaviour expected of its employees by inclusion of the Institute's Code of Conduct in employment contracts and additionally, through formal objective setting and performance appraisal schemes, including regularly identifying and taking action to satisfy training needs;
- creating a secure environment to protect the charity's assets and regularly reviewing management information to ensure the effective use of resources;
- seeking legal protection for CISI trade marks and domain names by registering them in appropriate jurisdictions;
- operating signing limits to ensure that the charity cannot be committed financially without proper authority, and producing regular financial reports for Board and Chairman's Committee review which include estimates and judgments made by the business managers.

The Institute's Audit Committee comprises four non-executive Trustees. Its scope includes the assessment of the cost effectiveness of the external Auditors, consideration of the financial statements of the Chartered Institute for Securities & Investment and the consideration of any internal control matters, which may be brought to its attention. The Board has reviewed the need for an internal audit function and does not consider that such a function is necessary given the size and nature of its operations.

## REGISTERED OFFICE AND PROFESSIONAL ADVISERS

### Registered Office

8 Eastcheap  
London EC3M 1AE

### Solicitors

Bircham Dyson Bell LLP  
50 Broadway  
London SW1H 0BL

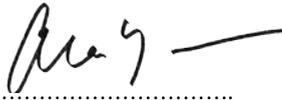
### Auditors

Crowe Clark Whitehill LLP  
St Bride's House  
10 Salisbury Square  
London EC4Y 8EH

### Bankers

Bank of Scotland  
600 Gorgie Road  
Edinburgh EH11 3XP

Approved by the Board of Trustees on 11 July 2012 and signed on behalf of the Board.



.....  
Alan Yarrow Chartered FCSI(Hon)  
Chairman



*my word*

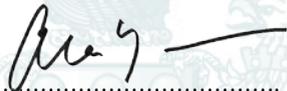
# REPORT BY THE TRUSTEES ON THE SUMMARISED FINANCIAL STATEMENTS

The summarised financial statements set out on pages 58 and 59 are extracted from the full statutory Trustees' annual report and financial statements which were approved by the Trustees and signed on their behalf on 11 July 2012. The full financial statements, on which the auditors Crowe Clark Whitehill LLP gave an unqualified audit report on 20 July 2012, will be submitted to the Charity Commission following the AGM on 6 September 2012.

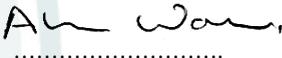
The auditors have confirmed to the Trustees that, in their opinion, the summarised financial statements are consistent with the full financial statements for the year ended 31 March 2012.

These summarised financial statements may not contain sufficient information to gain a complete understanding of the financial affairs of the charity. The full statutory Trustees' report, financial statements and auditors' report may be obtained from the Chartered Institute for Securities & Investment, 8 Eastcheap, London EC3M 1AE. They are also available online at [cisi.org](http://cisi.org).

Signed on behalf of the Board of Trustees on 11 July 2012.



Alan Yarrow Chartered FCSI(Hon)  
Chairman



Alison Warden ACA FCSI  
Trustee



## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 March 2012

	2012	2011
	£	£
<b>INCOMING RESOURCES</b>		
Incoming resources from charitable activities:		
Membership subscriptions	3,081,626	3,046,923
Membership entry fees	58,863	39,050
Qualifications and development	6,129,605	5,920,067
Publications and conferences	1,909,908	1,359,519
Investment income	140,154	99,480
Other incoming resources	325,589	352,348
<b>TOTAL INCOMING RESOURCES</b>	<b>11,645,745</b>	<b>10,817,387</b>
<b>RESOURCES EXPENDED</b>		
Charitable activities		
Dissemination & advancement of knowledge	7,565,749	6,892,610
Ethics	804,206	774,286
Consultation & research	2,522,446	2,480,138
Total charitable activities	10,892,401	10,147,034
Governance	94,666	107,787
<b>TOTAL RESOURCES EXPENDED</b>	<b>10,987,067</b>	<b>10,254,821</b>
<b>NET INCOMING RESOURCES</b>	<b>658,678</b>	<b>562,566</b>
<b>OTHER RECOGNISED GAINS AND LOSSES</b>		
Unrealised investment gains	41,288	111,072
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>	<b>699,966</b>	<b>673,638</b>
<b>FUNDS AS AT 1 APRIL 2011 &amp; 2010</b>	<b>6,445,377</b>	<b>5,771,739</b>
<b>FUNDS AS AT 31 MARCH 2012 &amp; 2011</b>	<b>7,145,343</b>	<b>6,445,377</b>

As permitted by the SORP Paragraph 397 a separate statement of financial activities, for the charity only, has not been presented.

The net incoming resources of the charity were £661,712 (2011: £610,499).

The group's activities derive wholly from continuing activities in the current and preceding year.

## BALANCE SHEETS

As at 31 March 2012

	GROUP		CHARITY	
	2012	2011	2012	2011
	£	£	£	£
<b>FIXED ASSETS</b>				
Tangible assets	83,742	99,931	83,742	99,931
Investments	2,152,360	2,111,072	2,152,360	2,111,072
	<u>2,236,102</u>	<u>2,211,003</u>	<u>2,236,102</u>	<u>2,211,003</u>
<b>CURRENT ASSETS</b>				
Stock	6,246	4,978	6,246	4,978
Debtors	1,536,617	1,456,758	1,528,217	1,454,758
Cash at bank and in hand	6,834,334	5,987,987	6,833,503	5,986,968
	<u>8,377,197</u>	<u>7,449,723</u>	<u>8,367,966</u>	<u>7,446,704</u>
<b>CREDITORS:</b>				
Amounts falling due within one year	(3,467,956)	(3,215,349)	(3,656,133)	(3,371,481)
<b>NET CURRENT ASSETS</b>	<u>4,909,241</u>	<u>4,234,374</u>	<u>4,711,833</u>	<u>4,075,223</u>
<b>TOTAL NET ASSETS</b>	<u>7,145,343</u>	<u>6,445,377</u>	<u>6,947,935</u>	<u>6,286,226</u>
<b>REPRESENTED BY:</b>				
Unrestricted income fund	<u>7,145,343</u>	<u>6,445,377</u>	<u>6,947,935</u>	<u>6,286,226</u>

100 YEARS' HERITAGE  
*is my bond*





*My word is my bond*

Chartered Institute for Securities & Investment  
8 Eastcheap  
London EC3M 1AE

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Facsimile: +44 (0)20 7645 0601



CISI OFFICES IN COLOMBO DUBAI DUBLIN EDINBURGH LONDON MANAMA MUMBAI SINGAPORE

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Company Registration No. RC000834

Registered Charity No.1132642 (England & Wales)  
SC040665 (Scotland)

[cisi.org](http://cisi.org)

August 2012

