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# **ANNUAL REPORT & ACCOUNTS 2017**

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Middle East Investor Relations Association  
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Sheikh Rashid Tower, DWTC  
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Phone: +971 (0)4 309 7034  
[www.meira.me](http://www.meira.me)

MEIRA celebrates 10 years of pivotal activity as a catalyst and promoter of investor relations and good governance by facilitating dialogue between member business concerns and the wider investor community. These efforts are underpinned by our overarching goal to enhance the reputation, efficiency and attractiveness of the capital markets of the Middle East.

The past decade has been one of great progress for the Middle Eastern region. We are now emerging into an era where Middle Eastern economies seek greater diversification; the contours of progress will shift more towards institutional development; challenge will bring opportunity.

As an enabler of exemplary investor relations climate for businesses across the region, MEIRA will continue to be a force for progress.

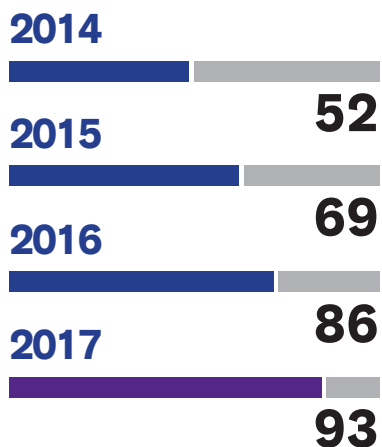
# 2017 at a Glance



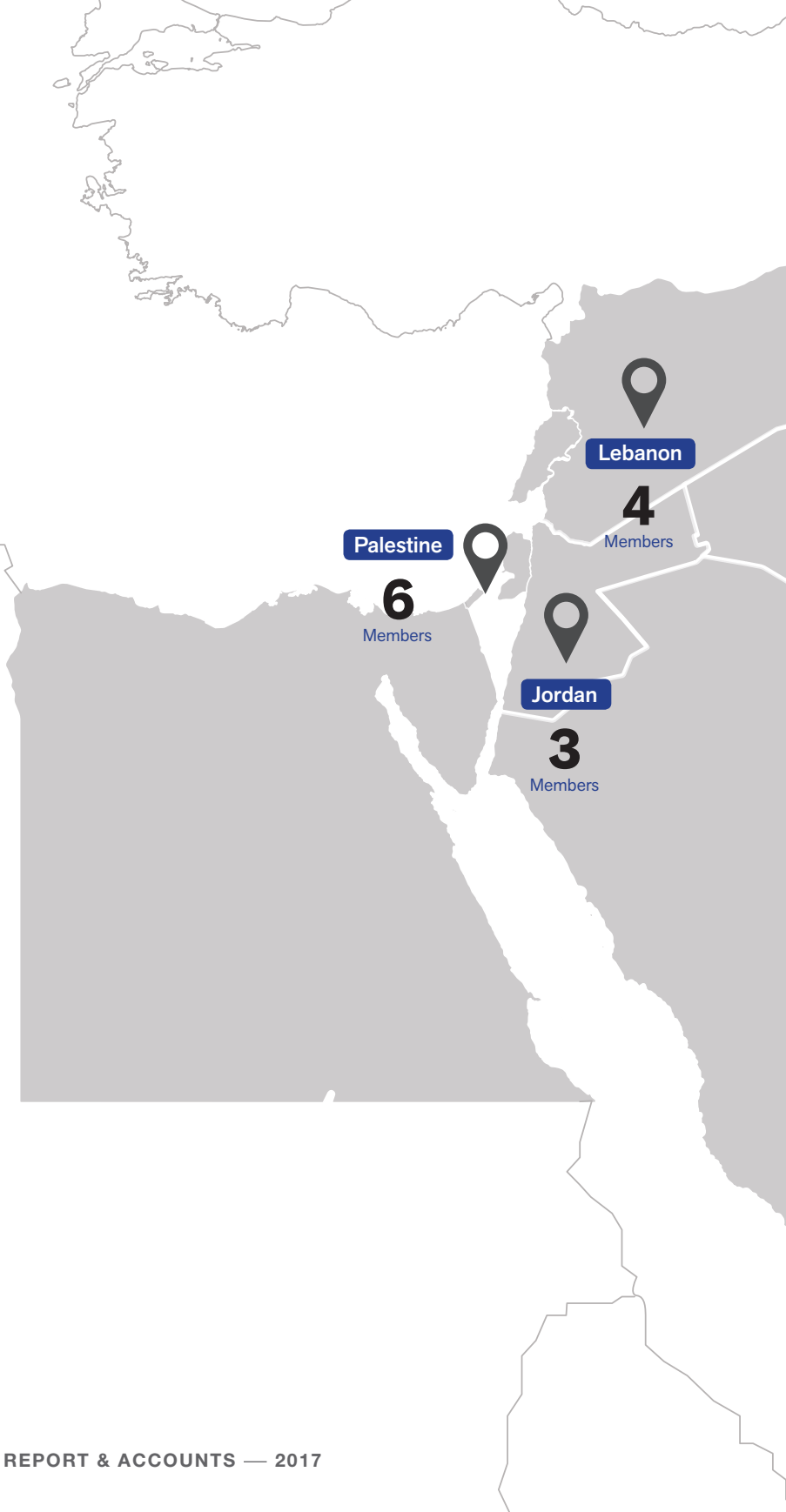
MEIRA boasts a strong membership with some of the largest and most well-known listed companies in the Middle East.



Since inception, MEIRA membership has grown significantly across the region.



MEIRA's annual conference is a benchmark event that enables networking, educates participants, and leads the discussion on investor relations.





**23**

Events during the year

From seminars and high level networking sessions to workshops on key issues, MEIRA is leading the dialogue on investor relations.

**27**

Certified IR officers

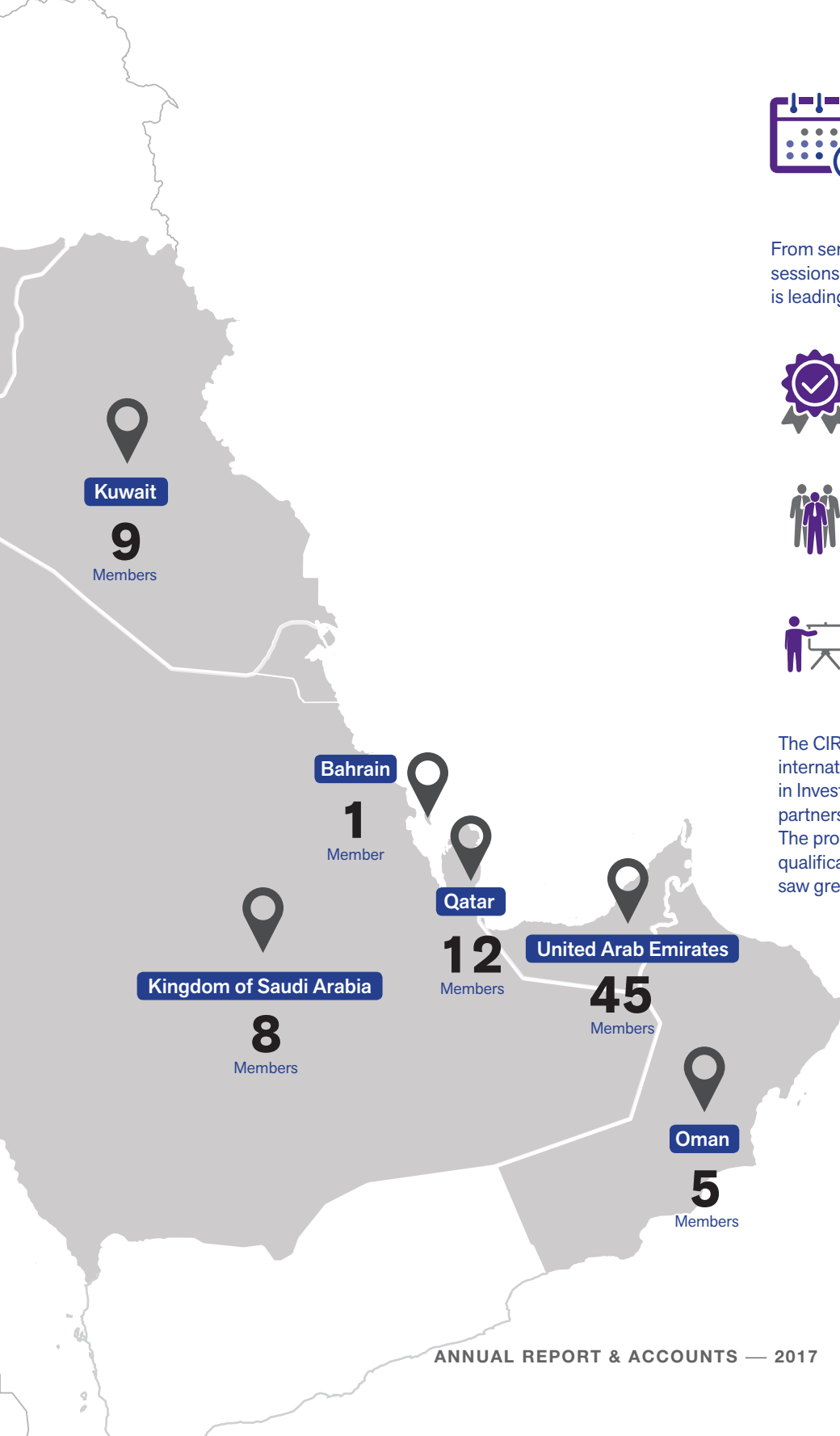
**45**

Delegates

**5**

Training courses

The CIRO programme is an internationally recognised qualification in Investor Relations, delivered in partnership with the UK IR Society. The programme remains a sought-after qualification for IR professionals, and saw great enrolment in 2017.



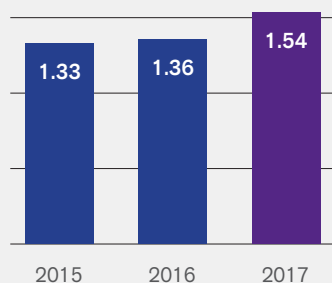
Chapters

# Financial Highlights

	2017 (In AED)	2016 (In AED)
<b>Income</b>		
Revenue	1,540,326	1,368,504
Cost and expenses	1,720,608	1,093,305
Net income	(180,282)	275,199
Cash balance	643,195	553,850

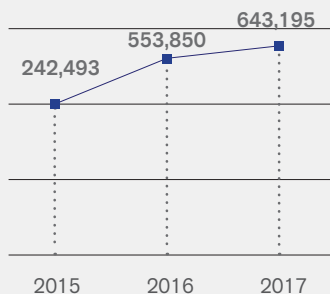
## Revenue

2017  
(AED 1,540,326)



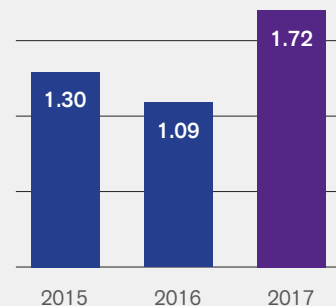
## Cash Balance

2017  
(AED 643,195)



## Cost and Expenses

2017  
(AED 1,720,608)



## Revenue Composition



### CIRO Programme (AED 432,113)

**2016**  
(AED 312,730)

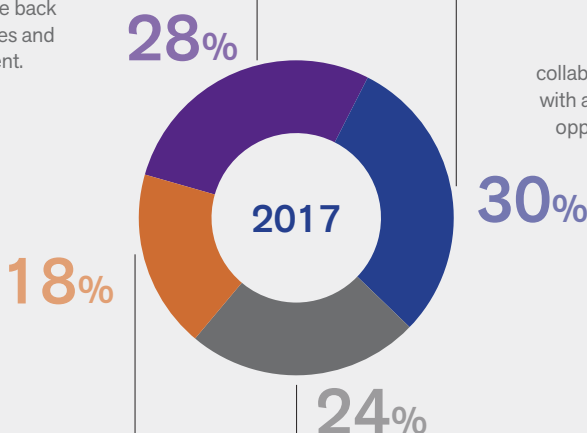
Income from the CIRO programme grew by almost 40% on the back of offerings in new countries and resulting uptick in enrolment.



### MEIRA Annual Conference (AED 281,818)

**2016**  
(AED 226,049)

Income from MEIRA's flagship conference saw growth as partners and listed firms continued to strengthen their commitment to IR best practices.



### Partnerships (AED 459,355)

**2016**  
(AED 437,155)

Strategic partnerships and collaborations have provided MEIRA with a strong revenue base and new opportunities to share knowledge, educate, and raise awareness.



### Membership (AED 367,040)

**2016**  
(AED 392,570)

Income from membership saw nominal decline even as numbers grew. Expansion in new countries within the region is expected to generate steady revenue in the coming years.

# Company Information

MEIRA is an independent non-profit organisation dedicated to promoting the Investor Relations (IR) profession and maintaining industry standards in corporate governance.

The mission of MEIRA is to enhance the reputation, efficiency and attractiveness of the Middle East capital markets.

This involves a commitment to fostering increased dialogue among our members and encouraging them to share and adopt best practice techniques within the field of IR. In partnership with stock exchanges, regulators, and other market participants, MEIRA supports companies through our professional development and IR certification programmes as well as our membership community and network of country Chapters.

## Mission

To promote best practice IR in the Middle East through training, education, certification and professional networking, and together with local exchanges and regulators, seek to improve the efficiency of capital markets through sound IR practices and enhancement of market infrastructure.

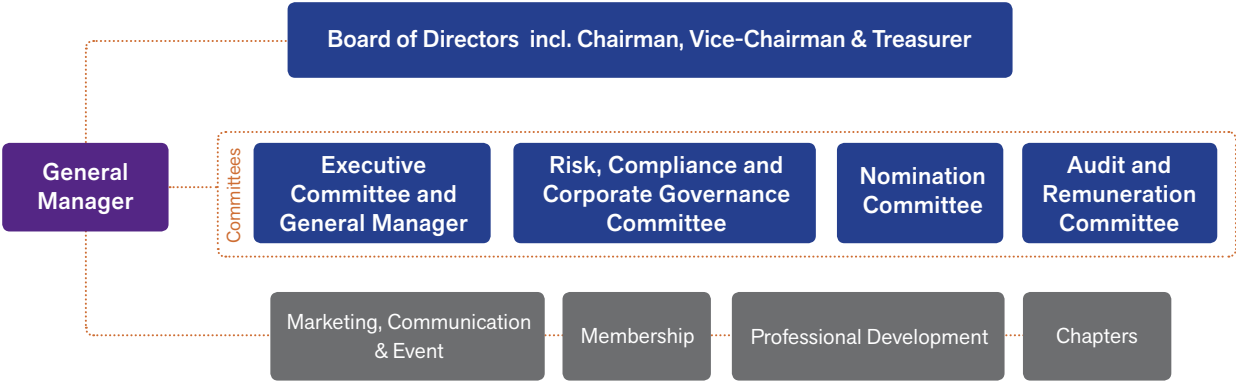
## Vision

To connect Middle East market participants in the field of IR and improve standards of corporate governance, transparency, and access, thus attracting global investment to the region.

## Values

- Transparency
- Accuracy
- Integrity
- Collaboration
- Influence

Organisational Structure



Company registered name	Middle East Investor Relations Association
Incorporation details	Incorporated as an Association in the Dubai Association Centre ("DAC") on 25 August 2016
License number	DAC-0029
Mailing address and registered office	Office 18, Floor 7 Sheikh Rashid Tower, DWTC P.O. Box 9576 Dubai, United Arab Emirates
Phone	+971 (0)4 309 7034
Email	info@meira.me
Website	www.meira.me
Conference website	conference.meira.me

# A Year in Review

## March

MEIRA and Bursa Kuwait signed an MOU to mark the start of this partnership.



## May

MEIRA launched its Saudi Chapter followed by the MOU signing ceremony with Tadawul.



Beirut Stock Exchange and MEIRA signed an MOU and organised the first Investor Relations Awareness seminar.

## April

Amman Stock Exchange signed an MOU with MEIRA to cooperate to promote IR best practice in Jordan.



Boursa Kuwait held the first Investor Relations workshop in collaboration with MEIRA.







1



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## November

1. "Crisis preparedness and its impact on shareholder value" workshop organised between the MEIRA Saudi Chapter, Tadawul and Instictif Partners.
2. 8th IR Conference organised by Qatar Stock Exchange and supported by MEIRA.
3. CIRO Programme organised in Beirut in collaboration with the Beirut Stock Exchange.
4. Second Investor Relations Awareness seminar organised between Boursa Kuwait and the MEIRA Kuwait Chapter.



## September

9th MEIRA Annual Conference titled "The IR Hyperloop: Driving transformation to unlock tomorrow's value".

9th MEIRA Awards Ceremony and Gala Dinner.



## December

Muscat Market Securities and MEIRA signed an MOU followed by an introductory Investor Relations Seminar.



# Financial Reports

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# **Report on Compilation and financial statements for the year ended December 31, 2017**

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# General Information

Office address	: Office 18, Level 7 Sheikh Rashid Tower Dubai World Trade Centre P.O. Box 9576 Dubai – United Arab Emirates T: +971 3097034
Email	: info@meira.me
Website	: www.meira.me
Legal status	: Association
General manager/ Board secretary	: Ms. Clemence Piot
Managing Board members	Mr. Alex MacDonald Vitale (Chairman) Mr. Andrew Tarbuck (Vice Chairman) Mr. Redwan Ahmed (Treasurer) Mr. Mohammad Abdal (Board Member) Mr. Mahmoud Salem (Board Member) Mr. Omar Darwazah (Board Member) Mr. Chris Wilson (Board Member) Mr. Paul Louis Gay (Board Member) Mr. Peter Gotke (Board Member) Dr Ryan Lemand (Board Member) Ms. Sofia El Boury (Board Member)
Compiled by	: ABK Saqer Auditing P.O. Box 19524 Dubai – United Arab Emirates

# Report on Compilation



إيه بي كيه صقر لتدقيق الحسابات  
ABK Saqer Auditing

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W: www.abkauditing.com

Ref: ABK/AR/0063/18

To  
The Members  
Middle East Investor Relations Association  
Dubai – United Arab Emirates

On the basis of the information provided by the Managing Board, we have in accordance with the International Standard on Related Services (ISRS-4410) applicable to compilation assignments, compiled the accompanying financial statements of **M/s. Middle East Investors Relations Association, Dubai - U.A.E.** ("the Entity") for the year ended December 31, 2017.

The Entity was previously registered on August 21, 2010 as a Free Zone-Limited Liability Establishment under the name of M/s. ME IRS FZ L.L.E and was operating under a trade license issued by the Fujairah Culture and Media Authority of the Government of Fujairah. The operations under this license was cancelled with effect from August 18, 2016 and the entire assets, liabilities and members' funds were transferred to the new Entity, M/s. Middle East Investor Relations Association, Dubai – U.A.E.

The Managing Board of the Entity is responsible for these financial statements. We have compiled the accompanying financial statements based on the audited financial statements of both the above Entities.

ABK Auditing



ABK Saqer Auditing  
Auditors & Business Advisors  
Reg no. 666

March 19, 2018

# Statement of Financial Position

As at December 31, 2017 (In Arab Emirates Dirham)

	Notes	Dec 31, 2017	Dec 31, 2016
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	957	2,511
Total non-current assets		957	2,511
<b>Current assets</b>			
Accounts receivable	4	213,695	268,197
Advances, deposits and other receivables	5	32,110	22,375
Cash and bank balances	6	643,195	553,850
Total current assets		889,000	844,422
<b>Total assets</b>		<b>889,957</b>	846,933
<b>Equity and liabilities</b>			
<b>Equity</b>			
Members' funds	7	575,261	755,543
Total equity		575,261	755,543
<b>Non-current liabilities</b>			
Employees' end of service benefits	8	56,356	36,605
Total non-current liabilities		56,356	36,605
<b>Current liabilities</b>			
Accounts and other payables	9	258,340	54,785
Total current liabilities		258,340	54,785
Total liabilities		314,696	91,390
<b>Total equity and liabilities</b>		<b>889,957</b>	846,933

The accompanying notes form an integral part of these financial statements.

The report on compilation is set out on page 13.

The financial statements on pages 14 to 23 were approved on March 19, 2018 and signed on behalf of the Entity, by:

.....  
(Authorized signatory)



# Statement of Income and Expenditure

For the year ended December 31, 2017 (In Arab Emirates Dirham)

	Notes	Dec 31, 2017	Dec 31, 2016
<b>Income</b>			
Partnership income		<b>459,355</b>	437,155
Training income		<b>432,113</b>	312,730
Membership income		<b>367,040</b>	392,570
Annual conference sponsorship income		<b>281,818</b>	226,049
<b>Total income</b>		<b>1540326</b>	1368504
<b>Expenses</b>			
Training expenses		<b>(352,773)</b>	(235,302)
Annual conference expenses		<b>(156,077)</b>	(152,994)
Other event expenses		<b>(75,115)</b>	(50,197)
Administrative expenses	10	<b>(1,136,643)</b>	(654,812)
<b>Total Expenses</b>		<b>(1,720,608)</b>	(1,093,305)
<b>Excess of expenditure over income</b>		<b>(180,282)</b>	275,199

The accompanying notes form an integral part of these financial statements.

The report on compilation is set out on page 13.

The financial statements on pages 14 to 23 were approved on March 19, 2018 and signed on behalf of the Entity, by:

.....  
(Authorized signatory)

# Statement of Changes in Equity

For the year ended December 31, 2017 (In Arab Emirates Dirham)

	Accumulated surplus
<b>Members' funds</b>	
Balance as on January 01, 2016	480,344
Excess of income over expenditure	275,199
Balance as at December 31, 2016	755,543
Excess of expenditure over income	(180,282)
<b>Balance as at December 31, 2017</b>	<b>575,261</b>

The accompanying notes form an integral part of these financial statements.

The report on compilation is set out on page 13.

# Statement of Cash Flows

For the year ended December 31, 2017 (In Arab Emirates Dirham)

	Dec 31, 2017	Dec 31, 2016
<b>Cash flows from operating activities</b>		
Excess of expenditure over income	(180,282)	275,199
<b>Adjustments for:</b>		
Depreciation on property, plant and equipment	1,554	1,616
Allowance for doubtful receivables	26,735	
Provision for employees' end of service benefits	19,751	17,500
<b>Cash (outflow)/inflow before working capital changes</b>	<b>(132,242)</b>	294,315
<b>(Increase)/decrease in current assets</b>		
Accounts receivable	27,767	16,501
Advances, deposits and other receivables	(9,735)	7,446
<b>Increase/(decrease) in current liabilities</b>		
Accounts and other payables	203,555	(4,676)
<b>Net cash from operating activities</b>	<b>89,345</b>	313,586
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	—	(2,229)
<b>Net cash (used in) investing activities</b>	<b>—</b>	(2,229)
<b>Net increase in cash and cash equivalents</b>	<b>89,345</b>	311,357
Cash and cash equivalents, beginning of the year	553,850	242,493
<b>Cash and cash equivalents, end of the year</b>	<b>643,195</b>	553,850
<b>Represented by:</b>		
Cash in hand	29,777	2,072
Bank balance	613,418	551,778
	<b>643,195</b>	553,850

The accompanying notes form an integral part of these financial statements.

The report on compilation is set out on page 13.

# Notes to the Financial Statements

For the year ended December 31, 2017

## 1. Legal status and business activities

**1.1 M/s. Middle East Investor Relations Association, Dubai – United Arab Emirates,** ("the Entity") was incorporated on August 25, 2016 as an Association and operates in the United Arab Emirates under a license issued by the Dubai Chamber of Commerce and Industry.

**1.2** The Entity is engaged in promoting the investor relations profession and international standards in corporate governance.

**1.3** The registered address of the Entity is at Office 18, Level 7, Sheikh Rashid Tower, Dubai World Trade Center, P.O. Box 9576, Dubai - United Arab Emirates.

**1.4** These financial statements incorporate the operating results of the license no. DAC – 0029.

**1.5** The Entity was previously registered on August 21, 2010 as a Free Zone-Limited Liability Establishment under the name of M/s. ME IRS FZ L.L.E and was operating under a trade license issued by the Fujairah Culture and Media Authority of the Government of Fujairah. The operations under this license was cancelled with effect from August 18, 2016 and the entire assets, liabilities and members' funds were transferred to the new Entity, M/s. Middle East Investor Relations Association, Dubai – U.A.E.

## 2. Significant accounting policies

### 2.1 Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards and the applicable requirements of the U.A.E. laws. These financial statements are presented in United Arab Emirates Dirham (AED) since that is the currency of the country in which the Entity is domiciled.

### 2.2 Basis of preparation

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets or goods or services.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Entity's accounting policies.

The principal accounting policies applied in these financial statements are set out below.

### 2.3 Current/Non-current classification

The Entity presents assets and liabilities in statement of financial position based on current/non-current classification. An asset as current when it is:

Expected to be realised or intended to sold or consumed in normal operating cycle or held primarily for the purpose of trading or expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when it is:

Expected to be settled in normal operating cycle or it is held primarily for the purpose of providing services or it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Entity classifies all other liabilities as non-current.

## 2.4 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Entity.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

## 2.5 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and identified impairment loss, if any. The cost comprise of purchase price, together with any incidental expense of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Entity and the cost of the item can be measured reliably. All other repairs and maintenance

expenses are charged to the statement of income and expenditure during the financial year in which they are incurred.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of income and expenditure.

Depreciation is spread over its useful lives so as to write off the cost of property, plant and equipment using the straight-line method over its useful lives as follows:

	Years
Office equipment	2

## 2.6 Financial assets

### Accounts and other receivables

Accounts and other receivables are initially recognised at fair value and subsequently measured at amortised cost reduced by appropriate allowance for estimated doubtful debts.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

For the year ended December 31, 2017

## 2.7 Financial liabilities

### Accounts and other payables

Accounts and other payables are recognised initially at fair value and subsequently are measured at amortised cost using effective interest method.

## 2.8 Revenue recognition

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Entity;
- The stage of completion of the transaction at the reporting date can be measured reliably; and
- The cost incurred for the transactions and the costs to complete the transactions can be measured reliably.



### 3. Property, plant and equipment

	Office equipment
<b>Cost:</b>	
Balance as at January 01, 2016	2,971
Additions during the year	2,229
Balance as at December 31, 2016	5,200
<b>Balance as at December 31, 2017</b>	<b>5,200</b>
<b>Accumulated depreciation:</b>	
Balance as at January 01, 2016	1,073
Charge for the year	1,616
Balance as at December 31, 2016	2,689
Charge for the year	1,554
Balance as at December 31, 2017	4,243
<b>Carrying value as at December 31, 2017</b>	<b>957</b>
Carrying value as at December 31, 2016	2,511

### 4. Accounts receivable

	Notes	Dec 31, 2017	Dec 31, 2016
Membership fee receivable		<b>109,520</b>	73,260
Partnership fee receivable		<b>127,650</b>	162,457
Training fee receivable		<b>3,260</b>	32,480
		<b>240,430</b>	268,197
Less: allowance for doubtful receivables		<b>(26,735)</b>	–
		<b>213,695</b>	268,197
<b>Allowance for doubtful receivables</b>			
Charge during the year	10	<b>26,735</b>	–
Balance at the end of the year		<b>26,735</b>	–

For the year ended December 31, 2017 (In Arab Emirates Dirham)

## 5. Advances, deposits and other receivables

	Dec 31, 2017	Dec 31, 2016
Deposits	3,510	13,600
Prepayments	28,600	8,775
	32,110	22,375

## 6. Cash and bank balances

	Dec 31, 2017	Dec 31, 2016
Cash in hand	29,777	2,072
Bank balance	613,418	551,778
	643,195	553,850

## 7. Members' funds

	Dec 31, 2017	Dec 31, 2016
<b>Accumulated surplus</b>		
Balance at the beginning of the year	755,543	480,344
Excess of expenditure over income	(180,282)	275,199
Balance at the end of the year	575,261	755,543

## 8. Employees' end of service benefits

	Dec 31, 2017	Dec 31, 2016
Balance at the beginning of the year	36,605	19,105
Add: charge for the year	19,751	17,500
Balance at the end of the year	56,356	36,605

Amounts required to cover end of service indemnity at the statement of financial position date are computed pursuant to the applicable Labour Law based on the employees' accumulated period of service and current basic remuneration at the end of reporting period.

## 9. Accounts and other payables

	Dec 31, 2017	Dec 31, 2016
Accounts payable	28,491	11,250
Salaries and allowance payable	218,218	43,535
Expenses payable	11,631	–
	<b>258,340</b>	54,785

## 10. Administrative expenses

	Notes	Dec 31, 2017	Dec 31, 2016
Salaries and allowance		869,911	512,285
Rent		43,875	25,163
Legal, leasing, visa, professional and related		33,161	52,177
Travelling and lodging		44,935	17,577
Telephone and communication		19,678	15,794
Printing and stationery		9,190	7,006
Bank charges		12,740	5,788
Accounts receivable written off		66,780	8,074
Allowance for doubtful receivables	4	26,735	–
Depreciation on property, plant and equipment	3	1,554	1,616
Others		8,084	9,332
		<b>1,136,643</b>	654,812

## 11. Fair value of financial instruments

The fair values of financial instruments comprising financial assets and financial liabilities are not materially different from their carrying values largely due to the short term maturities of these instruments.

## 12. Contingent liabilities

Except for the ongoing business obligations which are under normal course of activities against which no loss is expected, there has been no other known contingent liability on Entity's financial statements as of reporting date.

## 13. Commitments

Except for the ongoing business obligations which are under normal course of activities against which no loss is expected, there has been no other known capital commitment on Entity's financial statements as of reporting date.



# **Auditor's report and financial statements for the period ended December 31, 2017**

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# General Information

Office address	: Office 18, Level 7 Sheikh Rashid Tower Dubai World Trade Centre P.O. Box 9576 Dubai – United Arab Emirates T: +971 3097034
Email	: info@meira.me
Website	: www.meira.me
Legal status	: Association
General manager/ Board secretary	: Ms. Clemence Piot
Managing Board members	Mr. Alex MacDonald Vitale (Chairman) Mr. Andrew Tarbuck (Vice Chairman) Mr. Redwan Ahmed (Treasurer) Mr. Mohammad Abdal (Board Member) Mr. Mahmoud Salem (Board Member) Mr. Omar Darwazah (Board Member) Mr. Chris Wilson (Board Member) Mr. Paul Louis Gay (Board Member) Mr. Peter Gotke (Board Member) Dr Ryan Lemand (Board Member) Ms. Sofia El Boury (Board Member)
Auditor	: ABK Saqer Auditing P.O. Box 19524 Dubai – United Arab Emirates



# Independent Auditor's Report



إيه بي كيه صقر لتدقيق الحسابات  
**ABK Saqer Auditing**

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W: [www.abkauditing.com](http://www.abkauditing.com)

Ref: ABK/AR/0059/18

## To

The Members  
Middle East Investor Relations Association  
Dubai - United Arab Emirates

## Report on the audit of financial statements

### Opinion

We have audited the accompanying financial statements of **M/s. Middle East Investor Relations Association, Dubai – United Arab Emirates** ("the Entity") which comprise the statement of financial position as at December 31, 2017 and the statement of income and expenditure, statement of changes in equity, statement of cash flows for the period then ended and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2017 and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of matter

The Entity was previously registered on August 21, 2010 as a Free Zone-Limited Liability Establishment under the name of M/s. ME IRS FZ L.L.E and was operating under a trade license issued by the Fujairah Culture and Media Authority of the Government of Fujairah. The operations under this license was cancelled with effect from August 18, 2016 and the entire assets, liabilities and members' funds were transferred to the new Entity, M/s. Middle East Investor Relations Association, Dubai – U.A.E. Accordingly, as stated in note 2 to the financial statements, the opening balances of the assets, liabilities and the members' funds have been taken from the audited financial statements of M/s. ME IRS FZ L.L.E, Fujairah – U.A.E., as on August 18, 2016.

### Managing Board's responsibility for the financial statements

Managing Board of the Entity is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS). The Managing Board is also responsible for such internal controls as it determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



إيه بي كيه صقر لتدقيق الحسابات  
ABK Saqer Auditing

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

The Managing Board is responsible for overseeing the Entity's financial reporting process.

### Auditor's responsibility for the audit of the financial statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Managing Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in auditor's report to the related disclosures in the financial statements or, if such disclosure is inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Managing Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

ABK Auditing



ABK Saqer Auditing  
Auditors & Business Advisors  
Reg no. 666  
March 19, 2018

# Statement of Financial Position

As at December 31, 2017 (In Arab Emirates Dirham)

	Notes	Dec 31, 2017
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	6	957
Total non-current assets		957
<b>Current assets</b>		
Accounts receivable	7	213,695
Advances, deposits and other receivables	8	32,110
Cash and bank balances	9	643,195
Total current assets		889,000
<b>Total assets</b>		889,957
<b>Equity and liabilities</b>		
<b>Equity</b>		
Members' funds	10	575,261
Total equity		575,261
<b>Non-current liabilities</b>		
Employees' end of service benefits	11	56,356
Total non-current liabilities		56,356
<b>Current liabilities</b>		
Accounts and other payables	12	258,340
Total current liabilities		258,340
Total liabilities		314,696
<b>Total equity and liabilities</b>		889,957

The accompanying notes form an integral part of these financial statements.

The independent auditor's report is set out on pages 27 and 28.

The financial statements on pages 29 to 40 were approved on March 19, 2018 and signed on behalf of the Entity, by:

.....  
(Authorized signatory)

# Statement of Income and Expenditure

For the period from August 25, 2016 (inception) to December 31, 2017 (In Arab Emirates Dirham)

	Notes	Aug 25, 2016 to Dec 31, 2017
<b>Income</b>		
Partnership income		611,055
Training income		606,925
Membership income		495,800
Annual conference sponsorship income		337,204
<b>Total income</b>		<b>2,050,984</b>
<b>Expenses</b>		
Training expenses		(506,974)
Annual conference expenses		(206,288)
Other event expenses		(98,571)
Administrative expenses	13	(1,401,164)
<b>Total expenses</b>		<b>(2,212,997)</b>
<b>Excess of expenditure over income</b>		<b>(162,013)</b>

The accompanying notes form an integral part of these financial statements.

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The financial statements on pages 29 to 40 were approved on March 19, 2018 and signed on behalf of the Entity, by:

.....  
(Authorized signatory)

# Statement of Changes in Equity

For the period from August 25, 2016 (inception) to December 31, 2017 (In Arab Emirates Dirham)

	Accumulated surplus
<b>Members' funds</b>	
Balance as at August 25, 2016	737,274
Excess of expenditure over income	(162,013)
<b>Balance as at December 31, 2017</b>	<b>575,261</b>

The accompanying notes form an integral part of these financial statements.

The independent auditor's report is set out on pages 29 and 28.

# Statement of Cash Flows

For the period from August 25, 2016 (inception) to December 31, 2017 (In Arab Emirates Dirham)

	Aug 25, 2016 to Dec 31, 2017
<b>Cash flows from operating activities</b>	
Excess of expenditure over income	(162,013)
<b>Adjustments for:</b>	
Depreciation on property, plant and equipment	2,206
Allowance for doubtful receivables	26,735
Provision for employees' end of service benefits	19,751
<b>Cash (outflow) before working capital changes</b>	(113,321)
<b>(Increase) in current assets</b>	
Accounts receivable	136,327
Advances, deposits and other receivables	(17,369)
<b>Increase in current liabilities</b>	
Accounts and other payables	150,512
<b>Net cash from operating activities</b>	156,149
<b>Net increase in cash and cash equivalents</b>	156,149
Cash and cash equivalents, beginning of the period	487,046
<b>Cash and cash equivalents, end of the period</b>	643,195
<b>Represented by:</b>	
Cash in hand	29,777
Bank balance	613,418
	643,195

The accompanying notes form an integral part of these financial statements.

The independent auditor's report is set out on pages 27 and 28.

# Notes to the Financial Statements

For the period from August 25, 2016 (inception) to December 31, 2017 (In Arab Emirates Dirham)

## 1. Legal status and business activities

**1.1 M/s. Middle East Investor Relations Association, Dubai – United Arab Emirates,** ("the Entity") was incorporated on August 25, 2016 as an Association and operates in the United Arab Emirates under a license issued by the Dubai Chamber of Commerce and Industry.

**1.2** The Entity is engaged in promoting the investor relations profession and international standards in corporate governance.

**1.3** The registered address of the Entity is at Office 18, Level 7, Sheikh Rashid Tower, Dubai World Trade Center, P.O. Box 9576, Dubai - United Arab Emirates.

**1.4** These financial statements incorporate the operating results of the license no. DAC - 0029.

## 2. Opening balances

The Entity was previously registered on August 21, 2010 as a Free Zone-Limited Liability Establishment under the name of M/s. ME IRS FZ L.L.E and was operating under a trade license issued by the Fujairah Culture and Media Authority of the Government of Fujairah. The operations under this license was cancelled with effect from August 18, 2016 and the entire assets, liabilities and members' funds were transferred to the new Entity, M/s. Middle East Investor Relations Association, Dubai – U.A.E. Accordingly, the following opening balances have been taken from the audited financial statements of M/s. ME IRS FZ L.L.E, Fujairah – U.A.E., as on August 18, 2016.

	AED
Property, plant and equipment	3,163
Accounts receivable	376,757
Advances, deposits and other receivables	14,741
Cash and bank balances	487,046
Accounts and other payable	(107,828)
Employees' end of service benefits	(36,605)
<b>Net Assets (Total assets - Total liabilities)</b>	<b>737,274</b>
<b>Represented by:</b>	
Members' funds	737,274
<b>Total equity</b>	<b>737,274</b>

## 3. Applicable International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)

### 3.1 Amendments to IAS and IFRS that are mandatorily effective for the current year

In the current year, the Entity has applied a number of amendments to IFRSs issued by the International Accounting Standards Board that are mandatorily effective for an accounting period that begins on or after January 01, 2017.

- (a) Amendments to IAS 7 Disclosure Initiative
- (b) Amendments to IAS 12 Recognition of Deferred Tax Assets for Unrealized Losses
- (c) Annual Improvements to IFRSs 2014-2016 Cycle

For the period from August 25, 2016 (inception) to December 31, 2017

### 3.2 New and revised IAS and IFRSs in issue but not yet effective and not early adopted

The Entity has not adopted the following new and revised IFRSs that have been issued but not yet effective:

- (a) IFRS 9: Financial Instruments – Effective for annual periods beginning on or after January 01, 2018.
- (b) IFRS 15: Revenue from contracts with customers – Effective for annual periods beginning on or after January 01, 2018.
- (c) IFRS 16: Leases – Effective for annual periods beginning on or after January 01, 2019.
- (d) Amendments to IFRS 2: Classification and Measurement of Share based payment transactions – Effective for annual periods beginning on or after January 01, 2018.
- (e) Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between and investor and its Associate or Joint Venture – Effective period not yet specified.
- (f) Amendments to IAS 40: Transfer of Investment Property – Effective for annual periods beginning on or after January 01, 2018.
- (g) IFRIC 22: Foreign Currency Transactions and Advance Consideration – Effective for annual periods beginning on or after January 01, 2018.

In the opinion of the Management, the adoption of these Standards and Interpretations will have no material impact on the financial statements of the Entity in the period of initial application.

## 4. Significant accounting policies

### 4.1 Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards and the applicable requirements of the U.A.E. laws. These financial statements are presented in United Arab Emirates Dirham (AED) since that is the currency of the country in which the Entity is domiciled.

### 4.2 Basis of preparation

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets or goods or services.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Entity's accounting policies.

The principal accounting policies applied in these financial statements are set out below.

### 4.3 Current/Non-current classification

The Entity presents assets and liabilities in statement of financial position based on current/non-current classification. An asset as current when it is:

Expected to be realised or intended to sold or consumed in normal operating cycle or held primarily for the purpose of trading or expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.



All other assets are classified as non-current. A liability is current when it is:

Expected to be settled in normal operating cycle or it is held primarily for the purpose of providing services or it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Entity classifies all other liabilities as non-current.

4.4 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Entity.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

4.5 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and identified impairment loss, if any. The cost comprise of purchase price, together with any incidental expense of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Entity and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the statement of income and expenditure during the financial year in which they are incurred.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of income and expenditure.

Depreciation is spread over its useful lives so as to write off the cost of property, plant and equipment using the straight-line method over its useful lives as follows:

	Years
Office equipment	2

For the period from August 25, 2016 (inception) to December 31, 2017

#### 4.6 Financial assets

##### Accounts and other receivables

Accounts and other receivables are initially recognised at fair value and subsequently measured at amortised cost reduced by appropriate allowance for estimated doubtful debts.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

#### 4.7 Financial liabilities

##### Accounts and other payables

Accounts and other payables are recognised initially at fair value and subsequently are measured at amortised cost using effective interest method.

#### 4.8 Revenue recognition

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Entity;
- The stage of completion of the transaction at the reporting date can be measured reliably; and
- The cost incurred for the transactions and the costs to complete the transactions can be measured reliably.

#### 5. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Entity's accounting policies, which are described in policy notes, the managing board is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### Key assumptions

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next period, are discussed below.

##### Property, plant and equipment

Property, plant and equipment is depreciated over its estimated useful life, which is based on expected usage of the asset and expected physical wear and tear which depends on operational factors. The managing board has not considered any residual value as it is deemed immaterial.

## 6. Property, plant and equipment

	Office equipment
<b>Cost:</b>	
Balance as at August 25, 2016	3,163
<b>Balance as at December 31, 2017</b>	<b>3,163</b>
<b>Accumulated depreciation:</b>	
Charge for the period	2,206
<b>Balance as at December 31, 2017</b>	<b>2,206</b>
<b>Carrying value as at December 31, 2017</b>	<b>957</b>

## 7. Accounts receivable

	Note	Dec 31, 2017
Membership fee receivable		109,520
Partnership fee receivable		127,650
Training fee receivable		3,260
		240,430
Less: allowance for doubtful receivables		(26,735)
		213,695
<b>Allowance for doubtful receivables</b>		
Charge during the year	13	26,735
Balance at the end of the period		26,735

## 8. Advances, deposits and other receivables

	Dec 31, 2017
Deposits	3,510
Prepayments	28,600
	32,110

For the period from August 25, 2016 (inception) to December 31, 2017 (In Arab Emirates Dirham)

## 9. Cash and bank balances

	<b>Dec 31, 2017</b>
Cash in hand	29,777
Bank balance	613,418
	643,195

## 10. Members' funds

	<b>Dec 31, 2017</b>
<b>Accumulated surplus</b>	
Balance at the beginning of the period	737,274
Excess of expenditure over income	(162,013)
Balance at the end of the period	575,261

## 11. Employees' end of service benefits

	<b>Dec 31, 2017</b>
Balance at the beginning of the period	36,605
Add: charge for the period	19,751
Balance at the end of the period	56,356

Amounts required to cover end of service indemnity at the statement of financial position date are computed pursuant to the applicable Labour Law based on the employees' accumulated period of service and current basic remuneration at the end of reporting period.

## 12. Accounts and other payables

	<b>Dec 31, 2017</b>
Accounts payable	28,491
Salaries and allowance payable	218,218
Expenses payable	11,631
	258,340

### 13. Administrative expenses

	Note	Aug 25, 2016 to Dec 31, 2017
Salaries and allowance		1,084,088
Rent		57,038
Legal, leasing, visa, professional and related		48,856
Travelling and lodging		46,229
Telephone and communication		29,056
Printing and stationery		12,515
Bank charges		16,535
Accounts receivable written off		66,780
Allowance for doubtful receivables	7	26,735
Depreciation on property, plant and equipment	6	2,206
Others		11,126
		1,401,164

### 14. Risk management

#### (a) Interest rate risk

Interest rate risk is the risk that the fair values or future cash flows of significant financial instruments will fluctuate because of changes in market value rates.

As at the reporting date, there is no significant interest rate risk as there are no borrowings at period end.

#### (b) Credit risk

Credit risk is the risk that the party to the financial instruments will fail to discharge an obligation and cause the other party to incur a financial loss. The Entity is exposed to credit risk on the following financial assets:

	Dec 31, 2017
<b>Financial assets</b>	213,695
Accounts receivable	3,510
Advances, deposits and other receivables	613,418
Bank balance	830,623

The Entity seeks to limit its risk with respect to bank balances by only dealing with reputable banks and with respect to account receivable by monitoring outstanding receivables. In the case of all other financial assets, the maximum exposure to credit risk is limited to the carrying value of the assets.

For the period from August 25, 2016 (inception) to December 31, 2017 (In Arab Emirates Dirham)

### (c) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Entity does not have any significant exposure to currency risk, as most of its assets and liabilities are denominated in U.A.E. Dirham and U.S. Dollar to which Dirham to USD conversion is pegged.

### (d) Liquidity risk

Liquidity risk is the risk that the Entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Entity's approach to managing liquidity risk is to ensure that, as far as possible, it will always have sufficient financing available from members to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Entity's reputation.

The following table represents the contractual maturities of financial liabilities:

As at Dec 31, 2017	Carrying value	Within 1 year	More than 1 year
Accounts and other payables	258,340	258,340	–

## 15. Fair value of financial instruments

The fair values of financial instruments comprising financial assets and financial liabilities are not materially different from their carrying values largely due to the short term maturities of these instruments.

## 16. Contingent liabilities

Except for the ongoing business obligations which are under normal course of activities against which no loss is expected, there has been no other known contingent liability on Entity's financial statements as of reporting date.

## 17. Commitments

Except for the ongoing business obligations which are under normal course of activities against which no loss is expected, there has been no other known capital commitment on Entity's financial statements as of reporting date.

## 18. Comparative amounts

This being the first period of audit, no comparative figures are included in the above financial statements.





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