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middle east investor relations association

2020/22 ANNUAL REPORT & ACCOUNTS

ANNUAL REPORT & ACCOUNTS

OF THE YEAR ENDED 31 DECEMBER 2022

The Middle East Investor Relations Association (MEIRA) is an independent, non-profit organisation dedicated to promoting the Investor Relations profession and international standards in corporate governance.

CONTACT US

Middle East Investor Relations Association
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CONTENT

2022 AT A GLANCE

KEY HIGHLIGHTS

-NEW-
Debt IR Best Practice Guide Launch

First MEIRA Conference in KSA

MOU with MSX

MOU with BHB

MEIRA & GCMA IFTAR

TRAINING HIGHLIGHTS

10 CIRO TRAINING BOOTCAMPS
ONLINE & IN-PERSON

134 TOTAL CANDIDATES

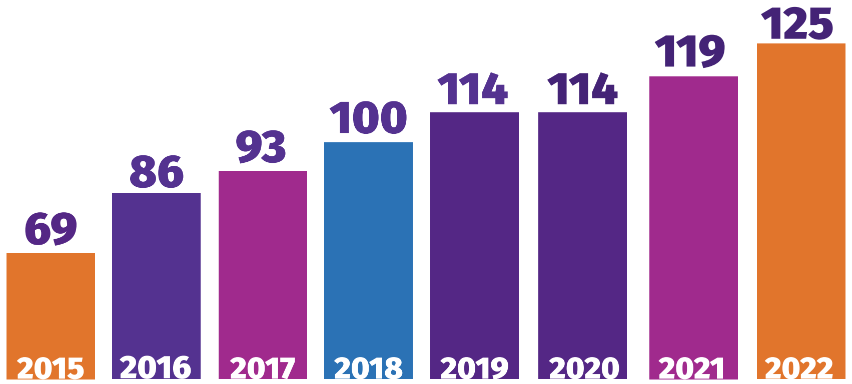
40 TOTAL CERTIFICATIONS

ESG IR Training for Listed Companies with AFCM/EGX

IR Workshop for FEAS

KEY FINANCIAL INFORMATION

125 MEMBERS



FROM 10 MARKETS

UAE	48
KSA	37
Kuwait	13
Oman	6
Bahrain	5
Palestine	4
Egypt	4
Qatar	3
Lebanon	3
Jordan	2

in AED	2022 *	2021 *
REVENUE	1,822,476	1,426,929
COSTS AND EXPENSES	1,725,709	1,422,029
NET INCOME	96,767	4,900
CASH BALANCE	459,801	443,809
RESERVES	680,291	583,524

*AUDITED FIGURES

EVENTS HIGHLIGHTS

ABOUT MEIRA

The Middle East Investor Relations Association ('MEIRA' or 'the Association') is the independent, non-profit regional professional body dedicated to promoting the Investor Relations ('IR') industry and international standards in corporate governance.

Currently, MEIRA works within 10 regional markets, each with its own unique features, advantages and offerings for investors and other stakeholders.

PURPOSE, VISION, MISSION & VALUES

Purpose

To champion best practice IR in our regional markets.

Vision

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

Mission

To enhance the reputation, efficiency and attractiveness of the Middle East capital markets.

This is delivered by fostering increased dialogue and networking among members, and encouraging the IR community to share international best practice in IR. Working closely with the regional policy makers, stock exchanges, regulators and other market participants, MEIRA supports companies through their professional development with certification programmes, as well as through our membership community and network of country-specific Chapters.

Values

- Transparency
- Integrity
- Collaboration
- Influence

STRATEGIC REVIEW

Andrew Tarbuck
Chairman

CHAIR'S LETTER

Dear Members and partners,

2022 has been a year of recovery and resurgence for MEIRA. On the back of a stellar performance, we are dispensing with the past few years' General Manager's notes of assurance – the global pandemic is now truly behind us and our results speak for themselves.

I am delighted to report that 2022 was a great year for MEIRA across all of our performance metrics. If we compare the financial results year-on-year or to the lows of 2020, our performance looks impressive. However, to say that we surpassed our 2019 results, perhaps a more apt comparison to 2022, may shine a new light on the outstanding achievements of the year. MEIRA is now firmly on track and set to deliver even more in its 15th anniversary year of 2023.

Revenues rose to AED1,822,476 in 2022, up 28% on the previous year (2021: AED1,426,929) and 14% compared to 2019. This growth was principally driven by a new membership high of 125 (2021: 119) and record revenues for the annual conference and awards, as well as continued outreach in our professional development training initiatives. Importantly, income from our online offering has been bolstered by a welcome return to in-person training, including bespoke CIRO Bootcamps.

Membership revenues of AED564,831 (2021: AED539,490) reflect MEIRA's strength in the largest GCC markets. At the same time, we continue to make inroads in the smaller GCC markets and further afield. There are significant opportunities to grow our membership in Egypt and Jordan, for example.

Our successful annual conference and awards, MEIRA 2022: KSA through the IR looking glass, was hosted in Riyadh for the first time, which proved to be a timely move. Attendee registrations reached well over 300, while partnership and sponsorship revenues hit an all-time high of AED893,273 (2021: AED532,826).

IR training will, doubtless, continue to feature as it did throughout 2022, particularly on the CIRO front – in partnership with the IR Society, UK – where we saw 134 registrations (2021: 75) with a growing number of CIRO exam passes of 40 (2021: 25). We estimate that MEIRA is now responsible for at least 10% of the around 2,000 total IR certificate passes worldwide, as at our financial year-end. This solidifies MEIRA's position and reputation as the go-to IR trainer in our region. Moreover, the demand for bespoke training, including for IR and ESG, increased on account of notable collaborations with AFCM (Arab Exchanges), the Financial Academy in Saudi Arabia and FEAS (Euro-Asian Exchanges), with whom we share common members. Overall, training revenues grew in 2022 to AED364,372 (2021: AED354,613).

With regard to our expenses of AED1,725,709 (2021: AED1,422,029), these continue to be managed assiduously, notwithstanding the inevitable fallout from the global pandemic that resulted in further annual write-offs of non-collected membership dues. Given the strength of our financial results in 2022, we have taken the opportunity to make provisions where needed and, in doing so, we are in a position to clear the decks and start again. This process has been underway for the past few years; we adopted a formal Bad Debt Policy in the grip of the worst of times of 2020 and started to accrue monthly provisions. At the 2022 financial year-end, we had AED459,801 (2021: AED443,809) cash in the bank. Today, we are more shipshape than ever with AED96,767 (2021: AED4,900) being the largest surplus to date to add back to healthy reserves of AED680,291 (2021: AED583,524).

Collaboration has been a MEIRA hallmark since day one. However, our executive team has taken it to another level this year through a range of initiatives and events with the GCC BDI (Board Directors Institute), the Gulf Capital Market Association (GCMA) and other associations worldwide. This makes sense, given that we all address common audiences from our own specialist perspectives, yet none of us works in isolation in a dynamic capital market ecosystem. A noteworthy example of our joint efforts this year was a revised and wholly refreshed Debt IR Guide, which was developed and published in partnership with the GCMA.

As we look forward, 2023 will certainly be a year to celebrate, as we mark the 15th anniversary of MEIRA. We are working closely with Bahrain Bourse, our partner and host for the next annual conference and awards. MEIRA 2023: From ESG to Sustainable Capital Markets will be held for the first time in Manama City, Bahrain on 13 November – join us. It is no coincidence that all our groundwork on ESG over the past three years is now part and parcel of the IR work we do in promoting best practice across the Middle East. Indeed, 2023 ushers in the Year of Sustainability in the UAE, the host of COP28, which follows our November flagship event.

On a parting note, I should add that John Gollifer, our incredible General Manager of the past four years, has indicated his (and his wife's) plans to retire at the end of 2023, having hit, he tells us, retirement age! On behalf of the MEIRA community, it goes without saying that we have thoroughly enjoyed and benefited from John's studious stewardship of MEIRA through thick and thin. We will continue to work closely with the executive team throughout 2023 under John's leadership, until such time as we can find a replacement GM. Thank you, Anne and John – enjoy your golden years.

It remains for me to thank you all, our members, our partners, our Board of Directors and Chapter Heads and, of course, the outstanding executive team that will continue to deliver on all our exciting plans for 2023 – for and with you.

Stay well, stay MEIRA. Onwards and upwards!

Best wishes,

Andrew Tarbuck

Chair, MEIRA

MEIRA STRATEGY AND KPIs

MEIRA is committed to enhancing the Middle East capital markets by assisting our members in fostering a deeper understanding of IR, while promoting international-standard IR best practice in the region.

KEY STRATEGY HIGHLIGHTS:

- **Encourage IR from the bottom-up:** Strengthen membership to encourage engagement and involvement, particularly of corporates and their IR teams.

- **Encourage IR from the top down:** Systematic engagement with stock exchanges, regulators and government bodies throughout the Middle East.

- **Be a voice for progress:** Advocate for continued capital market development on behalf of MEIRA members. This includes a growing emphasis on promoting diversity, equity and inclusion through our D&I Working Group, which we expect to grow.

- **Provide operational support to regional Chapters:** Provide value-add services to members, improve the MEIRA community experience and develop an active events calendar. This includes all Chapters, our flagship annual conference and awards, among other supporting events, as well as thought leadership publications, including our popular weekly newsletter, guides and white papers.

- **Enhance learning and training, with the introduction of the MEIRA Training Academy:** Augment our impact by working with key learning partners and other experts to drive professional development training in the industry, while enhancing our own delivery channels.

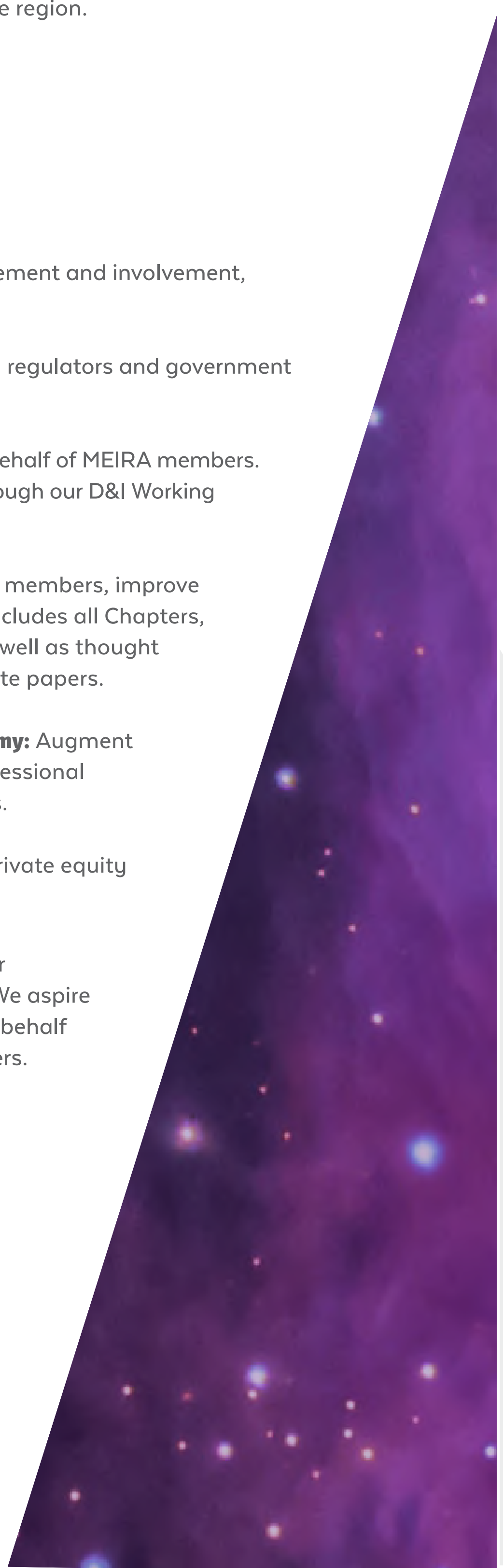
- **Encourage membership of non-listed companies**, including private companies, private equity funds and potential issuers.

Our overarching objective is to deliver value our members and our wider stakeholder community. As the regional capital markets evolve and mature, so should MEIRA. We aspire to position MEIRA as the go-to IR professional body that drives positive change on behalf of all IR practitioners in the Middle East in collaboration with a wide range of partners.

KPIs

In order to monitor progress and sustain long-term growth, MEIRA has established various Key Performance Indicators (KPIs). These include: a 5% new membership annual growth rate; a minimum of 20 events annually; and several key financial performance metrics, not least in cash management (maintaining liquidity of at least AED200,000 at all times) and adding back any annual surplus to reserves.

Additionally, launching new chapters remains an important focus and key



objective. This offers a unique opportunity to not only attract more members and assist in their professional development, but also to formalise key relationships with national exchanges, regulators and policy-makers to continue promoting the role of IR. In turn, MEIRA is positioned to be the go-to IR body and trainer in the region. At the same time, it is important for MEIRA to position the regional marketplace as a safe and transparent investment destination.

OPERATING REVIEW: MILESTONES, EVENTS & TRAINING

Throughout at action-packed year of growth and engagement for MEIRA, we held regular Chapter meetings, webinars and workshops for thousands of stakeholders across our region and around the world. We also added a new initiative, our first joint Iftar, organised in collaboration with the GCMA. This proved to be a convivial opportunity to break the fast together with members and our debt IR counterparts during the Holy Month of Ramadan. The Iftar, which was attended by MEIRA and GCMA Board directors in the UAE, was enjoyed by all and we plan to hold similar gatherings in the future.

As the restrictions of the pandemic were lifted, the opportunities to organise in-person events resumed. Members, partners, representatives from stock exchanges and other IR practitioners welcomed the possibility of coming together once again to connect, learn and inspire. The MEIRA executive team organised and supported more than 20 regional events during 2022.

However, the cherry on the cake was our annual conference and awards, MEIRA 2022: KSA through the IR looking glass. This grand gathering was hosted for the first time in the Kingdom of Saudi Arabia. The event welcomed more than 300 delegates from across the region as well as attracting international visitors. Timed close to the Future Investment Initiative (FII), the event served as a catalyst to connect IR practitioners and MEIRA members with a wider community of capital markets professionals.

Keynote speakers at our conference included Mohammed Al Rumaih, CEO, Saudi Exchange and Chairman of the GCC Exchanges Committee, who shared his insights on capital market development in the Kingdom. Other industry experts shared their expertise on pertinent capital market themes and we were fortunate to have the following senior representatives join us in discussion: Abdullah Ali Al Khalifa, CEO at Alinma Bank; Nandan Mer, CEO at Network International; Abdullah Al-Refaie, Head of ESG PMO at SABIC; Manish Manchandya, Vice President at Saudi Electricity; Danny Khoussainov, Executive Director at JP Morgan; Amani Korayeim, EMEA Director at Institutional Investor; and Matthew O'Keeffe, Managing Director at FTI Consulting.

As always, the MEIRA Annual Awards were a key feature of the day. The IR Awards include two main categories: IR Best Practice and Best Annual IR Reporting. The recipients of this year's awards included many of the region's foremost corporates and IR practitioners.

A new, refreshed Debt IR Guide, developed in collaboration with GCMA, was also launched at the conference. All in all, it was a full day of exciting initiatives that always brings together a vibrant and committed IR community from the Middle

East and beyond. On 13 November 2023, MEIRA will hold our annual event in Manama City, in partnership with Bahrain Bourse. This joint initiative aims to deliver the best possible conference and awards gala dinner to celebrate MEIRA's 15-year anniversary.

To conclude our review of events, another milestone was the Memorandum of Understanding (MOU) signing ceremony between MEIRA and Muscat Exchange (MSX) that took place in November. This initiative has served to revive the MEIRA Oman Chapter and we are very happy to have appointed Syeda Tabinda of MSX as the new Chapter Head and main Board director of MEIRA.

In line with our commitment to supporting D&I, we have been working to extend our existing Diversity and Inclusion initiative by introducing the MEIRA Mentorship: IR Next Gen Programme in 2023. This will involve working across our Chapters to identify and match senior mentors with budding IR mentees from our IR community.

Professional development remains at the heart of our content offering. Accordingly, we plan to build on the success of 2022 by digitising more of our introductory training. This will free us up to add more bespoke in-person training options in response to the needs of our members and partners. This new hybrid offering will be housed under the MEIRA Training Academy.

Finally, to continue to provide our members and stakeholders the best possible support and offerings, MEIRA increased our operational headcount and hired Pedro Lopez, who initially joined MEIRA as Events Executive and now holds the position of Marketing and Events Manager. In addition, given the growth in the number of training enquiries we received, we plan to add further administrative support to the team.

FINANCIAL PERFORMANCE REVIEW

MEIRA delivered a strong financial performance in 2022. The return of physical events complemented our strong partnerships and member community to drive solid revenue growth for the year. Total revenues grew to AED1,822,476 (2021: AED1,426,929) as a result of encouraging increases in all of the Association's main revenue streams, including a very well-supported annual conference with sponsorships reaching AED589,837 (2021: AED329,833).

The bedrock of MEIRA's financial health remains our membership base, which saw a 5% increase in revenue to AED564,831 (2021: AED539,490) while annual partnership income of AED303,436 (2021: AED202,993) grew by 50%. Training revenue was also up slightly for the year to reach AED364,372 (2021: AED354,631), as we shared our professional development offering in partnership with other associations.

On the cost side, operating expenses grew to AED1,725,709 (2021: AED1,422,029), following the increased level of activity and with the addition of new headcount.
The net surplus of AED96,767 (2021: AED4,900) is a welcome addition to year-end reserves of AED680,291 (2021: AED583,524), while our cash position remains healthy at AED459,801 (2021: AED443,809).

BUSINESS OPPORTUNITIES AND RISKS

Leaving the pandemic period behind, MEIRA is focused on the many opportunities that lie ahead to leverage our presence across the Middle East. We have shown resilience and are now well positioned to overcome potential challenges to continue to growth and create sustainable value for our members and community.

During 2022, we continued to collaborate with other organisations, professional bodies, stock exchanges and regulators to launch joint initiatives and projects. From the Debt IR Best Practice Guide to the Saudi Capital Market Awards, joining forces with like-minded entities to achieve shared objectives is one of the main opportunities for MEIRA. We will pursue such collaborations to boost MEIRA's profile and reputation, while allowing each party to gain greater insights and create value for a wider audience.

Additionally, opening new chapters, especially outside the GCC, offers a unique opportunity for MEIRA, as we grow overall membership and increase the scope, scale and standard of IR activity in the region.

Last but not least, the current IPO pipeline in the Middle East suggests that more companies will require IR training and other support in navigating public capital markets. Accordingly, a big priority in 2023 will be the planned transition of our existing introductory training offering to a more professional hybrid model that includes a new library of online training material, which will sit under the MEIRA Training Academy. This will require investment in time, resources and capacity building. However, given the opportunity provided by our training possibilities through the use of new channels and multimedia, we believe it is the right time to launch this important initiative. We will trial and evaluate the offering with our members, seek their valuable feedback, and then further develop it to suit evolving participant and market needs.

At the same time, it is not lost on MEIRA that we are living in exciting times in the region. There is more attention being placed on international index inclusion and an opportunity to continue growing the overall market weighting of our regional markets. The Middle East is a region that is increasingly seen as an attractive investment destination. Accordingly, the need for best practice IR has never been greater.

MEIRA, like any organisation, is subject to many external factors, particularly the ebb and flow of economic activity our markets. This can have a knock-on effect on membership and sponsorship levels. Moreover, MEIRA operates as a non-profit organisation with a small executive team and limited resources. In any small team, the loss of an individual staff member can have a disproportionate effect on the organisation.

MEIRA benefits from a diligent and dedicated core team that has provided valuable continuity. We aim to offer competitive remuneration and benefits to our employees, as well as career opportunities to grow with MEIRA. Similarly, MEIRA is dependent on the volunteer spirit of our members and partners, not least the Board members and Chapter leaders, and a change in any of these has the potential to adversely affect MEIRA operations and ability to achieve our goals.

MEIRA's running costs are generally stable, with predictable overheads. Accordingly, we were able to manage our costs in 2022 in line with our revenues.

We enter 2023 on solid financial footing with great momentum and excitement about what the year ahead holds, as we continue to work with our members, partners and all our stakeholders to elevate IR across our region and beyond.

GOVERNANCE REPORT

COMPANY INFORMATION

Registered name	Middle East Investor Relations Association
Incorporation details	Incorporated as an Association in the Dubai Association Centre (“DAC”) on 25th August 2016
License number	**225519**
Mailing Address & Registered Office	#207, Level 2, The Offices Building 2, One Central, Sheikh Zayed Road, Dubai, UAE PO Box 9576 T: +971 (0)4 516 3042
Directors of the Board	> **Andrew Tarbuck** – *Chair* > **Sofia El Boury** – *Vice-Chair and Abu Dhabi Chapter Head* > **Peter Gotke** – *Chair, Namination Commitee* > **Chris Wilson** – *Chair, Audit & Remuneration Commitee* > **Redwan Ahmed** – *Treasurer and Dubai Chapter Head* > **Rayan Al Karawi** – *Board Member and Saudi Arabia Chapter Head* > **Mohammad Abdal** – *Board Member and Kuwait Chapter Head* > **Marwa Al-Mastaki** – *Board Member and Bahrain Chapter Head* > **Dalal Al-Dousari** – *Board Member* > **Iman Abdel Khalek** – *Board Member* > **Mahmoud Salem** – *Board Member* > **Omar Darwazah** – *Board Member – resigned on 6 October 2022* > **Patrick Clerkin** – *Board Member – appointed on 22 March 2023* > **Syeda Tabinda** – *Board Member and Oman Chapter Head – appointed on 22 March 2023*
General Manager, Company Secretary	John Gollifer
Auditors	ABK Saqer Auditing, Bigy Scariah (Partner) PO Box 19524, Dubai, UAE, T: +971 4 2511 585

BOARD ROLES AND COMMITTEES

AUDIT AND REMUNERATION COMMITTEE

The Audit and Remuneration Committee is responsible for monitoring MEIRA's activities and ensuring the integrity and effectiveness of its financial reports. This is in addition to ensuring the overall effectiveness of MEIRA's systems, internal controls and internal audit, as well as reviewing salaries and remuneration structures in line with market compensation scales.

Furthermore, the Committee is also responsible for the performance review of our external auditors and assists in the recommendation to the Board of the reappointment or otherwise of the auditors on an annual basis. The Committee also provides recommendations to the Board in developing a strategy and comprehensive policies for risk management, whilst maintaining reasonable risk acceptance levels.

MEIRA's Treasurer is a member of the Audit and Remuneration Committee and, together with MEIRA's GM, is responsible for the preparation and fair presentation of the financial statements, in accordance with International Financial Reporting Standards (IFRS).

Members of the Committee, including the Treasurer, must be appointed by the Board, on the recommendation of the Nomination Committee. The members of the Committee report to the Board. The Committee meets at least twice a year and beyond that, as required.

NOMINATION COMMITTEE

The Nomination Committee supports the Board in reviewing the structure, size and composition of the Board, proposing the appointment of members to the Board, Board Committees, MEIRA senior executives and the appointment of members to MEIRA Country Chapter Boards.

The Nomination Committee is also responsible for reviewing the performance of members of the Board and MEIRA's succession plan to ensure its adequacy and fitness for purpose, as well as for assessing any possible conflict of interest that might occur within the MEIRA Board or any of its Committees and Chapter Boards. The Committee Chair and members are appointed by the Board. In 2022, the Nomination Committee undertook a self-assessment Board review initiative. This resulted in some new additions to the Board.

EXECUTIVE COMMITTEE

The Executive Committee, comprising senior Board members and the General Manager, is responsible for overseeing the activities of the executive team and authorising decisions and actions relating to the management and running of the Association.

THE BOARD

The Board members, listed below, have held office over the period 1 January 2022 to 31 December 2022, save for the newly appointed member (noted below*) who formally joined the Board on 10 March 2023.

> Mohammad Abdal
Member

> Iman Abdel Khalek
*Member**

> Redwan Ahmed
Member, Treasurer and member of the Executive Committee

> Dalal Al-Dousari
Member

> Rayan Al Karawi
Member

> Marwa Faisal Al-Mastaki
Member

> Patrick Clerkin
*Member**

> Omar Darwazah
Member

> Sofia El Boury
Vice-Chair and member of the Executive Committee

> Peter Gotke
Member and Chair of the Nomination Committee

> Mahmoud Salem
Member

> Syeda Tabinda
*Member**

> Andrew Tarbuck
Chair of the Board and member of the Executive Committee

> Chris Wilson
Member, Chair of the Audit & Remuneration Committee & member of the Executive Committee

Attendance of Board members at Board meetings

The table below gives details of each Director's attendance at meetings of the Board in 2022.

NAME	POSITION	24-Mar	15-Sept	24-Oct	14-Dec
Andrew Tarbuck	Chair	*	*	*	*
Chris Wilson	Board member		*		
Dalal Al Dousari	Board member	*	*	*	
Iman Abdel Khalek	Board member		*	*	*
Mahmoud Salem	Board member	*	*	*	*
Marwa Al Mastaki	Board member		*	*	*
Mohammad Abdal	Board member		*	*	*
Omar Darwazah	Board member	*	*		
Peter Gotke	Board member	*	*	*	*
Rayan Al Karawi	Board member		*	*	*
Redwan Ahmed	Treasurer		*	*	*
Sofia El Boury	Vice-Chair	*	*	*	*

Chapter Heads

The Chapter Heads play a pivotal role in keeping the MEIRA Chapters active as well as representing the Association in any engagement with local entities. They are advocates of what MEIRA stands for in their respective jurisdictions and are in frequent contact with the Board and executive team to propose, support and report on activities.

Chapter Heads are nominated by the main MEIRA Board, the local Board or the Chapter members, depending on the needs of each market.

EMPLOYEES

General Manager (GM)

John Gollifer joined MEIRA as the GM in January 2019. John brings almost 40 years' experience of international banking, stock exchange and association management, as well as IR expertise, to his role at MEIRA. John has recently expressed his intention to retire at the end of 2023. A search for a suitable successor will take place in due course.

The GM reports to the Board on all activities relating to the Association and its interests. The GM is responsible for the implementation of MEIRA's commitments and objectives, and for ensuring appropriate controls and contingencies are maintained.

The GM ensures timely briefing and execution of Committee deliverables, and maintains transparent communication and collaboration among the functions of the Executive Committee, other Committees and their members.

He is responsible for day-to-day management of the Association, ensuring delivery of the strategy, as agreed with the Chair and Board, in a timely, effective and auditable manner. As part of these duties, the GM oversees operations and exerts adequate controls on the possible and actual effects of any given action (strategic, operational or otherwise) with respect to the Association's objectives, and provides the Board with regular updates and feedback.

Responsible for supervising and maintaining appropriate controls over the Association's activities, the GM oversees any covenants, deeds or agreements the Association enters into, including with government entities, service providers, third parties and other stakeholder groups. In so doing, the GM, on behalf of the Association, is empowered and ultimately responsible for reviewing, signing and delivering any documents, contracts or related covenants as might arise in the execution of the Association's responsibilities and commitments. The role of GM is remunerated as a full-time employee and representative of the Association. The Board is responsible for hiring the GM.

Office Manager and Professional Development Administrator

Deborah Vaz joined MEIRA in July 2018 and she currently holds the position of Office Manager and Professional Development Administrator.

The Office Manager and Professional Development Administrator supports the GM in the day-to-day tasks of the Association, especially those relating to the running of the office, including meeting all licensing, administrative and organisational requirements. In addition, Deborah runs MEIRA's training programmes in partnership with other providers for the benefit of our members and partners.

Marketing and Events Manager

Pedro was hired in May 2022 as Events Executive. He was promoted to Marketing and Events Manager in November 2022, after the resignation of Alicia Gallego as Senior Manager – Strategic Communications and Policy.

Pedro has a long track record in marketing and events management, including at Expo 2020 where he worked in the Spanish pavilion taking care of all the cultural activities. In his role, Pedro is responsible for planning, organizing and managing all the marketing projects, as well as annual activities such as chapter meetings, webinars, annual conference and awards, among other events in partnership with our partners and other organisations.

Extended support team

MEIRA also works with external professionals as subcontracted services in the form of retainers. On this basis, the association has additional and flexible support for accounting services, graphic design and strategic communication advisory.

Middle East Investor Relations Association
Dubai - United Arab Emirates

Auditor's report and financial statements
for the year ended December 31, 2022

AUDITORS REPORT

Middle East Investor Relations Association
Dubai - United Arab Emirates

Auditor's report and financial statements for the year ended December 31, 2022

Table of contents

General information

Office address	:	Office TO2-FLR02-02.01 & TO2-FLR02-02.07 The Offices 02 Building in One Central Dubai World Trade Center P.O. Box 9576 Dubai - United Arab Emirates T: +971-56136 4661
Email	:	info@meira.me
Website	:	www.meira.me
Legal status	:	Association
General Manager/Board Secretary	:	Mr. John Ernest Gollifer
Managing Board Members	:	Mr. Andrew Tarbuck (Chair) Ms. Sofia El Boury (Vice - Chair) Mr. Redwan Ahmed (Treasurer) Mr. Chris Wilson (Board Member) Ms. Dalal Al-Dousari (Board Member) Ms. Iman Abdel Khalek (Board Member) Mr. Mahmoud Salem (Board Member) Ms. Marwa Al-Maskati (Board Member) Mr. Mohammad Abdal (Board Member) Mr. Patrick Clerkin (Board Member) Mr. Peter Gotke (Board Member) Mr. Rayan Al-Karawi (Board Member) Ms. Syeda Tabinda (Board Member)
The main bank	:	RAK Bank
Auditor	:	ABK Saqer Auditing P.O. Box 19524 Dubai - United Arab Emirates

ABK Saqer Auditing

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Ref: ABK/AR/1075/23

Independent Auditor's Report

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, 2022 and the statement of income and expenditure, statement of changes in members' funds, statement of cash flows for the year 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, 2022 and its financial performance and its cash flows for the year 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.

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.

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.

ABK Saqer Auditing

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.

For ABK Saqer Auditing
Auditors & Business Advisors

P.O.Box : 19524
Dubai - U.A.E.
ABK SAQER AUDITING

Shaikh Mohamed Saqer Rashid Al Nuaimi
Reg no. 666

March 29, 2023

Middle East Investor Relations Association
Dubai - United Arab Emirates

Statement of financial position as at December 31, 2022
(In Arab Emirates Dirham)

	Notes	Dec 31, 2022	Dec 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	5	**7,202**	8,480
Intangible assets	6	**1**	6,493
Total non-current assets		**7,203**	14,973
Current assets			
Accounts receivable	7	**374,047**	313,431
Advances, deposits and other receivables	8	**225,299**	84,466
Cash and bank balances	9	**332,173**	435,026
Total current assets		**931,519**	832,923
Total assets		**938,722**	847,896
Members' funds and liabilities			
Members' funds			
Accumulated surplus	10	**680,291**	583,524
Total members' funds		**680,291**	583,524
Non-current liabilities			
Employees' end of service benefits	11	**96,549**	129,661
Total non-current liabilities		**96,549**	129,661
Current liabilities			
Other payables	12	**161,882**	134,711
Total current liabilities		**161,882**	134,711
Total liabilities		**258,431**	264,372
Total members' funds and liabilities		**938,722**	847,896

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

The independent auditor's report is set out on pages 2 and 3.

The financial statements on pages 4 to 19 were approved on March 29, 2023 and signed on behalf of the Entity, by:

License No: 225519
Dubai - U.A.E.
MIDDLE EAST INVESTOR RELATIONS ASSOCIATION

(Authorized signatory)

Middle East Investor Relations Association
Dubai - United Arab Emirates

Statement of income and expenditure for the year ended December 31, 2022
(In Arab Emirates Dirham)

	Notes	For the year ended Dec 31, 2022	Dec 31, 2021
Income			
Partnership income		**303,436**	202,993
Training income		**364,372**	354,613
Membership income		**564,831**	539,490
Annual conference sponsorship income		**589,837**	329,833
Total income		**1,822,476**	1,426,929
Expenses			
Training expenses		**(159,791)**	(146,220)
Annual conference expenses		**(299,846)**	(122,883)
Other event expenses		**(91,351)**	(77,204)
Administrative expenses	13	**(1,174,721)**	(1,075,722)
Total expenses		**(1,725,709)**	(1,422,029)
Excess of income over expenditure for the year		**96,767**	4,900

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

The independent auditor's report is set out on pages 2 and 3.

The financial statements on pages 4 to 19 were approved on March 29, 2023 and signed on behalf of the Entity, by:

License No: 225519
Dubai - U.A.E.
MIDDLE EAST INVESTOR RELATIONS ASSOCIATION

(Authorized signatory)

Middle East Investor Relations Association

Dubai - United Arab Emirates

Statement of changes in members' funds for the year ended December 31, 2022

(In Arab Emirates Dirham)

	Accumulated surplus
Accumulated surplus	
Balance as at January 01, 2021	578,624
Excess of income over expenditure for the year	4,900
Balance as at December 31, 2021	583,524
Excess of income over expenditure for the year	96,767
Balance as at December 31, 2022	**680,291**

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

The independent auditor's report is set out on pages 2 and 3.

Middle East Investor Relations Association

Dubai - United Arab Emirates

Statement of cash flows for the year ended December 31, 2022

(In Arab Emirates Dirham)

	For the year ended	
	Dec 31, 2022	Dec 31, 2021
Cash flows from operating activities		
Excess of income over expenditure for the year	**96,767**	4,900
Adjustments for:		
Depreciation on property, plant and equipment	**5,822**	5,213
Amortisation of intangible assets	**6,492**	12,813
Allowance for doubtful receivables	**117,077**	78,669
Provision for employees' end of service benefits	**46,387**	36,934
Cash inflow before working capital changes	**272,545**	138,529
(Increase)/decrease in current assets		
Accounts receivable	**(177,693)**	(169,545)
Advances, deposits and other receivables	**(140,833)**	52,059
Increase in current liabilities		
Other payables	**27,171**	116,284
Cash (used in)/generated from operations	**(18,810)**	137,327
Employees' end-of-services benefits paid	**(79,499)**	-
Net cash (used in)/from operations	**(98,309)**	137,327
Cash flows from investing activities		
Purchase of property, plant and equipment	**(4,544)**	(8,800)
Net cash (used in) investing activities	**(4,544)**	(8,800)
Net (decrease)/increase in cash and cash equivalents	**(102,853)**	128,527
Cash and cash equivalents, beginning of the year	**435,026**	306,499
Cash and cash equivalents, end of the year	**332,173**	435,026
Represented by:		
Cash in hand	**6,529**	4,073
Bank balance	**325,644**	430,953
	332,173	435,026

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

The independent auditor's report is set out on pages 2 and 3.

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 TO2-FLR02-02.01 & TO2-FLR02-02.07, The Offices 02 Building in One Central, 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. 225519.

2 **Applicable International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)**

2.1 New and amendments to IAS and IFRS that are effective for the current year

In the current year, the Entity has applied for the first time certain standards and amendments to IFRSs issued by the International Accounting Standards Board that are effective for an accounting period that begins on or after January 01, 2022.

a) Amendments to IFRS 3 Reference to the Conceptual Framework
b) Amendments to IAS 16 Property, Plant and Equipment—Proceeds before Intended Use
c) Amendments to IAS 37 Onerous Contracts—Cost of Fulfilling a Contract
d) Annual Improvements to IFRS Accounting Standards 2018-2020 Cycle

2.2 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 17: Insurance Contracts - Effective for annual periods beginning on or after January 01, 2023.
b) IFRS 10 and IAS 28 (amendments) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Effective for annual periods beginning on or after January 01, 2023.
c) Amendments to IAS 1 - Disclosure of Accounting Policies - Effective for annual periods beginning on or after January 01, 2023.
d) Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates - Effective for annual periods beginning on or after January 01, 2023.
e) Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

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.

3 **Significant accounting policies**

3.1 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.

3.2 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.

3 **Significant accounting policies (continued)**

3.2 Basis of preparation (continued)

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.

3.3 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 trading 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.

3.4 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.

3.5 Foreign currency

In preparing the financial statements of Entity, transactions in currencies other than the Entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

3 Significant accounting policies (continued)

3.5 Foreign currency (continued)

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

3.6 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 profit or loss and other comprehensive income 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 profit or loss and other comprehensive income.

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 - 3

3.7 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization.

Website development

Website development cost is capitalised on the basis of the costs incurred to acquire and bring it in to use. These costs are amortised over their estimated useful lives of 4 years.

3.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Entity's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Entity has applied the practical expedient, the Entity initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Entity has applied the practical expedient are measured at the transaction price determined under IFRS 15.

3 Significant accounting policies (continued)

3.8 Financial instruments (continued)

a) Financial assets (continued)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

a) Financial assets at amortised cost
b) Financial assets at fair value through Other Comprehensive Income (OCI) with recycling of cumulative gains and losses (debt instruments)
c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
d) Financial assets at fair value through profit or loss

<u>Financial assets at amortised cost</u>

The Entity measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Entity's financial assets measured at amortized cost include the following:

Accounts and other receivables

Accounts receivable are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. 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.

<u>Financial assets designated at fair value through OCI (debt instruments)</u>

The Entity measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding cash flows and selling.

  For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Entity does not have any financial assets under this category as at the reporting date.

3 Significant accounting policies (continued)

3.8 Financial instruments (continued)

a) Financial assets (continued)

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Entity can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Entity benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Entity does not have any financial assets under this category as at the reporting date.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

The Entity does not have any financial assets under this category as at the reporting date.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Entity's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Entity has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Entity has transferred substantially all the risks and rewards of the asset, or (b) the Entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The adoption of IFRS 9 requires the Entity to account for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking Expected Credit Loss (ECL) approach. IFRS 9 requires the Entity to record an allowance for ECLs for all loans and other debt financial assets not held at Fair value through profit or loss (FVPL). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Entity expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

3 Significant accounting policies (continued)

3.8 Financial instruments (continued)

a) Financial assets (continued)

Impairment of financial assets (continued)

For trade receivables and other receivables, the Entity has applied the simplified approach and has calculated ECLs based on lifetime expected credit losses. The Entity has established a provision matrix that is based on the Entity's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Entity considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Entity may also consider a financial asset to be in default when internal or external information indicates that the Entity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Entity. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

b) Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Entity's financial liabilities comprise the following:

Accounts and other payables

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Accounts and other payables are recognised initially at fair value and subsequently are measured at amortised cost using effective interest method.

3.9 Value Added Tax (VAT)

Assets, income and expenses are recognized net of the amount of VAT, except:

- When VAT incurred on purchase of assets or services is not recoverable (non-recoverable VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable).
- When receivables and payables are stated with the amount of VAT.

The net amount of VAT recoverable from, or payable to, the Federal Tax Authority is included as part of accounts and other receivables/accounts and other payables in the statement of financial position.

3.10 Employees' terminal benefits

Provision is made for employees' terminal benefits on the basis prescribed under the Labour Law of the United Arab Emirates and are calculated based on employees' salaries and number of years of service. The terminal benefits are paid to employees on termination or completion of their term of employment. Accordingly, the Entity has no expectation of settling its employees' terminal benefits obligation in the near future.

3.11 Revenue recognition

Revenue from contract with customers

The Entity recognises revenue from contracts with customers in accordance with IFRS 15 and based on a five step model as stated below:

a) Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

3 Significant accounting policies (continued)

3.11 Revenue recognition (continued)

Revenue from contract with customers (continued)

b) Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

c) Determine the transaction price: The transaction price is the amount of consideration to which the Entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

d) Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Entity will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Entity expects to be entitled in exchange for satisfying each performance obligation.

e) Recognise revenue when (or as) the entity satisfies a performance obligation.

The Entity satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Entity's performance as the Entity performs; or
- The Entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Entity's performance does not create an asset with an alternative use to the Entity and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Entity satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Entity and the revenue and costs, if applicable, can be measured reliably.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 4.

3.12 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity. It can also be a present obligation arising from the past events that is not recognized because it is not probable that outflow of economic resources will be required, or the amount of obligation cannot be measured reliably. Contingent liabilities are not recognized but are disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as provision.

4 Critical accounting judgements and key sources of estimation uncertainty

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

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.

The key judgments and estimates and assumptions that have a significant impact on the financial statements of the Entity are discussed below:

Judgments

Satisfaction of performance obligations

The Entity is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue. The Entity has assessed that based on the sale and purchase agreements entered into with customers and the provisions of relevant laws and regulations, where contracts are entered into to provide real estate assets to customer, the Entity does not create an asset with an alternative use to the Entity and usually has an enforceable right to payment for performance completed to date. In these circumstance the Entity recognises revenue over time. Where this is not the case revenue is recognised at a point in time.

Determination of transaction prices

The Entity is required to determine the transaction price in respect of each of its contracts with customers. In making such judgment the Entity assess the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component in the contract and any non-cash consideration in the contract. In determining the impact of variable consideration the Entity uses the "most-likely amount" method in IFRS 15 Revenue from Contracts with Customers whereby the transaction price is determined by reference to the single most likely amount in a range of possible consideration amounts.

Transfer of control in contracts with customers

In cases where the Entity determines that performance obligations are satisfied at a point in time, revenue is recognised when control over the assets that is the subject of the contract is transferred to the customer.

Estimations and assumptions

Impairment of trade and other receivables

An estimate of the collectible amount of trade and other receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on expected credit loss on such receivables.

Useful lives of property, plant and equipment

The Entity's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

5 Property, plant and equipment

	Office equipment
Cost:	
Balance as at January 01, 2021	26,818
Additions during the year	8,800
Balance as at December 31, 2021	35,618
Additions during the year	4,544
Balance as at December 31, 2022	**40,162**
Accumulated depreciation:	
Balance as at January 01, 2021	21,925
Charge for the year	5,213
Balance as at December 31, 2021	27,138
Charge for the year	5,822
Balance as at December 31, 2022	**32,960**
Carrying value as at December 31, 2022	**7,202**
Carrying value as at December 31, 2021	8,480

6 Intangible assets

The carrying value of the intangible assets are as follows:

	Website development
Cost:	
Balance as at January 01, 2021	51,250
Balance as at December 31, 2021	51,250
Balance as at December 31, 2022	**51,250**
Accumulated amortisation:	
Balance as at January 01, 2021	31,944
Amortisation during the year	12,813
Balance as at December 31, 2021	44,757
Amortisation during the year	6,492
Balance as at December 31, 2022	**51,249**
Carrying value as at December 31, 2022	**1**
Carrying value as at December 31, 2021	6,493

Middle East Investor Relations Association
Dubai - United Arab Emirates

Notes to the financial statements for the year ended December 31, 2022
(In Arab Emirates Dirham)

	Dec 31, 2022	Dec 31, 2021
7 Accounts receivable		
Membership fee receivable	**233,534**	232,188
Partnership fee receivable	**44,070**	25,616
Sponsorship fee receivable	**79,877**	-
Training fee receivable	**74,574**	94,296
	432,055	352,100
Less: allowance for doubtful receivables	**(58,008)**	(38,669)
	374,047	313,431
Allowance for doubtful receivables		
Balance at the beginning of the year	**38,669**	22,836
Charge during the year (note 13)	**117,077**	78,669
Written off during the year	**(97,738)**	(62,836)
Balance at the end of the year	**58,008**	38,669

Accounts receivable are provided based on a provision matrix that is based on the Entity's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. In determining the recoverability of accounts receivable, the Entity considers any change in the credit quality of the accounts receivable from the date credit was initially granted up to the reporting date. Accordingly, the management believes that there is no further credit allowance required for doubtful debts.

	Dec 31, 2022	Dec 31, 2021
8 Advances, deposits and other receivables		
Deposits	**70,000**	52,000
Prepayments	**27,671**	23,683
Other receivables	**127,628**	8,783
	225,299	84,466
9 Cash and bank balances		
Cash in hand	**6,529**	4,073
Bank balance	**325,644**	430,953
	332,173	435,026
10 Accumulated surplus		
Balance at the beginning of the year	**583,524**	578,624
Excess of income over expenditure for the year	**96,767**	4,900
Balance at the end of the year	**680,291**	583,524
11 Employees' end of service benefits		
Balance at the beginning of the year	**129,661**	92,727
Add: charge for the year	**46,387**	36,934
Less: paid during the year	**(79,499)**	-
Balance at the end of the year	**96,549**	129,661

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.

	Dec 31, 2022	Dec 31, 2021
12 Other payables		
Advance from members	**6,555**	23,130
VAT payable	**1,928**	2,395
Expenses payable	**153,399**	109,186
	161,882	134,711

	For the year ended	
	Dec 31, 2022	Dec 31, 2021
13 Administrative expenses		
Salaries and allowances	**836,027**	790,857
Rent	**16,250**	15,000
Legal, visa, professional and related	**98,171**	55,123
Travelling and lodging	**32,289**	5,345
Telephone and communication	**18,723**	17,217
Bank charges	**22,240**	23,056
Accounts receivable written off	-	62,110
Depreciation on property, plant and equipment (note 5)	**5,822**	5,213
Amortisation on intangible assets (note 6)	**6,492**	12,813
Allowance for doubtful receivables (note 7)	**117,077**	78,669
Others	**21,630**	10,319
	1,174,721	1,075,722

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 year 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, 2022	Dec 31, 2021
Financial assets		
Accounts receivable	**374,047**	313,431
Advances, deposits and other receivables	**197,628**	60,783
Bank balance	**325,644**	430,953
	897,319	805,167

The Entity seeks to limit its risk with respect to bank balance by only dealing with a reputable bank and with respect to accounts 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.

14 Risk management (continued)

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, 2022	**Carrying value**	**Within 1 year**	**More than 1 year**
Other payables	**161,882**	**161,882**	**-**

As at Dec 31, 2021	Carrying value	Within 1 year	More than 1 year
Other payables	134,711	134,711	-

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

Certain figures of the previous period were re-grouped/reclassified, wherever necessary, to conform to current year's presentation.

NOTES

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