



KNOWLEDGE



SKILLS



BEHAVIOUR

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Sir Alan Yarrow, Chartered FCSI(Hon), Chairman, CISI

## Chairman

This institution would not be what it is without the selfless determination of a large number of members who give their time for free to make sure that we remain relevant to the industry in today's world. It is difficult to think of any time in our history when this has been more true than it is today.

I travelled to many countries last year and was thrilled and very proud to say, as Lord Mayor of the City of London, that I was also Chairman of the CISI. The Institute has a fast increasing international portfolio and is now respected as being a leading accreditation body in over 36 countries, due to the hard work of Simon Culhane and his colleagues. Throughout my overseas visits the esteem with which the UK is held is far higher than anybody in this country can imagine, largely because we have a democratic system, which is highly respected, supported by the rule of law and a judiciary which is seen as being incorruptible, and a process that is practicable. Again, these issues are critically important if we are to be able to re-establish ourselves on the fringes of Europe, rather than in its midst. I have little doubt that the resourcefulness and application of our country will help us continue to be an important global player going forward.

However, the lack of investment that we have made as a country in the infrastructure of our bilateral trade agreements and the delegation of general processes to the Commission, means we have a long way to go to catch up. But you should remain confident that the CISI will play its part in making sure that you, the members, get the Institution's support to help you to do your job and your clients should be confident that our members put their interests above all others.

Looking forward, we have to focus on maintaining our optionality as a country. By that, I mean we cannot turn our back on the European hinterland, so we need to continue to make sure that our industry, whatsoever it makes and whomsoever it serves, recognises the European regulatory structure and makes sure it is in a sufficiently robust condition that there are no excuses that can be used not to award us a passport to do business on the Continent. We will succeed, if we apply ourselves to the job in hand.

A handwritten signature in black ink, appearing to read 'Alan Y', followed by a long horizontal line.

Sir Alan Yarrow, Chartered FCSI(Hon)  
Chairman



*Simon Culhane, Chartered FCSI, speaking at the CISI Annual Conference*

## Chief Executive's Report 2015/16

As the Institute proudly enters its 25th year since it evolved from the London Stock Exchange, its core functions and charitable objectives remain just as relevant and unchanged today:

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

The Institute is first and foremost an international charity based in the UK with a global network of offices and advisory councils.

The Institute is also a professional body which means it helps the public good by providing professionals working in the securities, investment, wealth and, now, the financial planning world with a combination of the right knowledge, the right skills and the right set of behaviours. These are the three requirements for anyone wanting to be considered a professional and are at the core of all its activity.

Anyone who wants to be a professional in the financial services industry wherever they live or work, is warmly welcome to take one of the Institute's qualifications, join as a member, maintain their skills and knowledge and uphold our core values and principles.

The Institute is also a UK Financial Conduct Authority (UK FCA) Accredited Body, and therefore issues formal Statements of Professional Standing (SPSs) to almost 7,000 qualified individuals in the UK, Guernsey and Isle of Man.

## Diversification into Financial Planning – a new market entry

One of the main highlights during the year was the merger with the Institute of Financial Planning (IFP), a UK based body focused on supporting financial planning professionals and their clients. Many traditional wealth firms are now growing their financial planning capability and those professionals who have attained Level 6 qualifications such as the CERTIFIED FINANCIAL PLANNER™ certification, have demonstrated that they are at the pinnacle of their profession. We are delighted that we are now the UK arm and membership body for the global CFP™ designation and we welcome the financial planning community to the CISI.

We see financial planning as a growth area, particularly in light of the numerous and far reaching UK pension reforms, which have accelerated the need for individuals to obtain proper financial planning and advice.



*Rebecca Taylor CFP™ Chartered FCSI and Kevin Moore, Chartered MCSI attending the FPSB European Forum Meeting in Frankfurt, February 2016*





*Jurisdictions where the CISI is now recognised, either by capital market regulators or bodies which control national qualifications*

## Professionalism

Over the last year, the Institute offered a choice of 80 exams to financial services professionals globally - 61 in English, 11 in Arabic, six in Spanish and two in Greek. We have increased the number of non-English exams we offer as we work more closely with regulators in other countries, where English is not the native or second language. However, many prefer that the core benchmark exams are taken in English which is the common language in the international capital markets.

A total of 40,083 exams were taken this year in 80 countries and the Institute is now recognised in over 36 jurisdictions, either by capital market regulators or bodies that control national qualifications. In 2015/16 we gained recognition in five new jurisdictions. The Institute's goal is to obtain recognition from 50 official bodies in three years' time.

Whilst the first stage of being a professional is to obtain a qualification, that is very much the equivalent of earning an entry ticket to the main event – membership – which is where the focus is on staying up to date and behaving with integrity.

The Institute continues to invest in technology and this year we have significantly upgraded our website, not just in design terms but also how it works. This is allowing us to offer much more content via tablets and smart phones, including our highly acclaimed series of bite-sized learning, called 'Professional Refresher' which offers over 70 individual modules on a variety of topical subjects, all delivered entirely free to members. Such is the growing popularity of this member benefit that we also have come to a commercial arrangement with a number of Corporate Supporters for many of these modules to be available to all their staff.

We continue to film and record most of the seminars we arrange, primarily so we can help those who live further afield to gain access to the often unique insights and analysis. The use of technology allows us to offer quality learning opportunities to anyone with access to the internet, and therefore, in the memorable words of our Indian National Advisory Council President, Mr P.H. Ravikummar FCSI(Hon), "make geography, history".

But we haven't forgotten the importance of people relationships and fellowship, which is why, in the UK, we have taken advantage of the merger with the IFP to increase our regional coverage to 24 areas and so provide for greater local networking and topicality. Over 200 events were arranged during the year and increasingly we are starting to see growth in our international membership network, particularly in the Middle East.

The third leg of being a professional is integrity, and here the Institute continues to lead. It remains the only professional body in the world which requires aspiring candidates for membership to sit and pass an integrity examination. During the year, we also helped a number of major international banks, based in Europe and the Middle East, with their cultural change programme, using our integrity case studies as a key learning vehicle.

The Institute also developed a stand-alone 'Speak Up' seminar which is proving a great success and entirely complements UK FCA guidance issued in October 2015 on Whistleblowing.

## Rigour

The Institute is fortunate to have the benefit of the knowledge, wisdom and energy of over 750 volunteers, who help us to maintain the highest standards. Volunteer practitioners sit on all of our syllabus panels and so ensure that the exams are relevant and practical.

Our branch committees, professional forums, Board committees and seminar programmes depend on volunteers whose passion and commitment ensures that the Institute remains relevant, focused and exceptionally cost effective.

The Institute has been especially fortunate to have wide support and wise guidance from the Trustees, whose incisiveness and diligence has been particularly helpful this year in connection with a number of major strategic decisions.

This year the Institute has taken advantage of our Chairman's second part of his one year term as Lord Mayor of London. Sir Alan Yarrow, Chartered FCSI(Hon) is a great ambassador for the City of London and just as enthusiastic and supportive of the Institute. We have joined him on a number of visits, most of which have led to substantive meetings with senior regulators and probably accelerated our normal processes by up to a year.

## Public Good

As a charity we also have a responsibility to the wider public and one of the ways we achieve that is to carry out research. During the year we looked closely at the link between gambling and young people and were surprised at just how prevalent gambling is among the 18-25 age group and how few of them understood basic probability and odds.

Our work in schools, colleges and universities, through the CISI Educational Trust, has been transformational as we have focused on student employability. The number of schools sitting CISI qualifications has grown by 44% with all schools participating in Work Experience Week and over 150 students benefiting from employer supported Insight days nationally. We launched our Corporate Education Programme in two less advantaged London schools whereby a CISI peripatetic teacher provides tuition to a group of students, for whom a career in securities and investments was previously out of reach. This is combined with employer engagement, work experience and guidance on applying for apprenticeships and traineeships.

The CISI has partnered with the International Baccalaureate. This programme embeds the CISI Diploma in Finance, Risk and Investment into an existing International Baccalaureate model, and will provide an excellent distribution channel for CISI schools qualifications both in the UK and globally.

In keeping with the industry's recognition for the importance of examinations from September 2016, all CISI University Partnerships will focus on providing students with the opportunity to sit examinations alongside their degrees both at Undergraduate and Master's level.

There has been a significant change in the UK higher educational sector where there is now a real alternative for young people away from the standard three-year university degree course, with the accompanying £50k of personal debt. With the advent of a UK apprenticeship levy of 0.5% on firms with an annual pay bill of over £3m, from April 2017 (similar in many ways to the levy already in existence in many other countries), large employers are now reviewing the new apprentice schemes and many are changing how they recruit and train existing staff. CISI qualifications are on the approved list for many of the financial functions and we see this as a growth area in 2016/17.

## International Growth

Financial services in the UK is a mature market and whilst we see continued demand for wealth and financial planning, we are witnessing the dynamic global nature of wholesale banking, particularly with jobs moving out of the relative high cost of London, with some going to other parts of the UK and other roles moving abroad.

We also can see that in some countries, such as Singapore, which was an early recipient of some of the first wave of exported jobs, they are now moving up the value chain and obtaining higher skilled jobs, whilst those they initially attracted are moving to newer, developing countries.

This is why the Institute continues to work with regulators and central bankers globally so it is able to offer the necessary skills to help countries grow their financial skill base. During the year we opened a new office in Manila as the Philippines has become a country of excellence for the outsourcing industry, attracting over 1.3m jobs.

We opened our second office, located in the Gulf, almost ten years ago and our work in this important region has flourished, greatly helped by our close relationship with the securities regulator in the UAE. The region now accounts for over 5,000 examinations and is highly successful as both individuals and regulators appreciate the quality and rigour of CISI qualifications.

There is significant work continuing in Africa where a number of early MoUs have been agreed and also Latin America, which we expect to develop over the next few years.



*Simon Culhane, Chartered FCSI, delivering the CISI's Integrity at Work presentation to CaixaBank staff - 14 May 2015*



*Kevin Moore, Chartered MCSI and Dr John Osuoha, CISI, with Adedapo Adekoje, Adedeji Ajadi and Oluwaseyi Abe of the CIS during signing of the MoU with the Chartered Institute of Stockbrokers in Lagos*



*CISI's Matthew Bolton attending an Integrity at Work seminar at the CISI's Insight day hosted by Aberdeen Asset Management*



*CISI Sri Lanka staff, who took part in an inter office cricket and badminton tournament organised by the Council for Business with Britain in Sri Lanka*



## Financials

Although the Institute is a charity, it operates in the private sector and therefore does not receive any public or UK Government funding. It is an objective maximising, as opposed to a profit maximising, organisation but nevertheless, it operates with the same financial planning and budgeting disciplines that would be found in leading companies.

The Institute's primary stakeholders are its members and exam candidates. It does not have any shareholders, nor does it distribute dividends. This allows it to plan for the longer term and take into account the public benefit, alongside the need to remain solvent and return a surplus over the medium term, which is reinvested each year for future growth. The Institute derives its income from revenue received from qualifications and membership which it offers globally.

The financial results for the year were satisfactory and ahead of the original budget, helped by a better than forecast demand for qualifications, a strong performance in the Gulf region and close control over costs.

This strong financial position has allowed the Institute to double to £300k the donation it has made to the CISI Educational Trust, allowing it to continue to honour and repeat its initial commitment made in 2010 that income received that year from the IntegrityMatters tests would be donated to the Educational Trust.

The Institute recorded an operational surplus of £0.63m (£1.116m in 2014/15) with an increased turnover of £14.68m, a 10.5% increase, compared with £13.275m for 2014/15. Income increased by £1.41m, while expenditure increased by £1.89m.

The Institute has reserves of over £11m, which are invested under the oversight of the Investment Committee. A portion of these reserves is invested in equities, with the remainder deposited in banks which hold a minimum of AA rating. In a year of highly volatile markets the equity investments performed poorly and losses from the investments made during the year totalled £112k (£382k appreciation in 2014/15).

The combination of the operational surplus, interest, a £92k VAT windfall, and the £112k loss on investments and the investment gains resulted in an overall surplus of £702k to add to the reserves.

## People

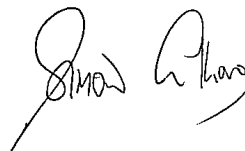
The CISI has grown considerably over the last few years and with the addition of the IFP, it now employs over 175 people in seven countries compared with under 130 just two years ago. Whilst the majority (130) are based in the UK, our Colombo office, which only opened five years ago, now employs over 25 people and most UK internal departments have some of their staff located in Sri Lanka. The growing number of non-UK based staff and the increasing links and visits between the offices, is a good example of our continuing transformation from a London-based body to a truly global organisation.

One of the advantages of our geographic spread, combined with modern technology, is the ability to respond more quickly and provide a full service for longer. New ways of working means that we are taking advantage of time zones to provide a better service to our members and our operations colleagues provide customer contact for sixteen hours a day, six days a week. The growth in numbers has meant that we have now outgrown both our major bases. In Colombo we are now taking over another floor of the same building whilst in London we are being more radical and moving office.

The Institute has always been located within a few yards of the Monument and our new office is on the third floor of the iconic 'Walkie Talkie' building at 20 Fenchurch Street. We are fortunate that, as this was the last available floor in the building, we were able to negotiate an attractive rent that was less than the current passing rent on our existing building. Nevertheless, our costs will increase as we take on more space to accommodate our growth.

Working at the Institute requires a special sort of person, as the Institute is a blend of three cultures; individuals need to have the desire for quality, a passion for service, mixed with the pragmatic realities of operating in a competitive environment.

I am particularly fortunate to work with a large and vibrant team of highly professional individuals who care deeply about the Institute, its ethos and values. They care about every candidate and they care about providing all members with the tools they need to learn and achieve their potential. It is thanks to their efforts and dedication that the Institute has achieved so much.



Simon Culhane, Chartered FCSI  
Chief Executive



Simon Culhane, Chartered FCSI, speaking at the CISI UK Presidents' Day





# KNOWLEDGE

Gaining the initial competence to do your job through professional qualifications

PROFESSIONALISM



# Knowledge

Our qualifications, developed by practitioners for practitioners, equip financial service professionals with the practical and specialist knowledge they need to do their job and help individuals progress their careers.

As the global nature of the financial services industry expands, so too does the demand for education to improve skills and competence levels, with more financial services firms incorporating exams into their training plans.

International banks in particular are increasingly looking to promote qualifications and programmes that work on a global basis, in terms of access, relevance and recognition. The continuing trend of increased regulatory supervision and the need to respond to public concerns about competence and skill levels also plays a part in this positive growth trend.

The continuing growth and geographical spread of the CISI's exams is underpinned by the tireless work of our Examination Board, 42 syllabus panels and over 300 practitioners who have assisted us this year to ensure that our qualifications and study materials keep pace within a fast moving industry.



5

new exams released in 2015/16

More than

40,000

exams were taken in 80 countries, with over 15,000 taken outside of the UK





# 13,330

Investment Operations Certificate (IOC) examinations were taken representing a 5.4% increase over the previous year

# 16%

increase in entry level qualification for wealth managers and retail advisers entering the industry (4,738)

# 87

achieved the Chartered Wealth Manager Qualification, our demanding postgraduate higher level wealth management qualification

# 26%

increase in international sittings for wealth management examinations



## Qualification Pathways

In 2015/16 we focused on strengthening our study pathways in Operations, Capital Markets, Corporate Finance, Compliance, Risk, Financial Planning, Wealth Management and Islamic Finance. We launched five new exams, equalling our activities in 2014/15 and produced workbooks and elearning to complement these new additions, as well as reviewing and updating 53 exams within our qualification portfolio. It remains our priority for our exams to be industry led and relevant to the market.

We responded to market demand to enhance already international qualifications with local content including International Introduction to Securities and Investment (Kenya) and specialist workbooks for Fundamentals of Financial Services (India) and International Introduction to Securities and Investment (Africa).

To meet the forthcoming requirements of MiFID II we have mapped our International Introduction to Securities and Investment and International Certificate in Wealth & Investment Management qualifications to ensure that they are compliant with ESMA guidelines.

We reported full compliance with the conditions of recognition in our annual statements to both Ofqual and the Welsh Government. With the removal of the Qualifications and Credit Framework in the UK and the embedding of a single Regulated Qualifications Framework (RQF) going forward, work has begun to make the changes required to ensure ongoing compliance.

We recognise that accessible learning support is vital for candidates to fulfil their potential and we remain committed to ensuring our material is available globally and that all exam candidates have the best possible learning opportunity and experience. More than 33,000 workbooks and 6,000 Revision Express Interactive elearning licenses were purchased by candidates, firms and training partners in 2015/16 and we were delighted to be able to launch ebooks for 20 exams, with further ebooks being released in 2016/17. To further support our exam candidates, we launched MyStudy, a central reference area within MyCISI, our members' portal, which provides study information including resources, exam day information, results and student membership benefits. We are looking forward to further developing MyStudy in 2016/17.

## Wealth Management

In 2015/16 87 candidates achieved our flagship wealth management qualification, the Level 7 Chartered Wealth Manager Qualification. In total, 445 individuals have attained the qualification, which is the only qualification listed by the UK FCA as being fully compliant with the standards for the complete range of RDR activities.

## Financial Planning and Advice

Since the CISI/IFP merger in November 2015, we have been focused on the development of a new Level 4 exam – Financial Planning & Advice – to provide candidates with a direct study pathway with the CISI to the Level 6 Diploma in Financial Planning and the globally recognised CERTIFIED FINANCIAL PLANNER™ certification, the pinnacle designation for financial planning. This new exam is available on demand via computer-based testing and sits within our RDR-compliant Level 4 qualification, the Investment Advice Diploma (IAD).

The aim is that the exam will map to the UK FCA's examination standards for this area so when combined with the Level 4 UK Regulation and Professional Integrity and Investment, Risk and Taxation exams a candidate will hold an appropriate qualification on the UK FCA's qualification tables for Advising on Retail Investment Products and Friendly Society Tax-Exempt Policies (FCA Activities 4 & 6). Candidates achieving the new IAD pathway (Financial Planning & Advice) will not only meet the eligibility requirement for the Diploma in Financial Planning (of holding an RDR compliant qualification) which leads to the CFP™ certification, but will also have already completed the first unit of the Diploma and

have only the final financial plan assessment to complete.

This new exam will also become the first unit of our Certificate in Paraplanning.

In 2016/17 we will be looking at the Level 6 Diploma in Financial Planning and the CERTIFIED FINANCIAL PLANNER™ certification. We recognise the value the industry places on the CFP™ certification. We are seeking input and feedback from the profession as we review this qualification and are currently looking to our financial planning partner bodies in other international jurisdictions to understand their models of the CFP™ certification to learn and share best practice.

## ebooks

The addition of ebooks to our suite of learning tools now offers candidates more flexibility and the choice to prepare for CISI exams using the methods which best suit them, whether online or offline. Available for iPhone, iPad, Android phones and tablets, Kindle and Kindle Fire devices and Windows phones our ebooks offer students an enhanced study experience, with increased functionality and interactivity including:



End of chapter questions and interactive multiple choice questions



Watch video clips related to your syllabus



Read aloud function



Adjustable text size allows you to read comfortably on any device



Highlight, bookmark and make annotations digitally



Images, tables and animated graphs



Links to relevant websites



Pop-up definitions

## Operations

### Investment Operations Certificate

This suite of examinations remains a pillar of the CISI and one of the most globally portable and popular qualifications within the business process outsourcing industry. In the UK, the changes that came with the pension reforms prompted the development of an exam, Pensions Administration. This exam was launched in June 2015 and focuses on the concepts and processes required in the sector.

Client Money and Assets (CASS) was another exam developed in response to industry demand, as well as to address the increased focus on this area from the UK FCA. It was launched in July 2015 and recorded 120 entries in 2015/16.



## Developing Cyprus as a Financial Services Centre – the CISI & Cyprus Securities and Exchange Commission

Collaboration underpins the CISI's work internationally and partnerships with regulators are a key part of this. In Cyprus, following the signing of an agreement with the Cyprus Securities and Exchange Commission (CySEC) in 2014, our relationship has gone from strength to strength. The CISI and the Cyprus International

Institute of Management (CIIM) were jointly awarded a tender for the development of two regulatory exams to be used in the licensing process within the Cypriot securities market. Initially available in English, in July 2015 the exams became available in Greek, and to date, nearly 2,000 exams have been taken. Following the success of this initiative, we have completed a syllabus, workbook and question bank review of both the exam papers in order to keep the content current. We hope to continue to support CySEC in 2016 with this initiative.

## Economic Crime and Cyber Security

The severe threat of malicious activity such as hacking, defamation of privacy and denial-of-service attacks are becoming more recognised – firms of all sizes within the financial services industry are being targeted. User negligence and human error is at the heart of the problem, and a lack of employee understanding with regards to cyber crime can be highly damaging to firms. As well as raising security measures and adapting their internal systems to ensure they are integrating the latest cyber threat intelligence, organisations are needing to improve internal awareness and educate their staff. To support such initiatives we launched a new exam unit - Managing Cyber Security - and reviewed and refreshed the syllabus of our Combating Financial Crime exam in 2015/16. The two modules can be combined to award a candidate the Certificate in the Prevention of Financial Crime upon successful completion, but both are also stand-alone qualifications or can be taken as technical units within the Investment Operations Certificate (IOC) programme. This has brought greater opportunity for candidates via our IOC+ programme. By popular demand the CISI now formally recognises candidates who achieve a fourth IOC unit and awards the IOC+. This is an alternative study option for professionals who may wish to demonstrate knowledge of a new technical discipline, but who may not want to embark on a higher level qualification.

## Islamic Finance

The Level 3 Islamic Finance Qualification has undergone a substantial practitioner-led review of the syllabus and workbook in 2015/16. The new workbook will be easier to navigate, with an enhanced section on Contracts and an Accountancy chapter focusing on the essentials. It will be available to study in English, Arabic and French and be released in mid-2016/17. We launched our Level 2 entry exam, Fundamentals of Islamic Banking and Finance, in early 2014/15 and were delighted to record 122 sittings in 2015/16, the exam's first full year.

## Accredited Training Partners

We rebranded the naming of our Accredited Training Providers, to Accredited Training Partners (ATPs) during the year, to better reflect the working relationship we have with our training institutes. Training candidates for success in their exams is the work of our 88 ATPs globally, who have gained this badge by demonstrating their rigorous approach and expertise in preparing candidates for professional exams. ATP status is linked to a demonstrable standard in terms of examination outcomes which is beneficial for ATPs when marketing themselves to potential customers, and for candidates who can be confident that the institutes offer a quality service. In 2015/16 Premier Training Partner status was awarded to FSTP, joining Fitch, BPP and CCL Academy, which already hold this status.



## CISI Examination Board

The CISI Examination Board plays a key role in ensuring that there is a clear governance pathway from our exam panels, to a forum where strategic matters can be discussed, and where the CISI's compliance with Ofqual's regulator criteria is affirmed. It is an integral part of the CISI's continued drive to maintain the relevance of its qualifications and embed transparency in its quality assurance processes. The Board meets twice a year with the spring meeting focusing predominantly on strategy and the autumn meeting reviewing the CISI's qualification performances.

### Examination Board

Chairman		
Clive Shelton, Chartered FCSI	IFDS	
Gavin Aspden	ICAEW	
John Barras	WMA	
Adrian Bell	Henley Business School	
John Board	Henley Business School	
Andrew Carter, Chartered MCSI	Towry	
Catherine Edwards	ACCA	
Neal Franklin, Chartered FCSI	BNP Paribas	
Lynne Hill, Chartered MCSI	Lynne Hill Consulting	
Sandra Jacobs	Royal Bank of Scotland	
Marcus Johnson, Chartered FCSI	NW Brown	
David Kanolik MCSI	The Investment Association	
Peter Lee	Morgan Stanley	
William Macdonald, Chartered MCSI	Craigcrook Management Services	
Victoria Nye	The Investment Association	
Denis O'Connor FCSI	AFME	
Shaun Robertson	ICAEW	
Kevin Rothwell, Chartered FCSI	K. Rothwell Consultancy & Training	
Sally Scutt	BBA	
Nick Seaward, Chartered FCSI	Kemnal Technology College	
Nick Swales, Chartered FCSI	Rathbone Investment Management	
Graham Withers, Chartered FCSI	Rathbone Investment Management	





"The IOC exams are a superb introduction to the industry as a whole, and an invaluable tool in learning the key elements and regulation. The qualifications have provided a solid foundation on which I can build my knowledge of the financial services industry and progress within my career at Fidelity."

Lisa Fox, Fidelity Investments  
Overall winner - Investment  
Operations Certificate



"I thought that obtaining the Diploma in Corporate Finance qualification would significantly improve my skills and competences in the area of corporate finance. Obviously this gave me the chance to be involved in more corporate finance engagements in my current job role, obtaining more experience in this area. I was able to apply the theory in actual situations and transactions and see how everything is put into practice."

George Demosthenous, Senior Manager at  
KPMG Cyprus. Winner - Corporate Finance  
Techniques & Theory, the first unit of the Level 6  
ICAEW/CISI Diploma in Corporate Finance





## Annual Awards Ceremony

The CISI's 23rd annual Awards Ceremony, held at the Mansion House in London, celebrated the achievements of the CISI's exam candidates globally. Top performers from over 40,000 CISI exams taken in 80 countries were recognised for their outstanding exam success, with prizes being awarded in 58 categories, covering capital markets and corporate finance, operations, compliance and risk, wealth management and Islamic finance. Winners outside the UK totalled 20, from Cyprus, India, Indonesia, Italy, Malaysia, Malta, Myanmar, Oman, Poland, Republic of Ireland, Spain and the UAE, with Italy, Myanmar and Malta featuring for the first time.

We are grateful to RBC Wealth Management, who was the principal sponsor.



"IOC exams are BNYM's qualification of choice that helps to achieve T&C compliant status."

Daniel Owczarczak, Senior Fund Accounting Manager, BNY Mellon, one of four winners of the Collective Investment Schemes Administration unit within the IOC.



"CISI exams are widely recognised throughout the industry and I have always been determined to expand my knowledge with pertinent qualifications. The Global Operations Management (GOM) paper was the final exam I needed to pass in order to complete the Diploma in Investment Operations. I enjoyed the fact that this paper took a very high-level view over a broad number of topics and themes."

Gareth Hodson MCSI, Manager – Client Management, EFG Harris Allday in Birmingham. Winner - Global Operations Management and Diploma in Investment Operations



"The CWM opens the door to a career in the wealth management industry, and the knowledge gained from the qualification can be applied to a plethora of roles. Having not studied economics or finance at university, the CWM improved my understanding of financial markets and provided me with a range of skills that I will continue to use in my current role and in future roles."

Georgia Sherman MCSI, Channel Marketing Executive, Quilter Cheviot. Winner and obtained the highest mark for the CISI's highest-level qualification, the Chartered Wealth Manager Qualification.





*CISI's Matthew Bolton attending an Insight day in Liverpool*

## Developing the Next Generation of Financial Services Talent

### Schools, Colleges and Universities

Promoting employability through the connections the CISI has with the financial services industry was a significant focus for the CISI Education Development team in 2015/16. We enhanced our already successful 'Get into Finance' brand, and extended it to demonstrate how the partnership between schools, colleges, universities and the CISI can help students build a career in financial services.

At the start of the 2015/16 academic year we had 23 schools and colleges signed up to take CISI qualifications, an increase of seven schools on the previous year. Following the launch of our Teacher Portal in 2014/15, we further developed the learning resources available for use by schools and colleges, focusing on digitalization to improve accessibility and usability for young people. A suite of whiteboard animated video tutorials for selected elements of the Introduction to Investment qualification was developed to help students learn the key concepts essential to the financial services industry.

CISI PADLET, an online learning area for students, was introduced and now hosts learning resources, articles and videos to help students consolidate their understanding whilst on the move.

The CISI applied to the Department of Education for the Level 3 Diploma in Finance, Risk and Decision Making to be accepted for the 2018 Performance Tables.



*Stewart Lancaster from Ruffer presenting at a CISI Insight day*







*Students at an Introduction to Investment Insight day hosted by the CISI*

## CISI Enrichment & Work Experience Days

Connecting students to industry and developing employability skills is central to the work that we do with young people in schools, colleges and universities.

Over the past year the CISI has hosted eight 'Insight' days, with events being held in London, Liverpool and Manchester for students studying CISI qualifications as part of their post-16 curriculum. These days give students the opportunity to interact with employers and we are very grateful to the more than 30 financial services firms that helped provide invaluable insight on what it is like to work in their industry.

In July 2015 the CISI held its pilot 'Work Experience Week'. The purpose of this week was to provide students from each of our schools with a week's worth of valuable work experience and training.

In February 2016 we held our inaugural Professional Skills Conference for university students affiliated with the Institute. 50 students from CISI Centres of Excellence and CISI Partner Universities attended an interactive skills day, which was sponsored by Liverpool John Moores University.

We continue to work with employers across the country to ensure that students studying CISI qualifications whilst at school, college and university leave education with more than professional qualifications – they also leave with the relevant skills and connections essential for working in financial services whichever entry route they take.



*The CISI's Shamaila Shah attending an Insight day hosted by J.P. Morgan*



*Professional Skills Conference hosted and sponsored by Liverpool John Moores University*



Michael Franco from Liverpool John Moores University signing a partnership agreement with the CISI, with Anne Chisolm, CISI, Karl Roberts, Liverpool Business School and James Charlton, Chartered FCSI, Tilney Bestinvest

## Universities

A university which incorporates a CISI programme is increasingly an attractive option for students as graduate employability is now of utmost importance. We accredit a range of leading universities so students can achieve an industry recognised professional qualification alongside their degree, helping distinguish them in the competitive graduate market. In 2015/16, we were delighted to welcome Bournemouth University, Liverpool John Moores University, University College London and European University Cyprus. This takes the number of CISI Partner Universities to nine.

### MSc in Financial Regulation

Henley Business School, in collaboration with the UK FCA, partners with the CISI to deliver an MSc in Financial Regulation exclusively to UK FCA staff and other regulatory organisations. This is the first MSc of its kind in the UK and internationally which focuses entirely on financial regulation. The CISI was pleased to welcome the second cohort to the programme in 2015/16.

### Apprenticeships

Apprenticeships are jobs that combine substantial training with the development of skills and are becoming a critical focus and opportunity for UK employers as well as those seeking employment. They are an opportunity for people of all ages to earn while they learn, and gain technical knowledge and practical experience. Trailblazer apprenticeships are employer-led programmes based on a standard job role. In 2015/16 apprenticeship standards with CISI qualifications were approved for delivery by the Department for Business, Innovation and Skills (BIS). These include: Investment Operations Administrator; Investment Operations Technician; Investment Operations Specialist; Relationship Manager (Banking); Financial Services Administrator (Adviser firm or Network); Senior Financial Services Customer Adviser and Paraplanner.

The Investment Operations employer group estimates that there will be 750 apprentices using the three Investment Operations apprenticeships in the first year alone. Apprentices will have the opportunity to become CISI members on completion of their apprenticeship.

In 2017 the apprenticeship levy will be introduced, which will affect the majority of employers in the financial services industry and provide real impetus to the initiative. The introduction of new, relevant and appropriate financial services apprenticeships will provide a real alternative route for those looking to enter the sector without a conventional university degree. The CISI will continue its involvement with the development of Trailblazer apprenticeships in 2016/17, and we expect three new apprenticeships in Compliance and Financial Advice to be approved by BIS for use from September 2016.

### The Education Committee and Trust

This year we combined both the CISI Education Committee and Educational Trust Committee. Both committees overlapped in many areas and had the same overarching goal to support the development and implementation of our education strategy.

The CISI Educational Trust remains a separate educational charity – sharing the charitable mission of the CISI, with the ability to use its funds to support educational initiatives in the public interest and for the common good, including sponsoring teaching posts and providing scholarships and bursaries and awards for high performing students.



The Bartlett School of Construction & Project Management



Students from Henley Business School studying MSc in Financial Regulation



Dr Alex Wilson, Head of Business Analysis at Department for Business, Innovation and Skills (BIS) speaking on behalf of BIS at the CISI's Apprenticeships in Financial Services Conference



## Educating the next generation of financial services professionals through film

In 2015/16, with the support of the CISI Educational Trust, the Institute was able to develop and release two short films which were designed to inform young people about the role of the financial

services industry and highlight access routes and opportunities available for long term careers. View at [cisi.org/youtube](http://cisi.org/youtube)



### Educational Trust

Chairman

Clare Gore Langton, Chartered FCSI(Hon)\*  
Rathbones

Fionnuala Carvill, Chartered FCSI\*<sup>1</sup>  
Kleinwort Benson

Nigel Challis FCSI(Hon)\*<sup>2</sup> The Corporation of London

Paul Cox\* University of Birmingham

Simon Culhane, Chartered FCSI CISI

Lynda Johnson

Andrew Porter, Chartered FCSI Towry

Steve Robertson, Chartered FCSI

Nick Seaward, Chartered FCSI\* Kemnal Technology College

Nick Swales, Chartered FCSI\* Rathbones

Jon Walker, Chartered FCSI Investec Wealth & Investment

\* Previously a member of the Educational Committee

1 Retired 19 November 2015

2 Retired 17 September 2015



### 2016 CISI Educational Trust Award Winners

James Townsend	Postgraduate	Aston
Comfort Aliu	Postgraduate	CASS
Shuo Cui	Postgraduate	Coventry University
Rejoice		
Tatenda Chipato	Undergraduate	Coventry University
Paul Kim Bong	Postgraduate	Glasgow Caledonian
Yue Shu	Postgraduate	ICMA – University of Reading
Sergey Gostev	Postgraduate	Imperial College London
Shuhui Mai	Postgraduate	Queen Mary University London
Shuwen Yang	Postgraduate	University of Birmingham
Emma Jackson	Undergraduate	University of Birmingham
Yixin Wang	Postgraduate	University of Edinburgh
Ge Yaqi	Postgraduate	University of Exeter
Ines Feucht	Postgraduate	University of Portsmouth
Wei Ming Eeh	Postgraduate	University of the West of England
Alexander Sholarin	Postgraduate	University of Westminster
Martin Cuttler	Undergraduate	Sheffield Hallam University
Connor Tilston	Postgraduate	Liverpool John Moores University
Anesu Bwawa	Postgraduate	University College London

### Educational Trust Awards

For the first time the CISI received applications from all 13 Centres of Excellence for the annual CISI Educational Trust Awards. The Awards celebrate high standards of work amongst students studying CISI-accredited courses at universities which have been granted CISI Centre of Excellence status. Award winners receive a financial prize to support ambitions for a financial services career.



Educational Trust Award winners with Simon Culhane, Chartered FCSI, Clare Gore Langton, Chartered FCSI(Hon) and Andrew Porter, Chartered FCSI



Helena Green, Chartered MCSi presenting to CISI students who are undergraduates at the University of Johannesburg, Soweto Campus

## International Growth

Our continued international growth is focused around developing new regulatory links, and we support that growth with new offices where appropriate. Beyond qualifications, there has been increased interest from regulators in our work on continuing professional development (CPD) and integrity, with our Integrity at Work presentation being delivered in Europe, the Middle East, South East Asia and India. We have been proud to continue to support the Lord Mayor's travel programme worldwide where appropriate, which has provided many opportunities to promote the Institute's charitable objectives.

We are increasingly working in the education sector internationally, in what could be described as capacity building from one perspective, or helping people improve their employment prospects from another. This year saw the opening of a new CISI office in Manila, our sixth office, joining our established offices in the UAE, Singapore, India and Sri Lanka. To complement our office networks, we also appointed CISI representatives in Kenya, Nigeria, Spain, Colombia and Malaysia, demonstrating the global nature of our activities.

We held our inaugural International Presidents' Day in Dubai in September 2015. This event brought together our National Advisory Council Presidents from India, UAE, Bahrain, Sri Lanka and Singapore and our own CISI country heads, and discussions included plans for continued growth, as well as the development of CISI membership internationally. We are very grateful for the continued guidance provided by the International Committee, which supports us with our international development strategy.



Simon Culhane, Chartered FCSI, presenting Integrity at Work to the staff and some students at HELP University, Kuala Lumpur

## International Committee

Chairman  
Richard Wastcoat  
First State Investments and  
Duncan Lawrie Private Bank



Robert B Gray	HSBC
Andrew Donaldson	HSBC
Chris Scott, Chartered FCSI	Quilter Cheviot
Graham Ward CBE	Independent Commission for Aid Impact
John Bourbon, Chartered FCSI	Compliance and Regulation
Sir Alan Yarrow, Chartered FCSI(Hon)	CISI

## Europe

We have continued to build on our work in Europe, particularly in Spain and with CySEC in Cyprus. A further 1,500 employees of CaixaBank in Spain took and passed our International Certificate in Wealth Management, bringing the total number of CISI certified employees working at CaixaBank to more than 6,000. This joint project with the Universitat Pompeu Fabra in Barcelona will continue into 2016/17 with further candidates preparing to take the exam as part of a wider Diploma offered by the University. In addition to qualification offering, with the support of CaixaBank, we held a successful and lively inaugural Integrity Debate in Barcelona attended by more than 200 financial services professionals.

In September 2015 we were delighted to launch a partnership with European University Cyprus (EUC) which will see CISI qualifications in investment management and in risk embedded within undergraduate programmes in Business Administration, Finance and Investment.

The European Securities Market Association (ESMA), the EU authority responsible for financial markets and investor protection, has set out plans for common standards of knowledge and competence for financial advisors across Europe. We anticipate that



the appetite for recognised, portable qualifications is likely to grow in 2016/17 as a result of this directive and we are keen to offer our support and experience to partners new and old in Europe.

In 2015/16 we have seen increased numbers of IOC exams being sat in Ireland and Poland. Both countries have significant back office or business processing functions within their financial services sectors, and, due to the global portability of the IOC, the qualification has been welcomed and encouraged by firms locally. This very much embodies the global nature of finance with trades between New York and London being processed in Dublin or Warsaw.

## Africa and Latin America

Development work in Latin America, where we have four geographical markets - Colombia, Mexico, Peru and Panama - continues. We have established good links with the regulators in all four markets, and have had specific interest in our Combating Financial Crime qualification, as well as our integrity and ethics offering. We have appointed a Bogota-based representative to pursue our interests in the MILA region (Colombia, Mexico, Peru and Chile). In Colombia we sponsored a popular stock trading game to promote interest in capital markets and investment. Endorsed by our partner, the Colombian Stock Exchange, our involvement has prompted interest in a number of areas, but particularly within the university sector. We look forward to the developments which 2016/2017 will bring.

In Africa we continue to build regulatory and client links. In September 2015 we presented at the Zambian SEC Chairman's breakfast, and followed this up with a Certificate of Collaboration during the Lord Mayor's visit in February 2016 at a roundtable discussion on the challenges around growing Zambia's capital market. In Kenya we launched the Kenya Capital Markets Programme for Certification and Licensing in collaboration with the Kenya Capital Markets Authority, running a pilot course in November 2015.

The CISI made its first official visit to Lagos, Nigeria with the Lord Mayor in October 2015. We have agreed to work closely with the two main professional bodies in Nigeria - the Chartered Institute of Bankers in Nigeria (CIBN) and the Chartered Institute of Stockbrokers (CIS) - to support international CPD opportunities.

In the higher education sector, our links with the University of Johannesburg remain strong, with CISI exams incorporated in the university curricula. There is a real appetite for our offering across Africa and we look forward to forging more partnerships and new initiatives in Africa in 2016/17.

## Middle East

The Middle East has continued to show exceptional growth, driven by partnerships with regulatory authorities in the UAE, Oman, Qatar, Bahrain, Palestine and the Lebanon. Our mix of Arabic and English benchmark qualifications continues to hold appeal as these markets develop.

Our UAE office is now very much a hub for activity across the region and is the most successful international office worldwide in terms of absolute exam numbers, delivering more than 5,000 exams in 2015/16. On that basis, it was very appropriate that this year saw our inaugural Gala Dinner held at the British Embassy in Dubai - the first such event held outside the UK.

Our International Certificate in Wealth & Investment Management is commonly used as a benchmark qualification across the region. This is a significant development given the absence of a formal requirement for wealth managers to hold qualifications and demonstrates the CISI's increasing acceptance in the wider market, and less emphasis being placed on regulatory mandates. In addition to our qualifications, there is also significant interest in the CISI's integrity and ethics offering across the Gulf. One bank in particular, Mashreq, ran a programme whereby approximately 500 staff attended Integrity at Work workshops run by the CISI.



Brian Healey, Irish Stock Exchange, Kevin Moore, Chartered MCSI and Minister Simon Harris at the Irish Awards Ceremony held at Dublin Stock Exchange



Praneet Shivaprasad, Hayley Brown ACSI, CISI with Petros Florides, Chartered FCSI and Charles Charalambous, Chartered MCSI of the Cyprus National Advisory Council



Ogun State Minister of Finance with Kevin Moore, Chartered MCSI in Nigeria



UAE Gala Dinner at the British Embassy in Dubai



*Integrity at Work, St Josephs Bangalore*



*Students visiting the CISI stand at the Edex Expo, Sri Lanka*



*Integrity at Work workshop, Sri Lanka*



*Representatives of UKTI, MPIC, Jaguar, HSBC, Forbes, BDO, MondeNissin, Emperador, BPI, CISI and Shell in the Philippines*

## India

It has been a year of consolidation in India following a very impressive 2014/15. Although the major market is still in operations, there has been a sustained focus on the wealth management and education sectors. Recognition of our International Certificate in Wealth & Investment Management (India) qualification by the National Institute of Securities Markets (NISM), the training arm of the Securities and Exchange Board of India (SEBI), has provided a significant boost in this respect.

Initiatives are underway to embed CISI exams into university curricula. An example is Christ University in Bangalore, where with the help of a local member of our National Advisory Council who provides industry input, students have achieved very impressive pass rates of over 90%.

Collaborations continue with the Bombay Stock Exchange (BSE) and the Indian Institute of Banking and Finance (IIBF), as well as with two prestigious professional bodies, the Institute of Company Secretaries of India (ICSI) and the Institute of Cost Accountants of India (ICAI). This reinforces our development of local ties, giving us access not only to tier-one cities but to a wider audience.

During the year we increased resource in our Mumbai office, and have also recruited a representative based in Bangalore to enable us to access the major opportunity in the fast developing south.

## Sri Lanka

This year we celebrated the fifth anniversary of our Colombo office. In terms of our qualifications, we are keen to replicate the Institute's success in 2014, when we delivered a very successful large scale education project with a local partner, Skills for Life, and with the backing of the Government. Currently, work in the education sector is primarily through our training partner, Lanka BPO. The CISI A-Level equivalent, the Diploma in Finance, Risk & Investment, is being made available to young people without access to a university education, but who are seeking to differentiate themselves when applying for jobs within the industry. Historically, students have achieved some great results and we look forward to their continued success.

## Asia Pacific

The movement of investment operations jobs away from Singapore has now slowed and we are starting to see growth from other countries across the region including the Philippines, Indonesia, Vietnam and Malaysia. The decision to open an office in the Philippines was largely predicated on the local Business Process Outsourcing (BPO) opportunity, with Manila the second largest centre globally for this business. However, other opportunities in the education sector have opened up and augur well for the future.

During the Lord Mayor's visit to Malaysia in May 2015 we signed a tripartite initiative with HELP University in Kuala Lumpur. This linked HSBC as a potential employer, HELP as an academic institution and the CISI as the bridge providing professional qualifications. This theme – helping young people make the move from education into work, and helping employers find the right employees – is a common thread for our activities globally.

In partnership with TheCityUK, and with the support of the Lord Mayor, the CISI was delighted to host the ASEAN Capital Markets Forum when they met in London. The roundtable "Building Capital Markets in support of Financial Regulation" focused on the skills required for developing capital markets and received exceptionally positive feedback.





# SKILLS

Continuing Professional Development (CPD) and ongoing learning which enables you to maintain competence through professional body membership

PROFESSIONALISM

# Skills

Gaining initial competence through qualifications is just the beginning. Maintaining knowledge and developing skills supports practitioners to stand out in a competitive industry.

Membership of the CISI highlights to colleagues, clients and the wider industry a commitment to professionalism and the highest standards of knowledge, skills and behaviour. Members' development as professionals is at the core of the CISI and the resources we make available ensure that our members have all the opportunities to learn, develop, network and progress in their careers.

We encourage our members to complete 35 hours of ongoing learning annually and all members receive their own online CPD record, where all CISI CPD completed is automatically added. This enables our members to have a formal record of the activities they have completed to present to their employer, or a regulator, to demonstrate their efforts in maintaining and furthering their knowledge and skills.

**116** countries where  
CISI members are  
located

**24** local UK branch  
networks

**11** National Advisory  
Councils worldwide

**498**

events held  
globally

**68%**

increase in  
CISI TV views,  
totalling  
151,091





CISI  
COUNCIL OF INSTITUTIONS FOR  
INTERNATIONAL STUDENTS

22,337

Affiliates, Associates,  
Members, Fellows and  
Chartered members and  
over 20,000 student members

158

CISI TV programmes  
available online

13

new Professional Refresher  
modules released

71%

increase in visits to  
Professional Refresher  
(200,000 in 2015/16 vs  
117,000 in 2014/15)





CISI members at the Scotland Annual Dinner at the George Hotel

## Membership

In 2015/16 our core membership base grew to 22,337, an increase of 14.5% on 2014/15. This includes the IFP members who joined as part of the merger and combined with more than 20,000 student members, our membership base totals over 42,000 practitioners worldwide. We achieved our highest ever member retention rate of 93% in 2015/16. We are very proud that our members have continued to find value in CISI membership and have chosen the Institute to support them with their career and ongoing learning development requirements.

During the year we changed the provider of our members' personal benefits scheme to our new partners, Xexec. We are delighted to be working with Xexec and to be able to provide a substantial step up in the offering for the membership body.

All members who use our CPD scheme, or a firm's accredited CPD scheme to record their CPD can be randomly selected for audit. The audit process checks that records are complete, accurate and that activities recorded are relevant with clear learning outcomes. In 2015/16 we achieved our objective and verified 1,453 CPD records – a 2% increase on 2014/15.

Significant progress has been made on developing Spanish language services for our Spanish members. We now have available in Spanish a website, MyCISI page, CPD record, IntegrityMatters, ten Professional Refresher modules and a number of CISI TV videos. We also held our first major Spanish event at CaixaForum in Barcelona in November 2015, with more planned for 2016/17.

We are grateful for the guidance given to us by our Membership Committee, which support the strategic direction of our membership – ensuring that the Institute provides 'value for money' services and benefits, and strategies to grow the membership. It supports the development of the Institute's membership policies and ensures the opportunities we make available are in line with the requirements of the industry worldwide.

## Membership Committee

Chairman

Chris Harris-Deans, Chartered FCSI  
Charles Stanley

Richard Crews, Chartered MCSI

Paul Hedges, Chartered FCSI  
HSBC

Phil Langton MCSI

Frank Moxon CF, Chartered FCSI

Chris Scott, Chartered FCSI

Julian Sampson, Chartered FCSI

Judith Ullock, Chartered MCSI

Martin Watkins, Chartered FCSI

David Cooper, Chartered FCSI

Rebecca Taylor CFP™ Chartered FCSI



NetOTC

Hoyt Moxon

Quilter Cheviot

Fulcrum Compliance

Redmayne-Bentley

EY

Cenkos Securities

Aurea Financial Planning



## Accredited Body

As an Accredited Body we issue Statements of Professional Standing (SPSs) to qualified members who meet the requirements set by the UK FCA. In 2015/16 we issued 513 (20% increase on 2014/15) initial SPSs and renewed 5,854 SPSs in the UK (7% increase on 2014/15). We meet all of the requirements in the UK FCA's annual audit and passed with no conditions set.

We also support advisers in non-FCA jurisdictions. We issued SPSs in 2015/16 to 51 practitioners in the Isle of Man, regulated by the Isle of Man Financial Supervision Commission and in Guernsey, we issued 135 SPSs under the new requirement of the Guernsey Review of Financial Advice.

The CISI's Accredited Body Committee meets to advise on and support the development and maintenance of the Institute's Accredited Body status, meeting the requirements of the regulator in relation to its policies under the Retail Distribution Review (RDR). The committee's key priorities are to review the performance of the CISI as an Accredited Body and recommend action to ensure continued compliance with the requirements set by the regulator, to review policies and effectiveness of verification procedures for the issue of SPSs, to review the CISI's systems and controls for SPSs: ethics, disciplinary, CPD and qualifications and to review feedback, complaints, appeals and make recommendations to further the development of the profession.

## Accredited Financial Planning Firm™

A CISI Accredited Financial Planning Firm™ is a firm at the pinnacle of the financial planning profession. To be granted Accredited Financial Planning Firm™ status a firm must evidence that it meets strict criteria in relation to the delivery of financial planning, place clients at the heart of its business proposition to ensure they receive consistently excellent service and re-confirm they meet the standards on an annual basis.

There are currently 76 Accredited Financial Planning Firms™ and the CISI hopes to encourage more firms to apply for the status in 2016/17.

We are delighted to congratulate our Accredited Financial Planning Firms™ and CISI members on their success at the New Model Adviser Awards and the Professional Adviser Awards, both held in early 2016.

## Professional Adviser Awards

There were nominations in eight categories and winning awards in four categories:

Adviser Firm of the Year (Wales) – UNIQ Family Wealth, award accepted by Marlene Outrim CFP™ Chartered FCSI, Managing Director, UNIQ Family Wealth

Adviser Firm of the Year (Midlands & East Anglia) – Aurea Financial Planning, award accepted by Rebecca Taylor CFP™ Chartered FCSI, Managing Director, Aurea Financial Planning

Best Client Engagement Award - UNIQ Family Wealth, award accepted by Marlene Outrim CFP™ Chartered FCSI, Managing Director, UNIQ Family Wealth

Adviser Website of the Year:

GOLD: Wealth Horizon – Chris Williams CFP™ Chartered MCSI

BRONZE: SaidSo – Keith Churchouse CFP™ Chartered FCSI

## New Model Adviser Awards

Accredited firms won five out of the eight categories:

East of England – KMD Private Wealth Management

Midlands – Cooper Parry Wealth

Scotland and Northern Ireland – AAB Wealth Chartered Financial Planners

South West – Epoch Wealth Management

Wales – Penguin Wealth

## Accredited Body Committee

Chairman

Nick Parkes, Chartered FCSI  
Novitas Partners

Ian Cornwall, Chartered FCSI WMA

Frank Dolan, Chartered FCSI Laurence Millbrook & Co

Carol Gibson Rathbones

David Loudon, Chartered FCSI Quilter Cheviot

Victoria Passmore Quilter Cheviot

Bob Vedash Brewin Dolphin

Tina Wishart, Chartered FCSI PSigma Investment Management



Christopher Jones-Warner, Chartered FCSI, Martin Watkins, Chartered FCSI and Richard Crews, Chartered MCSI at the Annual Integrity Debate



Nick Parkes, Chartered FCSI at the Annual Integrity Debate



Tina Wishart, Chartered FCSI with Markus Krebsz, Chartered MCSI

## Local Connections

### Branch Committees and National Advisory Councils

Within the UK, the Institute is fortunate to have a network of industrious CISI branch committees whose primary role is to support the provision of learning opportunities through speakers and seminars for CISI members. Our merger with the IFP increased our branch network to 24, from 19. IFP and CISI branch networks were carefully mapped following the merger and we are establishing new committees in the Cotswolds, Essex, Lancashire & Cumbria, Northern Home Counties and Thames Valley, to support the Presidents in place in each of these areas.

During the year, 151 events were held, attended by more than 5,934 members and guests. These ranged from one-hour seminars to half-day, conference style events and joint events with other professional bodies.

To complement our ongoing learning offering, our branches also benefit from a range of social events with the most popular being branch Annual Dinners. In 2015/16 we held 14 Annual Dinners, with the CISI Board joining the Wales branch's inaugural dinner at Cardiff Castle. Guest speakers at these events included Matthew Parris, former Conservative politician; Marcus Brigstocke, comedian and journalist; Miles Jupp, comedian and actor; Jim Knealey, BBC broadcaster and sports commentator and Reverend Richard Coles, Radio 4 presenter and former member of the Communards.

Branch Annual Dinners raise money for local charities and in 2015/16 were delighted to raise over £16,000 for more than 14 charities, including Teenage Cancer Trust, Alder Hey Children's Charity, Parkinson's UK, Children 1st and Rainbows Hospice for Children and Young People.

Our 11 overseas National Advisory Councils are very established in their local market. We hosted several international events during the year, with the highlight being our Integrity at Work seminar series held for members in Spain, Cyprus and Nigeria. The 'Integrity and Suitability in the Financial Sector – UK and Cyprus perspectives' event in June 2015 attracted 81 attendees.



A Scotland	H Liverpool, Chester & North Wales	N Northern Home Counties	T South Coast
B Northern Ireland	I Birmingham	O Essex	U Southern
C Isle of Man	J East Midlands	P Bristol & Bath	V South East
D Lancashire & Cumbria	K East Anglia	Q Thames Valley	W Guernsey
E North East	L South Wales	R London	X Jersey
F Manchester	M Cotswolds	S West Country	



CISI Board members viewing the Welsh Government model of Cardiff



We are grateful to our Presidents who run our committees and councils worldwide.

## Branch Committee Presidents as at 31 March 2016

### **Birmingham & West Midlands**

Ian Bailey, Chartered MCSI  
Investec Wealth & Investment

### **Bristol & Bath**

Simon Tutton, Chartered MCSI  
Deepbridge Capital

### **Cotswolds**

Diane Weitz CFP™ Chartered MCSI  
Ashlea Financial Planning

### **East Anglia**

Richard Larner, Chartered FCSI  
Hargreave Hale

### **East Midlands & Lincoln**

Jonathan Wernick, Chartered MCSI  
JW Compliance

### **Essex**

Clive Shelton, Chartered FCSI  
IFDS

### **Guernsey**

Mark Symonds, Chartered FCSI  
Kleinwort Benson

### **Isle of Man**

Jonathan Leece, Chartered FCSI  
Premier Group

### **Jersey**

Peter Lucas, Chartered FCSI  
Polianta

### **Lancashire & Cumbria**

Duncan Carter ACSI  
Clearwater Financial  
Planning

### **Liverpool, Chester & North Wales**

Dirk Strontschak,  
Chartered MCSI  
SL Investment Management

### **Manchester**

Richard Morley, Chartered FCSI  
Brewin Dolphin

### **North East**

Nick Swales, Chartered FCSI  
Rathbone Investment Management

### **Northern Home Counties**

Nicola Watts CFP™ Chartered FCSI  
Jane Smith Financial Planning

### **Northern Ireland**

Christopher Taggart, Chartered FCSI  
Quilter Cheviot

### **Scotland**

Christopher Clark MCSI  
Standard Life

### **South Coast**

Shelley James, Chartered FCSI  
Charles Stanley



### **South East**

Robert Forbes, Chartered FCSI  
RBC Investor Services

### **Southern**

James Stewart-Smith, Chartered FCSI  
Charles Stanley

### **Thames Valley**

Milton Gordon  
Milton Gordon & Co

### **Wales**

Meirion Davies, Chartered FCSI  
Brewin Dolphin

### **West Country**

Stephen Roach, Chartered FCSI  
Kensingtons Asset Management

### **Yorkshire**

Andrew Feldhaus, Chartered FCSI  
Redmayne-Bentley

## National Advisory Councils

### **Bahrain**

Khalid Al Zayani FCSI(Hon)  
Al Zayani Investments

### **Cyprus**

Petros Florides, Chartered FCSI  
World Vision

### **Gibraltar**

Clark Elder, Chartered MCSI  
Credit Suisse

### **Greece**

Filimon Antonopoulos MCSI  
F&S Partners

### **India**

P.H. Ravikumar FCSI(Hon)  
Invent Assets Securitisation &  
Reconstruction

### **Republic of Ireland**

Frank O'Riordan MCSI

### **Mauritius**

Neeraj Umanee MCSI  
Swan Securities

### **Singapore**

Paul Hedges, Chartered  
FCSI  
HSBC

### **Spain**

Albert Ricart I Masclans ACSI  
C&R IFA EAFI, S.L.

### **Sri Lanka**

Nihal Fonseka MCSI

### **Switzerland**

Laurence Rose FCSI  
Altaira Wealth Management

### **UAE**

Richard Stockdale, Chartered FCSI  
QCo Holdings



## London CPD Events

Our London members benefited from 79 CPD events in 2015/16 (a 13% increase on 2014/15) designed to provide them with both practical guidance as well as thought leadership, both live and through CISI TV, on which a growing number of events are presented to our global membership. Event themes included regulation, soft skills, market outlooks, investment products, ethics and new financial planning focused content.

In April 2015, Paul Griffin, Head of Employment and Labour Law at Norton Rose Fulbright assessed the UK legal framework for whistleblowing, chiming with our 'Speak Up' campaign. In June 2015, Matthew Rees, Chartered FCSI, Director of Corporate Finance at the National Audit Office, ran a timely seminar at PwC on infrastructure funding in the UK. The following week, Dame Barbara Stocking DBE, former head of Oxfam and now President of Murray Edwards College, Cambridge, spoke at the Guildhall on women's careers – 'getting to the top and what role men can play in making this possible'. In July 2015, the 'Lipper Expert Forum' hosted at Thomson Reuters in Canary Wharf by Jake Moeller, Chartered MCSI, drew out the best and brightest from the funds industry. The same month saw the launch of 'Brussels for Brunch', with European regulation expert Graham Bishop summarising live for members in a series of CISI TV webcasts, the chief outcomes of his popular monthly 'Brussels for Breakfast' session with the Centre for the Study of Financial Innovation, which has been running for more than a decade.

Operational challenges in regulatory reporting were the focus of a major event at Bloomberg in October, while John Plender of the Financial Times discussed ethical issues in finance – on which he is one of the country's leading writers – in one of a series of live webcasts, 'the longer view'.

In November 2015, the Institute ran its first Islamic finance symposium in association with Deloitte, drawing 29 speakers from eight countries – from Malaysia to the USA – for a day-long event at Swift. It focused on the growth of the corporate sukuk market in Europe. November also saw the first in a series of 'Business Breakfasts' with Anthony Hilton, columnist in the Evening Standard and the S&I Review. In the same month, Graham Aikin of HNW Social Media presented a spirited CPD event on 'LinkedIn as a business development tool', which was followed by a series of training courses. We also held our first CISI masterclass open to both Fellows and Chartered Members in November, with Anthony Carey of Mazars running the session on 'What makes for an effective Board in financial services?'.

In the run-up to the European referendum in June 2016, we launched in November 2015 a monthly series of lively 'Great British Break-off' debates, focusing on the economic impact for financial services, rather than the political implications, of a change in our relationship with Europe. Regular debaters were Daniel Corrigan, CEO of CME's European Trade Repository, speaking in a personal capacity, and Graham Bishop, joined by luminaries such as Gerard Lyons, Economic Adviser to the Mayor of London, and Professor Patrick Minford, Professor of Applied Economics at Cardiff Business School, Cardiff University.

Roger McCormick, Managing Director, and Chris Stears, Chartered MCSI, Research Director of CCP Research Foundation unveiled to our members in February 2016 the results of a major research project on 'the cost of trust gone wrong', revealing that financial institutions had paid more than \$300 billion in fines and recompenses in the past five years. Trust was also a focus later that month when Denis O'Connor FCSI, Managing Director, Compliance, Association for Financial Markets in Europe delved into 'The FIFA Chronicles', probing the role of compliance departments in this ongoing saga. The more mundane but important matter of European trade reporting rules came under the microscope at a stimulating event at CME in February 2016, celebrating the second birthday of the new regulations.

Throughout the year, BlackRock and Deutsche Bank hosted a regular and very popular series of wealth management events covering a range of topical issues and we thank them for their continued support.



Matthew Rees, Chartered FCSI speaking on 'Government Finance' at PwC in More London



Graham Bishop and Daniel Corrigan debating 'The Great British Break-off' at Cass Business School



Daud Vicary, CEO INCEIF and Hatim Tahir, Director, Deloitte at the 'Islamic Finance Composium'



Christopher Stears, Chartered MCSI and Roger McCormick of CCP Research Foundation speaking at London Capital Club



## Professional Forums and Interest Groups

Our London CPD offering is enhanced by our specialist professional forums which seek to offer CPD but also act as a key link between the CISI and industry to guide us on event topics, education and policy.

The professional forums continue to do well, both the European Regulation Interest Group (ERIG) and Bond Interest Group (BIG) have now successfully transitioned from interest groups to professional forums, and together with the IFP Professional Forum we now have nine forums. These three new forums complement the established six specialisms Compliance, Corporate Finance, Financial Technology, Operations, Risk and Wealth Management. Growth in forum members continued in 2015/16 with a 76% increase in membership, partly due to just over 2,000 financial planners joining the forum family.

We were delighted that the former IFP Board established the IFP Forum following IFP/CISI merger. All former IFP members form part of this new forum and like the other groups, it is run under the Chatham House Rule and provides the opportunity to network with colleagues, listen to financial planning focused presentations, engage in open discussion and share ideas and concerns in a confidential setting. The forum is chaired by Alan Dick CFP™ Chartered MCSI and as well as financial planning members, many wealth managers and other CISI members have joined the group.

In May 2015 Julian Sampson, Chartered FCSI, Director, Fulcrum Compliance stood down from his eight years of chairmanship of the Compliance forum to be replaced by David Moland, Chartered FCSI, Head of Compliance, Arbuthnot Latham & Co.

A highlight from all the professional forums was the Investment Horizons event, where senior industry experts, Con Keating, Head of Research, BrightonRock Group, Rohit Talwar, CEO, Fast Future and Charles Goodhart, CBE FBA, Senior Economics Adviser, Morgan Stanley discussed their market predictions for the year. Other highlights included events from the Corporate Finance Forum on Crowdfunding, the Financial Technology Forum's annual debate event examined error-free Blockchain eco-systems and the Operations Forum discussed whether Digital Passports are the future of management, monitoring and control of savings and investments.

Following the IFP merger, an opportunity arose to develop an interest group and a portfolio of CPD solutions for paraplanners. The Paraplanner Interest Group, chaired by Farida Hassanali CFP™ APP Chartered MCSI, was established and provides paraplanners with an opportunity for networking and to engage in open discussion, while sharing ideas and concerns amongst other interested parties within this area of financial planning.

The Training and Competence Interest Group met three times during the year and discussed key areas including ROI: How to build a business case for a T&C Initiative and the new Senior Manager & Certification Regime.

We are grateful to our chairmen and committees for their ongoing support.

### Bond Professional Forum

#### Chairman

Neil Brown, Chartered FCSI  
Earth Capital Partners

Christopher Barley MCSI

Robin Brown  
The Capital Consultancy &  
Training Company

Evangelia Georgopoulou

Chris Golden

Con Keating

Bob Morrissey

Henrietta Podd MCSI

Richard Solomon FCSI

George Tagher, Chartered FCSI



London Stock Exchange

EFFAS

BrightonRock Group

Infoshare

JC Rathbone Associates

The Royal Bank of Scotland  
Group

### Compliance Professional Forum

#### Chairman

David Moland, Chartered FCSI  
Arbuthnot Latham & Co

#### Deputy Chairman

Elizabeth Hornby MCSI,  
Eukleia Training

#### Deputy Chairman:

Simone Porter, Chartered MCSI

Nigel Avey, Chartered MCSI

John Bridges MCSI

Peter Brown, Chartered FCSI

Charles Jackson, Chartered FCSI

Peter Mulcahy, Chartered MCSI

Elizabeth Nelson, Chartered MCSI

Natalia North, Chartered FCSI

Paul Whittaker, Chartered MCSI

Tina Winder, Chartered FCSI

Charles Schwab UK

Vantage Capital Markets

London Court

CCL Academy UK

Court Management  
Associates

Northern Trust Company

Societe Generale

Makor Securities

Magic Bullet Associates

Towry



Members attending an Operations forum

## Corporate Finance Professional Forum

### Chairman

Debbie Clarke CF, Chartered MCSI,  
Moore Stephens



### Deputy Chairman

Francis De Zulueta FCSI  
Alpine Limited  
Companies

### Deputy Chairman

Clive Garston CF FCSI

DAC Beachcroft

### Special Advisor

Frank Moxon CF, Chartered FCSI Hoyt Moxon

Nicholas Bealer, Chartered FCSI Cornhill Capital

Virginia Bull ACSI Allenby Capital

Peter Freeman MCSI ICAP

Dalia Joseph MCSI Stifel

Antony Legge FCSI

Nicholas Myatt Berwin Leighton Paisner

Trisha Reay, Chartered FCSI SVS Securities

Mauro Tortone, Chartered MCSI P27

## Financial Planning Professional Forum

### Chairman

Alan Dick CFP™ Chartered MCSI  
FortyTwo Financial Planning



Richard Allum CFP™ APP  
Chartered MCSI  
The Paraplanners

Andrew Brook-Dobson CFP™  
Chartered MCSI

Brook-Dobson Brear

Farida Hassanali CFP™ APP  
Chartered MCSI

UBS Wealth Management

Ian Howe CFP™ Chartered MCSI

Baigrie Davies

Ian Leech

Craig Palfrey CFP™ Chartered MCSI Penguin Wealth  
Management

Martin Ruskin CFP™ Chartered MCSI Paradigm Norton  
Financial Planning

Rebecca Taylor CFP™ Chartered FCSI Aurea Financial Planning

Janet Walford OBE

Chris Williams CFP™ Chartered MCSI

## European Regulation Professional Forum

### Chairman

Fiona King ACSI  
Citi



### Deputy Chairman

Anthony Belchambers MCSI  
Futures & Options Association

### Deputy Chairman

Martin Watkins, Chartered FCSI EY

John Barrass WMA

Simon Cockbill, Chartered FCSI Legg Mason & Co

Mark De Ste Croix MCSI Raymond James Investment  
Services

Nicholas Herbert-Young MCSI UK FCA

Brian McNulty MCSI DBFS

Peter Mulcahy, Chartered MCSI Northern Trust Company

Aidan Paddick ACSI ABN AMRO Clearing Bank

Michael Phillips Societe Generale

Laurence Rose FCSI Altaira Wealth Management

## Financial Technology Professional Forum

### Chairman

Markus Krebsz, Chartered MCSI



### Deputy Chairman

Mark Seaman, Chartered FCSI  
Mark Seaman Consultants

### Deputy Chairman

Martin Watkins,  
Chartered FCSI EY

Special Adviser  
Brian McNulty MCSI DBFS

Andrew Brown ACSI J.P. Morgan

Julia George, Chartered FCSI Julia George Associates

Jitesh Halai Goldman Sachs

Matthew Ladbury ASOS

Christophe Petetin ACSI Deutsche Bank



## Operations Professional Forum

### Chairman

Frank Reardon, Chartered FCSI  
JM Finn & Co

### Deputy Chairman

Alan Burr, Chartered FCSI  
Burr & Company

### Deputy Chairman

Richard Crews, Chartered MCSI

Robert Forbes, Chartered FCSI RBC Investor Services

Matthew Glass, Chartered FCSI J.P. Morgan

Peter Gregory FCSI The Share Centre

Kevin Maginnis MCSI

Zabrina Smith MCSI Northern Trust Company

Derek Young, Chartered FCSI UK FCA



## Risk Professional Forum

### Chairman

Alan Burr, Chartered FCSI  
Burr & Company

### Deputy Chairman

Sophie Dupre ACSI  
Baring Asset Management

### Deputy Chairman

Nicholas Garnish, Chartered MCSI CIBC World Markets

Colin Atkinson, Chartered MCSI UK FCA

Robert Barclay MCSI ABN-AMRO

Stephen Bennett MCSI Aberdeen Asset Management

Andrew Brown ACSI J.P. Morgan

Maria Cobby, Chartered MCSI Maria Cobby Consulting

Garo Karabekian, Chartered FCSI

Markus Krebsz, Chartered MCSI

Keith Robertson, Chartered FCSI Armstrong Financial

Richard Ward, Chartered MCSI



## Paraplanner Interest Group

### Chairman

Farida Hassanali CFP™ APP  
Chartered MCSI  
UBS Wealth Management

### Deputy Chairman

Richard Allum CFP™ APP  
Chartered MCSI  
The Paraplanners

Kim Bendall CFP™ APP  
Chartered MCSI

The Paraplanners

Alex Lannin

Francis Clark

Nick Grogan CFP™ APP  
Chartered MCSI

PWS Financial Consulting

Mike Dyke CFP™ APP  
Chartered MCSI

Buckle Green & Partners

Dan Atkinson APP ACSI

EQ Wealth

Katie Fosberry

Eight Four Two



## Wealth Management Professional Forum

### Chairman

Frank Dolan, Chartered FCSI  
Laurence Milbrook & Co

### Deputy Chairman

Clive Menzies, Chartered FCSI  
Fund Building

### Deputy Chairman

Bruce Weatherill MCSI

Weatherill Consulting

Frederick Barker, Chartered FCSI

Charles Stanley

Robert Burgeman, Chartered FCSI

Brewin Dolphin

Jason Dalley, Chartered FCSI

Rathbone Investment Management

Bandish Gudka, Chartered FCSI

Vestra Wealth

David Hearne, Chartered FCSI

Satis Asset Management

Christopher Jones-Warner,  
Chartered FCSI

Amy Lazenby, Chartered FCSI

Close Brothers Asset Management

Peter Moores, Chartered FCSI

Raymond James Investment Services

Ian Porter, Chartered FCSI

Keith Robertson, Chartered FCSI

Armstrong Financial

Katherine Tasker, Chartered MCSI

Charles Stanley



## Training and Competence Interest Group

### Chairman

Sandra Jacobs  
Royal Bank of Scotland

### Deputy Chairman

Carl Redfern  
Redland Business Solutions

Mark Wood ACSI

Blevin Franks





*Christopher Jones-Warner, Chartered FCSI with Tomas Carruthers, Chief Executive, Social Stock Exchange, Amy Lazenby, Chartered FCSI, Investment Director, Close Brothers and Sacha Romanovitch, Chief Executive, Grant Thornton at the CISI Annual Conference*

## Other CPD, Learning and Networking Opportunities

### CISI Annual Conference

The CISI's Annual Conference on 1 July 2015, at the Grange Hotel by St Paul's, featured a range of top-flight speakers from across the spectrum of our stakeholders and partners. The conference attracted 223 attendees from the industry. Stephen Cohen, Chief Investment Strategist at BlackRock, focused on the economic and markets outlook; John Cridland, Director General of the Confederation of British Industry, assessed the investment and innovation landscape; Anthony Hilton of the Evening Standard warned of challenges to the City; Professor John Kay of London School of Economics and the Financial Times covered the role of effective markets; Verena Ross, Executive Director of ESMA, gave a European regulatory outlook; and live from behind a screen in Florida, 'Robert Mazur', formerly an undercover agent for the US Treasury, closed the morning with a thrilling account of his life as a money launderer working undercover in a major Colombian drug cartel, whose work resulted in more than 100 high-profile arrests and significant damage to much of the South American drugs chain.

On the same theme, the Institute sponsored, for the first time, the Cambridge International Symposium on Economic Crime. This event, which has run for more than 30 years, attracted some 1,600 delegates, and the CISI stream covered the key issues arising from our research into our two new crime exams, also launched during the year. The Symposium was opened by CISI Chairman, Sir Alan Yarrow, Chartered FCSI(Hon).



*Chinese TV CNC filming at the CISI Annual Conference*



*Kevin Moore, Chartered MCS1 at the CISI Annual Conference*



## Financial Regulation Summit

We ran our Financial Regulation Summit on 28 May 2015, which attracted 150 attendees. We were delighted to welcome high profile speakers from the industry including Georgina Philippou FCSI from the Financial Conduct Authority and David Moland, Chartered FCSI, Chief Risk Officer from Arbuthnot Latham. The Summit educated attendees on the latest regulatory developments in the areas of enforcement, MiFID II, client assets and best execution.

## Economic and Cyber Crime Conference

A new conference in 2015/16 was the Economic and Cyber Crime Conference, where speakers discussed the latest theories and developments in financial services covering cyber crime, innovation, policy and strategy. Attracting 133 attendees, the conference took place on 20 April 2015 and provided expert insight from academics and consultants on the latest threats and mitigants when combating the threat of economic and cyber crime.

Our 2015 Training and Competence Conference, held in October, focused on the Senior Managers and Certification Regime – the role of HR and Compliance and new trends in online CPD and what this could mean for T&C management. The event was sponsored by Fitch Learning, Redland Business Solutions, BPP Professional Education and Unicorn Training.

## Financial Planning Scottish Conference

We were delighted to host our first Financial Planning Conference in Scotland on 8 December 2015, following the CISI/IFP merger. The conference theme – the difference is you – was fitting, as 77 delegates enjoyed a range of talks which focused on personal development and self-improvement. Speakers included Julie Lord CFP™ Chartered FCSI and Richard Mullunder – a former Metropolitan Police hostage negotiator. This conference was the first in a wide portfolio of conferences for financial planners, and we are looking forward to hosting further conferences throughout 2016/17.

## City Debate

The CISI Chairman, Sir Alan Yarrow, Chartered FCSI(Hon) hosted the 20th Mansion House City Debate in conjunction with the Centre for the Study of Financial Innovation. Angela Knight CBE FCSI(Hon) moderated the debate on the motion: 'This House believes that the City is not doing enough for the 'real' economy'. Speaking for the motion were Sir Vince Cable, the longest-serving trade minister for a generation, and Lord Harrison; against were Michael Spencer, Chief Executive of ICAP and Anthony Browne, CEO of the British Bankers' Association.



*Michael Gould, Retail Markets Specialist from The Investment Association at the Financial Regulation Summit*



*Attendees networking at the Economic and Cyber Crime Conference*



*Chairman Sir Alan Yarrow, Chartered FCSI(Hon) presenting at the City Debate in Mansion House*



*Delegates at the Financial Regulation Summit*



## London Annual Dinner 2015

The London Annual Dinner was held on 10 November at Mansion House. 190 members and guests attended the evening and were entertained by BBC journalist Justin Webb. The CISI's Outstanding Compliance Professional Award, which recognises leadership and contribution to the financial services industry and is judged by the CISI Compliance Professional Forum Committee, was presented at the dinner to James Stapleton, Chartered MCSI, Associate Director – Head of Compliance, Winterflood Securities. James received his award from CISI Chairman Sir Alan Yarrow, Chartered FCSI(Hon) and Deputy Chairman of the CISI's Compliance Professional Forum, Elizabeth Hornby MCSI Director, Senior Associate, Eukleia Training.





## CPD Training Courses and In-House Training

Our half, one and two day CPD training courses continued to be a popular option for ongoing learning amongst our members and banks in 2015/16. We grew our total course offering, both in-house and bespoke, to 95 courses – a 4% increase year on year. We have been praised for the timeliness of our subject matter and the quality of our tutors. Specific topics and themes which were focused on in 2015/16 included:

FATCA

Cyber crime

Suitability and appropriateness

The Market Abuse Directive

Financial Planning

## CISI TV and Live Webcasts

CISI TV has continued impressive growth with 158 programmes currently available to watch. In September 2015, we relaunched our CISI TV player with a fresh new look, and most importantly, enhanced functionality, resulting in CISI TV now being accessible on tablets, smartphones and PCs.

Viewing numbers rose 68% from 90,673 in 2014/15 to 151,091 in 2015/16. The top five most viewed CISI TV programmes during the year were:

City Debate 2015 (694 views)

Annual Integrity Debate (677 views)

How do savers respond to risk? (668 views)

Marco outlook (631 views)

Fixed income ETFs (605 views)

## Financial Planner Magazine

As part of the merger with the IFP, we continued to publish Financial Planner Magazine, a specialist monthly magazine for financial planners and paraplanners. Each edition provides updates on the latest issues and initiatives being faced by the financial planning profession, and offers readers technical updates, shares client case study stories and advises on the activities of the CISI's financial planning and paraplanning members across the UK. To support the development of content for the publication we established a new Financial Planner Editorial Panel. The Panel plays a very active role in ensuring that the magazine remains a key membership benefit for financial planning members and provides the latest news and insight to meet continuing professional development needs.

## Securities & Investment Review

The Securities and Investment Review (S&IR), our members' magazine, continued to enable members to maintain their competence by providing topical analysis of key developments within the financial services industry.

Fintech and the threat of cyber crime were key subjects addressed in 2015/16 and a number of high-profile interviewees were featured including Sir David Omand, a leading authority on cyber crime; Dame Colette Bowe, Chair of the Banking Standards Board, and David Cruickshank, Global Chairman of Deloitte.

We are grateful to our Editorial Panel contributors for their support and expertise in determining appropriate and relevant content for the S&IR.

## Financial Planner Editorial Panel

### Chairman

Janet Walford OBE

Mark Brownridge CFP™ Chartered MCSI  
Mazars Financial Planning

Simon Culhane, Chartered FCSI

Richard Gray CFP™ Chartered MCSI

Joanna Hague CFP™ APP  
Chartered MCSI

Dennis Hall MCSI



CISI

Baigrie Davies

Investment for Life

Yellowtail Financial  
Planning

## S&I Review Editorial Panel

### Chairman

Robert Merrifield, Chartered FCSI  
Sanlam Private Wealth

Suren Chellappah FCSI  
Sanford C. Bernstein

Joseph Chapman MCSI  
Jupiter Asset Management

Prof Moorad Choudhry FCSI

Simon Culhane, Chartered FCSI

Paul Dawson, Chartered FCSI

Scott Dobbie CBE FCSI(Hon)

Peter Land, Chartered FCSI

Amy Lazenby, Chartered FCSI

George Littlejohn MCSI

Gregor Logan MCSI

Paul Loughlin, Chartered MCSI

Claire Perryman, Chartered MCSI

Frank Reardon, Chartered FCSI

Patricia Robertson, Chartered FCSI

Jeremy Robinson, Chartered FCSI

Dr Arjuna Sittampalam,  
Chartered MCSI

Nigel Sydenham, Chartered FCSI

Sir Alan Yarrow, Chartered FCSI(Hon)



Brunel University

CISI

Fidelity Worldwide  
Investment

Deutsche Bank

Brewin Dolphin

Close Brothers Asset  
Management

CISI

Family Investment and  
Nutmeg

Rathbones

JM Finn and Co

Westport Global

Charles Stanley

Sage and Hermes

CCL Academy

CISI



## Investment Management Review

The quarterly Investment Management Review magazine provided comprehensive coverage and analysis of global developments across all sectors of the asset management industry in 2015/16. Dr Arjuna Sittampalam, Chartered MCSI, Founder and Managing Director of Sage and Hermes, writer and editor of the magazine, has refocused the magazine by grouping articles into related themes, producing three in the July 2015 issue that addressed the issue of globalisation trends and their impact on asset management; three in the October issue that discussed a potential mega trend of asset managers into bank lending; and three in the January issue that looked at factors which provide reasons for doubting the safety of exchange-traded funds.

## Change

In 2015/16 the CISI celebrated ten years of Change - the regulatory magazine. During this time the publication has grown and served the compliance community, a key focus for the CISI but ultimately a minority of the 40,000 CISI members overall. As a result, in early 2016 we made the decision to stop publishing Change - the regulatory magazine in its stand-alone hard copy quarterly format. Instead, we are now covering key regulatory changes as a separate section within the S&IR, enabling the CISI to bring compliance, regulation and risk to the attention of members in all roles – not just compliance.

To complement the new format, we also increased our digital offering via a dedicated Compliance, Regulation & Risk section within the digital S&IR.

## Professional Refresher

Professional Refresher, our online library of learning modules, again recorded large usage volumes in 2015/16 – 200,000 views compared to 117,000 in 2014/15, a 71% increase. The average number of views per month was 16,667 in 2015/16, with significant increases being recorded in May (16,621, a 199% increase) and December (22,272, a 140% increase) compared to the equivalent months in 2014. We launched 13 new modules in 2015/16, up from five modules in 2014/15, taking the total Professional Refresher offering to 75 modules. New module topics included the Senior Managers and Certification Regime, Regulation of Platforms, Securities Financing, Pensions Advice, Crowdfunding, Estate Planning, Financial Planning, Investment Planning, Offshore Fund Administration, Paraplanning, Retirement Planning, VCTs and EISs and Conduct Rules.



## Change Committee

### Chairman:

Christopher Bond, Chartered MCSI  
CISI

Nicholas Andrews

Stephen Coles MCSI

Mark de Ste Croix MCSI

Gerard Dique MCSI

Ffion Thomas, Chartered MCSI

Ashley Long FCSI

Lydia Romero

Julian Sampson, Chartered FCSI



Raymond James  
Investment Services

Mitsubishi UFJ Trust  
International

GMT Communications

CISI

Fulcrum Compliance



2013/14



2014/15



2015/16

Three year comparison of Professional Refresher viewings





# BEHAVIOUR

Upholding the highest standards of integrity by signing up to a professional body's code of conduct

PROFESSIONALISM

A man with grey hair and glasses is speaking at a podium. He is wearing a dark jacket over a red shirt. The background is a blue wall with a large white sign that says "CISI" in large letters. Below "CISI" is smaller text that is partially obscured but appears to say "CONFIDENTIALITY INTEGRITY AND TRUST". To the right, there is a blurred image of a person in a dark suit.

CISI

## Behaviour

Integrity is the third pillar of professionalism on which the Institute is founded. The Institute seeks to maintain its reputation as a thought leader in the field of ethical standards and behaviour within financial services, and our products and services aim to promote and reinforce an expectation of professionalism and high standards.

During 2015/16, we have sought both to build on the widespread acceptance of our leading products and to introduce new ones relevant to our members, in addition to maintaining the currency and quality of our existing products.

We now ask all CISI members, current and new, to complete and pass an integrity test as a requirement of being a CISI member. We introduced this initiative as part of an active commitment to raising professional standards within the financial services industry and to enable our members to demonstrate tangible evidence of their commitment to integrity. We want to help restore confidence and trust in the wider financial sector by reassuring the public that anyone who is a member of the CISI has the highest level of personal integrity.



# 10,104

IntegrityMatters  
tests taken in  
2015/16

# 143

Integrity at Work  
interactive workshops  
presented in 10  
countries

# 2,127


Integrity & Ethics  
Professional  
Refresher modules  
completed

# 50

Speak Up interactive workshops  
presented

# 906

Speak Up Professional  
Refresher modules  
completed



From left to right, The Right Reverend David Urquhart, John Campbell OBE, Richard Charnock, Chartered FCSI, Simon Culhane, Chartered FCSI, Huw Evans and Jane Fuller at the Annual Integrity Debate.



Insight Integrity at Work



Andrew Hall, Head of Professional Standards and Integrity and author of Integrity at Work 5

## Integrity and Ethics Committee

### Chairman

Richard Charnock, Chartered FCSI  
Standard Life

Charlotte Black MCSI

Ben Blackett-Ord

Andrew Brook-Dobson CFP™  
Chartered MCSI

Simon Culhane, Chartered FCSI

Tracey Davidson ACSI

Scott Dobbie CBE FCSI(Hon)

Philippa Foster Back CBE

Nicholas Gibson, Chartered FCSI

Martin Hall

Charles Hoare Nairne, Chartered FCSI

Prof Paul Palmer

Alan Ramsay FCSI(Hon)

Tracey Reddings ACSI

Ann Roughead

Ian Stevenson, Chartered FCSI



Bovill

Brook-Dobson Brear

CISI

Heartwood Wealth  
Management

Deutsche Bank

Institute of Business  
Ethics

Chase Cooper

Worshipful Company of  
International Bankers

C. Hoare & Co

Cass Business School

PwC

J.P. Morgan

Columbia Threadneedle  
Investments

Strategic Regulatory  
Management

During the year, Nigel Challis FCSI(Hon), Matthew Eyton-Jones, Chartered MCSI, and Anthony Stewart-Jones resigned from the committee and the Institute thanks them for their valuable input into the work of this important group.

## Corporate Supporters

CISI Corporate Supporters are financial services organisations which make a commitment to uphold the highest standards of integrity, competence and professionalism. We now have 104 Corporate Supporters, ranging from the large international banks and well established UK firms, to large domestic banks in both the Gulf and Asia Pacific. Tangible benefits offered to our Corporate Supporters focus around CPD and the promotion and education of integrity and trust. Many Corporate Supporters chose to run our interactive Integrity at Work seminar as part of a professional ethics programme that includes individuals taking our online test, IntegrityMatters.

## Speak Up

The Institute's Speak Up initiative has proved to be particularly popular, especially following the UK FCA and the Prudential Regulation Authority (PRA) whistleblowing rules which were announced in October 2015 and are due to come into force in September 2016. The Institute responded to the UK FCA consultation, noting in particular that the protection of whistleblowers in financial services should be paramount. In addition to being offered to CISI members through presentations across all CISI branches, our 'Speak Up' presentation was used by a major international bank as part of a cultural change programme for more than 1,500 staff working in its operations and administration centre, together with our Integrity at Work interactive seminar. Additionally, presentations were delivered to members of the City HR Association and many of the Institute's Corporate Supporter firms.

## Integrity at Work Interactive Seminar

Our Integrity at Work interactive workshop continues to be popular with CISI members, Corporate Supporters and the wider financial services industry. In 2015/16, the workshop was delivered to diverse audiences, from Chairmen and Non-Executive Directors of major city firms to the next generation of financial services professionals at a series of insight and careers events.

Internationally the workshop has been delivered in a number of European countries, including Poland, Germany, France (in French) and Spain (in Spanish). Additionally, the presentation has been given to both banking and other professional services audiences in India, South East Asia and the Middle East, where it has become embedded in the training programme of one of our Corporate Supporter firms.

Continuous updating of the programme to embrace the latest examples of corporate and individual wrongdoing ensures that it remains popular with audiences everywhere.

## Integrity at Work in Financial Services Book 5

In September 2015 we launched Volume 5 in our series of guides on trust and integrity dilemmas. Copies of the publication were made available to all CISI members and a copy was sent to all MPs and members of the House of Lords. The dilemmas in Volume 5 cover issues including inappropriate use of social media, investing in a firm whose activities conflict with one's moral beliefs, and the collection of client data. Volume 5 also contains an introductory piece, 'Ethics and the City: How will we know that the banking industry has reformed itself?' based on responses given by leading city and public figures, written by Jane Fuller, former Financial Editor of the Financial Times.

## IntegrityMatters Online Test

Over 35,000 people have now taken the IntegrityMatters test since its launch in 2008 and an additional 1,000 people have taken the Spanish version of the test. Given the large numbers of candidates who have now taken IntegrityMatters, we are looking forward to the release of our new IntegrityMatters platform in 2016/17 which will provide users with greater functionality when taking the test and allow us to host versions of the test in multiple languages.



## Annual Integrity Debate

The topic of 2015's Integrity Debate held at the Mansion House – 'Are bankers expected to have higher standards of integrity than the military, the church or the civil service?' - sparked a lively and entertaining discussion between the two pairs of speakers. Jane Fuller, Co-Director of the Centre for the Study of Financial Innovation (CSFI) joined Huw Evans, Director General of the Association of British Insurers (ABI) in arguing for the motion, whilst John Campbell OBE, Senior Managing Director, State Street Global Services UK, Middle East and Africa and The Right Reverend David Urquhart, Bishop of Birmingham and member of the Banking Standards Board bravely argued against the motion.

After an entertaining debate, in which the 'anti's' co-opted nurses, the ambulance service, doctors and the fire service into their definition of civil servants, they managed narrowly to defeat those on the side of the bankers.

In November 2015 we held our first ever Integrity Debate outside of the UK. The debate was held at the CaixaForum in Barcelona, conducted in Spanish and attended by over 150 people. The motion was ¿Depende la integridad del modelo de asesoramiento? (Does integrity depend on the model of financial advice?). This is a 'hot topic' in Spain where the independence of financial advisers can sometimes be perceived as more trustworthy than the advice offered by large corporate banks given recent mis-selling scandals.

The lively debate was chaired by Albert Ricart Masclans, President of the Institute's National Advisory Council in Spain, and the speakers were Victor Allende, CaixaBank with Francisco Uria, KPMG (on behalf of corporate financial banking advice) and Francisco Álvarez Molina, Parliament of Valencia with Marcos Eguiguren Huerta PhD, Singular-net (on behalf of independent financial advisers).

The initial audience opinion was that the integrity of financial advice doesn't depend on the source, whether from a bank or from an independent financial adviser. After convincing arguments given by both sides, the audience (mostly employees of CaixaBank) were even more convinced of their initial decision – voting overwhelmingly in favour of the motion that the integrity of financial advice does not depend on the institution the adviser belongs to. It all depends on the knowledge, skill and behaviour of the adviser themselves as well as the culture of the organisation they work for.

## Grey Matters

The Institute's long running Grey Matters series celebrated its 10th anniversary in 2015/16, having published nearly 90 dilemmas. The digital Securities & Investment Review offering now makes it easy for members to vote for the option which they would choose and leave comments about how they would react if they found themselves in the situations described by the dilemmas. Topics over the past year have included what to do when a loyalty scheme has wrongly credited millions of travel miles to staff (who have taken advantage of the error) and taking the most ethical course when a manager tries to improve the performance of his department.

## Disciplinary Process

During the year, two members were invited to appear before the Disciplinary Panel, resulting in one member being expelled from the Institute and one having their Chartered Fellow status suspended for one year.



Delegates at the Annual Integrity Debate



Richard Charnock, Chartered FCSI speaking at the Annual Integrity Debate



Sir David Wootton at the Annual Integrity Debate



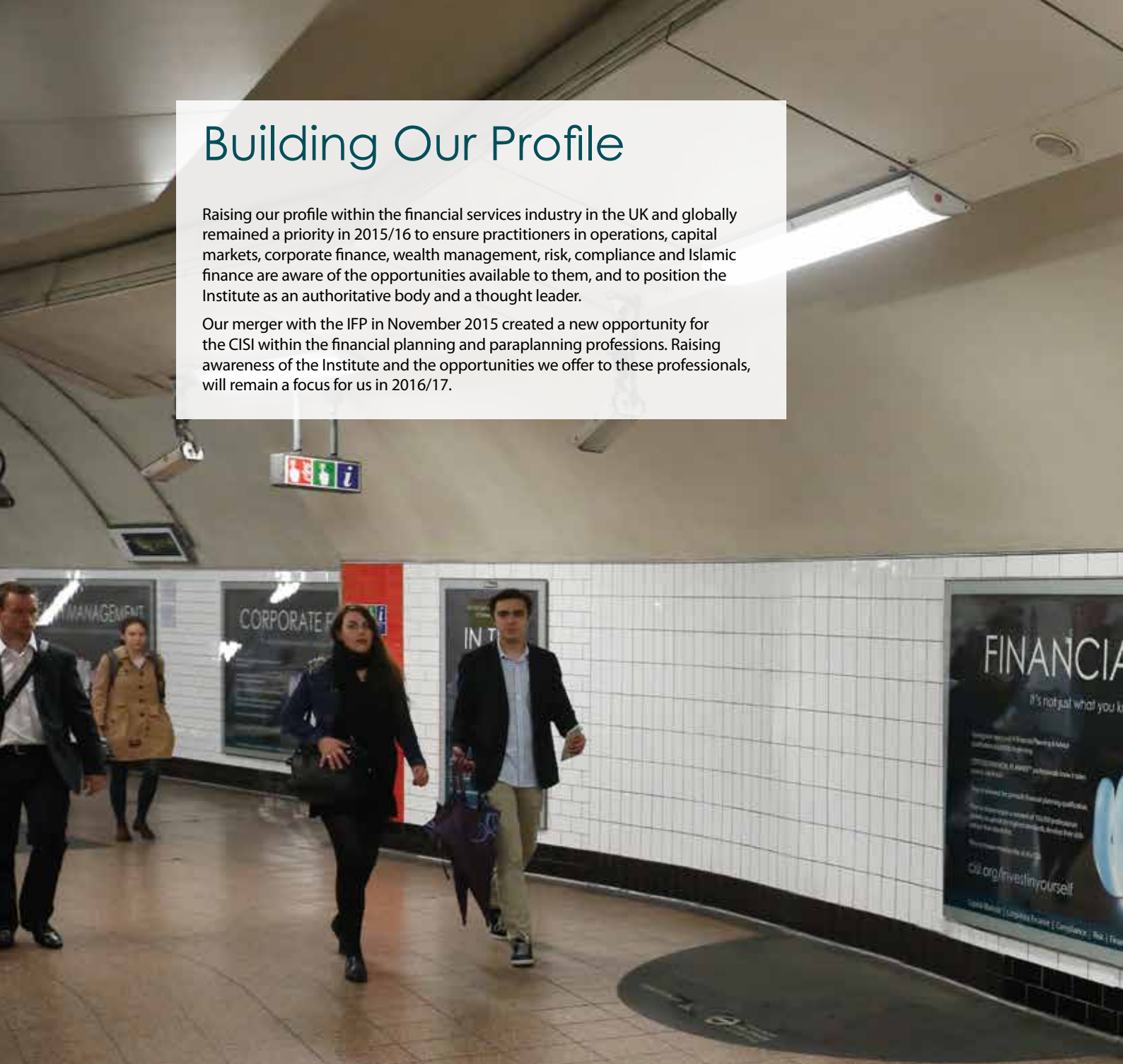
Our first Integrity Debate in Spanish, held at CaixaBank, Barcelona



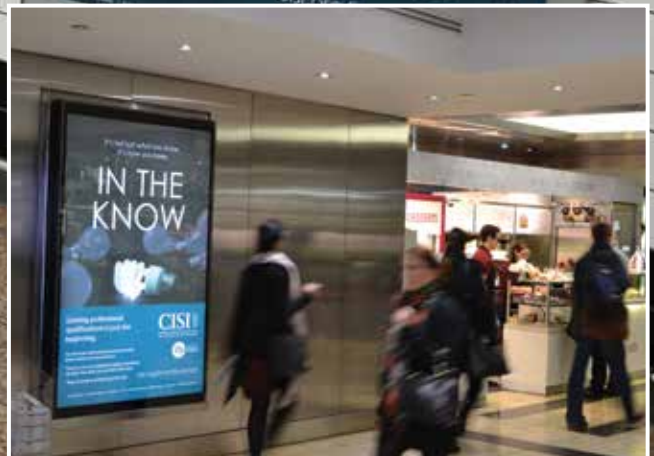
# Building Our Profile

Raising our profile within the financial services industry in the UK and globally remained a priority in 2015/16 to ensure practitioners in operations, capital markets, corporate finance, wealth management, risk, compliance and Islamic finance are aware of the opportunities available to them, and to position the Institute as an authoritative body and a thought leader.

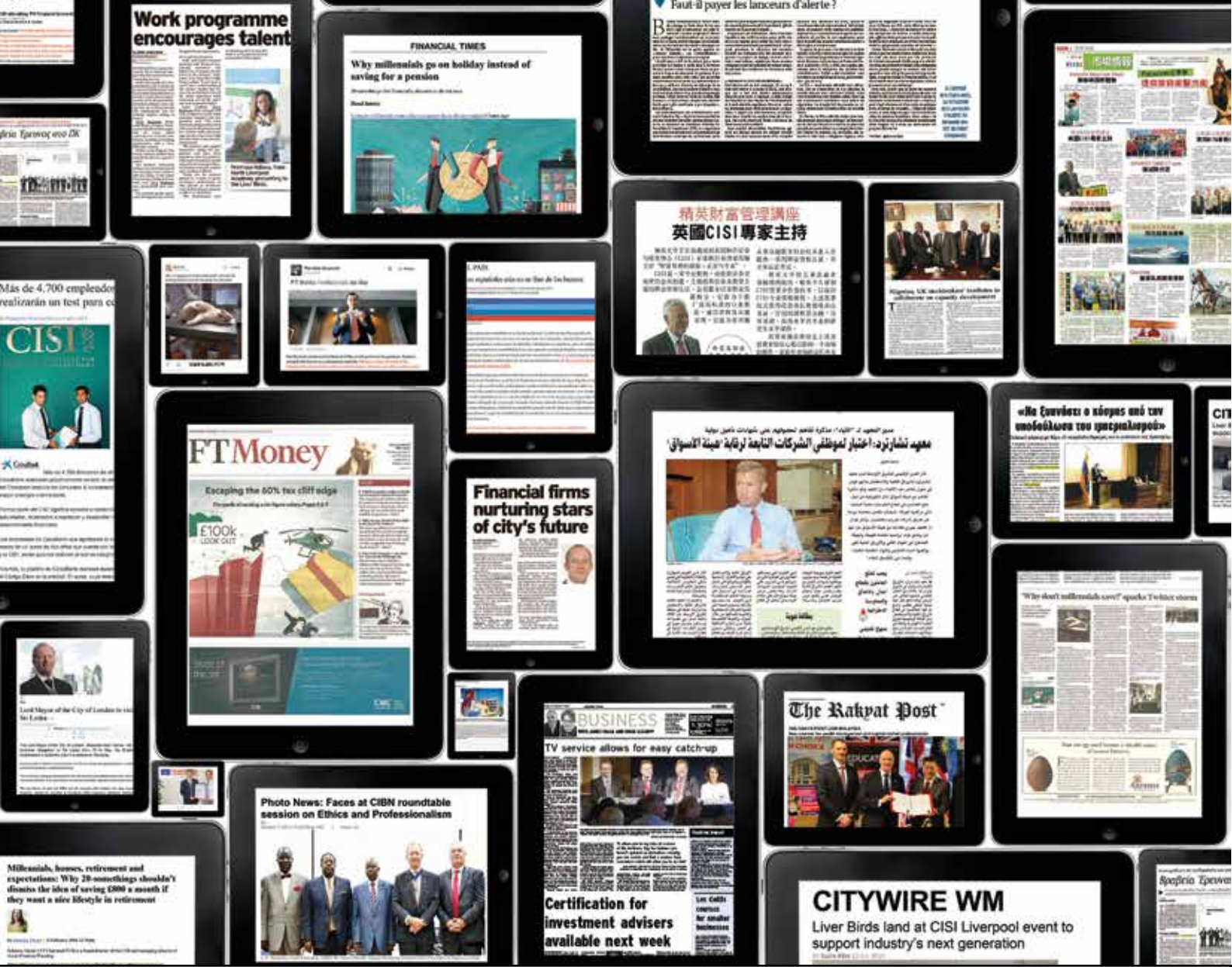
Our merger with the IFP in November 2015 created a new opportunity for the CISI within the financial planning and paraplanning professions. Raising awareness of the Institute and the opportunities we offer to these professionals, will remain a focus for us in 2016/17.











## Media Coverage

Media coverage is an important element in our overall marketing mix and is fundamental when supporting our entry to new markets. Data-driven stories are key to engaging media and regular surveys on our website enable us to collect views and thoughts from within the industry. In 2015/16 almost 5,000 respondents participated in our surveys which covered issues including the end of free banking, gender imbalance in the industry, confidence levels in the UK economy and the Government visa cap for skilled non-EU workers.

We engaged YouGov, a data research company, to survey over 1,000 18-24 year olds on their behaviour and attitudes towards gambling. The findings questioned the efficacy and integrity of the gambling industry's vetting procedures as 44% of young people who had ever placed a bet had broken the law by gambling under age. The survey also pointed to technology as helping to normalise gambling in society. The report was covered by media including the Financial Times and The Herald Glasgow.

Regional UK media helped to promote our local branch activity. Our Liverpool branch's excellent project structuring a week of work experience with five of Liverpool's leading finance firms for 25 students, culminating in a two-day conference, prompted a big splash in the Liverpool Echo under the heading 'Financial firms nurturing stars of the city's future'. The Guernsey Press devoted a full page of coverage to the branch's annual Investment Briefing Conference, and focused on the CPD benefits of CISI TV with the headline 'TV service allows for easy catch-up'.

Our inaugural Wales branch Annual Dinner and the first CISI Board meeting in Wales was marked by a feature in WalesOnline.co.uk. The article, quoting Welsh Government Economy Minister Edwina Hart, and Ken Poole, Head of Economic Development at Cardiff Council, focused on the growing strength of Cardiff city's financial and professional services sector.

Rebecca Taylor CFP™ Chartered FCSI, CISI Board Director and Managing Director, Aurea Financial Planning spoke to the Financial Times on millennials needing to save the equivalent of £800 a month over the next 40 years to retire at 65 with an income of £30,000 a year. The ensuing response, said the FT, "sparked fierce debate among readers, generating thousands of comments and tweets." More than 10,000 people clicked through one FT tweet on the article. The topic was also picked up by other media including The Mirror and CityAM.

CISI projects outside of the UK generated media coverage in languages including French, when Simon Culhane, Chartered FCSI, was quoted in Le Monde regarding whistleblowing, while media, including Cyprus News Agency, announced our partnership with the European University Cyprus in Greek. Our project in Malaysia with HELP University to promote wealth management qualifications was covered by The Rakyat Post, while the rise in demand for our Islamic Finance Qualification in the Middle East was reported in regional media including Gulf News and CPI Financial.net. Growing interest in our work in the Philippines resulted in reports in The Manila Times and Moneymax.ph regarding our partnership with Philippine regulators and educational institutions to help increase financial literacy levels.



## Social Media

In 2015/16 we set an ambitious target of finishing the year with a combined total of 15,000 Twitter followers and LinkedIn members with our strategy being to gain new interest through the distribution of Institute generated content and increased engagement with members and prospective members. At 31 March 2016, we recorded a total of 4,659 Twitter followers and 10,345 LinkedIn Group members, totalling 15,004 (30.9% increase on 2014/15).

Social media was an integral part of our marketing promotions and where possible, we maximised #investinyourself and #standtall to complement our large scale campaigns. Our LinkedIn group remains an online networking tool for our members to connect with each other and discuss topics of interest. We welcomed financial planners and para planners to our CISI LinkedIn community, increasing the number of CISI sub-groups to 24. Our sub-groups cover a variety of Institute activities ranging from local branch groups in Scotland, to the South Coast and the Middle East, to sector specific groups including compliance, wealth management, risk and now financial planning and para planning. We focused on building greater awareness of the CISI company page, specifically targeting non-members and raising awareness of the Institute amongst financial services professionals. In India, we trialed a localised social media awareness campaign, launching a CISI India LinkedIn page and Facebook page. To date, awareness and interactions with users in India is low, however, we are working to improve engagement levels in 2016/17.



## Website Redevelopment

July 2016 saw the release of a new, refreshed CISI website and the end of an 18-month redevelopment project which commenced with the launch of the digital S&IR in 2014. Modern and fresh in design, our new device-responsive website has improved the viewing experience for all users, including enhanced site navigation and search functionality.

Development work is continuing in 2016/17 with the release of a new MyCISI platform, our members' only portal and an ambitious project to redevelop the CISI shop system to improve the purchasing experience for CISI candidates and members when buying CISI products and services.



## Advertising Initiatives

We facilitated four separate large-scale advertising campaigns in 2015/16. The largest campaigns which launched in April 2015 and March 2016 saw the continued communication of our INVEST in Yourself theme. An extension to the messaging for the April 2015 campaign focused on the 'recognition' that comes with achieving a professional qualification. Central to the campaign was an image of our 2015 Awards Ceremony achievers celebrating their successes at the Mansion House. Billboard locations were determined by where the winners were based to ensure that along with the CISI gaining awareness, our award winners enjoyed local recognition for their success.

Over the summer period, we continued our focus on positioning the CISI as a thought leader in the area of integrity and ethics. Our 'Stand Tall' messaging, which evolved from discussions with CISI members, demonstrated to the wider financial services industry the commitment CISI members make to uphold the highest standards.

The CISI/IFP merger in November 2015 provided the opportunity to share the excitement of our new, larger membership body with the financial services industry. We extended the 'Stand Tall' messaging to 'Standing Taller Together' to highlight the joining of two professional bodies, both with very strong commitments to raising standards and members upholding the highest standards. This outdoor campaign supported media and PR activities implemented during the merger period, as well as a dedicated communications campaign to CISI members and IFP members.

As well as focusing on large scale campaigns for the Institute, our strategy involves adapting messaging and imagery to support the promotion of CISI branches within their local areas. In February 2016, we supported our UK Southern and South East branches to raise awareness of working with financial services professionals in Guildford, Reigate, Tunbridge Wells and Woking, adapting our 'Stand Tall' campaign with a localised message.

Our final large scale campaign in 2015/16 was initiated in March 2016 continuing the 'INVEST in Yourself' theme. The campaign communicated that gaining a professional qualification is just the beginning and by choosing CISI membership, our members are 'IN THE KNOW' and have chosen to uphold the highest standards, develop their skills through CPD and put their clients first.

Whilst increasing brand awareness for the CISI it also focused on financial planning and paraplanning in the UK. We maximised advertising opportunities via outdoor billboard locations at Bank Underground Station, Cannon Street National Rail Station, London Bridge Underground Station, Canary Wharf, St Paul's Underground and Fenchurch Street Station; print and digital publications; and a targeted LinkedIn campaign. We chose St Paul's as the station provided the space of 12 large billboard sites, 66 escalator panels and ticket barriers to tell a story and highlight all of the sectors we support in the industry and the qualification and membership opportunities we offer.

Globally, we supported our colleagues in our offices with their targeted marketing strategy by working with training partners and local connections. An example of this was in Jakarta, where a CISI roadside billboard, in partnership with Buenoz Consulting, was placed prominently outside Kwik Kian Gie Institute of Business and Information Technology, a local higher education centre. In Colombo, Sri Lanka, we placed a CISI billboard, in conjunction with Lanka BPO our local training partner. We again celebrated the success of our annual award winners in Singapore, with a billboard at Raffles Place Metro, much to the delight of our exam candidates.







## THE BOARD OF TRUSTEES AS AT 31 MARCH 2016



*Dr Robert Barnes, Chartered FCSI, Chief Executive, Turquoise*



*Fionnuala Carvill, Chartered FCSI*

H,J,L



*Richard Charnock, Chartered FCSI, MD Adviser and Investments, Standard Life*

E



*Philippa Foster Back\* CBE, Director, Institute of Business Ethics*

E



*Chris Harris-Deans, Chartered FCSI, Director, Charles Stanley*

F



*David Kane MCSI*

C



*Frank Moxon CF, Chartered FCSI, Managing Director, Hoyt Moxon*

C,F,H,J



*Nick Parkes, Chartered FCSI, Managing Director, Novitas Partners*

A



*Claire Perryman\* Chartered MCSI*

G



*Alan Ramsay FCSI(Hon), Deputy Chairman, CISI & Senior Advisor, PricewaterhouseCoopers*

C,E,H,J



*Clive Shelton, Chartered FCSI, Risk & Compliance Director, International Financial Data Services*

B



*Richard Stockdale, Chartered FCSI, Chief Executive, QCo Holdings*

C,F,H,J



*Nick Swales, Chartered FCSI, Regional Director, Rathbone Investment Management*

B,D,K



*Rebecca Taylor CFP™ Chartered FCSI, Managing Director, Aurea Financial Planning*

F



*Richard Wastcoat\*, Non-Executive Director, First State Investments and Duncan Lawrie Private Bank*

H,I,J



*Martin Watkins, Chartered FCSI, Director, Financial Services, EY*

F



*Andrew Westenberger MCSI, Finance Director, Brewin Dolphin Holdings PLC*

C



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

F,G,H,I,J

*Charlotte Black MCSI*

*Resigned 17 September 2015*

*David Nicol, Chartered FCSI*

*Resigned 17 September 2015*

*Paul Hedges, Chartered FCSI*

*Resigned 17 September 2015*

*Clare Perryman, Chartered MCSI \**

*Appointed 17 September 2015*

*Rebecca Taylor CFP™ Chartered FCSI*

*Appointed 17 September 2015*

*Andrew Westenberger MCSI*

*Appointed 17 September 2015*

\* denotes a co-opted Trustee

The Trustees served on the following committees:

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

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

+ Education Committee was absorbed into the Educational Trust in November 2015.



## TRUSTEES' REPORT

The Trustees present their annual report and financial statements for the year from 1 April 2015 to 31 March 2016. The Chartered Institute for Securities & Investment ("CISI") is registered as a charity in England & Wales by the Charity Commission (Registration No. 1132642) and in Scotland by the Office of the Scottish Charities Regulator (Registration No. SC040665). The company was incorporated by Royal Charter (Registration No. RC00834), and is governed by said Charter and its associated Bye Laws. The group results combine the results of the charity with the results of the following:

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

## INVESTMENT POWERS

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

## ORGANISATION

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

### Chief Executive

Simon Culhane, Chartered FCSI

### Director of Global Business Development

Kevin Moore, Chartered MCSI

### Global Director of Finance and IT

Colin Warner

### Global Director of Learning

Lydia Romero

## FUTURE ACTIVITIES

The CISI's key objectives for 2016/17 are:

1. To strengthen our position in the Financial Planning market by hiring senior staff with experience of managing the Financial Planning community.
2. To complete the move to new premises at 20 Fenchurch Street over the summer.
3. To complete the setup of a representative sales office in the Philippines and enhance our service provision to the growing number of operations centres based there.
4. As part of our objective to promote integrity and ethics, we complete the redesign of our key "Integrity Matters" test, incorporating more scenarios and a new user interface.
5. To continue to enhance our role in the new "Trailblazer" apprentice scheme initiative as it develops.
6. To complete the upgrade of our suite of exam delivery software both to enhance its functionality and to keep it up to date with the latest platforms and operating systems.

## REVIEW OF FINANCIAL POSITION

The Institute has continued to maintain its healthy financial position, with free reserves of over eight months' operating costs, considered by the Trustees as prudent (see reserves policy below). This year the Institute saw an increase in group funds of £844,706 (2015: £1,469,401), bringing net assets up to £11,240,299 (2014: £10,395,593). During the year, funds were applied towards achieving the Institute's main objectives through the provision of relevant qualifications, membership, events and learning resources.

The lease on the head office premises at 8 Eastcheap will expire in August 2017. Attempts to negotiate a deal in advance of that date proved difficult as the overall future of the building is uncertain, and in January 2016 the decision was taken to look for alternative premises, even if that meant a period of 'double running'. A suitable location has been found at 20 Fenchurch Street, which will keep the Institute in the very heart of the City at a reasonable cost while providing over 20% more floor space and bringing all the staff onto a single floor. The lease has been signed and commenced on 8th April 2016.

During the year, the Institute acquired the members and intellectual property of the Institute of Financial Planning (IFP) for a consideration of £366,160. As well as swelling our membership by over 2,000, this has given the CISI access to a vibrant professional community and a respected programme of financial planning exams. Development is underway for a level four exam which will make the CISI the only provider of a full suite of exams for financial planning professionals and paraplanners.

The Institute's wholly owned UK trading subsidiary, which undertakes the commercial activities of the Institute, recorded a loss before tax of £3,465 (2015: £8,311). There is an expectation that the expenses incurred during the year that brought about this loss will generate net income in future years in excess of those costs.

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

## RESERVES POLICY

The Institute has high operational gearing in a cyclical industry and therefore requires sufficient reserves to draw upon during times of industry downturn and to meet its charitable objectives. The Board has therefore adopted a policy of maintaining free reserves at a level that is equivalent to between six and ten months' running costs. At the year end the total free reserves of the Institute amounted to £10,787,113 (2015: £10,237,603), which represented slightly over eight months of the expected running costs for 2016/17. While first discharging its obligations and carrying out its strategic plans, the Board hopes that, in the medium term, the Institute will be able to accumulate reserves closer to the upper end of the policy range. This policy, together with the approach to investing reserves, is reviewed and approved annually by the Board. Such a review has been conducted during the year, including reviewing rates of interest received from the Charity's deposit facilities utilised, to ensure that the Institute's investments continue to contribute effectively to the achievement of the aims of the organisation and are in line with the adopted policy. The policy of the Charity with regard to payments to suppliers is to make payments no later than the agreed terms in relation to the goods or service received.

At the end of the year reserves totalled £11,240,299.

## INVESTMENT POLICY

The Board has delegated the regular review and supervision of the investment of surplus funds to an Investment Sub-Committee (ISC), appointed by the Board and comprising suitably experienced trustees, which is tasked with addressing the maintenance of a short term cash portfolio and a medium to long term capital portfolio.

### The Cash Portfolio

This consists of deposit accounts of various duration with institutions the ISC recommends, based on a review of credit risk, rates offered and administrative issues. There should be a spread of accounts and they will be reviewed regularly by the ISC. During the year the Board agreed to a formal policy of only placing deposits with banks that had received a credit rating A or A+ from Fitch or S&P, A1 or A2 from Moody's and had not received a rating lower than those from another of those three agencies. All policies have been followed successfully.

### The Medium to Long Term Portfolio

The ISC and the Board will discuss the CISI's reserve funds on a regular basis and between them decide when and how much capital can be invested for a longer period. These funds will then fall within the Medium to Long Term Portfolio (MLTP) where there will be wider investment powers.

Funds in the MLTP will be invested with a view to achieving a total return in excess of that achievable on cash deposit over the medium to long term (3 to 5 years). The risk profile of the MLTP will be medium risk. The ISC will appoint qualified fund managers to manage the funds on a discretionary mandate and they will be expected to report to the ISC on a six monthly basis to a given benchmark agreed at the time of appointment. The Global Director of Finance will also monitor progress of the investments on a regular basis. Due to the poor performance of the markets over the year, the MLTP shrank by 2.4% over the year, although that compares favourably with the FTSE100 index, which fell by 10.4% over the same period.

The ISC will monitor the investments and review new opportunities on a regular basis; however, any appointment of managers will require the Board to delegate authority to the ISC on a case by case basis.

The Board and the ISC will consider styles of investment and any ethical or other restrictions it may have on a regular basis.

## CHARITABLE GRANTS

In 2010, an independent charity, the Chartered Institute for Securities & Investment Educational Trust, was formed. The CISI is a corporate trustee of this charity, but the other trustees are all independent from the main board of the Institute. Its objectives are "to promote for the public benefit the advancement and dissemination of knowledge in the field of securities and investment". During the year, the Institute donated £300,000 to this charity.

## VOLUNTEERS

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

## RELATIONSHIPS WITH OTHER BODIES

In pursuit of its charitable objectives, the Institute provides relevant qualifications to the securities and investment industry, many of which are on the FCA's list of appropriate exams. The Institute is registered with the Charity Commission for England & Wales and with the Office of the Scottish Charity Regulator. It is recognised by Ofqual as an awarding body for the securities and investment industry, and is also accredited by the FCA for the issuance of Statements of Professional Standing to retail investment advisers.

## RESULTS

The results for the financial year are shown on page 15. The group's net retained resources for the year, including investment losses of £176,695 (2015: gains of £382,166) were £844,706 (2015: £1,469,401).

## CORPORATE GOVERNANCE

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

### Board

The Board of the Chartered Institute for Securities & Investment now meets four times per year (previously six times) and comprises all non-executive Trustees. The Trustees are typically employed in senior positions within firms operating in the securities industry. They are identified by existing Board members for their expertise or nominated by members of the Institute. Up to 15 Trustees are elected for a term of three years, either by a ballot of the membership at the AGM, or by the Board. If Board-appointed, the Trustee is required to stand down from the Board at the next AGM and seek re-election by membership ballot, in accordance with the charity's articles. Up to a further three Trustees may also be co-opted by the Board to serve such period as the Board decides. On election or appointment, the new Trustees are given an induction which contains information on the institute, its activities and their responsibilities under charity law.

The Board appoints the Chairman and the Chief Executive. The Chief Executive is not a Trustee. At its meetings, the Board considers matters including:

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

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



## Committees

The Board has delegated some of its powers to certain committees and a full list of all committees, together with the names of the serving Trustees, are shown on pages 3 and 4. Those committees to which the Board has delegated powers have specific terms of reference. The Audit Committee is chaired by Alan Ramsey, FCSI (Hon).

## Remuneration Policy

The remuneration Committee (as detailed in the Trustees report) reviews and approves or amends the overall salaries budget and proposed changes to salaries annually based on recommendations from the Executive. It also reviews the remuneration of the Executive Team on an individual basis with regard to their performance reviews and current levels of remuneration. A new set of terms of reference are currently being devised by the Committee.

## Trustees' Remuneration

All Trustees give their time freely and are not paid for their trusteeship, with the exception of the Chairman who is remunerated for his services, as allowed by the Institute's Charter.

## Key Risks

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

**IT Infrastructure** – The Charity is very reliant on IT but mitigates the risk through employing expert consultants, completing penetration tests and updating and renewing its key software regularly. During the year a review of legacy systems was undertaken and nearly all have now been updated or replaced.

**Reputation and Accredited Body status** – The Charity relies heavily on being accredited to set and manage exams and award qualifications accordingly. This could be put at risk by a serious lapse that damages its reputation. To mitigate this risk, the Charity has many procedures in place to assure the compliance of systems, staff and training partners including a social media policy, annual reviews of partners' competence, FCA accreditation, plus requiring all staff to take competence tests in the Bribery Act and data protection law.

**Loss of key staff** – The charity takes steps to identify key staff and to protect against their departure. During the year, extended notice periods were adopted as standard for any staff deemed as critical. Staff surveys are undertaken regularly to assess employee attitudes.

**Data breaches and Cyber Crime** – During the year we implemented a number of improvements in our IT security systems and continue to focus resources in this key area.

## Internal Control and Risk Management

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

- the maintenance of the industry's confidence in the Institute's relevance, integrity and status;
- the identification and evaluation of business risks, through regular risk assessment and review, and the direction of operating and financial strategy;
- the nurturing of high ethical standards, effective communications and a strong overall control environment;

- the safeguarding of the assets of the Institute and the effective use of resources; and
- the promotion of detailed financial and operational controls necessary for the production of reliable and up-to-date financial information.

The Board has conducted a review of the effectiveness of the system of internal control for the year ended 31 March 2016. In pursuit of the above control objectives the Institute has in place a number of key internal controls and processes that include:

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

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

## REGISTERED OFFICE AND PROFESSIONAL ADVISERS

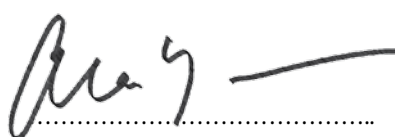
Registered Office 20 Fenchurch Street  
London EC3M 1AE

Solicitors Bircham Dyson Bell LLP  
50 Broadway  
London SW1H 0BL

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

Bankers Bank of Scotland  
600 Gorgie Road  
Edinburgh EH11 3XP

Approved by the Board of Trustees on 7 July 2016 and signed on behalf of the Board by



Sir Alan Yarrow, Chartered FCSI(Hon)  
Chairman

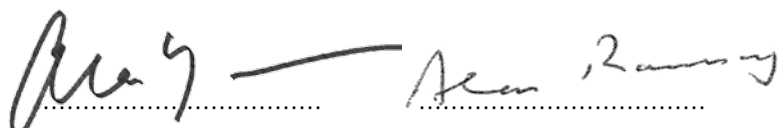
## REPORT BY THE TRUSTEES ON THE SUMMARISED FINANCIAL STATEMENTS

The summarised financial statements set out below on pages 54 to 55 are extracted from the full statutory Trustees' annual report and financial statements which were approved by the Trustees and signed on their behalf on 7 June 2016. The full financial statements, on which the auditors Crowe Clark Whitehill LLP gave an unqualified audit report on 15 August 2016, will be submitted to the Charity Commission following the AGM on 6 October 2016.

The auditors have confirmed to the Trustees that, in their opinion, the summarised financial statements are consistent with the full financial statements for the year ended 31 March 2016.

These summarised financial statements may not contain sufficient information to gain a complete understanding of the financial affairs of the charity. The full statutory Trustees' Report, financial statements and auditors' report may be obtained from the Chartered Institute for Securities & Investment, 20 Fenchurch Street, London EC3M 3BY. They are also available online at [www.cisi.org](http://www.cisi.org).

Signed on behalf of the Board of Trustees on 7 July 2016.



Sir Alan Yarrow, Chartered FCSI(Hon)  
Chairman

Alan Ramsay FCSI(Hon)  
Deputy Chairman

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 March 2016

	2016	2015
	£	£
<b>INCOMING FROM:</b>		
Charitable activities:		
Membership subscriptions	4,026,286	3,576,053
Membership entry fees	61,670	51,474
Qualifications and development	6,548,010	6,133,030
Publications and conferences	3,291,321	3,044,388
Investment income	156,992	87,134
Other incoming resources	341,839	382,451
<b>TOTAL INCOMING RESOURCES</b>	<b>14,426,118</b>	<b>13,274,530</b>
<b>EXPENDITURE ON:</b>		
Charitable activities		
Dissemination & advancement of knowledge	8,674,084	7,932,312
Ethics	1,656,055	1,424,863
Consultation & research	3,074,578	2,830,120
<b>TOTAL EXPENDITURE</b>	<b>13,404,717</b>	<b>12,187,295</b>
Net investment gains (losses)	(176,695)	382,166
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>	<b>844,706</b>	<b>1,469,401</b>
<b>FUNDS AS AT 1 APRIL 2015 &amp; 2014</b>	<b>10,395,593</b>	<b>8,926,192</b>
<b>FUNDS AS AT 31 MARCH 2016 &amp; 2015</b>	<b>11,240,299</b>	<b>10,395,593</b>

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



## BALANCE SHEETS

As at 31 March 2016

	GROUP		CHARITY	
	2016	2015	2016	2015
	£	£	£	£
<b>FIXED ASSETS</b>				
Tangible assets	117,539	157,990	117,539	157,990
Intangible assets	335,647	-	335,647	-
Investments	4,516,407	4,628,220	4,616,407	4,878,220
	<u>4,969,593</u>	<u>4,786,210</u>	<u>5,069,593</u>	<u>5,036,210</u>
<b>CURRENT ASSETS</b>				
Stock	38,477	27,848	38,477	27,848
Debtors: amounts falling due after one year	1,148,628	-	1,148,628	-
Debtors: amounts falling due within one year	2,657,108	2,328,707	2,657,108	2,328,707
Cash at bank and in hand	6,681,854	7,074,643	6,681,854	7,073,358
	<u>10,526,067</u>	<u>9,431,198</u>	<u>10,526,067</u>	<u>9,429,913</u>
<b>CREDITORS: amounts falling due within one year</b>	<b>(4,255,361)</b>	<b>(3,821,815)</b>	<b>(4,503,745)</b>	<b>(4,073,639)</b>
<b>NET CURRENT ASSETS</b>	<u><b>6,270,706</b></u>	<u><b>5,609,383</b></u>	<u><b>6,022,322</b></u>	<u><b>5,356,274</b></u>
<b>TOTAL NET ASSETS</b>	<u><u><b>11,240,299</b></u></u>	<u><u><b>10,395,593</b></u></u>	<u><u><b>11,091,915</b></u></u>	<u><u><b>10,392,484</b></u></u>
<b>REPRESENTED BY:</b>				
Unrestricted income fund	<u><u><b>11,240,299</b></u></u>	<u><u><b>10,395,593</b></u></u>	<u><u><b>11,091,915</b></u></u>	<u><u><b>10,392,484</b></u></u>

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