Investment Management Association

Annual Report & Accounts

for the year ended 31 December 2010

What we do

The Investment Management Association is the trade body for the investment management industry. Its members manage £3.4 trillion worth of assets.

IMA works to foster the good reputation of the industry and promote a legal, tax and regulatory environment which is appropriate for the needs of asset managers and their customers. We do so by seeking to influence Government, regulators and other policymakers across the UK and Europe.

IMA provides a centre of excellence on investment management and publishes regular data on the state of the industry.

IMA members are committed to ensuring that high standards are maintained within the industry, to the benefit of investors and the industry itself.

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Chairman's Statement

Douglas Ferrans
Chairman

> "From a regulatory and markets perspective we believe that customer interests should be at the heart of regulation. Markets should be designed to meet the needs and interests of savers and those raising capital."

The investment management industry plays a critical role in capital markets – facilitating the allocation of capital from those who have it to those who need it. This agency role is often misunderstood, particularly by those on the periphery of financial services who confuse the different forms of intermediation in the investment chain. Hopefully, the Chairman's Statement and Chief Executive's Report will help to alleviate some of that confusion.

The industry

At the IMA, our key objectives are to support a commercially successful and growing asset management industry and, in doing so, to improve financial outcomes for ordinary savers and investors. Both of these tasks remain real challenges and in reality are proving harder and harder to achieve. The market and regulatory climate that we face following the credit crisis has thrown up many difficult challenges which will be with us for many years to come.

We are a significant industry. We represent over 30% of the European industry. Our members also manage assets to the tune of an average £37,000 for every man, woman and child in the UK. They control on behalf of investors some 40% of shares in the FTSE100, and half the gilts issued by the UK Government. Investment managers' business model is to act as agents for ordinary savers and investors. Clients' assets are held separately from managers' balance sheets and we do not engage in proprietary trading. These are the unique selling points which make us attractive to investors. We also support the principle of transparency – our customers should be told how their money is being invested, what it is costing them and what the risks are.

Regulation

From a regulatory and markets perspective we believe that customer interests should be at the heart of regulation. Markets should be designed to meet the needs and interests of savers and those raising capital. We would also argue that good regulation, aimed at enhancing financial stability and improving consumer confidence, is important in both good times and bad.

One consequence of the credit crisis has been to turn the regulatory spotlight onto the role of financial intermediaries. This is right and proper and indeed the IMA has played its part in that through its support of the Rights Issue Fees Inquiry which I chaired. But it is essential for that analysis to distinguish between those intermediaries who transact as principals with their clients – such as banks – and those, like fund managers, who act as agents, managing their clients' money on the basis of a previously agreed and visible fee. A key threat to the investment management industry comes in the form of regulation that is developed for banks but applied in an unthinking and inappropriate way to investment managers.

The regulatory weather now comes from European, not national, legislation. This simple fact has widespread ramifications. Our politicians need to understand that engaging effectively and constructively in Europe on these matters is a vital UK national interest, given the importance of financial services to the UK. Simplistic anti-EU rhetoric is futile. Also, our regulators need to make sure that EU rules are not transposed into UK law or applied in ways which leave the UK at a competitive disadvantage. The financial services industry needs to make sure its lobbying is closely aligned with the work of UK representatives in the European Council and Parliament.

The UK as a domicile

The UK is an attractive place to do business. That is why many of our firms are located here. However, IMA research amongst members has indicated mixed views about the UK's relative position. Some believe that the attributes which made the UK the pre-eminent place to do business are becoming less obvious and that other jurisdictions appear to be offering an environment and infrastructure which, at the very least, could pose a threat to the UK. Others take a more positive view, believing that the UK has realised the need to raise its game and actively seek to attract and maintain business. As an industry, we will need to remain vigilant to, and push back on, measures which will weaken the UK's position in investment management. In this regard, there are many critical issues which IMA has on its radar – some of which emanated from the Asset Management Working Group set up by the previous government. One such initiative for the IMA remains the reform and ultimate abolition of Schedule 19 Stamp Duty Reserve Tax, a step which would turn the UK into one of the most attractive locations in Europe for domiciling funds.

Financial Services Compensation Scheme

This has been an area of grave concern for our members in recent months and one where the IMA has put in significant efforts to help alleviate the industry's burden. The Chief Executive's report goes into this in more detail. In short, the investment management industry is facing a bill of some £200 million as a result of the mis-selling of Luxembourg bonds which were completely unrelated to the asset management industry. The architects of a product and the distributors involved were able to escape having to pay compensation to those investors who suffered heavy losses at their hands. Instead our industry, which had no involvement whatsoever with the actions in this sorry saga, is unfairly picking up the tab. This is a situation in desperate need of reform; we will be looking to the new regulatory reform legislation and the forthcoming review of the compensation scheme to result in a fairer structure which recognises the differences between funds and structured products and is better configured to meet the "polluter pays" principle.

Rights Issue Fees Inquiry

I was asked to chair the Rights Issue Fees Inquiry, set up under the auspices of the Institutional Shareholders' Council, to look into the fees charged to companies for equity capital-raising. Although we concluded that the UK's rights issue regime is widely recognised as an efficient way for companies to raise equity capital, we also found that the fees paid by companies were not a good use of shareholders' money. Our report revealed widespread concern amongst institutional investors and companies about the high level of fees and lack of transparency surrounding them. A subsequent report from the Office of Fair Trading broadly echoed our findings but, disappointingly, did not recommend greater transparency on fees. As a next step we are consulting with institutional shareholders on guidance to be issued to companies about how to deal with rights issues and what best practice would look like.

"The UK is an attractive place to do business. That is why many of our firms are located here. However, IMA research amongst members has indicated mixed views about the UK's relative position."

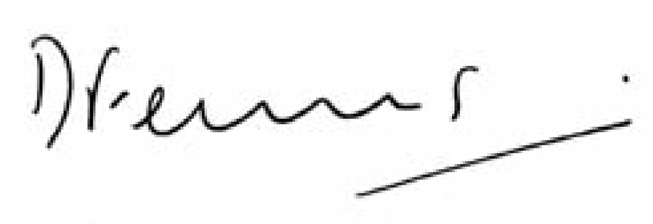
Corporate governance

Corporate governance is increasingly coming under the spotlight and investors are facing greater scrutiny for their stewardship of the companies in which they invest. A stable financial system benefits from good governance and asset managers do play their part by seeking long term value through constructive dialogue with companies. There are different approaches to governance, with some shareholders seeking to effect change, and others sending a message to company's management through the selling of shares. It is important that these different approaches are recognised. We will be working with the Financial Reporting Council to monitor adherence to its Stewardship Code which is covered in more detail in the Chief Executive's Report.

The year ahead

We will continue to face challenges both of a regulatory nature and as those responsible for growing the nation's savings and pensions amid what are still uncertain times. Our focus on the European policy-making process will remain and we will seek to take advantage of the opportunities afforded by a new government in the UK.

The agenda the IMA is facing up to has never been so wide and so deep. We will, however, strive to meet those challenges in the most pragmatic and cost effective way for the industry in order that our customers can indeed enjoy better financial outcomes.



Douglas Ferrans
Chairman

"A stable financial system benefits from good governance and asset managers do play their part by seeking long term value through constructive dialogue with companies."

Chief Executive's Report

Richard Saunders
Chief Executive

"The UK public responded to recession by increasing their savings. This was very clear from IMA's industry figures, with 2010 turning out to be the second highest year on record for fund sales, just slightly behind 2009."

2010 saw a change of government in the UK, the decision to set up new regulators at the EU level, and a continued recovery in equity markets. For the IMA it meant dealing with an enormous range of regulatory reform proposals as policymakers in the UK and EU sought to respond to the credit crisis. The crisis was essentially one of banking, but much of the regulatory response has targeted asset management, sometimes by accident rather than design. This is ironic, given that the industry and its clients did not suffer in the way that banks and their clients did in the crisis.

The UK public responded to recession by increasing their savings. This was very clear from IMA's industry figures, with 2010 turning out to be the second highest year on record for fund sales, just slightly behind 2009. Over the course of those two years, retail investors added fractionally under £50 billion to their holdings.

Representing the industry in Europe

It is a given for the IMA that European legislation will shape and regulate the financial services industry of the future, and much of our focus is on Brussels and on the new European Securities and Markets Authority (ESMA) in Paris. As part of this, our work with the **European Fund and Asset Management Association** (EFAMA) remains a priority. Julie Patterson represents IMA on the EFAMA Board and I am a member of its Management Committee.

The importance of European legislation was illustrated starkly by the **Alternative Investment Fund Managers Directive.** The whole process was tied up in political wrangling and it was only after a lot of lobbying and educating that the worst parts of the Directive failed to see the light of day in the final text. But it underlined the key importance of the European policy-making agenda and process. The next challenge will be the level 2 and 3 implementing measures, which will need to steer clear of too much detail and be flexible enough to accommodate the wide differences between Member States in alternative investment funds and alternative investment fund managers.

Regulatory reform in the EU has begun to take root with the establishment of the three new supervisory authorities, which are responsible for the regulation of all financial services across Europe. We are now turning our attention to engaging with them, directly and through EFAMA, in the policy-making process.

UK Regulation and reform

The political events of 2010 and the formation of a Coalition Government with a fresh agenda brought with it new challenges but also opportunities. We have been engaging closely with the Government and welcomed some of its immediate measures such as the effective end to the compulsory annuitisation requirement, for which we have been lobbying for some time, and its confirmation of the last government's pensions reforms. There is merit in the **regulatory reform proposals** to introduce a Financial Policy Committee and replace the FSA with two new bodies, a Financial Conduct Authority and a Prudential Regulation Authority, and it is encouraging that investors have effectively been recognised as consumers in the capital markets. But there are real risks in the implementation of such wide-ranging change. There is a lot of important detail still to be decided and we have stressed the need for the two authorities to co-operate closely, particularly in relation to UK engagement at EU level.

Following on from the credit crisis the **Independent Commission on Banking** has published its interim report which is a powerful analysis of the need for reform and advocates many of the solutions we suggested in our submission to the Commission.

After extensive lobbying we were content with the new rules on **remuneration**, although the FSA's timetable was of considerable concern for the industry. We plan to review implementation of the rules and will produce guidance for members if required.

Financial Services Compensation Scheme levy

In late 2010 our industry learned that it would have to foot £233 million of a compensation bill for several failures, not least of which were the mis-selling of bonds manufactured by a Luxembourg company, invested in US citizens' life insurance policies and sold by UK investment intermediaries. The nature of the existing Scheme's cross-subsidy means that our industry has to take the hit for the failure of products neither manufactured nor sold by them and which have no resemblance whatsoever to mutual funds. We are engaged in discussions with the various authorities to see whether we can secure an outcome in which the cost of compensation is more appropriately apportioned, including among those responsible for the loss to investors.

We will also be keeping a close eye on the future of the Scheme given its significant structural problems and we will be looking to a solution that provides a fair Scheme that is fit for purpose. This is made all the more challenging with the prospect of the two new regulators who will split responsibility for the future Scheme between them.

Markets

In response to the European Commission's **review of the Markets in Financial Instruments Directive** (MiFID) we have called for improved data in the wholesale markets. Although we understand the reasons for the Commission wanting a comprehensive framework for the operation of trading in all financial markets, we have cautioned against detailed rules that do not take into account the differences in various instruments and trading conventions. We continue to have a special focus on the impact on our members of potentially sweeping proposals that may change the way fixed income, OTC derivatives and commodities are traded and reported.

We have been actively lobbying at UK and EU levels, responding to several publications from the European Commission on derivatives policy. We have issued several briefings on the European Market Infrastructure Regulation (EMIR) which deals with central clearing of **OTC derivatives.** As a result of our lobbying investor issues such as segregation of client assets, money and positions, contract portability and a widening of acceptable collateral for margin purposes are now on the agenda. We have engaged actively with and through EFAMA on these issues, and also with the National Association of Pension Funds (NAPF) and the Association of British Insurers (ABI).

We have engaged with the various parallel discussions on **"bail in" and contingent capital**, representing investor interests in this aspect of the bank resolution work. In this we have been supported by our newly constituted Fixed Income Committee. We submitted a detailed response to the Basel Committee proposals and followed up with the regulators. In addition we have discussed bank resolution more widely, directly and through our presence on the Banking Liaison Panel, with the International Monetary Fund team reviewing the UK and the Financial Stability

Board. We have input to the Department for Business, Innovation and Skills' consultations on efficient capital raising for SMEs in respect of investor involvement in this activity.

We remain engaged with work on **short-selling** which will shortly be the subject of EU-wide regulation. Following a number of clarifications from the FSA on the circumstances in which **transaction reporting** is required and where responsibilities lie, we, along with other trade bodies, are working with the FSA to develop a third version of the Transaction Reporting Users Pack.

Together with three other trade associations we were part of the **Bond Covenant Group**, which promoted an adaptable set of model bond covenants for use in Sterling and Euro investment grade bond issues.

We are members of the Stock Lending and Repo Committee at the Bank of England and assisted with the production of informational material on **stocklending** for pension trustees amongst others.

We have also worked on: the review of the **Transparency Obligations Directive,** chairing an open meeting for the Commission; proposals relating to Central Securities Depositaries; as well as changes to the various legal directives.

Corporate governance

We responded to an EU consultation on **governance in financial institutions** and hosted a meeting between industry representatives and Commission officials to help the Commission learn more about how the industry operates in view of our concerns about their lack of understanding of the industry. We have prepared a response to the Department for Business, Innovation and Skills' paper on a **long term focus for corporate Britain** and met with the Secretary of State following publication of the paper to brief him both on the importance of the industry and on how it engages with the companies in which it invests.

The Financial Reporting Council (FRC) launched its **Stewardship Code** which is designed to enhance engagement between institutional shareholders and companies. We welcome the fact that take-up has been so successful. Since December 2010, it has been a regulatory requirement that UK-authorised asset management firms produce a statement of their commitment to the Stewardship Code or explain their alternative business model. We have conducted a survey amongst 50 firms (including 41 asset managers), all of which have committed to the FRC Stewardship Code, to assess what activities support the Code in practice. We launched the survey at a joint event with the FRC. We also led EFAMA's work in this area, resulting in EFAMA's Stewardship Code, which has been favourably received by European Commission officials.

We are now acting as chair of the **Institutional Shareholders' Committee.**

Accounting and audit

We have responded to a number of consultations on auditing including an **EU consultation on audit policy.** We made the point that while a number of factors contributed to the financial crisis, it was mainly caused through the failure of regulation and systemic risk, and not a failure in the audit process. We have submitted a wide range of responses to **exposure drafts from both the International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB)**. We continue to represent our members' interests on the **International Financial Reporting Standards Advisory Council** which advises the IASB.

A key lobbying success was securing the future of the **Statement of Recommended Practice (SORP) for Authorised Funds**. Under the Accounting Standards Board's (ASB) original proposals, the SORP would no longer have been approved by it. This would have had serious and adverse consequences for the FSA and tax rules, which presume the ASB's approval. Without it, those

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rules would need to include substantial technical detail, which would quickly become dated.

Retail distribution

We have welcomed the **Retail Distribution Review's** aim of trying to ensure that retail consumers are given a better deal through greater transparency, increased professionalism and the enforcing of professional standards. We also support the objective of removing commission bias but we have cautioned that the proposals on adviser charging may not achieve this and may lead to funds being at a competitive disadvantage.

In relation to the part of the **MiFID review** relating to distribution and sales we have stressed the importance of all European regulation being aligned in order to ensure there is a level playing field for product sales and how firms operate across the EU. This includes the need to complement rules with consistent and effective enforcement. We have objected to the idea that UCITS funds should be split into complex and non-complex products as this fails to recognise that the existing and very detailed UCITS regulation provides a high level of investor protection.

The **Packaged Retail Investment Products** (PRIPs) initiative from the European Commission, designed to improve protection across Europe for retail customers by having the same rules on product disclosure and marketing and selling practices for all investment products, is welcome. However, the debate about what constitutes a PRIP is not yet over and we are continuing to lobby to ensure that all relevant products are brought within the scope of the proposals. We are also concerned that there are four different pieces of legislation dealing with this and have urged the Commission to ensure there is a harmonised approach for all PRIPs.

The **Key Investor Information Document (KIID)** will be compulsory from 1st July 2012. It will require the industry to produce extensive documentation covering key information on risk, reward and costs, intended to enable consumers to make informed investment decisions. We are seeking to support our members on technical issues and are lobbying for consistency of approach around Europe.

UCITS IV & V

The **UCITS IV Directive**, which comes into force on 1 July 2011, should lead to an improved Single Market for UCITS through more streamlined registration processes, cost savings through economies of scale and increased investor protection by ensuring that retail investors receive clear, easily understandable and relevant information. Implementation of the Directive requires changes to UK legislation. The proposals from the FSA and HMT are broadly non-contentious, but we are seeking greater clarity and guidance on some of the more technical aspects. The most important and immediate issue for IMA members is the production of KIIDs.

On **UCITS V** we supported the need to clarify the depositary function, but are concerned that the proposals will give rise to significantly increased costs without delivering real benefits to investors. We made the case for any extension of remuneration requirements to UCITS managers to be proportionate on the basis that the fund management sector was not a cause of the financial crisis and the remuneration proposals were originally designed for banks.

Tax

The Government has committed to the introduction of a new authorised fund regime for **tax-transparent funds**. This regime will allow the UK to make the most of opportunities in the UCITS IV Directive – in particular, the introduction of master-feeder structures – and it marks a further positive step towards ensuring the UK remains competitive as a fund domicile. We continue to lobby for the abolition of **Schedule 19 Stamp Duty Reserve Tax** which acts as a barrier to the UK competing as a serious fund domicile.

It is also important that the UK is a domicile of choice for **UCITS management companies**. We therefore welcomed the Budget announcement that legislation will be introduced to ensure that there will be no adverse tax effects for foreign UCITS if they have a UK-based management company.

We have, directly and through EFAMA, been in contact with the US authorities in relation to the **US Foreign Account Tax Compliance Act** to make the case for UK funds to be considered low risk. We are also seeking to ensure that UK pension funds are not adversely affected. Meanwhile, we are supporting HMRC's efforts to implement the new OECD model treaty wording in the UK's double tax agreements, ensuring treaty benefits for all types of UK funds.

We have secured a number of other technical changes to the tax regime for UK and offshore funds, including an unprecedented 50% threshold for UK funds investing in non-reporting offshore funds – so-called "**FINROFs**".

Pensions and savings

As long-time supporters of the original proposals put forward by the Pensions Commission we are pleased that auto-enrolment into pensions is coming to fruition and supported the creation of the National Employee Savings Trust, subject to appropriate safeguards. Taken together with the end to compulsory annuitisation and the Government's recent commitment to simplify the state pension, these measures should help to reinvigorate the long-term savings environment in the UK.

With the technical detail of the auto-enrolment reforms now under discussion, we continue to play a full part in the debates. Auto-enrolment will allow millions of low to middle income employees to save for retirement. In relation to **default funds** we have cautioned the Department for Work and Pensions (DWP) not to be overly prescriptive in its guidance as there is no single right answer to what makes a good default fund strategy. We have instead urged DWP to focus on ensuring there are appropriate standards for setting investment objectives, communicating with members and regularly reviewing investment performance. In our response to the HMT consultation on allowing **early access to pension saving** we pointed out the lack of evidence supporting the rationale for early access. There is in fact the danger that rather than increase participation and contribution levels, early access could lead to greater complexity and worse outcomes for individuals in retirement.

In relation to **pension tax relief for higher earners** we have welcomed simplification as a positive development which will reduce the disproportionate benefits up till now being gained by a small minority.

At European level, we responded to the **European Commission Green Paper on pensions** and remain engaged as the Commission considers further measures, including reform of the IORP directive which deals with the activities and supervision of institutions for occupational retirement provision.

We are working closely with HMT on the development of the replacement for the Child Trust Fund – the so-called **"Junior ISA"**. Meanwhile, UK funds invested in alternative investment funds (**"FAIFs"**) are now ISA-eligible investments.

Sectors

We began a wholesale **review of IMA sectors** to take into account the emergence of new investment styles and wider use of derivatives. Member feedback, and that from focus groups of fund of fund managers, platform providers and IFAs, indicated that the current classification system was fit for purpose and that monitoring funds added value. Further work identified includes some aspects of the managed sectors and the Absolute Return sector. It has also been suggested that IMA should consider publishing further information for consumer use. We are now in the process of concluding the review before undertaking further research with IFAs to gauge their views as primary users of the sectors.

Other changes included: the creation of a new China/ Greater China sector; a new definition for the Global sector, formerly Global Growth; and a re-combining of the UK Equity Income and UK Equity Income and Growth into a redefined UK Equity Income sector. We have admitted a total of 216 offshore funds to the IMA sectors; in addition, ten offshore funds were classified to the Absolute Return sector. We issued a tender for the sector monitoring contract, for which we received six strong bids.

Research and statistics

Our **2009 Asset Management Survey** revealed that the industry had remained resilient in the wake of the financial crisis but that asset managers were concerned about how the lack of certainty around taxation and immigration policy would impact the industry. The 2010 survey, currently underway, will take a more detailed look at the UK institutional market.

> "As long-time supporters of the original proposals put forward by the Pensions Commission we are pleased that auto-enrolment into pensions is coming to fruition . . ."

> "The majority of UK investors also said that the latter half of 2010 had not affected their attitude to risk. They showed a resilient attitude and favoured a long-term horizon and willingness to ride out short-term fluctuations in value."

We published two further **Investor Perspectives Surveys,** surveying the sentiment of retail investors. Investor sentiment in February 2011 showed a strong belief and healthy appetite in ISA investing. The majority of UK investors also said that the latter half of 2010 had not affected their attitude to risk. They showed a resilient attitude and favoured a long-term horizon and willingness to ride out short-term fluctuations in value. IMA statistics on fund flows reflected that there had not been a flight from equities, but rather showed investors taking a diversified approach.

We also published the second paper in our statistics series looking at **investment returns from tracker funds compared to Guaranteed Equity Bonds.**

Together with the ABI we published a research paper on **developing a risk rating methodology** and a research brief for the then Committee on European Securities Regulator's recommendations for the **calculation of a synthetic risk reward indicator.**

Our monthly statistics now include additional **data on platform business** and we have also published information providing more detail on the different investment wrappers within which funds are held. These are based on statistics collected from five key platform groups, independently of statistics collected from IMA members. During the year we migrated seamlessly to a new database, ECHO, at the same time changing the basis on which fund distribution channels are accounted for in our statistics.

Supporting members

In 2010 we issued 502 circulars to members, another record year. We have updated the Statement of Recommended Practice for authorised funds and produced the following guidance: stress testing procedures and practices; Authorised Funds – Pricing Strategies; Reports and Accounts for Authorised Funds – Half Yearly Long Reports; Operational Risk Good Practice Guide; Authorised Funds – A Regulatory Guide; and Authorised Funds – Performance Fees. Model documentation covered: Model Terms of Business with Brokers; Model Authorised Unit Trust Deed; and Model OEIC Instrument of Incorporation (England and Wales only).

Our new **web-based interface for members**, ECHOweb, will allow members to access and interrogate, via interactive tools, a significant range of statistical data over and above what we regularly publish.

EFAMA published version 3 of its **Fund Processing Passport**, in conjunction with the launch of its FPP web portal, which provides links to IMA's own FPP repository for UK funds. IMA's **Fund Processing Principles** were updated. Also, we published model clauses that can be included in a fund's prospectus, to assist firms with the implementation of electronic transfers and renunciation of title under the revised legislation that IMA secured in 2009.

During 2010 we ran a number of **workshops, seminars and roundtable events** on topical issues such as ARROW, ICAAP, Valuation and Pricing, Governance, EMIR, Pensions, Training and Competence and the RDR. The results from the workshops were published on the members' area of the website.

Training

We have continued to run our two-day introductory courses on the business of retail and institutional investment management and a one day programme on understanding and managing risk in investment management firms. All of our courses were fully subscribed.

We support the **development of professional training and qualifications.** We work with all the key institutes, CISI, CFAUK and the CII, to recommend and assess new developments. We have supported the development of new adviser Level 4 exam standards that are being introduced as part of the RDR. We also take part in the CISI syllabus development panels and sit on their examination board.

For more details see the listing of Training and Education Events on page 31.

Raising awareness of the industry

We held a number of **successful seminars for FSA policymakers and supervisors** to improve their business awareness, attended by over 300 delegates, including some from HMT and HMRC.

We managed a **scheme to enable a number of FSA staff to spend six months on secondment** to member firms to improve their understanding of the asset management sector.

IMA staff continue to give **speeches and presentations** at conferences and private events and our **new website** offers easier access to our publications and information, and improved navigation around the site. We also re-launched our newsletter, **IMA insight,** targeted at policymakers.

Parliamentary activity

We provided **written evidence** to various committees in Parliament including: the House of Lords European Union Committee on central clearing of OTC derivatives; the Treasury Committee on financial regulation, the Retail Distribution Review, tax policy and Budget 2011; and the Work and Pensions Committee on pension reforms. We also gave **oral evidence** to the Treasury Committee on financial regulation.

Briefings were provided for parliamentary debates on the Retail Distribution Review and for the second reading of the Pensions Bill. We were pleased that the **Emergency Budget** responded to our recommendations by including a statement committing the Government to further work on improving the competitiveness of UK funds.

As supporting members of the **Associate Parliamentary Group on Wholesale Financial Markets and Services** we participated in meetings on competitiveness, regulatory reform, the FSA's international agenda and financing retirement in the 21st century. The Chairman presented the findings of his rights issue fees inquiry to the **All Party Parliamentary Corporate Governance Group.** We are also supporting members of the **All Party Parliamentary Group on Debt and Personal Finance.**

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Educating investors

We are upgrading our **investor website** explaining investment and funds in plain English and providing factsheets on key topics, such as monthly savings and saving for income. To encourage traffic to the site, links are being made with the new national Money Advice Service and other consumer facing sites for personal finance information. IMA remains a supporter of **pfeg (Personal Finance Education Group)** which has been involved in the launch of an All Party Parliamentary Group on financial education for young people.

Finances

In 2010 we made a modest surplus of just under £124,000 and ended the year with net assets of £1.599 million, and cash balances being at a healthy level.

Looking ahead

We will need to continue to focus on Europe in 2011, and to that end will be working with a specialist Brussels agency to have maximum impact. At the time of writing there are some 30 separate legislative measures at the European level which will impact the investment management industry in the UK one way or another.

At the same time, the changes to the regulatory structures in Europe and the UK will inevitably raise issues in the transition period but they will also bring advantages such as a harmonised rulebook, lower barriers to distribution, less regulatory arbitrage and much more transparency for consumers. A major challenge for us in the coming year will be to work to bring about those outcomes.

Richard Saunders
Chief Executive

“. . . the changes to the regulatory structures in Europe and the UK will inevitably raise issues in the transition period but they will also bring advantages such as a harmonised rulebook, lower barriers to distribution, less regulatory arbitrage and much more transparency for consumers.”

Directors and Officers

Directors

A J Brown

C P Chambers **

C A Chene
Appointed 8 June 2010

E P L Corley
Appointed 8 December 2010

A H P Dromer

H J Du Toit **

D Ferrans* ***

C Fleming
Appointed 8 June 2010

R C T Higginbotham ***

J R Kushel
Appointed 8 June 2010

H Morrissey *

W J Nott

R B Saunders

D J Semaya

N K Skeoch

W J Smith **

M T Stemp
Resigned 8 June 2010

I Trevers
Resigned 8 June 2010

R J Yerbury * ***

Company Secretary

Carolyn Patricia Smith

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Hay's Galleria
1 Hay's Lane
London SE1 2RD

* Members of the IMA Remuneration Committee
**Members of the IMA Audit Committee
***Members of the IMA Nominations Committee

Directors' Report

The Directors present their report together with the audited financial statements for the year ended 31 December 2010.

Business Review and Principal Activity

The principal activity of the Company is to represent the interests of the investment management industry in the UK and to promote high standards among its members.

The results for the group show a pre-tax profit of £130,174 (2009 loss: £968) for the year and a turnover of £6,632,718 (2009: £6,441,338). Net cash inflow from operating activities for 2010 was £189,058 (2009 inflow: £135,933). Both the level of business and the year end financial position were satisfactory and the directors anticipate that the present level of activity will be sustained for the foreseeable future.

Principal Risks

The group is exposed to credit risk should members not pay their subscriptions and this is monitored closely. In addition the Company is at risk should an external event require significant unanticipated costs to be incurred on behalf of the industry.

The group also has credit counterparty risk in respect of its cash balances. The Association seeks to achieve an appropriate return whilst minimising the related risk.

Company Status

The Company is limited by guarantee. The members have undertaken that, in the event of a winding up, they will contribute towards payment of the liabilities of the Company a sum up to the amount of their guarantee of £10. The guarantee is set out in the Memorandum of Association. As at 31 December 2010 there were 180 members (2009 – 179).

By virtue of its constitution no dividends are payable by the Company.

Employees

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Group continues and the appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of a disabled person should as far as possible, be identical to that of a person who does not suffer from a disability.

Employee involvement

Consultation with employees is held with the aim of ensuring that views are taken into account when decisions are made that are likely to affect their interests. Communication with all employees continues through day-to-day contact, briefing groups, the distribution of members' circulars, press releases, the annual report and other relevant materials.

Directors

The names of the current directors are listed on page 13.

Directors' Interests

None of the directors held any interests in the Company during the period.

Charitable and Political Donations

During the year the Company made a donation of £10,000 to the Personal Finance Education Group (2009: £10,000). It made no other political or charitable donations.

Policy and Practice on Payment of Creditors

The Group's current policy concerning the payment of creditors is to:

a) settle the terms of payment with those suppliers when agreeing the terms of each transaction;

b) ensure that those suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and

c) pay in accordance with its contractual and other legal obligations.

The payment policy applies to all payments to creditors for revenue and capital supplies of goods and services without exception.

Auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors and accordingly a resolution to propose their re-appointment will be submitted at the next annual general meeting.

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Relevant information is defined as "information needed by the company's auditors in connection with preparing their report".

Each director has taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the director's duty to exercise due care, skill and diligence) that he ought to have taken in his duty as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the company and group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board

Carolyn Smith

Carolyn Smith
Company Secretary
27 April 2011

Corporate Governance Report

The business of the Association is managed by the Board, which consists of fourteen non-executive directors and the Chief Executive. It is chaired by Mr D Ferrans since his appointment as Chairman on 1st January 2010 and meets regularly. Mr R J Yerbury was appointed Deputy Chairman on 1st January 2010. Members are involved in a wide range of committees, which provide advice and direction on policy issues considered by the Association.

Audit Committee

The Audit Committee comprises three non-executive directors and is chaired by Mr W J Smith. The responsibilities of the Audit Committee include the following:

- making recommendations to the Board on the appointment, reappointment and remuneration of the Auditors of the Association;
- reviewing the Annual Report and Accounts of the Association prior to referral to the Board;
- defining and conducting the relationship between the Association and the Auditors including the nature and scope of the audit;
- reviewing the Auditors' representation letter and audit committee report;
- maintaining and reviewing the effectiveness of the internal control systems.

Remuneration Committee

The Remuneration Committee comprises three non-executive directors and is chaired by Mr R J Yerbury. It meets when appropriate and is responsible for determining the terms and conditions, salary and bonus payments of the Chief Executive and certain senior staff.

Nominations Committee

The Nominations committee comprises three non-executive directors and is chaired by Mr D Ferrans following his appointment as Chairman on 1st January 2010. The committee recommends appointments to the Board.

Going Concern

The Board has made appropriate enquiries and has concluded that the expected level of member subscriptions will cover forecast expenses and therefore it is reasonable to assert that the Company will remain in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the Company's financial statements.

Internal Control and Risk Assessment

The Board is ultimately responsible for the Group's system of internal control and for reviewing its effectiveness. The system of internal controls in place is designed to manage and mitigate the risks affecting the business and its operations. The control procedures will not totally eliminate risks and can only provide reasonable (and not absolute) assurance against material misstatement and loss.

Monitoring and Corrective Action

There are clear and consistent procedures in place for monitoring the system of internal controls. The audit committee meets at least once a year and reviews the effectiveness of the Group's system of internal controls. The audit committee receives reports from line management and the external auditors.

Independent Auditors' Report to the Members of Investment Management Association

We have audited the group and parent company financial statements (the "financial statements") of Investment Management Association for the year ended 31 December 2010 which comprise the Group Profit and Loss Account, the Group and Parent Company Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective Responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 15, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2010 and of the group's profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on Other Matter Prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Mark Pugh (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom
27 April 2011

The Annual Report & Accounts are published at www.investmentuk.org, which is a website maintained by the Investment Management Association.

- The maintenance and integrity of the Investment Management Association website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and; accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Consolidated Profit and Loss Account for the year ended 31 December 2010

	Notes	**01/01/10 -31/12/10** **£**	01/01/09 -31/12/09 £
Turnover	3	**6,632,718**	6,441,338
Administration expenses		**(6,541,270)**	(6,467,206)
Operating profit/(loss)	4	**91,448**	(25,868)
Profit/(loss) before interest and taxation		**91,448**	(25,868)
Interest receivable on bank deposits		**38,726**	24,900
Profit/(loss) on ordinary activities before taxation		**130,174**	(968)
Tax charge on profit on ordinary activities	7	**(6,378)**	–
Profit/(loss) on ordinary activities after taxation		**123,796**	(968)
Retained profit/(loss) for the financial period		**123,796**	(968)

All activities of the Group relate to continuing operations.

No statement of total recognised gains and losses or note of historical cost profits and losses have been prepared since all of the information required by them has been included in the profit and loss account and balance sheet.

Balance Sheets
as at 31 December 2010

		Group		Company	
		31/12/10	31/12/09	**31/12/10**	31/12/09
	Note	**£**	£	**£**	£
Fixed assets					
Tangible assets	8	**347,824**	567,752	**347,824**	567,752
Other investments other than loans	9	**135,000**	135,000	**135,000**	135,000
Shares in IMA Services Ltd	9	**–**	–	**100**	100
		482,824	702,752	**482,924**	702,852
Current assets					
Debtors	10	**2,696,956**	2,581,197	**2,683,000**	2,577,431
Cash at bank and in hand	11	**2,945,784**	2,756,726	**2,789,926**	2,656,673
		5,642,740	5,337,923	**5,472,926**	5,234,104
Current liabilities					
Creditors: amounts falling due within one year	12	**(4,526,950)**	(4,565,857)	**(4,728,435)**	(4,853,226)
Net current assets/(liabilities)		**1,115,790**	772,066	**744,491**	380,878
Net assets		**1,598,614**	1,474,818	**1,227,415**	1,083,730
Profit and loss account					
Profit and loss account brought forward		**1,474,818**	1,475,786	**1,083,730**	1,102,722
Retained profit/(loss) for the financial period		**123,796**	(968)	**143,685**	(18,992)
Profit and loss account carried forward		**1,598,614**	1,474,818	**1,227,415**	1,083,730
Accumulated reserves		**1,598,614**	1,474,818	**1,227,415**	1,083,730

The financial statements on pages 19 to 27 were approved by the Board of Directors and were signed on its behalf by:

Richard Saunders
Director
27 April 2011

Consolidated Cashflow Statement for the year ended 31 December 2010

	Notes	01/01/10 -31/12/10 £	01/01/09 -31/12/09 £
Net cash inflow from operating activities	A	**175,575**	130,386
Returns on investments and servicing of finance			
Interest received		**38,726**	24,900
		38,726	24,900
Capital expenditure			
Payments to acquire tangible fixed assets		**(25,243)**	(19,353)
		(25,243)	(19,353)
Net cash inflow		**189,058**	135,933

Note A

Reconciliation of profit before tax to net cash inflow / (outflow) from operating activities

	01/01/10 -31/12/10 £	01/01/09 -31/12/09 £
Profit/(loss) before taxation and interest	**91,448**	(25,868)
(Increase)/decrease in debtors	**(115,759)**	2,523
Decrease in creditors	**(45,285)**	(98,634)
Depreciation	**245,099**	252,092
Loss on disposal of fixed assets	**72**	273
	175,575	130,386

Analysis of changes in cash during the year

	01/01/10 -31/12/10 £	01/01/09 -31/12/09 £
Balance at 1 January	**2,756,726**	2,620,793
Net cash inflow	**189,058**	135,933
Balance at year end	**2,945,784**	2,756,726

Notes to the Consolidated Financial Statements for the period ended 31 December 2010

1 Accounting Policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom.

Basis of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of the Company and its subsidiary undertaking drawn up to each accounting reference date.

The Group financial statements have been prepared in compliance with section 404 of, and Schedule 7 to, the Companies Act 2006 adopting the exemption of omitting the profit and loss account conferred by section 444 of that Act.

Depreciation and lease arrangements

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged to the profit and loss account using the straight line basis as follows:

Fixtures and fittings: 3-5 years

Leasehold improvements: over the life of the lease

Assets held under finance leases: over the life of the lease

Software is written off in the year of acquisition.

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Leasing agreements, which transfer to the Group substantially all the benefits and risks of ownership of an asset, are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit so as to give a constant periodic rate of charge on the remaining balance outstanding at each accounting period.

Taxation

The IMA has entered into an arrangement with HMRC under which it pays Corporation tax on its surplus. The arrangement allows members of the IMA to treat certain payments to the IMA as a trading expense. The subsidiary, IMA Services Limited, is exempt from Corporation Tax on all transactions with Members of IMA. Corporation tax is charged on its other activities.

Irrecoverable VAT incurred on expenses has been included in the relevant expense category.

Deferred taxation

Deferred taxation is provided at current rates using the liability method on all timing differences to the extent that it is probable that a liability or asset will arise.

Pensions

Pension costs are charged to the profit and loss account as incurred.

2 Segmental Reporting

The Company's and Group's activities consist solely of the provision of member services in the United Kingdom.

3 Turnover

Annual subscriptions receivable from Members are accounted for under the accruals method of accounting. The amount of subscriptions receivable from Members under the terms of the Constitution of the Company is calculated to meet the budgeted expenses net of any other estimated receipts for the period.

	01/01/10 -31/12/10	01/01/09 -31/12/09
	£	£
Full Members	**5,201,121**	5,038,039
Affiliate Members	**533,000**	507,500
	5,734,121	5,545,539
Management fee income	**572,455**	608,333
Other income	**326,142**	287,466
Turnover	**6,632,718**	6,441,338

4 Operating Profit/(Loss)

Operating Profit/(Loss) is stated after charging:

	01/01/10 -31/12/10	01/01/09 -31/12/09
	£	£
Wages and salaries	**3,357,119**	3,209,966
Social security costs	**396,140**	378,776
Other pension costs	**608,127**	564,788
Staff costs	**4,361,386**	4,153,530
Depreciation of tangible fixed assets	**245,099**	252,092
Loss on disposal of fixed assets	**72**	273
Operating lease charges	**245,789**	245,321
Auditors' remuneration		
– audit services	**14,760**	14,100
– other services including taxation and payroll	**14,103**	12,228

The average number of persons employed by the Company during the period was 43 (2009: 41).

5 Profits of the Holding Company

Of the profit for the financial year, a profit of £143,685 (2009 loss £18,992) relates to the company, Investment Management Association. The directors have taken advantage of the exemption available under section 444 of the Companies Act 2006 and not presented a profit and loss account for the company alone.

6 Directors' Emoluments

The non-executive directors received no emoluments in the year (2009: £nil).

Total emoluments in respect of the executive director amounted to £377,231 (2009: £362,136).

7 Taxation

a) Tax on profit on ordinary activities comprised:

	01/01/10 -31/12/10	01/01/09 -31/12/09
	£	£
Current tax:		
UK corporation tax on profits for the year	**6,378**	–
Adjustments in respect of previous periods	**–**	–
Tax charge on profit on ordinary activities (Note b)	**6,378**	–

b) Factors affecting the tax charge for the year

The current tax charge for the period is lower than the standard rate of corporation tax in the UK 21% (2009: 21%) applied to the profit on ordinary activities before tax.
The differences are explained below:

	01/01/10 -31/12/10	01/01/09 -31/12/09
	£	£
(Loss)/profit on ordinary activities before tax	**130,714**	(968)
Profit on ordinary activities multiplied by standard rate (21%) (2009: 20.75%)	**27,337**	(203)
Effects of:-		
Non tax expenditure (arising from mutual trading activities)	**77,284**	76,869
Depreciation in excess of capital allowances	**33,098**	40,029
Non-taxable income (arising from mutual trading activities)	**(134,569)**	(132,774)
Non-deductible expenditure	**3,228**	2,519
Movement in tax losses	**–**	13,560
Current tax charge for the period	**6,378**	–

c) Factors that may affect future tax charges

A deferred tax asset of £26,663, based on the rate of corporation tax of 21%, has not been recognised in respect of a timing difference arising on accelerated capital allowances and taxation losses (2009: deferred tax asset £16,145; 21%).

8 Fixed Assets

Group & Company

	Leasehold improvements	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
1 January 2010	1,055,930	382,225	1,438,155
Additions	–	25,243	25,243
Disposals/write offs	–	(82,850)	(82,850)
31 December 2010	1,055,930	324,618	1,380,548
Depreciation			
1 January 2010	585,217	285,186	870,403
Charge for period	186,341	58,758	245,099
Disposals/write offs	–	(82,778)	(82,778)
31 December 2010	771,558	261,166	1,032,724
Net book value			
31 December 2010	**284,372**	**63,452**	**347,824**
31 December 2009	470,713	97,039	567,752

9 Investments

	Group		Company	
	31/12/10	31/12/09	**31/12/10**	31/12/09
	£	£	**£**	£
Investments	**135,000**	135,000	**135,100**	135,100

The Company holds 100% of the issued share capital of IMA Services Ltd, a Company incorporated in England, which has been consolidated in these financial statements. The activities of IMA Services Ltd are the running of events for the Members of the Investment Management Association and the provision of management services to other trade associations.

The Company and Group also hold an investment in a guaranteed capital account to the value of £135,000.

10 Debtors – amounts falling due within one year

	Group		Company	
	31/12/10	31/12/09	**31/12/10**	31/12/09
	£	£	**£**	£
Trade debtors – current year	**7,932**	3,977	**–**	211
Trade debtors – future subscriptions	**2,438,140**	2,377,146	**2,438,140**	2,377,146
Sundry debtors	**27,995**	22,922	**27,971**	22,922
Prepayments and accrued income	**222,889**	177,152	**216,889**	177,152
	2,696,956	2,581,197	**2,683,000**	2,577,431

Future subscriptions as at 31 December 2010 comprise 2011 year subscriptions which were invoiced during December 2010 (2009: 2010 year subscriptions invoiced in December 2009)

11 Cash at Bank and in Hand

	Group		Company	
	31/12/10	31/12/09	**31/12/10**	31/12/09
	£	£	**£**	£
Bank accounts	**1,945,721**	1,756,473	**1,789,863**	1,656,420
Term deposits	**1,000,000**	1,000,000	**1,000,000**	1,000,000
Cash	**63**	253	**63**	253
	2,945,784	2,756,726	**2,789,926**	2,656,673

12 Creditors – amounts falling due within one year

	Group		Company	
	31/12/10	31/12/09	**31/12/10**	31/12/09
	£	£	**£**	£
Trade creditors	**108,244**	123,875	**96,696**	120,774
Corporation tax	**6,378**	–	**–**	–
Other taxation and social security payable	**336,999**	289,678	**315,439**	289,678
Pension creditor	**45,646**	42,760	**45,646**	42,760
Amounts payable to IMA Services Limited	**–**	–	**267,334**	299,724
Accruals and other creditors	**116,273**	145,603	**89,910**	136,349
Future subscriptions	**3,723,410**	3,673,941	**3,723,410**	3,673,941
Deferred Income	**190,000**	290,000	**190,000**	290,000
	4,526,950	4,565,857	**4,728,435**	4,853,226

13 Pensions

Pensions are provided through defined contribution schemes and pension costs are charged as incurred. The amount due as at 31 December 2010 was £45,646 (2009: £42,760). Pension costs are shown in Note 4.

14 Financial Commitments

At 31 December 2010 the Group had annual commitments under non-cancellable operating leases as follows:

	31/12/10 Land and Buildings	31/12/09 Land and Buildings
	£	£
Expiring within 1 year	**–**	–
Expiring between 2 and 5 years	**–**	–
Expiring thereafter	**223,410**	223,410

15 Share Capital

The company has no share capital since the Company is limited by guarantee. The members have undertaken that, in the event of a winding up, they will contribute toward payment of the liabilities of the Company a sum up to the amount of their guarantee of £10.

Full Members as at 31 December 2010

Aberdeen Asset Management Plc
Aberdeen Unit Trust Managers Limited
Aberforth Partners LLP
AEGON Asset Management UK Ltd
Aerion Fund Management Ltd
Alliance Trust Asset Management Ltd
AllianceBernstein Limited
Allianz Global Investors
Architas Multi-Manager Ltd
Artemis Fund Managers Ltd
Artisan Partners UK LLP
Ashmore Investment Management Ltd
Aviva Investors
Aviva Investors UK Fund Services Limited
AXA Investment Managers
AXA Rosenberg Investment Management Limited

BAE SYSTEMS Pension Funds Investment Management Ltd
Baillie Gifford & Co Ltd
Barclays Capital Fund Solutions
Barclays Wealth Management
Baring Asset Management Ltd
Baring Fund Managers Limited
BDO Investment Management
Belgrave Capital Management Ltd
BlackRock Investment Management (UK) Ltd
BNP Paribas Investment Partners UK
BNY Mellon Asset Management International Limited
BP Investment Management Ltd
British Airways Pension Investment Management Ltd
Brooks Macdonald Asset Management
Brown Shipley LLP

Calamos International
Canada Life Asset Management Limited
Capita Financial Managers Ltd
Capital International Ltd
Cavendish Asset Management Ltd
Cazenove Capital Management
CCLA Investment Management Ltd
CIS Unit Managers Ltd
City of London
Clerical Medical Investment Fund Managers Ltd
Close Asset Management (UK) Ltd
Consistent Unit Trust Management Company Ltd

Deutsche Bank Private Wealth Management
Dimensional Fund Advisors Ltd
Discretionary Unit Fund Managers Ltd

Ecclesiastical Insurance Group
Edinburgh Partners
Edinburgh Portfolio Limited
Edinburgh Unit Trust Managers Ltd
Engage Mutual Funds Limited

F & C Asset Management Ltd
Family Investment Management Ltd
FF&P Unit Trust Management Ltd
FIL Investment Management Limited
FIL Investment Services (UK) Limited
FIL Investments International
FIL Pensions Management
First State Investments (UK) Ltd
Fischer Francis Trees & Watts
Franklin Templeton Investment Management Ltd

GAM
Gartmore Investment Management Limited
Generation Investment Management
Genesis Investment Management Ltd
GLG Partners Investment Funds Limited
Goldman Sachs Asset Management International

HBOS Investment Fund Managers Limited
Henderson Global Investors
Hermes Pensions Management Ltd
Hermes Real Estate
HSBC Global Asset Management (UK) Ltd
HSBC Investment Funds

IFDS Managers Ltd
Ignis Asset Management
Ignis Fund Managers Limited
Insight Investment Fund Management Ltd
Insight Investment Management Ltd
Invesco Perpetual
Investec Asset Management Ltd
Investec Fund Managers Ltd
Investment Fund Services Limited
Invista Real Estate Investment Management

J O Hambro Capital Management Limited
Janus International Ltd
Jessop Fund Managers Ltd
JP Morgan Asset Management
Jupiter Asset Management Ltd
Jupiter Unit Trust Managers Limited

Kotak Mahindra UK Ltd

Lazard Asset Management Ltd
Lazard Fund Managers Limited
Legal & General Investment Management Ltd
Legal & General Retail Investments
Legg Mason Investment Funds Limited
Liontrust Investment Funds Ltd
Liverpool Victoria Asset Management Ltd
Liverpool Victoria Portfolio Managers Limited

M & G Securities Ltd
Majedie Asset Management Ltd
MAM Funds Plc
Manek Investment Management Ltd
Margetts Fund Management Limited
Marks & Spencer Unit Trust Management Ltd
Marlborough Fund Managers Ltd
Martin Currie Unit Trusts Ltd
Merrill Lynch Portfolio Managers Limited
MFS International (UK) Ltd
Mondrian Investment Partners Limited
Morgan Stanley Investment Management Ltd

Neptune Investment Management Ltd
Newton Investment Management Ltd
NFU Mutual Insurance Society Ltd
Nikko Asset Management Europe Limited
Nomura Asset Management U.K. Limited
Northern Trust Global Investments Limited

Octopus Investments Ltd
Odey Asset Management LLP
Old Mutual Fund Managers Ltd
Orbis Portfolio Management (Europe) Ltd
Origin Asset Management LLP

Pall Mall Investment Management Ltd
Pension Services Ltd
Pictet Asset Management UK Ltd
Pioneer Alternative Investments Management Ltd
Polar Capital LLP
Police Mutual Investment Services Ltd
Premier Portfolio Managers Ltd
Principal Global Investors (Europe) Ltd
Prudential Unit Trusts Ltd
Psigma Unit Trust Managers Limited
P-Solve Investments Limited
Putnam Investments
Pyrford International Plc

Railpen Investments
Rathbone Unit Trust Management Ltd
RCM (UK) Ltd
Record Currency Management Limited
Reed Elsevier Pension Investment Management Ltd
Rensburg Fund Management Ltd
Rothschild Private Fund Management Ltd
Royal Bank of Scotland Global Banking & Markets
Royal Liver Asset Managers Limited
Royal London Asset Management Ltd
Royal London Unit Trust Managers Limited
Russell Investments Ltd

Sand Aire Plc
Santander Asset Management
Sarasin & Partners LLP
Schroder Investment Management Ltd
Schroder Unit Trusts Limited
Scottish Friendly Asset Managers Ltd
Scottish Widows Investment Partnership
Scottish Widows Unit Trust Managers
Sharefunds Limited
Skandia Investment Management
SLFC Assurance Company (UK) Limited
SMARTfund Administration Ltd
Smith & Williamson Investment Management Ltd
Solo Capital Limited
St James's Place Unit Trust Group Ltd
Standard Life Investments Ltd
State Street Global Advisors UK Ltd
SVM Asset Management Ltd
SWIP Fund Management Ltd

T Rowe Price Global Investment Services Ltd
T. Bailey Asset Management Limited
Threadneedle Asset Management Ltd
Threadneedle Investment Services Limited
Troy Asset Management

UBS Global Asset Management Funds Ltd
Universities Superannuation Scheme Ltd

Vanguard Investments UK Ltd
Veritas Asset Management (UK) Ltd
Virgin Money Management Services Ltd

Walter Scott & Partners Limited
WAY Fund Managers Ltd
Wellington Management International Limited
Wesleyan Unit Trust Managers Ltd
Williams de Broe

Affiliate Members as at 31 December 2010

3d Investments Limited

Allen & Overy
Amundi London Branch

Barry Wingrove
BDO
Berwin Leighton Paisner LLP
BNP Paribas Securities Services UK Ltd
BNY Mellon Asset Servicing
BNY Mellon Trust & Depositary (UK) Ltd
Bravura Solutions
Burges Salmon LLP

Cadogan Education
Catherine Cooper & Associates Ltd
Cauldron Consulting
Citibank International Plc
Citibank N.A. London Branch
Clifford Chance Limited Liability Partnership
CMS Cameron McKenna
Cofunds Limited

Dechert LLP
Deloitte LLP
Dundas & Wilson

EMX Company Ltd
Ernst & Young
European Fund and Asset Management Association (EFAMA)
Eversheds

Farrer & Co
Field Fisher Waterhouse LLP
Financial Express
Freshfields Bruckhaus Deringer
FundQuest UK Limited

Grant Thornton

Herbert Smith
Hogan Lovells International LLP
HSBC Bank plc Trustee & Depositary Services
HSBC Institutional Fund Services

IMS Consulting Ltd
International Financial Data Services (UK) Limited

JP Morgan Europe Worldwide Securities Services Limited
JP Morgan Trustee and Depositary Company Limited (MTDL)

Kinetic Partners
KPMG

Linklaters LLP
Lipper Limited
Lynne Hill Consulting

Macfarlanes
Mark Seaman Consultants Ltd
Morningstar UK Ltd

Navigant Consulting
Northern Trust International Fund Administration Services (UK) Ltd
Norton Rose LLP
NRS Regulatory Services Ltd

ODIN Fonder

Pinsent Masons LLP
PricewaterhouseCoopers
PricewaterhouseCoopers Legal LLP

RBC Dexia Investor Services Trust
Royal Bank of Scotland plc

Sapient
S J Berwin & Co
Shipleys LLP
Simmons & Simmons
Skagen AS
SNR Denton
Speechly Bircham LLP
Standard & Poor's
State Street Bank & Trust Company
State Street Trustees Limited
Stephenson Harwood

Technical Fund Marketing Ltd
Thomas Eggar
Throgmorton UK Limited
TISA
Travers Smith

IMA Events 2010

EVENT	DATE	ATTENDEES
EFAMA Investor Education Working Group	5 February	20
FATCA meeting	12 July	25
Fund Accounting Seminar	23 April	54
Fund Accounting Seminar (in Edinburgh)	5 July	70
Heads of Legal Forum	2 March	30
	5 July	30
ICAAP Meeting	26 March	60
	30 April	20
KII member meeting	3 September	49
	6 September	50
KII member meeting (in Edinburgh)	10 September	21
Law Firms Forum	3 March	20
	5 October	17
RDR Rebate Senior Managers meeting	16 July	42
PAIFs meeting (with AREF)	29 July	21
Remuneration Seminar	8 September	72
DISCUSSION GROUPS		
Financial Crime Discussion Group	2 February	65
	5 October	51
Compliance Discussion Group	21 January	21
	22 April	31
	15 July	23
	21 October	
Derivatives Discussion Group	22 January	24
Tax Discussion Group	27 January	22
Technical Discussion Group	23 March	37
	22 June	31
	19 October	28
TRAINING & EDUCATION EVENTS		
Members Training Courses		
2 day Introductory Course – Retail	17/18 March	20
	29/30 June	20
	21/22 September	20
	1/2 December	20
2 day Introductory Course – Institutional	20/21 April	20
1 day Managing Risk Course	19 May	20
	25 November	20
Members Good Practice Workshops		
Preparing for and Managing an ARROW visit	19 March	25
ICAAP	30 April	20
Valuation and Pricing	24 June	28
	12 November	32
Governance within Investment Management firms	6 October	22
	26 October	25
Members Seminars		
Managing an ARROW visit/FSA Statutory Investigations	19 November	63
The Role of Asset Managers in the UK Pensions Market	3 December	40
FSA BUSINESS AWARENESS SEMINARS		
Fund Design and Disclosure	23 April	120
The International Dimension for UK Asset Management	2 July	104
The Changing Role of Platforms in the Investment Funds Sectors	21 October	85
How has the Financial Crisis affected Retail Funds?	14 December	75
ROUNDTABLE DISCUSSION FOR MEMBERS		
T&C Good Practice	11 March	11
HR Roundtable – regulatory agenda for HR managers	14 April	9
CPD and changes arising from the RDR	16 November	17
INVESTMENT MANAGERS TRAINING FORUMS		
	3 March	10
	24 November	11

External Committees of which IMA staff are members

	MEMBER
GOVERNMENT AND STATUTORY	
Banking Liaison Panel	Guy Sears
HMT industry short selling Stakeholder Group	Adrian Hood
DWP Deregulatory Review Advisory Group	Liz Rae
Investment Governance Group	Victoria Nye
DCLG Investment Regulation Review Group	Liz Rae
FSA	
At any time IMA staff are members of a number of FSA industry consultative groups	
OTHER	
FSCS Consumer Awareness & Understanding Project	Mona Patel/Susan Wright
Four ICEAW Committees	Mark Sherwin, Susan Wright, Liz Murrall, David Broadway
BSI/IST12-4 UK Securities Standards Committee	David Broadway
Stock Lending and Repo Committee	Liz Murrall / Guy Sears
APB CASS Sub-committee	Susan Wright
UK INDUSTRY GROUPS	
UK Investment Performance Committee	Liz Rae
IRSG	Guy Sears
• OTC derivatives	Jane Lowe
• Clearing & Settlement	Jane Lowe
• Retail Working Group	Julie Patterson
• MiFID	Guy Sears
Occupational Pension Schemes Joint Working Group	Liz Rae
Personal Finance Education Group – Trustee/Board, Nominations Committee and Chair of Remuneration Committee	Victoria Nye
Joint Money Laundering Steering Group	Guy Sears
Joint Money Laundering Editorial Panel	David Broadway
Various groups dealing with operational issues	David Broadway
Shareholder Voting Working Group	Liz Murrall
Corporate Governance Forum	Liz Murrall
Corporate Governance Circle Steering Group	Liz Murrall
CBI Companies Committee	Liz Murrall
CBI Financial Reporting Committee	Liz Murrall
EFAMA	
Board of Directors	Julie Patterson
Management Committee	Richard Saunders
Various IMA staff are members of EFAMA's working groups covering areas as diverse as fund regulation, firm level regulation, fund accounting, fund processing, statistics, double tax treaties, VAT, markets regulation, corporate governance, statistics, ETFs.	
IIFA	
Board Member and Chair of Governance Committee	Richard Saunders
IIFA IOSCO Working Group	Julie Patterson
IIFA Fund Accounting Working Group	Mark Sherwin
IIFA Statistics Working Group	Chris Bryant
OTHER EUROPEAN AND INTERNATIONAL GROUPS	
IFRS Advisory Council	Liz Murrall
Co-chair of the International Corporate Governance Networks Accounting and Auditing Committee	Liz Murrall
EU Expert Group on Financial Education	Victoria Nye
European Funds Classification Forum	Nicola Kembey
Financial Action Task Force Consultative Forum [representing International Investment Funds Association]	David Broadway
International Organisation for Standardisation – ISO 20022 Securities Standards	David Broadway
International Organisation for Standardisation TC68/SG1 – identifiers	David Broadway
Evaluation Group	David Broadway
Securities Market Practice Group – Co-chair of the Investment Funds Working Group	David Broadway

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