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PRESIDENT'S FOREWORD

What a time of change we are living in now. We're seeing huge shocks to the system, Brexit, incredible technological advances like artificial intelligence, automation and big data analytics. The escalating influence of China and trade wars with the USA. Climate change, and with it the demands from activists that an evolutionary approach just isn't good enough.



With such demands, taking time out to get our sector in order is not an option. These are stressful times. Central for my year as President has been the issue of mental health and wellbeing, which affects all aspects of construction.

Amid that, construction is trying to change. We are witnessing the growth of Industry 4.0 careers in construction and trying to incorporate BIM (Building Information Modelling) across the value chain. To recruit a new generation of workers to replace the retiring baby boomers. To weed out the cowboy builders and improve consistency and quality. To manage huge project risks in a low-margin market. And we need to do all of that while meeting society's needs for more and better infrastructure and housing.

With such demands, taking time out to get our sector in order is not an option. These are stressful times. Central for my year as President has been the issue of mental health and wellbeing, which affects all aspects of construction.

Mental health is a "golden thread" which runs right through the industry, affecting decision-making from the boardroom through to site, and in turn impacting on skills, quality, health and safety, sustainability and profitability. Construction, unlike other industries, seemingly doesn't appreciate that mental health equals wealth. When you are well, you make better decisions and make more money.

Worker wellbeing and the quality of their output has been a key CIOB policy issue since 2016 and is likely to remain so for the foreseeable future. It is right that the Institute spotlights poor workmanship due to workers being stressed. Over the last twelve months, organisations such as Mates in Mind, Anxiety UK, MIND and others have worked with us to raise awareness and to provide knowledge and support for members.

During Mental Health Awareness week in 2020 we will publish the findings from our own research into mental health and wellbeing, which more than 2,000 construction professionals took part in. This research will help us develop recommendations for both the construction sector and government in order to address poor mental health within the workplace.

As a professional institution, we are guardians of quality and an ethical way of working. We are the conscience of the industry. That's something to be proud of and each member can join in and foster that sense of pride in the profession.

A handwritten signature in black ink that reads "Emmanuel Charles Egbu". The signature is written in a cursive, flowing style.

Professor Charles Egbu FCIQB
President of the CIOB 2019/20

CHIEF EXECUTIVE'S REPORT

Professor Egbu provides a snapshot of current industry issues in his foreword. My first impressions of the Institute were what an amazing organisation; the values our members uphold, the rigour of the professional membership process, the commitment of office bearers, Trustees and members across the globe. I was proud to inherit an Institute already driving positive change in the industry, with several important campaigns in progress.



Our work on this continues as there is still much to do to get quality embedded at every level of the construction process.

As Professor Egbu said, mental health is an important issue in our industry. I was therefore pleased to announce, in January 2020, the launch of a new service via our Benevolent Fund. The CIOB Benevolent Fund has joined forces with Anxiety UK to deliver specialised support for CIOB members and their families who live with anxiety and stress.

Our wider work around mental health in the last twelve months has started to deliver other outputs – our report based on last year's survey is the foundation on which we are building support among policymakers and parliamentarians in understanding the mental health needs in construction.

Last year also saw publication of our new Corporate Plan, focusing on the challenging task of acting as a “moral compass” for the industry. This plan, covering 2020 to 2023, details how we want to improve the quality of life for creators and users of the built environment, to drive up professional standards and influence industry-related policy decisions.

A key influencing task has been around quality in construction. We released the first iteration of our Quality Code and took the improving build quality agenda (including implementation of the Hackitt Review and formation of a New Homes Ombudsman) to the main party conferences. Our work on this continues as there is still much to do to get quality embedded at every level of the construction process.

I would like to thank all our members who have supported us with our campaigns and activities, our Trustees and President, my CIOB colleagues and the wider CIOB community, many of whom have kindly shared their knowledge and experience with me. Knowing that we have engaged and committed members to help deliver our ambitious plans, as we try to deliver for the industry, makes me confident that we can improve the industry in which we work.

A handwritten signature in black ink, appearing to read 'Caroline Gumble'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Caroline Gumble
Chief Executive of the CIOB

REPORT OF THE TRUSTEES

The Trustees are pleased to present their report together with the financial statements of The Chartered Institute of Building (the Institute) for the year ended 31 December 2019.

This report and the financial statements comply with the relevant statutory requirements and those of the Royal Charter and Bye-Laws.

KEY MANAGEMENT PERSONNEL

9 July 2018 – 24 June 2019

OFFICERS:

| | |
|-------------------------------|---|
| President: | Chris Soffe FCIOB |
| Senior Vice President: | Charles Egbu FCIOB |
| Vice President: | Mark Beard FCIOB |
| Vice President: | Vacant |
| Chief Executive: | Chris Blythe OBE (until 12 May 2019) |

ELECTED TRUSTEES:

| | |
|-------------------------|---------|
| Ian Brant FCIOB | (2021) |
| Virginia Borkoski FCIOB | (2020) |
| Ray Ford FCIOB | (2020)* |
| Christine Gausden FCIOB | (2021)* |
| Ivan McCarthy FCIOB | (2019) |
| Richard Sapcote FCIOB | (2019) |
| Michael Smith FCIOB | (2020)* |
| James Tucker FCIOB | (2021) |

SELECTED TRUSTEES:

| | |
|----------------------|--------|
| Tim Barrett FCIOB | (2019) |
| Peter Dawber FCIOB | (2021) |
| Stephen Nitman FCIOB | (2020) |
| David Philp FCIOB | (2020) |

24 June 2019 – June 2020

OFFICERS:

| | |
|-------------------------------|---|
| President: | Charles Egbu FCIOB |
| Senior Vice President: | Mark Beard FCIOB |
| Vice President: | Mike Foy OBE FCIOB |
| Vice President: | Vacant |
| Chief Executive: | Caroline Gumble (from 7 August 2019) |

ELECTED TRUSTEES:

| | |
|-------------------------|---------|
| Ian Brant FCIOB | (2021) |
| Virginia Borkoski FCIOB | (2020) |
| Ray Ford FCIOB | (2020)* |
| Christine Gausden FCIOB | (2021)* |
| Noreen Hollywood FCIOB | (2022) |
| Ivan McCarthy FCIOB | (2022)* |
| Michael Smith FCIOB | (2020)* |
| James Tucker FCIOB | (2021) |

SELECTED TRUSTEES:

| | |
|----------------------|---------|
| Tim Barrett FCIOB | (2022)* |
| Peter Dawber FCIOB | (2021) |
| Stephen Nitman FCIOB | (2020) |
| David Philp FCIOB | (2020) |

Co-opted: Chris Soffe FCIOB

End of tenure noted in brackets. * - indicates second term.

Biographies of current Trustees can be found at www.ciob.org/trustees.

The day to day management of the Institute is the responsibility of the Chief Executive supported by a Management Board of functional directors and staff. The Chief Executive is responsible to the Trustees for overseeing all operations of the Institute.

MANAGEMENT BOARD FOR 2019

| | | | |
|--|--------------------------------------|--|-----------------|
| Chief Executive: | Chris Blythe OBE (until 12 May 2019) | Associate Directors: | |
| Chief Executive: | Caroline Gumble (from 7 August 2019) | Education and Standards | Rosalind Thorpe |
| Director of Corporate Services: | Ray Ellison | Governance /Institute Secretary | Samantha Teague |
| Director of Operations: | Amy Gough | Marketing and Digital | Kate Macbeth |
| Director of Policy: | Eddie Tuttle | | |
| Finance Director: | Joanna Quirk | | |

Biographies of current Directors & Associate Directors can be found at www.ciob.org/staff.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Institute is governed by Royal Charter (granted in 1980) and Bye Laws and registered as a charity in England and Wales (number 280795), and in Scotland (SCO41725).

We are managed by a Board of Trustees, which meets four times a year and is informed by various governance committees. The Trustees and members of the Institute’s Boards and Committees give their time voluntarily and make a substantial contribution to the affairs of the Institute.

The main Governance Committees are Nominations, Audit and Risk, Resources and Remuneration. These Committees are formed of Trustees, with co-opted members to the Committees as required. In addition, we have a Members’ Forum which is used as a consultative body to the Board of Trustees. The Forum is chaired by the President of the Institute.

Further information on our governance structure can be found at www.ciob.org/about/governance.

THE CHAIRS OF COMMITTEES FROM 2018 UNTIL 2020 ARE:

| | 2018 – 2019 | 2019 – 2020 |
|------------------------|--------------------|--------------------|
| Nominations: | Mike Smith FCIOB | Mike Smith FCIOB |
| Audit and Risk: | Steve Nitman FCIOB | Steve Nitman FCIOB |
| Remuneration: | Tim Barrett FCIOB | Tim Barrett FCIOB |
| Resources: | Charles Egbu FCIOB | Mark Beard FCIOB |

APPOINTMENT OF TRUSTEES

Our Board of Trustees (‘Board’) is made up of 16 Corporate Members (MCIOB or FCIOB). The Board can co-opt up to two members under Bye-Law 67. There was 1 co-option to the Board for the Institute year 2019/20.

The role of the Nominations Committee is to keep under review the composition of the Board of Trustees with specific reference to the competence, knowledge and integrity of the Board in the light of any defined needs. The Committee identifies potential new trustees for consideration by the full Board of Trustees, and has oversight of the process for election and selection of new trustees, together with the annual evaluation of the Board.

The Board comprises eight persons elected by Chartered members. In addition, four persons are selected to the Board, by the Board. Four officers are then appointed by the Board.

Any Member or Fellow of the Institute can apply for a position of Trustee. The Nominations Committee assesses applications through a two-stage process; a written application and a telephone interview. Following this, the Committee can call for a ballot of corporate membership to elect a number of Trustees to the Board. There were three elected positions in 2018 and two elected positions in 2019.

After the election, the committee reviews the skills of the Board and selects members from a pool of successful applicants to fill any missing competencies or skills. In 2018 one person was selected and one person was selected in 2019.

A Trustee tenure is 3 years; however, they are eligible to reapply for a second term.

TRUSTEE INDUCTION AND TRAINING

Each member of the Board undertakes induction training, consisting of a comprehensive briefing by the Chief Executive and Institute Secretary with emphasis placed on the legal status and the responsibility of a Trustee. In addition, all new Trustees have a thorough introduction with directors and key staff.

An induction pack is provided to each Trustee containing the Institute’s Royal Charter and Bye-Laws, Regulations and reference documents relating to the role of Trustees from the Charity Commission. This is updated as required throughout the year and updates are provided to the Trustees.

RELATED PARTIES

The Institute has two wholly owned trading subsidiaries; details of which are shown in notes 6 and 7 to these financial statements.

Englemere Building Consultancy Services (Chongqing) Co Limited is registered in the Peoples' Republic of China and provides the Institute's services for members in China.

Englemere Limited manages the CIOB Academy, conferences and other events on behalf of the Institute and provides certain services to members. The profits of Englemere Limited are transferred by gift aid to the Institute.

EXECUTIVE REMUNERATION AND PAY POLICY

The Institute is obliged to set down the arrangements which it has adopted for setting the pay and remuneration of the charity's Key Management Personnel. This is to include any benchmarks, parameters or criteria used in setting pay.

In order to undertake these duties effectively and independently, the Institute has convened a Remuneration Committee ("Remco"), which meets three times a year to consider and determine on matters related to setting of pay policy. It comprises Trustees and the Chief Executive of the Institute.

The purpose of Remco is to annually approve the following year's salary levels and Executive Bonus Scheme targets for the Management Board pursuant to the recommendations submitted to Remco by the CEO. The committee members also have the duty to set the level of salary and Executive Bonus Scheme for the CEO.

The Remco continually seeks to ensure that the pay policy follows the principles of fairness and good practice. They benchmark remuneration against the comparable market using independent advisors.

RISK MANAGEMENT

The Trustees delegate day to day oversight and management of risk to the Institute's key management personnel.

Risks are mitigated in the following manner. A risk register is produced identifying the principal risks to the achievement of the Institute's plans and objectives as set out in the Corporate Plan. Regular monitoring of performance and risk management takes place through several mechanisms, with the oversight of the Audit and Risk Committee.

In addition, the risk register is used to draw up our Internal Audit programme which our Internal Auditors Crowe LLP carry out. The Internal Audit plan is agreed by the Audit and Risk Committee on behalf of the Trustees.

After due consideration, the Trustees summarise and describe here the main risks and uncertainties which faced the Institute and its subsidiary operations in 2019, together with the approach to management and mitigation:

- Following on from the Grenfell disaster in 2017, there is the likelihood of major changes in the curriculum and practical experience required to demonstrate competency especially regarding the design, construction and operation of high-risk residential buildings. The Institute is part of the working groups on competency. The Institute believes that the competency matters should embrace all structures and is planning with that in mind and in line with the legislative programme Government will bring forward in 2020.
- The impact of Brexit on UK economy and infrastructure. There are risks to the Institute due to potential lack of confidence to invest in membership, training and events. In addition, Members may have less time to dedicate to the Institute due to work pressure. The impact is being monitored regularly by the Governance Boards and Committees.

- Operating in different territories brings its own challenges. These range from political risks to economic risks. To mitigate the risks, we continually review our operations ensuring that our structures are appropriate, taking appropriate legal advice and to avoid currency issues, invoice in sterling wherever possible.
- The Corporate Plan for 2020-2023 is an ambitious strategy which will involve significant change for the Institute. The Institute needs to have finances and resources aligned to deliver the goals and objectives of the plan. A dedicated Corporate Plan Steering Group will monitor implementation of the plan and performance against objectives. Balanced scorecard reporting has been developed to report progress to Governance Boards and Committees in order to manage and monitor the strategic programme of work.
- The impact of COVID-19 Coronavirus is an evolving risk on the operations of the Institute and the industry. Business continuity plans have been implemented and there is continual monitoring of the outbreak and adjusting actions taking place. Scenario planning is continually being evolved to enable management of the strategy and to enable mitigating actions where required. Communication strategy is in place to ensure Members are updated and supported.

The above are examples of a proactive approach to risk management required to deliver our objectives. We will continue to use the risk register process, which forces a systematic appraisal of risk.

2019 OBJECTIVES

2019 OBJECTIVE > EXCELLENCE

We have been at the heart of management education in construction for decades, creating a talented, diverse and global community of professionals.

One of the highlights in 2019 was the independent benchmarking of the fellowship assessment at Level 7, making it comparable to a British Master’s Degree. During the year we welcomed 45 new Fellows into the grade and our new fellowship process has seen an increase in the diversity of applications and a significant reduction in the average age.



BENCHMARKING FELLOWSHIP ASSESSMENT

Independent benchmarking of the fellowship assessment at Level 7, making it comparable to a British Master’s Degree

Providing opportunity for anyone who wants to pursue a management career in construction is a central tenet of our work. We have supported the development and approval of several new construction apprenticeships in England and Wales. This includes degree apprenticeships in Building Control Surveying, Design and Construction Management and Construction Site Management. In the heritage sector, which itself is suffering from a skills shortage, we are working with organisations to support apprenticeships in building conservation from entry level to master’s degree level. These apprenticeships will provide access to our respected certification scheme in building conservation which we launched in 2017.

Within the year we have played a key role in the Industry Response Group to the Hackitt Review (the Independent Review of Building Regulations and Fire Safety announced by UK Government following the Grenfell Tower tragedy in London). Our Trustees chaired two important working groups that were tasked with developing competences for Construction Supervisors and Project Managers working on Higher Risk Residential Buildings. We also took part on the working group for procurement and for building control. The industry will run a pilot in 2020 facilitated by the Considerate Constructors Scheme. Working alongside housing associations and learning providers we are developing modules in fire safety and building safety management. These modules form a diploma in Building Safety Management which will also launch in 2020.

For the last couple of years, we have worked closely with Local Authority Building Control to develop a suite of qualifications in building control from entry level right up to degree level. In 2019, Caroline Gumble attended the LABC Presidential Reception to award our first cohort of learners from the building control diplomas. The graduates spoke of their pride in successfully completing a rigorous qualification that develops their skills and expertise in the important discipline of building control. Learners can now complete a top-up degree apprenticeship which CIOB helped to develop and which sees the revival of the degree in building control.



RECORD UNIVERSITY VISITS

Our accreditation panel carried out a record number of university visits in 2019

A key part of the CIOB’s remit is to set and maintain education standards. Our accreditation panel carried out a record number of university visits in 2019 and accredited degree courses in Australia, Hong Kong, Malaysia, Republic of Ireland and the UK providing routes into Chartered Membership for graduates across the world. In 2019, we launched our new master’s degree framework which sets the standards for post graduate awards in construction and underpins the accreditation process. The new framework has a stronger focus on innovation in construction, sustainability and modern methods of construction.

2019 OBJECTIVE > GROWTH

We have seen a slight decline in membership which now stands at 43,965. Within the year we attracted 2,705 new members (Applicants, Fellows, Members and Paying Students).



3% INCREASE IN CHARTERED MEMBERSHIP

3% increase in Chartered Membership which is 0.7% higher than 2018

Compared to the previous period we experienced a 7% growth in Applicants (2,109) and a 3% increase in Chartered Membership which is 0.7% higher than 2018. We are also exceeding our target to help members upgrade to Chartered Membership, and by the end of the year we were 8% ahead with more than 1400 in total.

That growth is in part a result of the changes we have made internally to our customer services team. Those improvements have enabled us to respond more quickly to queries and to be more proactive in helping members get the most from their relationship with us.

We continue to work with employers in the sector to create attractive entry routes into professional roles and ensure that these align to Chartered Membership of the CIOB. Our Chartered Building Companies and Consultancy Schemes are now supported by 439 organisations (226 companies and 213 consultancies). Twenty new CBCs joined us in 2019.

Our Training Partnerships deliver 10% of new CIOB admissions and 15% of all upgrades. By the end of the year 19 new organisations joined our TP scheme taking the total to 477.

Our Novus groups across the globe have continued to provide a platform in which rising stars within the industry can flourish, enabling individuals to develop and grow on a personal and professional level. Over 50 events during the year have been held by our Novus groups aimed specifically at students, graduates and young professionals.

Partnering with other professional bodies has been a focus for Novus this year with events taking place in collaboration with CIAT, CIBSE and RICS while overseas events have been held with the Australian Institute of Quantity Surveyors (AIQS), amongst others. To ensure that young professionals remain a priority we are developing a Tomorrow's Leaders Strategy in 2020 which will also increase opportunities for individuals currently involved with Novus.

At our Members' Forum in Edinburgh delegates agreed the need for an increased focus on international development. To do this, international regional strategies were required to focus resources on areas of potential development and provide specific direction for each region, aligning those ambitions to the CIOB Corporate Plan 2020-23. A lot of work has gone into producing these strategies with our committee members. Following review and approval from various CIOB Boards and the Leadership Team we now have new strategies for Sub-Saharan Africa, Middle East and North Africa, Oceania and Asia.

In the UK, on a local level, our committee members continued to provide leadership in regional built environment markets through our hub committees. In 2019 hub committee recruitment demonstrated the willingness of our members to share their expertise and knowledge with more than 90 applications for the 68 vacancies we had available in the UK and Ireland hub network.

It has been another year of collaboration and consolidation as our hub networks represent and engage with members through a varied and informative series of events. Those include many CPD events, 24 of which were recorded and made available on the CIOB Academy website - so that members anywhere in the world could access the information. Fifty-five site visits were arranged, or more than one a week, as we ramp up our local engagement with companies and their projects.



TRAINING PARTNERSHIPS ARE GROWING

Our Training Partnerships deliver 10% of new CIOB admissions and 15% of all upgrades



TOMORROW'S LEADERS STRATEGY

To ensure that young professionals remain a priority we are developing a Tomorrow's Leaders Strategy in 2020

2019 OBJECTIVE > CAREER SUPPORT

Our CIOB Academy has built upon its solid foundations in 2019. Across the portfolio of professional development resources, there has been an increase in participation and engagement that shows the brand is increasing its reputation in the industry.

For training, the portfolio continues to evolve, and there are now a wide range of both online and face to face training and resource options. For the face to face courses, over 400 places were sold, and delivered in our London centre, but also in Wrexham, Bristol, Belfast, Dublin and Swansea. In-house courses for public and private organisations have also been delivered on topics, such as Quality, Contracts, Ethics and Conservation. There are more new topics coming in 2020 as we explore new locations to run our courses.

Our online portfolio is also performing well. In the last year, we have seen over 100 enrolments on our Chartered Membership Programme (CMP) and over 70 for our Certificate in Site Management. The CMP offers a route to membership for those without degree qualifications, but with significant experience, and the site management course provides an opportunity to move into a management role with an industry recognised qualification.

Our Academy 30-20-10 online virtual classroom product delivers core topics over a 1-hour period at midday for between 4-6 weeks. Our first topic on contract issues and solutions has been a huge success with over 44 registrations, and we are hoping for similar with the class on procurement.

There is reason to celebrate another success in our portfolio of Massive Open Online Courses (MOOCs), this time with our Construction Quality Management content. As with our Construction Quality Management training course, this MOOC was developed off the back of the work of the quality commission and attracted more than 1,700 people to engage with the materials. Like all our other MOOCs (Ethics, Sustainability), the Quality content will run again next year, and we plan to add another new one in 2020.

Looking at our online CPD provision, the Academy now has over 100 webinars to choose from on a variety of hot industry topics addressing members and committees' requests as well as current status of the industry. This is the result of the fruitful efforts of all CIOB departments and is a significant achievement that means the CIOB can offer a massive amount of valuable content. Evidence of our success is backed up by a high 98% recommendation rating for our live and recorded webinars and over 9,000 CPD completions this year.

It is also worth noting, the Knowledge Hub part of the Academy will now take on and manage CIOB's Technical Publications which for next year will include an update for the Code of Practice in Project Management. Members continue to enjoy accessing the online Library and Information Services with a superb collection of e-books, Academic journals and other dedicated subject resources.



98% recommendation rating for our live and recorded webinars

2019 OBJECTIVE > RAISE AWARENESS

Improving quality in the built environment continued to be a central focus for us in 2019. The CIOB Construction Quality Commission, which was formed in response to several high-profile quality failures in the industry, published its Code for Quality Management in September 2019. The Code provides a single point of information on construction quality management for construction professionals to improve quality, helping establish best practice and quality planning process. The Code continues to be updated, accounting for new processes and regulations, to ensure that it meets the needs of the wider built environment.



CIOB members have been pivotal in advising the Steering Group on Competencies for Building a Safer Future

A new freely available Massive Open Online Course on improving quality also commenced in October 2019. The three-week interactive course aims to raise awareness of the importance of quality both to the reputation of the industry and to the wellbeing of those using buildings.

The Hackitt Review in the UK identified a lack of skills, knowledge and experience at every stage of the lifecycle of higher-risk residential buildings. And CIOB members have been pivotal in advising the Steering Group on Competencies for Building a Safer Future, which published its interim report, entitled Raising the Bar in August 2019. We have also continued to advise Government and policy makers, responding to consultations and holding regular meetings and roundtables to ensure that the necessary improvements on quality and fire safety are made.

Changing the culture of the sector in order to improve wellbeing for all is at the heart of what we do. Our current President, Professor Charles Egbu, outlined in his Presidential speech a focus on mental health and wellbeing.

The way the construction industry operates can be a significant contributor to poor mental health; with on-site work characterised by limited-term contractors, long hours, long commutes and pressures to complete on time and on tight budgets. More worryingly, the Office for National Statistics (ONS) found that male construction workers are 3.7 times more likely to take their own life than the national average.

In response, we undertook a survey of over 2,000 industry professionals to understand the root causes of mental ill health in the construction industry. We are working with several stakeholders, including Anxiety UK, Mates in Mind and the Centre for Mental Health to understand what more can be done from an industry and policy perspective. The results of the survey will be published in 2020, along with further resources, partly through our Benevolent Fund, to raise awareness and aid on this crucial issue. Internally we have also trained several staff in Mental Health First Aid, something we are keen to grow in the industry.

Collaboration has continued to be hugely important in 2019. With an unstable UK parliament, we have sought partnerships and joint campaigning on key issues, such as improving quality, raising the skills base and tackling mental health. Indeed, our Members' Forum held in Edinburgh this year highlighted the growing opportunity to raise awareness of the CIOB brand regionally, as well as internationally, and work is taking place to improve provision over the next couple of years.

Online we have worked hard to improve the user experience across our websites. We have undertaken a lot of work to understand how users want to engage with us digitally and as a result we have redesigned the look and feel of many of our sites. That includes changing the way users navigate through our content to improve the success rate at which they find what they are looking for. Across the year we attracted 250,000 website users who generated more

2019 OBJECTIVE > RAISE AWARENESS



Attracted 250,000 website users who generated more than 1.4 million pageviews

than 1.4 million pageviews. A target for us is to reach young people online and in 2019 our main user group was aged between 25-44, and 32% of total users were female. To improve the visibility of our work with construction employers we integrated the Chartered Building Company and Consultancy Scheme microsite into the main CIOB website which has increased page views to CBC content by 150%. Following the changes to our look and feel we have also seen a boost to the traffic we send to our other websites, the big winners have been our Events website (up by 300%) and Academy website (up by 100%).

We also launched a new e-newsletter to keep members and other stakeholders up to speed with what is happening at the CIOB. Pleasingly this newsletter has been well received and is returning a 33% open rate which is 7% higher than the industry standard.

At our Members' Forum a number of delegates asked us to review our presence in social media to improve engagement and empower more members to get involved. Following an independent review and recommendations from our selected communications agency we will embark on streamlining our local social media accounts in 2020 and move to where members, and potential members, expect to find us. That streamlining also helps us to place our effort in the most effective channel, which according to the research, and our own data, is LinkedIn. The research also highlighted further opportunities for us in Instagram which we will look to develop next year.

In terms of social media performance, it has been another buoyant year. For the first time our main Twitter feed lost its place as our largest social media audience to LinkedIn. By the end of the year we recorded more than 41,000 followers on LinkedIn, 37,000 on Twitter, 7,900 on Facebook and 4,600 on Instagram. Across all those channels that represents a 20,000 growth in followers.



An overall increase in media coverage of 40% compared to 2018

Our work to promote the views of the Institute through the media continues to go from strength to strength. On average we are returning 3.2 press mentions a day with an overall increase in media coverage of 40% compared to 2018. We are also proud to publish some of the construction industry's most influential titles. In its printed form Construction Manager Magazine has established itself as the UK's most read construction title, and online it attracted over 600,000 readers in the year. Our online Global Construction Review is recognised as an authority for international news and almost 950,000 readers were kept informed in 2019.



Joseph McNeil MCI OB, earned the coveted Construction Manager of the Year

Built environment competitions often overlook the fact that people are the most important aspects of a project. Ours don't. The Construction Manager of the Year Awards is the only event of its kind to assess the pivotal role that construction managers play in bringing teams and stakeholders together, creating safe, efficient, productive and harmonious sites. The 2019 overall winner Joseph McNeil MCI OB, earned the coveted Construction Manager of the Year title for his outstanding refurbishment project of 120 Oxford Street, London. Competing against some of the UK's most talented construction professionals, Joseph beat 79 other finalists. These awards continue to attract the best talent in the industry and are celebrated throughout construction. In social media, news of what was happening at CMYA reached a potential audience of 3.5 million as more than 500 tweets were published during the awards evening.

For many years we have encouraged young people and students to take up a career in construction and fulfil their potential. The next generation will have to be innovative and commercially aware to become leaders in their field. In our Global Student Challenge, the contestants run a construction company in a simulated environment using technology developed by Loughborough University. The game takes classroom learning to a different level and tests students from different countries on their knowledge, teamwork and decision making. In 2019, 39 teams entered and just six made it to the final in Edinburgh, alongside

2019 OBJECTIVE > RAISE AWARENESS

our Members' Forum. The winning team was Kanigara Banu from Universitas Indonesia who were the first Indonesian team to make the finals.

What it means to be a professional can be difficult to describe; we define it through membership, but our aim is to reach broader audiences and different minds with our message that being a professional is about going beyond what is expected and lifting the benchmark higher. As part of National Poetry Day, we produced, in partnership with poet and spoken word artist Lionheartfelt, a poem that explores what professionalism means. Entitled the 'Poetry of Professionalism' this video piece has been curated to reach younger audiences and challenge the views and preconceptions of the industry. It is being used in colleges and universities throughout our network and membership.

Having a creative approach is important as we promote the built environment to diverse audiences. This year we celebrated the 10-year anniversary of our Art of Building photography competition with a book. The selection explores the remarkable creativity and variation of the built world, its power to affect our lives and its importance in our cultures. This book was produced in partnership with our publishers Atom Publishing and is available for members at a discount.

Covering every aspect of heritage and conservation, we ran our fifth conference on Conservation, Adaptation and Maintenance at Church House on the grounds of Westminster Abbey, itself a World Heritage Site, with more than 1,000 years of history. In the UK alone, 50% of all construction works are on traditional buildings. In partnership with English Heritage this sold out event explored the latest thinking and innovation.

Each year we survey our members so that we can learn how to improve our services and products and get a sense for how happy they are with their membership experience. This year we emailed over 39,000 members (in English and Chinese). More than 5,000 members in the UK and overseas took the time to tell us how we are doing. One of the key metrics we look for is called a Net Promoter Score which measures how likely our members are to recommend our products and services to others and it acts as a way to benchmark their satisfaction. Our NPS for 2019 remains steady at 16 which means we are performing well when compared to other membership bodies.

The top three reasons for valuing membership in 2019 were stated as 'CIOB gives me professional status and credibility', 'Feeling part of a professional community' and 'Relevancy to my work in the built environment sector'. For two thirds of our membership it has exceeded their expectations and the reasons for that were cited as 'Quality of information and knowledge', 'Overall support given' and 'Commitment to members'. We also asked which areas have not met expectations and the top reasons returned were 'Difficulty in upgrading to Chartered Membership' and 'CIOB is out of touch with members'.

In addition, we look at the satisfaction levels of different segments of membership. Our survey in 2019 showed that student members, members who have been with us up to 5 years and those who work closely with us are more likely to feel membership has exceeded their expectations. On the other end of the scale, those who have been in membership for more than 10 years, located in Oceania or who are unemployed, were more likely to report that membership had not met their expectations.

Members also told us that Construction Manager Magazine, followed by CPD opportunities, and reports on industry matters, were the services that mattered the most to them. Following the changes we have made in our customer service provision it was pleasing to see that 4 in 5 respondents rated the service as either good or excellent.

2019 OBJECTIVE > MAXIMISE EFFICIENCY

Reflecting our vision and mission for the construction industry, making the CIOB the best place to work it can be is very important to us. We believe that coming to work should be an enjoyable experience, and that everyone should have the opportunity to grow and develop, and to contribute to the great work we are doing. With this in mind, ensuring that all of our people have the opportunity to share their views and opinions continues to be vital.



AWARDED 'ONE TO WATCH' STATUS

In our first year we were awarded One to Watch Status, indicating we have good levels of engagement as an organisation

Our 2019 employee survey was carried out in conjunction with Best Companies, recognised specialists in workplace engagement and whose engagement survey powers the Sunday Times Best Companies lists. In our first year we were awarded One to Watch Status, indicating we have good levels of engagement as an organisation. As in previous years, the survey demonstrated how positively those who work for us feel about the CIOB and showed how much we value working with, and on behalf of, our Members. It also highlighted the positive relationships that exist between individuals, teams and their managers, and the feeling that we achieve a strong work-life balance as an organisation. We are committed to putting in place tangible and achievable action plans to deliver improvements to this score over the coming years.

Throughout 2019 we also worked to improve our global wellbeing provision for our employees, extending a key employee support service across the globe while training and launching the CIOB's first team of Mental Health First Aiders, reflecting our broader industry focus on mental wellbeing.

We have continued to focus our development efforts across a range of activity including work placed practice, internal knowledge sharing and professional development and qualifications. Reflecting the industry, our focus has been on improving quality, project management and digital skills.

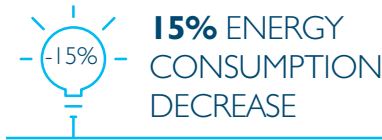
At the end of 2019, we directly employed 134 staff, which breaks down by region as 121 in the UK and Ireland, 1 in Africa, 11 in Asia Pacific and 1 in the Middle East. Of the 134 staff, 106 are full-time and 28 are part-time, with the majority (113) female.

OUR ENVIRONMENTAL IMPACT IN 2019

Our total energy use for our Arlington Square head office in Bracknell stood at 126,156 kWh in 2019.

Using the UK Government Greenhouse Gas 2019 conversion factor this means our head office carbon footprint is equivalent to 44,567.1 kg of CO₂ (45 tonnes). In terms of our carbon dioxide emissions per m² per year, this is equivalent to 51.5kgCO₂/m² /yr, an increase of 5% on 2018. This is due to an increase in staff occupancy and subsequent internal project activity.

Our London premises' energy use was 39,943 kWh. A decrease from 2018 level. Using the same conversion factors as above, this equates to 27.85kgCO₂ /m² /yr for this office. This represents a total energy consumption decrease (down 15%) from the previous year and a decrease in our carbon emissions.



a total energy consumption decrease (down 15%) from the previous year and a decrease in our carbon emissions.

The CIOB Academy established its presence with a full-time table of training courses in 2019 and we had an increased presence of the office by staff, members and guests. The London office 2019 consumption shows a level that is representative of an office with consistent workforce and visitor numbers. The figures indicate that both our offices are currently performing significantly above the good practice benchmark figures for airconditioned non-domestic premises (85kgCO₂ /m² /yr) as defined by the WRAP Green Office Guide.

PLANS FOR FUTURE PERIODS

The 2020-2023 Corporate Plan has been developed by the CIOB Board of Trustees through a process of collaboration involving contributors from across the global CIOB community. The Trustees are confident that it provides the right platform for the Institute to progress its vital role in the industry, driving forward the science and practice of building and construction for the public good. A full copy of the plan is available on our main website (www.ciob.org).

Our five themes to deliver the strategy:

Moral Compass

Lead a cultural shift towards professionalism in construction

- Set and incorporate standards of ethical behaviour for improving the impact on quality of life in the UK and to extend that impact across the world.
- Drive change to improve ethical behaviour at all levels across the global construction industry.

Science and Practice

Drive innovation in the science and practice of construction management

- Lead research that shapes the profession of construction management.
- Drive innovation that advances the science and practice of construction management.
- Design a system for curating and disseminating knowledge and turning it into accessible learning.

Leading Voice

Position CIOB as the conscience of the construction industry

- Enhance recognition of CIOB in the UK and Ireland then extend to other countries.
- Expand influence in the construction industry to solve big issues that affect quality of life of those who create and use buildings and infrastructure.

Talented Community

Strengthen talent and diversity across the global CIOB community

- Attract talent into membership.
- Engage members and customers with more accessible and relevant products and services.
- Develop and retain members and customers.

Agile CIOB

Progress an agile and future focussed CIOB to deliver the four external aims

- Review and improve governance and decision-making process.
- Continuously review and improve the business operating model.
- Enhance the open and collaborative culture to empower staff.

FINANCIAL REVIEW

The audited financial statements, which form part of this report, comply with the Charities Act Accounting Rules, Financial Reporting Standard (FRS) 102 and Charities Statement of Recommended Practice (SORP) Accounting & Reporting by Charities 2015. The Trustees consider that, in preparing these accounts, they have consistently applied the appropriate accounting policies supported by reasonable and prudent judgements and estimates where required.

The financial statements show a surplus of £73k (2018: £407k) before investment gains/ losses. Including unrealised gains net income for the year is £1,443k (2018: £501k net expenditure). Total income was £11.56m (2018: £11.26m), of which £8.47m (2017: £8.3m) came from membership subscriptions. Overall income has remained in line with 2018. Total expenditure was £11.49m (2018: £10.86m) an increase of 5.8%. There has been further investment in the Institute in 2019 in development of the Customer Services function, facilities and learning and development for staff.

The financial statements also include the results and net assets of the Institute's Hubs throughout the world. The Institute has two operating subsidiaries: Englemere Ltd showed a profit of £6k (2018: £195k loss). This is due to planned investment in developing the Academy in the previous year which has now begun to trade profitably. The company is expected to continue to trade profitably in future years. Englemere Building Consultancy Services (Chongqing) Co Ltd made an operating loss of £17k (2018: £24k). Capital expenditure for the group during the year amounted to £76k (2018: £87k). This mostly related to the investment in the information technology hardware and the Bracknell office.

RESERVES

The Trustees have reviewed the reserves policy in line with the risk management process and assessed the level of reserves required. The financial risks have been reviewed and the Trustees have identified the main likely calls on reserves to be as follows:

- A shortfall in income. The major elements of income have been reviewed to identify where changes may arise and how based on risks.
- Enable expenditure to be reduced through restructuring to deal with the fall of income if the need arises.
- Invest in the Institute's strategic objectives for the coming year.
- Cover the Institute's long term non-cancellable leases and contractual commitments.
- Cover a fall in investment values.

They have concluded that an appropriate level of reserves to deal with these scenarios is in the range of £7m -£8m. Total funds held by the Institute at 31 December 2019 were £14,446k (2018: £13,003k), £227k (2018: £189k) of which are restricted funds. The Institute also holds £468k (2018: £400k) of designated funds for expenditure on scholarships. The level of free reserves, i.e. the value in excess of fixed assets balances, restricted and designated funds in total is £12,744k (2018: £11,225k). The current level of free reserves therefore exceeds the reserves policy. The Institute is embarking on a period of significant change in order to meet the goals and objectives of the Corporate Plan 2020-2023 and to ensure the Institute's future sustainability. These funds will be used to provide the investment required to deliver on the strategic goals and objectives of the Corporate Plan.

INVESTMENT PERFORMANCE

The Institute's investments are held in externally managed investment portfolios in accordance with the powers contained in the Institute's Bye-Laws. Investment is in accordance with the Trustee Act 2000. The instruction to the Investment Managers is a long term investment strategy which is balanced in nature with a remit to pursue a growth policy as market conditions may allow. The overarching investment strategy is to invest in order to receive a return which would be used to further the aims and objectives of the Institute as laid down by the Royal Charter, and support the Institute's long term strategic objectives. The Investment Committee has responsibility for reviewing the performance of these funds against Wealth Management Association indices and Cazenove Composite benchmarks. Due to the particularly volatile markets in the final quarter of the year there is an unrealised loss in 2018. However, the Institute has had unrealised gains since the portfolio was first fully invested. The markets continue to be volatile and investment are closely monitored, and meetings are held bi-annually with the Investment Managers to monitor performance.

TRUSTEES' RESPONSIBILITIES STATEMENT

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

The Charities Act 2011 requires the Trustees to prepare financial statements for each financial year. The Trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Trustees 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 charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's and group's transactions and disclose with reasonable accuracy at any time the financial position of the charity, and the group, and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the Institute's auditor is unaware and
- The Trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the Institute's auditor is aware of that information.

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

On behalf of The Trustees.



President
Charles Egbu FCIQB
CIOB President 2019/2020



Trustee
Stephen Nitman FCIQB

INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF THE CHARTERED INSTITUTE OF BUILDING

OPINION

We have audited the financial statements of the Chartered Institute of Building for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group’s and of the parent charity’s affairs as at 31 December 2019 and of the group’s net movement in funds 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 Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

BASIS FOR OPINION

We have been appointed as auditor under section 144 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the trustees’ responsibilities statement set out on page 17, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group’s and the parent charity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient and proper accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

USE OF OUR REPORT

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London, EC4R 1AG

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (SOFA)

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2019

| | Notes | Unrestricted Funds 2019 £'000 | Restricted Funds 2019 £'000 | Designated Funds 2019 £'000 | Total Funds 2019 £'000 | Total Funds 2018 £'000 |
|---|-----------|-------------------------------------|-----------------------------------|-----------------------------------|------------------------------|------------------------------|
| Income From: | | | | | | |
| Charitable activities | | | | | | |
| Member Subscriptions | 2 | 8,474 | - | - | 8,474 | 8,307 |
| Examinations and other fees | 3 | 1,029 | 10 | - | 1,039 | 945 |
| Chartered Building Company Scheme | 4 | 255 | - | - | 255 | 257 |
| Academy Income | 7 | 374 | - | - | 374 | 340 |
| Other Trading Activities | | | | | | |
| Trading Turnover: Englemere Ltd | 7 | 293 | - | - | 293 | 271 |
| Investment income | 9 | 329 | 5 | 11 | 345 | 327 |
| Hub Income | 10 | 666 | - | - | 666 | 690 |
| Other Income | 10 | 112 | - | - | 112 | 125 |
| Total incoming resources | | 11,532 | 15 | 11 | 11,558 | 11,262 |
| Expenditure On: | | | | | | |
| Charitable activities | | | | | | |
| Members & Prospective Members | 11 | (2,227) | - | - | (2,227) | (2,132) |
| Education and Qualifications | 11 | (1,665) | - | - | (1,665) | (1,269) |
| Employer Engagement | 11 | (285) | - | - | (285) | (242) |
| Innovation & Leadership | 11 | (3,208) | (6) | (4) | (3,218) | (3,077) |
| Academy | 7 | (271) | - | - | (271) | (458) |
| Other | | | | | | |
| Trading activities | 7 | (348) | - | - | (348) | (348) |
| Hubs Expenditure | 11 | (3,471) | - | - | (3,471) | (3,329) |
| Total | | (11,475) | (6) | (4) | (11,485) | (10,855) |
| Net (expenditure)/ income before investment (losses)/gains | | 57 | 9 | 7 | 73 | 407 |
| Net (losses)/gains on investments | | 1,280 | 29 | 61 | 1,370 | (908) |
| Net (expenditure)/ Income | | 1,337 | 38 | 68 | 1,443 | (501) |
| Reconciliation of funds | | | | | | |
| Total funds brought forward at 1 January | | 12,414 | 189 | 400 | 13,003 | 13,504 |
| Fund balances carried forward at 31 December | 22 | 13,751 | 227 | 468 | 14,446 | 13,003 |

The Consolidated SOFA incorporates the income and expenditure account together with the statement of total recognised gains and losses for the year.

All incoming resources were from the continuing activities and the notes on pages 23 to 37 form part of these financial statements.

BALANCE SHEET


(Group and Institute) as at 31 December 2019

| | Note | 2019 | | 2018 | |
|--|-----------|----------------|--------------------|----------------|--------------------|
| | | Group £'000 | Institute £'000 | Group £'000 | Institute £'000 |
| Fixed Assets | | | | | |
| Tangible fixed assets | 14 | 1,007 | 979 | 1,189 | 1,155 |
| Investment in subsidiary undertakings | 15 | - | 11 | - | 11 |
| Other investments | 16 | 12,815 | 12,815 | 12,131 | 12,131 |
| Total Fixed Assets | | 13,822 | 13,805 | 13,320 | 13,297 |
| Current assets | | | | | |
| Debtors | 17 | 1,093 | 1,724 | 1,058 | 1,549 |
| Cash at bank and in hand | 18 | 3,754 | 3,215 | 2,629 | 2,186 |
| Total Current Assets | | 4,847 | 4,939 | 3,687 | 3,735 |
| Liabilities | | | | | |
| Creditors: amounts falling due within one year | 19 | 3,973 | 3,768 | 3,754 | 3,510 |
| Net Current (Liabilities)/Assets | | 874 | 1,171 | (67) | 225 |
| Total Assets less Current Liabilities | | 14,696 | 14,977 | 13,253 | 13,522 |
| Provision for liabilities | 21 | 250 | 250 | 250 | 250 |
| Total Net Assets | | 14,446 | 14,727 | 13,003 | 13,272 |
| Funds | | | | | |
| General fund | 22 | 13,751 | 14,032 | 12,414 | 12,683 |
| Designated funds | 22 | 468 | 468 | 400 | 400 |
| Total Unrestricted Funds | 22 | 14,219 | 14,499 | 12,814 | 13,083 |
| Restricted income funds | 22 | 227 | 227 | 189 | 189 |
| Total Charity Funds | | 14,446 | 14,727 | 13,003 | 13,272 |

The financial statements were approved by the Trustees on 24 April 2020



President
Charles Egbu FCIOB
CIOB President 2019/2020



Trustee
Stephen Nitman FCIOB

CONSOLIDATED STATEMENT OF CASHFLOW

for the year ended 31 December 2019

| | Notes | 2019 | 2018 |
|--|-------|--------------|--------------|
| | | £'000 | £'000 |
| Reconciliation of cash flows from operating activities: | | | |
| Net income/(expenditure) | | 1,443 | (501) |
| Adjustments for: | | | |
| Depreciation Charges | 14 | 258 | 227 |
| (Gain)/loss on investments | 16 | (1,370) | 908 |
| Investment Income | 9 | (345) | (327) |
| (Increase) in Debtors | | (35) | (190) |
| Increase/ (Decrease) in Creditors | | 219 | (375) |
| Net cash provided by Operating activities | | 170 | (258) |
| Cash Flows from Investing Activities | | | |
| Purchase of Property, plant and equipment | 14 | (76) | (87) |
| Purchase of investments | 16 | (263) | (252) |
| Receipt of investment Income | 9 | 345 | 327 |
| Cash inflow from sale of investments | 16 | 949 | - |
| Net cash provided by investing activities | | 955 | (12) |
| Net Increase in cash and cash Equivalents | | 1,125 | (270) |
| Cash and cash Equivalent at the beginning of year | | 2,629 | 2,899 |
| Cash and cash Equivalent at the end of year | | 3,754 | 2,629 |

NOTES TO THE FINANCIAL STATEMENTS

I. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources for estimating uncertainty in the preparation of these financial statements are as follows:

a) Basis of preparation

The Institute is a public benefit entity as defined under Financial Reporting Standard 102 (FRS 102).

Using the historical cost convention, these accounts are prepared in compliance with:

- FRS 102, as applicable in the UK & Ireland
- Accounting and Reporting by Charities: Statement of Recommended Practice SORP (second edition, effective 1 January 2019) applicable to charities preparing their accounts in accordance with FRS 102.
- the Charities Act 2011,
- the Charities (Accounts and Reports) Regulations 2008
- the Charities and Trustee Investment (Scotland) Act 2005

The accounts are presented in Pounds sterling

b) Preparation of accounts on a going concern basis

The Trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties in relation to the Institute's ability to continue operating as a going concern. These statements have therefore been prepared on a going concern basis, showing at a group level:

- Total Income for the year of £11,558k (2018: £11,262k) and
- Net Income of £1,442k (2018: -£501k)

c) Consolidation

The group financial statements include a SOFA, balance sheet and statement of cash flows. Together they consolidate the results of the Institute and its wholly-owned trading subsidiaries, Englemere Limited and Englemere Building Consultancy Services (Chongqing) Co Limited on a line by line basis.

d) Estimates and judgements

Management are required to make judgements and estimates that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on both historic experience and current factors that are believed to be reasonable under the circumstances. The results form the basis of current judgements about, for example, any impairment to the carrying values of assets that are not readily apparent from other sources. The matters below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported:

- Expenditure allocations: Expenditure is apportioned where it relates to more than one cost category as detailed within accounting policy (h)
- Dilapidations: A full review of the potential liability in relation to dilapidations at the end of the lease has been completed by suitably qualified Trustees see note 21.
- Bad Debt provision: Specific provisions are made where it is unlikely that the Institute will receive payment.

e) Income

Income is recognised when the charity has entitlement to the funds and accounted for on an accruals basis. In particular, subscription income for 2020 received in advance during 2019 is deferred until the criteria for income recognition are met.

f) Fund accounting

The Institute maintains three classes of funds:

- Unrestricted funds is the most substantial category and holds reserves available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been identified for any specific purpose.
- Designated Funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.
- Restricted funds are funds which may only be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. Details of all material restricted funds at the year-end are disclosed as a note to the financial statements.

Transfers between unrestricted funds and designated funds occur when the Trustees approve either funds to be designated for a specific purpose, or where remaining designated funds are no longer required and are released to unrestricted funds.

g) Hubs

The activities and funds of the Institute’s hubs etc. established by the Institute are regarded as those of the Institute itself and are incorporated in the SOFA for current and prior periods as appropriate.

h) Resources expended and basis of cost allocation

All expenditure is included in these accounts on an accruals basis and is recognised when there is a legal or constructive obligation to pay for such expenditure:

- Costs incurred to maintain and develop the objectives of the Institute are attributed directly to charitable activities.
- Costs that are not allocated to these activities are included within the cost of generating funds in the SOFA. These back office support costs include, finance, personnel, payroll and governance. They are apportioned across the activities to which they relate on the basis of cost percentage.
- Governance costs are part of support costs and include items such as external audit, legal advice for Trustees and the cost of Trustee meetings.
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Defined contribution pension scheme

The Institute operates a defined contribution pension scheme and the costs in relation to this scheme are charged to the income and expenditure account (within the SOFA) as they are incurred.

j) Leases

Operating lease rentals are charged to the SoFA on a straight line basis over the term of the lease. There were no assets held under finance leases.

k) Tangible Fixed Assets & Depreciation

Tangible fixed assets costing more than £2,500 are capitalised at cost. Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful lives. The annual depreciation rates used are as follows:

| | |
|----------------------------------|---------------------|
| Furniture, fixtures and fittings | 10% (life of lease) |
| Hardware | 25% |
| Software | 20% |

l) Investments

The Institute's investment portfolio is managed by external investment managers and is stated at market value. Any realised or unrealised gains resulting from movements in investments and changes in valuations are reflected in the statement of financial activity and are accounted for in the relevant fund. Investments in subsidiary undertakings are held at cost.

m) Foreign currency funds and transactions

Assets, liabilities and transactions recorded in foreign currencies are translated into sterling at the rates of exchange at the balance sheet date.

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

q) Financial instruments

The Institute only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at fair value. There is no loan funding in the Institute balance sheet.

2. MEMBERSHIP SUBSCRIPTIONS

| | 2019 | 2018 |
|--------------|----------------|----------------|
| | TOTAL £'000 | TOTAL £'000 |
| Renewals | 8,157 | 7,941 |
| New Members | 317 | 366 |
| Total | 8,474 | 8,307 |

Membership dues received in advance of the year to which they relate are held as deferred income in the balance sheet and released in January of the following year.

3. EXAMINATIONS AND OTHER FEES

| | 2019 | 2018 |
|---------------------------------|----------------|----------------|
| | TOTAL £'000 | TOTAL £'000 |
| Membership Fees & Certification | 268 | 244 |
| Interviews Income | 375 | 323 |
| Examinations & Education Income | 380 | 366 |
| Other | 16 | 12 |
| Total | 1,039 | 945 |

4. CHARTERED BUILDING COMPANY SCHEME

| | 2019 | 2018 |
|-------------------------------------|----------------|----------------|
| | TOTAL £'000 | TOTAL £'000 |
| Chartered Building Company fees | 197 | 197 |
| Chartered Building Consultancy Fees | 54 | 55 |
| Joining fees | 4 | 5 |
| Total | 255 | 257 |

CBC subscriptions are held in the balance sheet as deferred income and released to income over the length of the membership.

5. REPORTING FINANCIAL PERFORMANCE OF THE INSTITUTE AND GROUP

The consolidated SOFA includes the results of the Institutes two wholly owned subsidiaries:

- Note 6: Englemere Building Consultancy Services (Chongqing) Co Ltd
- Note 7: Englemere Ltd

6. ENGLEMERE BUILDING CONSULTANCY SERVICES (CHONGQING) CO LTD

Englemere Building Consultancy Services (Chongqing) Co Ltd is a wholly-owned subsidiary, incorporated in the Peoples Republic of China, through which the Institute manages its Chinese charitable activities.

Profit and Loss Account of Englemere Building Consultancy Services (Chongqing) Co Limited

| | 2019 | 2018 |
|--|----------------|----------------|
| | TOTAL £'000 | TOTAL £'000 |
| Turnover | 369 | 349 |
| Cost of sales | (386) | (373) |
| Operating loss | (17) | (24) |
| Retained profit brought forward | 303 | 327 |
| Retained profit carried forward | 286 | 303 |

Balance Sheet of Englemere Building Consultancy Services (Chongqing) Co Limited

| | 2019 | 2018 |
|--|----------------|----------------|
| | TOTAL £'000 | TOTAL £'000 |
| Fixed Assets | 6 | 3 |
| Current Assets | | |
| Debtors | 17 | 30 |
| Cash at bank & in hand | 347 | 404 |
| Total Assets | 370 | 437 |
| Creditors: amounts falling due within one year | (73) | (122) |
| Total Net Assets | 297 | 314 |
| Total Capital and Reserves | | |
| Capital and Reserves | 11 | 11 |
| Share Capital | 286 | 303 |
| Profit & Loss Account | 297 | 314 |

7. TRADING TURNOVER: ENGLEMERE LTD

Englemere Ltd is a wholly owned subsidiary company, incorporated in England and Wales, company number 2193639. It manages the CIOB Academy training together with conferences and events on behalf of the Institute and also provides member benefit services to members.

Englemere Ltd's directors as at December 2019 were Joanna Quirk, Tim Barrett, Robert Heathfield and Michael Smith.

Profit & Loss Account of Englemere Limited

| | 2019 | 2018 |
|--------------------------------------|----------------|----------------|
| | TOTAL £'000 | TOTAL £'000 |
| Income From: | | |
| Charitable Activities | 374 | 340 |
| Trading Activities | 293 | 271 |
| Total Income | 667 | 611 |
| Expenditure On: | | |
| Charitable Activities | (314) | (458) |
| Trading Activities | (325) | (291) |
| Cost of sales | (639) | (749) |
| Gross Profit | 28 | (138) |
| Other operating charges | (22) | (57) |
| Operating Loss | 6 | (195) |
| Retained loss brought forward | (573) | (378) |
| Retained loss carried forward | (567) | (573) |

Balance Sheet of Englemere Limited

| | | |
|--|--------------|--------------|
| Fixed Assets | 21 | 32 |
| Current Assets | | |
| Debtors | 73 | 74 |
| Cash at bank & in hand | 192 | 40 |
| Total Assets | 286 | 146 |
| Creditors: amounts falling due within one year | (852) | (716) |
| Total Net Assets | (566) | (572) |
| Capital and Reserves | | |
| Called up share capital | 1 | 1 |
| Profit & Loss Account | (567) | (573) |
| | (566) | (572) |

8. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITY (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) YEAR ENDED 31 DECEMBER 2018

| | Notes | Unrestricted Funds 2018 £'000 | Restricted Funds 2018 £'000 | Designated Funds 2018 £'000 | Total Funds 2018 £'000 |
|--|-----------|----------------------------------|--------------------------------|--------------------------------|---------------------------|
| Income From: | | | | | |
| Charitable activities | | | | | |
| Member Subscriptions | 2 | 8,307 | - | - | 8,307 |
| Examinations and other fees | 3 | 945 | - | - | 945 |
| Chartered Building Company Scheme | 4 | 257 | - | - | 257 |
| Academy Income | 7 | 340 | - | - | 340 |
| Other Trading Activities | | | | | |
| Trading Turnover: Englemere Ltd | 7 | 271 | - | - | 271 |
| Investment income | 9 | 312 | 5 | 10 | 327 |
| Hub Income | 10 | 690 | - | - | 690 |
| Other Income | | 125 | - | - | 125 |
| Total incoming resources | | 11,247 | 5 | 10 | 11,262 |
| Expenditure On: | | | | | |
| Charitable activities | | | | | |
| Members & Prospective Members | 11 | (2,132) | - | - | (2,132) |
| Education and Qualifications | 11 | (1,269) | - | - | (1,269) |
| Employer Engagement | 11 | (242) | - | - | (242) |
| Innovation & Leadership | 11 | (3,050) | (11) | (16) | (3,077) |
| Academy | 7 | (458) | - | - | (458) |
| Trading activities | | | | | |
| Trading activities | 7 | (348) | - | - | (348) |
| Hubs Expenditure | 11 | (3,329) | - | - | (3,329) |
| Total | | (10,828) | (11) | (16) | (10,855) |
| Net (expenditure)/Income before investment gain | | 419 | (6) | (6) | 407 |
| Unrealised gain on investment assets | | (863) | (14) | (31) | (908) |
| Net Movement in Funds | | (444) | (20) | (37) | (501) |
| Reconciliation of funds | | | | | |
| Total funds brought forward at 1 January 2018 | | 12,858 | 209 | 437 | 13,504 |
| Fund balances carried forward at 31 December 2018 | 22 | 12,414 | 189 | 400 | 13,003 |

9. INVESTMENT INCOME AND INTEREST

| | Unrestricted Funds 2019 £'000 | Restricted Funds 2019 £'000 | Designated Funds 2019 £'000 | Total Funds 2019 £'000 |
|--|----------------------------------|--------------------------------|--------------------------------|---------------------------|
| Income from investment portfolio | 315 | 5 | 11 | 331 |
| Interest receivable from cash on deposit | 14 | - | - | 14 |
| | 329 | 5 | 11 | 345 |

| | Unrestricted Funds 2018 £'000 | Restricted Funds 2018 £'000 | Designated Funds 2018 £'000 | Total Funds 2018 £'000 |
|--|----------------------------------|--------------------------------|--------------------------------|---------------------------|
| Income from investment portfolio | 303 | 5 | 10 | 318 |
| Interest receivable from cash on deposit | 9 | - | - | 9 |
| | 312 | 5 | 10 | 327 |

10. OTHER INCOMING RESOURCES

| | Total Funds 2019 £'000 | Total Funds 2018 £'000 |
|---------------------|---------------------------|---------------------------|
| Hub Income | 297 | 291 |
| Englemere Chongqing | 369 | 399 |
| | 666 | 690 |
| Other Income | 112 | 125 |
| | 112 | 125 |

11. APPORTIONMENT OF SUPPORT AND GOVERNANCE COSTS

| | Members & Prospective 2019 £'000 | Education & Qualifications 2019 £'000 | Employer Engagement 2019 £'000 | Leadership & Innovation 2019 £'000 | Hubs Expenditure 2019 £'000 | Total 2019 £'000 |
|---------------------|--|---|--------------------------------------|--|-----------------------------------|------------------------|
| Direct Costs | 1,224 | 915 | 156 | 1,769 | 2,082 | 6,146 |
| Support Costs | | | | | | |
| Facilities | 223 | 166 | 29 | 322 | 309 | 1,049 |
| Finance | 172 | 129 | 22 | 249 | 238 | 810 |
| HR | 204 | 153 | 26 | 295 | 283 | 961 |
| IT | 123 | 92 | 16 | 178 | 171 | 580 |
| Governance | 51 | 39 | 7 | 74 | 71 | 242 |
| Other Support Costs | 230 | 171 | 29 | 331 | 317 | 1,078 |
| | 2,227 | 1,665 | 285 | 3,218 | 3,471 | 10,866 |

| | Members & Prospective 2018 £'000 | Education & Qualifications 2018 £'000 | Employer Engagement 2018 £'000 | Leadership & Innovation 2018 £'000 | Hubs Expenditure 2018 £'000 | Total 2018 £'000 |
|---------------------|--|---|--------------------------------------|--|-----------------------------------|------------------------|
| Direct Costs | 1,166 | 692 | 132 | 1,680 | 1,988 | 5,658 |
| Support Costs | | | | | | |
| Facilities | 201 | 120 | 23 | 291 | 279 | 914 |
| Finance | 154 | 92 | 18 | 223 | 214 | 701 |
| HR | 206 | 123 | 23 | 298 | 286 | 936 |
| IT | 111 | 66 | 13 | 160 | 154 | 504 |
| Governance | 39 | 24 | 4 | 57 | 55 | 179 |
| Other Support Costs | 255 | 152 | 29 | 368 | 353 | 1,157 |
| | 2,132 | 1,268 | 242 | 3,077 | 3,329 | 10,049 |

Support costs are apportioned across the activities to which they relate on the basis of percentage of overall direct cost.

Included within support costs are Governance Costs which comprise:

| | 2019 £'000 | 2018 £'000 |
|--|---------------|---------------|
| Fees payable to the Institute's auditors for the statutory audit | 27 | 23 |
| Trustees' expenses reimbursed | 61 | 46 |
| Other Governance (Staff Costs) | 90 | 79 |
| | 178 | 148 |

The Auditors total remuneration is as follows:

| | 2019 £'000 | 2018 £'000 |
|--|---------------|---------------|
| Fees payable to the auditors for the statutory audit of CIOB & Englemere Ltd | 31 | 28 |
| Fees payable to the auditors for the tax advisory services of CIOB & Englemere Ltd | 4 | 4 |
| Fees payable to the Institute's auditors for other services | - | 22 |
| | 35 | 54 |

| | | |
|---|----------|-----------|
| Fees payable to the Institute's internal auditors | 6 | 18 |
| Fees payable to the Chinese subsidiary auditors | 8 | 8 |

12. STAFF COSTS

| | 2019 | 2018 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Salaries | 4,189 | 4,050 |
| National Insurance costs | 426 | 408 |
| Pension | 295 | 246 |
| Group staff costs | 4,910 | 4,704 |
| Charged to the CIOB Benevolent Fund Ltd and trading subsidiaries | (56) | (55) |
| Institute Staff Costs | 4,854 | 4,649 |

| | 2019 | 2018 |
|--|--------|--------|
| | Number | Number |
| The average number of employees in Institute | 120 | 112 |
| The average number of employees in Group | 132 | 127 |
| Number of employees whose emoluments were over £60,000 | | |
| £60,000-£69,999 | 4 | 3 |
| £70,000-£79,999 | - | 1 |
| £80,000-£89,999 | 1 | - |
| £100,000-£109,999 | 4 | 2 |
| £110,000-£119,999 | 1 | 1 |
| £140,000-£149,999 | - | 1 |
| £180,000-£189,999 | - | 1 |

The Key Management Personnel comprise the trustees (see note 14) and the Management Board of the Institute. The total remuneration and benefits received by the Management Board was £743k (2018:£720k). There are adequate systems in place to manage expenses and these do not form part of remuneration.

In respect of the above employees, contributions for the year into a defined contribution scheme totalled £79,417 (2018:£49,914) with retirement benefits accruing for 6 directors (2018:6).

Compensation amounts of £23,604 were paid during the year in accordance with the institute policy (2018:£48,800)

13. TRUSTEES

The institutes' Trustees receive no remuneration from the institute for trustee related duties. Their travel and other expenses reimbursed during the year for attending Trustee meetings amounted to £60,794 (2018: £45,621). A list of the trustees who received reimbursement of expenses is shown on page 4.

Professional Indemnity and Trustee insurance was provided during 2019 at a cost of £5,892 (2018: £5,345).

14. TANGIBLE FIXED ASSETS

| Institute and Group | Furniture & Equipment £'000 | Software £'000 | Institute Totals £'000 | Group Totals £'000 |
|----------------------------|--------------------------------|-------------------|---------------------------|-----------------------|
| Cost or valuation | | | | |
| At 1 January 2019 | 1,597 | 966 | 2,563 | 2,635 |
| Additions during the year | 71 | - | 71 | 76 |
| Disposals / Revaluations | (427) | (335) | (762) | (762) |
| At 31 December 2019 | 1,241 | 631 | 1,872 | 1,949 |
| Depreciation | | | | |
| At 1 January 2019 | 975 | 433 | 1,408 | 1,446 |
| Provided during the year | 121 | 126 | 247 | 258 |
| Disposals | (427) | (335) | (762) | (762) |
| At 31 December 2019 | 669 | 224 | 893 | 942 |
| Net book value | | | | |
| At 31 December 2019 | 572 | 407 | 979 | 1,007 |
| At 31 December 2018 | 623 | 532 | 1,155 | 1,189 |

Assets held in subsidiaries comprise of a database.

15. INVESTMENT IN SUBSIDIARY UNDERTAKINGS - INSTITUTE

| | 2019 £'000 | 2018 £'000 |
|--|---------------|---------------|
| 1,000 ordinary shares of £1 each in Englemere Limited (formerly Englemere Services Ltd) | 1 | 1 |
| 10,000 ordinary shares of £1 each in Englemere Building Consultancy Services (Chongqing) Co Ltd | 10 | 10 |
| | 11 | 11 |

16. OTHER INVESTMENTS - GROUP AND INSTITUTE

| | TOTAL £'000 |
|---|----------------|
| At market value | |
| At 1st January 2019 | 12,131 |
| Net Additions and distributions re-invested | 263 |
| Change in Market Value | 1,370 |
| Cash Withdrawn | (949) |
| At 31st December 2019 | 12,815 |

The Institute views the portfolio as a single class of investments, albeit that the composition of the portfolio at the balance sheet date is as set out in the market value analysis table.

| | |
|----------------------------|------|
| Trojan Income Fund | 6.0% |
| Madje UK Equity Fund | 7.0% |
| Charity Equity Income Fund | 8.0% |
| Findlay Park American Fund | 5.0% |

The managed investment portfolios were invested as at 31 December 2019 as follows:

| | Market Value £'000 | Total Cost £'000 |
|----------------------|--------------------------|------------------------|
| UK Bonds | 1,179 | 1,174 |
| Overseas Bonds | 484 | 490 |
| UK Equities | 4,074 | 3,351 |
| Overseas Investments | 4,124 | 2,928 |
| Portfolio Funds | 1,351 | 1,191 |
| Property Funds | 606 | 498 |
| Other Investments | 666 | 651 |
| Cash | 331 | 325 |
| Totals | 12,815 | 10,608 |

Total investments at market value of the managed investment portfolio include £227k (2018: £189k) of those related to a restricted fund, the Queen Elizabeth II Jubilee Fund and Sir Ian Dixon Fund.

17. DEBTORS

| | 2019 | | 2018 | |
|-----------------------------------|----------------|--------------------|----------------|--------------------|
| | Group £'000 | Institute £'000 | Group £'000 | Institute £'000 |
| Trade Debtors | 82 | 26 | 111 | 68 |
| Amount owed by trading subsidiary | - | 720 | - | 595 |
| Other debtors | 191 | 191 | 168 | 164 |
| Prepayments and accrued Income | 820 | 787 | 779 | 722 |
| Total | 1,093 | 1,724 | 1,058 | 1,549 |

18. CASH AT BANK & IN HAND

| | 2019 | | 2018 | |
|--------------------------|----------------|--------------------|----------------|--------------------|
| | Group £'000 | Institute £'000 | Group £'000 | Institute £'000 |
| Cash at Bank and In Hand | 3,754 | 3,215 | 2,629 | 2,186 |
| Total | 3,754 | 3,215 | 2,629 | 2,186 |

19. CREDITORS FALLING DUE WITHIN ONE YEAR

| | 2019 | | 2018 | |
|------------------------------------|----------------|--------------------|----------------|--------------------|
| | Group £'000 | Institute £'000 | Group £'000 | Institute £'000 |
| Trade Creditors | 387 | 366 | 388 | 365 |
| Tax & Social Security | 124 | 117 | 106 | 99 |
| Other creditors | 190 | 175 | 317 | 237 |
| Accruals and deferred income | 3,272 | 3,096 | 2,943 | 2,809 |
| Amounts owed to foreign subsidiary | - | 12 | - | - |
| Total | 3,973 | 3,768 | 3,754 | 3,510 |

20. DEFERRED INCOME

| | 2019 | | 2018 | |
|------------------------------|----------------|--------------------|----------------|--------------------|
| | Group £'000 | Institute £'000 | Group £'000 | Institute £'000 |
| Deferred income 1 January | 2,560 | 2,474 | 2,970 | 2,751 |
| Income received and deferred | 3,049 | 2,883 | 2,560 | 2,474 |
| Taken to SOFA | (2,560) | (2,474) | (2,970) | (2,751) |
| Total | 3,049 | 2,883 | 2,560 | 2,474 |

21. Provision for Long Term Liabilities and Charges

| | 2019 | | 2018 | |
|--------------------------------------|----------------|--------------------|----------------|--------------------|
| | Group £'000 | Institute £'000 | Group £'000 | Institute £'000 |
| Dilapidations brought forward | 250 | 250 | 250 | 250 |
| Dilapidations carried forward | 250 | 250 | 250 | 250 |

Provisions relate to dilapidations on leasehold properties where the Institute has a contractual obligation to bear such costs. The provision for these costs is based on the results of an internal review by suitably qualified Trustees. The dilapidations will become payable on lease terminations.

22. Movement of Funds

| 2019 | Unrestricted Funds | | | | Restricted Funds | | | | Totals |
|-------------------|--------------------|---------------|------------------|------------------|------------------|---------------|--------------------|------------------|---------------|
| | General (Group) | Bowen Jenkins | Other Designated | Total Designated | QE II Jubilee | Sir Ian Dixon | Sir Peter Shepherd | Total Restricted | |
| | A | B | B | | Ca | Cb | Cb | | |
| See Notes below: | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| As at 1st January | 12,414 | 391 | 9 | 400 | 188 | 3 | (2) | 189 | 13,003 |
| Income | 12,812 | 72 | - | 72 | 44 | - | - | 44 | 12,928 |
| Expenditure | (11,475) | (4) | - | (4) | (5) | (1) | - | (6) | (11,485) |
| | 13,751 | 459 | 9 | 468 | 227 | 2 | (2) | 227 | 14,446 |
| 2018 | Unrestricted Funds | | | | Restricted Funds | | | | Totals |
| | General (Group) | Bowen Jenkins | Other Designated | Total Designated | QE II Jubilee | Sir Ian Dixon | Sir Peter Shepherd | Total Restricted | |
| | A | B | B | | Ca | Cb | Cb | | |
| See Notes below: | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| As at 1st January | 12,858 | 428 | 9 | 437 | 206 | 5 | (2) | 209 | 13,504 |
| Income | 10,384 | (21) | - | (21) | (9) | - | - | 9 | 10,354 |
| Expenditure | (10,828) | (16) | - | (16) | (9) | (2) | - | (11) | (10,855) |
| | 12,414 | 391 | 9 | 400 | 188 | 3 | (2) | 189 | 13,003 |

Notes

- A. General Fund: This is the institutes main fund, used to further its general charitable activities.
- B. Designated Funds: Bowen Jenkins and other designated funds are unrestricted bequests whose use is specified by the trustees. Funding is available for expenditure on scholarships and other activities as decided upon by the Board of Trustees each year. These reserves are represented by a mixture of the CIOB's portfolio investment and cash.
- C. Restricted Funds: Assets held in respect of the following restricted income funds are sufficient to meet the Institutes' obligations:
- The Queen Elizabeth II Jubilee Fund provides research scholarships and awards. These will make a practical and lasting contribution towards the improvement of standards in building practice and education. The funds are invested to allow scholarships from income and capital growth.
 - Sir Ian Dixon and Sir Peter Shepherd funds both offer scholarships to students, the latter specifically to those from overseas. Funds are held as cash.

23. NET ASSET ANALYSIS, BY FUND

The fund balances described in Note 22 above were represented by the following assets as at 31 December:

| Category of fund: | 2019 | | | | 2018 | | | |
|-------------------------------------|--------------------|--------------------------------------|--------------------------------|---------------|--------------------|--------------------------------------|--------------------------------|---------------|
| | £'000 Unrestricted | £'000 Designated (Inc Bowen Jenkins) | £'000 Restricted (Inc Jubilee) | £'000 Total | £'000 Unrestricted | £'000 Designated (Inc Bowen Jenkins) | £'000 Restricted (Inc Jubilee) | £'000 Total |
| Tangible Fixed Assets | 1,007 | - | - | 1,007 | 1,189 | - | - | 1,189 |
| Other Investments | 12,120 | 468 | 227 | 12,815 | 11,542 | 400 | 189 | 12,131 |
| Cash at bank and in hand | 3,754 | - | - | 3,754 | 2,629 | - | - | 2,629 |
| Other net current asset/liabilities | (2,880) | - | - | (2,880) | (2,696) | - | - | (2,696) |
| Provisions | (250) | - | - | (250) | (250) | - | - | (250) |
| Totals | 13,751 | 468 | 227 | 14,446 | 12,414 | 400 | 189 | 13,003 |

24. LEASING COMMITMENTS

The groups future minimum operating lease payments expire as follows:

| | Land and Buildings | |
|----------------------------|--------------------|------------------|
| | Total 2019 £'000 | Total 2018 £'000 |
| Within one year | 467 | 474 |
| Between one and five years | 1,584 | 1,834 |
| Over five years | 168 | 391 |
| Totals | 2,219 | 2,699 |

25. CAPITAL COMMITMENTS

The group had no capital commitments as at 31 December 2019 or 31 December 2018.

26. RELATED PARTY TRANSACTIONS

There were no related party transactions to disclose in 2019 (2018: none).

27. SUBSEQUENT EVENTS

Since the reporting date, the impact of the COVID-19 coronavirus on financial markets has led to a significant decline in the value of the charity's listed investments, which the Trustees estimate to be approximately £1.3m. The Trustees do not consider that this decline will have a material impact on the charity's ability to continue as a going concern or on its ability to continue to operate in line with the current Corporate Plan.



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