



Chartered  
Governance  
Institute  
UK & Ireland

Annual report and financial statements 2020–2021

# Working with impact



# Contents

---

<b>1</b>	About CGIUKI
<b>2</b>	Highlights of the year in numbers
<b>3</b>	Operating income and investments
<b>4</b>	From the President and the Chief Executive
<b>6</b>	Highlights 2020–2021
<b>7</b>	Our strategy
	8 Accelerate
	11 Support
	14 Promote
	17 Develop
<b>20</b>	Principal risks and uncertainties
<b>22</b>	CGIUKI Board
<b>24</b>	Statement of the CGIUKI Board's responsibilities
<b>25</b>	Senior management team
<b>26</b>	Governance review
<b>30</b>	Financial review
<b>32</b>	Independent auditor's report
<b>33</b>	Financial statements
<b>39</b>	Notes to the financial statements

---

# About CGIUKI

---

The Chartered Governance Institute UK & Ireland (CGIUKI) is the largest of nine divisions of The Chartered Governance Institute, the global qualifying and membership body for governance, with 130 years' experience of educating and supporting governance professionals. With a Royal Charter purpose of leading 'effective and efficient governance and administration of commerce, industry and public affairs', The Chartered Governance Institute provides professional development, guidance and thought leadership, and works with regulators and policymakers to champion high standards.

Headquartered in London, this division represents and supports The Chartered Governance Institute's members working and studying in the UK and Ireland and in many other countries and regions, including the Caribbean, parts of Africa and the Middle East, for which it has responsibility under the Royal Charter and Byelaws. The Chartered Governance Institute's eight other divisions are in Australia, Canada, Hong Kong/China, Malaysia, New Zealand, Singapore, Southern Africa and Zimbabwe.

For a more detailed explanation of our structure and the terminology used in this report, please see below.

---

During the period covered by this annual report, the division, headquartered in London, adopted the name of The Chartered Governance Institute UK & Ireland (CGIUKI).

The management and control of the global institute's assets and operations within the territories for which CGIUKI has responsibility rests with the CGIUKI Board, which is made up of elected representatives of members within the CGIUKI division. The CGIUKI Board is a committee of the Council of the global institute (the Council).

This report deals exclusively with the finances and activities of CGIUKI which, unlike the global institute's other divisions, does not operate through an independent service company, but through the Royal Charter body. The income, assets and liabilities of the other divisions are owned by their local service companies; their results are

reported separately and do not form part of these financial statements.

The management and control of the activities of the Council's other standing committees, including the Professional Standards Committee and Thought Leadership Committee, the global institute's association management company and the activities of the Director General are the direct responsibility of the Council. These activities are accounted for within the Royal Charter body but, as they are controlled directly by the Council, they do not form part of these financial statements.

The operations of the global institute that are controlled directly by the Council for the year ended 30 June 2021 are reflected within a separate comprehensive financial statement that was approved by members at the global institute AGM on 21 October 2021.

## Annual general meeting

A resolution to receive the financial statements will be put to members at the annual general meeting of the CGIUKI division of The Chartered Governance Institute to be held at 18.00 on Monday 7 February 2022.

---

## Auditor

Haysmacintyre LLP  
10 Queen Street Place  
London EC4R 1AG

## Banker

Lloyds Bank plc  
39 Threadneedle Street  
London EC2R 8AU

## Investment adviser

Barnett Waddingham LLP  
Cheapside House  
138 Cheapside  
London EC2V 6BW

## CGIUKI address

Saffron House  
6–10 Kirby Street  
London EC1N 8TS

# Highlights of the year in numbers

---

2021

Fellows: 2,587   Associates: 6,011

**Total Chartered membership: 8,598**

Affiliated members: 488

**Total membership: 9,086**

Graduates: 902   Students: 3,577

---

2020

Fellows: 2,686   Associates: 6,179

**Total Chartered membership: 8,865**

Affiliated members: 585

**Total membership: 9,450**

Graduates: 924   Students: 2,598

---

**58** virtual events | **46** branch events | **4,436** exam sittings

---

**6,232** user accounts created on our Jobs Board and **8,090** job alert sign-ups, up from **1,491** and **1,331** in 2020

---

**78%** increase in free subscribers wishing to engage with the Institute

**10,666** webinar attendees

---

**1,022** conference attendees

---

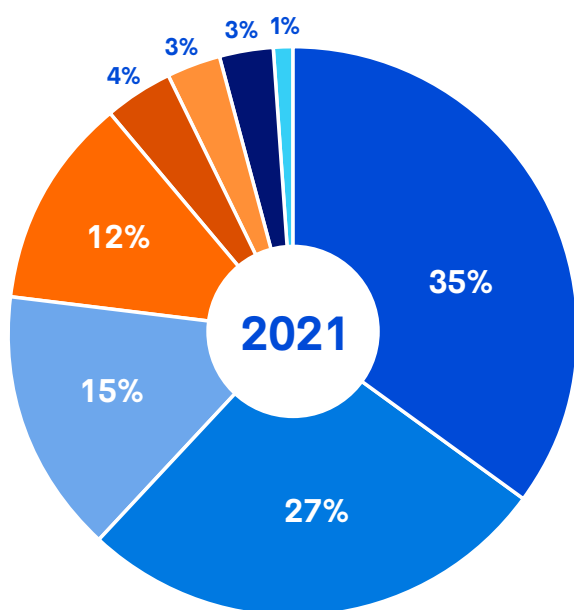
**750** training course attendees | **1,129** press mentions

---

# Operating income and investments

## Operating income

CGIUKI group operating income for the 12 months to 30 June 2021



	2021 £000	2020 £000
Members	2,371	2,371
Professional qualifications	1,808	1,208
Other qualifications	1,015	633
Training, events, Board Evaluation	818	1,556
Publishing	281	324
ProShare	233	536
Magazine	187	267
Other activities	49	108
<b>Total</b>	<b>6,762</b>	<b>7,003</b>

## Investments

	2021 £000	2020 £000
Investment value	33,783	31,279
Investment income	455	465
Investment gains/(losses)	2,504	(162)

## Group operating income

The group's 2021 operating income is

**£6,762,000**

compared to

**£7,003,000**

for 2020

# From the President and Chief Executive

This review covers the period 1 July 2020 to 30 June 2021

## Working with impact

Writing this time last year, we were struck by how profoundly the world had changed since the coronavirus crisis first unfolded and how plans had had to be adapted to reflect the new reality. One year on, COVID-19 continued to have a considerable impact on the way in which people across the globe live and work, with recurrent national lockdowns forcing large parts of the workforce to work from home and with supply chain issues affecting the availability of some goods and services. Nevertheless, there is much to be positive about. Organisations, the Institute included, have learnt valuable lessons from the disruption and there is increased recognition that good governance should play an important part in countries' and organisations' responses to the pandemic.

Our profession has never been in such demand, demonstrating the unique value of our members in times of crisis as specialists with an understanding of their whole organisation. This knowledge is particularly crucial in times of change. Similarly, the critical advisory role of the Institute has been acknowledged by both the UK's Department for Business, Energy and Industrial Strategy and the Financial Reporting Council during a year in which our advice was sought by government and regulators on how to manage governance issues, including those surrounding the 2021 AGM season.

We took campaigning to the UK Parliament on matters of interest for ProShare members to raise awareness of employee share plans and to press for improvements, including commissioning original research highlighting the important role that employee share plans can play in driving up the financial resilience of employees, something that is crucial to the UK Government's levelling up agenda. We will continue to build our profile as governance experts in our key policy areas and to ensure that the voice of our profession is heard by parliamentarians in the coming year as we build on the results of our first stakeholder audit into their attitudes to governance and how we can support them better.

To ensure that our members were able to respond to the governance challenges arising from the pandemic and continue to work with impact, we moved to a fully virtual events and training programme. This provided our members and the wider governance community with access to best practice from the Institute and their peers on how to manage emerging issues, and allowed them to stay abreast of any changes. Our wide-ranging webinar programme and a full programme of virtual events including 'Governance beyond the pandemic: Creating a sustainable future', have provided delegates with insight into the pandemic and its overall impact upon the governance landscape.

Focusing on virtual delivery enabled us to provide an enhanced service for our overseas members and resulted in new levels of participation, exemplified in attendance at such events as our virtual awards and graduation ceremonies with attendance from over 20 countries. Similarly, our specialist conferences about academy governance and ESG showed just how widely we could engage our membership virtually.

While much of what we did last year was new and unexpected, our core activity did not change. We have solid foundations and a clear strategic direction, and we have continued to deliver against this. Providing a digital-first experience for members is a key strategic ambition and we have continued to develop our online operations, including the complete redesign of our internal systems to improve our members' experience and the efficiency of our internal systems. We also made decisions early on to adapt to the pandemic, such as the decision to initiate our first online examinations in November 2020, with a second sitting taking place in June 2021. This ensured our students were able to continue their career progression wherever they were based, and we had significant numbers of students take their exams in November, ensuring they did not miss out on a year of development.

We have revised and refined decisions taken throughout the year,

adapting our plans and activities as necessary. Providing extra support to members and students and finding ways to reach new audiences have been important areas of focus. We have ensured that every member and student has a branch to call their own and made them aware of the support that it offers. In addition, our Discover Governance events have championed the attractiveness of a career in governance to over 740 potential new students and we have seen a 5% increase in the number of people registering on our Discover Governance hub. Our virtual Insight Days also attracted interest with more than 140 attendees taking part.

It was clear that the limitations from prolonged lockdown would impact the Institute's financial performance. By swiftly amending our budgets and planning in the light of the pandemic, we had a relatively stable financial year. As with other membership organisations, our income has been affected negatively by the lack of in-person events. Despite an exemplary effort from our Events team, the virtual model does not provide the same level of financial income as an in-person events programme with the challenge of increased competition for virtual events with low barriers to entry. Sponsors have also adapted and, despite great technical innovations in the delivery of conferences, income is down from these areas. However, our membership income has remained constant with membership renewals - at 95% - confirming members' recognition of our value during this time of upheaval. There has been a reduction in expenditure which has partially offset the fall in income.

This value is, of course, in large part down to the efforts of the team at Saffron House. We are proud of our team for its continued adaptability

and hard work. In February this year, we welcomed Neil Newman to the new role of Commercial Director with a brief to develop our revenue generating and member focus activity. David Wade joined us in June as interim Finance Director following the planned retirement of Robert Ing who had made such a significant contribution to the Institute over more than 30 years. At the start of 2021, we said goodbye to Charis Evans, Business Development Director who had successfully led our Membership, Marketing and IT teams in recent years.

Despite remote working, output has remained as high, as teams have raced to provide new, innovative solutions to ensure a good service to our members and to push on with our strategic ambitions, including planning for a new customer relationship management tool, which will be the bedrock of our plans to be a digital-first organisation. As always, our adaptability has been underpinned by the support of our volunteer community and our CGIUKI Board, the new name for the UKRIAT Committee reflecting our new branding as The Chartered Governance Institute UK & Ireland (CGIUKI) which took effect in April 2021.

We are taking the lessons learned from the pandemic and reshaping our professional development and commercial divisions to support our strategic aims. We have sought members' opinions on how best to improve our learning offer and to match skills with those employers are seeking. Careers in governance will be at the centre of our activities in the coming year and we have plans in place to refresh our Competency Framework. We will also be considering how to broaden our appeal through alternative

routes to membership, coupled with plans to develop partnerships with universities and training providers. Such changes will ensure that we are well positioned to support the governance profession more strongly in the coming year - by being more inclusive, more responsive and imbued with a strong understanding of our members' needs and those of the wider governance community.



Victoria Penrice FCG  
**President**



Sara Drake  
**Chief Executive**

# Highlights 2020–2021

## A year of inclusion and innovation

- 2020–2021 saw a big push on inclusivity with all members and students benefitting from membership of a branch, wherever they live in the world. As part of this, a number of branches in Africa were merged to create two new regions: the East Africa Region and West Africa Region.
- Student membership increased by 38% between 2020 and 2021, which reflects positively on our commitment to growth.
- Development of a far-reaching learning and development plan to support lifelong learning in the 21st century.
- The Institute continued to build its profile with government and regulators with its critical advisory role acknowledged by the UK's Department for Business, Energy and Industrial Strategy and the Financial Reporting Council.
- ProShare took campaigning to the UK Parliament, pressing for improvements to employee share plans.
- April 2021 saw the adoption of the name The Chartered Governance Institute UK & Ireland (CGIUKI) to bring this division in line with the global institute.
- The Institute pressed ahead with its digital-first agenda as work commenced on a new customer relationship management system and online exams. Virtual events and training have also extended the Institute's global reach.





# Our strategy

---

Following consultation with key stakeholders, including members, colleagues, early career professionals and employers, a renewed five-year strategy was introduced in spring 2020, which supports our statement of purpose – to champion good governance and develop the value, skills and effectiveness of governance professionals – by:

- Assuring world-class standards in governance
- Supporting governance professionals in achieving their professional goals
- Promoting the contribution of good governance to economic and societal value and wellbeing.

The refreshed strategy demonstrates our commitment to growth in membership, profile, influence, revenue and partnerships and is focused on the following four key strategic drivers:

- Accelerate the growth of membership, increasing our reach and relevance to all those working in governance.
- Support the professional development of members at every stage of their careers.
- Promote the contribution of good governance and governance professionals in supporting great businesses and organisations.
- Develop the organisation as a financially disciplined, sustainable, innovative, service-focused professional body with a digital-first approach.

Our strategy is supported by a five-year plan which commits to clearly defined goals across three timelines.

Our progress against each of the four strategic objectives is reported on the following pages. While COVID-19 has inevitably resulted in a rescheduling of some areas of development, it has enabled us to accelerate others, including the enhancement of our digital capabilities.



# Accelerate

---

Accelerate the growth of membership, increasing our reach and relevance to all those working in governance.

---

## What we said we would do

- Embed a refreshed Member Value Proposition to support retention and acquisition activity through the development of new services.
- Host a series of regular virtual Discover Governance events for graduates and career changers in the UK, Ireland and overseas.
- Establish an Early Career Professionals Network.
- Develop and implement more sophisticated diversity monitoring for membership.
- Increase the programme of employer engagement to support recruitment and service development.

---

## What we did

- Achieved a record 95% of members renewing their membership for the year. In addition, the number of students increased from 2,598 to 3,577.
- Organised 58 virtual events generating over 15,000 online bookings.
- Delivered and promoted 46 branch events that generated over 3,000 online bookings.
- Organised a record number of discovery events for our main qualifying programme.
- Our university outreach programme engaged with more students in business, finance and law than ever before.
- Our Discover Governance webinar programme saw a 29% growth in engagement with a 60% increase in international participants.
- Successfully completed the re-naming of the division to bring it in line with the global institute.
- Saw a 78% increase in free subscribers wishing to engage with us.
- We exceeded our recruitment advertising income helped by increased demand for governance professionals.

There is no doubt that this has been a challenging year that has placed huge demands on organisations – reflected in increasing demands on our members. Forcing everyone to pivot to new ways of working and dealing with the many unexpected issues the pandemic has raised has shone a spotlight on governance professionals. But these challenges have opened up all sorts of possibilities – new ways of working, including remote working and virtual or socially distanced AGMs being two prime examples. Despite these challenges, we have seen some exciting opportunities arise and increased engagement with our members in the UK, Ireland and around the world.

All this has had a profound effect on the Institute, fast-forwarding our 'digital first' strategy from a future aim to a must-have now. This has been an exciting time, seeing rapid growth in engagement on our social media platforms, with our community across LinkedIn, Facebook and Twitter growing by 15%. This was reflected in the remarkable growth in traffic on our website, with over four million page views, and a 120% increase in individual visitors coming from our social media platforms.

As with all organisations, the Institute has had to recalibrate how it operates, learning how to ensure business continuity in the virtual environment on a day-to-day basis. This has seen an increase in the number of webinars and online events, including our very successful graduation and awards events that attracted large numbers of attendees from around the globe.



Our first virtual Awards event generated much excitement among those shortlisted

Our branches have played a significant part in keeping members engaged. We celebrate the role of our branch volunteers who have played a key part in keeping the lines of communication open for members. Many branches have held virtual events, so members have the opportunity of attending regardless of where they live.

Our West Africa Region Branch – formally the Ghana Branch – held their first virtual event at the beginning of 2021 on Overcoming the Challenges of Hybrid AGMs. The event was attended by members in West Africa but also attracted attendees from as far afield as The Netherlands and Jamaica. More successful events followed, including virtual conferences for our East Africa Region in June and our Irish Region in May. There are further events scheduled for the rest of the year. University outreach has been high on the agenda, and we increased the number of presentations on the

governance profession to university students through lecturers and careers advisers. We were fortunate in having the support of CGIUKI members and students, who shared their insights into their roles and experiences. Graduate evenings were introduced outside London and our Insight Days, work experience and shadowing schemes continued to offer valuable opportunities for those interested in corporate governance as a profession.

Our Discover Governance webinar programmes saw a 29% growth in engagement, again with an international reach, and we will look at how this can be further developed in the coming year.

It is important that members get the most from being part of CGIUKI and, next year, we will focus on several new membership initiatives.

First, we will look to engage people in the early stages of their careers with the launch of our Early Career Professionals Network.

# Accelerate

---

This will open up ways to connect and build a personal network as well as help develop personal skills. Second, we will review the Special Entry Examination Scheme to expand the opportunity for more people to join our professional community. We will also consider how experiential and non-Chartered routes to membership might work. At the same time, we will review our CPD offering to ensure we continue to deliver high-quality education and training products to the profession.



We will explore additional ways for people to join our professional community

---

---

## What we plan to do next year

- Grow our membership by working in partnership with universities and other training providers.
- Refresh our Competency Framework to ensure it continues to meet the needs of the profession.
- Promote and highlight the significant contribution of CGIUKI members in our communications strategy.
- Scope out alternative routes to membership to make CGIUKI the home for governance professionals.
- Deploy Regional Relationship Managers to increase engagement with employers, training providers and the wider business community.
- Develop our website to make it more relevant and accessible to our members and those with an interest in governance.
- Focus on growing our reach via a new Discover Governance hub.
- Promote equality, diversity and inclusion across our membership, enabling all to join us irrespective of their background.
- Grow our reach in the health, charity, sport, education and academy sectors.
- Conduct a ProShare membership drive to recruit new plan issuer members.
- Launch an Early Career Professionals Network.
- Introduce digital credentials and badging for our members.

# Support

---

Support the professional development of members at every stage of their career.

---

## What we said we would do

- Ensure every member and student has access to a branch and support branches to deliver virtual and blended events programmes. As pandemic gathering restrictions are lifted, we will reintroduce face-to-face networking as a key benefit of belonging to a branch.
- Introduce a new outcomes-based approach to CPD.
- Continue the refreshed programme of technical briefings.
- Increase cross-marketing of relevant training, events and conferences. Build special interest groups containing both ProShare and Institute members.
- Explore new learning partnerships, including with employers, training providers and universities.
- Establish a new network and community support for early-career professionals.
- Review and refine our virtual training and explore blended models.
- Deliver more differentiated services and benefits for Associates and Graduates.
- Review our assessment methods and contribute to the wider international review.

## What we did

- Every member and student benefits from membership of a branch, wherever they live in the world. Branches are run by local member volunteers and supported by our team in London.
- After pivoting to virtual training in response to COVID-19, we delivered courses across the year. Our trainers honed and refined the virtual experience, exploring small group working and case studies amongst other topics in the virtual environment.
- We published 20 technical briefings over the year on a variety of topics from the governance of climate change to the future of the annual general meeting.
- We responded to over 1,000 queries to our members' technical helpline.
- We developed a far-reaching plan for the Institute's learning and development built around lifelong learning in a 21st century learning environment.
- To support students with a more blended virtual learning experience, we digitised study materials for our short certificate qualifications and the Foundation Programme.
- We started a review of our publishing business, its role in supporting members and students and the model we are using. This will complement a wider piece of work on content in the new year.
- The Events team took a more active role in supporting ProShare's annual conference and awards, as well as its programme of webinars.

# Support

Supporting our members with our local branch network as well as world-class training and development opportunities has never been more important than during this period of lockdowns and restrictions. Every member and student benefits from membership of one of our existing 25 branches, wherever they live in the world. All our branches are run by member volunteers and supported by the Institute team in London.

Our technical expertise is of vital importance to our members, and we continued our popular programme of technical briefings – publishing 20 briefings during the year. These put a greater focus on sharing the Institute’s guidance and thought leadership and links to useful articles and guidance from other sources.

A major piece of work this year was the creation of a far-reaching plan

for our learning and development offering. We will transform the support we give our learners with the development of a flexible, forward-looking offer, one that reflects the expectations of modern learners, is built around the principle of lifelong learning, and is delivered in a 21st century learning environment. The plan will inform much of what we do in this space over the next two years.

To inform our thinking, we ran a series of workshops with an external learning consultant to investigate the needs of members, students and employers. The findings have been fed into planning not just on learning and development but across a variety of activities. We also started what will be a far-reaching transformation of our learning materials, with the refinement of our plans for

e-learning which will start to bear fruit in early 2022, and the migration of our study texts into digital format.

The launch of our Good Governance Guide series and associated book reviews in the regional press have also taken our content to a wider audience. Knowing how to interpret boardroom dynamics and improve board composition is an essential part of the governance professional’s tool kit. Equality, diversity and inclusion (EDI) initiatives are a top priority for boards and our work on the EDI agenda aims to provide a support network for members. Recent initiatives included hosting a well-attended webinar for International Women’s Day with an enlightening panel of experts and support for the launch of the Black Governance Professionals Network.



Three crucial areas of governance expertise are brought to life in our Good Governance Guide series



We held a well-attended webinar for International Women's Day

---

---

## What we plan to do next year

- Review our programme of webinars with clear objectives of promoting and discussing our policy, regulatory and research work, and marking significant dates.
- Bring our training more fully into the learning and development space and introduce a blended offer, with new formats and products, underpinned by market research and mapped to competencies.
- Create a learning hub to facilitate better access to our collated and curated learning materials, including digital texts, e-learning, webinars, guidance and others.
- Launch a project to explore new learning partnerships, including working with employers, training providers and universities.
- Broaden the scope of ProShare focus groups and link them, where possible, to those of the wider Institute.

# Promote

---

Promote the contribution of good governance and governance professionals in supporting great business and organisations.

---

## What we said we would do

- Establish a research fund to provide support for small research projects which bridge the gap between academic and practitioner interest.
- Continue to publish thought leadership and guidance on governance issues and provide articles and blogs for national, local, regional or trade press.
- Continue to represent members' interests and the interests of good governance and raise the profile of the Institute, our members and their role by responding to formal and informal consultations from government and regulators, building relationships with government and regulators and attending and speaking at external industry events.
- Achieve 1,200 press mentions.
- Continue to develop ProShare's relationships with the UK Government, politicians and relevant regulators.
- Raise the profile of Employee Share Ownership with a significant research project.

---

## What we did

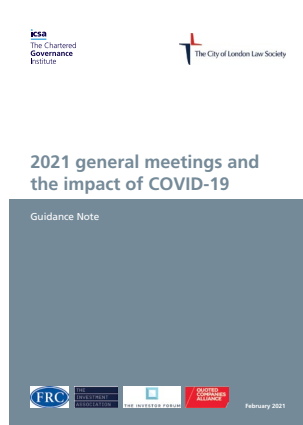
- We published twenty pieces of thought leadership or guidance during the year, supported by articles and more than 70 blogs, including five dealing with the changing requirements for AGMs in a COVID-19 environment.
- We responded to 30 formal or informal consultations from the UK Government or regulators and had 112 meetings with UK ministers, MPs and Government or regulatory officials.
- We attended (virtually) some 354 events and spoke at 50.
- Achieved 1,129 press mentions across a wide range of specialist, local, national and international press.
- ProShare undertook a comprehensive programme of lobbying MPs and government departments.
- ProShare launched a major new report, 'A Stake in Success: Employee Share Ownership and the Post Covid Economy', commissioned from leading thinktank the Social Market Foundation.



The last year has been one of the most successful for raising the Institute's profile and promoting our work. During the pandemic, there has been a great focus on governance issues, which saw a lot of interest in our guidance on managing annual general meetings during the rapidly changing circumstances. Working closely with the UK Government, regulators and other partners, we produced comprehensive guidance, which was well-received by members and the wider market.

We also published the results of a poll of 35 of the largest companies in Ireland to understand how boards and company secretaries were managing during the pandemic.

Our relationship with the UK Department for Business, Energy and Industrial Strategy (BEIS), nurtured over recent years, helped gain its support for our AGM guidances. It also helped open up access to Ministers and officials at an early stage of the legislative process. We facilitated member engagement with Lord Callanan, Minister for Climate Change and Corporate Responsibility, to present our views on the recent consultation on the future of audit – 'Restoring Trust in Audit and Corporate Governance'. Further invitations included the opportunity to work with the Financial Reporting Council on the future of the AGM and to join a BEIS working group to implement the changes at Companies House following Government consultation. BEIS was also able to receive and respond to our review of board evaluation this year. We are also working with the UK Department for Education on the future of governance in education bodies.



Our AGM guidance had the BEIS seal of approval

Lord Callanan and Baroness Berridge, Minister for the School System, both supported the Institute as key conference speakers.

Our political monitoring system captures parliamentary activity on governance issues and employee share plans. This offers twin benefits – it informs our policy work and highlights opportunities for engagement with politicians and policy influencers. Sadly, COVID-19 restrictions limited opportunities for political party conference engagement, but we attended the Labour Party's Spring Conference Business forum, raising awareness of the Institute in conversations with Ed Miliband, Shadow Minister for BEIS, Steve Reed, Shadow Communities and Local Government, and Matthew Pennycook, Shadow Minister for Climate Change.

As well as publishing twenty pieces of thought leadership and guidance during the year, we also worked with Justine Lutterodt and the Centre for Synchronous Leadership to publish two reports on Mindful Exclusion, with a third due in July.

We also supported Professor Sir Andrew Likierman of the London Business School in his work on The 12 Elements of Independent Judgement for a UK Board. We have invested significant time positioning the Institute to raise our profile more effectively in the future. We conducted a stakeholder audit focusing on elected representatives, civil servants, regulators and influencers to improve our communications and influence on policy issues.

We also launched research into the relevance of governance and the governance professional to capture views on the future of the profession. This will inform how we support members at all levels and define the attractiveness of the profession to potential new entrants. Our policy and external affairs departments worked together to define and test policy themes, and this work explored policy issues and member interest in climate change alongside our ESG Summit in spring 2021.

The Institute also became a signatory to the Professional Bodies Climate Action Charter, launched in June 2021. This sets out how we will support our members in this important area. We also responded to relevant consultations such as 'Mandatory climate-related financial disclosures by publicly quoted companies' from BEIS.

Our spokespeople have appeared in the UK national press regularly throughout the year, including in The Times and The Sunday Times, The Irish Times, The Telegraph, The Sunday Telegraph and The Mail Online, and the financial press – City AM and the Financial Times.

# Promote

---

were also interviewed on LBC Radio's Eddie Mair show. There has also been continued coverage in the regional and trade press, promoting our branches and our sector expertise.

We have raised ProShare's profile and recognition through speaking engagements and event attendance. Our LinkedIn page has more than doubled its members over the last six months. ProShare's key external affairs focus was on raising awareness of our policy asks and lobbying for change. Our case for change was shared with MPs last Summer and, following a meeting programme with interested MPs, led to over 20 parliamentary questions as well as letters to Treasury. Our Budget Submission to Treasury in

January was also supported by correspondence from key MPs.

We supported this work by commissioning a leading thinktank, the Social Market Foundation, to develop a major new report – 'A Stake in Success: Employee Share Ownership and the Post Covid Economy'. The report was launched on 4 May with Jonathan Djanogly, Conservative MP and Chair of the All Party Parliamentary Group on Corporate Governance and Sarah Olney, Liberal Democrat Business spokesperson. Both subsequently wrote in support for reforms, and the report was featured in national newspapers including the Guardian, Telegraph and Times, as well as industry publications.

We continued to lobby the Government on share plan issues, with regular meetings with HMRC and the Office of Tax Simplification to explain the practical implications of tax changes. In May 2021, following consultation with our members, ProShare delivered a full response to the Chancellor of the Exchequer's call for evidence on the operation and potential expansion of Enterprise Management Incentive (EMI) share schemes.

The proposal to make small research grants available to commission academic research fell victim to the challenges of the pandemic, but will be reviewed for the coming year.

---

## What we plan to do next year

- Continue to build on our strong relationships with the Government and regulators, developing these with more bodies where practicable.
- Complete and follow up on our major project on the relevance of governance and the governance professional.
- Proactively engage with UK Parliamentarians to raise awareness of the Institute and consolidate our position as expert advisers on key policy issues such as audit from autumn 2021 through a cross-party meeting and briefing programme led by our Head of External Affairs.
- Continue to raise the profile of ProShare and employee share plans together through our campaign for policy changes, building on the impact of the Social Market Foundation Report and alliances made over the past year with parliamentarians.
- Develop our media approach to support awareness of the Institute and our policy positions on key topics.
- We will explore the idea of small research grants to commission academic research.

# Develop

---

Develop the organisation as a financially sustainable, innovative, service-focused professional body with a digital-first approach.

---

## What we said we would do

- Review the membership model as part of the new Member Value Proposition, and consider introducing an experiential route to membership.
- Deliver our first online exams in November 2020.
- Launch e-learning modules for at least two qualifying programme modules.
- Complete the transition of ProShare events and finance activities to relevant Institute teams and seek further opportunities for business integration.
- Maintain ProShare membership as far as possible in a post-COVID-19 environment.
- Transfer events and training to virtual platforms.
- Reinstate in-person events when safe and practicable to do so.
- Update our terms and conditions of membership to change the way we communicate about branch activities.

## What we did

- Work has commenced on reviewing the membership model, and further research is underway. This project will be completed in 2022.
- We held our first online exams in November 2020 for 2,307 students, ensuring that there was no interruption to their career progression as a result of the pandemic.
- The launch of new e-learning to support students on the qualifying programme was planned for early 2021 but was moved to early 2022 as the wider plan for learning and development took shape.
- Work has continued on business integration with ProShare events and finance functions now supported by Institute business functions.
- ProShare membership was maintained in a post-COVID-19 environment.
- We successfully ran a busy programme of virtual events, training sessions and webinars, exploring and refining our approach to virtual delivery.
- Introduced new ways of communicating with members and students, which came into effect in October 2020.

# Develop

The pandemic has provided a unique opportunity to fast-track some important elements of our development programmes. With lockdowns and social distancing guidelines in place, we have pivoted many of our development activities online over a very short period.

We held our first online exams in November 2020, with the second sitting in June 2021. Using sophisticated software, candidates sat their exams at home or in their office if restrictions allowed, with monitoring by live remote invigilators. The lessons learned from November fed into our planning for June. This included using enhanced technology to resolve some of the access issues experienced at the first sitting.

To pursue our digital-first policy, we initiated the development of a new customer relationship management (CRM) system to align our diverse information systems and sources into one single cross-organisational platform. Development is underway, and data migration has started.

The new system will increase our understanding of our customers by allowing a complete picture of their interactions with us and a better measure of our impact. Reduced reliance on manual processes will free up our teams to focus on better customer support as well as improving member experience and the ability to self-service. With the business integration of ProShare events and finance functions well advanced, we

were pleased to see ProShare membership remaining strong at 131 members despite some attrition due to market consolidation. A new Head of ProShare was appointed in October, who has focused on building relationships with existing and potential ProShare members. Virtual events and training have been much appreciated by the members.

Other online events included Celebrating Excellence, ProShare's share plans masterclass featuring presentations and discussions with annual award winners.

We launched the annual ProShare SAYE and SIP Survey 2019 report with an online presentation and panel discussion with 120



Two major pieces of work have helped to increase awareness of the value of all-employee share plans

delegates. The 2020 survey findings will be published in September. It is the first extensive report to demonstrate the effect of the pandemic on the key all-employee share plans.

With no in-person events possible on the UK mainland in the second half of 2020 and the first half of 2021, we focused on exploring and refining our approach to virtual events. This has let us reach audiences who may not have been aware of our events or who may not have been able to attend due to their location. It has also opened the door to a more diverse range of speakers from the UK, Ireland and overseas.

Virtual conferences enjoyed a period of rapid development, as

the team discovered what did and did not work, carrying their learning forward, adapting and refining for subsequent events. Lessons learned were applied to our first full virtual Annual Conference, which took place very successfully in July 2021.

The virtual Institute Awards held in November 2020 were also a great success. This was a streamlined awards ceremony with a Zoom after-awards party that was joined by members from around the world. Spring 2021 saw us hold the Institute's first virtual graduation ceremony with more than 300 graduates and members taking part. This was a significantly higher number than for the traditional event in London, the obvious benefit being the removal of

travel expenses for our overseas members and students. Our valuable learnings will inform next year's graduation ceremony. Webinars proved to be a game of two halves. On the one hand, the team delivered a busy programme across the year to healthy audience numbers. Topics discussed included cognitive diversity, exclusion in the boardroom, modern slavery and employee wellbeing. However a crowded webinar market and changing sponsor expectations made a sustainable financial model elusive. We have addressed this in our plans for the next financial year.

At the end of the financial year, we started planning our first large physical events since the start of the pandemic.

---

## What we plan to do next year

- Our new CRM system will go live following further software development and rigorous testing.
- We will review our assessment methods with a view to identifying a model which maintains the integrity of the international standard and meets the needs of learners and employers. This will support and inform, and be informed by, similar work by the global institute.
- A return to in-person events, with the Institute and ProShare Awards ceremonies scheduled for late 2021 and a more fulsome return planned for the first half of 2022.
- ProShare will continue to work more closely with teams across the Institute, with shared goals and vision.
- ProShare will continue to develop its membership benefits and focus on opportunities for membership growth in the market. Its training courses, including the Introduction to Employee Share Plans, will be reviewed and refreshed, and new opportunities identified in the process.
- Launch e-learning for the Corporate Governance, Risk Management and Boardroom Dynamics modules of the qualifying programme, which will be offered both to existing students and to a wider audience who wish to learn outside studying for a formal qualification.

# Principal risks and uncertainties

---

## Our risk management process

The CGIUKI Board is responsible for the assessment and management of risk and reviews the risk registers annually.

The Audit & Risk Committee is responsible for monitoring the effectiveness of the group's risk management systems.

The Committee reviews the division's risk architecture and methodology which comprises the risk management process.

The senior management team has, through the Executive Risk Subcommittee, responsibility for designing, implementing and maintaining risk management systems in line with the risk management process.

Separate registers have been created for strategic and operational risks. Strategic risks, those which influence

the strategic direction of the division, are overseen by the CGIUKI Board, the operational risks are overseen by the senior management team and heads of department.

Managers are required to consider and identify risks to their departments' operations and budgets and to assess these risks by type (strategic or operational), likelihood and impact.

Particular attention has been paid to ensure that COVID-19 is identified and recorded within the risk registers as a risk cause and that where possible appropriate controls and mitigations are identified.

The risk scores and their associated mitigation factors are recorded in the risk registers. These are reviewed at least once each year by the Audit & Risk Committee and the most significant risks are reviewed at each meeting.

Risks continue to be monitored and evaluated and it is the opinion of the Audit & Risk Committee that the approach to risk management is appropriate and robust.

## Internal audit reviews

The risk registers inform the selection by the Audit & Risk Committee of subjects for internal audit and review by RSM Risk Assurance Services LLP.

RSM conducted a review of contract management processes to assess several factors, including the contract management framework, operating procedures, the contract management site and risks.

The internal audit plan for 2021–2022 proposes to audit self-employed contractors.

## Principal risks

The principal risks identified are:

**The relevance of the Institute as a professional body and its value to members declines**

**Impact of economic/political/social uncertainty results in financial instability of the Institute**

**Inability to address the increased regulatory burden (e.g. GDPR), leading to loss of reputation and financial penalties**

**Competition – external threat leading to business instability and loss of revenue and membership**

**The Institute's ability to operate in the new world (lack of agility, resource - ability to identify commercial models needed to deliver)**

**Pandemic and consequences significantly inhibit our ability to run the business**

### Mitigation plans in place include:

- the Member Value Proposition is regularly reviewed
- the strategic review undertaken, which incorporated the results of the members' survey
- future modes of delivery of services and value are under regular review

### Mitigation plans in place include:

- professional advice is sought as required
- a constructive relationship is in place with regulators and government
- we have a strong influencing agenda
- a business continuity and resilience plan is in place
- the successful replacement of core business systems

### Mitigation plans in place include:

- professional advice is sought as required
- we have a strong influencing programme with government
- regular training for staff and members in data governance and cybersecurity
- cyber protection insurance cover in place

### Mitigation plans in place include:

- a commercial strategy based on market analysis and high-quality product development
- the continual development of brand awareness and value
- the continued development of a digital strategy

### Mitigation plans in place include:

- growth strategy in place – alternative membership model offering
- Member Value Proposition

### Mitigation plans in place include:

- adherence to government health advice
- implementation of secure remote working processes
- services migrated to online delivery
- active communication with stakeholders

# CGIUKI Board

(as at the date of these financial statements)





**1 Victoria Penrice (President)**

A Chartered governance professional with over 30 years' experience Victoria was Group Company Secretary at Seadrill Limited until June 2020. She has experience in a number of sectors and is skilled in corporate governance, project delivery and board leadership, having worked for major listed companies.

**4 Frank Curtiss (Past President)**

Frank chairs the Investment Committee, the Chartered Secretaries' Charitable Trust and the ICSA Pension Scheme Trustees. Previously Head of Corporate Governance at RPMI RAILPEN, he is an Integrated Reporting Ambassador, sits on the RSA Audit and Risk Committee and OPDU Advisory Council and chairs the CIMA Pension Scheme Trustees.

**7 Karen Jolly**

Karen is the Group Company Secretary of the BWCI Group. A former Chair of the Institute's Guernsey Branch, she has worked in the fiduciary, fund and insurance sectors of the finance industry in Guernsey for more than 20 years.

**10 Tom Lancaster-King**

Tom was elected to the CGIUKI Board in 2017 and is a member of the global institute's International Council, having previously served as a regional branch chair. Tom is based in Guernsey where he has worked for over 20 years in a variety of governance roles in the investment fund industry.

**2 Charles Brown (Vice President)**

Charles is also a Vice President of the Institute's Irish Regional Council. Company Secretary for Experian plc in Dublin, he covers corporate governance, statutory and listing rules compliance and reporting, board support, shareholder services and corporate responsibility.

**5 Ruairi Cosgrove (Vice President)**

A former President of the Institute's Ireland Region and current Council member, he is Director of PwC Dublin's Entity Governance and Compliance Department. Ruairi provides advice to a range of companies including plcs, multinational corporations, Irish indigenous companies and State Bodies.

**8 David Kyle**

Elected to the CGIUKI Board in January 2016 and re-elected in January 2019, David is a former Secretary and Chair of the Institute's Sheffield Branch. Currently a Senior Lecturer at York St John University, he is a member of CIMA and a technical reviewer for another major accountancy body.

**11 Leslie Milliken**

Leslie has both private and public sector experience, latterly as a university lecturer in law. He currently sits on both First and Upper Tribunals. He is a prior chair of Professional Standards Committee, and is currently a member of the Qualifications Committee.

**3 John Heaton (Past President)**

John is Immediate Past President of CGIUKI and serves as the global Institute's Vice President. A self-employed consultant in the share registration industry for over 10 years, John previously carried out a number of senior management roles in operations, compliance and risk, and client relations for Lloyds Bank Group.

**6 Susan Fadil**

Susan was elected to the CGIUKI Board in January 2017. A senior director at JTC UK Limited, providing corporate governance and advisory services to a range of listed entities, she has over 25 years' experience as a Chartered secretary with a background in professional service firms.

**9 Marie Larkin**

Marie was elected to the CGIUKI Board in January 2020. A governance professional for Bank of America since 2014, supporting regulated and nonregulated entities in the EMEA region, she is a qualified solicitor with over 20 years' governance experience in the financial services sector.

**12 Lisa Sunner**

Lisa was elected to the CGIUKI Board in January 2019, serves on the Investment Committee and is a Trustee of the Institute's pension and assurance scheme. She is Group Company Secretary for RPMI Ltd, which provides inhouse pension and investment services for the railways pension schemes.

# Statement of the CGIUKI Board's responsibilities

## In respect of the preparation of financial statements

The membership of the CGIUKI Board recognises its responsibility under Byelaws 61.7 and 61.8 for the management and control of the assets and liabilities of The Chartered Governance Institute UK & Ireland and for the preparation of its financial statements under CGIUKI Regulation 92.

The Chartered Governance Institute UK & Ireland is a division of The Chartered Governance Institute which, as a body incorporated under Royal Charter, is not subject to UK company law. However, the CGIUKI Board has elected to prepare the financial statements in accordance with FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, as issued by the Financial Reporting Council.

The financial statements of The Chartered Governance Institute UK & Ireland and the group are required to give a true and fair view of the state of affairs and the net surplus or deficit of the division and the group for each year. In preparing these financial statements the CGIUKI Board is required to:

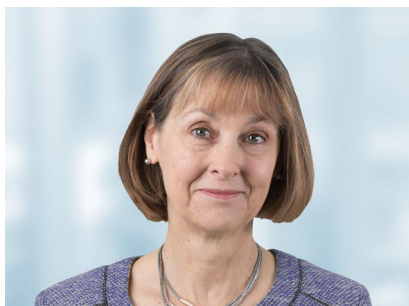
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Institute and group will continue in business.

The CGIUKI Board is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the division and the group. It is also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The CGIUKI Board is responsible for the maintenance and integrity of the corporate and financial information included on the division's website. Legislation in the UK governing the preparation and dissemination of the financial statements and their information included in the annual reports may differ from legislation in other jurisdictions.

# Senior management team

(as at the date of these financial statements)



**Sara Drake**

**Chief Executive**

Sara joined the Institute in 2019, having spent much of her career working in the media sector and with professional bodies. Previously CEO of the Association for Project Management, she sits on the board of the Quality Assurance Agency and holds non-executive directorships in the private and charity sectors.



**William Booth**

**Professional Development Director**

Will oversees the Institute's events, qualifications and publishing businesses, and is responsible for the planning and strategic oversight of these areas. He joined the Institute in 2000 and much of his work since then has focused around professional and business development.



**Neil Newman**

**Commercial Director**

Neil is responsible for driving forward the Institute's commercial strategy and increasing brand visibility. Previously Director of Development at the Institute of Paralegals, he has over 18 years' experience of professional bodies. He holds non-executive positions in the regulatory and private sector.



**Robert Ing ACMA, CGMA**

**Finance Director (until July 2021)**

Robert left the Institute in 2021 after 30 years, culminating as FD of the group. Previously he held a variety of financial, management and project accounting roles for the London Stock Exchange and manufacturing, mining and oil exploration sectors.



**David Wade ACA**

**Finance Director (from June 2021)**

David joined the Institute in 2021 as Interim Finance Director of the group, which includes the Institute and three trading subsidiaries. He is a Chartered Accountant and has a wide range of experience leading finance departments in membership bodies, not-for-profit organisations and SMEs.



**Peter Swabey FCG**

**Policy and Research Director**

Peter leads the Institute's policy and research activities, ProShare business and Institute journal. A member of a number of industry committees and a regular speaker on governance, he develops the Institute's profile through thought leadership, lobbying and liaison with legislators and regulators.

# Governance review

The Chartered Governance Institute UK & Ireland (previously known as ICSA: The Chartered Governance Institute) is committed to reaching and maintaining the highest standards of corporate governance and in doing so supports the UK Corporate Governance Code as revised by the FRC in 2018. The Code is principally for listed companies and, as such, the Institute is not obliged or, in some respects, able to follow it completely. However, we are dedicated to adopting best practice governance processes and therefore choose to apply the Code to the division's operations as far as it is applicable for a professional body incorporated by Royal Charter.

The CGIUKI Board (formerly the UKRIAT Committee) has during this financial year and in 2019-20, had to make a series of decisions to ensure that the work of CGIUKI adapts to the challenges of the pandemic, both financial and organisational. This has meant that the pace of change has quickened in some areas as the organisation has adapted and delivered its key goals.

All Board and Committees meetings were held online this year. This has accelerated the use of virtual meetings as we have adapted to the pandemic, but the organisation has still been able to transact business and meet its legal obligations. We are grateful to all Board and Committee members who have shown flexibility during this unprecedented period.

## 2020/21 CGIUKI Board

The CGIUKI Board is composed of those members elected by the members residing in those countries that the division represents and the two most recent Past Presidents of the division. Members of the Board do not receive any remuneration from The Chartered Governance Institute UK & Ireland other than reimbursement of expenses incurred in carrying out their duties.

Any Fellow of the Institute who resides in those countries that the division represents is eligible to stand for election to the CGIUKI Board. Following the approval of the changes to the Regulations in February 2021, terms of office of Board members were adjusted and they now run from 1 July to 30 June (in line with our financial year). The next scheduled elections for the Board are in 2022.

The CGIUKI Board has responsibility for the overall leadership of the division, setting its vision, mission and values and making sure its goals are met. It carries out

this responsibility through the review and approval of the division's strategic aims, objectives and annual strategic and business plans, and the approval of the division's group annual operating and capital expenditure budgets. The Board held a formal strategy session in November 2020 where the topics of discussion included our member value proposition, the future development of our Learning and Development programme, competition, the name and identity of the division and the relationship between CGIUKI and the global institute. The Board also:

- Agreed the change of brand for the division from ICSA: The Chartered Governance Institute to The Chartered Governance Institute UK & Ireland. This rebranding exercise marked the completion of a rebranding process begun in 2018, following the approval by the global membership to change the name of the Institute from The Institute of Chartered Secretaries and Administrators (ICSA) to The Chartered Governance Institute. Consequently, the UKRIAT Committee changed its name to the CGIUKI Board following this decision.
- Received regular updates on development of the new customer relationship management system (Project Chrysalis). This project will lead to major changes and improve how we interact with our members and deliver training.
- Following the outcome of the triennial valuation of the defined benefit pension scheme, established a working group to represent the Institute in the discussions with the trustees to secure an agreement on future contributions and the deficit repayment schedule.
- Approved the budget, acknowledging that due to the current circumstances some of the work would be delivered on a longer timescale. The Board received regular updates on financial performance including updates on our investment income, allowing it to monitor closely the effects of the pandemic.
- Approved changes to the reduced rate country concessionary fee and new criteria which are consistent and more transparent for all stakeholders.
- Approved the adoption of the new retired rate concession policy based on a single minimum age threshold of 66.
- On recommendation of the Nomination Committee and following a review of the committees' structure, agreed changes to the terms of reference of committees to make them more inclusive and increase diversity, acquire new talent and cover specific skills. Membership of major committees now

allows Associates, Affiliated and non-members to be appointed. Additionally, it agreed that the Investment Committee should become a committee of the Board.

- A Governance and Board Effectiveness review is currently taking place and results will be available next year. Amongst other issues, this review will look at addressing strategic and operational issues such as diversity and the eligibility and process of election for board members.
- The Board meets privately, without senior management present, before or during each meeting.

The Board met four times in the period 2020-21

Name	CGIUKI Board
Victoria Penrice (Chair)	4/4
Charles Brown	4/4
Ruairí Cosgrove	4/4
Frank Curtiss	4/4
Susan Fadil	3/4
John Heaton	4/4
Karen Jolly	4/4
David Kyle	4/4
Tom Lancaster-King	4/4
Marie Larkin	4/4
Leslie Milliken	2/4
Lisa Sunner	3/4

### Audit and Risk Committee

The Audit & Risk Committee is responsible for monitoring the integrity of the financial statements of the CGIUKI division and its subsidiary companies keeping under review the effectiveness of the Group's internal controls and risk management systems; considering and making recommendations to the CGIUKI Board concerning the reappointment of the Group's external auditor; oversight of the internal audit function; and overseeing the selection processes for the engagement of external and internal auditors when required.

### External audit

The Audit & Risk Committee agrees the scope of the audit and reviews the annual audit report. It also monitors the level and nature of any non-audit services provided by the auditor, considering relevant ethical guidance on the provision of such services. Haysmacintyre LLP was initially appointed the division's

auditor at the AGM in February 2018. This is the fourth year under the current lead partner, and the CGIUKI Board is recommending the reappointment of Haysmacintyre LLP at the 2022 CGIUKI annual general meeting.

Non-audit services purchased in the year from Haysmacintyre LLP amounted to £7,000 for tax advice and compliance services. Having reviewed Haysmacintyre LLP's processes and procedures to ensure and preserve its audit independence, the Committee agreed that its independence was not compromised through the level of non-audit work undertaken in the year.

The external auditor is invited to attend the meetings of the Audit & Risk Committee.

### Internal audit and risk management

The internal auditor (RSM Risk Assurance Services LLP) is also invited to attend meetings of the Audit & Risk Committee where appropriate. Please refer to page 20 for an explanation of the role of the Audit & Risk Committee in risk management.

During the year, the Committee also:

- Oversaw the audit, assurance and risk management processes within the division, monitoring the level of non-audit work undertaken by the external auditor and agreeing the auditor's independence safeguards.
- Noted the series of changes made to the contract system, including a central database of contracts and training to ensure better compliance by staff.
- Reviewed, at each meeting, the corporate risk register.

The Committee met twice in the period 2020-21

Name	Audit & Risk Committee
David Kyle (Chair)	2/2
Charles Brown	2/2
Frank Curtiss	2/2
John Heaton	2/2
Tom Lancaster-King	2/2

# Governance review

## Nomination Committee

The Nomination Committee is responsible for ensuring the composition of the CGIUKI Board is fit for purpose, for the nomination of CGIUKI President and Vice-Presidents and for making recommendations to the Board on changes to its structure, size and composition and the membership of its standing committees and the boards of its subsidiary companies. In previous years, senior management remuneration was considered by a small group comprising the President, Past Presidents and Vice Presidents. However, in 2021, the Board agreed to formalise remuneration arrangements through the creation of a Remuneration Committee. Given the size and complexity of the organisation, and the potential overlap in membership of both committees, it was further agreed that the duties of the Remuneration Committee be subsumed into those of the Nomination Committee.

During the year, the Committee:

- Reviewed the size and composition of the Board including the challenges of increasing diversity within. Although the Committee agreed that the optimal size of the CGIUKI Board should be 12, it agreed to recommend to the Board that, for a short period of time, it increase its size to 14 by co-opting members with relevant commercial experience.
- Reviewed the structure and composition of all committees, agreeing to make recommendations to the Board for the appointment of a new member to the Audit & Risk Committee.
- Discussed the creation of a Pension Scheme Working Group agreeing to make recommendations to the Board on its duties, membership and purpose.
- Discussed the role of the President, Vice Presidents and Past Presidents and agreed that a review should be undertaken within the Governance Review to help clarify their role and responsibilities.
- Discussed succession planning for the CGIUKI President and Vice President and agreed to recommend to the Board the current appointments to ensure stability and continuity.

The Committee met twice during the period 2020–21.

Name	Nomination Committee
Victoria Penrice (Chair)	2/2
Charles Brown	2/2
John Heaton	2/2
Leslie Milliken	2/2
Lisa Sunner	2/2

## Membership Committee

The Membership Committee is responsible for assessing and recommending to the CGIUKI Board candidates to be admitted to membership or upgraded to Fellowship within CGIUKI. It also makes recommendations to the Board on the systems and procedures established to implement admissions policy, provides guidance on member benefits and monitors the Continuing Professional Development and Public Practice Scheme.

During the year, the Committee:

- Reviewed and made recommendations to CGIUKI Board on membership applications received. In order to deal with Fellowship applications in a more timely manner, the Committee now meets once a month to review and recommend applications to the Board for approval. In total, it reviewed and recommended 52 Fellowship applications.
- Received regular reports on level of membership and student renewals noting that despite the very challenging circumstances of the pandemic, the renewal rate was 95%, with student retention significantly better than previous years.
- Continued with the audit of Associate membership approvals to ensure that the correct marking criteria were applied by the membership team when reviewing the applications.
- Discussed the involvement of a third party, who targeted membership renewals for student members helping with this activity, achieved the targets set.
- Received briefings on senior management activity regarding changes to strengthen the division's branch network, membership benefits and the review of the concessionary rates for members and students including the Reduced Rate Country policy and the Retired Rate Policy.
- Discussed progress of the implementation of the new CRM system and the impact the system will have on enhancing the member value proposition and allowing better monitoring of member and student engagement.
- Noted that steps would be put in place to encourage greater registration on the public practice scheme, once the new CRM system becomes operational.
- Reviewed the outcome of the annual committee evaluation and agreed an action plan.

The Committee met 10 times during the period 2020-21

Name	Membership Committee
Susan Fadil (Chair)	10/10
Frank Curtiss	10/10
Karen Jolly	7/10
Bernadette Young	10/10

### Qualifications Committee

The Qualifications Committee is responsible for advising the CGIUKI Board on all aspects of all qualifications within CGIUKI, including all those leading to membership of the Institute. An Assessment Review Panel monitors the quality, standard and student performance for all CGIUKI examinations.

During the year, the Committee:

- Reviewed the changes that were proposed as part a review of the assessment framework for the Qualifying Programme. The recommendations were further discussed and approved by the Council of the global institute.
- Discussed the challenges in moving to online assessment during the pandemic and the effect of this upon students. Consequently, the extenuating circumstances policy was reviewed and updated.
- Approved a proposal to allow students access to their examination scripts when requested.
- Monitored collaborative courses noting that although some had been suspended due to COVID-19 many others continued to be delivered.
- Reviewed the Interpreting Financial and Accounting Information module and recommended this be updated.

Leslie Milliken was unable to attend meetings this year therefore passed Chair responsibilities to Ruairí Cosgrove.

The Committee met three times during the period 2020-21.

Name	Qualifications Committee
Ruairí Cosgrove (Chair)	3/3
Susan Fadil	3/3
David Kyle	3/3
Marie Larkin	2/3
Michael Molan (observer/adviser)	3/3
Edel O'Neil (observer/adviser)	1/3

### Investment Committee

The Investment Committee oversees all matters concerning the investment of funds on behalf of the CGIUKI Board, such as recommending the investment strategy and having oversight of its implementation including setting investment return requirements and the monitoring of investment performance.

The focus of the Committee's work during the year included:

- Scrutinising CGIUKI's investment portfolio, particularly the challenging economic consequences of the pandemic.
- Reviewing at each meeting, the investment reports prepared by investment adviser and reports prepared by the investment managers concerning the performance of both funds.
- Closely monitoring market conditions to assess the need if any for changes in investment strategy.

The Committee met twice during the period 2020-21.

Name	Investment Committee
Frank Curtiss (Chair)	2/2
Ian Burger	2/2
John Heaton	2/2
David Kyle	2/2
Tom Lancaster-King	2/2
Lisa Sunner	2/2

### Auditor

A resolution to reappoint Haysmacintyre LLP as auditor and to authorise the CGIUKI Board to set their fees will be proposed at the 2022 annual general meeting for members in CGIUKI.

### Staff

CGIUKI employed 65 staff in the UK and Ireland at 30 June 2021 (2020: 68).

# Financial review

## Background

The Chartered Governance Institute UK & Ireland's group financial statements set out in the following pages are for the 12 months ended 30 June 2021. They comprise the results, assets and liabilities of the division and its subsidiaries, CGI Publishing Limited, CGI Business Services Limited and CGI Proshare Limited.

As the responsibility for the management and control of the assets within the division is conferred by the Charter and Byelaws upon the CGIUKI Board, it is not appropriate for the financial statements of the division to be consolidated with those of the global institute.

## The group's result for the year

The group's result to 30 June 2021 was a net surplus of £1,610,000 as shown in the consolidated income statement on page 33. This result is after charging tax of £704,000.

A summary of the group's result for the year is as follows:

- Operating income = £6,762,000  
(2020: £7,003,000)
- Gross contribution = £2,392,000  
(2020: £2,003,000)
- Administration expenses = £3,037,000  
(2020: £3,265,000)
- Operating deficit = £645,000  
(2020: £1,262,000)
- Investment income = £455,000  
(2020: £465,000)
- Gain on investments = £2,504,000  
(2020: loss £162,000)
- Net surplus before tax = £2,314,000  
(2020: deficit £959,000)

The budget for 2020/21 had been cautious, but the outcome was a result of prudent budgeting, financial management and strong investment strategy in difficult circumstances.

## Professional activities

An analysis of income is provided in note 2 on page 43. Income from professional activities totalled £5,430,000 against £4,587,000 in 2020.

Member income of £2,371,000 was identical to that achieved in 2020. Student income increased to £1,808,000 from £1,208,000 in 2020.

Other professional income reached £1,202,000, against £900,000 in 2020, comprised mainly of journal advertising and short course qualifications.

## Commercial and other activities

The income from commercial and other activities decreased to £1,332,000 from £2,416,000 in 2020. The analysis of the operating income from the commercial activities is shown in note 2 on page 43.

## CGI Publishing

Income decreased to £281,000 from £324,000 in 2020, the prior year having benefited from the launch of new study texts across the qualifying programme syllabus. However, a reduction in direct costs due to fewer new titles in the year resulted in an operating deficit before management charges and tax of £14,000 down from £65,000 in 2020.

## CGI Business Services

CGI Business Services Limited operates the training and conference businesses and the board performance evaluation business. Despite the successful delivery of virtual training and events, the pandemic had a significant impact upon the programme of in-person events and on the ability to provide classroom training resulting in income reducing to £713,000 from £1,452,000 in 2020.

Demand for board performance evaluation services continues at the level of the previous year, with an income of £105,000.

The company's underlying operating surplus before management charges and tax decreased to £71,000 from £380,000 in 2020.

## CGI ProShare

Income of £233,000 was down on the previous year of



£536,000, with the virtual conference and awards in year attracting significantly lower incomes than the equivalent face to face events in the prior year. The operating surplus before tax and management charge decreasing to £27,000 from £121,000 the previous year.

### Investments

The investments are held equally between the Columbia Threadneedle Dynamic Real Return Fund and Janus Henderson Multi Asset Credit (MAC) Fund and exist to generate a real return (above inflation) and provide an income to meet the annual operating deficit of the group.

The combined market value of the funds at 30 June 2021 was £33,783,000 (2020: £31,279,000) having generated income of £452,000 (2020: £428,000 – note 6) and a net gain of £2,504,000 (2020: loss £162,000 – note 10).

The funds are invested in accordance with an investment strategy agreed by the CGIUKI Board. Oversight of the investments and their performance is provided by the Investment Committee assisted by advisers Barnett Waddingham LLP.

Columbia Threadneedle Dynamic Real Return Fund is a Diversified Growth Fund (DGF), primarily comprised of equity-based strategies designed to produce equity-like growth over the long term, but be more resistant to market volatility, that is risk, than a passive equity fund. The fund targets value growth rather than income.

The Janus Henderson MAC fund is a diversified credit fund which operates using the same principles of managing the correlation between risk, return and diversification as a DGF but focuses on corporate and government debt, leveraged loans, asset backed securities and other debt. In addition to value growth the fund also targets income and is the source of the investment income of £452,000.

### Reserves Policy

The total reserves of the group are represented by the accumulated fund of £38,397,000 which includes the investments in marketable securities of £33,783,000 and cash holdings of £6,427,000. Cash is held to provide working capital and to fund development opportunities as they arise. The CGIUKI Board reviews the level of the group's reserves against identified financial risks and

financial performance. Reserves are held to provide foreseeable working capital requirements without the need to borrow, to allow investment in opportunities to develop the group's operations and business, and to protect against unexpected circumstances and demands for funds.

### Going concern

The group's total cash balances at the year-end were £6,427,000 (2020: £6,775,000). Cash flow forecasts for the group show that it will have positive cash flows for at least 12 months from the date of these financial statements. It is therefore considered appropriate that these financial statements are produced on a going concern basis.



**David Wade ACA**  
Finance Director

# Independent auditor's report

## Opinion

We have audited the financial statements of the Chartered Governance Institute UK and Ireland ("CGIUKI") and its subsidiaries (collectively, the "group") for the year ended 30 June 2021 which comprise the Consolidated and CGIUKI Income Statements, the Consolidated and CGIUKI Statements of Comprehensive Income, the Consolidated and CGIUKI Statements of Financial Position, the Consolidated and CGIUKI Statements of Changes in Equity, the Consolidated and CGIUKI Statements of Cash Flows 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 CGIUKI's affairs as at 30 June 2021 and of the group's and CGIUKI's net surplus for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

## Basis for opinion

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 and CGIUKI 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.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the CGIUKI Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the CGIUKI Board with respect to going concern are described in the relevant sections of this report.

## Other information

The CGIUKI Board is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the group and CGIUKI 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 group and CGIUKI 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.

## Responsibilities of the CGIUKI Board

As explained more fully in the Statement of the CGIUKI Board's Responsibilities set out on page 24, the CGIUKI Board is 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 CGIUKI Board determines 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 CGIUKI Board is responsible for assessing the group's and CGIUKI'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 CGIUKI Board either intends to liquidate the group or CGIUKI or to cease operations, or has 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of CGIUKI and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to GDPR and employment regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as direct taxation and VAT.


We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the members of CGIUKI, as a body. Our audit work has been undertaken so that we might state to the members of CGIUKI 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 CGIUKI and its members 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  
30 November 2021

# Financial statements

## Consolidated income statement

(for the year ended 30 June 2021)

		2021	As restated 2020
		Total	Total
		Group	Group
	Notes	£000	£000
Operating income	2	6,762	7,003
Direct costs in support of professional activities	3	(3,802)	(3,769)
Direct costs in support of commercial and other activities	3	(568)	(1,231)
Gross contribution		2,392	2,003
Administration expenses	4	(3,037)	(3,265)
Operating deficit		(645)	(1,262)
Investment income	6	455	465
Gains/(losses) on investments	10	2,504	(162)
Surplus/(deficit) on ordinary activities before taxation	5	2,314	(959)
Taxation charge on ordinary activities	7	(704)	(154)
Surplus/(deficit) on ordinary activities after taxation		1,610	(1,113)

## Consolidated statement of comprehensive income

(for the year ended 30 June 2021)

		2021	As restated 2020
		Group	Group
	Notes	£000	£000
Surplus/(deficit) on ordinary activities after taxation		1,610	(1,113)
Other comprehensive income			
Actuarial gain/(loss) on defined benefit pension scheme	15(c)	1,603	(461)
Total comprehensive income		3,213	(1,574)

All activities in 2021 are continuing.

Pages 39 to 55 form an integral part of these financial statements.

## CGIUKI income statement

(for the year ended 30 June 2021)

		2021	As restated 2020
	Notes	£000	£000
Operating income	2	5,644	4,828
Direct costs in support of professional activities	3	(3,802)	(3,769)
Direct costs in support of commercial and other activities	3	-	(4)
Gross contribution		1,842	1,055
Administration expenses		(2,357)	(2,619)
Operating deficit		(515)	(1,564)
Investment income		454	457
Gains/(losses) on investments	10	2,504	(162)
Surplus/(deficit) on ordinary activities before taxation	5	2,443	(1,269)
Taxation charge on ordinary activities		(704)	(116)
Surplus/(deficit) on ordinary activities after taxation		1,739	(1,385)

## CGIUKI statement of comprehensive income

(for the year ended 30 June 2021)

		2021	As restated 2020
	Notes	£000	£000
Surplus/(deficit) on ordinary activities after taxation		1,739	(1,385)
Other comprehensive income			
Actuarial gain/(loss) on defined benefit pension scheme	15(c)	1,603	(461)
Total comprehensive income		3,342	(1,846)

All activities in 2021 are continuing.

Pages 39 to 55 form an integral part of these financial statements.

## Statements of financial position

(as at 30 June 2021)

		2021	2021	As restated 2020	As restated 2020
		Group	CGIUKI	Group	CGIUKI
	Notes	£000	£000	£000	£000
<b>Non-current assets</b>					
Intangible assets	8	213	161	198	51
Property, plant and equipment	9	227	227	278	277
Investments in marketable securities	10	33,783	33,783	31,279	31,279
Investments in subsidiaries	11	-	150	-	150
		34,223	34,321	31,755	31,757
<b>Current assets</b>					
Inventories		13	-	-	-
Trade and other receivables	12	3,353	3,382	3,382	3,686
Cash and cash equivalents		6,427	4,310	6,775	4,298
		9,793	7,692	10,157	7,984
<b>Current liabilities</b>					
Trade and other payables	13(a)	(1,315)	(1,002)	(995)	(646)
Deferred income	14	(3,449)	(3,083)	(3,801)	(3,432)
<b>Net current assets</b>		5,029	3,607	5,361	3,906
<b>Total assets less current liabilities</b>		39,252	37,928	37,116	35,663
<b>Provisions for liabilities</b>					
Provision for deferred tax	13(b)	(603)	(603)	(97)	(97)
Pension scheme liability	15(a)	(252)	(252)	(1,835)	(1,835)
<b>Net assets</b>		38,397	37,073	35,184	33,731
<b>Accumulated reserves</b>					
Accumulated fund		38,397	37,073	35,184	33,731

Pages 39 to 55 form an integral part of these financial statements.

The financial statements were approved and authorised for issue by the CGIUKI Board on 23 November 2021.

*David Kyle*

**David Kyle FCG**  
Chairman, Audit & Risk Committee

## Statements of changes in equity

(for the year ended 30 June 2021)

### Reserves at 30 June 2021

#### Group

	Accumulated fund	Total reserves
	£000	£000
At 1 July 2020 as reported	35,333	35,333
Prior period adjustment (note 7d)	(149)	(149)
At 1 July 2020 as restated	35,184	35,184
Surplus for the year	1,610	1,610
Other comprehensive expense for the year:		
Net actuarial gain in year	1,603	1,603
At 30 June 2021	38,397	38,397

#### CGIUKI

At 1 July 2020 as reported	33,880	33,880
Prior period adjustment (note 7d)	(149)	(149)
At 1 July 2020 as restated	33,731	33,731
Surplus for the year	1,739	1,739
Other comprehensive expense for the year:		
Net actuarial gain in year	1,603	1,603
At 30 June 2021	37,073	37,073

### Reserves at 30 June 2020

#### Group

	As restated Accumulated fund	As restated Total reserves
	£000	£000
At 1 July 2019	36,758	36,758
Deficit for the year	(1,113)	(1,113)
Other comprehensive expense for the year:		
Net actuarial loss in year	(461)	(461)
At 30 June 2020	35,184	35,184

#### CGIUKI

At 1 July 2019	35,577	35,577
Deficit for the year	(1,385)	(1,385)
Other comprehensive expense for the year:		
Net actuarial loss in year	(461)	(461)
At 30 June 2020	33,731	33,731

## Consolidated statement of cash flows

(for the year ended 30 June 2021)

	2021	2021	2020	2020
	£000	£000	£000	£000
<b>Cash flows from operating activities</b>				
Cash used in operations		(658)		(1,082)
Tax paid		-		(72)
<b>Net cash outflow from operating activities</b>		<b>(658)</b>		<b>(1,154)</b>
<b>Cash flows from investing activities</b>				
Purchase of intangible assets	(143)		(36)	
Purchase of property, plant and equipment	(2)		(44)	
Interest received	3		37	
Investment income	452		428	
<b>Net cash generated in investing activities</b>		<b>310</b>		<b>385</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(348)</b>		<b>(769)</b>
Cash and cash equivalents at beginning of year		6,775		7,544
<b>Cash and cash equivalents at 30 June</b>		<b>6,427</b>		<b>6,775</b>
<b>Reconciliation of surplus/(deficit) on operating activities before taxation to cash used in operations</b>				
Surplus/(deficit) on ordinary activities before tax		2,314		(959)
Adjustments for:				
Change in fair value of investments		(2,504)		162
Investment income		(455)		(465)
Amortisation of intellectual property and development costs		128		134
Depreciation charge		53		58
Difference between net pension expenses and cash contributions		20		(36)
Changes in:				
Inventories		(13)		4
Trade and other receivables		29		408
Trade and other payables		122		(349)
Deferred income		(352)		(39)
<b>Cash used in operations</b>		<b>(658)</b>		<b>(1,082)</b>

## CGIUKI statement of cash flows

(for the year ended 30 June 2021)

	2021	2021	2020	2020
	£000	£000	£000	£000
<b>Cash flows from operating activities</b>				
Cash used in operations		(296)		(1,690)
Tax paid		-		(7)
<b>Net cash outflow from operating activities</b>		<b>(296)</b>		<b>(1,697)</b>
<b>Cash flows from investing activities</b>				
Purchase of intangible assets	(143)		-	
Purchase of property, plant and equipment	(3)		(44)	
Interest received	2		29	
Investment income	452		428	
<b>Net cash generated in investing activities</b>		<b>308</b>		<b>413</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>12</b>		<b>(1,284)</b>
Cash and cash equivalents at beginning of year		4,298		5,582
<b>Cash and cash equivalents at 30 June</b>		<b>4,310</b>		<b>4,298</b>

### Reconciliation of surplus/(defecit) on operating activities before taxation to cash used in operations

Surplus/(defecit) on ordinary activities before tax		2,443		(1,269)
Adjustments for:				
Change in fair value of investments		(2,504)		162
Investment income		(454)		(457)
Amortisation of intellectual property and development costs		33		40
Depreciation charge		53		56
Difference between net pension expenses and cash contributions		20		(36)
<b>Changes in:</b>				
Trade and other receivables		304		(449)
Trade and other payables		158		(208)
Deferred income		(349)		471
<b>Cash used in operations</b>		<b>(296)</b>		<b>(1,690)</b>



# Notes to the financial statements

## 1 Accounting policies

### a. General information

The Institute of Chartered Secretaries and Administrators changed its name to The Chartered Governance Institute on 16 September 2019. These group financial statements represent the activities of the CGIUKI division of The Chartered Governance Institute (the Institute) and are presented in Pounds Sterling (GBP), as that is the currency in which the majority of the group's transactions are denominated.

Accordingly, these financial statements comprise the results, assets and liabilities of the Institute in the UK, Republic of Ireland and Associated Territories, the Channel Islands and Isle of Man, and the Institute's trading subsidiaries, CGI Publishing Limited, CGI Business Services Limited and CGI ProShare Limited.

The CGIUKI Board has managed the affairs of the Institute and its group in CGIUKI in accordance with the requirements of the Institute's Byelaws 61.7 and 61.8 and the CGIUKI Regulations made thereunder.

Under CGIUKI Regulation 92 the CGIUKI Board is responsible for producing the audited financial statements of CGIUKI.

The Institute is a United Kingdom professional body for governance. It was granted a Royal Charter in 1902. The Institute's address is Saffron House, 6-10 Kirby Street, London, EC1N 8TS.

The principal accounting policies that have been applied, by all subsidiaries, in the preparation of these consolidated financial statements are set out below. These policies have been applied consistently to all the periods presented, unless otherwise stated.

### b. Basis of preparation

These financial statements are prepared in accordance with FRS102 as issued by the Financial Reporting Council under the historical cost convention, modified to include certain items at fair value.

The preparation of financial statements in conformity with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies selected for use by the group. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in section (u). Use of available information and application of judgement

are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates.

### c. Going concern

The financial statements have been prepared on a going concern basis. At 30 June 2021, the group had an excess of assets over liabilities, in other words, net assets, of £38,397,000 compared with £35,184,000 in the previous period. Included within net assets is that of net current assets of £5,029,000. This figure is a measure of the ability of the group to meet its obligations to its creditors as they fall due. Also included within the figure for net assets are the deferred income balances of £3,449,000 and the pension scheme liability of £252,000. The deferred income figure arises as a consequence of the group's income recognition policy and represents income received in advance. As such, it is not normally repayable and is shown separately within the statement of financial position. The pension scheme is funded by way of contributions, the amount of which has been agreed with the scheme actuary. The cash flow forecasts prepared by senior management show that the group will have positive cash flows for at least 12 months from the date these financial statements are approved. The CGIUKI Board therefore considers that the group has sufficient funds to meet its obligations as they fall due and deems it appropriate that the financial statements are produced on a going concern basis.

### d. Consolidation policy

The financial statements comprise those of CGIUKI and its subsidiaries. Subsidiaries which are directly or indirectly controlled by the group are consolidated. Accounting policies applied by individual subsidiaries have been revised where necessary to ensure consistency with group policies for consolidation purposes.

The acquisition method of accounting is used by the group when it undertakes a business combination.

All intra-group transactions and balances between group entities are eliminated on consolidation.

### e. Operating income – revenue recognition

Member subscription income is recognised in the period to which it relates. Student examination income is recognised in the period in which the examinations are taken. Member subscriptions and student examination income received in

## Notes to the financial statements (continued)

### 1 Accounting policies (continued)

advance of the period the subscription falls due or of the period the examination is taken, are carried forward as deferred income at the reporting date.

The income from book sales is recognised upon despatch and publications income is recognised in the period to which it relates. Income from training courses and conferences is recognised upon the timing of the event and all other income is recognised upon provision of the goods or services.

Amounts received in advance of the date the training courses and conferences are held, and publications subscription income received in advance of the period in which it falls due, are carried forward as deferred income at the reporting date.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

#### f. Foreign currency

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the statement of financial position date. Exchange differences are taken to the income statement.

#### g. Taxation

Income tax expense represents the sum of the current tax and deferred tax. The Institute's transactions with its members are not subject to tax. Other transactions are taxable on a basis agreed with HM Revenue & Customs. Subsidiary companies are subject to tax on a normal basis; the charge for current tax is based on the result for the year, or the period to the date of disposal, adjusted for items which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the reporting date. Current and deferred tax is recognised in the same component of the income statement, other comprehensive income or equity as the transaction or event that resulted in the tax expense or income.

#### h. Deferred taxation

Deferred tax is the tax expected to be payable or recoverable on timing differences between taxable profits and the total comprehensive income as reported in the financial statements. In addition, where there is a difference between the taxable amount of an asset (other than goodwill) acquired in a business combination and the value at which it is recognised, deferred tax is recognised in respect of that difference.

Deferred tax liabilities are recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits will be available against which timing differences can be utilised.

Deferred tax is calculated at the tax rates that have been enacted, or substantively enacted by the reporting date, and are expected to apply in the period when the liability is settled or the asset realised.

A change in deferred tax assets and liabilities as a result of a change in the tax rates or laws is recognised in the income statement, or comprehensive income to the extent that it relates to items previously recognised in comprehensive income.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

#### i. Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any recognised impairment loss. The residual values and useful lives of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period if there are indicators of change. The carrying amount of an asset is written down immediately to its recoverable amount if the asset's carrying amount is assessed as greater than its estimated recoverable amount.

Depreciation is provided on all property, plant and equipment and is calculated on the straight-line basis at the following per annum rates, which are sufficient to reduce them to their estimated residual value:

Leasehold improvements	7%
Fixtures and fittings	10% to 33%
Computer equipment	15% to 33%

Property, plant and equipment are depreciated from the beginning of the month in which they were purchased.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

## Notes to the financial statements (continued)

### j. Investments

Investments in marketable securities are included at fair value. Investments in subsidiaries are included in the statement of financial position at cost, less a provision where there is deemed to be a permanent impairment in value.

### k. Other intangible assets

Research expenditure is written off to the consolidated income statement in the period in which it is incurred.

Development expenditure is written off in the same way unless the technical, commercial and financial viability of individual projects is such that the expenditure will derive future economic benefit.

In these circumstances, the expenditure is capitalised and amortised over a period of up to three years, being the time the group is expected to benefit, subject to annual impairment reviews.

### l. Impairment of non-financial assets

At each reporting date, the group reviews the carrying amounts of its tangible and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

### m. Financial assets and liabilities

#### General

Financial instruments are recognised on the group's statement of financial position when the group becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are measured as set out below. A financing transaction is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

#### Classification

Financial instruments are classified as either 'basic' or 'other' in accordance with Section 11 of FRS102.

### Subsequent measurement

At the end of each reporting period, debt instruments classified as basic are measured at amortised cost using the effective interest rate method. Investments in preference and ordinary shares classified as basic financial instruments, and all financial instruments not classified as basic are measured at fair value at the end of the reporting period, with the resulting changes recognised in the income statement. Where their fair value cannot be reliably measured, they are recognised at cost less impairment.

### Derecognition

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the group has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

### n. Impairment of financial assets

#### Assets carried at cost or amortised cost

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be estimated reliably.

### o. Trade and other receivables

Trade receivables are amounts due from customers for products sold or services performed in the ordinary course of business. Trade receivables are recognised at the undiscounted amount of cash receivable, which is normally the invoice price, less any allowances for doubtful debts.

### p. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments which are readily convertible, being those with original maturities of three months or less.

Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at the reporting date.

## Notes to the financial statements (continued)

### 1 Accounting policies (continued)

#### q. Reserves

Reserves attributable to CGIUKI consist of the accumulated fund.

#### r. Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Accounts payable are classified as payables falling due within one year if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as payables falling due after one year.

Trade payables are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

#### s. Employee benefits

##### Retirement benefit obligations

The group has both defined benefit and defined contribution plans.

A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. The group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service with the group and compensation levels.

Under FRS102 the operating costs of providing the benefits, the service costs, the interest cost and the expected return on assets are included in the income statement in the period in which they arise. The actuarial gains and losses from the defined benefit pension scheme are recognised in the statement of comprehensive income. Any surplus or deficit in the defined benefit pension scheme is shown in the statement of financial position as an asset or liability. Actuarial valuations are obtained triennially and updated under FRS102, Section 28, Employee Benefits, at each reporting date. The retirement benefit obligation recognised in the statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. Any asset resulting

from this calculation is limited to the present value of available refunds and reductions in future contributions to the plan. The contributions payable in providing benefits under the defined contribution scheme are charged to the income statement in the period to which they relate.

#### t. Leasing

Rentals payable under operating leases are charged on a straight line basis over the lease term.

#### u. Estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Although these estimates are based on the management's best knowledge of the amounts, events or actions, actual results ultimately may differ from those estimates.

A significant area of judgement is that of the determination of the assumptions used in calculating the net liability in the defined benefit pension scheme. These assumptions are set out in note 15.

## Notes to the financial statements (continued)

### 2 Operating income

	2021	2021	2020	2020
	Group	CGIUKI	Group	CGIUKI
	£000	£000	£000	£000
Operating income				
Professional activities				
Member income	2,371	2,371	2,371	2,371
Student income	1,808	1,808	1,208	1,208
Other professional income	1,202	1,202	900	900
Other income	49	263	108	349
	5,430	5,644	4,587	4,828
Commercial and other activities				
Publications	281	-	324	-
Training courses and conferences	713	-	1,452	-
Board performance evaluation	105	-	104	-
ProShare	233	-	536	-
	1,332	-	2,416	-
<b>Total operating income</b>	<b>6,762</b>	<b>5,644</b>	<b>7,003</b>	<b>4,828</b>

### 3 Direct costs

All items of expenditure directly attributable to the support of the profession and generation of operating income have been shown as direct costs.

### 4 Administration expenses

	2021	2020
	Total	Total
	Group	Group
	£000	£000
Premises - net of income from tenants of £46,640 (2020: £55,000)	1,024	1,070
Finance & general administration	717	660
Office costs	236	361
Commercial activities	652	727
Support services	346	380
Amortisation of intellectual property costs	28	28
Amortisation of development costs	34	39
	3,037	3,265

## Notes to the financial statements (continued)

### 5 Surplus/(deficit) on ordinary activities before taxation

	2021	2020
	Group	Group
	£000	£000
Surplus/(deficit) on ordinary activities before taxation is stated after charging:		
Amortisation of capitalised development costs	100	107
Amortisation of intellectual property	28	28
Depreciation	53	58
Auditor's remuneration:		
Audit fees	36	33
Tax fees	7	8
Operating lease rentals:		
Property	664	664
Equipment	19	23
Staff costs:		
Salaries	3,055	3,190
Social security costs	339	345
Pension costs:		
Defined benefit	360	304
Defined contribution	108	116
The average number of full time employees during the year engaged in continuing operations was:	69	70

### 6 Investment income

	2021	2020
	Group	Group
	£000	£000
Bank interest receivable	3	37
Income from investments	452	428
	455	465

## Notes to the financial statements (continued)

### 7 Taxation

#### (a) Analysis of charge in period

The taxation charge on the surplus/(deficit) on ordinary activities comprises:

	2021	As restated 2020
	Group	Group
	£000	£000
Corporation tax payable for the current year	198	42
Adjustments in respect of prior years	-	59
	198	101
Deferred taxation:		
Effect of tax rate change on opening balances	30	3
Current year	476	69
Under provision in respect of prior years	-	(19)
Current year tax charge	704	154

#### (b) Factors affecting the corporation tax charge for the year

The corporation tax assessed for the year is different to that at the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)  
The differences are explained below:

	2021	As restated 2020
	Group	Group
	£000	£000
Surplus/(deficit) on ordinary activities before taxation	2,334	(959)
Surplus/(deficit) on ordinary activities before taxation, multiplied by the standard rate of taxation in the UK of 19.00% (2020: 19.00%)	443	(182)
Effects of:		
Income less expenditure not assessable for taxation purposes	(260)	168
Losses carried back	-	32
Capital gains not recognised	343	88
Fixed asset differences	33	5
Deferred tax - difference in tax rates	141	2
Deferred tax - not recognised	4	1
Adjustments in respect of prior periods	-	59
Adjustments in respect of prior period (deferred tax)	-	(19)
Current year tax charge	704	154

#### (c) Factors that may affect future taxation charges

The taxation charge for future years will be affected principally by the extent to which income is not assessable to corporation tax and expenses that are not deductible or allowable for taxation purposes.

## Notes to the financial statements (continued)

### 7 Taxation (continued)

#### (d) Prior period adjustment

The financial statements have been restated to incorporate the impact of revised corporation tax charges, due to a re-classification of investments held within the prior year computations. This has resulted in increased tax charges on ordinary activities and increased tax liabilities as shown below.

	2020	2020
	Group	CGIUKI
	£000	£000
Increase in Corporation tax payable	58	58
Increase in Deferred Tax provision	91	91
Increased taxation charge on ordinary activities / tax liability	149	149

The impact on earlier periods is not material to the financial statements, so the balances brought forward as at 1 July 2019 have not been adjusted.

### 8 Intangible assets

	Intellectual property	Development costs	Total
Group	£000	£000	£000
<b>Cost</b>			
At 1 July 2020	140	294	434
Additions	-	143	143
At 30 June 2021	140	437	577
<b>Amortisation</b>			
At 1 July 2020	61	175	236
Charge for the year	28	100	128
At 30 June 2021	89	275	364
<b>Carrying amount</b>			
At 30 June 2021	51	162	213
At 30 June 2020	79	119	198

	Intellectual property	Development costs	Total
CGIUKI	£000	£000	£000
<b>Cost</b>			
At 1 July 2020	-	125	125
Additions	-	143	143
At 30 June 2021	-	268	268
<b>Amortisation</b>			
At 1 July 2020	-	74	74
Charge for the year	-	33	33
At 30 June 2021	-	107	107
<b>Carrying amount</b>			
At 30 June 2021	-	161	161
At 30 June 2020	-	51	51



## Notes to the financial statements (continued)

### 9 Property, plant and equipment

Group	Leasehold improvements and fixtures/ fittings £000	Computer equipment £000	Total £000
<b>Cost</b>			
At 1 July 2020	490	278	768
Additions	-	2	2
At 30 June 2021	490	280	770
<b>Depreciation</b>			
At 1 July 2020	248	242	490
Charge for the year	34	19	53
At 30 June 2021	282	261	543
<b>Carrying amount</b>			
At 30 June 2021	208	19	227
At 30 June 2020	242	36	278

CGIUKI	Leasehold improvements and fixtures/ fittings £000	Computer equipment £000	Total £000
<b>Cost</b>			
At 1 July 2020	490	274	764
Additions	-	3	3
At 30 June 2021	490	277	767
<b>Depreciation</b>			
At 1 July 2020	248	239	487
Charge for the year	34	19	53
At 30 June 2021	282	258	540
<b>Carrying amount</b>			
At 30 June 2020	208	19	227
At 30 June 2021	242	35	277

## Notes to the financial statements (continued)

### 10 Investments in marketable securities

	Marketable securities
GROUP and CGIUKI	£000
<b>Market value</b>	
At 1 July 2020	31,279
Net change in value during the period	2,504
At 30 June 2021	33,783

Marketable securities comprise units in the Columbia Threadneedle Dynamic Real Return Fund and the Janus Henderson Multi Asset Credit Fund. These funds are revalued at the reporting date to market quoted prices.

### 11 Investments in subsidiaries

	The Chartered Governance Institute Shareholdings
CGIUKI	£000
<b>Cost</b>	
At 1 July 2021 & 2020	597
<b>Amount provided</b>	
At 1 July 2021 & 2020	447
<b>Net book value</b>	
At 30 June 2021	150
At 30 June 2020	150

## Notes to the financial statements (continued)

### 11 Investments in subsidiaries (continued)

The subsidiaries of The Chartered Governance Institute were:

Name	Principal activity	Company Registration no.	% of	% of
			equity	equity
			2021	2020
CGI Publishing Limited	Publishing & professional education services	1576660	100	100
CGI Business Services Limited	Board performance evaluation & education services	2656725	100	100
CGI ProShare Limited	Promotion of employee share ownership	8187010	100	100
CGI Governance Services Limited	Dormant	8187336	100	100
CGI Board Evaluation Limited	Dormant	2754744	100	100
CGI Distance Learning Limited	Dormant	2241961	100	100
CGI Nominees Limited	Dormant	8291635	n/a	n/a
CGI Recruitment Limited	Dormant	8187301	100	100
CGI Software Limited	Dormant	4599784	100	100
Incorporated Secretaries Association Limited	Dormant	326945	100	100
Investors in Governance Limited	Dormant	9437290	100	100
The Governance Institute	Dormant	8291655	n/a	n/a
CGIUKI Holdings Limited	Dormant	10116026	100	100

At 30 June 2021 all subsidiaries are owned directly by The Chartered Governance Institute (and managed by the CGI UKI Board) and are companies registered in England and Wales.

## Notes to the financial statements (continued)

### 12 Trade and other receivables

	2021	2021	2020	2020
	Group	CGIUKI	Group	CGIUKI
(Amounts falling due within one year)	£000	£000	£000	£000
Trade receivables	2,829	2,373	2,759	2,266
Amounts due from group undertakings	-	644	-	913
Other receivables	262	103	299	183
Prepayments and accrued income	262	262	324	324
	3,353	3,382	3,382	3,686

### 13(a) Trade and other payables

	2021	2021	As restated 2020	As restated 2020
	Group	CGIUKI	Group	CGIUKI
(Amounts falling due within one year)	£000	£000	£000	£000
Trade payables	387	352	239	225
Other payables	178	30	360	151
Corporation tax	256	256	106	63
Other taxes and social security costs	132	74	96	52
Accruals	362	290	194	155
	1,315	1,002	995	646

### 13(b) Provision for deferred tax

	As restated
GROUP and CGIUKI	£000
At 1 July 2020	97
Increase in provision (note 7a)	506
At 30 June 2021	603

### 14 Deferred income

Deferred income represents member and student subscriptions, student examination income and ProShare membership income received in advance of the year the subscription falls due, or of the year the examination is taken, amounts received in advance of the date of training courses and conferences and publications income received in advance of the year it falls due. As these sums are not expected to be repaid in the normal course of business, they have been shown separately on the face of the statement of financial position, and will be released to revenue in the next financial year.

## Notes to the financial statements (continued)

### 15 Pension arrangements

#### Defined contribution scheme

From 1 May 2005, CGIUKI has contributed to a stakeholder scheme which is available to the employees of the Institute, CGI Publishing Limited, CGI Business Services Limited and CGI ProShare Limited. Contributions during the year totalled £108,000 (2020: £116,000). Contributions totalling £18,000 were owing at the year-end (2020: £18,000).

#### Defined benefit scheme

The Institute operates a funded defined benefit pension scheme, available to the employees of the Institute, CGI Publishing Limited and CGI Business Services Limited, whose assets are held in separate trustee administered investment funds. Pension arrangements are accounted for in accordance with FRS102 Section 28, Employee Benefits. The pension cost is assessed in accordance with advice from an independent qualified actuary using the projected unit method. Contributions to the scheme are charged to expenditure in the period in which the benefits arise. The total pension cost, including expenses, charged in the income statement for the defined benefit pension scheme was £360,000 (2020: £304,000). The scheme was closed to new members from 1 February 2005. The last actuarial valuation was at 1 July 2020, which was based on a range of agreed assumptions. The market value of the scheme assets was £20.3 million, the funding level was 94% and the deficit in the scheme was £1,400,000.

In accordance with advice from the scheme actuary, the employer's contribution increased from 26.3% to 38.1% from 1 October 2021. With the intention of eliminating the remaining deficit, a lump sum of £600,000 was paid in October 2021 and it is agreed that future lump sums of £205,000 will each be paid in October 2024 and October 2025.

#### FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland

In accordance with FRS102 administration (that is non-investment) expenses are recognised as part of the service cost and the net interest cost, based on the net defined benefit liability, are recognised in the income statement.

#### (a) The amounts recognised in the consolidated statement of financial position are as follows:

	2021	2020
	Group and CGIUKI	Group and CGIUKI
	£000	£000
Present value of funded obligations	(20,900)	(22,003)
Fair value of scheme assets	20,648	20,168
Net liability	(252)	(1,835)

#### (b) The amounts recognised in the consolidated income statement:

	2021	2020
	Group and CGIUKI	Group and CGIUKI
	£000	£000
Current service cost - net of employee contribution	159	132
Scheme expenses	174	140
Total service cost	333	272
Net interest cost	27	32
Amount recognised in consolidated income statement	360	304

## Notes to the financial statements (continued)

### 15 Pension arrangements (continued)

#### (c) The amounts recognised in other comprehensive income:

	2021	2020
	Group and CGIUKI	Group and CGIUKI
	£000	£000
Actuarial gain/(loss) on liabilities	1,603	(461)

#### (d) Changes in the present value of the defined benefit obligations are as follows:

	2021	2021	2020	2020
	Group and CGIUKI	Group and CGIUKI	Group and CGIUKI	Group and CGIUKI
	£000	£000	£000	£000
Opening present value of defined benefit obligation		22,003		19,500
Current Service cost		188		161
Interest cost		328		446
Past service cost		-		-
Actuarial (gains)/losses:				
Experience gain	(793)		(164)	
Loss/(gain) on changes in assumptions	(387)		2,473	
		(1,180)		2,309
Benefits paid		(439)		(413)
Closing present value of defined benefit obligation		20,900		22,003

#### (e) Changes in the fair value of scheme assets are as follows:

	2021	2020
	Group and CGIUKI	Group and CGIUKI
	£000	£000
Opening fair value of scheme assets	20,168	18,090
Interest income on assets	301	414
Actuarial gain on asset return	423	1,848
Contributions by employer	340	340
Employee contributions	29	29
Scheme expenses	(174)	(140)
Benefits paid	(439)	(413)
Closing fair value of scheme assets	20,648	20,168

## Notes to the financial statements (continued)

### 15 Pension arrangements (continued)

The main financial assumptions used are as follows:

	2021	2020
	%	%
Retail price inflation (RPI)	3.50	2.80
Consumer price inflation (CPI)	2.70	2.30
Increase in salaries	2.25	2.50
Rate of increase in pensions and deferred pensions	2.30	2.30
Rate used to discount scheme liabilities	1.90	1.50

The mortality assumptions adopted imply the following life expectancies (years):

	2021	2020
Male currently aged 65	87.30	87.70
Female currently aged 65	89.70	90.00
Male currently aged 45	88.60	89.10
Female currently aged 45	91.10	91.50

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2021	2020
	%	%
Bonds	8	8
Equities	21	16
Liability driven investments	25	33
Multi-asset / diversified funds	30	27
Private equity	10	9
Liquidity fund	5	6
Cash	1	1
	100	100

The fair value of the assets of the scheme are invested as follows:

	2021	2020
	£000	£000
Bonds	1,715	1,631
Equities	4,364	3,366
Liability driven investments	5,059	6,696
Multi-asset / diversified funds	6,285	5,450
Private equity	2,114	1,745
Liquidity fund	979	1,163
Cash	132	117
	20,648	20,168

## Notes to the financial statements (continued)

### 16 Operating lease commitments

	2021	2020
	£000	£000
<b>Group and CGIUKI</b>		
<b>Leases of property</b>		
Not later than 1 year	664	664
Within 2 to 5 years	2,657	2,657
Later than 5 years	1,661	2,325
	4,982	5,646
<b>Leases of equipment</b>		
Not later than 1 year	10	20
Within 2 to 5 years	3	4
	13	24

### 17 Capital commitments

There were £380,000 capital commitments contracted for at 30 June 2021 (at 30 June 2020: nil).

### 18 Key management remuneration

The aggregate remuneration of key management personnel for the year to 30 June 2021 was £792,000 (2020: £809,000) comprised as follows:

	2021	2020
	Group	Group
	£000	£000
<b>CGIUKI, CGI Business Services Limited, CGI Publishing Limited and CGI ProShare Limited</b>		
Remuneration	792	809
Number of key management personnel	8	7

Key management personnel for the year under review comprise the Senior Management Team (page 25), and the Head of Secretariat.



## Notes to the financial statements (continued)

### 19 Related party transactions

#### The CGIUKI Board and staff

During the year the following members of the CGIUKI Board charged or earned fees in respect of examination and training services and associated expenses to the group as follows:

	Group and CGIUKI		Group and CGIUKI	
	Transactions	Amount owing	Transactions	Amount owing
	2021	at 30 June 2021	2020	at 30 June 2020
Members of CGIUKI Board:	£000	£000	£000	£000
Examination services:				
L Milliken	2	-	6	-
D Kyle	1	-	3	-
	3	-	9	-

Former chief executive Simon Osborne received fees of £53,000 during the year ended 30 June 2021 (2020: £28,000) in relation to the provision of services to clients of CGI Business Services Limited. Mr Osborne received no expenses in either year in relation to the provision of services to clients of CGI Business Services Limited.

#### The costs of the Council

The costs of the Institute's association management company, the costs of the Council and of the Professional Standards Committee meetings, and those of the Institute's Director General were shared between the overseas divisions and CGIUKI in proportion to the numbers of members and students living in each geographical area at the start of each period. For this purpose three students are taken to equal one member. Each overseas division's share is paid on its behalf by the third party independent service company or local society set up in its divisional territory. CGIUKI did not recharge any costs to the overseas divisions during the year (2020: nil).



**Chartered  
Governance  
Institute  
UK & Ireland**

## **We support governance professionals at all levels with:**

---

- A portfolio of respected professional qualifications
- Authoritative publications and technical guidance
- Breakfast briefings, training courses and national conferences
- CPD and networking events
- Research and advice
- Board evaluation services
- Employee share ownership and lobbying expertise

**The Chartered  
Governance Institute**  
Saffron House  
6–10 Kirby Street  
London EC1N 8TS

Phone: 020 7580 4741  
Email: [info@cgi.org.uk](mailto:info@cgi.org.uk)  
Web: [cgi.org.uk](http://cgi.org.uk)

🐦 Twitter: @CGIUKI  
🌐 LinkedIn: CGIUKI  
📘 Facebook: CGIUKI



The Chartered  
Governance Institute