

# Chartered Banker

**CHARTERED BANKER INSTITUTE**

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**Annual Report 2022**

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**Charitable Body No SC013927.**



## **Foreword by President of the Chartered Banker Institute, Steve Pateman, FCBI**

I was deeply honoured to be appointed as President of the Chartered Banker Institute last year. As your President, I'm proud to have been a Member of our Institute for over 14 years and I'm grateful for the knowledge and support that the Institute has given me during my career.

In my AGM address last June, I began by paying tribute to my predecessor, Bill McCall, noting that he would be an extremely hard act to follow. I also paid tribute to Bill and to all the staff at the Institute, for their professional and successful management of the transition to digital operations throughout the pandemic, and for their exemplary service to our members during this challenging period. I then moved on to future aspirations, highlighting the three main areas of focus for my term as President:

1. Firstly, for our Institute to continue to help the banking sector to play its part in supporting the post-Covid economic and social recovery, and associated changes.

Over the past 12 months, we have continued to support the Institute's growing membership, in the UK and internationally (now standing at 33,000), through the difficulties presented by Covid-19, enabling them to keep their professional knowledge and skills up to date in a rapidly changing world. Building awareness and understanding of vulnerable customers among our members through the unique practitioner insights survey, undertaken with the Chartered Institute of Securities & Investment (CISI), was a great example of this, as was the subsequent innovative and related event with our Chartered Body Alliance partner.

2. Secondly, with our growing membership at the forefront of our minds, we must continue to build a broader and increasingly international presence for the Institute. We emphasise that we have members in over 100 different countries around the world, but our ambition is for all those members to become advocates for our work, helping us to enhance and strengthen our global profession.

As we all know, the world doesn't stand still, so I welcome the fact that 14 new international partnerships were formed in 2021, and we remain committed to two key international partnerships, supporting our colleagues in the Asian Institute of Chartered Bankers (AICB), Malaysia, and the Financial Services Institute of Australasia (FINSIA), Australia; both partnerships have continued to develop and grow throughout the year.

Alongside this, our flagship Annual Banking Conference helped to grow our impact, influence, and profile – especially in terms of reaching a more international audience.

3. And thirdly, the Institute must help the sector to achieve the global commitments on reducing the adverse impact of climate change. The transition to net zero should not be underestimated and we must continue to be at the forefront of helping banks and bankers to meet this challenge. Much of our growing impact results from the recognition of the Institute as the leading global voice for responsible and sustainable banking.

In this regard, the Institute has been working at the leading edge of sustainable finance education for bankers for some time now. The biggest news and achievement of the past 12 months is that the *United Nations Environment Programme Finance Initiative (UNEP FI)* has selected us as the preferred partner to develop a global curriculum and online academy to support the implementation of the *UN Principles for Responsible Banking* to be delivered in 2022. We celebrate this achievement, which brings together the world's foremost sustainable banking framework with the leading professional banking institute.

While these international developments have been key to our success, meanwhile closer to home, we continue to develop the next generation of responsible bankers through our 2025 Foundation. To date, the Foundation has raised over £313,000 to support opportunities for individuals from minority groups and specific socio-economic backgrounds to pursue a career in banking.

Another flagship event, Young Banker of the Year, which has been running for over 30 years now, aims to bring true innovation to banking, and the high standard of competition entrants never ceases to amaze me. The proposal of this year's winner, Rosie Lyon from Allied Irish Bank, was to help sufferers and survivors of domestic abuse. Her proposal clearly demonstrated a real desire not only to engage with a difficult subject, but to be part of the solution, which is where our industry and profession needs to be.

As we look to the future, the pandemic remains a considerable challenge to societies across the globe, and combined with the impact of geopolitical events such as the war in Ukraine, is leading to an economic climate of considerable uncertainty, as well as rapidly rising prices. In such uncertain times, it is vital for us all as bankers to rise to the challenge by doubling our efforts to support society. We are in a position to help our members to connect with a unique community of like-minded professionals to share knowledge and experience, in order to work together towards this aim.

As an Institute, we have been promoting responsible banking delivered by professional bankers for almost 150 years, and I am confident that the strong foundations we have laid in the past year, mean that we will continue to support banking professionals throughout the ups and downs of their careers for many years to come.

I look forward to meeting and serving as many of you as I can in the next year, as we continue to create a global community of responsible bankers. As well as showcasing just some of the many achievements we have made to this end in the past year, our *Annual Report* also sets out our future plans. I hope you will find it an interesting and informative read.

**Steve Pateman, FCBI**

**More Info:** If you have any further questions about this *Annual Report* or anything relating to the Institute, please get in touch at: [info@charteredbanker.com](mailto:info@charteredbanker.com)

## **The Institute in numbers**

- 33,249 members – 52.2% female and 47.8% male
- Membership increased by 13.5%
- Three new qualifications developed and launched
- We work in over 100 countries across six continents
- NPS score of +43
- 94% of users would recommend our CPD content
- Over 12,700 assessment results processed
- 9,980 online examinations delivered
- 5,549 qualification passes reviewed and approved
- Thought leadership reach increased by 77%
- Over 86 online events for members, with 55% increase in bookings
- YouTube content views increased by 79%
- More than 500 hours of CPD content available to members
- 3,879 new learners enrolled to study during 2021
- 19 university partners in the UK

## Chief Executive's Review

At the Chartered Banker Institute, we have continued to grow our UK and international impact and influence during 2021-22, despite a challenging operating environment that continues to be significantly impacted by Covid-19. As set out in this *Annual Report*, we have delivered on behalf of the Institute's members, some of the strongest results in our 147-year history and continue to play a leading and expanding role in developing the UK and global agendas on professional education and skills to align banking and finance with sustainability. Highlights include:

- Total revenue for the year of £5.9m (the highest on record), delivering a surplus before depreciation of approximately £0.6m and enabling the Institute to continue to invest in our education programmes and member resources, and the digital and staff capabilities required to deliver these.
- The continued growth of international activities, partnerships, enrolments and revenue, with international revenue now accounting for more than 40% of total revenue, as the Institute enhances its reputation as a global body.
- Membership increasing by more than 13% during the year, to over 33,000 members in 107 countries across five continents, with member engagement and satisfaction scores at record highs.
- Conducting nearly 13,000 assessments globally and awarding some 5,500 qualifications to successful students during the year.
- Significantly enhancing our UK and international profile, reputation, impact and influence, with national and international regulatory and banking sector bodies, especially in the areas of green and sustainable finance, and responsible banking.
- Delivering an ambitious and well-received thought-leadership and education programme to support members and others around COP26, hosted in Glasgow, Scotland, in November 2021.
- Establishing a significant strategic partnership with the United Nations Environment Programme Finance (UNEP FI) to develop a global curriculum and online academy to support the implementation of the UN Principles for Responsible Banking to be delivered in 2022.
- The sale of Drumsheugh House and a successful move to the Institute's new HQ in George Street, Edinburgh.

These successes, and others set out below in this *Annual Report*, are the result of decisions taken and investments made in previous years to diversify and develop our international activities, supported by enhanced digital capabilities that can deliver education, training, assessment and other services to our growing global membership.

However, looking ahead, concerns related to Covid-19 remain in many parts of the world, and the Russian invasion of Ukraine has introduced new elements of

geopolitical risk and economic challenges. At the Institute, we face these challenges from a position of considerable strength, able to support and guide our members, students and partners, as well as the global banking profession through difficult times. I am confident that the years ahead, demanding though they may be, will see the Chartered Banker Institute's impact and influence, as well as that of our members, command ever-increasing respect worldwide. Highly-skilled, customer-focused, socially purposeful, and professionally qualified bankers – Chartered Bankers – will be needed to support the implementation of the UN Principles for Responsible Banking, as well as sustainable banking and finance more broadly – for many years to come.

**Simon Thompson FCBI**



## TRUSTEES' REPORT

### The Role of the Chartered Banker Institute

Our Institute – the first Institute of Bankers in the world – was founded in 1875 and we received our first *Royal Charter* in 1975. In December 2018, we received a new, supplementary *Royal Charter* from HM The Queen, establishing ourselves as the Chartered Banker Institute, the premier, UK-based professional body for bankers with global impact and influence. Becoming the Chartered Banker Institute gave our members and partners a stronger global identity linked by a common commitment to purpose and high standards of professionalism in banking.

The objectives for which the Institute is constituted are set out in our *Royal Charter* as follows:

- To encourage the highest standards of professionalism and conduct amongst its members in the public interest.
- To improve and extend the knowledge and expertise of those engaged in banking and financial services.
- To conduct examinations and promote the continued study of banking and financial services in all their aspects and to award certificates to candidates who meet the standards laid down by the Institute.
- To establish links and to co-operate with other professional or educational bodies with a view to the pursuit of common objectives and to represent the banking profession both nationally and internationally.

#### Membership Numbers:

- 33,249 members
- 93% member retention rate
- NPS score has increased by 3 points to +43 in the last 12 months.

### Learning and Assessment

This year has seen the Learning and Assessment team engaging with a wide variety of activities across the Institute, and with clients and partners both in the UK and internationally. Highlights of our 2021 activities include:

#### Learning

- The launch of a *Foundation Certificate in Responsible Banking*.
- The launch of our new *Certificate in Climate Risk*, our first qualification to be developed in collaboration with our Chartered Body Alliance partners and an external panel of experts.
- Launching a revised edition of our *Certificate in Green and Sustainable Finance*.

- Creating an e-learning module on Responsible Banking for young people participating in our 2025 Foundation's Smart Futures programme.
- Creating an e-learning course – *Foundations of Green and Sustainable Finance* – to support our COP26 learning campaign.
- Introducing a new continuing professional development (CPD) platform that hosts a wide range of resources to support members' career development.
- Revising and publishing learning and assessment materials to support students of our *Advanced Diploma*, bespoke qualifications, and the Indian and Hong Kong Institutes.

## Assessment

- Processing and releasing results for over 12,700 assessments.
- Recruiting and training 12 new *Chartered Banker by Experience* assessors to meet increasing demand.
- Building exams to support new qualifications.
- Quality assuring, building and delivering exams for international partners.
- Completing end-point assessments for the *Level 7 Senior Investment and Commercial Banking Professional Apprenticeship Standard*.
- Processing and releasing results for over 12,700 assessments.
- Conducting moderation events to ensure that marks attained by students are fair, valid, and reliable.

## Consultancy

The team continues to support colleagues, corporate clients and international partners to ensure the quality of learning and assessment provision. Highlights include:

- Facilitating learning support sessions with corporate clients and their training providers to enhance internal training, coaching and line manager support for our students.
- Consulting on professional qualifications for graduate trainee programmes and options for learning and assessment.
- Consulting with the Financial Services Institute of Australasia (FINSIA) on the development of learning and assessment materials adapted for the Australasian market.
- Supporting the mapping of our qualifications to apprenticeship standards.
- Participating in the creation, adoption, and ongoing development of the Financial Services Skills Commission's Future Skills Framework.
- Working with corporate clients to support the sustainability agenda.

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| <ul style="list-style-type: none"> <li>• 3 qualifications launched</li> <li>• 40% increase in the number of online exams delivered</li> <li>• 34% increase in the number of online exams which were remotely proctored</li> <li>• 12,700 assessments processed</li> <li>• More than 300% increase in assessments for the <i>Certificate in Green and Sustainable Finance</i></li> </ul> |
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## **Accreditation and Certification**

With recent accreditation work including courses and programmes from partner institutes in the Emirates, Pakistan, and Trinidad and Tobago, our external validation of the quality of internal learning and the value of the '*Chartered Banker – Accredited Programme*' branding is proving increasingly popular to a global audience.

UK banking groups continue to use accreditation to confirm the quality of training courses, with several accredited programmes additionally supporting attainment of the *Professional Banker Certificate*.

## **A Global Body**

In recent years, the Institute has sought to diversify activities with the aim of enhancing the global impact, influence, and reputation of both ourselves and our members, and supporting the professional banking community worldwide.

The year 2021/22 has seen our international partnerships, enrolments and consultancy grow substantially, with international activities now spanning more than 100 countries and accounting for more than 40% of total revenue. We also began work to develop a global 'Principles for Responsible Banking Academy' on behalf of the United Nations, a major strategic development aiming to deliver training to banks and bankers globally on a large scale from mid-2022 onwards.

To provide insight and advice to help drive and inform our international strategy and growing global development we have established an International Advisory Committee, the inaugural meeting of which took place at the end of 2021. With Committee Members (see Page 29) drawn from a diverse range of countries and organisations, the Committee will be invaluable as our international activities continue to expand.

## **International Partnerships**

We remain committed to two key international partnerships, supporting our colleagues in the Asian Institute of Chartered Bankers (AICB), Malaysia, and the Financial Services Institute of Australasia (FINSIA), Australia, and both partnerships have continued to develop and grow throughout the year.

### **Malaysia**

Our highly successful and valued partnership with the Asian Institute of Chartered Bankers (AICB) continues. We have supported AICB to ensure their full range of examinations could be made available either via online remote invigilation or approved test centre format during the pandemic. Critically, the success of this intense project ensured that AICB had uninterrupted exam delivery, allowing Malaysian bankers to continue their career development despite lockdown situations. Over 11,000 individual exam sittings were delivered in total over the period.

At the Institute, we also continue to support AICB in a wider qualification management project and through education development consultancy, collaborative qualification and examination delivery.

## **Australia**

Our work with the Financial Services Institute of Australasia (FINSIA) remains a major strategic focus for the Institute. A full qualification range is now available, from the entry level *Professional Banker Fundamentals* and intermediate *Certified Professional Banker*, through to the advanced *Chartered Banker*, derived from our flagship *Advanced Diploma in Banking and Leadership in a Digital Age*. The *Chartered Banker by Experience* qualification is proving popular with Australian bankers.

A key focus has been supporting FINSIA's work with a large Australian bank. This is a major project to deliver the full qualification range across all business areas, involving significant numbers of individual bankers.

In the past year, 14 new international partnerships were formed. Recent additions include: the Emirates Institute of Banking and Financial Studies; the Institute of Banking and Finance Singapore; the Taiwan Academy of Banking and Finance; the Institute of Banking and Finance of Trinidad and Tobago; and the Bank of China.

## **International Enrolments**

Qualification uptake in general continues to grow across the world. In the last year, 45% of visits to the *Chartered Banker* website came from outside the UK and we had students from 950 financial services organisations across 107 countries. *Chartered Banker by Experience* is proving increasingly popular, attracting students from more than 24 countries, and comprising more than 70% of total registrations. Around 46% of *Green and Sustainable Finance Certificate* registrations are international, from more than 59 countries, including Singapore, due to our strong relationship with the Institute of Banking and Finance there.

The *Chartered Banker MBA*, delivered in partnership with Bangor University, remains popular, with new and continuing students from more than 80 countries currently enrolled. Likewise, our relationship with our colleagues in the Institute of Banking in Ireland is strong, with more than 600 *Chartered Bankers* registered as international members.

## **UN Principles for Responsible Banking Academy**

The Institute was one of the first non-bank endorsers of the *UN Principles for Responsible Banking (PRB)*, launched in September 2019. More than 270 banks

representing almost half of global banking assets under management are now signatories to the *PRB*. To support the implementation and embedding of the *PRB*, the Institute has been commissioned by the United Nations Environment Programme Finance Initiative (UNEP FI) to develop a global 'Principles for Responsible Banking Academy' to be launched in the second half of 2022. This will see a range of online training programmes delivered to employees of *PRB* signatory banks, aspiring signatories, and other organisations at substantial scale, and will further help the Institute to build our global impact and influence, as well as to support an increasingly wide global community of professional bankers.

## **Academic Partnerships**

In recent years, a priority for the Institute has been to develop partnerships with universities offering postgraduate programmes in banking and finance education, with the aim of aligning these with the Institute's vision of customer-focused, ethical professionalism. In addition, we can play a significant role in building links between academic and professional communities, benefitting both parties, by linking research with the needs of practitioners.

We currently work with 19 universities in total, and more than 600 students are progressing their studies with us across 26 accredited degrees. In the last year, 199 individuals were awarded the Associate Chartered Banker or Chartered Banker professional designation on successful completion of their university degree programmes and we received 476 new enrolments.

The 10 universities we recognise as Centres of Excellence are:

**Bangor University Business School, Bayes Business School, University of Cambridge Judge Business School, The University of Edinburgh Business School, University of Exeter Business School, Leeds University Business School, University of Liverpool in London, Newcastle University Business School, Nottingham University Business School, University of St Andrews**

The Centres of Excellence scheme enables appropriate degrees to be formally accredited, offering accelerated pathways to qualifications or to the award of professional designations. To meet the Centre of Excellence criteria, a university must have: a relevant banking and finance degree accredited against the *Advanced Diploma in Banking and Leadership in a Digital Age*; host jointly branded professional networking events; and collaborate on areas of research which are of interest to our membership.

A further nine universities (see below) are recognised as Accredited Universities by having accredited programmes with us – the Universities of Dundee and Greenwich being the most recent additions in 2021.

**Coventry University, Cranfield School of Management, University of Dundee School of Business, University of East London, Glasgow Caledonian University, University of Greenwich Business School, Keele University Business School, University of Stirling Management School, University of Westminster**

## Engaging with our Members

Over the past 12 months, we have continued to support the Institute's growing membership, both in the UK and internationally, to overcome the difficulties presented by Covid-19. Lockdowns, remote working, home-schooling and more presented challenges in studying for, and sitting professional exams, as well as keeping professional knowledge and skills up to date in a rapidly changing world.

Due to early investment in our digital capabilities, we were ideally placed to work remotely, and continue to deliver qualifications and CPD to members worldwide. This has served us, and our members, extremely well during this challenging period.

Responses to our member satisfaction survey, together with consultation with the Institute's Membership Forum and Learning and Development Board have informed the ways in which we have supported our members. We also take account of individual member feedback, undertaking trend analysis which can be used to prompt process reviews or targeted engagement if required.

We have continued to gather and respond to feedback throughout the year. This has been reflected in improvements in our engagement metrics, including our NPS score, satisfaction with the Institute as a professional body and likelihood to renew membership, which have all increased in the last 12 months.

Last year also saw us review our application process for Fellowship, with the aims of improving the diversity of our Fellowship and increasing the number of senior advocates for the Institute. Working with a pilot group of applicants and volunteer mentors from our existing Fellows, we have worked to simplify processes and remove barriers to application. The new process was rolled out formally in March 2022 with annual recruitment campaigns planned for Spring and Autumn.

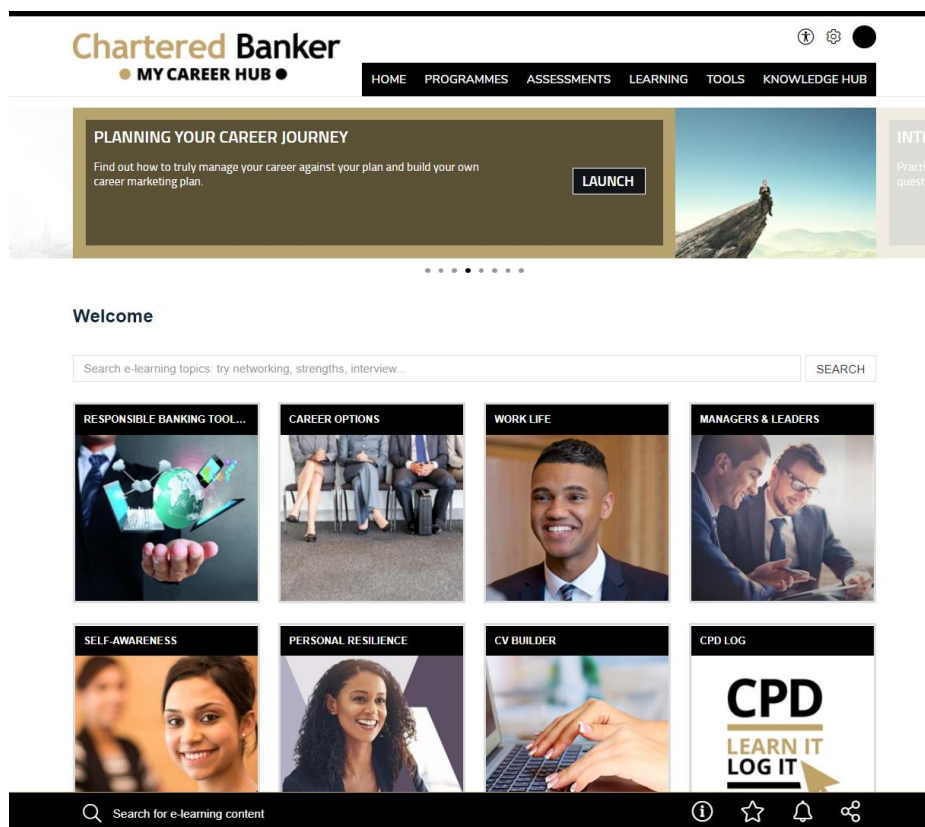
Increases seen in positive sentiment scores in the last 12 months across all key measures:

- NPS score +43
- Satisfaction with the Institute as a professional body +43
- Likelihood to renew membership increased to 94%

## Continuing Professional Development

Over the last year we have maintained our member-centric focus in relation to development, delivery methods and accessibility for continuing professional development (CPD) content. This was reflected in the December launch of **My Career Hub**, which was a direct response to feedback from members seeking additional career development resources. The new career centre replaced our existing *eCPD* and *Responsible Banking Toolkits*.





**My Career Hub** provides interactive career tools, assessments, e-learning and career exploration resources, specifically designed to build core employability skills and to empower members to take charge of their own career development. The core learning content in our *Responsible Banking Toolkit* now forms a section within the career hub, appearing alongside resources on a wide range of key business and IT skills plus MBA-level business resources.

We continued the delivery of a tailored CPD programme, focused on professionalism and ethics, to a population of over 10,000 members. Now in its fourth year, the latest version of the programme continues to be well received, with 94% of users indicating they would recommend the content.

Earlier in the year, we launched our *Centre for Responsible Banking*. The *Centre* hosts a wide range of online resources, including lifelong learning, thought leadership resources and our *Green and Sustainable Finance Hub*, to support members and their organisations in regard to the responsible banking agenda.

To support the COP26 global climate summit, hosted in Glasgow in November 2021, we delivered daily updates for members, summarising key activity and commentary relevant to banking and financial services. Working with the Learning and Assessment team we also launched an e-learning course, *Foundations of Green and Sustainable Finance*, which we made freely available to Institute members, as well as the general public.

Another resource launched in 2021 was our *Vulnerable Customers Personal Development Programme*, an interactive and flexible learning resource, which pulled together a range of content designed to suit different learning styles. The resources include podcasts, webcasts, articles and our *Vulnerable Customers e-Learning module*, which covers key aspects of vulnerability, defining what it means and how to identify and support vulnerable customers.

During the past 12 months, the Institute continued to discuss a diverse variety of relevant and important topics through our free webcasts which support our thought leadership activity. Highlights include *The Bounce Back Loans series*, *Banking on Building Back Better*, and *Cash v Crypto*. We also launched several new podcast series, including, *The future of professional skills and learning in banking*, *Green Conversations* and *Leadership for all*.

## **2025 Foundation**

During 2021 we also continued to promote and develop the work of the 2025 Foundation, which provides young people and individuals who have been historically under-represented in the banking profession, with opportunities to pursue a career in banking. These include individuals from minority groups and specific socio-economic backgrounds who would not normally consider a career in the banking profession. Given the continuing impact of Covid-19 on the job prospects and opportunities for such young people, and the heightened emphasis on the importance of social mobility, the work of the Foundation is vital. Put simply, the Foundation's aim is to change lives.

The Foundation's work is overseen by the 2025 Foundation Committee, chaired by former Institute President David Thorburn. The Committee has been expanded this year with the appointment of Institute Trustee Katherine Graham. A dedicated member of staff was recruited in 2021 to manage the increased workload of the Foundation which continues to receive additional support from Institute staff members on a voluntary basis. To date, the Foundation has raised over £313,000.

The Foundation began supporting its first small group of scholars through their university education in partnership with the Robertson Trust during the 2019-2020 academic year, and this support has continued during 2021-22. Given the challenges of Covid-19 and the many practical difficulties faced by students, the financial and mentoring support provided by the 2025 Foundation has been a considerable help. We will work with the Robertson Trust to try and identify a further group to support from the start of the 2022-23 academic year.

Following the success of its pilot programme, the Foundation has continued to work with the EY Foundation to expand its *Smart Futures programme*, offering internships and support to young people eligible for free school meals who are interested in careers in financial services. The programme is accredited by the Institute of Leadership and Management, and participants also complete an Institute learning course developed for this programme, adapted from our *Professional Banker Certificate*. Due to the impact of Covid-19, the pilot programme was delivered virtually in March and April 2021.



Following positive feedback from participants and employers, we have developed two further programmes, the first of which was delivered in the school Easter holiday with a second to coincide with the Summer holidays. We have also been delighted to work with an increasing number of employers and organisations such as Scottish Financial Enterprise (SFE) and Women in Banking and Finance (WIBF), with the aim of supporting as many young people as possible.

- [Hear](#) from David Thorburn, Chair of the 2025 Foundation, about how the *Smart Futures programme* benefits both employers and young people and why it promotes diversity in the banking sector.
- Or, watch [Jenna](#) and [Rachael](#) talk about their participation in last year's *Smart Futures pilot*.

## Member Communications and Research

Towards the end of the year, the Institute launched our second member satisfaction survey. Once again, this attracted an extremely high response rate and indicated an increase in positive sentiment score. Members continued to express a high degree of satisfaction with the Institute as their professional body, which correlated with a strong, and increased, likelihood to renew membership and a willingness to recommend the Institute to others.

Given the continued success of our UK academic partnerships we are keen to develop greater insight into the perspectives of members studying with our 19 university partners. Research is underway with individuals at various stages, from beginning students to recent graduates, to better understand their knowledge and expectations of professional membership.

Research was also undertaken with participants in a large-scale bespoke CPD programme. This indicated that members recognised significant benefits to customers and their own development from participating in CPD. The results also showed that 94% of respondents would recommend the Institute's CPD content.

The Institute's *Chartered Banker* magazine remains central to member communications, with four issues produced over the year. Sustainable banking is a recurring theme and became the focus of the Autumn 2021 issue, in recognition of the then upcoming COP26 summit. Articles considered which topics experts believed should be at the top of the COP26 agenda, how financial services organisations are managing shifting expectations around sustainability, and the role banks must play in protecting our planet.

The magazine is complemented by the Institute's blog, which saw 95 articles posted across the year. Our blog articles investigate key national and international issues in more depth than possible in the magazine format, providing insight into current and topical sector news. Both our magazine and blog are fully aligned with the Institute's thought leadership plan, which also informs the content of our annual event and webcast programmes.

Regular member communications are undertaken through a series of e-newsletters. Incorporating both Institute news and recommended CPD content, these are supplemented by ad hoc email communications for specific campaigns and regular social media activity on LinkedIn, Facebook and Twitter.

## **Digital Transformation**

The Institute operates a 'digital first' strategy, which prioritises delivering web-based services for members but also requires us to look differently at everything we do. By focusing on simplification and automation, wherever possible, we aim to build capacity within the organisation but above all to find opportunities to enhance the member experience.

Our digital transformation programme has been embedded for several years now. Over the last 12 months, projects have included major improvements to our Customer Relationship Management (CRM) system, developing enhanced capabilities for our Learning Management system and the launch of a new online career hub for members. We also laid the groundwork to offer digital badges and certificates in the year ahead. Alongside this, many smaller process improvements were also implemented, designed to improve the user experience for members and to provide enhanced support to corporate clients.

Throughout the ongoing periods of Covid-19 restrictions, the Institute has continued to work remotely, already having adopted digital working practices pre-pandemic that provided the systems to facilitate this. We have continued to improve these systems over the last year, ensuring that colleagues had the necessary support for remote working to enable us to continue delivering member services and to support clients and learning partners without interruption.

## **Recognising and Rewarding Emerging Talent**

The Chartered Banker Young Banker of the Year competition, which sees the banking sector put forward its highest calibre of candidates, is always a highlight in the Institute's annual events calendar, celebrating the values that a successful, sustainable banking profession must be built on. The 2021 competition was open to global participation, and we were pleased to have the support of the UN Environment Programme Finance Initiative (UNEP FI).

Due to continuing Covid-19 restrictions, our Grand Final was once again held online. However, this did allow us to extend invitations to our full membership to join us online and to hear live from our four finalists: James Houston from Lloyds Banking Group, Matthew Nimbley from Hampden & Co, Edward Sants from TSB and Rosie Lyon, from Allied Irish Bank, who was our Young Banker of the Year 2021.

- Three new podcast series were launched
- Use of our *Responsible Banking* and *e-CPD* toolkits increased by 412%
- Our webcast programme saw a 55% increase in bookings
- Our Young Banker of the Year competition was open to international participants for the first time
- We conferred six Fellowships and awarded eight academic prizes
- We answered more than 22,000 enquiries from our members

## Building Influence

### Thought Leadership

Thought leadership plays an important role in building the Institute's reputation with key stakeholders and influencers as the voice of responsible and sustainable professionalism.

We have four key thematic strands, which are used to develop the Institute's thought leadership and these four 'sub themes' all fall under the umbrella of our key theme, Responsible Banker:

- Sustainable Banker
- Digital Banker
- Future Banker
- Ethical Banker.

Both our thought leadership reach and engagement increased this year. A key highlight of our thought leadership work in 2021 was the publication of our *Banking on Building Back Better* essay series created with the Social Market Foundation (SMF) think-tank. The series included a collection of essays from senior political figures, banking leaders and economists. A highlight of our podcast series was an interview with Merryn Somerset-Webb, Editor of *Moneyweek*, in February 2022, on crypto-assets.

We published a total of 14 press releases in 2021 and a high point of the press coverage was our SMF essay series, which featured in *the Times*, *City AM* and *the Guardian*. Other significant press coverage in the past year has been the CEO's letter in *the Financial Times* and having op-eds featured in *Environmental Finance* and *The Banker*.

Our two flagship events were both extremely successful. Our Annual Banking Conference took place at the end of September and our Young Banker of the Year final was held virtually at the beginning of October. By partnering with international institutes, as well as UNEP FI and Global Ethical Finance Initiative (GEFI) we have increased our audience, which has helped us grow impact, influence, and profile – especially in terms of reaching a more international audience.

Regular engagement with our Chartered Body Alliance partners also helped to expand the influence of the Institute. Working with other professional bodies enhances the profile and value of ‘Chartered’ status and of professional bodies within the financial sector. The Alliance has representation on the Board of the Financial Services Skills Commission (FSSC), which our Chief Executive Simon Thompson will join next year, and the Institute is also represented on FSSC workstreams.

During the year we also worked with CISI to develop a new survey, which sought practitioners’ views on customers and clients in vulnerable circumstances. The results were released in November and shared with the Financial Conduct Authority (FCA). The Institute led the Alliance response to the Basel Committee’s consultation on *Principles for the Management and Supervision of Climate-related Risks*. This brought the total number of Institute responses to key consultations this year to five in total, including a response to the HM Treasury’s review of regulatory framework.

Throughout the year, the Institute’s leadership team was involved in 34 virtual speaking engagements across the UK and internationally, helping to maintain the profile of the Institute and its importance in the banking sector. In 2021, we continued to hold high-level meetings with the FCA and engaged with the Department for Business, Energy and Industrial Strategy (BEIS) and HM Treasury officials through our work on the *Green Finance Education Charter (GFEC)*. Our CEO, Simon Thompson, chairs GFEC on behalf of 13 financial services professional bodies, representing nearly one million financial services professionals around the world and demonstrating our continued commitment to green and sustainable finance. The Institute is recognised as a leading voice on green and sustainable finance education and skills by UNEP FI, the UK and Scottish Governments and many international regulators and banking sector bodies.

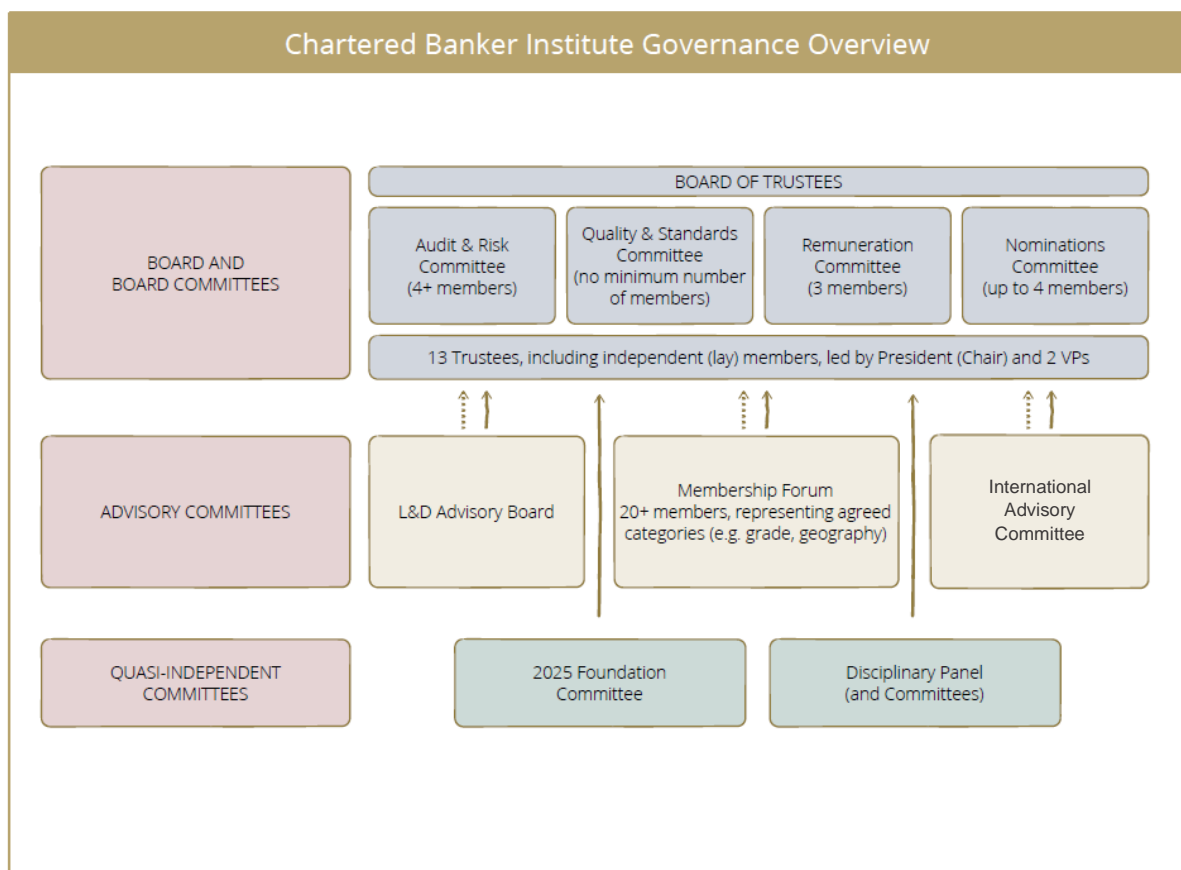
## **Member Conduct**

At the Institute we believe that ensuring our members comply with the Institute’s *Code of Professional Conduct* is an important step towards enhancing and sustaining confidence and trust in our profession.

To ensure that these standards are upheld, the Institute initiated disciplinary action against 31 members during the year. These members admitted minor breaches of the *Code of Professional Conduct*, were admonished and accepted sanctions imposed by the Institute.

## Building Capability at the Institute

- Our permanent team of staff increased from 53 to 57
- Gender profile of our people: female 36, male 21
- Recruited for 20 vacancies (14 new roles and 6 replacement roles)
- Launched a hybrid work model, giving colleagues greater freedom over working location
- 4 colleagues studying Institute qualifications
- 1 apprenticeship achieved
- Charities supported: Salvation Army, Macmillan Cancer Support
- 3 promotions
- Wellbeing score: 91.67%



## **Financial Review and Results**

During the year ended 28 February 2022, the Institute recorded a turnover of £5.8m (2021: £4.74m).

During the year ended 28 February 2022, the Institute had net incoming resources of £595,348 (2021: net incoming resources of £119,292).

The Institute has net assets at 28 February 2022 of £3,988,289 (2021 £3,392,941).

### ***Investment Policy***

The cash reserves of the Institute are held in interest-bearing accounts. Trustees keep this arrangement under regular review and pay particular attention to the requirements to ensure that sufficient liquidity is maintained to enable the Institute to manage its commitments.

### ***Reserves Policy***

The Institute's *Reserves Policy* requires that readily realisable reserves be maintained at a level that ensures the Institute's core activities could continue during a period of unforeseen difficulty. The Trustees consider that readily realisable reserves should normally be maintained to achieve this desired level, at approximately six months of expected future total resources expended.

The balance held as unrestricted funds at 28 February 2022 was £3,945,219 of which £3,564,322 is regarded as free reserves, after allowing for funds retained in tangible fixed assets and investments. The Trustees consider the level of free reserves to be sufficient to comply with the *Reserves Policy*.

The Trustees consider the reserve requirements of the restricted funds separately. Restricted funds retained at 28 February 2022 amounted to £43,070 against an annual spend of £900.

## **Risk Management**

As a Chartered, professional body the Institute adopts a conservative and cautious approach to risk and only takes on risks that are necessary to achieve its agreed strategic objectives, selecting trusted partners around the world to work with to deliver its strategy. The Institute maintains a strong balance sheet with adequate capital and reserves and manages its risk profile within risk appetite with the use of a risk management framework that identifies, assesses and controls the risks that it takes on, with oversight provided by the Institute's Board of Trustees and Audit and Risk Committee. In this context, the Trustees consider that the Institute has a low risk appetite.

The major risks to the long-term future of the Institute are reputational. Our major assets are our brand and reputation and should these be damaged or lost then the Institute's sustainability will be at severe risk.

Oversight of the Institute's risk management policies and procedures, including financial control systems and procedures, is delegated to the Audit and Risk Committee. In line with good practice, identifying, monitoring, mitigating and managing risk is fully incorporated into the operational and management processes of the Institute. The Institute's Leadership Team discuss risk at their regular leadership meetings, where the Institute's Risk Register and high risks are reviewed. These are reviewed by the Audit and Risk Committee at each of their meetings and the annual *Risk Report* is considered by the Board of Trustees.

The Audit and Risk Committee believes that, for the current year, the risks identified appear to be appropriate to the Institute's risk appetite, size and the nature of its operations, and that where major risks have been identified, appropriate plans have been made, and are being implemented, to mitigate these as far as possible.

During 2020, the Audit and Risk Committee undertook a full review of the Institute's approach to risk governance and management, resulting in the adoption of a new Risk Framework by the Audit and Risk Committee and Board of Trustees in 2021. Enhancements to the Institute's approach to risk management include:

- The introduction of preventative, detective and mitigation control areas to the Risk Register.
- Clarification of the Institute's 'three lines of defence', incorporating a wider group of first line risk owners.
- Introducing a new, annual business-as-usual-risk-assessment to help the Institute better identify, validate and assess risks and controls.
- Introducing an annual review of Material Risks.
- Training for Institute staff.

The Institute's Leadership Team and Trustees identified the following key risks facing the Institute during the 2021 Material Risk Review:

- i. Continued risk to health and wellbeing of Institute staff and families due to Covid-19, with potential impacts on Institute's activities if one or more key personnel were absent for an extended period due to own illness or caring responsibilities
- ii. Lack of capacity and capability to support development, delivery and growth of education and other Institute activities.
- iii. Loss of relevance of Institute and partner programmes due to significant changes in personnel and/or rapid developments in the sector.



- iv. Loss or incapacity of member of Institute Leadership Team or other key personnel.
- v. Risk of international revenue growth slowing or declining.
- vi. Prospect of UK inflation impacting on Institute's cost base, affecting our ability to attract and retain personnel required to achieve strategic objectives.
- vii. Risk of a successful cyberattack leading to financial, reputational or other losses for the Institute.

The Institute's Leadership Team and Trustees have identified appropriate preventative and detective controls for these risks (and non-material risks), and plans are in place to mitigate impacts should risks materialise.

## Future Plans

Each year, the Board of Trustees reviews the strategic purpose and aims of the Institute to ensure they remain relevant and well-aligned to the Institute's *Royal Charter*. Following a review of the Institute's purpose and aims in 2020, when these were revised to reflect the Institute's growing global role in developing, embedding, and enhancing socially purposeful, responsible and professional banking aligned with the *UN Principles for Responsible Banking*, in 2021 Trustees agreed the following key priorities for 2022-23:

1. Establish and launch the Principles for Responsible Banking (PRB) Academy with the United Nations Finance Programme Finance Initiative (UNEP FI) to support the implementation of the *Principles* in the 275 PRB signatory banks, and potential signatories.
2. Continue to build the Institute's digital and people capacity and capability to support the PRB Academy, and the global delivery of responsible banking / green and sustainable finance programmes at increasing scale.
3. Incorporate environmental sustainability within the Institute's core banking programmes where this is not currently included.
4. Further expand the Institute's network and pipeline of senior advocates, representing the diverse range of Institute members, who can support the purpose and aims of the Institute and expand our global influence.
5. Expand and support our wider community of global affiliates, alumni and partners, building greater connectivity and engagement, and a stronger and more visible global presence for the Institute.



The launch of the Principles for Responsible Banking (PRB) Academy, anticipated in Autumn 2022, is a major milestone for the Institute. It will enable the Institute to play an even more influential role in building the capacity and capabilities of bankers globally, to support the successful implementation of the *Principles*, and banking professionalism in general. This, supported by our continuing international activities with current and new partners, will continue to build the Institute's global impact and influence and recognition of the 'Chartered Banker' brand and our members.

Aligning banking with the objectives of the *Paris Agreement* and the *UN Sustainable Development Goals* requires large numbers of expert, professional bankers who combine their banking skills with a knowledge of sustainability and sustainable finance. While growing the Institute's capacity and capabilities in the areas of responsible banking, and green and sustainable finance in 2022, we will also maintain our focus on the development of core banking knowledge and skills, and professional ethics (the latter reflecting the digital and data-driven evolution of banking).

### **Legal and Administrative Information**

The Chartered Banker Institute is a Charitable Body, number: SC013927. The Institute was founded in 1875 as an unincorporated body. In 1975, it received a *Royal Charter of Incorporation*, and *Supplementary Charters* were obtained in 1991 and 2018.

The Institute's principal office is at 2nd Floor, 39 George Street, Edinburgh EH2 2HN.

The charity Trustees (otherwise known as members of the Board) at present, together with any others who served in the year, and the committees on which they serve, are:

#### **President**

S Pateman FCBI, Non-Executive Director, Bank of Ireland and Chair, Advisory Board, Arora Group (elected as President 24 June 2021) **NC**

#### **Past President**

W McCall FCBI, Chairman, McCall & Partners (retired 24 June 2021)

#### **Vice President**

D May FCBI, Executive Coach and Consultant, Aesara Partners (elected 24 June 2021 M) **NC**

## **Board of Trustees Elected and Appointed**

A Bouvin, Former President and Group CEO, Handelsbanken (elected 19 November 2020 IT) **LDB, IA**

R Bulloch FCBI, Managing Director, Lloyds Bank and Bank of Scotland, Retail (retired 24 June 2021 M) **NC, LDB**

P Denton FCBI, Chief Executive of Scottish Building Society (elected 24 June 2021 M) **ARC**

K Graham, Head of Security Services, NatWest (elected 24 June 2021 IT) **NC**

S Gunn, Vice Chair, Wheatley Group (re-elected 24 June 2021 IT) **RC, ARC**

I Hardcastle FCBI (re-elected 24 June 2021 M) **LDB, RC**

I Henderson FCBI, CEO, Kyckr (elected 19 November 2020 M) **ARC**

P McCormack FCBI, Adviser – Governance, Risk and Regulation (elected 20 June 2019 M) **ARC, LDB**

W MacLeod MCBI, Head of Industry, Stakeholder and Regulatory Affairs, Allied Irish Bank (elected 19 November 2020 M) **NC, QSC**

E Moscolin Executive Vice President for Sustainability, Sage Group plc (elected 24 June 2021 IT) **LDB**

S Pearson FCBI, Non-executive Director, Virgin StartUp (elected 20 June 2019 M) **QSC**

S Primmer, Chief Marketing Officer, Sionic (elected 19 November 2020 IT) **RC**

S Thompson FCBI, Chief Executive, Chartered Banker Institute (ex-officio)

### **Key**

**M** Member of the Chartered Banker Institute

**IT** Independent Trustee

**ARC** Member of Audit and Risk Committee

**LDB** Member of Learning and Development Board

**NC** Member of Nominations Committee

**QSC** Member of Quality and Standards Committee

**RC** Member of Remuneration Committee

**MF** Member of Membership Forum

**IA** Member of International Advisory Committee

## **Executive Team**

Simon Thompson, FCBI (Chief Executive)

Joanne Murphy, MBA MCBI (Chief Operating Officer)

Giles Cuthbert (Managing Director)

## **Agents and Advisors**

Auditor: Chiene + Tait LLP, Chartered Accountants and Statutory Auditor, 61  
Dublin Street, Edinburgh EH3 6NL

Bankers: Bank of Scotland, George Street, Edinburgh EH2 3EW

## Structure, Governance and Management

### Board and Committees

In line with the Institute's new supplementary *Royal Charter*, following our June 2019 AGM, the Institute is governed by the Board of Trustees (the charity Trustees) ultimately responsible for the management and administration of the Institute and its property and affairs, except where the *Royal Charter* or *Rules* prescribe that approval is required by the Institute in General Meeting.

The powers of the Board of Trustees include the ability to appoint from its number such committees as are required for the conduct of business, and to delegate to these committees such powers as it considers appropriate. The main committees and their responsibilities as of 28 February 2022 are:

- **Audit and Risk Committee:** Monitors the integrity of the financial statements of the Institute; reviews and approves the *Annual Report* for recommendation to the Board; reviews the effectiveness of the Institute's internal controls and risk management systems and oversees the relationship with the external auditors. The Audit and Risk Committee meets a minimum of four times per year.
- **Learning and Development Advisory Board:** Provides advice and guidance on the design, development and delivery of the Institute's education programmes and approves the structure and content of programmes and any regulations which govern them. The Learning and Development Board meets a minimum of four times per year.
- **Nominations Committee:** Makes recommendations to the Board on succession planning for office bearers and Executive positions; makes recommendations on the nomination of new Trustees and their subsequent re-appointment; makes recommendations on membership of the Audit and Remuneration Committees; makes recommendations on the recruitment of the Membership Forum. The Nominations Committee meets a minimum of twice per year.
- **Quality and Standards Committee:** Develops and implements a quality assurance framework and monitors the standards and quality of Institute provision. The Quality and Standards Committee meets a minimum of four times per year.
- **Remuneration Committee:** Reviews, assesses and recommends to the Board of Trustees the level and constituent elements of remuneration to be paid to Institute Directors. The Committee meets when required, usually twice per year.
- **Disciplinary Committee:** Adjudicates alleged breaches of the Institute's *Code of Professional Conduct* and imposes any sanctions that might be appropriate. (Members of Disciplinary Committees are chosen from a panel of Fellows, Members and legal professionals, who are not members of the Board of Trustees.)

- **Membership Forum:** Responsible for representing the membership and ensuring that members' views are appropriately reflected in the direction and activities of the Institute. The Membership Forum also plays an important role in promoting the Institute and the benefits of membership within the banking industry. The Forum usually meets at least twice per year.
- **International Advisory Committee:** Established in 2021, and chaired by Trustee Anders Bouvin, the Committee is responsible for providing insight, advice and guidance to the Board and the Institute's Leadership Team on the growing international activities and expansion of the Institute.

The committee currently comprises:

- **Anders Bouvin (Chair)**, Trustee, Chartered Banker Institute
- **Catarina Figueira**, Director of Executive MSc in Retail & Digital Banking and Professor of Applied Economics & Policy, School of Management of Cranfield University
- **Hank Huang**, President, Taiwan Academy of Banking and Finance
- **Edward Ling, CEO**, Asian Institute of Chartered Bankers
- **Niel Oberholzer**, Director – Learning Division, Emirate Institute for Banking and Financial Studies
- **Habil Olaka**, CEO, Kenya Bankers Association
- **Ken O'Sullivan**, Deputy Chief Executive, Institute of Bankers, Ireland
- **Zeinab Abdel Razek**, Senior Director, Business Development & International Cooperation, Egyptian Banking Institute
- **Rob Webb**, Professor of Banking & Applied Economics and Associate Dean Global Engagement, University of Stirling Management School
- **Chris Whitehead**, CEO and Managing Director, FINSIA

**Marta Carvalho**, Director, Production & Operations (Training), Instituto de Formação Bancária (IFB) was elected to the Committee after 28 February 2022.

Each of these committees reports directly to the Board of Trustees, which approves major decisions and has overall responsibility for all the Institute's activities.

In addition, the Institute has established, oversees or supports the work of a number of other bodies, including:

- **Chartered Banker 2025 Foundation:** Established in anticipation of the Chartered Banker Institute's 150th anniversary in 2025 and aligned with the original aims of the Institute: the promotion of education and development of young bankers entering the profession. Chaired by David Thorburn FCBI, a former Institute President, and overseen by a committee of Board members and Fellows, the Foundation aims to raise one- million pounds by 2025 to

identify and support talented young people who would benefit from financial and other help to pursue a career in banking

- **Committee of Scottish Bankers (CSCB):** Formerly the Committee of Scottish Clearing Bankers, the CSCB is an independent association of its member banks governed by an Executive Management Committee, comprising senior representatives of full member banks, and the Institute's Chief Executive. The Institute provides a small secretariat to support the activities of the CSCB under a management contract.

## Trustee Selection, Appointment and Competence

The Institute's *Rules* state that the Board shall consist of up to 11 Trustees who are members of the Institute, plus two or more Independent (lay) Trustees. A President and two Vice-Presidents are elected by the Institute in General Meeting from among the Trustees. The powers and composition of the Board of Trustees, periods of office, terms of re-appointment and re-election are prescribed in the *Rules*.

All Trustees are recruited by open selection. The recruitment process is overseen by the Nominations Committee, which proposes Institute members possessing the expertise, experience and skills required. The Nominations Committee publishes its recommendations for appointment to the Board of Trustees in advance of the Annual General Meeting, and all appointments are approved by the Annual General Meeting.

Trustees (including Independent Trustees) hold office for three years from the date of the Annual General Meeting approving their appointment and are eligible for re-election for one further term. Trustees may be re-appointed for a third term when this would enable them to assume the Presidency/Vice-Presidency, or in other exceptional circumstances, subject to the approval of the Nominations Committee and the Annual General Meeting.

Any vacancy on the Board arising before the expiry of a Trustee's term of office may be filled by an individual co-opted by the Nominations Committee. The individual thus co-opted shall serve as a Trustee until the date of the Annual General Meeting following their co-option.

New Board members receive an induction pack to acquaint them with the Institute's aims and activities; its policy and practice, management and governance; and also, what is expected of them as Trustees under charity law, with particular reference to the requirements of *The Charities and Trustee Investment (Scotland) Act 2005* and the guidance issued by the Office of the Scottish Charity Regulator (OSCR).

The Board as a whole and Trustees individually are subject to regular performance reviews, overseen by the Nominations Committee, to encourage and enhance Board and Trustee effectiveness.

### Board of Trustees Attendance: March 2021 – February 2022

			<u>Due for re-election</u>	<u>Attendance in 2021/22</u>
President	Bill McCall		Retired	2
	Steve Pateman		2023	4
Vice President	David May		2023	4
Trustees (elected)	Anders Bouvin		2024	4
	Robin Bulloch		Retired	2
	Paul Denton		2024	3
	Katherine Graham		2024	3
	Sheila Gunn		2022	3
	Ian Hardcastle		2023	4
	Ian Henderson		2023	4
	Peter McCormack		2022	4
	William MacLeod		2023	4
	Elisa Moscolin		2024	3
	Steve Pearson		2022	4
Sue Primmer		2023	4	

### ***Key Management and Remuneration Policy***

The Institute considers its key management personnel to be its Chief Executive Simon Thompson and the following Directors: Joanne Murphy, Chief Operating Officer and Giles Cuthbert, Managing Director. The total employment benefits of key management personnel for the year 2021/22 were £485,735

Remuneration of the Chief Executive and Directors is set by the Institute's Remuneration Committee. The Committee approves the payment of annual bonuses to the Chief Executive and Directors, in line with the *Institute's Discretionary Bonus Policy* applicable to all colleagues and recommends to the Board of Trustees an appropriate level of remuneration payable to the Chief Executive and Directors, in line with similar roles in similar institutions.



## Trustees' Responsibilities Statements

The Board is responsible for preparing the *Annual Report* and the *financial statements* in accordance with applicable law and *United Kingdom Accounting Standards* (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Board to prepare *financial statements* for each financial year, which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Board is required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the *Charities SORP*
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the *financial statements* on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the *financial statements* comply with the *Charities and Trustee Investment (Scotland) Act 2005*, the *Charities Accounts (Scotland) Regulations 2006 (as amended)* and the provisions of the Charity's *Founding Deed*. The Trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

On behalf of the Board of Trustees of the Institute

Steve Pateman FCBI, President

Simon Thompson FCBI, Chief Executive

17 May 2022

## Independent Auditor's Report to the Trustees of the Chartered Banker Institute

### Opinion

We have audited the accounts of the Chartered Banker Institute for the year ended 28 February 2022, which comprise the *Statement of Financial Activities*, the *Balance Sheet*, the *Statement of Cash Flows* and the notes to the accounts, 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 accounts:

- Give a true and fair view of the state of the charity's affairs as at 28 February 2022, and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with *United Kingdom Generally Accepted Accounting Practice*
- Have been prepared in accordance with the requirements of the *Charities and Trustee Investment (Scotland) Act 2005* and *regulation eight of the Charities Accounts (Scotland) Regulations 2006*.

### 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 Accounts' section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the accounts 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 charity's ability to continue as a going concern for a period of at least 12 months from when the accounts are authorised for issue.

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

## Other information

The other information comprises the information included in the Trustees' *annual report*, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information contained within the *annual report*. Our opinion on the accounts 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts, or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the *Charity Accounts (Scotland) Regulations 2006 (as amended)* require us to report to you if, in our opinion:

- The information given in the *Report of the Trustees* is inconsistent in any material respect with the *financial statements*; or
- Proper accounting records have not been kept; or
- The accounts are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.

## Responsibilities of Trustees

- As explained more fully in the *Trustees' Responsibilities Statement* set out on Page 33, the Trustees are responsible for the preparation of accounts which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.
- In preparing the accounts, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the accounts**

We have been appointed as auditor under *section 44(1)(c)* of the *Charities and Trustee Investment (Scotland) Act 2005* and report in accordance with regulations made under that *Act*.

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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:

We gained an understanding of the legal and regulatory framework applicable to the Charity and the industry in which it operates and considered the risk of acts by the Charity which were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the *Charity Accounts (Scotland) Regulations 2006 (as amended)*, the *Charities and Trustee Investment (Scotland) Act 2005* and the *Charities SORP*.

We focused on laws and regulations that could give rise to a material misstatement in the charity's financial statements. Our tests included, but were not limited to:

- Agreement of the financial statement disclosures to underlying supporting documentation
- Enquiries of the Trustees
- Review of minutes of Trustee meetings throughout the period
- Review of legal correspondence or invoices
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

There are inherent limitations in an audit of accounts and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the accounts, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the members that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the accounts 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 Charity's Trustees, as a body, in accordance with *Regulation 10 of the Charities Accounts (Scotland) Regulations 2006*. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an *Auditor's Report* and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Chiene + Tait LLP  
Chartered Accountants and Statutory Auditor  
61 Dublin Street  
Edinburgh  
EH3 6NL

17 May 2022

Chiene + Tait LLP is eligible to act as an auditor in terms of *Section 1212 of the Companies Act 2006*

Chartered Banker Institute

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 28 February 2022

	Notes	General Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b><u>Income and endowments from :</u></b>					
<b><i>Charitable activities:</i></b>					
Membership subscriptions		1,424,347	-	1,424,347	1,014,241
Education programmes	2	4,270,322	-	4,270,322	3,532,125
Events, meetings and special projects	3	23,183	-	23,183	3,274
<b><i>Other Trading Activities</i></b>					
Management fee		155,892	-	155,892	155,892
<b><i>Investment</i></b>		1,519	-	1,519	4,263
Other Income	4	17,964	-	17,964	25,874
<b>Total income</b>	<b>5</b>	<b>5,893,227</b>	<b>-</b>	<b>5,893,227</b>	<b>4,735,669</b>
<b><u>Expenditure on :</u></b>					
<b><i>Raising funds</i></b>	<b>6</b>	<b>170,146</b>	<b>-</b>	<b>170,146</b>	<b>174,869</b>
<b><i>Charitable activities:</i></b>					
Membership subscriptions	6	1,141,316	-	1,141,316	893,550
Education programmes	6	4,035,663	-	4,035,663	3,408,875
Events, meetings and special projects	6	160,368	900	161,268	138,409
		5,337,347	900	5,338,247	4,440,834
<b>Total Expenditure</b>	<b>6</b>	<b>5,507,493</b>	<b>900</b>	<b>5,508,393</b>	<b>4,615,702</b>
<b>Net income/(expenditure) and net movement in funds for year before gains and losses on investments</b>		<b>385,734</b>	<b>(900)</b>	<b>384,834</b>	<b>119,967</b>
Unrealised Gains /(losses) on investment assets		210,000	514	210,514	(675)
<b>Net income/(expenditure) and movement in funds</b>	<b>7</b>	<b>595,734</b>	<b>(386)</b>	<b>595,348</b>	<b>119,292</b>
<b>Funds Reconciliation</b>					
<b>Total funds at 1 March 2021</b>		<b>3,349,485</b>	<b>43,456</b>	<b>3,392,941</b>	<b>3,273,649</b>
<b>Total funds at 28 February 2022</b>		<b>3,945,219</b>	<b>43,070</b>	<b>3,988,289</b>	<b>3,392,941</b>

The notes to the accounts on pages 41 to 48 form part of these accounts

**Chartered Banker Institute**

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**BALANCE SHEET**  
as at 28 February 2022

	<b>Notes</b>	<b>2022</b>	<b>2021</b>
		£	£
<b>FIXED ASSETS</b>			
Tangible Fixed Assets	<b>9</b>	420,922	1,262,016
Investments	<b>10</b>	<u>3,035</u>	<u>2,519</u>
		423,957	1,264,535
<b>CURRENT ASSETS</b>			
Stocks	<b>11</b>	21,091	26,579
Debtors	<b>12</b>	1,279,879	1,105,343
Cash and Bank Balances		<u>3,597,656</u>	<u>1,838,413</u>
		4,898,626	2,970,335
<b>CURRENT LIABILITIES</b>			
<b>CREDITO</b> amounts falling due within one year	<b>13</b>	(1,334,294)	(841,929)
<b>NET CURRENT ASSETS</b>		<u>3,564,332</u>	<u>2,128,406</u>
<b>NET ASSETS</b>		<u>3,988,289</u>	<u>3,392,941</u>
<b>THE FUNDS OF THE CHARITY</b>			
<i>Restricted Funds</i>			
Prize Funds	<b>17</b>	20,242	20,628
Other Restricted Funds	<b>18</b>	22,828	22,828
<i>Unrestricted Funds</i>			
Accumulated Fund	<b>18</b>	3,677,535	2,519,429
2025 Foundation	<b>18</b>	267,684	196,174
Revaluation Reserve	<b>18</b>	<u>-</u>	<u>633,882</u>
<b>TOTAL CHARITY FUNDS</b>		<u>3,988,289</u>	<u>3,392,941</u>

Approved by Trustees the Institute and signed on their behalf by:

Steve Pateman President

S Thompson FCBI Chief Executive

The notes to the accounts on pages to form part of these accounts

**Chartered Banker Institute**  
**Statement of Cash Flows**  
**for the year ended 28 February 2022**

	<u>2022</u>	<u>2021</u>
<b>Cash used in operating activities</b>		
<b>Net movement in funds</b>	595,348	119,292
Add depreciation	238,973	200,395
(Gain)/loss on sale of Property	(209,560)	-
(Gain)/loss on sale of other assets	(2,994)	-
Deduct investment income	(1,519)	(4,263)
Add revaluation losses/(gains)	(514)	675
Decrease/ (increase) in debtors	(174,538)	86,545
(Decrease)/ Increase in creditors	492,365	259,684
Decrease in stock	<u>5,488</u>	<u>22,046</u>
 <b>Net cash from operating activities</b>	 <u>943,049</u>	 <u>684,374</u>
 <b>Cash flows from investing activities</b>		
Purchase of fixed assets	(459,815)	(70,196)
Proceeds from disposal of fixed asset	1,274,490	-
Interest and dividends received	<u>1,519</u>	<u>4,263</u>
 <b>Net cash flow used in investing activities</b>	 <u>816,194</u>	 <u>(65,933)</u>
 <b>Increase in cash and cash equivalents in the year</b>	 <u>1,759,243</u>	 <u>618,441</u>
 <b>Net change in cash and cash equivalents</b>		
Cash and cash equivalents at start of year	1,838,413	1,219,973
Change in cash and cash equivalents in the year	<u>1,759,243</u>	<u>618,441</u>
<b>Cash and cash equivalents at the end of the year</b>	<u>3,597,656</u>	<u>1,838,413</u>

Accounting Standards require the Cash Flow Statement to be accompanied by an 'Analysis of Changes in Net Debt'.

Net Debt' means debt finance less cash. The charity had no debt finance during 2022 or 2021 and therefore its net debt is simply the negative of its cash balances. Accordingly, the change in net debt is apparent from the Statement of Cash Flows.



**Chartered Banker Institute**  
**Notes to the accounts**  
**For the year ended 28 February 2022**

**1. Accounting Policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention modified to include investments and heritage assets at market value. The financial statements have been prepared in accordance with the revised Statement of Recommended Practice for Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

**Going Concern**

The financial statements have been prepared on a going concern basis. The Trustees have reasonable expectation that the Institute has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

**Taxation**

The Institute obtained charitable status for tax purposes in June 1980.

**Funds structure**

Restricted prize funds, and other restricted funds, are funds which are to be used in accordance with specific restrictions imposed by the donor.

The unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Designated funds are unrestricted funds that have been earmarked for a particular purpose by the Board of Trustees.

Transfers may be made from unrestricted to restricted funds at the discretion of trustees.

Further details of each fund are disclosed in note 18.

**Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the Institute is entitled to the income, it is probable the income will be received and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Subscriptions, contributions and educational income are accounted for on an accruals basis, after adjustments for any deferred income which is included in the balance sheet as creditors.
- Sale of publications and Institute gifts is recognised when receivable.
- Investment income is included when receivable.
- Other income, including management fees, is included when receivable.

**Chartered Banker Institute**  
**Notes to the accounts**  
**For the year ended 28 February 2022**

**1. Accounting Policies – continued**

**Resources expended**

All expenditure is included on an accruals basis and is recognised where there is a legal or constructive obligation to pay for expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

**Raising funds**

The cost of raising funds consists of all expenditure associated with generating income.

**Charitable activities**

The cost of charitable activities comprises all expenditure associated with professional programmes, events, meetings and special projects and publications. The costs include both direct and indirect costs relating to these activities.

Direct costs are allocated on an actual basis to the relevant expense heading.

**Allocation of expenditure**

Costs directly attributable to cost of raising funds and charitable activities are allocated to the appropriate activity. Support and governance costs, including staff costs, which cannot be directly attributed to an activity are allocated on the basis of the time spent by staff on each activity. Governance costs comprise all costs involving the public accountability of the Institute and its compliance with regulation and good practice.

**Investments**

The Institute has an investment pool for its restricted prize funds. The investments in the pool are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Institute does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Institute's investment pool is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**Realised and unrealised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**Stocks**

Stocks of goods for resale are valued at the lower of cost and net realisable value. Provision is made for obsolete or slow moving stock where appropriate.

**Chartered Banker Institute**  
**Notes to the accounts**  
**For the year ended 28 February 2022**

**1. Accounting Policies – continued**

**Fixed Assets**

Individual assets costing £500 or more are capitalised at cost. The cost or valuation of fixed assets is written off by annual instalments over the expected useful lives as follows:

Computer equipment	4 years
Motor vehicles	4 years (reducing balance)
Fixtures and fittings	4 years
Course development costs	4 years

**Debtors**

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

**Cash at bank and in hand**

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

**Creditors**

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

**Financial instruments**

The Institute only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Operating leases**

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

**Pensions**

The Institute was a member of a multi-employer defined benefit pension scheme which required contributions to be made to a separately administered fund. Membership of this scheme ceased on 31<sup>st</sup> October 2018. Since October 2006 this scheme has been closed to new entrants and payments on behalf of new employees are made to a defined contribution scheme and charged to the Statement of Financial Activities in the period to which they relate.

Chartered Banker Institute

NOTES TO THE ACCOUNTS  
for the year ended 28 February 2022

	2022	2021
	£	£
<b>2 Education</b>		
Enrolment fees - Advanced Diploma and Bespoke	4,016,759	3,273,544
Certificate course fees	253,563	258,581
	<u>4,270,322</u>	<u>3,532,125</u>
Income from Education was £4,270,322 (2021:£3,532,125) all of which was unrestricted.		
<b>3 Events, meetings and special projects</b>		
<i>Unrestricted</i>		
2025 Donations	23,184	3,274
	<u>23,184</u>	<u>3,274</u>
<i>Restricted</i>	-	-
Total	<u>23,184</u>	<u>3,274</u>
<b>4 Other</b>		
Coronavirus Job Retention Scheme	-	19,558
Gain on sale of fixed assets	2,994	-
Other	15,410	6,316
	<u>18,404</u>	<u>25,874</u>
<b>5 Total Income</b>		
<i>Unrestricted</i>	5,893,227	4,735,669
<i>Restricted</i>	-	-
Total	<u>5,893,227</u>	<u>4,735,669</u>

**6 Allocation of governance and support cost**

The breakdown of support costs and how these are allocated between governance and other support costs is shown in the table below :-

	2022		2021
	£		£
	Total Allocated	Governance related	Other Support costs
			Total
Staff Costs	2,841,980	198,938	2,643,042
Printing, stationery and office expenses	108,332	2,167	106,165
Postage and telephone	26,562	531	26,031
Legal fees	48,065	961	47,104
Bank interest and charges	14,140	283	13,857
Staff training	38,231	765	37,466
Motor expenses	1,634	33	1,601
Irrecoverable VAT	267,978	5,360	262,618
Computer costs	338,039	6,761	331,278
Rent paid, rates and insurance	145,533	2,911	142,622
Light, heating, repairs, cleaning and professional fees	27,205	544	26,661
Entertainment	1,464	29	1,435
Travel expenses	18,518	370	18,148
Marketing	178,025	3,561	174,464
	<u>4,055,706</u>	<u>223,213</u>	<u>3,832,493</u>
			<u>3,321,980</u>

**Governance Costs:**

	2022	2021
Auditors' remuneration	7,201	7,150
Support and staff costs	<u>223,213</u>	<u>189,855</u>
	<u>230,414</u>	<u>197,005</u>

The total support and staff costs attributable to charitable activities and other trading activities is then apportioned pro rata to the income received as shown below .  
All governance costs are met from unrestricted funds so no allocation or charge is made to restricted funds for any governance related costs.

**Allocation of Staff, support and governance costs**

	2022	2021
<b>Cost of Raising Funds</b>		
Management fee	146,005	145,451
Investment Income	810	2,468
Other Income	16,221	19,077
<b>Charitable activities:</b>		
Membership subscriptions	883,656	708,312
Education programmes	2,893,365	2,354,022
Events, meetings and special projects	<u>122,850</u>	<u>99,800</u>
	<u>4,062,907</u>	<u>3,329,130</u>

**NOTES TO THE ACCOUNTS**  
for the year ended 28 February 2022

**Total expenditure**

	Other direct	Staff, support and governance costs	Dep'n	Total 2022	Total 2021
	£	£	£	£	£
<b>Charitable activities:</b>					
Membership subscriptions	199,903	883,656	57,757	1,141,316	893,550
Education programmes	969,133	2,893,365	173,165	4,035,663	3,408,875
Events, meetings and special projects	37,478	122,850	940	161,268	138,409
	<u>1,206,514</u>	<u>3,899,871</u>	<u>231,862</u>	<u>5,338,247</u>	<u>4,440,834</u>

**Cost of Raising Funds**

Management fee	-	146,005	6,321	152,326	152,048
Other Income	-	16,221	728	16,949	20,171.9
Investment Income	-	810	61	871	2,648
	<u>-</u>	<u>163,036</u>	<u>7,110</u>	<u>170,146</u>	<u>174,868</u>

Investment management costs

	-	-	-	-	-
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**Total Expenditure**

	<u>1,206,514</u>	<u>4,062,907</u>	<u>238,972</u>	<u>5,508,393</u>	<u>4,615,702</u>
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In 2022 the expenditure on charitable activities was £5,338,230 (2021:£4,440,834) of which £ 900 (2021:£900) was expenditure from restricted funds and £5,337,330 (2021:£4,439,934) was expenditure from unrestricted funds. In 2022 the expenditure on raising funds was £170,163 (2021: £174,868 ) of which £nil (2021:nil) from restricted funds and £170,163 (2021: £174,868) from unrestricted funds .

**7 Net Income**

	2022 £	2021 £
<b>Net Income is stated after charging / (crediting )</b>		
Auditors' Remuneration	7,201	7,150
Depreciation	238,973	200,395
Gain on sale of property	(209,560)	-
Gain on sale of assets	(2,994)	-

**8 Analysis of Staff Costs and Remuneration of Key Personnel**

The average number of employees employed by the Institute during the year was 57 (2021 : 50 )  
The aggregate payroll costs of these persons were as follows:-

	2022 £	2021 £
Salaries	2,541,067	2,201,335
Social security costs	259,719	237,129
Other pension costs	<u>41,194</u>	<u>29,818</u>
	<u>2,841,980</u>	<u>2,468,282</u>

In accordance with FRS 102 and the SORP , the key management personnel of the Institute are the Trustees and the senior management; the latter being the Chief Executive and the Directors . The total employment benefits of the Institute's three key management personnel was £485,735 (2021:£450,031)  
Trustees expenses reimbursed during the year were £nil ( 2021: £nil)

**Employees**

The number of employees whose emoluments fell within each of the following bands is as follows:

	2022	2021
60,000- 70,000	2	0
70,001- 80,000	2	0
120,001-130,000	0	2
130,001- 140,000	1	0
140,001 -150,000	1	0
190,001-200,000	0	1
200,001-210,000	1	0

**NOTES TO THE ACCOUNTS**  
**for the year ended 28 February 2022**
**9 Fixed Assets**

	Property £	Course Development £	Motor Vehicles £	Fixtures & Fittings £	Computer Equipment £	Total £
Cost or valuation						
At 1 March 2021	1,050,000	563,254	82,795	217,435	522,459	2,435,943
Additions	-	75,279	-	114,694	269,842	459,815
Disposals	(1,050,000)	-	(23,793)	(214,745)	(164,842)	(1,453,380)
At 28 February 2022	-	638,533	59,002	117,384	627,459	1,442,378
Depreciation						
At 1 March 2021	-	440,653	58,478	214,219	460,577	1,173,927
Disposals	-	-	(18,147)	(213,145)	(160,152)	(391,444)
Charge for the year	-	103,637	4,667	29,349	101,320	238,973
At 28 February 2022	-	544,290	44,998	30,423	401,745	1,021,456
Net Book Value						
At 28 February 2022	-	94,242	14,004	86,961	225,714	420,922
At 28 February 2021	1,050,000	122,600	24,317	3,216	61,882	1,262,016

The property at Drumsheugh Gardens, Edinburgh was sold on 31st January 2022, on an open market basis, for £1,260,000. The historic cost of property was £368,765 and it was held in the balance sheet at the revalued amount of £1,050,000. Tangible assets held in unrestricted funds were 2022: £ 420,922 (2021: £1,262,016)

**10 Investments**

	2022 £	2021 £
Held in investment pool at the cost of original investment	79,156	79,156
Total cost of investments	79,156	79,156
Unrealised loss on investments	(76,121)	(76,637)
Total market value of investments	3,035	2,519
Invested as follows :		
6,362 Lloyds Banking Grp ordinary stock	3,035	2,519
Attribution :		
Restricted prize funds	3,035	2,519

The Institute's investment policy is risk adverse and as such the level of investments assets held are such that there is negligible risk to the Institute from financial investments whether with uncertain investment markets or volatility in yield. The Institute is not reliant on dividend yield to finance its work. The investments held are quoted UK shares. Investments held in restricted funds were 2022: £3,035 (2021: £2,519).

**NOTES TO THE ACCOUNTS**  
for the year ended 28 February 2022

11	Stocks	2022	2021
		£	£
	Bespoke Course Material	12,165	12,165
	Certificate Course Material	6,926	12,414
	Stationery stock	2,000	2,000
		<u>21,091</u>	<u>26,579</u>
12	Debtors	2022	2021
		£	£
	Other Debtors	1,066,826	892,290
	The Committee of Scottish Clearing Bankers	213,053	213,053
		<u>1,279,879</u>	<u>1,105,343</u>

Debtor balances of £1,279,879 (2021: £1,105,343) of which £1,279,879 was unrestricted (2021: £1,105,043) and £nil was restricted (2021: £nil).

13	Creditors: amounts falling due within one year	2022	2021
		£	£
	Other Creditors	466,389	164,362
	Taxation & Social Security	72,025	6,500
	VAT	14,566	15,346
	Accruals	286,533	132,104
	Dilapidations provision	45,307	-
	Enrolment and Development Income deferred	449,474	523,617
		<u>1,334,294</u>	<u>841,929</u>
	Deferred Income comprises:-		<b>Total</b>
	Brought forward		523,617
	Released to incoming resources in year		(606,678)
	Income arising in year		532,535
	Carried forward		<u>449,474</u>

Creditor balances of £1,334,294 (2021:£841,929) of which £1,334,294 (2021:£841,929) was unrestricted and £nil was restricted (2021: £nil).

**Prize funds held in trust**

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a) The following prize funds are held in trust as at 29 February 2022 (cost).

	£		£
T McGuffie Memorial Fund	3,656		
Sir Bruce Patullo Prize	75,500		
	<u>79,156</u>		
<b>at 28 February 2022</b>			
	2022		2021
	£		£
Held in investment pool at market value	3,035		2,519
Short term cash deposits	17,207		18,109
	<u>20,242</u>		<u>20,628</u>

The main movements on restricted prize funds short term cash deposits are as follows :

	Investment Income £	Prizes Distributed £	Gain/ (losses) £
Sir Bruce Pattullo Prize	-	(600)	(600)
Torrance McGuffie Prize	-	(300)	(300)
<b>Total</b>	<u>-</u>	<u>(900)</u>	<u>(900)</u>

**NOTES TO THE ACCOUNTS**  
**for the year ended 28 February 2022**
**Pension commitments**

15

Contributions amounting to £41,194 (2021:£29,818) have been paid to a defined contribution scheme .

**Lease Commitments**

16

The Institute has committed to expend £398,706 at the balance sheet date (2021: £55,066), under an office premises lease which expires on 1st November 2025 , with a break clause available on the 2nd November 2023.

**Analysis of net assets by fund**

17

	Fixed Assets		Heritage Assets		Investments	Net current assets		Total
	£		£		£	£	£	£
<b>Restricted Funds</b>								
Prize Fund	-		-		3,035		17,207	20,242
First European Project	-		-		-		22,828	22,828
<b>Unrestricted Fund</b>								
Accumulated Fund	420,922		-		-		3,256,613	3,677,535
Revaluation Reserve	-		-		-		-	-
2025 Foundation	-		-		-		267,684	267,684
	420,922		-		3,035		3,564,332	3,988,289

**Analysis of movements on funds**

18

	<u>Opening Balance</u>	<u>Incoming</u>	<u>Transfer</u>	<u>Expended</u>	<u>Gains/(Losses)</u>	<u>Closing Balance</u>
<b>Restricted Funds</b>						
Torrance McGuffie Prize	2,565	-	-	(300)	-	2,265
Sir Bruce Pattullo Prize	18,063	-	-	(600)	514	17,977
First European Project	22,828	-	-	-	-	22,828
<b>Unrestricted Funds</b>						
Accumulated Fund	2,519,429	5,870,044	(54,583)	(5,501,236)	843,882	3,677,536
Revaluation Reserve	633,882	-	-	-	(633,882)	-
2025 Foundation	196,174	23,183	54,583	(6,257)	-	267,683
	3,392,941	5,893,227	-	(5,508,393)	210,514	3,988,289

The Sir Bruce Pattullo Prize is awarded to the candidate scoring the highest total mark in the Chartered Banker Course examinations.

This prize has been established through a generous donation given by Sir Bruce Pattullo CBE.

The individual who obtains the second highest total mark in the Chartered Banker Course examinations is awarded the Torrance McGuffie Memorial Prize.

First European project is a European Lifelong learning initiative.

**Related Party Transactions**

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In the normal course of business the Institute undertakes transactions with organisations where one or more Trustees may be employed, or have been recently employed.

Payments totalling £ 24,600 (2021: £8, 750) were made to Charles Sydney Ltd , a company owned by a trustee.