THE CHARTERED INSTITUTE OF PERSONNEL AND DEVELOPMENT

England & Wales · Charity number 1079797

Details

Other names	CHARTERED INSTITUTE OF PERSONNEL AND DEVELOPMENT, CIPD
Status	Registered
Legal form	Other
Company number	RC000758
Registered	2000-03-10
Register	View on the Charity Commission register

Contact

Address	The Chartered Institute Of Personnel And Development 151 The Broadway London SW19 1JQ
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Website	www.cipd.org

Activities

Objects: THE PROMOTION OF THE ART AND SCIENCE OF THE MANAGEMENT AND DEVELOPMENT OF PEOPLE FOR THE PUBLIC BENEFIT.

Activities: The purpose of the CIPD is to champion better work and working lives by improving practices in people and organisational development. To achieve this, the Institute pursues a wide range of activities including research, surveys, publications, advisory services, training courses, conferences, contributions to public policy and extensive media coverage.

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Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Economic/community Development/employment
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- Ireland
- Northern Ireland
- Scotland
- Singapore
- United Arab Emirates
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£53,103,000	£49,207,000	£22,674,000	385
2024-06-30	£47,684,000	£52,708,000	£21,395,000	424
2023-06-30	£45,013,000	£51,628,000	£24,871,000	412
2022-06-30	£42,351,000	£43,320,000	£31,681,000	385
2021-06-30	£38,553,000	£37,763,000	£26,187,000	370

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Trustees

Name	Role	Appointed
Professor Christopher John Bones	Chair	2025-07-01
Amanda Boustred		2025-01-14
Antony Lorman		2025-01-14
Brian Walters		2023-04-20
Caroline Stockmann		2022-12-13
Dr Susan Round		2021-04-14
Heather Lee		2025-01-14
Jonathan Ferrar		2017-01-27
PETER CHEESE		2013-04-30
Ranjit Gill		2026-04-14
Tanith Dodge		2026-01-20
Winny Li		2026-01-20

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THE CHARTERED INSTITUTE OF PERSONNEL AND DEVELOPMENT

England & Wales - Charity number 1079797

Accounts

CIPD



Delivering on our promise to the people profession

How we're investing in the professionals who know what works for people, organisations and communities

Annual Report and Accounts

Year ended 30 June 2025

Contents

Trustees' report

4 **Foreword**

8 **About us**

10 **Championing the people profession**

16 **Strengthening organisations through their people teams**

22 **Building communities, economies and societies**

32 **Growing the CIPD sustainably**

52 Independent auditor's report

58 Financial statements

"Membership has significantly enhanced my professional development and credibility. It has opened doors for career advancement, allowing me to stay updated with the latest industry trends and best practices. The ongoing support from the CIPD has been instrumental in my growth as an HR professional."

Hassan Trad,
Head of Talent Management, Finance House

"Our collaboration with the CIPD has been instrumental in shaping a more strategic, future-focused HR function. We have worked together to build our People Profession Standards Framework and extend Group Affiliate Subscription to our entire team. Supported by a strong base of CIPD members, we're driving professionalisation, building capability, and embedding consistent people practices that underpin our broader organisational vision."

Ciaran Masterson,
Director of Human Resources, Iarnród Éireann (Irish Rail)

"The CIPD represents our profession at the highest levels. It brings our collective voice to government, champions professional standards and plays a central role in shaping the future of work."

Garin Rouch,
Director, Distinction Consulting

TRUSTEES' REPORT | Contents

CIPD Annual Report and Accounts 2024/25

Foreword

Reflections from our president, board chair and chief executive

Keeping our focus through tougher challenges

Championing better work and working lives is a balancing act at the best of times. The people profession, more than any other, forges the connection between people, organisations and economies. Our purpose is to help align the interests of all three and do so in a way that means people, businesses and communities can thrive.

Our profession is sustaining this purpose through challenging times. Geopolitical events are more tense and complex. Environmental concerns are heightened. Technological developments are accelerating. Economic conditions are tougher. Organisations are challenged. People want change.

Our profession navigates the resulting pressures every day. Lower business confidence perpetuates the pressure on recruitment, retention and reskilling. Artificial intelligence (AI) is changing how we define and address skills gaps. The people profession is more strategically relevant than ever.

Our ambition is needed across our organisations as we reframe everything from talent strategies to wellbeing initiatives. Our expertise is needed by colleagues at every level, from our chief executives to our team managers. Our collective experiences and insights are needed by employers and governments as they collaborate to secure growth for our employees, our communities and our economies.

Validating the practices that deliver change and growth

Our profession also finds itself facing questions about the direction of equality, diversity and inclusion (EDI) initiatives. As a principles-led, evidence-based, outcomes-driven profession, we understand how good work boosts employee participation and drives economic growth. At the same time, we are only too aware that our role touches everyone, sometimes at the most difficult points in their lives.

Inclusion isn't just a moral imperative. It underpins effective people management, performance and business transformation practices. This is evident in our recent report, *Resetting EDI and reaffirming inclusion*, which shows how inclusion of different viewpoints, informed by different backgrounds and experiences, leads to better outcomes for business, employers and people. Our members who volunteer with the CIPD Trust, working with people facing the biggest barriers to good work, confirm this. They consistently report the positive impact of the changes they make in their own organisations through their greater awareness and understanding.

In the year ahead we will do even more to mine relevant research studies for HR practices that boost business productivity and unlock performance. Our evidence review, *Impact of human resource management*, and Evidence Lab Live at our Annual Conference and Exhibition dig deeper into the key questions we're addressing as a profession.

Embedding change takes investment

Challenging times affirm the vital contribution our profession makes – politically, strategically and tactically. We know how to boost skills, productivity and innovation to grow our organisations. We know that including all employees boosts performance and improves working lives within our communities. We take the lead in engaging people and supporting their wellbeing. And, collectively, we influence governments to shape employment policy that works.

As an employer, we've undertaken our own transformation, restructuring to strengthen and sustain our impact. Our customer-first mindset provided focus for the change. We've sought the insights of our members to inform every aspect of our work. We collaborate across the CIPD and with our partners. Together, we're delivering what our members need more responsively, rapidly and creatively.

Investing in our profession – as its voice, standard and partner

This year, our global community of members has grown to c165,000. We've consulted with them more comprehensively than ever before, combining their insights with the expertise of our team to influence practices and policy. We've done this across the UK and Ireland, which are facing the biggest changes to employment law in a generation. Internationally, we've helped public bodies boost their workforce skills, promote fairness and agility in their labour markets, and increase national employment.

We've supported many more employers in their determination to build the capability, confidence and credibility of their HR functions. We're especially proud that over 4,000 people professionals and managers are already using our new Group Affiliate Subscription to access our world-class knowledge and learning, resolving their day-to-day work issues and progressing their careers.

We've done more to raise the profile and credibility of our members. We've assessed and upgraded over 3,000 of them to recognise their expertise and impact at Chartered Member and Chartered Fellow level. Our new digital badges will help all our members showcase their professional status and demonstrate their ongoing commitment to delivering for their organisations at the highest standards.

TRUSTEES' REPORT | Foreword

> "Real change takes effort. This year, we've invested in doing more – and doing things differently – to champion our profession, strengthen organisations, support individuals and nurture our communities."

We've made our support more agile. Our 'Focus on' series offers all our resources around members' key topics in one place. Our own AI tool, CIPD Buddy, helps our members rapidly access reliable information when they need it. Over 8,000 listeners tune in to our podcast, the HR People Pod, every fortnight.

We're doing more to understand what our members need at each stage in their career journey. Our new courses include the highly popular AI for Human Resources. We've added more bitesize learning and created a Career Support Toolkit. Members have logged over 10,000 reflections on our CPD Records Tool. We've doubled the number of apprentices undertaking their end point assessment with us. And we've made it easier for members to connect through our mentoring programme.

We've been recognised this year by Memcom, the network for the not-for-profit membership sector, with awards for our influential CIPD podcast, our commitment to environmental sustainability, and our work to improve workplace support for women's and reproductive health. Even more important to us is our members' feedback that we're listening to them and delivering what they need. We are committed, more than ever, to affirming the position and influence of our profession at a time when it's needed most.



The Rt Hon Chloe Smith
President



Valerie Hughes-D'Aeth
Chair of the Board



Peter Cheese
Chief Executive

TRUSTEES' REPORT | About us

About us

We are the professional body for the experts in people, work and change

Where we work



Total worldwide membership

c165k

45k learners (not all are members)
3.1m web visitors*

United Kingdom

144,577 members
2,133,000 web visitors

Ireland

5,377 members
124,000 web visitors

Middle East

8,954 members
171,000 web visitors

Asia Pacific

1,876 members
252,000 web visitors

Rest of the world

3,866 members
378,000 web visitors

*Total users across all CIPD websites, excluding *People Management* and the CIPD Trust, from 1 July 2024 to 30 June 2025.

Our purpose

Championing better work and working lives

This has been our purpose since we were founded, in 1913, by a group of people responsible for the wellbeing of factory workers.

Work has changed beyond all recognition since then. We stay true to our purpose because we know organisations are productive and thrive when their people thrive. We're working for a world where the barriers to work are removed, where workplaces are inclusive and fair, and where people can improve their skills, raise their confidence and reach their full potential.

We pursue our purpose because we know this creates value and growth for people, business, communities and economies.

Our promise

We are the voice, the standard and the partner for the people profession

To fulfil our purpose, we need champions for better work and working lives. Our societies need experts in people, work and change. Organisations and their people need professionals they can trust to take a principles-led, evidence-based, outcomes-driven approach.
And people professionals need a partner, a standard and a voice.

We use our voice to champion the people profession and demonstrate how people remain at the heart of business success. We influence the issues, policies and practices that matter across our workplaces.

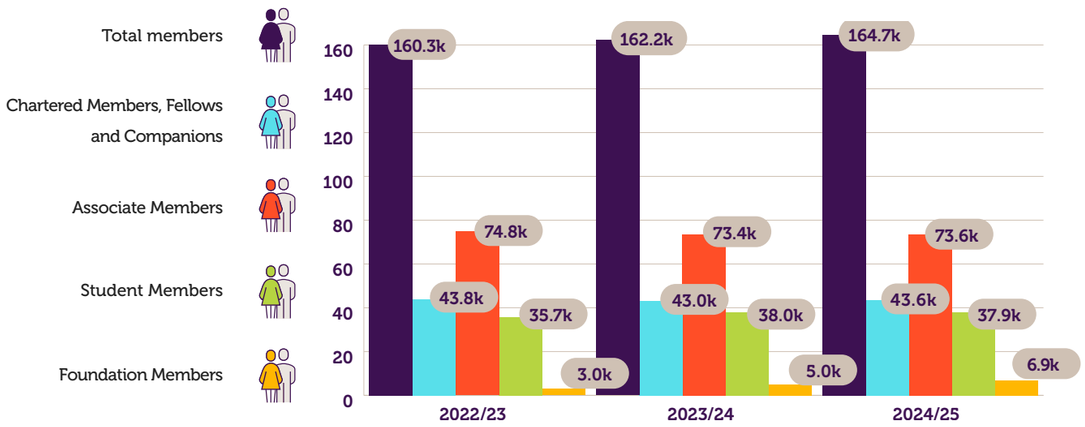
We set the standard for effective people practice. We help our profession and employers build future-fit workplaces where people and teams can thrive and perform at their best.

We partner with people professionals throughout their careers, giving them the expertise, evidence, resources and connections to make a difference in their organisations and communities.

Championing the people profession

We partner with people professionals throughout their careers, strengthen their business impact, and recognise their performance and progress

Growing our membership



Nearly 3,000 Affiliates and Academics are also part of our community.

TRUSTEES' REPORT | Championing the people profession



Why our community matters

We're pleased to report a steady growth in our global community of members – more people professionals championing better work and working lives for individuals and for businesses. We also want people professionals to have the credibility that comes with CIPD membership and the status they deserve. That's why we've introduced digital badging and an initiative that has seen us upgrade more than 3,000 people professionals to the membership level that recognises their experience, expertise and impact.

At the same time, we're making it easier than ever for people professionals to build their expertise, progress their careers, and deliver stronger business performance. By June 2025, 17 organisations across the world had already signed up for our new Group Affiliate Subscription, giving over 4,000 people professionals across their HR teams access to our world-class knowledge and learning.

We know people professionals have the skills and knowledge to make a difference in their organisations, and the collective voice to influence policy-makers and governments across their societies. This year our members, compared with non-members, reported a bigger remit for their HR function, an increase in the reputation of their teams, more recognition for their collaborative approach, and greater acknowledgement of their impact on their organisations. Learn more about the **recognition of the HR function in organisations**.

We've listened to our members

As our membership has grown, so has our determination to listen to our members, understand their experiences and needs, and use what we learn to improve our services. We have done this through our focus groups, insight hub and surveys, and our annual survey, which generated over 6,000 responses.

The messages we've heard are helping us refine the ways we support our members:

- Two-thirds of members agree that we're a leading voice in the world of work, up from 55% last year. But we know we can do more to make sure that the role of HR is clearly understood.
- Developing talent, managing change and navigating AI are still our members' most challenging issues. This year, they asked for more support with addressing skills gaps, building future capability and managing change. Their call for support with AI is louder than ever.
- Our members want to stay up to date with industry trends and practices, and they value our website resources, learning courses, *People Management* magazine and web content. This year, they asked for more practical guidance, especially on the cost-of-living crisis, restructuring, dealing with industrial action and strikes, navigating AI, supporting employee wellbeing, and building inclusive and diverse workplaces.
- Our members' feedback is helping us understand how we can be an even better career partner, offering the right support at key stages in their learning and progression.

We're delivering on our promises

At the start of the year, we asked our members to expect more from us: more mentoring opportunities, more support with continuing professional development, more connections across our networks, more consultation to steer our voice and priorities, more timely commentary and advice, and more dedicated support from our experts.

Raising our members' profiles

We're doing more to champion our profession with employers and policy-makers:

- Throughout the year, we've involved our members extensively in our responses to the UK Government's new Employment Rights Bill and equality legislation changes. Discover how we're **influencing public policy**.
- We've just launched digital badges and certificates, making it easier for our members to showcase their status and commitment to ongoing learning. Learn more about our **digital credentials**.
- We've added to our global and regional awards with our CIPD HR30 list, celebrating people professionals across the world who have made a standout impact on their organisations and our profession. Meet the **2025 HR30 list**.

> "It's an honour to receive this acknowledgement and to be on the list with so many people I love and admire. No leader exists in isolation, and I am lucky to have a skilled, supportive 'village' including the CIPD."
>
> **Raffaela Goodby**, Chief People Officer at Birmingham Women's and Children's NHS Foundation Trust and one of our 2025 HR30

Providing practical resources and support

We're doing more to support the day-to-day performance of people professionals:

- We're sharing up-to-the-minute information on the UK Government's changes in employment and equality legislation, reinforcing and championing our members' role in successful implementation. Stay up to date on the **UK Government's Make Work Pay plan**.
- Our 'Focus on' webpages, covering everything from AI to workplace skills and productivity, present all our resources on our members' key topics in one place. Explore our **Focus on series**.
- We've focused significant attention on AI this year, helping our members stay ahead with everything from policy briefings, podcasts and factsheets to our AI in the workplace quiz. Stay ahead on the **impact of AI**.

"Thank you for the CIPD podcast – it's the clearest and most interesting in the space."

Hector Stanley, Product and Operations Manager, Monzo Bank

- We've created our own AI tool, CIPD Buddy, to help our members get quick access to reliable information via our website. Piloted by over 5,000 members, 85% say they're finding it useful. Try **CIPD Buddy**.
- Our fortnightly podcast, HR People Pod, is attracting over 8,000 listeners to each episode. Tune in to **HR People Pod**.
- We've boosted our members' know-how by adding practical, interactive resources to our most popular online guides on change management and performance management. Explore our **change management guide**.
- We've launched live chat on our website, making it quicker and easier to get in touch with us.

Connecting and networking

We're doing more to help our members network, connect and learn from each other:

- Our online CIPD Community now has over 12,000 of our members learning from each other through its forums.
- We've refreshed our member-to-member mentoring programme – our new online platform is connecting and resourcing over 1,000 people professionals. Find out more or sign up to our **mentoring programme**.
- Our Annual Conference and Exhibition in November, our Festival of Work in June, our many national and regional conferences and branch events, and our online Student Conference in March continue to bring the latest insights and trends to people professionals and their organisations – and our delegate numbers continue to grow.
- Our members celebrate and share their achievements at our main People Management awards, and our CIPD regional awards and events.

"The Festival of Work was a transformative experience that connected me with fresh perspectives, visionary leaders, and fellow thinkers passionate about reshaping the future of work."

Bridget Yellow-Duke, business administration doctorate student, Teesside University

TRUSTEES' REPORT | Championing the people profession

Progressing learning and careers

We're doing more to be the partner our members need, at every stage of their career journey:

- Our members agree that the people profession offers good earning potential and career prospects. They express greater confidence than non-members in developing their expertise and experience to achieve their career goals. Learn more about **perceptions of career and development opportunities in HR**.
- We've supported over 3,000 members to upgrade to Chartered and Fellow levels.
- 30,000 people professionals and managers are actively using our Learning Hub.
- We've added nine new courses this year, including the popular AI for Human Resources. Learn about **AI for Human Resources**.
- Our CIPD Career Support Toolkit now includes a series of bitesize courses, covering everything from CV keywords to working with recruiters. Explore the **CIPD Career Support Toolkit**.
- Our CPD Records Tool has taken off, with members capturing 10,000 learning reflections.
- Our new student hub brings together study advice and a breakdown of useful resources by module.
- We've doubled the number of apprentices going through their end point assessment with us.
- We've recognised over 800 new members through our Experience Assessment membership route. Our streamlined process can now be completed within four months.
- We've approved seven new programme providers and nine new study centres around the world.

"I have been able to access such a wide range of resources to support my qualification and everyday work."

Chloe Maskell, HR and Office Coordinator, Nicolaudie UK

What next for our members?

The bigger our membership, the stronger the voice of our profession. We're gearing up by modernising our membership systems. We're tailoring our learning, development and CPD support around common career paths. And we're encouraging our members to use our new digital credentials to showcase their professional status.

These are critical times for our profession. Having the confidence, credibility and capability to impact our people and organisations, navigate effective change, and build responsible, sustainable businesses has never been more important. We want to further encourage the use of all our resources and learning programmes to contribute to elevate skills and capabilities across the profession.

Strengthening organisations through their people teams

We equip people teams and functions to boost the agility, resilience and performance of their organisations

Partnering with more organisations



Learn more about **how we partner with organisations**.

TRUSTEES' REPORT | Strengthening organisations through their people teams



Why our partnerships matter

Around the world, the number of organisations we're working with has increased. It's a welcome sign of returning business confidence and a growing belief in the strategic value of HR functions. It's also a sign that we're listening well, understanding our customers' business issues, and co-designing solutions that draw from everything we offer across the CIPD.

As a result, more people professionals than ever are engaging in our learning, qualifications and resources. And our customers tell us this has raised the capability and impact of their people teams. So, this year, we're delighted to report more than our headline figures:

- A total of 17 organisations, including most recently Asda and GSK, have signed up for our new Group Affiliate Subscription, giving their teams access to our world-class knowledge and learning.
- Alongside our qualified members, over 4,000 people professionals and people managers are using their Group Affiliate Subscription to resolve their day-to-day work issues, support their teams and progress their careers.
- Four organisations achieved CIPD People Development Partner status this year, demonstrating their commitment to developing their people teams, and two have achieved renewed recognition.

How we've worked with organisations

Many employers are recognising the urgency to build capability and impact across their HR functions. We're seeing this determination in the public and private sectors, and in organisations across our global regions. Here are a few examples of how we've supported organisations and people teams this year.

Building expertise and recognising impact

We've helped thousands of HR practitioners around the world on their journey to professional status by delivering tailored programmes, Experience Assessments and CIPD qualifications to public and private sector employers. One of our standout moments was celebrating with over 700 HR professionals from Saudi Aramco as they received their CIPD qualifications at Foundation, Associate and Advanced levels.

For some time, we've supported the civil service in Ireland to develop their people practices. We've reviewed their HR policies, measured the impact of their people team and endorsed their People Standards Framework. Launched at our annual conference in Ireland, the People Standards Framework defines the knowledge and behaviours that give people professionals a clear roadmap for their career progression and boosts their capacity to support departments and offices across the civil service as they navigate the future of work.

Navigating the use of AI, addressing skills gaps and building capability for the future have been burning issues for our customers this year. We continue to focus on this as a key area of research and collaboration. We've consolidated all our research and content within our CIPD AI in the Workplace hub and added a new live, online learning course. AI for Human Resources is proving popular with learners in the UK, Ireland, Asia and the Middle East. It equips HR professionals and people managers to design, apply and review AI solutions and policies that meet their business needs, involve stakeholders and address ethical considerations. Learn about **AI for Human Resources**.

> "Launching the Civil Service People Standards Framework marked an important milestone in our journey to ensure HR teams have access to the tools and knowledge to address the workforce challenges of the future. With the CIPD, we aim to support our people professionals to further expand their skills and expertise, to manage an increasingly diverse and complex range of HR processes and activities, and to be successful in their roles."
>
> **Shirley Comerford**, Head of Public Service Workforce Division, Department of Public Expenditure and Reform, Civil Service of the Republic of Ireland

TRUSTEES' REPORT | Strengthening organisations through their people teams

Sharing research and good practice

In our work with large organisations, we regularly bring leaders together to share good practice, learn from each other, and shape new leadership development opportunities. We are proud that this year's insight exchange between the NHS and the UK civil service led to our successful development and delivery of an exceptional programme for chief people officers (CPOs), delivered through our unique collaboration with Oxford University Saïd Business School.

Designed to challenge and inspire, the programme equips CPOs with the tools to drive organisational and digital transformation, align people strategy with organisation goals, and foster a high-performance culture. Its immersive learning sessions, peer collaboration, and real-world case studies and project drew overwhelmingly positive feedback from delegates. This collaboration sets a new benchmark for leadership development in the profession, empowering CPOs to drive innovation, resilience and sustainable success in their organisations.

AI is impacting the people profession more than many. In recent years, we've reported on the critical contribution our profession is already making as we guide our organisations on the effective use of AI and what it means for skills, security and corporate responsibility.

This year, we've studied the ways in which people professionals' work is exposed to AI. Our analysis offers a valuable breakdown of how AI is expected to automate and replace some HR roles and tasks, and support or augment others. Read our analysis **Quantifying the impact of generative AI on HR**.

Unlocking access to our world-class knowledge and learning

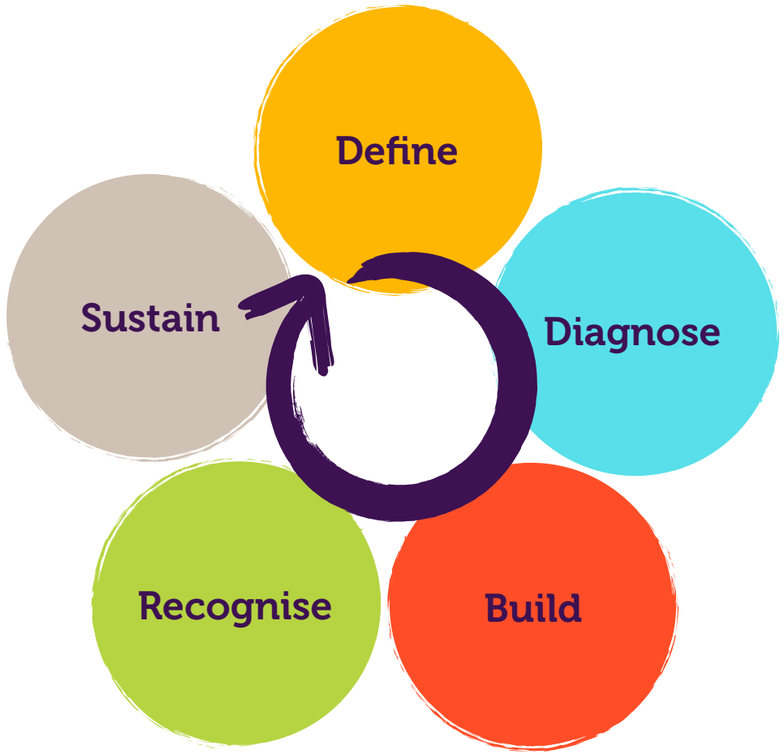
This year, we've made it easier than ever for people professionals everywhere to deliver better employee experiences and stronger business performance. Our new CIPD Group Affiliate Subscription gives people teams who are not yet recognised members access to our world-class resources, learning, career development tools and professional community. It provides instant support while they work. Subscribers need no previous experience or qualifications to use their Group Affiliate Subscription on their journey towards professional recognition.

Our CIPD Group Affiliate Subscription supports HR leaders, people managers, business partners, and HR, L&D and OD practitioners, in teams of 25 or more. Piloted in 2024/25 with 275 subscribers, over 4,000 are now signed up and benefiting from their Group Affiliate Subscription. Find out more about **Group Affiliate Subscription**.

> "The Group Affiliate Subscription means we can offer a comprehensive package to our colleagues. It also gives us valuable insights into their training interests, which will inform our strategic planning and L&D provision."
>
> **Janine Leightley**, HR Director, Bright Horizons UK

Recognising employers' commitment to the professional standards and practices of their people teams

We build trusted, long-term relationships with organisations because delivering sustainable change takes time. Our support is personalised to our customers' changing business needs and the contexts they operate within. Whether they require advice, assessment of their team's capabilities, learning and development programmes, or professional recognition for members of their team, our structured process makes sure we work together to understand and address their business needs.



TRUSTEES' REPORT | Strengthening organisations through their people teams

Some of our customers want to do even more to release the strategic value and impact of their people function. They do it by seeking People Development Partner status, demonstrating their commitment to developing their people team and sustaining high standards of professionalism.

We've awarded People Development Partner status to four organisations this year. Each organisation has made the journey towards our gold standard for professionalism, building trust, capability and strategic focus in their people teams, often despite deep-rooted business challenges.

They took a data-driven approach, using one of our tools to assess their people team's strengths, development needs and impact. We then co-created and delivered the right development opportunities, career pathways and recognition for their team members. All have aligned their approach around the CIPD Profession Map, securing measurable improvements in strategic capability, business partnering and evidence-based decision-making.

"This award shows that we're committed to being an employer of choice by offering development opportunities that make us stand out in a competitive job market."

Councillor Jake Berriman, Cabinet Member, Leader of Powys County Council

"Becoming a People Development Partner is a promise that we'll continue to partner with our professional body to elevate HR capability across the whole of the MoJ."

Mark Adam, Chief People Officer, Ministry of Justice

"People Development Partner status confirms what we already know – our people are at the heart of everything we do."

Janine Leightley, HR Director, Bright Horizons UK

"It's good to feel your professional body is supporting the work you're doing. The CIPD has been an essential sounding board, helping us make evidence-based decisions and stay true to our goals."

Dean Shoesmith, Chief People Officer, Croydon Council

CIPD Annual Report and Accounts 2024/25

Building communities, economies and societies



TRUSTEES' REPORT | Building communities, economies and societies

We amplify the voice of our profession to influence public policy, impact business growth, and shape the future of work

Raising our profile

We champion our profession so that the expertise of our members informs the decisions of policy-makers. This year, 66% of our members agree that we are a leading voice in the world of work, up 10% from last year. We've achieved more media coverage, especially in the UK, by sharing reports and insights that address good work, skills and productivity issues. And we've involved more of our members in our response to government consultations, including the Employment Rights Bill and proposed changes to equality law.

We've also done more to nurture our profession from the roots up. Through our partnership with Inspiring the Future, our members volunteered to promote HR careers with nearly 3,000 pupils in UK schools. This accompanies the significant progress made this year by the CIPD Trust.

Honouring our responsibilities

People professionals have the expertise that enables people, businesses and communities to thrive. And they carry a responsibility towards their employees, their organisations and the public. Our Royal Charter demands that all CIPD members uphold the highest standards of professional and ethical practice, captured in our Code of Conduct and Ethics. This year, we've reviewed our procedures for dealing with alleged breaches of the Code, aligning them with good practice across other professional bodies. Our streamlined process will better serve both complainants and members dealing with alleged breaches. Find out about our **Code of Conduct and Ethics cases**.

Members of our professional community are addressing new challenges and questions about the direction and value of EDI initiatives. In May, we discussed these with 50 HR leaders and EDI specialists, combining their insights with those of our networks and our ongoing research. This generated eight key actions that improve outcomes for employers and employees alike, and remind us that inclusion of different viewpoints, informed by different backgrounds and experiences, leads to better business decisions. Read **Resetting EDI and reaffirming inclusion**.

"In organisations that do it successfully, EDI is completely rooted into the business."

Former CPO and managing director of an HR consulting company

Influencing policy and practice around the world

We've involved more of our c165,000 members around the world in our work to influence government proposals, shape public policy and raise standards. We've gathered their insights through surveys and interviews. And we've shared their experiences with policy-makers and across our global community.

Tackling skills shortages

Our annual survey of HR practices in Ireland gathered insights from across a wide range of sectors and organisation sizes. With 90% of Irish businesses facing skills shortages, we reported on how people professionals are responding to ongoing resourcing challenges, preparing for digital transformation and AI, balancing expectations around hybrid working, tackling wellbeing and mental health issues, and supporting their culture, inclusion and sustainable working practices. Read **HR practices in Ireland 2025**.

Supporting skilled, agile workforces

Our Middle East team works with employers, government bodies and not-for-profit organisations, contributing to national development across the region. For example, our partnership with the Bahrain Society for Human Capital is creating learning, leadership and networking opportunities for HR professionals, equipping them to boost the skills and adaptability of Bahrain's workforce, promote fairness and agility in the labour market, and increase national employment. Read about **our partnership in Bahrain**.

Extending our call for good work

Employment legislation is an almost entirely devolved matter in Northern Ireland. In July 2024, the Northern Ireland Executive published its own proposals. We were pleased to see its consultation questions grouped around four themes that align with our definition of good work. Read more about the **Northern Ireland 'Good Jobs' Employment Rights Bill**.

Recognising our global professional community

We continue to facilitate knowledge exchange and the sharing of good practice between people professionals internationally. We do this by actively supporting the governance and secretariat of the World Federation of People Management Associations (WFPMA) and the European Association for People Management (EAPM).

TRUSTEES' REPORT | Building communities, economies and societies

This year we've taken another step towards mutual recognition across our professional community. Our agreement with the Chartered Institute of Personnel Management of Nigeria (CIPM) helps members of both our organisations boost their careers by accessing more resources and development opportunities. Read about **our agreement with the CIPM**.

Influencing UK public policy and practice

Our reporting year started with the election of a Labour government in the UK, signalling significant changes across key areas of public policy on employment, skills and the workplace. In response, our public policy and affairs team has kept the CIPD at the heart of discussions in government, working with ministers, civil servants and other key stakeholders to shape new policy and legislation. We've scrutinised new guidance and legislative proposals and harnessed the insights and experiences of our members in our responses to consultations and calls for evidence, and in our ongoing campaigns.

Our focus on the biggest changes to employment legislation in a generation

The UK Government's plan to Make Work Pay impacts many areas of employment law. Proposed changes are being introduced under the new Employment Rights Bill, the Equality (Race and Disability) Bill and through existing powers, codes and guidance. Together, they represent a reshaping of trade union rights, sick pay, employee consultation, unfair dismissal, flexible working, zero-hours contracts, parental leave, tribunals, protection from harassment, equal pay, pay gap reporting, bereavement and carers' leave, and rights for pregnant workers.

On 1 July 2025, the government published its roadmap of dates for when employers can expect these rights to be consulted on, changed or come into force. Throughout this year, we've been gathering our members' insights, sharing their voice and our public policy expertise, and preparing resources to support our professional community through the changes ahead. Stay on track with the **UK Government's Make Work Pay plan**.

Our ongoing call for good work, skills and productivity

Every year, we survey more than 5,000 workers, across different sectors and occupations, to report on job quality. The *CIPD Good Work Index* provides people professionals, employers and policy-makers with evidence-based insights and recommendations. Crucially, it calls out the associations between job quality factors and reported performance, engagement, effort, health and intention to quit. There are distinct areas of overlap with the government's plans, and we have shared this evidence accordingly. Explore the **CIPD Good Work Index 2025**.

We continue to research, consult, report and call for action on the issues that create barriers to good work. Our quarterly *Labour Market Outlook* helps people professionals and employers anticipate labour market movements and informs our work with policy-makers. This year, we reported on changes in the youth labour market, including the collapse in apprenticeship provision. And we shared evidence on a range of issues, including employment relations and trade union reforms, skills investment and development, bullying and sexual harassment, women's and reproductive health, and employee financial wellbeing. Take a look at our **calls for action**. Explore our **thought leadership on public policy**. Read our **evidence-based reports on workplace issues**.

Shaping the future of work

AI capability is rapidly impacting our workplaces and our HR processes. We're positioning our professional community at the forefront of discussions about AI and work. Our *CIPD Good Work Index* 2025 reported that 16% of workers have had tasks automated by AI, and 85% of those said this has improved their performance.

People professionals need to build on their knowledge and expertise to guide their organisations in the effective, ethical and responsible use of AI and what it means for skills, security and fair treatment of employees. They also have a crucial role to play in shaping government policy and guidance.

AI policy and practice in UK organisations

This year, we're partnering with Innovate UK's BridgeAI programme, in conjunction with the Institute for the Future of Work, to gather evidence on how AI is used at work, how it could be, and the risks and opportunities it brings. We're consulting with members and organisations on three areas:

1. action research to build a deeper understanding of AI applications and implications
2. frameworks for ethical and responsible use of AI and organisational development implications
3. a review and further development of the Alan Turing Institute's AI skills framework and future skill needs.

Learn about all of our **AI policy development**.

AI policy and practice in Europe and Ireland

The European Union's Artificial Intelligence (AI) Act 2024 is the world's first comprehensive legal framework on AI. Subject to EU legislation, the Irish Government refreshed its National AI Strategy, recognising the need to adopt a human-centric approach to the application of AI. Our members are contributing their insights on the implications of AI for job design, operating models and organisational development strategies. We're calling for greater involvement of the people profession and highlighting the pressing need for practical guidance and tools to support businesses.

People at the heart of innovation

Policy and guidance on AI sit within the UK Government's technology and innovation strategy. This year, we carried out a comprehensive review of the low investment and barriers to innovation that contribute to the UK economy's productivity slowdown. Our report called for a UK strategy that recognises that employees drive innovation. We made the business case for investment in management capability and skills development, especially for small and medium-sized businesses, to boost employee engagement. And we called for better-resourced labour market enforcement bodies, alongside research and development and technology adoption. Read **People-powered innovation**.

CIPD Trust

Harnessing the power of the people profession

The CIPD Trust is fundamental to our work and a direct expression of our purpose and vision. For over 100 years we've believed that work can, and should, benefit everyone – individuals and organisations, economies and societies. Our community of people professionals uses its expertise in people, work and change to make this happen in their organisations.

The CIPD Trust takes the expertise of our members to the people and places in our society that need it most and are often the hardest to reach. We build our mentoring and development programmes around the communities we serve, the concerns of our partners and the power of the people profession.

Discover what we do

"In memory of our dearly missed Head of People, Kay Knights, we created the Kay Knights Careers Foundation Fund to honour her relentless ambition to help others. By supporting the CIPD Trust, we continue her generous spirit, giving much needed support to those who need it most."

Rebecca, Masuma and **Alina** from the **forpeople team**

TRUSTEES' REPORT | Building communities, economies and societies

Our key results this year

This year, our programmes continue to focus on people with convictions, refugees, older workers, parents and carers. They help people get into work, return to work and develop in the people profession. And they're funded by the CIPD, grants and welcome donations.

Supporting 1,110 participants

276	671	67	60	36
Access to Work participants	**Jobseeker webinar participants**	**CIPD Trust bursary recipients**	**Aspiring HR Director participants**	**Future People leaders participants**

"Being in a different country means that everything is different. You have to work out new ways of doing things. Having the mentoring relationship has really changed the whole dynamic and I can now look to the future. I hope that everyone gets the same kind of mentoring experience. I don't call it mentoring or friendship – I feel like I've found my family."

Hamza Fayaz, Rebuilding Futures mentee

This year, 368 of our members volunteered with the CIPD Trust. They do it to make a difference for those facing the biggest barriers to progress. They also do it to impact their own organisations, taking back improvement ideas, enhanced skills, deeper insights and stronger connections to the CIPD. They make their workplaces more inclusive.

"My mentee helped me recognise how being the only woman in the room affects your confidence or your influence. That awareness changed the way I showed up and gave me the confidence to push for more diversity at the top."

Emma Jayne, Aspiring HR Directors mentor and HR director

Get involved with the CIPD Trust.

Our new areas of impact

The CIPD Trust looks for more ways to unlock good work that creates value for individuals, organisations and communities. We do it by building coalitions with expert charities and agencies that share our vision, by developing new pilot programmes together and exchanging our learning.

Tackling the barriers to work

Our focus on people in the UK criminal justice system is growing. The prisons minister, Lord James Timpson, has recognised our work and the huge contribution that people professionals can make:

- We've introduced 14 senior people professionals to New Futures Network to join their Employment Advisory Boards and strengthen their support for prison employment strategies.
- We've matched HR mentors with four prison employment leads to support them in stakeholder management.
- At HMP Styal, our volunteers are supporting women prisoners into employment.
- Our volunteers are supporting prisoners through mock interviews in facilities across the north of England and we've extended our employability and mentoring work in the northwest.

TRUSTEES' REPORT | Building communities, economies and societies

"By engaging people professionals to join Employment Advisory Boards, we can help individuals in prison better understand the world of work and prepare for release. It's practical, tangible support with the power to change lives and reduce reoffending."

Rosie Carbott, Employment Advisory Board Lead, New Futures Network

Discover how we're **supporting people with convictions**.

"We often get to see the better side of people in prisons. We get to hear their aspirations and, as HR professionals, we can match these to the skills needed for the right jobs. These individuals have hopes and dreams – they just need someone to 'real-world' it for them."

Jemma Falloon, CIPD Trust volunteer

With Tent UK, we've produced a comprehensive guide to hiring refugees. We cover an overview of the legislation and top tips for recruiting, inducting and supporting refugees. Our guide is helping people professionals to benefit from the adaptability, resilience and cross-cultural understanding that refugees can contribute alongside their skills and knowledge. **Read our guide on hiring refugees**.

Our jobseeker webinar series remains popular. Nearly 700 people signed up and just under 2,000 people benefited from the recordings afterwards. And we've taken a step forward in our work to promote age-inclusive hiring practices, launching a pilot programme to support people aged over 55 into employment with Pavers.

Diversifying and supporting the people profession

Our Aspiring HR Directors programme celebrated its 10th cohort this year. We supported 67 under-represented people with a bursary to study a CIPD Level 3 qualification. And we've delivered three charity boost events in partnership with the Charities HR Network, providing smaller charities with vital practical advice on cost-effective strategies for recruitment and retention.



Growing the CIPD sustainably

We've transformed our organisation by maintaining our inclusive culture, recognising the contributions of our people, protecting our environment, securing good governance, mitigating our risks and managing our finances

TRUSTEES' REPORT | Growing the CIPD sustainably

Upholding our purpose

Embedding new ways of working

Like many organisations, in recent years we've made changes to grow effectively and efficiently. We've sustained our support for our members, customers and partners while improving our processes, updating our systems, increasing our use of AI, and working together across the CIPD with greater agility.

We've always put our members first. And we've always engaged our people. Our transformation means that this mindset and approach are now embedded in how we work. We're seeing the impact in our openness to ongoing change and improvement, in the practical, collaborative solutions we're delivering, and in our overall business performance.

As part of the programme of change, in December we took the difficult decision to close our office in Singapore. Through a partner-led approach, we continue to support members, engage with organisations and maintain a strategic presence across the Asia Pacific region, but in a way that is more cost-effective and sustainable in the short term. We recognise the need and opportunity that exists in the region and continue to evaluate all longer-term options to support our members.

The impact of all these developments is evident. Our professional community continues to grow. We've launched the resources, learning and support that people professionals and organisations tell us they need. We have evolved our membership proposition based on our members' feedback. Our transformation work has put us on a sound financial footing so we can plan for the investment we need and continue to support our members.

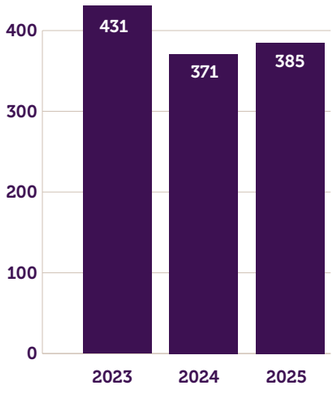
Maintaining our inclusive culture

We've worked hard to keep our transformation journey inclusive and collaborative. A network of cross-functional champions maintains communications between our teams and our leadership. Following change-readiness training, our senior and middle managers shifted to a coaching leadership style to encourage their teams to experiment with new ways of working. We've continued to communicate through town halls, team discussions, email updates and the dedicated transformation hub on our intranet. And we've welcomed feedback through employee surveys.

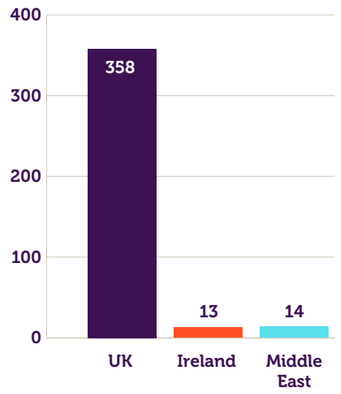
We already had an inclusive culture in place, with employee resource groups and leadership team champions who develop and support the engagement and wellbeing of all our people. We continue to work towards a culture in which more of our people feel comfortable to disclose information about their identities, their needs and their lived experiences.

Our global workforce

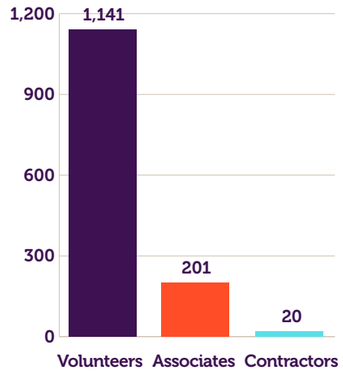
Number of employees



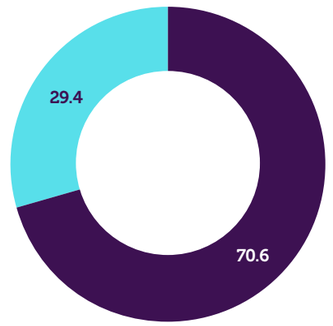
Number of employees, by region



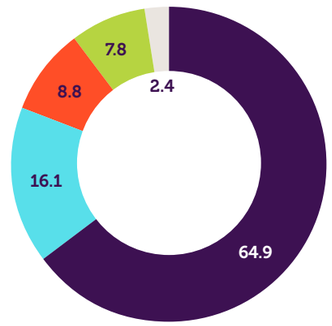
Number of volunteers, associates and contractors



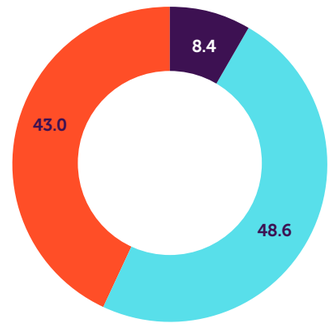
Employees by gender (%)



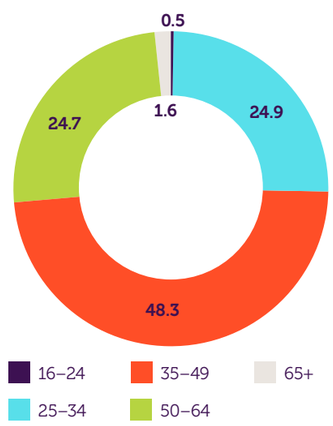
Employees by ethnicity (%)



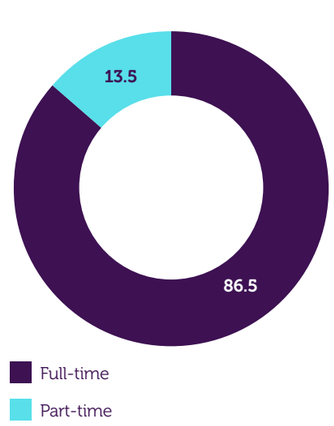
Employees by disability (%)



Employees by age (%)



Employees by working pattern (%)



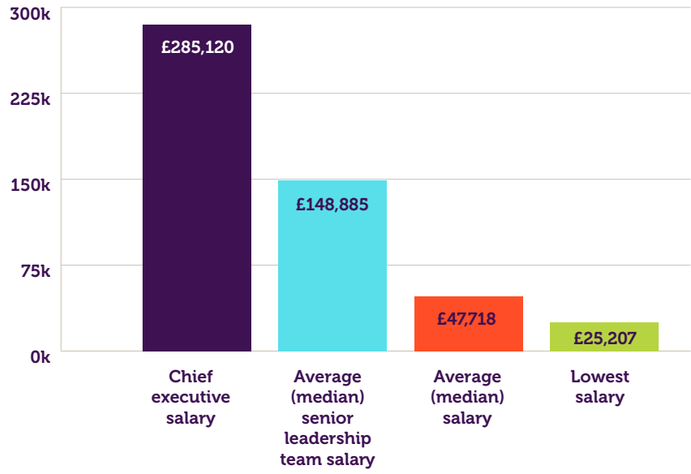
TRUSTEES' REPORT | Growing the CIPD sustainably



Recognising and rewarding our people

We benchmark all salaries against relevant sector and job-level pay data, with our lowest salaries at the voluntary 'real' London Living Wage, to ensure our compensation is fair, competitive and reflects our charitable status. Our People, Culture and Remuneration Committee (PCRC) agrees the pay process and pay review ranges for all staff, including our senior leadership team and other key management personnel.

Key pay statistics (£)



The ratio between our chief executive and our lowest earner is 11:1.
The ratio between our chief executive and the average (median) employee is 6:1 .
The ratio between our median senior leader salary and median employee is 3:1.

Chief executive remuneration

The remuneration policy for the chief executive consisted of the following:

- Base salary: This was set when the chief executive was first appointed in July 2012. In the years since, it has increased by 10.6%.
- Pension: The chief executive did not participate in the CIPD pension scheme during 2024/25.
- Benefits: The chief executive received a car allowance, life assurance cover and cover for private medical insurance benefits during 2024/25.

The CIPD does not operate a bonus scheme, or any form of variable pay, for the chief executive.

Our UK gender and ethnicity pay gaps

Based on the snapshot reporting date of 5 April 2025, the gender and ethnicity pay gaps across our UK workforce have changed very little this year.



For every £1 a man earns, **a woman earns 91p** (median).

For every £1 a white person earns, a person from a **minority ethnic group earns 88p** (median).

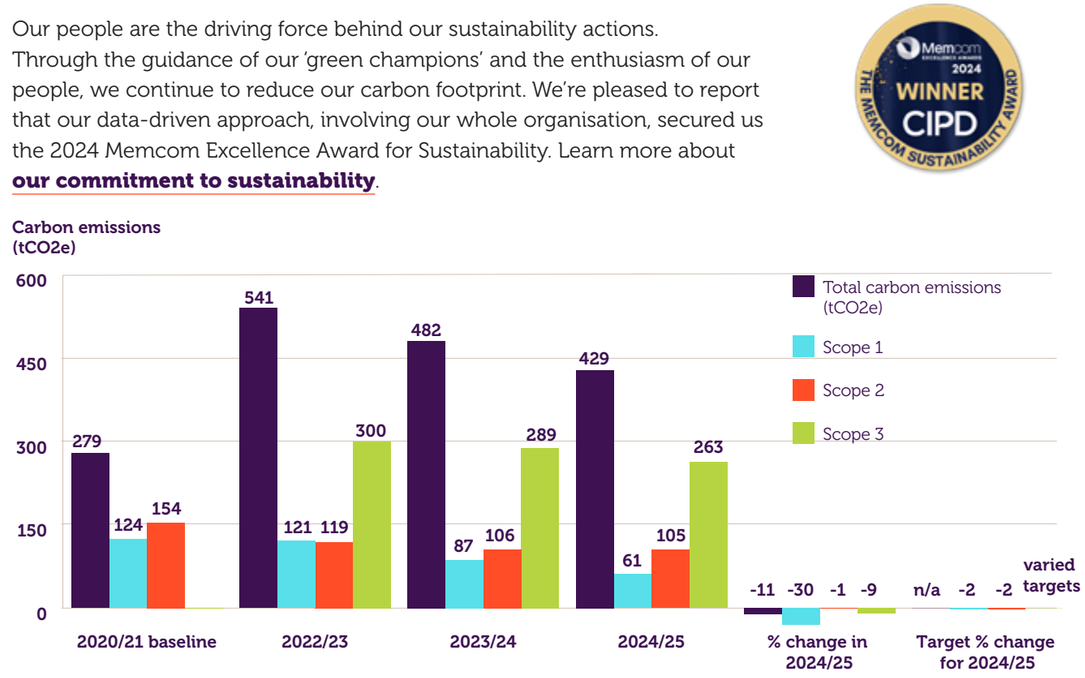
In anticipation of the changes proposed in the UK Government's Employment Rights Bill and equality legislation, we're publishing our pay gap data within one combined report this year. We continue to go beyond current statutory requirements to explain the many factors that contribute to our pay and bonus gaps and the actions we're taking to address them. Read our **2024/25 pay gap report**.

Protecting our environment

Our strategy and business principles commit us to reducing our impact on the environment in all the ways we work – as an employer, as a business partner, and as the leader of our professional community. We follow the guidance we advocate to others. Through our strategy and operations, we aim to contribute to 10 of the 17 United Nations Sustainable Development Goals. These form our framework for auditing and tracking our progress on sustainability.

Our commitment as an organisation

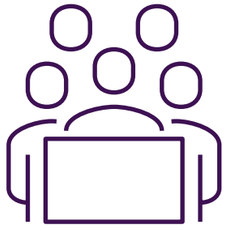
Our people are the driving force behind our sustainability actions. Through the guidance of our 'green champions' and the enthusiasm of our people, we continue to reduce our carbon footprint. We're pleased to report that our data-driven approach, involving our whole organisation, secured us the 2024 Memcom Excellence Award for Sustainability. Learn more about **our commitment to sustainability**.



Our leadership as a profession

As holders of the Investors in the Environment (iiE) Silver accreditation, we were proud to be celebrated as a runner-up in their 2024 Sustainability Influencer award. This recognised our concentrated efforts to demonstrate the vital role people professionals can take in helping their organisations work towards environmental sustainability.

For some time, we've included environmental sustainability insights in our learning programmes, Profession Map updates, events, podcasts and guides. This year, we've put sustainability under the spotlight in our *People Management* magazine. Our articles focused on key issues vital to our members: employees' concerns about organisational greenwashing, increased scrutiny from job candidates, the green skills gap, and the power people professionals have to make a difference. Read about **how HR can reduce carbon emissions**.



Securing good governance

The Chartered Institute of Personnel and Development is incorporated under Royal Charter and is a registered charity in England, Wales, Scotland and Ireland. Charities have a legal obligation to report on how they have carried out their purpose for the public. In this section, we explain how our commitments to good governance are formalised in our structure, responsibilities and activities.

Our structure and governance

Our Charter and Byelaws prescribe our charitable purpose – to promote the art and science of the management and development of people for the public benefit. In communicating our purpose, we describe this more broadly as championing better work and working lives.

Our Charter and Byelaws give the board authority to exercise all the powers of the organisation and to govern the CIPD in accordance with these documents and charity law. Board members are trustees, with the associated legal responsibilities.

The board is committed to ensuring that trustees continue to enhance their skills and knowledge to lead and direct the organisation. We use the Large Charity Governance Code to guide our governance practice and conduct regular independent and internal board effectiveness reviews to support our continuous improvement in this area.

TRUSTEES' REPORT | Growing the CIPD sustainably

Our board of trustees

Our Charter and Byelaws set out the composition of our board, allowing for up to 12 members, including the chief executive. The CIPD Council elects all trustees, except the chief executive, who is the only trustee who serves in an executive capacity.

We've implemented changes to the composition of our board this year. The role of president is now ambassadorial and acts as an advocate for the CIPD and the wider profession. No longer included on the board, the role has become supernumerary. Accordingly, the role of vice president membership and professional development is no longer required on the board, and we now have the expertise of that role within a designated trustee. These changes followed several discussions between our trustees and the CIPD Council and were approved by the Privy Council in November 2024.

All newly appointed trustees are provided with an induction programme, staggered over their first three months in office, and take part in ongoing development organised for all board members and any tailored training as required. Trustees sign up to our Trustee Code of Conduct on appointment and annually, declaring any interests for the year ahead. At each board meeting, they must also declare any potential or actual conflicts of interest regarding any item on the agenda.

We were delighted The Rt Hon Chloe Smith was appointed as president by the CIPD Council in January 2025, following Baroness Ruby McGregor-Smith, who completed one term and to whom we extend our thanks and gratitude for her support and time with us. During the year, Nelarine Cornelius and Caroline Nugent completed their two terms of office (in January and April 2025 respectively). Siobhán Sheridan CBE and Noel Tagoe resigned due to pressures of work in December 2024 and April 2025 respectively. Amanda Boustred, Heather Lee and Anthony Lorman joined as trustees in January 2025. Accordingly, there are currently two vacancies on the board. We have recently completed a skills audit of existing trustees to determine the additional skills and experience needed across the board, and recruitment to fill the vacancies started in the autumn.

Valerie Hughes-D'Aeth decided to step down as chair midway through her second term for personal reasons. We are all extremely grateful to Valerie for her commitment, for leading our board and organisation as we navigated many external changes, and for supporting us through our important developments internally. Following an open recruitment process, we welcomed Professor Chris Bones as our newly appointed chair in July 2025.



Baroness Ruby McGregor-Smith CBE
President
(until Jan 2025)



Valerie Hughes-D'Aeth
Chair
People, Culture and Remuneration Committee
(until July 2025)



Professor Chris Bones
Chair
(from July 2025)



Nelarine Cornelius
Vice President, Membership and Professional Development
(until January 2025)



Caroline Stockmann
Treasurer
Chair of Audit and Risk Committee
Investment Committee
(interim Chair)
Board champion for Ireland



Peter Cheese
Chief Executive



Jonathan Ferrar
Vice Chair/Senior Independent Director
Audit and Risk Committee



Amanda Boustred
Chair of Professional Standards Committee
(from January 2025)



Heather Lee
Professional Standards Committee
(from January 2025)



Antony Lorman
People, Culture and Remuneration Committee
(from January 2025)



Caroline Nugent
Audit and Risk Committee
Investment Committee
Chair of the CIPD Trust steering group
(until April 2025)



Dr Sue Round
People, Culture and Remuneration Committee
(Chair since January 2025)
Professional Standards Committee



Siobhán Sheridan CBE
Chair of People, Culture and Remuneration Committee
(until December 2024)



Noel Tagoe
Chair of Investment Committee
People, Culture and Remuneration Committee
Board champion for Asia
Board champion for equality, diversity and inclusion
(until April 2025)



Brian Walters
Investment Committee



Nicholas Williams
Audit and Risk Committee
Professional Standards Committee
Board champion for Middle East and North Africa

TRUSTEES' REPORT | Growing the CIPD sustainably

Trustees' responsibilities

The trustees are responsible for ensuring that the CIPD fulfils its purpose and charitable objectives. This includes setting our strategic framework, approving the overall budget and major capital projects, and overseeing the management of our affairs. Day-to-day management of the organisation is delegated to the chief executive and the senior leadership team.

Charity law requires the trustees to prepare a report (Trustees' Report) and financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law in England and Wales, trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity, the group and of the group's net income and expenditure for that period. In preparing these financial statements, the trustees must:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting 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 a going concern basis unless it is inappropriate to presume that the charity and the group will continue to operate
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice).

The trustees are responsible for ensuring adequate accounting records are kept. These must be sufficient to show and explain the group's transactions and disclose, with reasonable accuracy, the financial position of the charity and the group, and enable trustees to ensure that the financial statements comply with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006, and with the provisions of the Institute's Charter and Byelaws. Trustees are responsible for safeguarding the assets of the group and taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for the integrity of the corporate and financial information on our website.

Board activity

The board meets regularly to review delivery of our objectives against the agreed strategy and budget, and to monitor operational performance and risks. The board applies the CIPD's risk appetite framework to this approach and receives quarterly operations reports which contain a balanced scorecard of key performance indicators.

The board met six times during 2024/25. In addition, board members joined a strategy meeting with the senior leadership team in March 2025 to discuss and refine our future strategy and priorities.

Throughout the year, the board received regular updates on progress and direction for the organisation, key investments, and operational performance. Trustees were regularly briefed on our business opportunities with the private and public sectors, particularly via the Group Affiliate model. The board reviewed the CIPD's international strategy, with a focus on expanding our presence through partnerships. Our chief executive, Peter Cheese, provided ongoing updates on the CIPD's engagement with the UK Government, including our work on the Employment Rights Bill.

The board held discussions on making HR more strategically relevant within organisations, with a focus on upskilling the profession, especially with the advent of AI. Trustees reaffirmed the CIPD's role as an agent of change, advising members and providing strategic guidance.

Committee activity

The board has four standing committees to which it delegates some responsibilities while retaining overall accountability. The board approves the terms of reference for itself and all subcommittees at the beginning of each financial year.

Audit and Risk Committee

The Audit and Risk Committee is chaired by the treasurer and provides the board with objective oversight of its financial and non-financial risks, as well as its control systems. At its quarterly meetings, it reviews how the CIPD manages its strategic and operational risks.

During the year, the committee received three reports from our new internal auditors, Forvis Mazars, and continued to monitor the implementation of outstanding recommendations from previous audits. It oversaw changes to the corporate risk register and risk scoring, taking into account the post-pandemic economic environment. The committee reviewed some of our major partnership and supplier relationships. Cybersecurity and AI developments also remained a key focus.

At each meeting, the committee considered whether any serious incident report should be made to the Charity Commission. There were no reports made during the year.

TRUSTEES' REPORT | Growing the CIPD sustainably

Professional Standards Committee

The Professional Standards Committee held its inaugural meeting in April 2025, confirming its terms of reference and remit to oversee policy and standards around qualifications, practice and conduct.

Across its two meetings during the year, the committee undertook a deep dive into membership trends and the evolving benefits offered to members, and it approved several new Chartered Companions. It endorsed revisions to the Code of Conduct complaints procedures, which sit within the CIPD's regulations, to improve clarity and streamline the complaints process. And it agreed to maintain oversight of any high-profile complaints about our members and provide input on further improvements to the process.

People, Culture and Remuneration Committee

The People, Culture and Remuneration Committee is chaired by an independent elected board member and has oversight of all our cultural and people issues, including those of our trustees. It is the only subcommittee that has a CIPD employee as a formal member. A new CIPD employee started their term this year, as the previous staff member completed two terms of office.

At each of its meetings, an operational report on our people was received, including data on recruitment, attrition, the makeup of our workforce and employee engagement. During the year, the committee considered internal opportunities for employees, current and future hybrid working arrangements, and insights from employees' EDI data. Three new trustees and the president of the CIPD were nominated by the committee to the board, before being approved by Council.

Investment Committee

The Investment Committee monitors the performance of our investments and is chaired by an independent elected board member. During the year, the Investment Committee reviewed the performance of the investment portfolio. At each meeting the investment managers highlighted the external factors currently affecting the stock market and summarised the performance of the CIPD funds.

The CIPD considers environmental, social and governance issues in its evaluation and selection of investments and expects them to be aligned with the CIPD's business principles. The CIPD places a specific focus on monitoring the investment choices of our managers, such that investments in the following industries can be excluded from our portfolio: adult entertainment, gambling, indiscriminate weapons, oppressive regimes, the manufacture of tobacco products and the distribution of tobacco products where revenues exceed 10% of global earnings.

Board and committee meeting attendance

The role of the president was repositioned to act as an ambassador for the CIPD.

Board and committee meetings attended

Name	Board	Audit and Risk Committee	People, Culture and Remuneration Committee	Investment Committee	Professional Standards Committee
Valerie Hughes-D'Aeth	7 of 7	n/a	4 of 4	n/a	n/a
Amanda Boustred	3 of 3	0 of 1	n/a	n/a	2 of 2
Peter Cheese	7 of 7	2 of 3	4 of 4	4 of 4	n/a
Nelarine Cornelius	3 of 4	n/a	n/a	n/a	n/a
Jonathan Ferrar	6 of 7	4 of 4	n/a	n/a	n/a
Heather Lee	3 of 3	n/a	n/a	n/a	1 of 2
Tony Lorman	3 of 3	n/a	2 of 2	n/a	n/a
Ruby McGregor-Smith	0 of 4	n/a	n/a	n/a	n/a
Caroline Nugent	4 of 6	3 of 3	n/a	3 of 4	n/a
Sue Round	6 of 7	n/a	4 of 4	n/a	2 of 2
Siobhán Sheridan	1 of 4	n/a	1 of 1	n/a	n/a
Caroline Stockmann	6 of 7	4 of 4	n/a	4 of 4	n/a
Noel Tagoe	3 of 6	n/a	2 of 3	2 of 3	n/a
Brian Walters	6 of 7	n/a	n/a	4 of 4	n/a
Nick Williams	6 of 7	3 of 4	n/a	n/a	0 of 2

Our leadership team

The CIPD leadership team, led by our chief executive, is responsible for developing our strategy with the board, implementing that strategy, and managing the CIPD's day-to-day operations.

Peter Cheese has been our chief executive since 2012. His leadership has amplified the voice of the people profession, reinforced our influence on public policy, strengthened our research and social impact, and established solid foundations for our growth. This year's landmark global membership and the record number of students studying CIPD qualifications are a testament to Peter's clear vision and wholehearted commitment to our profession.

At our annual conference in November 2025, Peter announced that he will retire from the chief executive role in June 2026. We intend to have a successor in place before then, so Peter can support a smooth transition. The CIPD board is leading an open recruitment process, working with a search consultant.

We congratulate Peter for his outstanding leadership and thank him for his tireless service to the CIPD, our members, our people and trustees, and the whole profession. Read more about **Peter's impact and ongoing contribution to the people profession**.



Peter Cheese
Chief Executive



Amanda Arrowsmith
People and Transformation Director (to June 2025)



Sarah Atkins
Commercial and Marketing Director (from April to September 2025)



Angela Attah
Director of Legal and Governance (Company Secretary)



David Cox
Digital and Technology Director



David D'Souza
Director of Profession



Helen Osagie
Finance Director



Victoria Winkler
Standards and Professional Development Director

Our subsidiaries and related parties

The CIPD has four active group companies:

- CIPD Enterprises Ltd, its wholly owned trading subsidiary, which is registered in England and Wales
- CIPD Asia Ltd, which is a not-for-profit wholly owned subsidiary, limited by guarantee and registered in Singapore
- CIPD Middle East FZ LLZ, which is wholly owned by CIPD Enterprises Ltd and registered in Dubai in the United Arab Emirates
- CIPD Ireland, a company limited by guarantee in Ireland. See note 2(b) of the financial statements for more detail.

The Charities SORP (FRS 102) requires disclosure of transactions between related parties, details of which are given in note 14 to the financial statements.

Our bankers and professional advisers

Auditors

HaysMac LLP *
10 Queen Street Pl
London EC4R 1AG

Bankers

Lloyds Bank plc
3 St George's Road
London SW19 4DR

Legal advisers

Withers LLP
16 Old Bailey
London EC4M 7EG

Investment advisers

Asset Risk Consultants (UK) Limited
46 Chancery Lane
London WC2A 1JE

* We reappointed HaysMac LLP as our external auditors following a vote at the January 2025 annual general meeting.

TRUSTEES' REPORT | Growing the CIPD sustainably

Mitigating our risks

Charities have a legal obligation to report on how they have carried out their purpose for the public. In this section, we explain how we identify, mitigate and manage the risks that may impact our ability to work towards our charitable purpose.

Mitigating our risks

The board is responsible for monitoring our corporate risks and the effectiveness of our risk management and internal control systems. It approves our risk management policy and risk appetite statement, which together set out the levels of risk we will accept in pursuit of our charitable purpose. Our risk appetite forms the basis of our decision-making framework.

In all its deliberations, the board considers significant current and potential risks in the context of our risk appetite. Corporate risks are shared with the trustees ahead of every board meeting, with the more in-depth review of these delegated to the Audit and Risk Committee.

A review of our risk appetite framework was undertaken by the Audit and Risk Committee in October 2024, and the committee confirmed that it was satisfied our risks were being managed effectively.

Day-to-day responsibility for the identification and management of corporate risks sits with members of the senior leadership team, who also oversee operational risks in their areas.

Risk evaluation and response

The principal risks to delivering our charitable purpose this year included geopolitical and economic challenges, keeping pace with the evolving needs of our customers, technological advancements in AI and the risk of cyber attacks.

We evaluate each risk based on its potential impact on achieving our objectives and the likelihood of it occurring, given any controls currently in place. We apply this approach consistently throughout the organisation but use different thresholds for scaling the impact of corporate and team risks. Existing and planned mitigations are shared with the Audit and Risk Committee and the board to provide assurance that the risks are being appropriately managed.

During the year, Forvis Mazars were our internal auditors, offering the board independent assurance on the effectiveness of our risk management and internal control systems. Read about our **leadership and governance**.

Managing our finances

The year ending 30 June 2025 was a very positive one for us. Revenues grew by £5.4m (11%) and, following the previous year's significant transformation programme, our staff costs reduced by £1.7m and our operating costs dropped by £0.9m. This resulted in a turnaround from an operating deficit to an operating surplus after strategic projects of £3.7m.

Key financial highlights

£52.8m
unrestricted revenue

£27.7m
membership revenue

£1.8m
in strategic development projects

£3.7m
surplus after strategic projects

Income

Our total income was £52.8m in the year, which was 11% up on the previous year.

Membership subscriptions remain the largest proportion of our revenue at £27.7m, with member numbers reaching 164,650 by year end. This is a growth of 1.5% in member numbers, and the associated revenue growth reflects the fee increase of 4% for the 2024/25 subscription year. Student registrations continued to grow globally, resulting in revenue of £5.8m (15.8% increase year on year). The numbers of students registering with our study centres and approved providers reached 36,000 for the year.

Working with organisations remains a key strategic growth area for us. Revenue across our products and services sold through the UK Employer Solutions team grew to £5.8m (42% increase year on year). With further opportunities in the pipeline, we anticipate this area of revenue to achieve over £6.7m in 2025/26, reflecting our focus on expanding our impact through organisations. Revenue from corporate qualifications remains strong and, through the growth in Group Affiliate Subscriptions, we're deepening our impact in the private sector. Our training business direct to individuals held fairly flat for the year across digital learning as well as face-to-face and virtual classrooms. Other areas with continued revenue growth during 2024/25 were with Experience Assessments, apprenticeships and CIPD HR-inform, with revenues growing by 24%, 60% and 91% respectively.

TRUSTEES' REPORT | Growing the CIPD sustainably

Expenditure

Operational costs reduced by £0.9m. We saw the biggest reduction in our marketing overheads and expect this to increase with changes to the team structure, including a new head of marketing communications starting in 2025/26. Legal and governance showed a saving, as the previous year included the cost of negotiating the proposed installation of a telecoms mast on our Wimbledon headquarters. Internal training costs were lower, but we intend to invest more in our people development in 2025/26. We achieved savings through closing our office in Asia. This does not mean a withdrawal from the Asian market, but rather operating model changes to ensure we resource the region cost-effectively.

Staff costs reduced by £1.7m (7%). The transformation project we carried out at the end of 2023/24 has seen savings across a number of departments in the current year. The growth in our revenue over and above our expectation in 2024/25 has highlighted the need to invest in our delivery teams, so we expect this cost to increase into 2025/26. The average pay rise for the 2024/25 year was 3%.

We invested £1.7m of our designated reserves in strategic projects, compared with £2.7m in 2023/24. We commenced our Synergy programme, which will move us from the legacy Integra system to a new system for managing and invoicing our membership, qualifications, assessments and apprenticeships products. This is a large programme of work and will continue to be our main project in 2025/26.

Reserves

Free financial reserves are those that are available to be spent on our charitable purpose. They exclude the pension deficit, as this represents a long-term funding requirement rather than an immediate cash commitment. These reserves are held to protect against short-term shortfalls in income and unexpected spending, investment portfolio losses, and extreme circumstances affecting our ability to operate, and to facilitate longer-term strategic opportunities.

As a charity, we use our reserves to further our charitable purpose and we don't accumulate reserves unnecessarily. Our reserves policy remains to hold reserves at a level between a minimum of 15% of income and a maximum of six months' expenditure. For the year to 30 June 2025, the minimum is £7.8m and the maximum is £24.1m, and free financial reserves are in this range at £21.6m.

Investments

Our investment strategy for our reserves is to achieve growth above market performance without taking undue risks. This has resulted in strong reserves that allow us to plan long term, invest in our membership proposition, and increase our reach and impact across the profession and beyond.

The market value of investment assets at the year end, including investment cash held, was £16.7m (compared with £18.3m at 30 June 2024). This includes a loss on investments of £0.1m compared with a gain of £1.9m in the prior year. We withdrew funds from investments totalling £1.5m during the year compared with 2023/24, when we withdrew £7.8m. Markets remained volatile and, given the global political environment, are likely to remain so. Our portfolio is reviewed regularly through the board's Investment Committee under advice from our investment advisers. The Investment Committee meets at least twice a year and met four times in the reporting year, and we hold regular reviews with the relevant fund managers to discuss performance.

Pensions

The CIPD offers all employees in the UK the opportunity to enrol in a group personal pension plan, which is a defined contribution scheme. A similar scheme operates for our employees in Ireland. We also operate a defined benefit pension scheme, which closed to new and existing members in 2012. A professional actuary carried out a triennial valuation of the defined benefit scheme at 1 October 2023. This showed a deficit of £8.5m and that the scheme's assets were sufficient to cover 78% of the accrued benefits. The accounts for June 2025 show a deficit value of £7.5m, and the improvement in the deficit primarily represents our employer contributions over the year. The funding deficit does not represent a current cash commitment; rather, it reflects the long-term funding required as pensions are paid out to members of the scheme, many of whom have not yet retired. More details are given in note 12 to the accounts. The next triennial valuation will start in October 2026.

The actuary carries out a separate annual valuation in line with Financial Reporting Standard (FRS) 102. This is conducted on a different date using different assumptions and therefore results in a different funding deficit. The FRS 102 valuation at 30 June 2025 showed a deficit of £7.5m compared with a deficit of £8.5m at 30 June 2024. The main reason for the improvement in the balance sheet position was employer contributions. The CIPD contributed £1.1m during the year to reduce the deficit.

TRUSTEES' REPORT | Growing the CIPD sustainably

Going concern

We have set out above a review of our financial performance and our reserves position for this year. We continue to update our five-year plan annually from strategic and financial viewpoints, and we conduct thorough quarterly reforecasting for our financial projections. This approach allows us to consider the current economic climate and market environment for each region we operate within and understand the potential impacts on our income streams and expenditure base.

We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future, and there are no material uncertainties to call this into doubt. Accordingly, the accounts have been prepared on the basis that the CIPD is a going concern.

By order of the Board



Angela Attah

LLB FCG
Company Secretary
10 December 2025

Independent auditor's report

Independent auditor's report to the trustees of the Chartered Institute of Personnel and Development

TRUSTEES' REPORT | Independent auditor's report

Opinion

We have audited the financial statements of the Chartered Institute of Personnel and Development for the year ended 30 June 2025, which comprise the Consolidated Statement of Financial Activities, Group and Charity Balance Sheets, Consolidated Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 30 June 2025 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards

are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least 12 months from when the financial statements 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

TRUSTEES' REPORT | Independent auditor's report

Matters on which we are required to report by exception

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement (set out on page 41), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charity's Royal Charter and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charity's Royal Charter, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators and tax authorities
- discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud
- evaluating management's controls designed to prevent and detect irregularities
- identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions
- challenging assumptions and judgements made by management in their critical accounting estimates.

TRUSTEES' REPORT | Independent auditor's report

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

HaysMac LLP

HaysMac LLP
10 Queen Street Place, London EC4R 1AG

Statutory Auditors 23/12/2025

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

Financial statements

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2025

Consolidated statement of financial activities	Note	General fund	Designated fund	Restricted fund	Total 2025	As restated 2024
		£'000	£'000	£'000	£'000	£'000
Income from:						
Charitable activities To advance the management and development of people through:						
Membership services and education		**36,143**	–	–	**36,143**	32,199
Research		**254**	**3**	**292**	**549**	684
Branches		**81**	–	–	**81**	157
Other trading activities						
Commercial income	2(b)	**15,998**	–	–	**15,998**	14,429
Investments	2(c)	**332**	–	–	**332**	215
Total income		**52,808**	**3**	**292**	**53,103**	47,684
Expenditure on:						
Raising funds	2(a)					
Commercial expenditure		**(10,414)**	–	–	**(10,414)**	(9,885)
Investment management costs		**(12)**	–	–	**(12)**	(25)
Charitable activities	2(a)					
Membership services and education		**(31,435)**	**(1,522)**	–	**(32,957)**	(34,031)
Research		**(3,374)**	**(175)**	**(370)**	**(3,919)**	(6,486)
Branches		**(1,812)**	**(93)**	–	**(1,905)**	(2,281)
Total expenditure		**(47,047)**	**(1,790)**	**(370)**	**(49,207)**	(52,708)
Net income/(expenditure) before gains and losses on investments		**5,761**	**(1,787)**	**(78)**	**3,896**	(5,024)
Net gains/(losses) on investments	7	**(144)**	–	–	**(144)**	1,859
Net income/(expenditure)		**5,617**	**(1,787)**	**(78)**	**3,752**	(3,165)
Net incoming/(outgoing) resources before other recognised gains and losses		**5,617**	**(1,787)**	**(78)**	**3,752**	(3,165)
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension scheme	12	**290**	–	–	**290**	(1,714)
Gains/(losses) on revaluation of overseas subsidiaries		**(369)**	–	–	**(309)**	309
Net movement in funds		**5,538**	**(1,787)**	**(78)**	**3,673**	(4,570)
Reconciliation of funds						
Net fund balances brought forward		**18,119**	**3,155**	**121**	**21,395**	24,871
Prior year adjustment		**(2,394)**	–	–	**(2,394)**	(1,300)
Net fund balances brought forward as restated		**15,725**	**3,155**	**121**	**19,001**	23,571
Net fund balances carried forward		**21,263**	**1,368**	**43**	**22,674**	19,001

CONSOLIDATED GROUP AND CHARITY BALANCE SHEETS AT 30 JUNE 2025

	Note	Group		Institute	
		2025	As restated 2024	**2025**	2024
		£'000	£'000	**£'000**	£'000
Fixed assets					
Tangible assets	5	**5,881**	6,200	**5,795**	6,086
Intangible assets	6	**1,152**	2,552	**1,151**	2,552
Investments	7	**16,674**	18,309	**19,674**	21,309
		23,707	27,061	**26,620**	29,947
Current assets					
Debtors	8	**6,650**	7,394	**4,536**	4,636
Cash at bank and in hand	9	**12,474**	6,370	**10,322**	4,033
		19,124	13,764	**14,858**	8,669
Creditors					
Amounts falling due within one year	10	**(12,615)**	(13,283)	**(13,870)**	(11,948)
Net current assets/(liabilities)		**6,509**	481	**988**	(3,279)
Net assets excluding pension liability		**30,216**	27,542	**27,608**	26,668
Defined benefit pension scheme liability	12	**(7,542)**	(8,541)	**(7,542)**	(8,541)
Net assets including pension liability		**22,674**	19,001	**20,066**	18,127
Funds					
General fund	11	**28,806**	24,266	**26,249**	23,445
Pension liability		**(7,542)**	(8,541)	**(7,542)**	(8,541)
Net general funds		**21,264**	15,725	**18,707**	14,904
Designated funds	11	**1,367**	3,155	**1,367**	3,154
Net unrestricted funds		**22,631**	18,880	**20,074**	18,058
Restricted funds	11	**43**	121	**(8)**	69
Total funds		**22,674**	19,001	**20,066**	18,127

The financial statements were approved and authorised for issue by the trustees on 3 December 2025 and were signed on their behalf by:

Christopher Bones
Chair of the Board

C.A. Stockmann
Caroline Stockmann
Treasurer

The notes on pages 62–83 form part of these financial statements.

CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

	Note	**2025**	2024
		£'000	£'000
Net cashflows from operating activities		**4,664**	(900)
Cashflows from investing activities			
Income from investments	2(c)	–	215
Interest received	2(c)	**332**	–
Purchase of tangible fixed assets	5	**(143)**	(37)
Development of intangible fixed assets	6	**(239)**	(3,350)
Proceeds from sale of investments	7	**245**	7,823
(Increase)/decrease in cash deposits (investment asset)	7	**1,245**	(1,841)
Net cash provided by/(used in) investing activities		**1,440**	2,810
Cashflows from financing activities:			
Cash removed from/(added to) bank deposits with more than 24 hours' notice			
Change in cash and cash equivalents in the year		**6,104**	1,910
Cash and cash equivalents at the beginning of the year		**6,370**	4,460
Cash and cash equivalents at the end of the year	9	**12,474**	6,370

Notes to the cashflow statement

(a) Reconciliation of net income to net cashflow from operating activities

Net income		**3,752**	(3,165)
Depreciation charge – tangible assets	5	**461**	504
(Gains)/losses on investments	7	**144**	(1,859)
(Gains)/losses on disposal of tangible fixed assets	7	**2**	–
(Gains)/losses on disposal of intangible fixed assets		**970**	1,673
Dividend, interest and rents from investments	2(c)	**(332)**	(215)
Depreciation charge – intangible assets	6	**669**	1,446
Foreign exchange reserves movement		**(369)**	1,403
Payment to pension scheme per funding plan	12	**(1,125)**	(1,000)
Non-actuarial increase in pension liability	12	**416**	369
Decrease/(increase) in debtors	8	**744**	(676)
Increase/(decrease) in creditors	10	**(668)**	679
Increase/(decrease) in provisions	13	–	(59)
Net cashflows from operating activities		**4,664**	(900)

(b) Analysis of cash and cash equivalents		**2025**	2024
Cash in hand	9	**12,474**	6,370
Total cash and cash equivalents		**12,474**	6,370

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

1 Principal accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention modified by the revaluation of investments and in accordance with the Financial Reporting Standard applicable to the UK and the Republic of Ireland (FRS 102) and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102 – effective 1 January 2019 – and the requirements of the Charities Act 2011.

The functional currency of the CIPD is considered to be GBP because that is the currency of primary economic environment in which the group operates.

There are no material uncertainties that call into doubt the CIPD's ability to continue in operation. Accordingly, the financial statements have been prepared on a going concern basis as discussed within the Trustees' Report.

(b) Consolidation

The group financial statements include the results of the CIPD, its branches and its subsidiaries, which are consolidated on a line-by-line basis. Please refer to note 2(b) to the accounts for the results for the trading subsidiaries. Note 11 sets out the movements in the Institute's funds, including incoming and outgoing resources.

CIPD Ireland renewed a funding arrangement with Skillnet to promote education and training in Ireland during the year. As guided by the Charities Statement of Recommended Practice (SORP) (FRS 102), the arrangement has been reported as a jointly controlled operation which requires the consolidated accounts of both parties to recognise assets that each party controls and liabilities incurred, with expenses incurred and share of income.

The results of overseas subsidiaries and branches have been translated into sterling using exchange rates prevailing at the balance sheet date. Exchange differences arising from retranslating the opening net investment in overseas subsidiaries at the closing exchange rates are recorded as movements in the general fund.

(c) Income

All income, including investment income, is accrued and included in the Statement of Financial Activities when the group is entitled to the income, receipt is probable, and the amount can be quantified reliably. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet. Income from subscriptions, which is our largest individual source of income, is recognised referring to the period over which the subscription relates.

Volunteers continue to be an integral part of the CIPD, working with us across the organisation in every area of our work. Their wide spectrum of skills, experience and expertise strengthens our organisation by enabling us to better support our members and engage the wider HR community in what we do. On a wider community level, many CIPD members volunteer their experience in our community investment programmes. Our branch volunteers use their skills to promote the CIPD and give back to the profession, with a number of members acting as mentors in our Steps Ahead Mentoring programme and others engaged with our Enterprise Adviser programme run by the Careers and Enterprise Company.

In accordance with the SORP, no monetary value has been attributed to the work of volunteers, though their involvement is considered vital to the activities of the charity.

(d) Expenditure

Membership and education include the costs of administering and providing direct services to members, developing professional standards, providing educational services to members and supporting educational centres which offer the Institute's qualifications. Commercial activities are disclosed as charitable where they are deemed to give rise to direct membership benefit.

Research includes the cost of commissioning and undertaking research and the dissemination of research and practical information to members and the public.

Branches include the central and local costs of the Institute's branch network, which offers continuing professional development and networking events for members nationwide.

Commercial activities, through our strategic partnerships, comprise a courses and conferences programme, a publishing facility for books and training materials, and an HR consultancy business for organisations. It also manages the relationship with the publisher of the CIPD's journal, *People Management*.

Investment management costs include fees paid to the Institute's investment advisers and fund managers.

Support costs such as general management, governance, human resources, finance, information systems, strategy, performance and premises costs are allocated across the various categories of our expenditure. The basis of allocation has been explained in note 2(a) to the accounts.

(e) Operating leases

Payments in respect of operating leases are charged to the Statement of Financial Activities over the life of the lease on a straight-line basis.

(f) Fixed assets, depreciation and amortisation

Tangible assets
Tangible assets are stated at cost net of depreciation and any provisions for impairment.

Depreciation is provided on a straight-line basis on the cost of fixed assets to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land or assets under construction. The depreciation period for other assets is shown below.

Office equipment	3–4 years
Freehold buildings (from date of first use)	25 years
Leasehold buildings (from date of first use)	Over life of lease

Assets with a cost below £2,500 are not capitalised.

Intangible assets
Intangible assets are stated at cost net of depreciation and any provisions for impairment.

Depreciation is provided on a straight-line basis on the cost of fixed assets to write them down to their estimated residual values over their expected useful lives.

Website development costs	3 years
Developed IT hardware/software	5 years

Website planning costs are charged to the Statement of Financial Activities as incurred. Other website costs are capitalised as a fixed asset only where they lead to the creation of an enduring asset delivering tangible future benefits whose value is at least as great as the amount capitalised. An impairment review is undertaken of the net asset value of the website at each balance sheet date. Expenditure to maintain or operate the developed website is charged to the Statement of Financial Activities.

Costs incurred in the development of new web-based commercial products are depreciated on a standard cost basis over the shorter of three years or the estimated useful economic life of the products concerned.

Developed IT hardware/software relates to our membership and finance systems.

(g) Investments

Investments are stated in the balance sheet at market value. Realised and unrealised gains and losses in the year based on market value are recognised in the Statement of Financial Activities. Investment properties are shown at trustees' estimate of their open market valuation using a nationally available house price index calculator. Bank interest is accounted for on a receivable basis; other investment income is accounted for when received.

Investments in subsidiary undertakings are included at cost or fair value at acquisition, subject to any impairment. Liquid resources are funds held at the bank which require more than 24 hours' notice to access.

(h) Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of impairment losses. Prepayments are valued at the amount prepaid, net of any trade discounts due. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(i) Pension schemes

The CIPD Group Personal Pension Plan and the CIPD Money Purchase Pension Plan are UK-based defined contribution schemes. The Institute also makes contributions to defined contribution schemes for its staff in Ireland. The charges to the Statement of Financial Activities for defined contribution schemes are the amounts payable in respect of the accounting year.

The CIPD Staff Retirement Scheme is a defined benefit scheme. It is accounted for in accordance with FRS 102. The notional net interest charge on the FRS 102 deficit, the expected return on assets and the current service cost have been allocated across the resources expended categories based on pensionable payroll. Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high-quality corporate bond rates that have terms to maturity approximating to the terms of the related liability. Appropriate adjustments are made for actuarial gains or losses which are recognised in other recognised gains and losses in the Statement of Financial Activities.

(j) Taxation

The CIPD is a registered charity, and its income is applied solely for charitable purposes. As a result, it is entitled to rely upon the taxation exemption granted by the Corporation Tax Act 2010. Where possible, the profits of the CIPD's trading subsidiaries are donated to the CIPD under Gift Aid.

(k) Fund accounting

The Institute has various types of funds for which it is responsible, and which require separate disclosure. These are as follows:

General fund
This contains funds that are spent at the discretion of the trustees in furtherance of the objects of the charity and includes reserves in line with our policy to maintain sufficient realisable reserves to cover the estimated cash impact of a pessimistic financial scenario.

Designated funds
The Institute may at its discretion set aside funds for specific purposes that would otherwise form part of the general reserves of the organisation. The Institute sets aside funds, supported by cash and investments, in respect of a variety of activities that are explained in more detail below. As such, they are not available for other purposes. Designated funds are listed in note 11 to the accounts.

Restricted funds
The Institute may, from time to time, receive funds from external sources for specific purposes. These funds are not available for other purposes and are segregated in our accounts. Restricted funds are listed in note 11 to the accounts.

(l) Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies described above, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates, judgements and assumptions are made based on a combination of past experience, professional expert advice and other evidence that is relevant to the particular circumstance. The following area is considered to involve the critical judgements and sources of estimation uncertainty when applying the group's accounting policies.

Pension liability
Estimates of the net pension liability depend on a number of complex judgements relating to the discount rate used, changes in retirement ages and mortality rates. The group engages a firm of actuaries to provide expert advice about the assumptions made and the effect on the pension liability of changes in these assumptions.

(m) Public benefit

The Institute's charitable objects include the promotion of the art and science of the management and development of people for the public benefit. Details on how the Institute delivers public benefit are included in the Trustees' Report.

(n) Prior year adjustments

During the current year, the directors identified errors in the previously issued financial statements for the years ended 30 June 2023 and 30 June 2024. These errors related to the incorrect treatment of certain intercompany balances and the accounting for the gains/(losses) of revaluation of subsidiaries.

Nature of the errors

The previously stated figures for 'Other debtors' within current assets were overstated. This was due to the inclusion of intercompany balances that, on consolidation, should have been eliminated in full. These balances are not due from external third parties and do not represent assets of the group.

Furthermore, the gains recognised in the Statement of Financial Activities on the revaluation of subsidiaries were erroneously overstated. This was an incorrect attempt to reflect the intercompany balances, which should have no impact on the consolidated profit or loss or the consolidated net assets.

Impact of the corrections

The following summarises the impact of correcting these errors on the previously reported figures:

Impact on the Group Consolidated Balance Sheet as at 30 June 2024	2024 as restated	Prior year adjustment	2024 as primarily stated
Current assets	7,394,000	2,394,000	9,788,000
Other debtors	358,000	2,394,000	2,752,000
General funds	24,267,000	2,394,000	26,661,000
Total reserves	19,001,000	2,394,000	21,395,000

Impact on the Statement of Financial Activities for the year ended 30 June 2024	2024 as restated	Prior year adjustment	2024 as primarily stated
Gains on revaluation of subsidiaries	309,000	1,094,000	1,403,000

Impact on the Group Consolidated Balance Sheet as at 30 June 2023	2024 as restated	Prior year adjustment	2023 as primarily stated
Current assets	7,812,000	1,300,000	9,112,000
Other debtors	507,000	1,300,000	1,807,000
General funds	26,384,000	1,300,000	27,684,000
Total reserves	23,571,000	1,300,000	24,871,000

Note: The above details the reversal of the erroneous gains booked in 2022/23 and 2023/24 relating to the prior period's misstatement. The cumulative adjustment to reserves is £2,394,000.

Accounting treatment

In accordance with Section 10 of FRS 102, these errors are considered material and have been corrected by restating the comparative amounts. The opening reserves as at 1 July 2024 have been restated to reflect the full adjustment of £2,394,000 relating to the 2023 and 2024 error.

The financial statements for the current year have been prepared on this restated basis. The effect of these adjustments is to correctly eliminate the intercompany balances on consolidation, with no impact on the group's reported surplus for the current year or the consolidated net assets post the initial 2023 and 2024 error.

There is no impact on previously issued financial statements for the Institute for the years ended 30 June 2023 and 30 June 2024 or for the current year ended 30 June 2025.

2a Analysis of expenditure on:	Direct costs £'000	Support costs £'000	Total 2025 £'000	Total 2024 £'000
Raising funds				
Commercial activities	**8,049**	**2,365**	**10,414**	9,885
Investment management	**12**	–	**12**	25
Charitable activities				
Membership services and education	**23,460**	**9,497**	**32,957**	34,031
Research, innovation and dissemination of expertise	**3,079**	**840**	**3,919**	6,486
Branches	**1,441**	**464**	**1,905**	2,281
	36,041	**13,166**	**49,207**	52,708

Allocation of support and governance costs

	General management £'000	IT £'000	Finance £'000	HR £'000	Premises £'000	Governance £'000	Total 2025 £'000	Total 2024 £'000
Raising funds								
Commercial activities	**144**	**885**	**619**	**385**	**315**	**17**	**2,365**	4,286
Investment management	–	–	–	–	–	–	–	–
Charitable activities								
Membership services and education	**1,100**	**5,197**	**977**	**1,064**	**1,112**	**47**	**9,497**	8,783
Research, innovation and dissemination of expertise	**127**	**600**	**113**	–	–	–	**840**	1,283
Branches	**68**	**319**	**60**	**8**	**9**	**0**	**464**	464
	1,439	**7,001**	**1,769**	**1,457**	**1,436**	**64**	**13,166**	14,816
Total 2025	1,146	8,929	1,570	1,680	1,438	53		14,816

Basis of apportionment

Strategy and Secretariat	Proportion of unrestricted cost of charitable activity excl commercial activity allocation
IT	Proportion of unrestricted cost of charitable activity excl commercial activity allocation
Finance	Proportion of unrestricted cost of charitable activity excl commercial activity allocation
HR	Staff time
Premises	Staff time
Governance	Staff time

Total resources expended includes:	**2025 £'000**	2024 £'000
Auditor's remuneration:		
Audit fees including VAT – current year provision	**73**	82
Audit fees – under provision relating to prior year	–	20
Other services	**37**	20
Operating lease rentals		
Plant and machinery	–	–
Other asset including land and buildings	**76**	133
Depreciation and amortisation	**1,118**	1,950

2b Subsidiary companies

	CIPD Enterprises Ltd		CIPD Asia Ltd		CIPD Middle East FZ LLC[1]		CIPD Ireland[2]	
Country of registration	England and Wales		Singapore		Dubai		Ireland	
Immediate holding company	CIPD		CIPD		CIPD Enterprises Ltd		CIPD	
Holding	3,000,000 £1 shares		Limited by guarantee		14,800 AED 1,000 shares		Limited by guarantee	
Activity	Training, events, publishing and the development of people via organisational training and consultancy		Promotion of membership and the management and development of people		Promotion of membership and the management and development of people		Promotion of membership and the management and development of people	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total assets	6,918	6,957	1,152	1,256	1,942	2,822	571	438
Total liabilities	3,637	3,676	1,570	1,764	(1,942)	(961)	185	174
	3,281	**3,281**	**(418)**	**(508)**	**3,884**	**3,783**	**386**	**264**
Represented by:								
Share capital	3,000	3,000	–	–	3,108	3,108	–	–
Reserves	281	281	(418)	(508)	776	675	386	264
Results for the year:								
Income[3]	9,413	7,640	795	1,061	3,994	4,226	1,973	1,752
Expenditure	7,946	7,338	721	1,194	3,490	3,687	1,853	1,661
Net profit/(loss)	**1,467**	**302**	**74**	**(133)**	**504**	**539**	**120**	**91**
Gift Aided to the CIPD	(1,467)	(302)	–	–	–	–	–	–
Retained in subsidiary	–	–	**74**	**(133)**	**504**	**539**	**120**	**91**

1 CIPD Middle East FZ LLC was incorporated on 13 August 2015 as a Free Zone Limited Liability company and operates in the UAE under a licence issued by the Government of Dubai, Dubai Creative Cluster Authority. The entity is licensed to provide services mainly related to HR consultancy.

2 CIPD Ireland became its own independent company on 1 July 2020. It was started with a loan of €462,411 and is a company limited by guarantee. This is its fifth year of trading, and it may remain a commercial-led company as its charitable status is still under review.

3 Commercial income and expenditure in the Consolidated Statement of Financial Activities is derived from our UK trading arm, CIPD Enterprises Ltd, with the following adjustments: commercial income also includes inward sponsorship of CIPD events, which is recorded in the accounts of the Institute. Commercial expenditure includes a higher apportionment of support costs than included in CIPD Enterprises' standalone accounts.

(i) During the year, there were a number of transactions between group companies, relating to either (a) expenditure paid by the CIPD or CIPD Enterprises Ltd on behalf of another group company and recharged to them, or (b) internal operational costs incurred by the CIPD or CIPD Enterprises Ltd and apportioned to other group companies as appropriate. These transactions were as follows:

Total expenditure includes:	**Transactions during the year**	**Balance outstanding at end of year**
	£'000	**£'000**
Amounts due to the CIPD:		
from CIPD Middle East FZ LLC	816	1,101
from CIPD Asia Ltd	270	1,053
from CIPD Enterprises Ltd	(3,599)	(7,143)
from CIPD Ireland	257	1,315

(ii) Subsequent events – no significant subsequent events have been identified in any of the group companies since 30 June 2025.

2c Investments

	2025	2024
	£'000	£'000
Bank interest	**332**	215
	332	215

3 Staffing (excluding trustees)

	2025	2024
	£'000	£'000
Salaries	**19,719**	22,843
Social security costs	**1,948**	2,075
Pension costs	**1,631**	3,746
Benefits in kind	**622**	690
	23,920	29,354

The pension costs shown above include the service cost for the year for the CIPD Staff Retirement Scheme and the actual payments made into defined contribution schemes.

Excluding the chief executive (note 4 below), higher-paid employees were remunerated as follows

	2025 number	2024 number
£60,000–£69,999	**30**	33*
£70,000–£79,999	**16**	19*
£80,000–£89,999	**13**	17*
£90,000–£99,999	**6**	6*
£100,000–£109,999	**8***	7*
£110,000–£119,999	**0**	2*
£120,000–£129,999	**1**	1*
£130,000–£139,999	**0**	1*
£140,000–£149,999	**3**	3*
£150,000–£159,999	**0**	1
£160,000–£169,999	**1**	1*
£170,000–£179,999	**0**	1
£250,000–£259,999	**1***	0

* The bandings marked with an asterisk include redundancy payments for certain individuals and hence do not constitute the normal or ongoing compensation.

Of the higher-paid employees, 10 (2024: 16) were members of the CIPD Staff Retirement Scheme. The Institute contributed £711,000 into the defined contribution schemes for 79 of the higher-paid employees (2024: £659,000 for 97 employees).

In 2025, the key management personnel of the charity are referred to as the senior leadership team – the chief executive, the director of profession, the director of commercial and marketing, the director of legal and governance, the digital and technology director, the standards and professional development director, the people and transformation director, and the finance director.

The total employee benefits of the senior leadership team (excluding the chief executive) were £1,169,000 (2024: £1,307,000).

The average monthly number of employees during the year was 388 (2024: 424), representing a full-time equivalent of 372 (2024: 406).

The average monthly number of employees working in charitable activities, including support and management and administration, was 296 (2024: 384), and 92 (2024: 40) employees worked in activities for generating funds.

Redundancy and termination payments totalled £117,000 (2024: £1,960,436).

The cost of general agency support and consultants was £438,000 (2024: £1,303,000), mainly in relation to the delivery of strategic projects and IT activities.

During the year, we employed 20 (2024: 24) contractors at a cost of £306,000 (2024: £189,000).

Per Charities SORP (page 80, 9.26 Disclosure of staff costs and employee benefits), 'employee benefits' includes social security costs.

4 Trustees' emoluments

	2025 £'000	2024 £'000
Chief executive (only paid trustee)		
Salary	**285**	285
Benefits in kind	**9**	–
Emoluments	**294**	285

Details on how the chief executive's remuneration is determined are given in the Trustees' Report on page 36. The figures above represent the emoluments of the chief executive for that role, not as a trustee.

The other members of the board of trustees receive no remuneration for their services or for volunteering their time.

During the year, a total of £2,989 (2024: £808) in expenses was reimbursed to, or paid on behalf of, nine (2024: two) trustees.

5 Tangible fixed assets

Group	Freehold land £'000	Freehold property £'000	Leasehold property £'000	Office equipment £'000	Total £'000
Cost					
At 1 July 2024	3,884	9,172	114	1,251	14,421
Additions	–	131	–	12	143
Transfers	–	–	–	2	2
Disposals	–	–	(9)	(288)	(297)
At 30 June 2025	**3,884**	**9,303**	**105**	**975**	**14,269**
Depreciation					
At 1 July 2024	–	7,095	99	1,027	8,221
Charges for the year	–	369	–	92	461
Disposals	–	–	(8)	(288)	(295)
At 30 June 2025	–	**7,464**	**91**	**831**	**8,386**
Net book value					
At 1 July 2024	3,884	2,077	15	222	6,200
At 30 June 2025	**3,884**	**1,839**	**14**	**144**	**5,881**

Institute	Freehold land £'000	Freehold property £'000	Leasehold property £'000	Office equipment £'000	Total £'000
Cost					
At 1 July 2024	3,884	9,172	–	922	13,978
Additions	–	131	–	12	143
Disposals	–	–	–	(280)	(280)
At 30 June 2025	**3,884**	**9,303**	–	**654**	**13,841**
Depreciation					
At 1 July 2024	–	7,095	–	797	7,892
Charges for the year	–	369	–	65	434
Disposals	–	–	–	(280)	(280)
At 30 June 2025	–	**7,464**	–	**582**	**8,046**
Net book value					
At 1 July 2024	3,884	2,077	–	125	6,086
At 30 June 2025	**3,884**	**1,839**	–	**72**	**5,795**

6 Intangible fixed assets

Group	Assets under construction	IT software	Content development	Website development	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 July 2024	1,243	4,206	725	5,532	11,706
Additions	176	64	–	–	240
Transfers	(541)	541	–	–	–
Disposals	(703)	(457)	–	–	(1,160)
At 30 June 2025	**175**	**4,354**	**725**	**5,532**	**10,786**
Depreciation					
At 1 July 2024	–	3,315	337	5,503	9,155
Charges for the year	–	426	212	31	669
Disposals	–	(190)	–	–	(190)
At 30 June 2025	–	**3,551**	**549**	**5,534**	**9,634**
Net book value					
At 1 July 2024	1,243	891	388	29	2,551
At 30 June 2025	**175**	**803**	**176**	**(2)**	**1,152**

Institute	Assets under construction	IT software	Content development	Website development	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 July 2024	1,243	4,206	725	5,532	11,706
Additions	176	64	–	–	240
Transfers	(541)	541	–	–	–
Disposals	(703)	(457)	–	–	(1,160)
At 30 June 2025	**175**	**4,354**	**725**	**5,532**	**10,786**
Depreciation					
At 1 July 2024	–	3,315	337	5,503	9,155
Charges for the year	–	426	212	31	669
Disposals	–	(190)	–	–	(190)
At 30 June 2025	–	**3,551**	**549**	**5,534**	**9,634**
Net book value					
At 1 July 2024	1,243	891	388	29	2,551
At 30 June 2025	**175**	**803**	**176**	**(2)**	**1,151**

7 Investments

	Group		Institute	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Investments at market value				
Managed funds:				
Unit trusts: direct holdings in listed UK equities and bonds	–	–	–	–
Overseas unit trusts: direct holdings in listed UK equities and bonds	**1,790**	1,639	**1,790**	1,639
Overseas unit trusts: direct holdings in listed overseas equities and bonds	**14,059**	14,582	**14,059**	14,582
Bank deposits	**791**	2,036	**791**	2,036
Property unit trust	**34**	52	**34**	52
Investments in subsidiaries (note 2b)	–	–	**3,000**	3,000
Total market value at 30 June	**16,674**	18,309	**19,674**	21,309
Total cost at 30 June	**14,325**	15,662	**17,325**	18,662

The board arranges for investments or other property to be held in the name of a nominee and has the power to delegate the management of investments to an authorised person within the meaning of the Financial Services Act 1986.

The investment working group, appointed by the board, delegates to the Investment Committee, which meets quarterly.

The Institute follows a strategy which exercises control over asset allocations and uses specialist fund managers for each class of asset. The asset allocation is tracked by the investment adviser on behalf of the Institute with rebalancing decisions taken quarterly.

	Group		Institute	
	2025	2024	**2025**	2024
Managed funds	**£'000**	£'000	**£'000**	£'000
Market value at 1 July 2024	**18,309**	22,437	**21,309**	25,437
Money withdrawn	**(245)**	(7,828)	**(245)**	(7,828)
Movement in cash deposits	**(1,245)**	1,841	**(1,245)**	1,841
Net gains/(losses)	**(144)**	1,859	**(144)**	1,859
Market value at 30 June 2025	**16,675**	18,309	**19,675**	21,309

8 Debtors

	Group as restated		Institute	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Trade debtors	**3,134**	3,047	**1,551**	1,254
Other debtors	**336**	358	**1,194**	1,135
Prepayments and accrued income	**3,180**	3,989	**1,791**	2,247
	6,650	7,394	**4,536**	4,636

9 Cash in bank and in hand

	Group		Institute	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Bank current accounts and cash in hand	**12,474**	6,370	**10,322**	4,033
	12,474	6,370	**10,322**	4,033

10 Creditors: amounts falling due within one year

	Group		Institute	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Trade creditors	**2,196**	2,099	**1,466**	1,729
Amounts received in advance	**6,736**	6,631	**6,673**	6,469
Amounts due to subsidiaries	**–**	–	**3,674**	1,419
Taxation and social security costs	**585**	512	**567**	509
Other creditors	**597**	669	**381**	263
Accruals	**1,554**	2,519	**942**	1,412
Deferred income	**947**	853	**167**	147
	12,615	13,283	**13,870**	11,948

Amounts received in advance on 30 June 2025 will all be released in the year to 30 June 2026 and mainly relate to member and organisation subscriptions.

Deferred income represents bookings for future commercial events and payments for consultancy work. The movement on deferred income was as follows:

	Group	
	2025	2024
	£'000	£'000
Deferred income at start of year	**853**	291
Amounts released during the year	**(853)**	(291)
Amounts deferred during the year	**947**	853
Deferred income at end of year	**947**	853

11 Funds

Group	As restated Balance at 1 July 2024	Incoming resources	Resources expended	Transfers between funds	Gains and (losses)	Balance at 30 June 2025
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
General fund	24,266	52,808	(46,631)	(1,125)	(513)	**28,805**
Pension reserve	(8,541)	–	(416)	1,125	290	**(7,542)**
Net general funds	15,725	52,808	(47,047)	–	(223)	**21,263**
Designated funds						
Building fund	922	–	–	–	–	**922**
Trust fund	199	3	(65)	–	–	**137**
Strategic initiatives fund	2,034	–	(1,725)	–	–	**309**
Total designated funds	3,155	3	(1,790)	–	–	**1,368**
Total unrestricted funds restated	**18,880**	**52,811**	**(48,837)**	–	**(223)**	**22,631**
Restricted funds						
JP Morgan Chase	1	–	–	–	–	**1**
Timewise Mentor	3	–	–	–	–	**3**
City & Guilds Refugee Support	–	–	(27)	–	–	(27)
City & Guilds Future Skills	66	–	(21)	–	–	**45**
Innovate UK	(1)	80	(143)	–	–	**(64)**
Pavers Foundation	–	34	–	–	–	**34**
Skillnet CIPD Ireland	52	178	(179)	–	–	**51**
Total restricted funds	121	292	(370)	–	–	**43**
Total funds	**19,001**	**53,103**	**(49,207)**	–	**(223)**	**22,674**

Institute	Balance at 1 July 2024	Incoming resources	Expenditure expended	Transfers between funds	Gains and losses	Balance at 30 June 2025
	£'000	£'000	£'000	£'000	£'000	£'000
General fund	23,445	36,803	(32,730)	(1,125)	(144)	**26,249**
Pension reserve	(8,541)	–	(416)	1,125	290	**(7,542)**
Corporation tax	–	–	–	–	–	–
Net general funds	14,904	36,803	(33,146)	–	146	**18,707**
Designated funds						
Building fund	922	–	–	–	–	**922**
Trust fund	199	3	(65)	–	–	**137**
Strategic initiatives fund	2,033	–	(1,725)	–	–	**308**
Total designated funds	3,154	3	(1,790)	–	–	**1,367**
Total unrestricted funds	**18,058**	**36,806**	**(34,936)**	–	**146**	20,074
Restricted funds						
JP Morgan Chase	1	–	–	–	–	**1**
Timewise Mentor	3	–	–	–	–	**3**
City & Guilds Refugee Support	–	–	(27)	–	–	**(27)**
City & Guilds Future Skills	66	–	(21)	–	–	**45**
Innovate UK	(1)	80	(143)	–	–	**(64)**
Pavers Foundation	–	34	–	–	–	**34**
Total restricted funds	69	114	(191)	–	–	**(8)**
Total funds	**18,127**	**36,920**	**(35,127)**	–	**146**	20,066

Designated fund descriptions:

The building fund provides for maintenance of CIPD properties and for potential property projects. The trust fund has been established to promote access to the profession. The strategic initiatives fund is to provide for special initiatives identified by the board, which include growing membership, meeting the needs of leading members of the HR profession, growing the CIPD's offering internationally, payment systems and website improvements, and engaging more directly with employers.

The outstanding balance on the building fund is expected to be used over the next 10 to 20 years, though this is dependent on the nature and timing of any potential property projects. The outstanding balance on the trust fund and the strategic initiatives fund is expected to be used over the next five years.

Restricted fund descriptions:

JP Morgan Chase	To provide free employment and people management advice to small businesses
Timewise Mentor	To promote flexible working hours within the workplace
City & Guilds Refugee support	To provide match funded bursaries to support refugees gain access to the HR profession.
City & Guilds Future Skills	To provide programme funding in support of mentoring initiatives across HMPPS.
Innovate UK	Human resources advice and guidance is given to SMEs in the Midlands
Pavers Foundation	Funding to support over 50s access employment at Pavers.

At 30 June 2025, cumulative unrealised gains on investment assets of £2,349,000 (2024: £2,648,000) were included in the general fund.

Each of the designated funds is described in note 1(k).

During the year, £1,125,000 was transferred from the general fund to the pension reserve (2024: £1,000,000).

Expenditure incurred promoting the interests of CIPD members and the wider HR community working in Asia was funded during the year via grants totalling £653,000 (2023: £653,000) from the CIPD to CIPD Asia Ltd. The funding reflects the amount incurred to date in promoting CIPD activities in the region and is in accordance with expenditure authorised by the trustees under the existing grant approval policy.

Analysis of fund balances held on 30 June 2025

	General	Pension	Designated	Restricted	Total
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	5,881	–	–	–	**5,881**
Intangible fixed assets	1,152				**1,152**
Investments	15,307	–	1,367	–	**16,674**
Current assets	19,081	–	–	43	**19,124**
Current liabilities	(12,615)	–	–	–	**(12,615)**
Long-term liabilities	–	(7,542)	–	–	**(7,542)**
Fund balances on 30 June	28,806	(7,542)	1,367	43	**22,674**

12 Pension commitments

The Institute operated two separate occupational pension schemes during the year – the CIPD Group Personal Pension Plan and the CIPD Staff Retirement Scheme.

(a) CIPD Staff Retirement Scheme

The CIPD Staff Retirement Scheme is a defined benefit scheme which was closed to new entrants on 1 January 2010 and closed to accruals of new benefits from 30 September 2012.

The assets of the scheme are held separately from those of the Institute to meet long-term pension liabilities to past and present employees. The trustees of the scheme are required to act in the best interest of the scheme's beneficiaries and are appointed in accordance with the scheme's trust deed. Currently one-third of the trustees are member-nominated. During the year, Barnett Waddingham LLP acted as administrators and actuaries to the scheme. SEI Investments (Europe) Limited acted as investment advisers to the trustees during the year; they are also responsible for the management of the scheme's invested assets.

In accordance with the schedule of contributions agreed between the trustees and the Institute as part of the 1 October 2023 valuation, the Institute contributed £1,313,000 to the scheme over the year to 30 June 2025 (2024: £1,000,000) to address the past service deficit. Further contributions of £1,200,000 per annum are due to be paid in quarterly instalments of £300,000 until 30 September 2026. Thereafter, contributions of £1,270,000 per annum are due to be paid in quarterly instalments of £317,500 until 30 September 2027.

Additionally, the CIPD has an agreement with the trustees under which the scheme is granted a charge over the freehold property at 151 The Broadway to act as a contingent asset for the scheme.

Benefits accrued after 1 October 2006 were on a career average revalued earnings basis and will have limited price indexation of pensions in payment restricted to 2.5%. Prior to 1 October 2006, benefits were accrued on a final salary basis and active members paid contributions to the scheme. On this date the Institute implemented a salary sacrifice scheme and since then has paid all of the contributions – originally at a rate of 19.1% of pensionable salaries and from 1 October 2009 until 30 September 2012 at a rate of 17.6%. Of this, 6% represented the contributions that active members would have made were the salary sacrifice scheme not in place. Contributions in respect of benefit accrual ceased from 30 September 2012.

	2025 £'000	2024 £'000
The amounts recognised in the balance sheet were:		
Present value of funded liabilities	**35,041**	37,614
Fair value of scheme assets	**(27,499)**	(29,073)
Net pension liability at 30 June	**7,542**	8,541
The amounts disclosed in the balance sheet were:		
Liabilities	**7,542**	8,541
Net pension liability at 30 June	**7,542**	8,541
The amounts recognised in the statement of financial activities were:		
Interest on liabilities	**1,909**	1,887
Interest on assets	**(1,493)**	(1,518)
Total	**416**	369
Changes in the amounts recognised within other recognised gains and losses were:		
Actuarial (gain)/loss	**(290)**	1,714
Changes in the present value of the defined benefit obligations:		
Opening defined benefit liability	**37,614**	36,282
Interest cost	**1,909**	1,887
Actuarial (gain)/loss due to changes in assumptions	**(2,758)**	647
Actuarial (gain)/loss due to experience	**124**	162
Benefits paid	**(1,848)**	(1,364)
Closing defined benefit liability at 30 June	**35,041**	37,614
Changes in the fair value of the scheme assets were:		
Opening fair value of scheme assets	**29,073**	28,824
Interest on assets	**1,493**	1,518
Actuarial gain/(loss)	**(2,344)**	(905)
Employer contributions	**1,125**	1,000
Benefits paid	**(1,848)**	(1,364)
Closing fair value of scheme assets at 30 June	**27,499**	29,073

All the scheme's assets are invested in funds managed by SEI Investments (Europe) Limited. These are grouped into two pools – the Risk Management Pool and the Return Enhancement Pool. Each fund has a mandate to invest actively in such a way as is expected to outperform relevant benchmark indices.

The fair value of the scheme assets as a percentage of the total scheme assets was:

	30 June 2025	30 June 2024
Equities	**16%**	13%
Bonds	**50%**	48%
Alternatives	**23%**	29%
Annuities	**6%**	7%
Property	**3%**	3%
Cash	**2%**	1%

The returns on the scheme's assets over the years to 30 June 2024 and 30 June 2025 were £613,000 and £851,000 respectively.

	at 30 June 2025	at 30 June 2024
Rate of increase for pensions in payment	**2.80%**	3.00%
Discount rate for scheme liabilities	**5.70%**	5.20%
Rate of inflation (RPI)	**2.90%**	3.10%
Mortality table	**103% of S3PMA table for males and 98% of S3PFA table for females with CMI_2024 projections**	103% of S2NMA table for males and 98% of S2NFA table for females with CMI_2023 projections
2021 weight parameter		0%
2022 weight parameter		40%
2023 weight parameter		20%
Half-life parameter	**1.0**	
Initial rate addition	**0.00%**	0.00%
Period smoothing parameter	**7.0**	7.0
Long-term rate of mortality improvement	**1.25%**	1.25%
Life expectancy at age 65 (of male aged 65)	**21.8**	21.1
Life expectancy at age 65 (of male aged 45)	**23.1**	22.4
Allowance for cash commutation	**15% of pension taken as tax-free cash**	15% of pension taken as tax-free cash
Allowance for the cost of GMP equalisation	**Increase liabilities by 0.2%**	Increase liabilities by 0.2%

The sensitivities regarding the principal assumptions used to measure the scheme liabilities were:

Assumption	*Change in assumptions*	*Impact on scheme liabilities*
Discount rate	Increase/decrease by 0.5%	Decrease/increase by 7%
Rate of inflation	Increase/decrease by 0.5%	Increase/decrease by 4%
Life expectancy	Increase/decrease by one year	Increase/decrease by 3%

(b) The CIPD Group Personal Pension Plan is a defined contribution scheme which is open to all CIPD employees in the UK. The Institute more than matches the amount of employee salary sacrificed into the scheme up to a total combined contribution of 20% of salary. The scheme qualifies for the NAPF pension quality mark, with the 20% total contribution option qualifying for the PQM Plus standard – the highest available industry award for defined contribution schemes.

The pension cost charge for the year for this scheme was £1,314,000 (2023: £1,433,000).

(c) In addition to the above schemes, Personal Retirement Savings Accounts exist for staff working for the CIPD in Ireland.

The pension cost charge for the year for this scheme was £55,000 (2024: £47,000).

The pension costs charged in the Statement of Financial Activities for the defined contribution schemes represent contributions payable into the schemes in relation to the accounting period.

13 Obligations under operating leases

Group	2025 £'000	2024 £'000
The future minimum operating lease payments for land and buildings are as follows:		
Within one year	**76**	133
Between two and five years	**38**	157
	114	290

14 Related parties

In accordance with our Charter and Byelaws, board members are not able to profit from their position on the board.

There are no relevant related party transactions to report this year (2024: None).

15 Indemnity insurance

Funds are provided to protect the charity from loss arising from the neglects or defaults of its trustees, employees and agents. The cost of indemnity insurance in the year was £17,540 (2024: £17,032).

16 Capital commitments

At the year end, the CIPD was committed to digital capital projects totalling £0 (2024: £0).

17 Post balance sheet event

There are no post balance sheet events.

18 Incorporation

The Institute is incorporated by Royal Charter and therefore has no company registration number. The Institute is a charity registered in England and Wales, Scotland and Ireland.

Its charity registration numbers are 1079797, SC045154 and 20100827 respectively.

19 Prior year funds

Group	As restated Balance at 1 July 2023	Income	Expenditure	Transfers between funds	Gains and (losses)	As restated Balance at 30 June 2024
	£'000	£'000	£'000	£'000	£'000	£'000
General fund	26,384	47,286	(50,571)	(1,000)	2,168	**24,267**
Pension reserve	(7,458)	–	(369)	1,000	(1,714)	**(8,541)**
Net general funds	**18,926**	**47,286**	**(50,940)**	–	**454**	**15,726**
Designated funds						
Building fund	1,033	–	(111)	–	–	**922**
Trust fund	305	–	(106)	–	–	**199**
Strategic initiatives fund	3,210	–	(1,177)	–	–	**2,033**
Total designated funds	4,548	–	(1,394)	–	–	**3,154**
Total unrestricted funds	**23,474**	**47,286**	**(52,334)**	–	**454**	**18,880**
Restricted funds						
JP Morgan Chase	1	–	–	–	–	**1**
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	30	30	(60)	–	–	–
City & Guilds Future Skills	–	70	(4)	–	–	**66**
Innovate UK	(1)	31	(31)	–	–	**(1)**
Youth Future	15	20	(35)	–	–	–
Skillnet CIPD Ireland	49	248	(245)	–	–	**52**
Total restricted funds	97	399	(375)	–	–	**121**
Total funds	**24,774**	**47,685**	**(52,709)**	–	**454**	**19,001**

Institute	Balance at 1 July 2023	Income	Expenditure	Transfers between funds	Gains and (losses)	Balance at 30 June 2024
	£'000	£'000	£'000	£'000	£'000	£'000
General fund	26,403	33,132	(36,949)	(1,000)	1,859	**23,445**
Pension reserve	(7,458)	–	(369)	1,000	(1,714)	**(8,541)**
Corporation tax	–	–	–	–	–	–
Net general funds	**18,945**	**33,132**	**(37,318)**	–	**145**	**14,904**
Designated funds						
Building fund	1,033	–	(111)	–	–	**922**
Trust fund	305	–	(106)	–	–	**199**
Strategic initiatives fund	3,210	–	(1,177)	–	–	**2,033**
Total designated funds	4,548	–	(1,394)	–	–	**3,154**
Total unrestricted funds	**23,493**	**33,132**	**(38,712)**	–	**145**	**18,058**
Restricted funds						
JP Morgan Chase	1	–	–	–	–	**1**
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	30	30	(60)	–	–	–
City & Guilds Future Skills	–	70	(4)	–	–	**66**
Innovate UK	(1)	31	(31)	–	–	**(1)**
Youth Future	15	20	(35)	–	–	–
Total restricted funds	**48**	**151**	**(130)**	–	–	**69**
Total funds	**23,541**	**33,283**	**(38,842)**	–	**145**	**18,127**

Analysis of fund balances held on 30 June 2024

	As restated General	Pension	Designated	Restricted	As restated Total
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	6,200	–	–	–	**6,200**
Intangible fixed assets	2,552	–	–	–	**2,552**
Investments	15,155	–	3,154	–	**18,309**
Current assets	13,643	–	–	121	**13,764**
Current liabilities	(13,283)	–	–	–	**(13,283)**
Long-term liabilities	–	(8,541)	–	–	**(8,541)**
Fund balances on 30 June	**24,267**	**(8,541)**	**3,154**	**121**	**19,001**

20 Consolidated statement of financial activities for the year ended 30 June 2024

Consolidated statement of financial activities		As restated General fund	Designated fund	Restricted fund	As restated Total 2024
		£'000	£'000	£'000	£'000
Income from:					
Charitable activities To advance the management and development of people through:					
	Membership services and education	**32,199**	–	–	**32,199**
	Research	**285**	–	**399**	**684**
	Branches	**157**	–	–	**157**
Other trading activities					
	Commercial income	**14,429**	–	–	**14,429**
Investments		**215**	–	–	**215**
Total income		**47,285**	–	**399**	**47,684**
Expenditure on:					
Raising funds					
	Commercial expenditure	**(9,885)**	–	–	**(9,885)**
	Investment management costs	**(25)**	–	–	**(25)**
Charitable activities					
	Membership services and education	**(32,911)**	**(1,120)**	–	**(34,031)**
	Research	**(5,913)**	**(198)**	**(375)**	**(6,486)**
	Branches	**(2,206)**	**(75)**	–	**(2,281)**
Total expenditure		**(50,940)**	**(1,393)**	**(375)**	**(52,708)**
Net income/(expenditure) before gains and losses on investments		**(3,655)**	**(1,393)**	**24**	**(5,024)**
	Net gains/(losses) on investments	**1,859**	–	–	**1,859**
Net income/(expenditure)		**(1,796)**	**(1,393)**	**24**	**(3,165)**
Net incoming/(outgoing) resources before other recognised gains and losses		**(1,796)**	**(1,393)**	**24**	**(3,165)**
Other recognised gains/(losses)					
	Actuarial gains/(losses) on defined benefit pension scheme	**(1,714)**	–	–	**(1,714)**
	Gains/(losses) on revaluation of overseas subsidiaries	**309**	–	–	**309**
Net movement in funds		**(3,201)**	**(1,393)**	**24**	**(4,570)**
Reconciliation of funds					
Net fund balances brought forward as previously stated		**20,226**	**4,548**	**97**	**24,871**
Prior year adjustment		**(1,300)**	–	–	**(1,300)**
Net fund balances brought forward as restated		**18,926**	**4,548**	**97**	**23,571**
Net fund balances carried forward		**15,725**	**3,155**	**121**	**19,001**

The statement of financial activities includes all recognised gains and losses for the year.

We've been championing better work and working lives for over 100 years. We help organisations thrive by focusing on their people, supporting our economies and societies. We're the professional body for HR, L&D, OD and all people professionals – experts in people, work and change. With more than 160,000 members globally – and a growing community using our research, insights and learning – we give trusted advice and offer independent thought leadership. And we're a leading voice in the call for good work that creates value for everyone.

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THE CHARTERED INSTITUTE OF PERSONNEL AND DEVELOPMENT

England & Wales - Charity number 1079797

Accounts

CIPD

Making work *work*

Championing the professionals who make work *work* for people, organisations and communities



Annual Report and Accounts

Year ended 30 June 2024

NEW CAREER JOURNEY INITIATIVES

"CIPD membership has enabled me to make the most of my experience and fast track into a senior HR adviser position."

Mary Copsey, Assoc CIPD, Senior HR Advisor, Redwings Horse Sanctuary



STRONGER NETWORKS AND KNOWLEDGE EXCHANGE



"My CIPD membership helped me to move my career to the next level, build my professional brand and feel connected to a professional community."

Joanna Sopylo-Firrisa, Chartered MCIPD, Senior People & Culture Manager, All We Can

A GROWING PROFILE FOR THE PEOPLE PROFESSION

Media coverage increased by nearly 14% across the UK and Ireland, 60% across the Middle East and tenfold across Asia.

RIGHT TO REQUEST FLEXIBLE WORKING FROM DAY ONE ENACTED IN THE UK

"This new legislation will open up recruitment to wider talent pools and create fairer and more inclusive workplaces."

Peter Cheese, Chief Executive, CIPD

MORE PEOPLE PROFESSIONALS CHOOSE CIPD MEMBERSHIP

"With CIPD membership, I can use the credentials after my name, which anyone in the industry recognises. This has led to a promotion and increased remuneration and benefits."

Kirsty Ashman, Chartered FCIPD, Global People & Culture Director, ISS



TRUSTEES' REPORT | Highlights of our year

GROUP AFFILIATE SUBSCRIPTION LAUNCHED

"The CIPD's specialist knowledge and learning programmes ensure our people team have the tools they need to develop and make the right decisions for Asda colleagues."

Hayley Tatum MBE, CIPD Chartered Companion, Chief People and Corporate Affairs Officer, Asda

MORE MEMBERS BECOME CIPD TRUST MENTORS

475 people professionals supported 801 people to get in and get on in work.

FESTIVAL OF WORK: OUR BIGGEST AND MOST POPULAR EVENT EVER

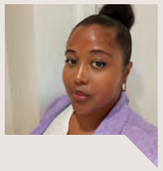
"Great day with the team at the CIPD Festival of Work. We heard some great talks and met some good potential partners to keep building on the success of the past few years. Onward and up!"

Keith Phillips, Chartered MCIPD, HR Director, Digital Media Services UK Ltd

POST-PROGRAMME ASSESSMENT OPENS UP MORE PATHWAYS TO CIPD MEMBERSHIP

"The CIPD programme was super enriching. It was great to have engaging discussions on diverse HR topics with peers and seasoned practitioners. I feel more confident and equipped with the people skills I need to deliver at work."

A Deloitte learner who completed the CIPD HR Assessed Development Programme



MORE BARRIERS TO GOOD WORK TACKLED THROUGH MENTORING

"I feel I've gained even more through mentoring than through studying and working. It allows you to ask questions that reveal the potential that someone from a different lived experience can bring."

Hoda Ali, Assoc CIPD, Head of Human Resources, The Elders Foundation, and CIPD Trust mentor

Contents

Trustees' report



Foreword 7

Reflections from our president, board chair and chief executive

Championing change 7
Championing professionalism 8
Championing better work for all 9



About us 11

We're the CIPD – the voice, the standard and the partner for the people profession

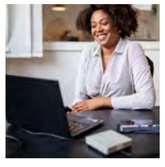
Our purpose, our vision, our priorities 11
Where we work 12
Our key results 14



Making membership work 17

We're the professional body for HR, L&D and OD – strengthening, connecting and growing the people profession

Meeting our members' expectations 17
Strengthening our communities 19
Celebrating professionalism 20



Making learning work 23

We're the career partner for the people profession – growing the expertise of our members and our wider community

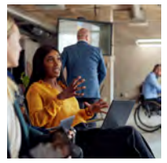
Championing learning 23
Sharing learning 24
Recognising learning 26



Helping organisations work 29

We're the business partner for organisations – building and endorsing the capability of people professionals and teams

Forging professional partnerships 29
Developing professional capability 31
Celebrating professional commitment 32



Helping communities work 35

We're the advocates of better work for all – harnessing the knowledge, expertise and talents of the people profession

Raising our professional profile 35
Calling for skilled, healthy and fair work 36
Tackling the barriers to better work 40



Making the CIPD work for all 43

We're a business and an employer – growing as a sustainable, future-fit organisation

Sustainability in all the ways we work 43
Protecting our environment 44
Nurturing our people and culture 46
Securing good governance 52
Managing our finances 59
Mitigating our risks 62

Independent auditor's report **66**

Financial statements **72**

TRUSTEES' REPORT | Foreword

Foreword

Reflections from our president, board chair and chief executive

Championing change

It's a vast understatement to say that the people profession has faced a testing time in recent years. All over the world, we're working through some of the most uncertain and changeable times we've experienced. Our societies are responding to geopolitical tensions, sustainability challenges, economic pressures and technological advances – long-term disruptions that require transformation. Our organisations are revisiting their business and operating models, to ensure survival and set the conditions to thrive in an ever-changing business context. And our profession is adapting to these big-picture changes alongside the pressing challenges of skills shortages, inflationary pressures, cost-of-living crises and new ways of working.

For our profession, this is a time of opportunity as well as immense challenge. And we're seeing greater recognition of the strategic value of our profession. We're winning the argument that business strategy is incomplete without people strategy. We're being invited to play a central role in determining how technologies like AI impact jobs, skills and people effectively and responsibly. We're hearing many more discussions about our vital role as enablers of change.

We want to grow our impact on individuals, organisations, communities and wider society. To do so, we need to increase our reach and influence. And we are thrilled that, this year, our global community of members has reached a landmark 162,000. More than ever our organisations and societies need the agility and resilience that are core to the everyday work of our profession.

> "Our professionalism makes a tangible difference at work every day. If people are an organisation's greatest 'asset', then employers need to trust that their people team has the right skills and commitment to professionalism."

Championing professionalism

Making work *work* is a big responsibility. That's why we're here: to support professional learning and development; to champion professional practice; to champion our members and the positive impact they have in the world of work.

We're helping our communities *work* by calling for bolder and broader industrial strategies that drive skills, innovation, business support, digital adoption, green transition and labour market regulation. In the UK, our Manifesto for Good Work positions the people profession at the heart of the skilled, healthy and fair work that boosts growth and productivity. We've campaigned for a vision and policies for skills that are supportive of all, especially young people. And the CIPD Trust is harnessing the power, skills and experience of people professionals to tackle barriers to work and make our workplaces more inclusive for everyone.

We're helping our organisations *work* by inviting people professionals to explore how our Good Work Index can measure and enhance job quality in their workforces. We're working with teams to define, build and sustain HR capability and agility. Our People Development Partners have reached a total of 22 this year. And we're supporting our profession at the highest level by providing our members with guidance on how to find their first director role and deliver impact, quickly and effectively.

We're making your learning *work* by encouraging and recognising learning, wherever it happens. We continue to produce high-quality learning content, resources, networking groups and events, encouraging our members to share their experiences and learning. We're opening up more pathways for people professionals to count their learning towards membership. And we're working with employers, study centres and universities across more countries.

> "We want people professionals and their organisations to see us as the partner who will help them work through emerging challenges and opportunities with competence, confidence and credibility."

We're making your membership *work* by listening, learning and responding to our members' changing needs. We're making it easier for members to find the learning, resources and insights they need. We're inviting HR and business leaders to share their insights through our new podcast series. We're building on pockets of great practice across our branches, special interest groups, the HR Leaders' Network, and online communities. And we're strengthening the connections between these communities and our expert teams. We're earning our members' trust as their lifelong career partner.

Championing better work for all

It's an exciting time for our profession. You do important work in a career to be proud of. You understand that people make the difference – when we put people first, our organisations can transform, our economies can grow, and our societies can thrive.

You know how to **make work *work*** – for your people, your organisation and your community. But it's tough. Championing better work and working lives requires courage and clarity. That's why we continue to share insights and resources, informed by our members' experiences.

> "This is a real opportunity to let our professionalism shine, collaborate with others and develop our skills so we can play a critical role in shaping the jobs of the future."

This year, we've focused on offering guidance on the ethical, inclusive and effective use of AI at work. We're responding to the 'anti-woke' pushback, helping our members demonstrate how equality, diversity and inclusion (EDI) widens recruitment channels, drives innovation, reflects customers and communities, and sustains cultures where people can give their best. And, through the CIPD Trust, we're providing more opportunities for our members to engage in helping people get in and get on – in work and in the people profession.

Above all, we're listening to our members' feedback. We're tuning in to what you need, when you need it, and how we can make it more accessible to you. What we learn from you is shaping our approach as the voice, the standard and the partner for our profession. We are proud to have won 'Best Professional Membership Organisation' at the 2023 Memcom Excellence Awards, as well as 'Best Lobbying Campaign' for #Flexfrom1st, our influential call for flexible work rights.

In the coming year our members can expect more from us: more mentoring opportunities; more support with continuing professional development; more connections across our networks; more advisory groups to steer our voice and priorities; more timely commentary and advice; and more dedicated support from our experts.

We want everyone in our community to feel the value of professionalism. We want you to feel that we're your professional home, your career partner and your biggest advocate. We will continue to champion you, as you champion better work and working lives.



Baroness Ruby McGregor-Smith, CBE
President



Valerie Hughes-D'Aeth,
Chair of the Board



Peter Cheese,
Chief Executive



About us

Our purpose, our vision, our priorities **11**
Where we work **12**
Our key results **14**

TRUSTEES' REPORT | About us

About us

We're the CIPD – the voice, the standard and the partner for the people profession

Our purpose

Championing better work and working lives

This has been our purpose since we were founded, in 1913, by a group of people responsible for the wellbeing of factory workers. We stay true to our purpose because we know organisations thrive when we put people first – and because thriving, responsible organisations lead to stronger economies and societies.

Our vision

A world where work creates value for everyone

We foresee a time when the barriers to work are removed. When workplaces are inclusive and fair. When people can improve their skills, raise their confidence and reach their potential.

Our community makes this vision possible. Our members and partners – experts in people, work and change – are uniquely placed to improve working lives. Together we'll make work better for everyone.

Our priorities

Growing our impact on work and working lives

We're the professional body for HR, L&D, OD and all people professionals – with over 162,000 members globally and a growing community using our research, insights and learning.

We call for better work through constant dialogue with governments, our partners and our community. We forge relationships with employers and experts to progress our good work agenda. We influence policy and practice. We share research, guidance and thought leadership.

We want to grow our impact on individuals, organisations, communities and wider society. This aspiration underpins our growth strategy and current priorities to:

- deliver social impact by tackling the barriers to better, inclusive work
- increase our reach and influence, united by one brand
- embed a customer-first mindset and strategy
- improve how we operate as a business
- enable our people to be their best.

TRUSTEES' REPORT | About us

Where we work

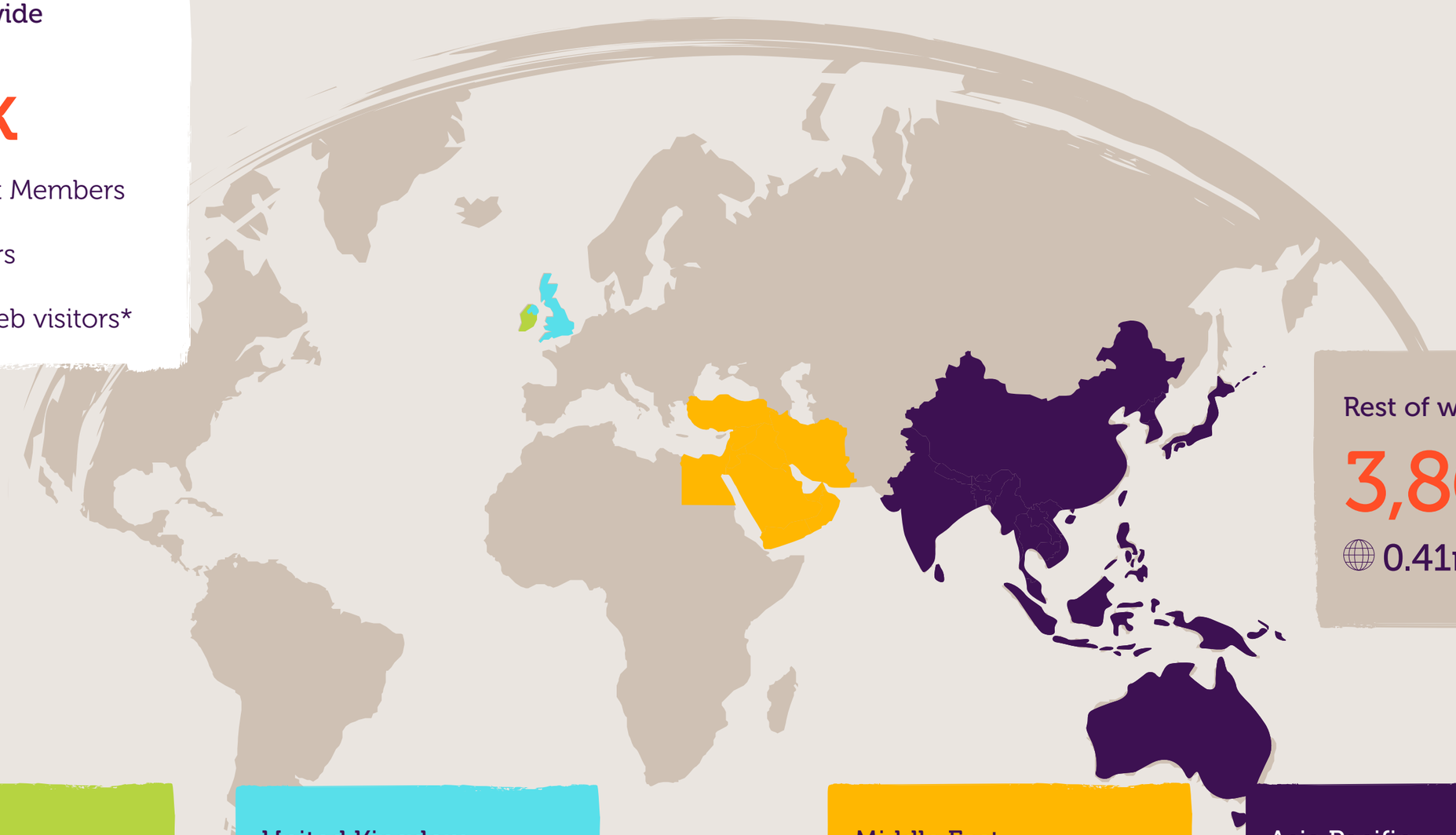
Total worldwide membership

162k

38k Student Members

43k Learners

3.3m Web visitors*



Ireland

5,434 members

0.11m web visitors

United Kingdom

143,057 members

2.32m web visitors

Middle East

7,763 members

0.16m web visitors

Asia Pacific

2,075 members

0.27m web visitors

Rest of world

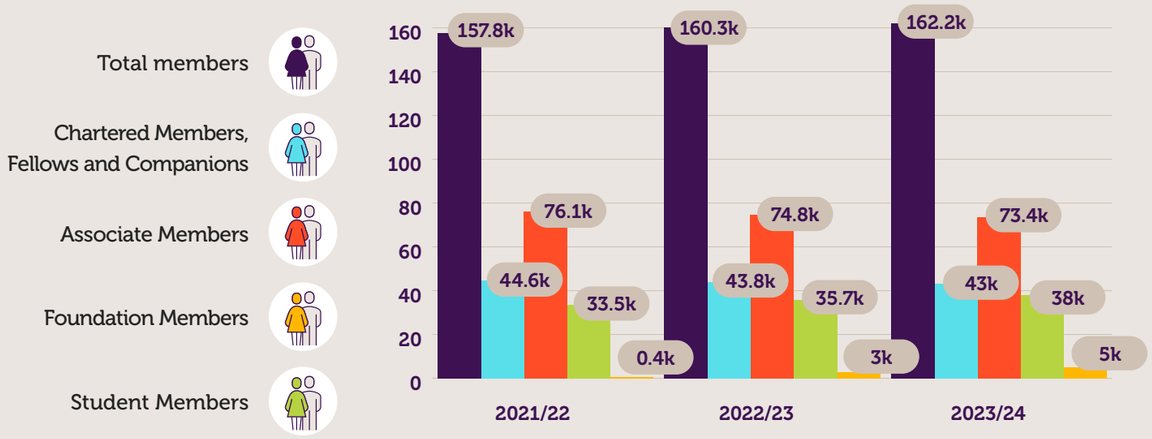
3,860 members

0.41m web visitors

*Total users across all CIPD websites, excluding People Management, from 1 July 2023 to 30 June 2024.

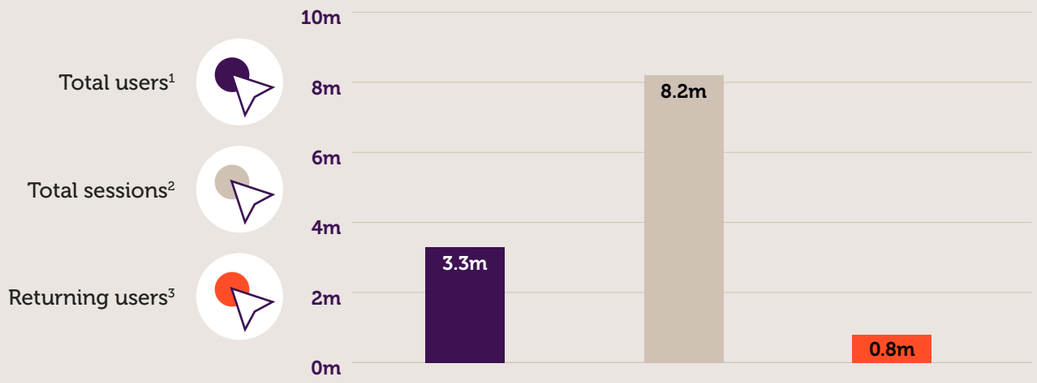
Our key results

Membership



Nearly 3,000 Affiliates and Academics are also part of our community.

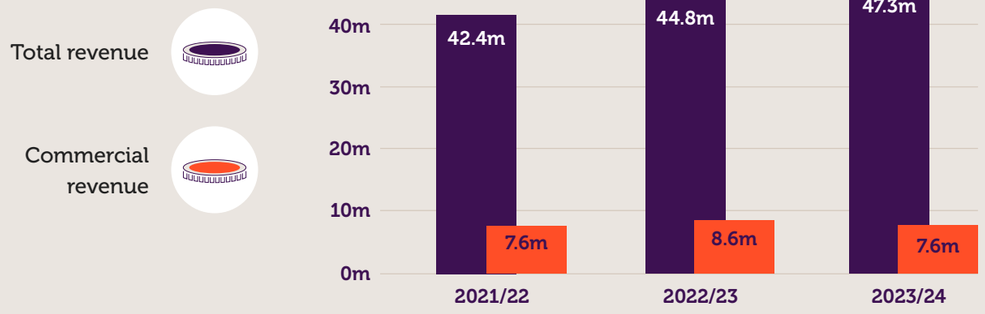
Website reach and engagement



These figures reflect the first full year of our new website and the introduction of Google Analytics 4 to measure reach and engagement. This means we're not able to reliably compare our performance with previous years. We're already working to make it easier and more compelling for people to engage with our content on a regular basis. We'll be able to report progress against these baseline figures in future reports.

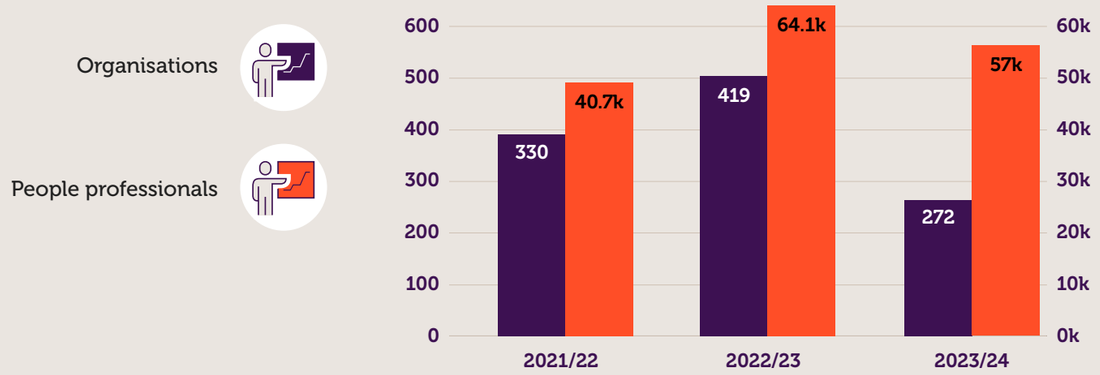
1 The number of unique users who have interacted with our websites, from 1 July 2023 to 30 June 2024.
2 The number of individual sessions initiated by users, from 1 July 2023 to 30 June 2024.
3 The number of users who visited our websites before 1 July 2023 and then returned between 1 July 2023 and 30 June 2024, or who visited and returned to our websites between 1 July 2023 to 30 June 2024.

Revenue (£)



For information on our revenue, read the later sections **Managing our finances** and our **Financial statements**.

Employer partnerships



To learn more about our partnerships, read the section on **Helping organisations work**.



Making membership work

Meeting our members' expectations 17
Strengthening our communities 19
Celebrating professionalism 20

TRUSTEES' REPORT | Making membership work

Making membership work

We're the professional body for HR, L&D and OD – strengthening, connecting and growing the people profession

Meeting our members' expectations

Championing better work and working lives is a big responsibility. Our organisations and societies need more professionals doing this vital work. This year we are thrilled that our community of members has reached a landmark 162,000. And we've taken significant steps to increase the value people professionals get from being part of our community.

How we listen

We continue to survey members annually, gathering valuable data and following up with interviews and focus groups throughout the year. This insight helps us understand our members' different needs and changing expectations at key points in their careers. It helps us see where CIPD membership adds most value – and where there are gaps that we need to fill.

We're doing more to anticipate the issues that people professionals face and foresee. We're asking our members about their challenges and insights more frequently. And we're connecting their responses to data and insight from our experts across the CIPD.

What we're learning

We know that people professionals find membership invaluable at the start of their careers. They welcome the support we offer to get their careers started. But some members aren't aware of how we can support them as their career progresses. This is reflected in our membership, with numbers growing significantly in student and foundation grades and falling slightly across our chartered and associate grades.

How we're responding

We want people professionals to expect great value for their membership fee. That means responding to their changing experiences at every step on their career journeys.

Our new CIPD website, launched last year, makes it easier for people professionals to find all the learning, resources and insights they need. We've added podcasts and curated content on key topics like AI, so we can offer bolder, more timely advice. And we've started work to make the digital experience more personal, so our members can access what they want, when they want it.

We also know that the communities created by and for our members cement the CIPD as their professional home. We're building on pockets of great practice across our branches, special interest groups, HR Leaders' Network, and online communities. We're creating more consistent experiences for our members and strengthening the links with our expert teams.

All of this work forms the first part of a bold, multi-year plan that will see us significantly boost the value we offer to our members.

> The CIPD has been a trusted friend, walking alongside me in my career. My membership is as important to me now as it was 20 years ago."
>
> **Janine Mayor**, Chartered FCIPD, Talent and Development Manager, Ogier



Strengthening our communities

We want to create an ever-more diverse and inclusive profession – one that supports, champions, engages and connects people professionals at every stage in their career journey.

Promoting careers in the people profession

This year we've joined forces with Springpod to introduce young people, from age 13, to the people profession. With more than seven hours of online content, the HR Career Insights programme offers a comprehensive overview of HR roles, career pathways and essential qualifications. Webinars, activities and quizzes showcase HR and the keys to bringing out the best in people.

Supporting our members' career journeys

Our qualifications, learning and knowledge hub help our members get started in their careers and stay up to date. This year we're providing more member-exclusive content. And we're doing more to tailor learning, resources and support to our members' career progression.

We've refreshed and streamlined our email newsletters, making it easier than ever for members to keep up to date with our latest insights, news and events. We're piloting new ways to support and audit continuing professional development to boost our members' credibility and career success. And we've recently launched HR People Pod, our popular fortnightly series that shares HR and business leaders' insights on key issues.

Listen to HR People Pod at
cipd.org/people-pod

We are a community of learning and career experts. Our member-to-member mentoring scheme continues to benefit mentors and mentees alike. We're piloting a new mentoring platform that helps our members build the right connections for them. In Malaysia we've launched a programme to mentor the next generation of senior and board-level HR leaders. And in the Middle East we're launching our first mentoring programme, producing resources that support career development, personal branding and community contribution.

Harnessing the power of our profession

The strength of our global community lies in its diversity, talents and generosity. This year, 475 of our members volunteered with the CIPD Trust, supporting 801 people to get in and get on in work and in the people profession. Our members also volunteer in our local branches, share their experiences in our specialist networks and policy forums, and contribute to discussions in our online community. This year our expert teams are connecting more with our communities, learning directly from our members and sharing good practice across our profession.

> For over 20 years, the CIPD has been the constant in my career and my longest-standing professional relationship. I have used the CIPD to improve professionally and to benefit the organisations and people I have worked with."
>
> **Kirsty (Wigglesworth) Koen**, Chartered FCIPD, Group Chief HR Officer, IDS Borjomi International



Celebrating professionalism

Balancing good business performance with good work is complex. It's a career to be proud of. We continue to celebrate our members' professionalism and raise their public profile and influence.

Our HR Leaders' Network

Over 400 HR leaders contribute to our wider community in valuable ways. Their experiences inform our research, evidence reviews and public policy campaigns. Many are stepping forward as guest speakers, sharing their insights on key issues and trends in our new HR People Pod series. And, this year, around 25 HR leaders have been mentoring participants in the CIPD Trust's Aspiring HR Director programme and members of the Black Women in HR community.

Feedback from network members has informed changes to our events, products and services. In response to technology changes and the increase in HR leaders' operational responsibilities, we've curated more resources on AI regulation, technology implementation and skills requirements. This year we've hosted eight face-to-face events and 17 online events.

Browse our AI resources at cipd.org/ai

"Being part of the CIPD HR Leaders group enables me to build great professional relationships, gain fresh perspectives and stay ahead of trends shaping the future of our profession."

Andrea Gordon, Chartered FCIPD, Group Director of People and Culture, Peabody



TRUSTEES' REPORT | Making membership work

Our HR award ceremonies

This year, our members tell us they are being asked to do more with less at all levels in their organisations. Our annual award ceremonies celebrate the valuable work people professionals do, recognise excellence in our community and shine a spotlight on the individuals, teams, initiatives and strategies that champion better work and working lives.

We received a record number of entries to our People Management Awards this year, as well as awards in Ireland, Northern Ireland, Wales and the Middle East.

Our Code of Conduct and Ethics

As a requirement of our Royal Charter, our Code of Conduct and Ethics protects the interests of the public and the reputation of our profession. A pool of trained volunteers supports the CIPD in considering alleged breaches of our code. This year:

- we received 151 complaint enquiries about CIPD members
- the code attracted 23,890 page views.

Learn more at cipd.org/code-cases



Making learning work

Championing learning 23
Sharing learning 24
Recognising learning 26

TRUSTEES' REPORT | Making learning work

Making learning work

We're the career partner for the people profession – growing the expertise of our members and our wider community

Championing learning

We want people professionals to have the knowledge, expertise, confidence and credibility to make their greatest impact. And learning makes that happen. This year we've done more to help people professionals explore, learn and reflect.

Explore

We continue to provide tools that equip people professionals to take responsibility for their learning. Our self-assessment tool, available on the CIPD Learning hub, helps people map their capabilities against the Profession Map, our international standards for the people profession. They can then identify gaps in their knowledge and receive tailored learning recommendations.

Learn about our self-assessment tool at cipd.org/self-assess

Our biannual review of the Profession Map keeps our standards future-fit and relevant in response to new priorities, opportunities, specialisms and roles.

Explore this year's Profession Map updates at cipd.org/map-updates

Learn

We continuously update and add to the content on the CIPD Knowledge hub. Among the 200 new resources we've added this year, highlights include our new podcast series, HR People Pod, and curated content on AI at work and HR operating models. We've published a report and guide on neuroinclusion. We've provided case studies and guidance for members on advancing your career to director level.

This year we've added 17 new courses to the CIPD Learning hub. Eight new Essential Insights, free to members, cover key topics including managing long-term absence and using AI responsibly in the workplace. We've launched an accredited programme on EDI, for individuals or people teams. And we're finalising a new accredited programme on wellbeing.

Explore our learning programmes at cipd.org/learninghub

Reflect

A commitment to continuing professional development (CPD) is a vital part of being a CIPD member. And we know learning is ignited by any experience, planned or unplanned, that develops good practice. Within the CIPD Learning hub, we encourage people to use 'My Learning Plan' and 'My CPD Records' to manage and reflect on their learning. This year, with input from our members, we're piloting a new online approach to auditing CPD. By reviewing the impact of members' learning and offering feedback, we're improving how we enable all members to keep developing throughout their career.

Sharing learning

People professionals are experts in learning, growth and change. And they are generous – ready to support their peers. This year we're doing more to celebrate and strengthen our community connections and the ways our members share their experiences and learning.

Our global connections

Our Annual Conference and Exhibition in November 2023 tackled the big questions facing our profession. We trialled two new features in our free sessions: an ethics workshop with mock tribunals, and 'Evidence Labs' bringing practice-based research findings to a standing-room-only exhibition floor. In June 2024, 11,500 people accepted our invitation to 'come curious, leave inspired', making this year's Festival of Work our most popular in-person event ever.

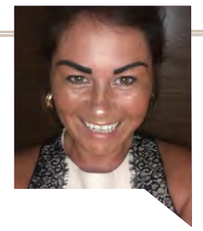
Our annual events have become the home for international knowledge exchanges, bringing groups of HR professionals together to learn about HR practices across their countries. Our team in Singapore is a great example, hosting a regional knowledge exchange and bringing together global HR associations and leaders as a key knowledge partner at this year's World HR Congress.

Our local networks

Our conferences in the Middle East, Asia, Ireland, Northern Ireland and Scotland, and our roadshows across Wales, together welcomed a record 2,500 participants this year. We also offered one-day, topic-based conferences, with change management, wellbeing at work, and talent management and workforce planning proving the most sought-after subjects.

We support a community of learners across our nations and regions. Our teams and volunteers around the world continue to bring people professionals together to network, organise learning events, share experiences and contribute their insights to our public policy campaigns. This year we are doing more to strengthen the connections between our communities and our expert teams.

> "The CIPD's events and networking opportunities have been instrumental in my career progress. Connecting with seasoned people professionals and peers has kept me informed about the latest trends in HR."
>
> **Laura-Jayne Carroll**, Assoc CIPD, HR Adviser, Sierra Nevada Corporation Mission Systems UK



Our online community

In January we celebrated the 20th anniversary of our growing CIPD online community. Supporting over 20,000 people in the last year alone, it's a place to learn, debate and connect with other professionals. This year four members joined the volunteer team supporting the community. And in May we launched an update to our latest CIPD Community app, enabling members to access blog posts, connect and message each other.

Explore the CIPD Community at cipd.org/community

Recognising learning

Learning sustains professionalism. We encourage and celebrate learning, wherever it happens. And we continue to open pathways for people professionals to count their learning towards professional membership.

More routes to membership

This year over 24,000 people registered onto a CIPD qualification in one of our 175 study centres. Our 100-plus university partners saw over 4,600 students start a CIPD-accredited degree. We've reviewed our qualifications, aligning them with Profession Map updates and simplifying their structure. We've worked closely with our study centres to enhance our students' experiences, develop assessment and feedback approaches, and ensure more consistent learner outcomes and quality assurance. And our new videos, guiding learners through our qualifications, have proven very popular.

We're expanding our routes to membership for those who are learning while working. This year, we've trialled post-programme assessment for people professionals undertaking our tailored development programmes selected by their employers. We've worked closely with employers, apprentices, training providers and our networks, championing apprenticeships and providing end-point assessment for levels 3 to 7. And we've developed resources, videos, guidance and personalised feedback to support apprentices and training providers. This year we saw the first assessments come through for people undertaking the Level 7 Senior People Professional apprenticeship as their route to Chartered Membership. And we introduced a new category, 'Outstanding HR or L&D Apprentice Award', at our annual People Management Award ceremony.

More locations for learning

Learners studying a CIPD qualification or a CIPD-accredited university degree came from over 130 different countries this year. Our Arabic-language Foundation Certificate in People Practice, launched last year, is now available through six carefully selected study centres across the Middle East. We've partnered with two learning providers to bring our customised learning to organisations: HNI in Saudi Arabia and The OD Company in Qatar. And seven new universities met our accreditation standards this year: Atlantic Technological University in Ireland, Bahrain Polytechnic, the University of Doha for Science & Technology, Swansea University, the University of Aberdeen, the University of Bath and the University of Law in England.

TRUSTEES' REPORT | Making learning work

> "What I like about my CIPD membership is the recognition I get for my depth and experience in my specialism."

Benjamin Cazin, Chartered FCIPD, IS Training Manager, General Medical Council





Helping organisations work

Forging professional partnerships 29
Developing professional capability 31
Celebrating professional commitment 32

TRUSTEES' REPORT | Helping organisations work

Helping organisations work

We're the business partner for organisations – building and endorsing the capability of people professionals and teams

Forging professional partnerships

For many years we've collaborated directly with public and private sector organisations, connecting their strategic priorities and the development needs of their people teams. This year we've focused our resources so we can build long-term relationships. By partnering with fewer organisations, 272 this year, we've made a difference for 57,000 people professionals who serve around 2 million people. These examples illustrate the significant impact on work and working lives that can follow from strengthening the capability, confidence and credibility of people professionals.

Elevating HR capabilities in stc Group

stc Group provides mobile, data, telecommunication and digital entertainment services in the Kingdom of Saudi Arabia and across the Middle East, North Africa and Europe. Our partnership focuses on strengthening the group's people teams, providing qualifications, resources, assessment, guidance and consulting services. stc Group participates in HR, leadership and people development events and commits to supporting joint research and regional insights. Together we are helping stc Group align its HR framework with our Profession Map, enabling its people professionals to achieve professional recognition and community through membership.

Professionalising HR across the civil service in Ireland

The Department of Public Expenditure, National Development Plan Delivery and Reform drives better public services, living standards and infrastructure for the people of Ireland. This year we forged a partnership with its Public Service Workforce Division to professionalise HR across the civil service. Our work began with a full review of the people function and its policies. Our People Impact Tool gave the team feedback on its strengths, areas for development, impact and readiness for future challenges. This provided the vital starting point for work on their HR capability framework and learning priorities.

Enhancing working lives within Aramco

Aramco is one of the world's largest integrated energy and chemicals companies. Our pledge to work collaboratively aligns with the ambitious Saudi Vision 2030, to shape excellence and innovation in the workplace. We are participating together in regional and global HR events, research and knowledge exchange. And our partnership develops the competencies of Aramco's people professionals, in line with our Profession Map, through tailored training programmes, CIPD qualifications and assessments.

"We are delighted to be partnering with the CIPD to advance HR practices and innovative workplace solutions in the Irish Civil Service. This partnership underlines our commitment to developing well-equipped HR teams, offering employees a strong foundation for their professional growth, and fostering a professional and agile workforce."

Shirley Comerford, Chartered FCIPD,
Head of Public Service Workforce Division,
Department of Public Expenditure & Reform, Ireland



Developing professional capability

As organisations continue to face economic uncertainties, they need their people teams to be future-fit and operating at the highest standard of professionalism. We've responded, developing new services that support career-long professional development for individuals and teams.

Recognising experience at every level

We recognise the experience that people professionals gain at every stage of their careers. Our Experience Assessment process has opened up membership to senior people professionals in many of our partners, including the NHS, NatWest and the civil service in the UK and Ireland. We've also continued to offer Experience Assessment at scale, supporting team reflection alongside opportunities for individuals to reflect on and demonstrate their knowledge and capability.

Assessing capability at every stage

Many of the organisations ask us for tailored development programmes for their people professionals and teams. We respond with programmes that meet specialist needs, including employee relations, strategic workforce planning, organisational design, and learning and development. This year, we've trialled the offer of post-programme assessment with HMRC and Deloitte, opening up more pathways to membership for people professionals.

"I recently undertook the CIPD's Experience Assessment with my team. It was a memorable experience that helped us learn more about ourselves, how we interact as a team and how we can focus on the impact we have on the wider organisation."

Julia Stanton-Powell, Chartered FCIPD,
Head of the International Academy (MENAAP), Foreign, Commonwealth and Development Office



Removing barriers to professional learning

This year we've created a Group Affiliate subscription. It includes business-wide access to a wealth of expert content and support for people teams, including CIPD insights, research and learning. As a founding member, Asda have signed up for our Group Affiliate subscription, enabling over 300 people professionals to access all our resources with no barriers to entry.

Celebrating professional commitment

Some organisations commit to working towards CIPD People Development Partner status. By doing so, they support and value their people professionals and invest in their learning and accreditation. Achievement of People Development Partner status demonstrates an organisation's determination to embed and sustain world-class people practices.

NHS England and Ciphr are the latest organisations to achieve this prestigious recognition, taking our total of People Development Partners to 22.

Transforming the people team serving the UK's largest workforce

People Development Partner status celebrates the dedication of NHS England to transforming its people teams across its 1.4 million-strong workforce. Its work includes developing the NHS People Profession Map, defining the values, knowledge, and behaviours that its people professionals demonstrate as experts in people, work, and change. It has introduced a new apprenticeship framework that includes all levels of HR and L&D employees, providing an additional route into the profession. And, so far, over 250 NHS people professionals have embarked on our accredited programmes in strategic workforce planning and equality, diversity and inclusion. An increasing number are completing Experience Assessments, demonstrating their knowledge, skills and behaviours and gaining professional membership in recognition of their expertise.

> "We're delighted to have achieved CIPD People Development Partner status, showing our commitment through our customised NHS People Profession Map, training, accreditation and apprenticeship framework. We're already seeing positive outcomes, advancing our ongoing journey to better support our people and meet the needs of our communities."
>
> **Thomas Simons**, CIPD Chartered Companion, Chief HR & OD Officer, NHS England



Recognising a provider serving the HR community

Ciphr, provider of HR, payroll, learning and recruitment software to people teams, achieved People Development Partner status by using the Profession Map to align its HR practices and outline the skills, experience and knowledge needed for distinct roles. We supported their rollout of masterclasses on key topics including how to keep pace with AI and technology, the importance of evidence-based practice, and creating an accountable learning and development culture.

> "Aligning our practices with the CIPD Profession Map, supporting qualifications, and promoting continuous learning will help us ensure excellence and growth within our team and organisation."
>
> **Claire Williams**, Chartered FCIPD, Chief People and Operations Officer, Ciphr





Helping communities work

Raising our professional profile 35
Calling for skilled, healthy and fair work 36
Tackling the barriers to better work 40

TRUSTEES' REPORT | Helping communities work

Helping communities work

We're the advocates of better work for all – harnessing the knowledge, expertise and talents of the people profession

Raising our professional profile

With our expertise in people and work, our profession is uniquely placed to create change. We boost skills and productivity in our organisations. We tackle barriers to work in our communities. We influence public policy in the UK and Ireland and raise awareness to bring about better work across our regions and nations.

Staying in the spotlight

We've increased our media coverage by nearly 14% across the UK and Ireland, 60% across the Middle East and tenfold across Asia. We've achieved this by producing commentary and reports that are relevant to local regions, address national issues, and respond to HR and business issues.

We've focused on ways to spotlight the vital role of HR and people professionals, partnering with the *Independent* and *Business Reporter*'s 'Best of British Business' campaign. And we've broadened our social media reach, boosting our global LinkedIn followers, engagement and impressions, and launching on Instagram in Ireland and Asia.

Positioning our expertise

For many years we've made the case for HR leadership at the highest level, to guide organisations through the strategic and complex people issues they face. This year, with insights from UK senior leaders and headhunters, we've created resources that help members find their first non-executive director role and deliver impact, quickly and effectively.

Learn about advancing to non-executive director at cipd.org/hrd-to-ned

Access our factsheet at cipd.org/ned-factsheet

> "You're looking at the health of the whole organisation agenda. Your job is to try to challenge, to stimulate, to act as a critical friend."
>
> **Louise Wilson**, Chartered FCIPD, Non-executive director, adviser and mentor

Leading on global issues

Through our HR networks, our national and regional policy forums, and our annual international People Profession survey, our members' views contribute to our public policy positions.

Having hosted a roundtable discussion in November 2023 on the impact of AI at work, in February we initiated the formation of three working groups to bring together policy-makers, members of our HR Leaders' Network, Microsoft UK's chief digital officer and HR director, technologists, legal professionals, academics, Acas and BCS, the professional body for IT. The working group's priorities include reviewing change management strategies for AI adoption, developing AI skills training for HR professionals, and establishing an AI ethics board to guide the responsible use of AI at work.

Read about our AI working groups at cipd.org/ai-working-groups

Calling for skilled, healthy and fair work

In September 2023, ahead of the UK's party-political conferences and in anticipation of the general election, we launched our Manifesto for Good Work. Focused on three key themes – skilled work, fair work and healthy work – the manifesto makes the case for a joined-up, long-term workforce strategy. It calls for critical changes to UK public policy. And it highlights the key role and expertise of the people profession in support of a broader, bolder vision for economic growth.

Read more at cipd.org/good-work-manifesto

Skilled work

Our review of skills policy across the four UK nations in October 2023 revealed that the Apprenticeship Levy, introduced in 2017, had failed to reverse the decline in employer training. Investment in training per employee and apprenticeship starts had dropped since the levy's introduction, especially in the small businesses that stand to gain most from hiring apprentices.

Our survey of more than 2,000 organisations, in partnership with Youth Futures Foundation, revealed that the current levy system was failing to support young people to enter the workforce.

We were encouraged to see the Labour Party manifesto adopting our recommendations to:

- introduce an Apprenticeship Guarantee to ensure a Level 2 or Level 3 apprenticeship is available for every qualified young person aged up to 24
- reform the Apprenticeship Levy into a flexible skills levy, with at least 50% of funding ringfenced for apprenticeships for young people and the remainder for accredited training.

Read more at cipd.org/skills-levy

Our public policy team ensures that our recommendations draw on insights from research, employment law and good workplace practice across our community. This year, our work on skills policy in Ireland and Northern Ireland stands out.

Prior to the restoration of the Northern Ireland Assembly and Executive in February this year, we joined the Northern Ireland Skills Council, an advisory body of business, trade union, community and voluntary sector representatives committed to tackling the nation's high rates of working-age inactivity, low qualification levels, low productivity and low median wage levels.

With Ireland's Sustainable HRM Skillnet, we've developed the *Sustainable people practices framework*. People teams can adapt the framework to deliver sustainable workforces, people practices, cultures, governance and communities.

Read our most recent updates on the UK Government's Make Work Pay plan at cipd.org/make-work-pay-plan

Healthy work

Now in its 23rd year, our *Health and wellbeing at work* survey, supported by Simplyhealth, revealed the highest employee sickness absence figures in 15 years. Our report, *Health and wellbeing at work 2023*, recommended that organisations provide variable support throughout the employee lifecycle, focus on stress and mental health support, and evaluate activities, employee survey data and behaviour to improve outcomes.

Learn more at cipd.org/hwb

We kept up our call for urgent public policy reform on health and wellbeing, including:

- the implementation of a national occupational health service, subsidised for small organisations
- investment in good people management as a key resource in supporting mental health and stronger enforcement of employers' obligations
- reform and enhancement of Statutory Sick Pay in line with the National Living Wage
- nomination of a national director of work and health as part of an employer-led campaign to improve health at work outcomes.

Read more at cipd.org/long-term-sick

Fair work

Across the UK, our businesses and public sector can do more to make the most of the skills and potential of our diverse workforce. People professionals face this challenge and others around employee wellbeing, productivity and labour market participation. Our calls for policy change draw on the rich experiences and insights of people professionals across our global community.

Having launched our award-winning #Flexfrom1st campaign in 2019, in April 2024 we welcomed the Flexible Working Act coming into force in the UK. Millions of British workers now have the legal right to request flexibility over where and when they work. Together with the charity Working Families and the government's Flexible Working Taskforce, co-chaired by our chief executive, we've developed new flexible working guidance for employers.

Explore our flexible working updates at cipd.org/flex-from-first

The CIPD Good Work Index is our annual benchmark of job quality across the UK. This year, our findings showed that job quality was significantly impacted by workplace conflict and a growing sense of detachment among public sector employees. Our team in Asia are initiating roundtable discussions with Malaysia's HR community to explore the alignment of the Good Work Index to their organisations and workforces.

Learn about our Good Work findings near you at cipd.org/good-work-index



TRUSTEES' REPORT | Helping communities work



Tackling the barriers to better work

Launched last year, the CIPD Trust harnesses the expertise of our members and partners to grow our impact in championing better work for all. This year we've built on our initial success and established three priorities to measure our ongoing impact:

- greater access to and a better experience of work for individuals
- organisational practice that improves working lives
- a diverse, equitable and prosperous society providing fairer work.

With new pilot programmes, a growing coalition of partners, and more opportunities for people professionals to use their experience and talents, we're extending our reach and impact.

Learn more about the CIPD Trust at cipdtrust.org

Getting in and getting on in work

For those who are furthest from the labour market, or facing the most significant barriers, confidence can be hard to sustain. Our work combines the talents of the people profession, the experience of expert charities and the support of forward-thinking employers. Our programmes boost individuals' self-belief and empower them to achieve their full potential.

Across our programmes this year, 475 people professionals supported 801 people to get in and get on in work:

- We supported 191 young jobseekers and 267 parent returners through mentoring.
- We supported 178 people via our jobseeker webinar series, developed and delivered by people professionals.
- With Offploy and St Giles Trust, our pilot programme enabled our first cohort of 18 people professional mentors to support 25 people with convictions flourish in work. Our second cohort launched in July 2024.
- Our *Guide to recruiting, employing and retaining people with convictions*, launched in April 2024, provides practical recommendations for employers who want to broaden their talent pool and welcome people with convictions into their workplace.
- With RefuAid and City & Guilds Foundation, we supported 26 refugees to succeed in the workforce and the people profession, launching our second mentoring cohort in June 2024.

> "The CIPD Trust's recent guide to recruiting people with lived experience of the justice system, coupled with their very practical mentoring programme, is paving the way for more employers to consider hiring from this cohort."
>
> **Jacob Hill**, Founder, Offploy



Diversifying our profession

We champion better work and working lives for all. That's why we're developing those who are underrepresented in the people profession. We're building a professional community whose experiences and insights will make work more equitable and inclusive for everyone.

- We celebrated five years of success for our Aspiring HR Directors programme, which, since its inception, has seen 50% of participants promoted to senior-level positions.
- We launched the new Future People Leaders programme for those starting out on their HR leadership journey, hosted on the CIPD Learning hub.
- The CIPD Trust bursary fund supported 72 aspiring and working people professionals to kick-start and progress their careers, despite financial hardship.
- 42 People Profession Connectors signed up to offer bursary recipients an hour of advice and guidance at the start of their CIPD qualification and career journey.

Building coalitions

We continue to use our convening power to create coalitions that drive long-term advocacy, policy change and good practice. This year we've formed new partnerships with employers and expert charities to extend our impact:

- Together with HMP Styal, we've won funding from City & Guilds Foundation's Big Ideas Fund to support women leaving prison into employment.
- Our partnership with the New Futures Network will enable us to strengthen Employment Advisory Boards across prison estates in England and Wales with representation from our membership.
- We've grown our presence at the CIPD's Annual Conference and Exhibition, Festival of Work, and Equality, Diversity and Inclusion Conference, and made the case for a more representative HR profession at the Mayor of London's Design Lab Symposium.

> "My promotion to People Director wouldn't have happened without the AHRD programme. I'm so grateful for the opportunity and for all the help and support I received."
>
> **Katie Jennings**, People Director, Coventry Schools Foundation and previous Aspiring HRD mentee





Making the CIPD work for all

Sustainability in all the ways we work 43
Protecting our environment 44
Nurturing our people and culture 46
Securing good governance 52
Managing our finances 59
Mitigating our risks 62

Making the CIPD work for all

We're a business and an employer – growing as a sustainable, future-fit organisation

> "The people profession should be at the forefront of shaping the business response to environmental, social and governance goals."
>
> **Baroness Ruby McGregor-Smith**, CBE, President of the CIPD

Sustainability in all the ways we work

People professionals can play a central role in ensuring that all aspects of their organisations work sustainably. We have a clear line of sight between strategy, performance and people. We understand how culture, values, leadership and reputation work together to support evolving business strategies. And, day to day, we design jobs, find and retain talent, support learning and growth, build engagement and reward contribution. We are uniquely placed to understand the short-term and long-term challenges our organisations face, and to address them responsibly.

In November 2023 we joined the United Nations Global Compact and adopted the Ten Principles of the Compact as our own business principles. They are reflected in our Code of Conduct and Ethics and in our Profession Map – the international standards for the people profession. We are writing them into our policies around investment, procurement, contracting, employment and environmental initiatives. And they inform the guides and resources we produce for our members and our wider community, as well as the public policy changes we call for.

Read about our commitment to the UN Global Compact at cipd.org/UNGlobalCompact

As the professional body for the people profession, we make sure we work in the ways that we advocate to others. We take a lead in being a responsible, sustainable, future-fit business. We're guided by the 17 UN Sustainable Development Goals (SDGs), which provide a shared blueprint for peace and prosperity for people, our societies and our planet. Our strategy and operations aim to make the most significant contribution to 10 of the SDGs. These form our framework for auditing and tracking our progress on sustainability.

Read about our commitment to sustainability at cipd.org/sustainability

Our people are the driving force behind our sustainability efforts. Our employee resource groups provide insight, support and input to our equality, diversity and inclusion policy and practice. They act as 'green champions', guiding our environmental actions and plans. And they give their experience and expertise to new developments – our AI working forum is shaping the CIPD's response and actions to the opportunities AI can offer to our members, our customers, our people and our operations.

Protecting our environment

Our strategy and business principles commit us to reducing our impact on the environment in all the ways we work – as an organisation and employer, as a business partner and customer, and as the leader of our professional community.

Our actions as an organisation

This year we secured the Investors in the Environment (iiE) Silver accreditation, impressing auditors with our robust environmental sustainability strategy and environmental management system. We've significantly reduced our scope 1 and 2 carbon footprint since we were awarded the Bronze accreditation in 2023.

Our employee suggestion last year to close our head office on Fridays led to the biggest impact, helping us cut our electricity use by 17%, reduce our gas use by 29% and shrink our waste by 6% this year. Other initiatives that contributed to these reductions included turning off some non-essential lighting, replacing lightbulbs with LEDs, reducing water leakage, stopping some of our IT systems from running 24 hours a day, and switching to a green tariff for our electricity supply.

The iiE auditors also praised us for the work we've done to improve sustainability in all areas of our operations, awarding us joint 'Best Newcomer' at their iiE Awards 2023. This includes the resources we develop for our members and our own policies and initiatives.

A group of our colleagues took part in a conservation day on Wimbledon and Putney Commons, cutting back invasive species to encourage new growth and greater biodiversity. We continue to work with our employee 'green champions' to meet the criteria for Green accreditation – the highest iiE accolade – with a focus on reducing our business travel emissions.

> "I'm thrilled to see employee ideas and creativity making such a big difference to our environmental impact. Silver accreditation is an important step in our sustainability journey. Next stop: Green accreditation!"
>
> Angela Attah, Director of Legal and Governance, CIPD



UK HEAD OFFICE	2020/21 baseline	2021/22	2022/23	2023/24	% change in 2023/24	Target change for 2023/24
Total carbon emissions (tCO2e)	279	296	541	482	–11%	n/a
Scope 1 and 2	279	296	240	193	–20%	2% decrease
Scope 1	124	142	121	87	–28%	2% decrease
Scope 2	154	154	119	106	–11%	2% decrease
Scope 3	0.13	0.09	300	289	–4%	varied targets
Electricity (kWh)	662,000	724,000	617,000	510,000	–17%	2% decrease
Gas (M3)	61,000	70,000	60,000	43,000	–28%	2% decrease
Water (M3)	375	621	1,024	598	–42%	2% decrease

Our actions as a business partner

We continue to work with our partners and suppliers to secure their commitment to meeting sustainability requirements, focusing on updates to our procurement policy and contracts this year:

- Wonderly, part of Haymarket Media Group, has run three of our events according to its recently ISO-certified Sustainable Event Management System, measuring and reducing event emissions and carbon footprint. Across all our events, Wonderly has applied sustainability criteria to deliver lower-carbon catering, digital or recyclable resources and signage, and low-carbon transport.
- Haymarket Media Group measures and reports on its own carbon emissions, sets targets for reduction, and is measuring its supply chain emissions. For our *People Management* and *Work*. magazines, Haymarket Media Group only uses printers that are ISO 14001 accredited, and paper and packaging from sustainable, fully traceable sources.
- Kogan Page, publishers of our top-selling textbooks, is a certified carbon-neutral business and committed to operating within a sustainable publishing model.

Our actions as a profession

People professionals, whatever their level, can play a vital role in helping their organisations work towards environmental sustainability. Their engagement across their workforces and direct involvement in policies and procedures position them as key agents of change on an issue that has huge implications and risks within and beyond their organisations.

We continue to include environmental sustainability insights into our learning programmes, Profession Map updates, events and resources. This year we've updated our guide on tackling climate change across the employee lifecycle. And with senior business leaders, we've published a podcast exploring why environmental sustainability matters to people professionals.

Read our guide at cipd.org/sustainability-guide

Listen to our podcast at cipd.org/podcast204

We've maintained our membership of Climate Action for Associations to share experience, tools and resources with other member organisations. The ideas and creativity volunteered by our employees have driven some of our most impactful changes, and our new employer-supported volunteering factsheet shares with our members the benefits of working-hours volunteering.

Nurturing our people and culture

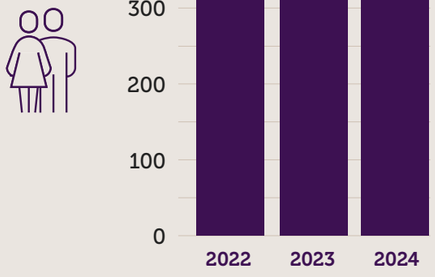
Last year we launched the next phase of our growth strategy, amplifying our purpose by increasing our reach and influence. We started moving towards a new operating model, consulting with our people on structural changes across our teams and senior leadership roles. Like many organisations, we made this transition while facing a changing financial outlook and the pressures of higher costs.

This year we've reorganised our directorates to be better focused on our customers' needs. This reduced our UK headcount by 12%, with the majority of leavers opting to take voluntary severance. As a result, we're clearer about responsibilities and accountabilities, removing duplication of effort and work. And we're seeing even greater collaboration between our teams that will benefit our members, our customers and the profession in the coming years.

Our people

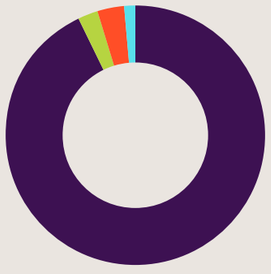
We're pleased to report that our efforts to build a diverse and inclusive workforce are paying off. Our internal policies and practices reflect the guidance we share with our professional community and create a culture in which more of our people feel included and comfortable to disclose information about their identity and any disabilities they may have.

Number of employees



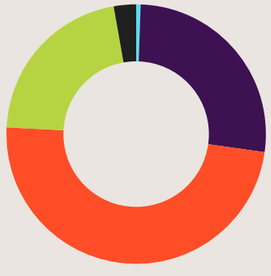
Number of employees by region

UK	345
Ireland	9
Middle East	12
Asia	5



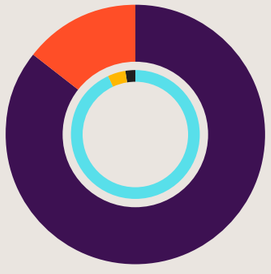
Number of employees by age

16–24	1
25–34	100
35–49	182
50–64	80
65+	8



Number of volunteers and associates

Volunteers	1,312
Paid associates	218
Contractors	41
Consultants	2
Temporary workers	1



TRUSTEES' REPORT | Making the CIPD work for all

Key



Employees by gender (%)



	2022	2023	2024
Female	68	70	70
Male	32	30	30

Employees by ethnicity (%)



	2022	2023	2024
White	67	66	65
Asian	15	17	18
Black	8	9	9
Other	10	7	6

Working pattern (%)



	2022	2023	2024
Full-time	83	85	86
Part-time	17	15	14

Employees who report a disability (%)



	2022	2023	2024
Percentage of employees who report a disability	3.6	5.8	8.4

"Every day I get the opportunity to work with different teams across the business and learn about how each area positively impacts workplaces across the world. It's inspiring to see that work in action, whether we're supporting members in the early stages of their careers or championing a new law to support better flexibility for millions. It motivates me knowing that, collectively, we're helping to make workplaces more fair and inclusive."

Claire Hodson, Change Management Lead, CIPD



Our culture

This year, we opted for a more flexible approach to listening to our people, one that would generate higher rates of participation and clearer, actionable insights. We're running an annual survey, smaller focused pulse surveys and 'moments that matter' surveys that look at key elements of our employee experience.

Our first annual survey, in January 2024, gathered insights from nearly 87% of our people. Of these, 98% agreed we provide opportunities to work flexibly and 94% that we are supportive of a good work–life balance. Ninety-one per cent felt their line manager cared about their wellbeing and 92% that their manager treated them with respect. And 96% reported good relationships with colleagues. The feedback has helped us amplify the features of working for the CIPD that our people value most, building on the four employee value proposition principles we identified last year.

A compelling purpose that makes a difference

Our people feel proud of the difference that we make to all our customers, and the impact we have on individuals, organisations and society as a whole.

Flexibility, trust and autonomy

CIPD colleagues are given the freedom to do their work in the way they choose to deliver great outcomes to their customers, which means better work and happier people.

Diversity, inclusion, great people

We support each other and work together to make great things happen. We are a collective force for good.

Wellbeing matters

We really care about our people's wellbeing, and we have an extensive range of benefits and policies to support our people.

We continue to look for more ways to make good on our promise as an employer across the whole employee journey. We've created content for our recruitment website that reflects what our employees value. We've shared updates from across our business and the CIPD Trust that show how we make working lives better. We've encouraged leaders of our employee resource groups to share their stories and inspirations. We've updated and added new policies that support wellbeing and inclusion, including flexible public holidays, mental health support, carers' leave, and terminal illness leave and support. We've run wellbeing sessions exploring building resilience and the role of managers. And we've continued our peer recognition scheme and awards for individuals, managers and teams that demonstrate our values.

Our skills, capabilities and wider impact

The expertise and commitment of our employees, volunteers and associates continue to transform how we work and the impact we have. Their combined perspectives and expertise help us stand out as an organisation and make us a leading voice on the issues that affect people and work.

Investing in our people

This year our training investment has totalled £136,933. We've focused our learning and development activity on delivering allyship training to all our people, equipping them to share and listen to lived experiences and build relationships based on trust, consistency and accountability. To date, 37 of our 40 sessions have taken place and received positive feedback. We have also continued to invest in training to build colleagues' confidence and impact in presenting and influencing others.

Our personal development allowance has continued, with 67 people using their £125 allowance to undertake learning beyond the immediate demands of their role.

Investing in our volunteers

This year, 1,312 volunteers have given their time and expertise to champion better work and working lives. Over 700 have volunteered across our UK branches and our committees in Ireland, running inspirational learning and networking events. And 70 are supporting the CIPD in considering alleged breaches of our Code of Conduct and Ethics.

"Volunteering for me is not just an activity but a source of inspiration and strength. Supporting and developing human capital is the foundation of our success. Every step and effort we take is important and significant."

Irina Blinova, Assoc CIPD, Leader, PwC Academy, Ukraine

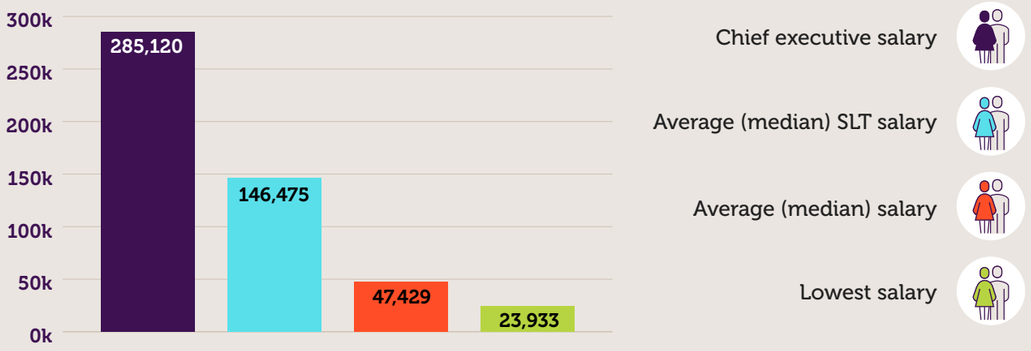


Over 500 volunteers support the CIPD Trust, sharing their mentoring skills, recruitment expertise or leadership experience to grow our profession or help those facing the biggest barriers to work. They include 25 of our colleagues who have given their time as bursary interviewers, creating positive and safe places for potential students to discuss their financial barriers and aspirations in working towards becoming a professional CIPD member. Our employee resource groups continue to support equality, diversity and inclusion across the CIPD, enabling our people to share their lived experiences, and influence our policies.

Reward and recognition

We continue to pay above the voluntary 'real' London Living Wage. We benchmark all salaries against relevant sector and job-level pay data to ensure our compensation is fair, competitive and reflects our charitable status. Our People, Culture and Remuneration Committee agree the pay process and pay review ranges for all staff, including our senior leadership team (SLT) and other key management personnel.

Key pay statistics 2024 (£)



Our chief executive earns £6 for every £1 our average employee earns.

- ratio between our chief executive and our lowest earner: 12:1
- ratio between our chief executive and the average (median) employee: 6:1
- ratio between our median senior leader salary and median employee: 3:1

Chief executive remuneration

The remuneration policy for the chief executive consisted of:

- Base salary – this was set when the chief executive was first appointed in July 2012 and formally reviewed for the first time in March 2017. The chief executive declined all proposed increases in base salary until July 2018, when he accepted an increase of 2.3%. This was followed by an increase of 4% in July 2022 and 4% in July 2023.
- Pension – the chief executive did not participate in the CIPD pension scheme during 2023/24.
- Benefits – the chief executive received a car allowance, life assurance cover and cover for private medical insurance benefits during 2023/24.

The CIPD does not operate a bonus scheme, or any form of variable pay, for the chief executive.

Our gender and ethnicity pay gaps

We continue to monitor our gender and ethnicity pay gaps closely. Based on the snapshot reporting date of 5 April 2024, we're pleased to report a narrowing of our gender and ethnicity pay gaps this year.

Our bonus gaps, which affect the small proportion of our workforce who are eligible for a bonus, have increased.

Our dedicated reports go beyond statutory requirements to explain the many factors that contribute to our pay and bonus gaps and the actions we're taking to address them.

Learn more at cipd.org/closing-pay-gaps



69% of our workforce is female.
For every £1 a man earns, a woman earns **92p** (median).



69% of our workforce is white.
For every £1 a white person earns, a person from a minority ethnic group earns **89p** (median).

Securing good governance

Our structure and governance

The Chartered Institute of Personnel and Development is incorporated under Royal Charter and is a registered charity in England, Wales, Scotland and Ireland.

Our Charter and Byelaws prescribe our charitable purpose – to promote the art and science of the management and development of people for the public benefit. In our day-to-day operations, we interpret this as championing better work and working lives.

Our Charter and Byelaws give the board authority to exercise all the powers of the organisation and to govern the CIPD in accordance with these documents and charity law. Board members are trustees, with the associated legal responsibilities.

We use the Large Charity Governance Code to guide our governance practice, and we learn from other sectors to support our continuous improvement in this area.

Charities have a legal obligation to report on how they have carried out their purpose for the public benefit. Other sections of this report demonstrate how we have done this in 2023/24.

Our board of trustees

Our Charter and Byelaws set out the composition of our board, allowing for up to 12 members, including the president, the treasurer and the vice president membership and professional development (the officers). Council elects the chair and up to seven remaining trustees. The officers are elected by the annual general meeting (AGM). All trustees serve in a non-executive capacity, with the exception of the chief executive, who is an ex-officio member of the board.

All newly appointed trustees are provided with an induction programme, staggered over their first three months in office, and take part in ongoing development organised for all board members and any tailored training as required.

On appointment and annually thereafter, trustees sign up to our trustee code of conduct and declare any interests for the year ahead. They must also declare any potential or actual conflicts of interest regarding any item on the agenda at each board meeting.

In April 2024, Council members re-elected Valerie Hughes D'Aeth, Dr Sue Round and Siobhán Sheridan CBE for a second three-year term to the board. They also re-elected Jonathan Ferrar for a third three-year term to continue his new role of vice chair and senior independent director, in order to establish the role more fully.

In May 2024, we began proceedings to seek approval from the Privy Council to change the composition of our board. Approval was granted in November 2024, following approval at a general meeting of chartered members in September 2024. The main changes were to:

- make the role of president supernumerary to the board (and replace it with another elected board member)
- replace the officer role of vice president membership and professional development with one ordinary trustee to focus on membership and professional development; no longer designate the treasurer role as 'honorary officer'
- hold the election of the president and all elected board members at Council, on recommendation of the board.



Baroness Ruby McGregor-Smith CBE
President



Valerie Hughes-D'Aeth
Chair
People, Culture and Remuneration Committee



Nelarine Cornelius
Vice President, Membership and Professional Development



Caroline Stockmann
Treasurer
Chair of Audit and Risk Committee
Investment Committee
Board champion for students
Board champion for Ireland



Peter Cheese
Chief Executive



Jonathan Ferrar
Vice Chair/Senior Independent Director
Audit and Risk Committee



Caroline Nugent
Audit and Risk Committee
Investment Committee
Chair of the CIPD Trust steering group



Dr Sue Round
People, Culture and Remuneration Committee



Siobhán Sheridan CBE
Chair of People, Culture and Remuneration Committee



Noel Tagoe
Chair of Investment Committee
People, Culture and Remuneration Committee
Board champion for Asia
Board champion for equality, diversity and inclusion



Brian Walters
Investment Committee



Nicholas Williams
Audit and Risk Committee
Board champion for Middle East and North Africa

Trustees' responsibilities

The trustees are responsible for ensuring that the CIPD fulfils its purpose and charitable objectives. This includes setting our strategic framework, approving the overall budget and major capital projects, and overseeing the management of our affairs. Day-to-day management of the organisation is delegated to the chief executive and the senior leadership team.

Charity law requires the trustees to prepare a report (Trustees' Report) and financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law in England and Wales, trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity, the group and of the group's net income and expenditure for that period. In preparing these financial statements, the trustees must:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting 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 a going concern basis unless it is inappropriate to presume that the charity and the group will continue to operate
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice).

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006, and with the provisions of the Institute's Charter and Byelaws. They are also responsible for safeguarding the assets of the group and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are also responsible for the integrity of the corporate and financial information included on our website.

Board activity

The board meets regularly to review delivery of our objectives against the agreed strategy and budget, and to monitor operational performance and risks. The board applies the CIPD's risk appetite framework to this approach and receives quarterly operations reports on the business which contain a balanced scorecard of key performance indicators. The board held seven meetings during 2023/24, three of which were to deal with specific items of business, such as the approval of the annual reports and accounts. In January, non-executive board members held a private meeting, and a strategy day was also held with the senior leadership team in March to discuss and refine our future strategy and priorities.

During the year, the board approved a decision-making framework, developed to guide us in making strategic decisions more ethically, specifically taking account of non-financial implications. Throughout the year, trustees received updates on our membership strategy, including the 2023 member survey results and the proposed fees for 2024/25. On recommendation of the relevant subcommittee, the board also approved policies on investments, reserves and risk management, delegating approval of our procurement policy and anti-bribery, gifts and hospitality policy to the Audit and Risk Committee. It also agreed to move the annual general meeting to January, starting from 2025. As part of its regular review of our performance, the board received detailed reports on our operations in the Middle East, Asia and Ireland throughout the year.

The board is committed to ensuring that trustees continue to enhance their skills and knowledge to help lead and direct the organisation. During the 2023/24 financial year, the board continued to address the outstanding recommendations made following the independent review of its effectiveness, which

concluded in May 2023. The board monitored implementation of the recommendations, most of which have now been implemented. One of the changes made following the 2023 independent review was the establishment of strategic working groups covering the main areas of our activity, including one on governance. These groups comprise a few trustees and relevant members of the senior leadership team.

Committee activity

The board has three standing committees to which it delegates some responsibilities while retaining overall accountability. The board approves the terms of reference for itself and all subcommittees at the beginning of each financial year.

In May, the board agreed to set up a new subcommittee, the Professional Standards Committee, to oversee the policy and standards around qualifications, practice and conduct. The Qualifications Advisory Group will report into the new committee, which will be up and running from January 2025.

Audit and Risk Committee

The Audit and Risk Committee is chaired by the treasurer and provides the board with objective oversight of its financial and non-financial risk and control systems. At its quarterly meetings, it reviews how the CIPD manages its strategic and operational risks.

The committee received two reports from our internal auditors, Sayer Vincent, during the year and continued to monitor the implementation of outstanding recommendations from previous audits. At the end of the year, Sayer Vincent decided not to apply when we tendered the internal audit service. Forvis Mazars have been appointed as our internal auditors for three years from July 2024.

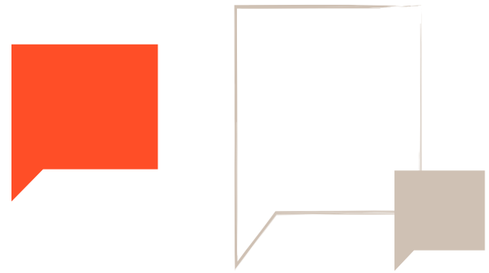
During the year, the committee reviewed some of our major partnership and supplier relationships. It also received a risk-based analysis report of study centre activity and of future plans.

At each meeting, the committee considered whether any serious incident report should be made to the Charity Commission. There was one report made during the year.

People, Culture and Remuneration Committee

The People, Culture and Remuneration Committee (PCRC) is chaired by an independent elected board member and is the only subcommittee that has a CIPD employee as a formal member. The committee has oversight of all our cultural and people issues, including those for our trustees.

During the year, the PCRC considered: our emerging people priorities in support of our wider organisational strategy; our equality, diversity and inclusion (EDI) strategy; our four-day working week pilot; and trustee succession planning. The committee also considered some changes to the role of the staff member on the committee, drawing on the experience of the first person in the role, whose term of office was coming to an end. At each of its meetings, an operational report on our people was received, including data on recruitment, attrition, the makeup of our workforce and employee engagement.



Investment Committee

The Investment Committee monitors the performance of our investments and is chaired by an independent elected board member.

During the year, the Investment Committee reviewed the performance of the investment portfolio held primarily with two fund managers, CCLA and Tribe, taking into consideration the advice of the CIPD's investment adviser, Asset Risk Consultants (UK) Limited. The committee held a risk review workshop in May 2024, out of which an updated risk profile report for our investments was developed.

The Investment Committee also confirmed the alignment of its environmental, social and governance (ESG) approach with that of the trustees of the CIPD defined benefit pension scheme. The CIPD views ESG considerations as fundamental to the evaluation and selection of investments and expects ESG factors to be considered in any security selection. Investments should align to the CIPD's business principles as set out on our website: cipd.org/business-principles

Also, the CIPD places a specific focus on monitoring the investment choices of our managers, such that investments in the following industries can be excluded from our portfolio: adult entertainment, gambling, indiscriminate weapons, oppressive regimes, the manufacture of tobacco products and the distribution of tobacco products where revenues exceed 10% of global earnings.

Board and committee meeting attendance

A few trustees were unable to make one board meeting this year due to late rescheduling.

The CEO was not expected to attend the private meeting of non-executive trustees (*).

Board and committee meetings attended

Name	Board	Investment Committee	Audit and Risk Committee	People, Culture and Remuneration Committee
Valerie Hughes-D'Aeth	8 of 9	n/a	n/a	4 of 4
Peter Cheese	8 of 8 *	4 of 4	6 of 6	4 of 4
Nelarine Cornelius	3 of 9	n/a	n/a	n/a
Jonathan Ferrar	7 of 9	n/a	6 of 6	n/a
Ruby McGregor-Smith	0 of 9	n/a	n/a	n/a
Caroline Nugent	7 of 9	3 of 4	4 of 6	n/a
Sue Round	9 of 9	n/a	n/a	3 of 4
Siobhán Sheridan	5 of 9	n/a	n/a	4 of 4
Caroline Stockmann	9 of 9	4 of 4	6 of 6	n/a
Noel Tagoe	8 of 9	4 of 4	n/a	4 of 4
Brian Walters	7 of 9	3 of 4	n/a	n/a
Nicholas Williams	8 of 9	n/a	3 of 6	n/a

Our senior leadership team

The senior leadership team is led by the chief executive. It is responsible for the development of strategy in conjunction with the board, implementation of the strategy and day-to-day operational management of the CIPD.



Peter Cheese
Chief Executive



Amanda Arrowsmith
People and Transformation Director



Angela Attah
Director of Legal and Governance (Institute Secretary)



David Cox
Digital and Technology Director



David D'Souza
Director of Profession



Helen Osagie
Finance Director (from October 2023)



Victoria Winkler
Standards and Professional Development Director



Hugh Andrews
Head of Finance (to September 2023)



Jenny Gowans
Director of Research, Policy and Content (to April 2024)



Tony Osude
Director of Commercial and Marketing (to April 2024)

Our subsidiaries and related parties

The CIPD has four active group companies:

- CIPD Enterprises Ltd, its wholly owned trading subsidiary, which is registered in England and Wales
- CIPD Asia Ltd, which is a not-for-profit wholly owned subsidiary, limited by guarantee and registered in Singapore
- CIPD Middle East FZ LLZ, which is wholly owned by CIPD Enterprises Ltd and registered in Dubai in the United Arab Emirates
- CIPD Ireland, a company limited by guarantee in Ireland. See note 2(b) of the financial statements for more detail.

The Charities SORP (FRS 102) requires disclosure of transactions between related parties, details of which are given in note 15 to the financial statements.

Our bankers and professional advisers

Auditors

HaysMac LLP*
10 Queen St Pl
London EC4R 1AG

Bankers

Lloyds Bank plc
3 St George's Road
London SW19 4DR

Legal advisers

Withers LLP
16 Old Bailey
London EC4M 7EG

Investment advisers

Asset Risk Consultants (UK) Limited
46 Chancery Lane
London WC2A 1JE

* We reappointed HaysMac LLP as our external auditors following a vote at the January 2024 annual general meeting.

Managing our finances

Despite the uncertain economic climate, we grew our overall revenue and significantly reduced our operating costs in 2023/24, in comparison with the previous year, reducing the year's operating deficit by £0.2m to £1.5m before exceptional transformation costs. To shore up our ability to react to market changes, and return to profitability, we undertook significant restructuring to our operating model and ways of working, which took effect predominantly in the fourth quarter. This means we enter 2024/25 with a streamlined staff cost base, which will improve our financial position throughout the year and support greater financial agility and profitability in the years ahead.

Key financial highlights

£47.3m unrestricted revenue

£26m membership revenue

£2.7m in strategic development projects

£1.5m operating deficit before transformation

Income

Our total income was £47.3m in the year, which was 5.5% up on the previous year.

The largest proportion of our revenue comes from membership subscriptions. During the year, membership numbers increased by 1.2% to 162,189, reflecting the continued attraction of our membership proposition. Fees were increased by 5% after having kept our rate increases low in the years immediately following the pandemic. An increase of more than 10% in student registrations across CIPD qualifications and accredited university degrees was the primary driver of an income of £5m from qualifications centres.

Our business-to-business (B2B) revenue in the UK dropped by 12% to £4.3m, with corporate qualifications revenue halving compared with last year due to tougher market conditions and a period of economic uncertainty. This was, to some extent, mitigated by the growth in group Experience Assessment and accredited programmes. Business-to-consumer (B2C) training also saw a drop in face-to-face and virtual classroom revenue. However, digital learning picked up, leaving an overall drop in training revenue of 8% to £1.6m. Our office in the Middle East bucked this trend, with their B2B and B2C learning and qualifications revenue showing a 22% increase to £2.2m.

Ireland also showed an improvement of 92% through a government grant with Skillnet, bringing the in-region revenue to £0.7m for the year, and Asia saw a 16% drop from in-region revenue, finishing the year at £0.6m.

Expenditure

Operational costs reduced by £0.4m. Tighter cost control was implemented, as well as a change in approach to research, policy, learning and content delivery, and we restructured our marketing operations. Staff costs increased year on year by 8% to £1.8m. After average pay rises of 4%, other larger increases were seen. These included investment in the Middle East team, which has shown a growth in revenue, the business transformation team, which enables our strategic projects and change programmes, and the learning content team. A change in content approach and our overall business operating model will see staff costs returning to significantly lower levels in 2024/25.

The significant transformation work undertaken in the latter part of 2023/24 means we are heading into 2024/25 with greater financial headroom. We continue to monitor our financial costs and performance closely – monthly with the senior leadership team and quarterly with the board.

Over the year, we invested £2.7m of our designated reserves (compared with £4.9m in 2023) in strategic projects to continue the improvement in our websites, our digital infrastructure and our customer transaction journey. This allows us to continue to grow our reach and impact across the profession and improve the customer experience for our members and other clients.

Investments

Our investment strategy for our reserves is to achieve growth above market performance without taking undue risks. This has resulted in strong reserves that allow us to plan long term, improving our membership proposition and increasing our reach and impact across the profession and beyond.

The market value of investment assets at the year end, including investment cash held, was £18.3m (compared with £22.2m at 30 June 2023). This equates to a gain of £1.9m after considering net disposals of £7.8m. Markets remained somewhat volatile given recent political developments at both the national and international levels. Volatility is therefore likely to remain a feature of equity markets but need not undermine positive outcomes in the medium term. Through the board's Investment Committee and with the advice of our investment advisers, we monitored the portfolio regularly. The Investment Committee met four times during the year, and we held regular reviews with the relevant fund managers to discuss performance.

Pensions

The CIPD offers all employees in the UK the opportunity to enrol in a group personal pension plan, which is a defined contribution scheme. A similar scheme operates for our employees in Ireland. We also operate a defined benefit pension scheme, which closed to new and existing members in 2012. A professional actuary carried out a triennial valuation of the defined benefit scheme at 1 October 2020. This showed a deficit of £15.4m and that the scheme's assets were sufficient to cover 76% of the accrued benefits. The funding deficit does not represent a current cash commitment; rather, it reflects the long-term funding required as pensions are paid out to members of the scheme, many of whom have not yet retired. More details are given in note 12 to the accounts. The triennial valuation as of 1 October 2023 is currently under way and we anticipate an actuarial valuation in the region of £8–10m. The significant reduction from the £15.4m valuation in 2020 is due to a combination of employer contributions over the period and improved asset performance against the original discount rate used.

The actuary carries out a separate annual valuation in line with Financial Reporting Standard (FRS) 102. This is conducted at a different date using different assumptions and therefore results in a different funding deficit. The FRS 102 valuation at 30 June 2024 showed a deficit of £8.5m compared with a deficit of £7.5m as at 30 June 2023. The main reasons for the deterioration in the balance sheet position this year were the impact of higher inflation and a lower return on assets than the discount rate. The CIPD contributed £1.0m to reduce the scheme's deficit during the year.

TRUSTEES' REPORT | Making the CIPD work for all

Reserves

Free financial reserves are those that are available to be spent on our charitable purpose. They exclude the pension deficit, as this represents a long-term funding requirement rather than an immediate cash commitment.

These reserves are held to:

- protect against short-term shortfalls in income
- protect against short-term unexpected spending
- protect against investment portfolio losses
- protect against extreme circumstances affecting the CIPD's ability to operate
- facilitate longer-term strategic opportunities.

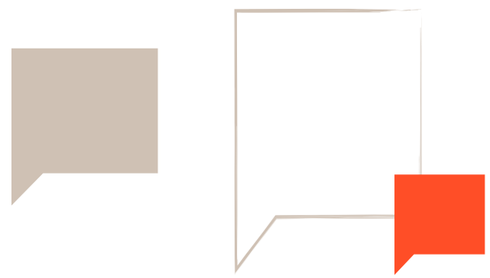
As a charity, we use our reserves to further our charitable purpose and we don't accumulate reserves unnecessarily. We revised our reserves policy in September 2023 to require the CIPD to hold reserves at a level between a minimum of 15% to 20% of income and a maximum of six months' expenditure. Based on the year to 30 June 2024, the minimum is £7.2m and the maximum is £26.4m. As at 30 June 2024, our free financial reserves are comfortably within this range at £17.5m.

Going concern

We have set out above a review of the CIPD's financial performance during the year and its reserves position at the end of the year. Our planning process, including financial projections, has taken into consideration the current economic climate – in the UK, Ireland, the Middle East and Asia – as well as the market environment in which we operate and its potential impact on our various sources of income and planned expenditure.

During the year we reassessed our operating model, particularly around learning and research, and made changes to our headcount and ways of working to support greater financial agility and profitability in future years.

We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material uncertainties that call into doubt the CIPD's ability to continue in operation. Accordingly, the accounts have been prepared on the basis that the CIPD is a going concern.



Mitigating our risks

The board is responsible for monitoring our corporate risks and the effectiveness of risk management and control systems throughout the organisation. It also approves our risk management policy and risk appetite statement, which sets out levels of risk we will accept in pursuit of our charitable purpose. Our risk appetite forms the basis of our decision-making framework.

Sayer Vincent were our internal auditors during the year and provided the board with an independent view on the management of our risks and our internal controls.

The board considers significant current and potential risks in all its deliberations, in the context of our risk appetite. The corporate risks are shared with the trustees ahead of every board meeting, with the more in-depth review of these being delegated to the Audit and Risk Committee.

In February, the board and senior leadership team undertook a deep-dive review of the CIPD's risks. A subset of the board held a follow-up workshop with some of the senior leadership team to reflect on the outcome and agree a new format for presenting corporate risks. Further input from the Audit and Risk Committee included a reflection on the CIPD's overall risk profile, the balance of short-term and long-term risks, and risk trends over time. This will be followed up with a review of our risk appetite framework later in the year.

Day-to-day responsibility for the identification and management of corporate risk sits with members of the senior leadership team, who also oversee operational risks in their areas.

Risk evaluation and response

We evaluate each risk based on its potential impact on achieving our objectives and the likelihood of it occurring, given any controls currently in place. We apply this approach consistently throughout the organisation but use different thresholds for scaling the impact of corporate and team risks.

The following table sets out some of our principal risks to delivering our charitable purpose.

RISK AND IMPACT	MITIGATION
Competition and technological advancements Direct competition from growth of new training providers, online communities, local HR institutes, and so on, plus emerging generative AI solutions may impact us and the HR and people development market. AI may negatively impact the profession by reducing the market due to AI solutions replacing certain tasks but also provide opportunities to capitalise on its benefits.	• Our business model has been balanced to mitigate against too much reliance on just content. • By researching the immediate and longer-term impact of AI on content, we are growing our understanding of the evolving impact of AI on our overall business model. • We are exploring opportunities and risks of our use of AI internally and keep abreast of its developments. • By leveraging AI, we have enhanced our learning and content offerings and how we connect with customers. • We are working on partnership/supplier opportunities to embed AI solutions within our technology ecosystem to ensure our provisions remain competitive, using AI tools such as natural language search capability.
Economic environment Economic downturn, financial uncertainty, rising costs and drop in sterling may result in tighter corporate spend and greater price sensitivity, leading to revenue reduction and increases in the cost of doing business, especially internationally.	• Our financial models project various scenarios designed to protect our net surplus/deficit position. • We regularly run forecasts and revise our projections to reflect current expectations. We have reserves and contingencies in place if our surplus deteriorates. • Our Investment Committee regularly reviews investment risks, in the context of the wider economy. • Our operating model includes a focus on delivery, profitability and opportunities to deliver efficiencies, and we are diversifying into new products and services.
Evolving customer needs As customer needs evolve, there is a risk of our products and services not meeting the requirements of existing and new customers and markets, which may in turn challenge the perceived relevance of membership and the HR profession as a whole to employers, and the perceived importance of the Profession Map and CIPD qualifications to our members.	• We regularly pilot, test and gather customer insights and broader market intelligence to align to requirements. • Our Strategic Insights team ensures we are aware of market shifts. Our surveys and connections to senior leaders in the profession and other membership bodies help us stay attuned to sentiment regarding the CIPD. • We reflect changes in the profession in our Profession Map and qualifications. We are reviewing our membership model and assessment process to ensure they meet the requirements of existing and new customers/markets. • Our 'Expect more in '24' campaign aimed at improving responsiveness and better demonstrating value.

RISK AND IMPACT	MITIGATION
Information security and cyber-attack User errors, system errors, data loss, information mismanagement and risk exposure due to lapsed support may affect data integrity and availability, confidentiality, regulatory compliance and our ability to secure contracts with clients and partners. Ongoing cybersecurity threats and vulnerabilities, data theft, suspicious email, network attacks and ransomware, which continue to increase significantly due to the Ukraine crisis and other global events.	• We continually cleanse our core data and regularly review licences to ensure appropriate access. • We investigate interdependencies between applications, internal and external systems to capture additional risks. • Our IT infrastructure and associated vulnerabilities are managed remotely, by external providers. • We are Cyber-Essentials Plus accredited. All our technology partners meet this standard and undergo security reviews. • We have cybersecurity insurance in place and conduct system tests to ensure exposure is known and mitigated. • Our Security Ops Centre and service delivery partner constantly monitor our estate and run regular operational reviews and proactively mitigate any raised risks. • We subscribe to global networks which report attacks to ensure we proactively block potential breaches. • Our people are given GDPR and cybersecurity training and reminded to be alert to cyber risks. We use multi-factor authentication across all our accounts to prevent hijacking.
Positioning and association Inappropriate positioning of editorial content, guidance and/or response to political, economic, social-cultural and environmental situations or incidents, especially those that are controversial or divisive. Association with countries, companies, governments or individuals with inappropriate views or working practices.	• We remain politically independent on our stance on current events, while holding a watching brief on political shifts which may damage our reputation. • We seek involvement from the board on controversial topics and have a detailed sign-off process for high-risk content. • We are cognisant of the reputational impact of relationships we develop with commercial and public sector entities. • All our overseas relationships are regularly monitored and reviewed, working closely with our international offices. • Our decision-making framework is used to risk-assess existing or potential markets or contracts, to ensure our work fits with our purpose. All new opportunities in potentially sensitive countries or organisations are agreed by the board. • We control use of our brand through contract arrangements. • We have policies in place, with provision for break clauses, to clarify the nature of our association with other organisations. • Our Code of Conduct and Ethics and Trustee Code of Conduct provide clear guidance and help us manage misconduct.

RISK AND IMPACT	MITIGATION
Growth strategy Insufficient capacity, capability and prioritisation hampers our ability to deliver and market our products and services and to meet our market expansion, credibility and growth targets.	• Our business transformation team is focused on execution and change management, building a clearer performance culture, accountabilities and agile working practices. • We are developing our ability to better manage resources and prioritise capability needs, with clarity on strategy and KPIs to support. Our governance processes for all change projects have clear criteria to support prioritisation. • As part of our workforce strategy, we regularly review activity, capabilities, ways of working and future needs.
Operating in high-risk geographies Insufficient measures in place to operate safely in higher-risk countries, leading to operational damage and hampering our ability to deliver our strategy in new markets.	• The senior leadership team and the insights team monitor activities in higher-risk areas, working closely with our international offices to understand local insights and health and safety risks. • We monitor Foreign, Commonwealth and Development Office guidance and have good connections with the British Embassy in higher-risk geographies. We have insurance as required and follow advice on whether it is safe to send people to other countries.
Digitalisation benefits realisation Failure to capitalise on our resources and to deliver or communicate digital benefits and operational improvements to stakeholders in time.	• Our digital roadmap is supported by additional capabilities and experience in specialist areas, with dedicated change managers and communication plans for large programmes of work to ensure investments land effectively and cultural changes are implemented successfully. • We use a delivery framework to provide greater visibility of project delivery, improved prioritisation and resource management, consolidating and simplifying requirements where possible and adopting a phased rollout and agile working techniques. • Our senior leadership team is held to account for continued delivery of digital benefits for our customers and stakeholders. • Metrics to measure the impact of our digital solutions are reviewed regularly. Our roadmaps and backlog management ensure the stakeholders are kept informed of upcoming changes.

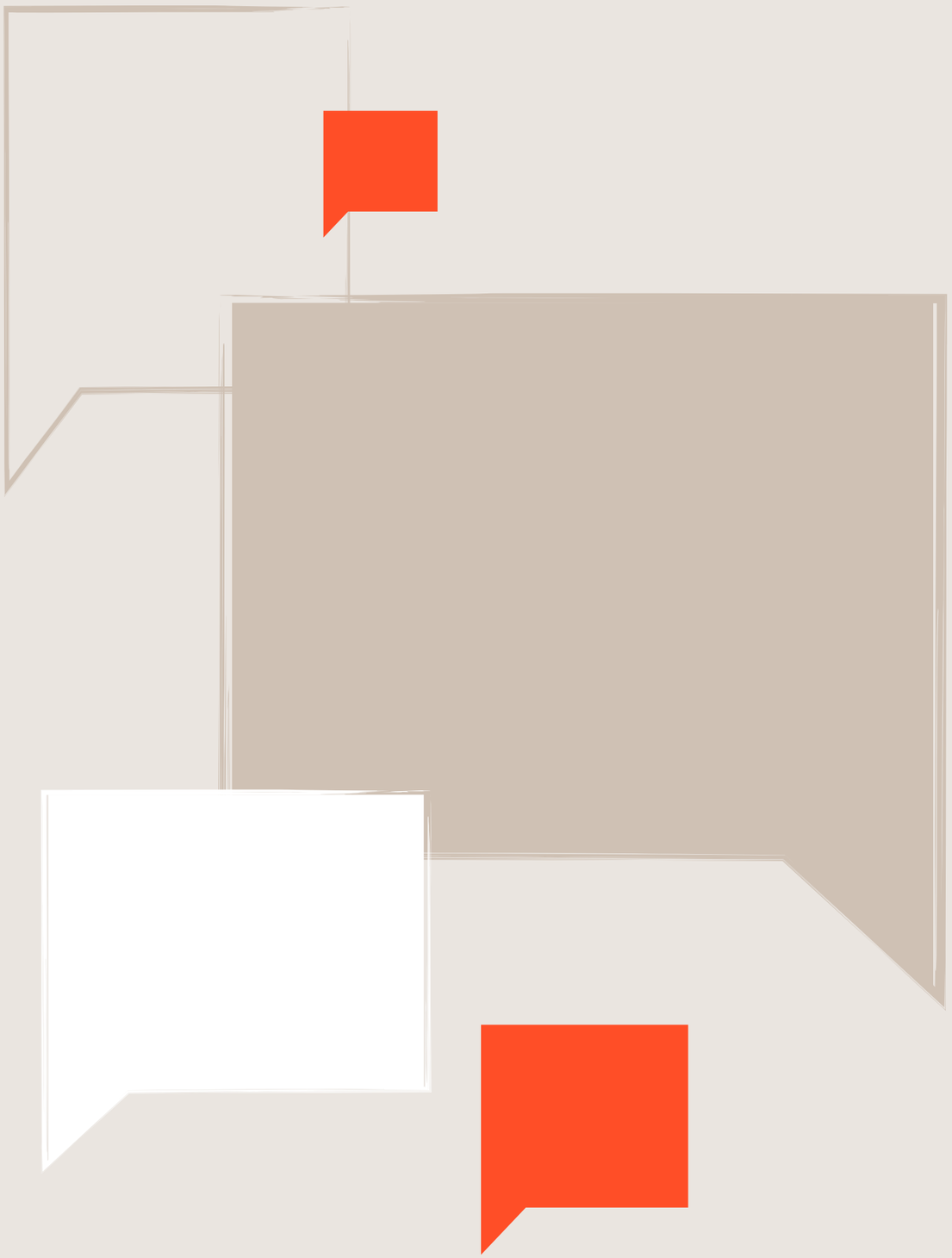
By order of the board



Angela Attah LLB FCG

Institute Secretary

16 December 2024



TRUSTEES' REPORT | Independent auditor's report

Independent auditor's report

Independent auditor's report to the trustees of the Chartered Institute of Personnel and Development

Opinion:

We have audited the financial statements of the Chartered Institute of Personnel and Development for the year ended 30 June 2024 which comprise the Consolidated Statement of Financial Activities, Group and Charity Balance Sheets, Consolidated Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 30 June 2024 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion:

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

Conclusions relating to going concern:

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

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

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

Other information:

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

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

Matters on which we are required to report by exception:

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

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

Responsibilities of trustees for the financial statements:

As explained more fully in the trustees' responsibilities statement [set out on page 54], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern

and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements:

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Charities Act 2011, the Charity's Royal Charter, 2011and the Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Charity's Royal Charter, Charities Accounts (Scotland) Regulations 2006, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

TRUSTEES' REPORT | Independent auditor's report

Use of our report:

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

HaysMac LLP HaysMac LLP

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

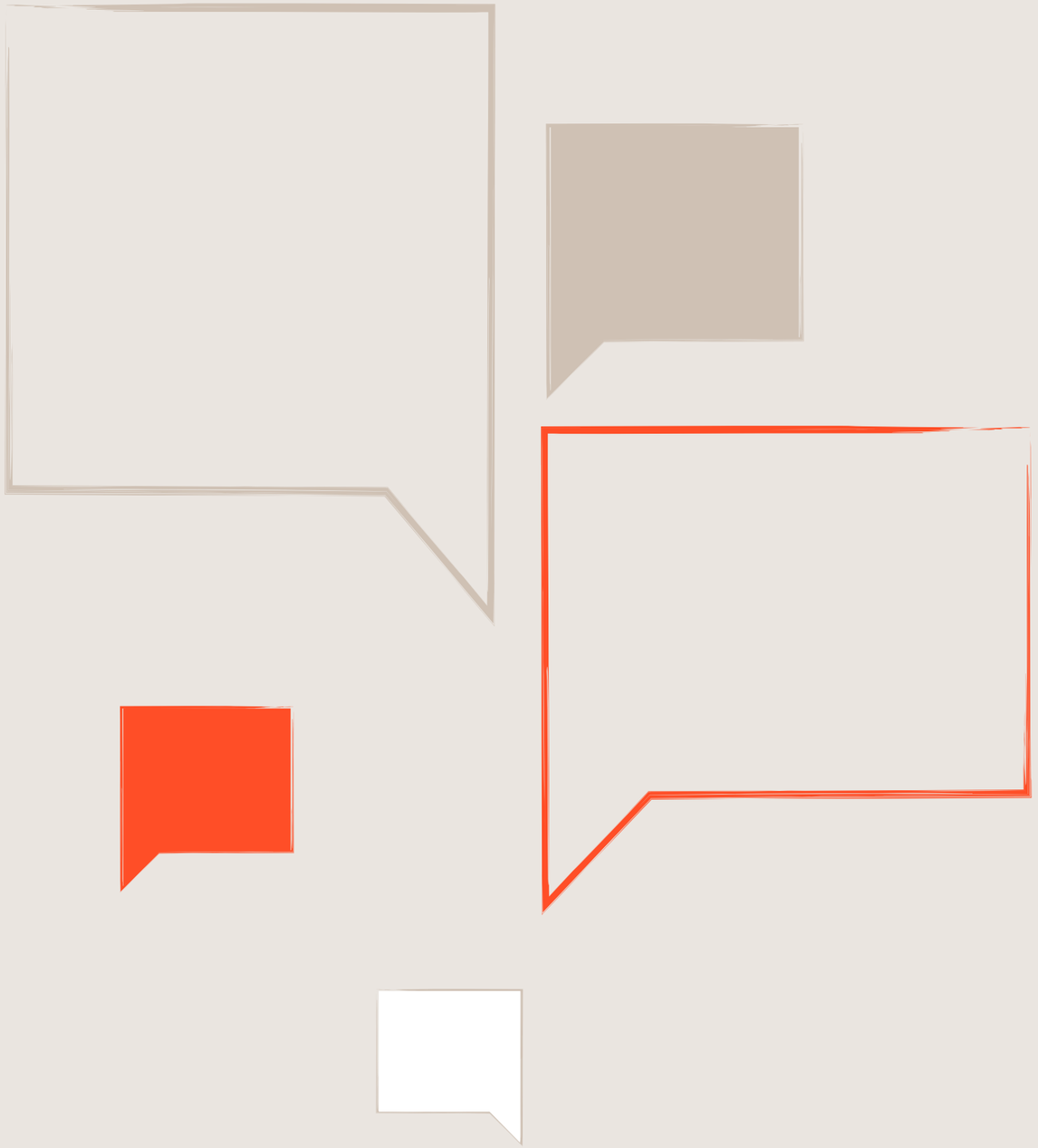
HaysMac LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

19/12/2024



CIPD Annual Report and Accounts 2023/24

Financial statements



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2024

Consolidated statement of financial activities	Note	General fund	Designated fund	Restricted fund	Total 2024	Total 2023
		£'000	£'000	£'000	£'000	£'000
Income from:						
Charitable activities To advance the management and development of people through:						
Membership services and education		**32,199**	–	–	**32,199**	30,287
Research		**285**	–	**399**	**684**	227
Branches		**157**	–	–	**157**	206
Other trading activities						
Commercial income	2(b)	**14,429**	–	–	**14,429**	14,257
Investments	2(c)	**215**	–	–	**215**	36
Total income		**47,285**	–	**399**	**47,684**	45,013
Expenditure on:						
Raising funds	2(a)					
Commercial expenditure		**(9,885)**	–	–	**(9,885)**	(10,434)
Investment management costs		**(25)**	–	–	**(25)**	(25)
Charitable activities	2(a)					
Membership services and education		**(32,911)**	**(1,120)**	–	**(34,031)**	(32,184)
Research		**(5,913)**	**(198)**	**(375)**	**(6,486)**	(6,549)
Branches		**(2,206)**	**(75)**	–	**(2,281)**	(2,436)
Total expenditure		**(50,940)**	**(1,393)**	**(375)**	**(52,708)**	(51,628)
Net income/(expenditure) before gains and losses on investments		**(3,655)**	**(1,393)**	**24**	**(5,024)**	(6,615)
Net gains on investments	7	**1,859**	–	–	**1,859**	2,140
Net income/(expenditure)		**(1,796)**	**(1,393)**	**24**	**(3,165)**	(4,475)
Transfers between funds	11	–	–	–	–	–
Net incoming/(outgoing) resources before other recognised gains and losses		**(1,796)**	**(1,393)**	**24**	**(3,165)**	(4,475)
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension scheme	12	**(1,714)**	–	–	**(1,714)**	(3,136)
Gains on revaluation of overseas subsidiaries		**1,403**	–	–	**1,403**	801
Net movement in funds		**(2,107)**	**(1,393)**	**24**	**(3,476)**	(6,810)
Reconciliation of funds						
Net fund balances brought forward		**20,226**	**4,548**	**97**	**24,871**	31,681
Net fund balances carried forward		**18,119**	**3,155**	**121**	**21,395**	24,871

The statement of financial activities includes all recognised gains and losses for the year.

CONSOLIDATED GROUP AND CHARITY BALANCE SHEETS AT 30 JUNE 2024

	Note	Group		Institute	
		2024	2023	**2024**	2023
		£'000	£'000	**£'000**	£'000
Fixed assets					
Tangible assets	5	**6,200**	6,662	**6,086**	6,517
Intangible assets	6	**2,552**	2,321	**2,552**	2,321
Investments	7	**18,309**	22,437	**21,309**	25,437
		27,061	31,420	**29,947**	34,275
Current assets					
Stocks		**–**	–	**–**	–
Debtors	8	**9,788**	9,112	**4,636**	5,121
Cash at bank and in hand	9	**6,370**	4,460	**4,033**	2,401
		16,158	13,572	**8,669**	7,522
Creditors					
Amounts falling due within one year	10	**(13,283)**	(12,604)	**(11,948)**	(10,798)
Net current assets/(liabilities)		**2,875**	968	**(3,279)**	(3,276)
Net assets excluding pension liability		**29,936**	32,388	**26,668**	30,999
Provisions	13	**–**	(59)	**–**	–
Defined benefit pension scheme liability	12	**(8,541)**	(7,458)	**(8,541)**	(7,458)
Net assets including pension liability		**21,395**	24,871	**18,127**	23,541
Funds					
General fund	11	**26,661**	27,684	**23,445**	26,403
Pension liability		**(8,541)**	(7,458)	**(8,541)**	(7,458)
Net general funds		**18,120**	20,226	**14,904**	18,945
Designated funds	11	**3,154**	4,548	**3,154**	4,548
Net unrestricted funds		**21,274**	24,774	**18,058**	23,493
Restricted funds	11	**121**	97	**69**	48
Total funds		**21,395**	24,871	**18,127**	23,541

The financial statements were approved and authorised for issue by the trustees on 16 December 2024 and were signed on their behalf by:

Valerie Hughes-D'Aeth
Chair of the Board

Caroline Stockmann
Treasurer

The notes on pages 76–96 form part of these financial statements.

CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

	Note	**2024**	2023
		£'000	£'000
Net cash flows from operating activities		**(900)**	(8,374)
Cash flows from investing activities			
Income from investments	2(c)	**215**	15
Interest received	2(c)	**–**	20
Proceeds from the sale of tangible fixed assets	5	**–**	–
Purchase of tangible fixed assets	5	**(37)**	(289)
Development of intangible fixed assets	6	**(3,350)**	(256)
Proceeds from sale of investments	7	**7,823**	6,262
Purchase of investments	7	**–**	(1,576)
(Increase)/decrease in cash deposits (investment asset)	7	**(1,841)**	1,534
Net cash provided by/(used in) investing activities		**2,810**	5,710
Taxation paid	2(b)	**–**	–
Cash flows from financing activities:			
Cash removed from/(added to) bank deposits with more than 24 hours' notice			
Change in cash and cash equivalents in the year		**1,910**	(2,665)
Cash and cash equivalents at the beginning of the year		**4,460**	7,125
Cash and cash equivalents at the end of the year	9	**6,370**	4,460

Notes to the cashflow statement

(a) Reconciliation of net income to net cashflow from operating activities

Net income		**(3,165)**	(4,475)
Depreciation charge – tangible assets	5	**504**	575
(Gains)/losses on investments	7	**(1,859)**	(2,140)
(Gains)/losses on disposal of tangible fixed assets	7	**0**	49
(Gains)/losses on disposal of intangible fixed assets		**1,673**	4
Dividend, interest and rents from investments	2(c)	**(215)**	(35)
Depreciation charge – intangible assets	6	**1,446**	226
Foreign exchange reserves movement		**1,403**	801
Payment to pension scheme per funding plan	12	**(1,000)**	(1,000)
Non-actuarial increase in pension liability	12	**369**	172
Decrease/(increase) in stocks		**–**	–
Decrease/(increase) in debtors	8	**(676)**	(2,525)
Increase/(decrease) in creditors	10	**679**	(85)
Increase/(decrease) in provisions	13	**(59)**	59
Net cashflows from operating activities		**(900)**	(8,374)

(b) Analysis of cash and cash equivalents

Cash in hand	9	**6,370**	4,460
Total cash and cash equivalents		**6,370**	4,460

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

1 Principal accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention modified by the revaluation of investments and in accordance with the Financial Reporting Standard applicable to the UK and the Republic of Ireland (FRS 102) effective 1 January 2019, the Statement of Recommended Practice applicable to charities using FRS 102 and the requirements of the Charities Act 2011.

The functional currency of the CIPD is considered to be GBP because that is the currency of the primary economic environment in which the group operates.

There are no material uncertainties that call into doubt the CIPD's ability to continue in operation. Accordingly, the financial statements have been prepared on a going concern basis as discussed within the Trustees' Report.

(b) Consolidation

The group financial statements include the results of the CIPD, its branches and its subsidiaries, which are consolidated on a line-by-line basis. Please refer to note 2(b) to the accounts for the results for the trading subsidiaries. Note 11 sets out the movements in the Institute's funds including incoming and outgoing resources.

CIPD Ireland renewed a funding arrangement with Skillnet to promote education and training in Ireland during the year. As guided by the Financial Reporting Standard applicable to the UK and the Republic of Ireland (FRS 102), the arrangement has been reported as a jointly controlled operation which requires the consolidated accounts of both parties to recognise assets that each party controls and liabilities incurred, with expenses incurred and share of income.

The results of overseas subsidiaries and branches have been translated into sterling using exchange rates prevailing at the balance sheet date. Exchange differences arising from retranslating the opening net investment in overseas subsidiaries at the closing exchange rates are recorded as movements in the general fund.

(c) Income

All income, including investment income, is accrued and included in the Statement of Financial Activities when the group is entitled to the income, receipt is probable, and the amount can be quantified reliably. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet. Income from subscriptions, which is our largest individual source of income, is recognised referring to the period over which the subscription relates.

Volunteers continue to be an integral part of the CIPD, working with us across the organisation in every area of our work. Their wide spectrum of skills, experience and expertise strengthens our organisation by enabling us to better support our members and engage the wider HR community in what we do. On a wider community level, many CIPD members volunteer their experience in our community investment programmes. Our branch volunteers use their skills to promote the CIPD and give back to the profession, with a number of members acting as mentors in our Steps Ahead Mentoring programme and others engaged with our Enterprise Adviser programme run by the Careers and Enterprise Company.

In accordance with the SORP, no monetary value has been attributed to the work of volunteers, though their involvement is considered vital to the activities of the charity.

(d) Expenditure

Membership and education include the costs of administering and providing direct services to members, developing professional standards, providing educational services to members and supporting educational centres which offer the Institute's qualifications. Commercial activities are disclosed as charitable where they are deemed to give rise to direct membership benefit.

Research includes the cost of commissioning and undertaking research and the dissemination of research and practical information to members and the public.

Branches include the central and local costs of the Institute's branch network, which offers continuing professional development and networking events for members nationwide.

Commercial activities, through our strategic partnerships, comprise a courses and conferences programme, a publishing facility for books and training materials, and an HR consultancy business for organisations. It also manages the relationship with the publisher of the CIPD's journal, *People Management*.

Investment management costs include fees paid to the Institute's investment advisers and fund managers.

Support costs such as general management, governance, human resources, finance, information systems, strategy, performance and premises costs are allocated across the various categories of our expenditure. The basis of allocation has been explained in note 2(a) to the accounts.

(e) Operating leases

Payments in respect of operating leases are charged to the Statement of Financial Activities over the life of the lease on a straight-line basis.

(f) Fixed assets, depreciation and amortisation

Tangible assets
Tangible assets are stated at cost net of depreciation and any provisions for impairment.

Depreciation is provided on a straight-line basis on the cost of fixed assets to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land or assets under construction. The depreciation period for other assets is shown below.

Office equipment	3–4 years
Freehold buildings (from date of first use)	25 years
Leasehold buildings (from date of first use)	Over life of lease

Assets with a cost below £2,500 are not capitalised.

Intangible assets
Intangible assets are stated at cost net of depreciation and any provisions for impairment.

Depreciation is provided on a straight-line basis on the cost of fixed assets to write them down to their estimated residual values over their expected useful lives.

Website development costs	3 years
Developed IT hardware/software	5 years

Website discovery costs are charged to the Statement of Financial Activities as incurred. Other website costs are capitalised as a fixed asset only where they lead to the creation of an enduring asset delivering tangible future benefits whose value is at least as great as the amount capitalised. An impairment review is undertaken of the net asset value of the website at each balance sheet date. Expenditure to maintain or operate the developed website is charged to the Statement of Financial Activities.

Costs incurred in the development of new web-based commercial products are depreciated over the shorter of three years or the estimated useful economic life of the products concerned.

Developed IT hardware/software relates to our membership and finance systems.

(g) Investments

Investments are stated in the balance sheet at market value. Realised and unrealised gains and losses in the year based on market value are recognised in the Statement of Financial Activities. Investment properties are shown at trustees' estimate of their open market valuation using a nationally available house price index calculator. Bank interest is accounted for on a receivable basis; other investment income is accounted for when received.

Investments in subsidiary undertakings are included at cost or fair value at acquisition, subject to any impairment.

Liquid resources are funds held at bank which require more than 24 hours' notice to access.

(h) Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of impairment losses. Prepayments are valued at the amount prepaid, net of any trade discounts due. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(i) Pension schemes

The CIPD Group Personal Pension Plan and the CIPD Money Purchase Pension Plan are UK-based defined contribution schemes. The Institute also makes contributions to defined contribution schemes for its staff in Ireland. The charges to the Statement of Financial Activities for defined contribution schemes are the amounts payable in respect of the accounting year.

The CIPD Staff Retirement Scheme is a defined benefit scheme. It is accounted for in accordance with FRS 102. The notional net interest charge on the FRS 102 deficit, the expected return on assets and the current service cost have been allocated across the resources expended categories based on pensionable payroll. Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high-quality corporate bond rates that have terms to maturity approximating to the terms of the related liability. Appropriate adjustments are made for actuarial gains or losses which are recognised in other recognised gains and losses in the Statement of Financial Activities.

(j) Tax

The CIPD is a registered charity, and its income is applied solely for charitable purposes. As a result, it is entitled to rely upon the tax exemption granted by the Corporation Tax Act 2010. Where possible, the profits of the CIPD's trading subsidiaries are donated to the CIPD under Gift Aid.

(k) Fund accounting

The Institute has various types of funds for which it is responsible, and which require separate disclosure. These are as follows:

General fund
This contains funds that are spent at the discretion of the trustees in furtherance of the objects of the charity and includes reserves in line with our policy to maintain sufficient realisable reserves to cover the estimated cash impact of a pessimistic financial scenario.

Designated funds
The Institute may at its discretion set aside funds for specific purposes that would otherwise form part of the general reserves of the organisation. The Institute sets aside funds, supported by cash and investments, in respect of a variety of activities that are explained in more detail below. As such, they are not available for other purposes. Designated funds are listed in note 11 to the accounts.

Restricted funds
The Institute may, from time to time, receive funds from external sources for specific purposes. These funds are not available for other purposes and are segregated in our accounts. Restricted funds are listed in note 11 to the accounts.

(l) Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies described above, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates, judgements and assumptions are made based on a combination of past experience, professional expert advice and other evidence that is relevant to the particular circumstance. The following area is considered to involve the critical judgements and sources of estimation uncertainty when applying the group's accounting policies.

Pension liability
Estimates of the net pension liability depend on a number of complex judgements relating to the discount rate used, changes in retirement ages and mortality rates. The group engages a firm of actuaries to provide expert advice about the assumptions made and the effect on the pension liability of changes in these assumptions.

(m) Public benefit

The Institute's charitable objects include the promotion of the art and science of the management and development of people for the public benefit. Details on how the Institute delivers public benefit are included in the Trustees' Report.

2a Expenditure

	Direct costs £'000	Support costs £'000	Total 2024 £'000	Total 2023 £'000
Raising funds				
Commercial activities	**5,600**	**4,286**	**9,885**	10,434
Investment management	**25**	–	**25**	25
Charitable activities				
Membership and education	**26,897**	**7,134**	**34,031**	32,184
Research	**5,204**	**1,283**	**6,486**	6,549
Branches	**1,816**	**464**	**2,281**	2,436
Governance costs	–	–	–	–
Total	**39,543**	**13,166**	**52,708**	51,628

Allocation of support costs

	Strategy and Secretariat £'000	IT £'000	Finance £'000	HR £'000	Premises £'000	Governance £'000	Total 2024 £'000	Total 2023 £'000
Raising funds								
Commercial activities	**115**	**3,086**	**550**	**13**	**500**	**22**	**4,286**	3,969
Charitable activities								
Membership and education	**827**	**4,685**	**818**	**14**	**764**	**25**	**7,134**	6,728
Research	**148**	**842**	**147**	**3**	**139**	**5**	**1,283**	1,310
Branches	**56**	**317**	**55**	**1**	**35**	**1**	**464**	492
	1,146	**8,929**	**1,570**	**30**	**1,438**	**53**	**13,166**	12,499
Total 2023	1,622	8,111	1,309	35	1,379	42		12,499

Basis of apportionment

Strategy and Secretariat	Proportion of unrestricted cost of charitable activity excl commercial activity allocation
IT	Proportion of unrestricted cost of charitable activity excl commercial activity allocation
Finance	Proportion of unrestricted cost of charitable activity excl commercial activity allocation
HR	Staff time
Premises	Staff time
Governance	Staff time

Total resources expended includes:	**2024 £'000**	2023 £'000
Auditor's remuneration:		
Audit fees – current year provision	**82**	71
Audit fees – underprovision relating to prior years	**20**	–
Other services	**20**	12
Operating lease rentals		
Other assets, including land and buildings	**133**	194
Depreciation	**1,950**	801

2b Subsidiary companies

(i) At the balance sheet date, the CIPD owned the entire ordinary share capital (where applicable) of the following subsidiary undertakings:

	CIPD Enterprises Ltd		CIPD Asia Ltd		CIPD Middle East FZ LLC[1]		CIPD Ireland[2]	
Country of registration	England and Wales		Singapore		Dubai		Ireland	
Immediate holding company	CIPD		CIPD		CIPD Enterprises Ltd		CIPD	
Holding	3,000,000 £1 shares		Limited by guarantee		14,800 AED 1,000 shares		Limited by guarantee	
Activity	Training, events, publishing and the development of people via organisational training and consultancy		Promotion of membership and the management and development of people		Promotion of membership and the management and development of people		Promotion of membership and the management and development of people	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Total assets	6,957	6,634	1,256	330	2,822	2,689	438	336
Total liabilities	3,676	3,353	1,764	705	(961)	(617)	174	220
	3,281	**3,281**	**(508)**	**(375)**	**3,783**	**3,306**	**264**	**116**
Represented by:								
Share capital	3,000	3,000	–	–	3,108	3,108	–	–
Reserves	281	281	(508)	(375)	675	198	264	116
Results for the year:								
Income[3]	7,640	8,579	1,061	1,104	4,226	3,291	1,840	1,335
Expenditure	7,338	8,083	1,194	1,154	3,687	2,591	1,749	1,343
Net profit/(loss)	**302**	**496**	**(133)**	**(51)**	**539**	**700**	**91**	**(8)**
Gift Aided to the CIPD	(302)	(496)	–	–	–	–	–	–
Retained in subsidiary	–	–	**(133)**	**(51)**	**539**	**700**	**91**	**(8)**

1 CIPD Middle East FZ LLC was incorporated on 13 August 2015 as a Free Zone Limited Liability company and operates in the UAE under a licence issued by the Government of Dubai, Dubai Creative Cluster Authority. The entity is licensed to provide services mainly related to HR consultancy.

2 CIPD Ireland became its own independent company on 1 July 2020. It was started with a loan of €462,411 and is a company limited by guarantee. This is its third year of trading, and it may remain a commercial-led company as its charitable status is still under review.

3 Commercial income and expenditure in the Consolidated Statement of Financial Activities is derived from our UK trading arm, CIPD Enterprises Ltd, with the following adjustments: commercial income also includes inward sponsorship of CIPD events, which is recorded in the accounts of the Institute. Commercial expenditure includes a higher apportionment of support costs than included in CIPD Enterprises' standalone accounts.

(i) During the year, there were a number of transactions between group companies, relating to either (a) expenditure paid by the CIPD or CIPD Enterprises Ltd on behalf of another group company and recharged to them, or (b) internal operational costs incurred by the CIPD or CIPD Enterprises Ltd and apportioned to other group companies as appropriate. These transactions were as follows:

(ii) Subsequent events – no significant subsequent events have been identified in any of the group companies since 30 June 2024.

Total expenditure includes:	**Transactions during the year £'000**	**Balance outstanding at year end £'000**
Amounts due to the CIPD:		
from CIPD Middle East FZ LLC	1,185	284
from CIPD Asia Ltd	234	783
from CIPD Enterprises Ltd	(2,562)	(3,545)
from CIPD Ireland	1,034	1,058

2c Investment income

	2024 £'000	2023 £'000
Bank interest	**215**	20
Income from other investments	–	16
	215	36

2d Grants

3 Staffing (excluding trustees)

	2024 £'000	2023 £'000
Salaries	**22,843**	20,035
Social security costs	**2,075**	1,920
Pension costs	**3,746**	1,697
Benefits in kind	**690**	336
	29,354	23,988

The pension costs shown above include the service cost for the year for the CIPD Staff Retirement Scheme and the actual payments made into defined contribution schemes.

Excluding the chief executive (note 4 below), higher-paid employees were remunerated as follows

	2024 number	2023 number
£60,000–£69,999	**28***	27*
£70,000–£79,999	**30**	20
£80,000–£89,999	**17**	14
£90,000–£99,999	**11**	7
£100,000–£109,999	**8**	3
£110,000–£119,999	**5**	5
£120,000–£129,999	**2***	1*
£130,000–£139,999	**2**	1
£140,000–£149,999	**3**	0
£150,000–£159,999	**1**	2
£160,000–£169,999	**3**	1
£170,000–£179,999	**0**	1
£180,000–£189,999	**1**	0
£190,000–£199,999	**0**	0
£200,000–£209,999	**1**	0
£210,000–£219,999	**0**	0
£220,000–£229,999	**0**	0
£230,000–£239,999	**0**	0
£240,000–£249,999	**1**	0
£250,000–£289,999	**1**	0
£290,000–£299,999	**1**	0

* The bandings marked with an asterisk include redundancy payments for certain individuals and hence do not constitute the normal or ongoing compensation.

Of the higher-paid employees, 18 (2023: 8) were members of the CIPD Staff Retirement Scheme. The Institute contributed £619,000 into the defined contribution schemes for 110 of the higher-paid employees (2023: £376,000 for 74 employees).

In 2024, the key management personnel of the charity are referred to as the senior leadership team (SLT) – the chief executive, the director of membership, the director of commercial and marketing, the director of legal and governance, the director of digital and technology, the director of professional development, the director of research policy and content, and the director of finance.

SLT represents the key management personnel less the trustees.

The total employee benefits of the senior leadership team (excluding the chief executive) were £1,307,000 (2023: £1,018,000).

The average monthly number of employees during the year was 424 (2023: 412), representing a full-time equivalent of 406 (2023: 393).

The average monthly number of employees working in charitable activities, including support and management and administration, was 384 (2023: 283), and 40 (2023: 129) employees worked in activities for generating funds.

The cost of general agency support and consultants was £1,303,000 (2023: £1,750,000), mainly in relation to the delivery of strategic projects and IT activities.

Redundancy and termination payments totalled £1,960,436 (2023: £39,000).

Per charities SORP (page 80, 9.26. Disclosure of staff costs and employee benefits), 'employee benefits' includes social security costs.

4 Trustees' emoluments

	2024 £'000	2023 £'000
Chief executive (only paid trustee)		
Salary	**285**	274
Variable performance bonus	–	–
Pension contributions	–	–
Benefits in kind	**8**	1
Emoluments	**293**	275

Details on how the chief executive's remuneration is determined are given in the Trustees' Report on page 51. The figures above represent the emoluments of the chief executive for that role, not as a trustee.

The other members of the board of trustees receive no remuneration for their services or for volunteering their time.

During the year a total of £808 (2023: £371) was reimbursed to, or paid on behalf of, two (2023: 1) trustees.

5 Tangible fixed assets

Group	Assets under construction	Freehold land	Freehold property	Leasehold property	Office equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 July 2023		3,884	9,172	114	1,215	14,385
Additions	–	–	–	1	36	37
Transfers	–	–	–	–	–	–
Disposals	–	–	–	–	–	–
Foreign exchange	–	–	–	–	–	–
At 30 June 2024		**3,884**	**9,172**	**115**	**1,251**	**14,422**
Depreciation						
At 1 July 2023	–	–	6,728	93	896	7,717
Charges for the year	–	–	367	6	131	504
Disposals	–	–	–	–	–	–
Foreign exchange	–	–	–	–	–	–
At 30 June 2024	–	–	**7,095**	**99**	**1,027**	**8,221**
Net book value						
At 1 July 2023	–	3,884	2,444	20	314	6,662
At 30 June 2024	–	**3,884**	**2,077**	**15**	**224**	**6,200**

Institute	Assets under construction	Freehold land	Freehold property	Leasehold property	Office equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 July 2023	–	3,884	9,172	–	898	13,954
Additions	–	–	–	–	24	24
Transfers	–	–	–	–	–	–
Disposals	–	–	–	–	–	–
At 30 June 2024	–	**3,884**	**9,172**	–	**922**	**13,978**
Depreciation						
At 1 July 2023	–	–	6,728	–	707	7,435
Charges for the year	–	–	367	–	90	457
Disposals	–	–	–	–	–	–
At 30 June 2024	–	–	**7,095**	–	**797**	**7,892**
Net book value						
At 1 July 2023	–	3,884	2,444	–	189	6,517
At 30 June 2024	–	**3,884**	**2,077**	–	**125**	**6,086**

The freehold land and property relate to the CIPD offices at 151 The Broadway, Wimbledon.

The trustees believe that the value of this property is higher than its net book value. The leasehold property relates to our offices in Ireland, Singapore and Dubai.

There is a charge granted over the freehold property at 151 The Broadway in favour of the CIPD Staff Retirement Scheme.

6 Intangible fixed assets

Group	Assets under construction	IT software	Content development	Website development	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 July 2023	1,762	3,485	194	5,532	10,973
Additions	1,496	1,854	–	–	3,350
Transfers	(531)	–	531	–	–
Disposals	(1,484)	(1,133)	–	–	(2,617)
At 30 June 2024	**1,243**	**4,206**	**725**	**5,532**	**11,706**
Depreciation					
At 1 July 2023	–	3,115	95	5,443	8,653
Charges for the year	–	1,144	242	60	1,446
Disposals	–	(944)	–	–	(944)
At 30 June 2024	–	**3,315**	**337**	**5,503**	**9,155**
Net book value					
At 1 July 2023	1,762	370	100	89	2,321
At 30 June 2024	**1,243**	**891**	**388**	**29**	**2,551**

Institute	Assets under construction	IT software	Content development	Website development	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 July 2023	1,762	3,485	194	5,532	10,974
Additions	1,496	1,854	–	–	3,350
Transfers	(531)	–	531	–	–
Disposals	(1,484)	(1,133)	–	–	(2,617)
At 30 June 2024	**1,243**	**4,206**	**725**	**5,532**	**11,705**
Depreciation					
At 1 July 2023	–	3,115	95	5,443	8,653
Charges for the year	–	1,144	242	60	1,446
Disposals	–	(944)	–	–	(944)
At 30 June 2024	–	**3,315**	**337**	**5,503**	**9,155**
Net book value					
At 1 July 2023	1,762	370	100	89	2,321
At 30 June 2024	**1,243**	**891**	**388**	**29**	**2,551**

Intangible assets relate to IT software in respect of our membership and finance systems, developing our website, and product development costs.

7 Investments

	Group		Institute	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
Investments at market value				
Managed funds:				
Overseas unit trusts: direct holdings in listed UK equities and bonds	**1,639**	1,988	**1,639**	1,988
Overseas unit trusts: direct holdings in listed overseas equities and bonds	**14,582**	20,194	**14,582**	20,194
Bank deposits	**2,036**	195	**2,036**	195
Property unit trust	**52**	60	**52**	60
UK investment property	**–**	–	**–**	–
Investments in subsidiaries (Note 2b)	**–**	–	**3,000**	3,000
Total market value at 30 June	**18,309**	22,437	**21,309**	25,437
Total cost at 30 June	**15,662**	20,897	**18,662**	23,897

The board arranges for investments or other property to be held in the name of a nominee and has the power to delegate the management of investments to an authorised person within the meaning of the Financial Services Act 1986.

The board delegates investment decisions to the Investment Committee, which meets quarterly.

The Institute follows a strategy which exercises control over asset allocations and uses specialist fund managers for each class of asset. The asset allocation is tracked by the investment adviser on behalf of the Institute, with rebalancing decisions taken quarterly.

	Group		Institute	
	2024	2023	**2024**	2023
Managed funds	**£'000**	£'000	**£'000**	£'000
Market value at 1 July 2023	**22,437**	26,517	**25,437**	29,517
Money withdrawn	**(7,828)**	(6,262)	**(7,828)**	(6,262)
Money invested	**–**	1,576	**–**	1,576
Movement in cash deposits	**1,841**	(1,534)	**1,841**	(1,534)
Reinvested income (net of fees)	**–**	–	**–**	–
Net gains/(losses)	**1,859**	2,140	**1,859**	2,140
Market value at 30 June 2024	**18,309**	22,437	**21,309**	25,437

8 Debtors

	Group		Institute	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
Trade debtors	**3,047**	5,218	**1,254**	2,262
Amounts due from subsidiaries	**–**	–	**–**	–
Other debtors	**2,752**	1,807	**1,135**	1,140
Prepayments and accrued income	**3,989**	2,087	**2,247**	1,719
	9,788	9,112	**4,636**	5,121

Included within the Institute's debtors are amounts owed from CIPD Enterprises Ltd of £301,775 (2023: £496,000) relating to Gift Aid payable for the period.

9 Cash in bank and in hand

	Group		Institute	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
Bank current accounts and cash in hand	**6,370**	4,460	**4,033**	2,401
Bank deposits – greater than 24 hours' notice	**–**	–	**–**	–
	6,385	4,460	**4,033**	2,401

10 Creditors: amounts falling due within one year

	Group		Institute	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
Trade creditors	**2,099**	3,358	**1,729**	2,152
Amounts received in advance	**6,631**	5,210	**6,469**	5,085
Amounts due to subsidiaries	**–**	–	**1,419**	1,309
Taxation and social security costs	**512**	592	**509**	557
Other creditors	**669**	698	**263**	298
Accruals	**2,519**	2,455	**1,412**	1,397
Deferred income	**853**	291	**147**	–
	13,283	12,604	**11,948**	10,798

Amounts received in advance on 30 June 2024 will all be released in the year to 30 June 2025 and mainly relate to member and organisation subscriptions.

Deferred income represents bookings for future commercial events and payments for consultancy work. The movement on deferred income was as follows:

	Group	
	2024	2023
	£'000	£'000
Deferred income at start of year	**291**	860
Amounts released during the year	**(291)**	(860)
Amounts deferred during the year	**853**	291
Deferred income at end of year	**853**	291

11 Funds

Group	Balance at 1 July 2023	Income	Expenditure	Transfers between funds	Gains and (losses)	Balance at 30 June 2024
	£'000	£'000	£'000	£'000	£'000	£'000
General fund	27,684	47,286	(50,571)	(1,000)	3,262	**26,661**
Pension reserve	(7,458)	–	(369)	1,000	(1,714)	**(8,541)**
Net general funds	20,226	47,286	(50,940)	–	1,548	**18,120**
Designated funds						
Building fund	1,033	–	(111)	–	–	**922**
Trust fund	305	–	(106)	–	–	**199**
Strategic initiatives fund	3,210	–	(1,177)	–	–	**2,033**
Total designated funds	4,548	–	(1,394)	–	–	**3,154**
Total unrestricted funds	**24,774**	**47,286**	**(52,334)**	–	**1,548**	**21,274**
Restricted funds						
JP Morgan Chase	1	–	–	–	–	**1**
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	30	30	(60)	–	–	–
C&G Future Skills	–	70	(4)			
Innovate UK	(1)	31	(31)	–	–	**66**
Youth Future	15	20	(35)	–	–	**(1)**
Skillnet (CIPD Ireland)	49	248	(245)	–	–	**52**
Total restricted funds	97	399	(375)	–	–	**121**
Total funds	**24,871**	**47,685**	**(52,709)**	–	**1,548**	**21,395**

Institute	Balance at 1 July 2023	Income	Expenditure	Transfers between funds	Gains and (losses)	Balance at 30 June 2024
	£'000	£'000	£'000	£'000	£'000	£'000
General fund	26,403	33,132	(36,949)	(1,000)	1,859	**23,445**
Pension reserve	(7,458)	–	(369)	1,000	(1,714)	**(8,541)**
Corporation tax	–	–	–	–	–	–
Net general funds	**18,945**	**33,132**	**(36,318)**	–	**145**	**14,904**
Designated funds						
Building fund	1,033	–	(111)	–	–	**922**
Trust fund	305	–	(106)	–	–	**199**
Strategic initiatives fund	3,210	–	(1,177)	–	–	**2,033**
Total designated funds	4,548	–	(1,394)	–	–	**3,154**
Total unrestricted funds	**23,493**	**33,132**	**(38,712)**	–	**145**	**18,058**
Restricted funds						
JP Morgan Chase	1	–	–	–	–	**1**
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	30	30	(60)	–	–	–
C&G Future Skills	–	70	(4)	–	–	**66**
Innovate UK	(1)	31	(31)	–	–	**(1)**
Youth Future	15	20	(35)	–	–	–
Total restricted funds	48	151	(130)	–	–	**69**
Total funds	**23,541**	**33,283**	**(38,842)**	–	**145**	**18,127**

Designated fund descriptions:

The building fund provides for maintenance of CIPD properties and for potential property projects. The trust fund has been established to promote access to the profession. The strategic initiatives fund is to provide for special initiatives identified by the board – which include growing membership, meeting the needs of leading members of the HR profession, growing the CIPD's offering internationally, payment systems and website improvements, and engaging more directly with employers.

The outstanding balance on the building fund is expected to be used over the next 10 to 20 years, though this is dependent on the nature and timing of any potential property projects. The outstanding balance on the trust fund and the strategic initiatives fund is expected to be used over the next five years.

Restricted fund descriptions:

JP Morgan Chase	To provide free employment and people management advice to small businesses
Timewise Mentor	To promote flexible working hours within the workplace
Careers & Enterprise Company	Funding for the recruitment of suitable people professionals (members and non-members) to volunteer on the Careers & Enterprise Company Enterprise Adviser programme
Flexible Support Fund Partnership	Department for Work and Pensions funding to test extending Steps Ahead to support jobseekers of over 50 years old with short-term one-to-one mentoring with the aim of improving their employability skills to help them find work
Innovate UK	Human resources advice and guidance is given to SMEs in the Midlands
Skillnet CIPD Ireland	To promote education and training in Ireland

At 30 June 2024, cumulative unrealised gains on investment assets of £2,648,000 (2023: £1,540,000) were included in the general fund.

Each of the designated funds is described in note 1(k).

During the year, £1,000,000 was transferred from the general fund to the pension reserve (2023: £1,000,000).

Expenditure incurred promoting the interests of CIPD members and the wider HR community working in Asia was funded during the year via grants totalling £653,000 (2023: £653,000) from the CIPD to CIPD Asia Ltd. The funding reflects the amount incurred to date in promoting CIPD activities in the region and is in accordance with expenditure authorised by the trustees under the existing grant approval policy.

Analysis of fund balances held on 30 June 2024

	General £'000	Pension £'000	Designated £'000	Restricted £'000	Total £'000
Tangible fixed assets	6,200	–	–	–	**6,200**
Intangible fixed assets	2,552	–	–	–	**2,552**
Investments	15,155	–	3,154	–	**18,309**
Current assets	16,037	–	–	121	**16,158**
Current liabilities	(13,283)	–	–	–	**(13,283)**
Long-term liabilities	–	(8,541)	–	–	**(8,541)**
Provisions	–	–	–	–	–
Fund balances on 30 June	**26,661**	**(8,541)**	**3,154**	**121**	**21,395**

12 Pension commitments

The Institute operated two separate occupational pension schemes during the year – the CIPD Group Personal Pension Plan and the CIPD Staff Retirement Scheme.

(a) CIPD Staff Retirement Scheme

The CIPD Staff Retirement Scheme is a defined benefit scheme which was closed to new entrants on 1 January 2010 and closed to accruals of new benefits from 30 September 2012.

The assets of the scheme are held separately from those of the Institute to meet long-term pension liabilities to past and present employees. The trustees of the scheme are required to act in the best interest of the scheme's beneficiaries and are appointed in accordance with the scheme's trust deed. Currently one-third of the trustees are member-nominated. During the year, Barnett Waddingham LLP acted as administrators and actuaries to the scheme. SEI Investments (Europe) Limited acted as investment advisers to the trustees during the year; they are also responsible for the management of the scheme's invested assets.

The most recent full actuarial valuation of the scheme was carried out as at 1 October 2020 and revealed an actuarial deficit of approximately £15.4 million.

The CIPD paid £250,000 per quarter into the scheme until 30 September 2024. The existing agreement increases the quarterly payment to £275,000 per quarter effective 1 October 2024.

The triennial valuation as of 1 October 2023 is currently under way. The indicative actuarial valuation is £10.2m and we expect to conclude on the final valuation and contribution schedule by 31 December 2024. This may increase quarterly contributions payable to the scheme.

Additionally, the CIPD has an agreement with the trustees under which the scheme is granted a charge over the freehold property at 151 The Broadway to act as a contingent asset for the scheme.

Benefits accrued after 1 October 2006 were on a career average revalued earnings basis and will have limited price indexation of pensions in payment restricted to 2.5%. Prior to 1 October 2006, benefits were accrued on a final salary basis and active members paid contributions to the scheme. On this date the Institute implemented a salary sacrifice scheme and since then has paid all of the contributions – originally at a rate of 19.1% of pensionable salaries and from 1 October 2009 until 30 September 2012 at a rate of 17.6%. Of this, 6% represented the contributions that active members would have made were the salary sacrifice scheme not in place. Contributions in respect of benefit accrual ceased from 30 September 2012.

	2024 £'000	2023 £'000
The amounts recognised in the balance sheet were:		
Present value of funded liabilities	**37,614**	36,282
Fair value of scheme assets	**(29,073)**	(28,824)
Net pension liability at 30 June	**8,541**	7,458
The amounts disclosed in the balance sheet were:		
Liabilities	**8,541**	7,458
Assets	–	–
Net pension liability at 30 June	**8,541**	7,458
The amounts recognised in the statement of financial activities were:		
Interest on liabilities	**1,887**	1,684
Interest on assets	**(1,518)**	(1,512)
Past service cost	–	–
Total	**369**	172
Changes in the amounts recognised within other recognised gains and losses were:		
Actuarial (gain)/loss	**1,714**	3,136
Changes in the present value of the defined benefit liability were:		
Opening defined benefit liability	**36,282**	46,108
Past service cost	–	–
Interest cost	**1,887**	1,684
Actuarial (gain)/loss due to changes in assumptions	**647**	(12,050)
Actuarial (gain)/loss due to experience	**162**	1,753
Benefits paid	**(1,364)**	(1,213)
Closing defined benefit liability at 30 June	**37,614**	36,282
Changes in the fair value of the scheme assets were:		
Opening fair value of scheme assets	**28,824**	40,958
Interest on assets	**1,518**	1,512
Actuarial gain/(loss)	**(905)**	(13,433)
Employer contributions	**1,000**	1,000
Benefits paid	**(1,364)**	(1,213)
Administration costs	–	–
Closing fair value of scheme assets at 30 June	**29,073**	28,824

All the scheme's assets are invested in funds managed by SEI Investments (Europe) Limited. These are grouped into two pools – the Risk Management Pool and the Return Enhancement Pool. Each fund has a mandate to invest actively in such a way as is expected to outperform relevant benchmark indices.

The fair value of the scheme assets as a percentage of the total scheme assets was:

	30 June 2024	30 June 2023
Equities	**13%**	4%
Bonds	**48%**	47%
Alternatives	**29%**	26%
Annuities	**7%**	7%
Property	**3%**	13%
Cash	**1%**	3%

The returns on the scheme's assets over the years to 30 June 2023 and 30 June 2024 were £(11,921,000) and £613,000 respectively.

The principal actuarial assumptions used by the actuary were:

	at 30 June 2024	30 June 2023
Rate of increase for pensions in payment	**3.00%**	3.00%
Discount rate for scheme liabilities	**5.20%**	5.30%
Rate of inflation (RPI)	**3.10%**	3.10%
Mortality table	**103% of S3PMA table for males and 98% of S3PFA table for females with CMI_2023 projections**	103% of S2NMA table for males and 98% of S2NFA table for females with CMI_2022 projections
2021 weight parameter	**0%**	0%
2022 weight parameter	**20%**	40%
2023 weight parameter	**20%**	n/a row%
Initial rate addition	**0.00%**	0.00%
Period smoothing parameter	**7.0**	7.0
Long-term rate of mortality improvement	**1.25%**	1.25%
Life expectancy at age 65 (of male aged 65)	**21.1**	21.1
Life expectancy at age 65 (of male aged 45)	**22.4**	22.3
Allowance for cash commutation	**15% of pension taken as tax-free cash**	15% of pension taken as tax-free cash
Allowance for the cost of GMP equalisation	**Increase liabilities by 0.2%**	Increase liabilities by 0.2%

The sensitivities regarding the principal assumptions used to measure the scheme liabilities were:

Assumption	*Change in assumptions*	*Impact on scheme liabilities*
Discount rate	Increase/decrease by 0.5%	Decrease/increase by 7%
Rate of inflation	Increase/decrease by 0.5%	Increase/decrease by 4%
Life expectancy	Increase/decrease by one year	Increase/decrease by 3%

(b) The CIPD Group Personal Pension Plan is a defined contribution scheme which is open to all CIPD employees in the UK. The Institute more than matches the amount of employee salary sacrificed into the scheme up to a total combined contribution of 20% of salary. The scheme qualifies for the NAPF pension quality mark, with the 20% total contribution option qualifying for the PQM Plus standard – the highest available industry award for defined contribution schemes.

The pension cost charge for the year for this scheme was £1,433,000 (2023 £1,330,000).

(c) In addition to the above schemes, Personal Retirement Savings Accounts exist for staff working for the CIPD in Ireland.

The pension cost charge for the year for this scheme was £47,000 (2023: £56,000).

The pension costs charged in the Statement of Financial Activities for the defined contribution schemes represent contributions payable into the schemes in relation to the accounting period.

13 Provisions for liabilities and charges

	Group		**Institute**	
	2024 £'000	2023 £'000	**2024 £'000**	2023 £'000
Provisions	–	59	–	–

The provisions amount relating to individual property is released on termination of the lease.

14 Obligations under operating leases

Group	**2024 £'000**	2023 £'000
The future minimum operating lease payments for land and buildings are as follows:		
Within one year	**133**	194
Between two and five years	**157**	408
Over five years	–	–
	290	602
In respect of other operating leases with commitments expiring:		
Within one year	–	–
Between two and five years	–	–
	–	–

Institute	**2024 £'000**	2023 £'000
The future minimum operating lease payments for land and buildings are as follows:		
Within one year	–	–
Between two and five years	–	–
Over five years	–	–
	–	–
In respect of other operating leases with commitments expiring:		
Within one year	–	–
Between two and five years	–	–
	–	–

15 Related parties

In accordance with our Charter and Byelaws, board members are not able to profit from their position on the board.

There are no relevant related party transactions to report this year.

16 Indemnity insurance

Funds are provided to protect the charity from loss arising from the neglects or defaults of its trustees, employees and agents. The cost of indemnity insurance in the year was £17,032 (2023: £15,548).

17 Capital commitments

At the year end the CIPD was committed to digital capital projects totalling £0 (2023: £0).

18 Post balance sheet event

There are no post balance sheet events.

19 Incorporation

The Institute is incorporated by Royal Charter and therefore has no company registration number.

The Institute is a charity registered in England and Wales, Scotland and Ireland.

Its charity registration numbers are 1079797, SC045154 and 20100827 respectively.

20 Prior year funds

Group	Balance at 1 July 2022 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and (losses) £'000	Balance at 30 June 2023 £'000
General fund	27,303	44,798	(46,358)	(1,000)	2,941	**27,684**
Pension reserve	(5,150)	–	(172)	1,000	(3,136)	**(7,458)**
Net general funds	**22,153**	**44,798**	**(46,530)**	**0**	**(195)**	**20,226**
Designated funds						
Building fund	1,033	–	–	–	–	**1,033**
Trust fund	408	–	(103)	–	–	**305**
Strategic initiatives fund	8,029	18	(4,837)	–	–	**3,210**
Total designated funds	9,470	18	(4,940)	–	–	**4,548**
Total unrestricted funds	**31,623**	**44,816**	**(51,470)**	–	**(195)**	**24,774**
Restricted funds						
JP Morgan Chase	1	–	–	–	–	**1**
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	45	140	(155)	–	–	**30**
Innovate UK	(1)	–	–	–	–	**(1)**
Youth Future	10	5	–			**15**
Parent Returner Program	–	52	(3)	–	–	**49**
Total restricted funds	58	197	(158)	–	–	**97**
Total funds	**31,681**	**45,013**	**(51,628)**	–	**(195)**	**24,871**

Institute	Balance at 1 July 2022 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and (losses) £'000	Balance at 30 June 2023 £'000
General fund	27,410	31,013	(33,160)	(1,000)	2,140	**26,403**
Pension reserve	(5,150)	–	(172)	1,000	(3,136)	**(7,458)**
Corporation tax	–	–	–	–	–	–
Net general funds	**22,260**	**31,013**	**(33,332)**	–	**(996)**	**18,945**
Designated funds						
Building fund	1,033	–	–	–	–	**1,033**
Trust fund	408	–	(103)	–	–	**305**
New learning fund	–	–	–	–	–	–
Research and development	–	–	–	–	–	–
Strategic initiatives fund	8,029	18	(4,837)	–	–	**3,210**
Total designated funds	9,470	18	(4,940)	–	–	**4,548**
Total unrestricted funds	**31,730**	**31,031**	**(38,272)**	–	**(996)**	**23,493**
Restricted funds						
UKCES-VyT	–	–	–	–	–	–
JP Morgan Chase	1	–	–	–	–	**1**
NESTA/Steps	–	–	–	–	–	–
Team London	–	–	–	–	–	–
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	45	140	(155)	–	–	**30**
FSF	–	–	–	–	–	–
Innovate UK	(1)	–	–	–	–	**(1)**
Parent Returner Program	–	–	–	–	–	–
Youth Future	10	5	–	–	–	**15**
Total restricted funds	**58**	**145**	**(155)**	–	–	**48**
Total funds	**31,788**	**31,176**	**(38,427)**	–	**(996)**	**23,541**

Analysis of fund balances held on 30 June 2022

	General £'000	Pension £'000	Designated £'000	Restricted £'000	Total £'000
Tangible fixed assets	6,662	–	–	–	**6,662**
Intangible fixed assets	2,321	–	–	–	**2,321**
Investments	17,889	–	4,548	–	**22,437**
Current assets	13,475	–	–	97	**13,572**
Current liabilities	(12,604)	–	–	–	**(12,604)**
Long-term liabilities	–	(7,458)	–	–	**(7,458)**
Provisions	(59)	–	–	–	**(59)**
Fund balances on 30 June	**27,684**	**(7,458)**	**4,548**	**97**	**24,871**

20 Consolidated statement of financial activities for the year ended 30 June 2022

Consolidated statement of financial activities	Note	General fund	Designated fund	Restricted fund	Total 2023	Total 2022
		£'000	£'000	£'000	£'000	£'000
Income from:						
Charitable activities To advance the management and development of people through:						
Membership services and education		**30,287**	–	–	**30,287**	29,960
Research		**15**	15	**197**	**227**	150
Branches		**206**	–	–	**206**	106
Other trading activities						
Commercial income		**14,254**	3	–	**14,257**	12,097
Investments		**36**	–	–	**36**	38
Total income		**44,798**	18	**197**	**45,013**	42,351
Expenditure on:						
Raising funds						
Commercial expenditure		**(10,434)**	–	–	**(10,434)**	(9,195)
Investment management costs		**(25)**	–	–	**(25)**	(35)
Charitable activities						
Membership services and education		**(28,358)**	**(3,826)**	–	**(32,184)**	(26,191)
Research		**(5,557)**	**(834)**	**(158)**	**(6,549)**	(5,978)
Branches		**(2,156)**	**(280)**	–	**(2,436)**	(1,921)
Total expenditure		**(46,530)**	**(4,940)**	**(158)**	**(51,628)**	(43,320)
Net income/(expenditure) before gains and losses on investments		**(1,732)**	**(4,922)**	**39**	**(6,615)**	(969)
Net gains/(losses) on investments		**2,140**	–	–	**2,140**	(755)
Net income/(expenditure)		**408**	**(4,922)**	**39**	**(4,475)**	(1,724)
Transfers between funds		–	–	–	–	–
Net incoming/(outgoing) resources before other recognised gains and losses		**408**	**(4,922)**	**39**	**(4,475)**	(1,724)
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension scheme		**(3,136)**	–	–	**(3,136)**	6,804
Gains/(losses) on revaluation of overseas subsidiaries		**801**	–	–	**801**	414
Net movement in funds		**(1,927)**	**(4,922)**	**39**	**(6,801)**	5,494
Reconciliation of funds						
Net fund balances brought forward		**22,153**	**9,470**	**58**	**31,681**	26,187
Net fund balances carried forward		**20,226**	**4,548**	**97**	**24,871**	31,681

The statement of financial activities includes all recognised gains and losses for the year.

We've been championing better work and working lives for over 100 years. We help organisations thrive by focusing on their people, supporting our economies and societies. We're the professional body for HR, L&D, OD and all people professionals – experts in people, work and change. With more than 160,000 members globally – and a growing community using our research, insights and learning – we give trusted advice and offer independent thought leadership. And we're a leading voice in the call for good work that creates value for everyone.

CIPD

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THE CHARTERED INSTITUTE OF PERSONNEL AND DEVELOPMENT

England & Wales - Charity number 1079797

Accounts

CIPD



Growing our reach, growing our impact

Equipping our profession to make work work for all

Annual Report and Accounts

Year ended 30 June 2023

Contents

Trustees' report



Foreword 4

Reflections from our president, board chair and chief executive

Holding on to our purpose 5

Growing our profession, growing our impact 6

Growing responsibly 7



About us 10

We're the CIPD – the voice, the standard and the partner for the people profession

Our purpose, our vision, our priorities 11

Where we work, the difference we've made 12

Our key results 16



Building our professional community 18

We're the professional body for HR, L&D and OD – strengthening, connecting and growing the people profession

Strengthening our community 19

Connecting our community 22

Growing our community 23



Expanding our professional partnerships 26

We're the business partner for organisations – recognising and developing the capability of people professionals and teams

Recognising more people professionals 27

Developing more people teams 30

Building capability and commitment 31



Raising our voice and impact 34

We're the voice of the people profession – sharing our expertise in people, work and change with many audiences

Expanding our reach and influence 35

Sharing insights on work, skills and technology 36

Championing employee relations, inclusion and wellbeing 37



Tackling the barriers to better work 40

We're the advocates of better work for all – harnessing the knowledge, expertise and talents of the people profession

Diversifying our profession 41

Transforming lives 44

Changing society 45



Our commitments as a responsible organisation 46

We're a business and an employer – growing as a sustainable, future-fit organisation

Growing responsibly 47

Sustaining our environment 49

Sustaining our people and culture 52

Sustaining good governance 58

Independent auditor's report 70

Financial statements 74

Foreword

Holding on to our purpose 5
Growing our profession, growing our impact 6
Growing responsibly 7

> "Will we build more responsible businesses, to sustain positive movement on inclusion and wellbeing, and bring about more fairness at work and in our societies? Or will short-term actions in response to declining profit margins further exacerbate divides and differences?"

Foreword

Reflections from our president, board chair and chief executive

Holding on to our purpose

Championing better work and working lives is as vital as ever.

Our profession remains at the forefront of immense changes that are transforming our workplaces. Our societies are facing complex, global economic and environmental challenges. Rapid developments in technology are reshaping our organisations, as we're seeing right now with the advancement of artificial intelligence. People's expectations, as workers and consumers, are shifting all the time.

But we're also at the forefront in realising huge opportunities. The challenges we've faced in recent years have transformed how we think about our organisations, our business models and our people. More than ever, people professionals play a central and vital role in resolving the many conflicts our organisations face. Increasingly, we're relied upon to come up with solutions and anticipate how work is changing. It's down to us to understand our contexts, manage the expectations of leaders in our organisations, and balance both with the needs of our workforces.

This year, many across our professional community have faced stark choices. Do we enable short-term actions, in response to immediate financial challenges, that risk the erosion of business sustainability, environmental sustainability, job quality, workforce wellbeing, fairness and inclusion? Or do we push for forward-thinking, evidence-based investment that can sustain our people, our organisations and, ultimately, our societies?

Managing change effectively while retaining the trust of our people has never been more important. That's why the CIPD continues to champion better work and working lives. We do it because we know organisations thrive when we put people first – and because thriving, responsible organisations lead to stronger economies and societies.

Growing our profession, growing our impact

This year we've continued to amplify our purpose through our strategy for growth.

We're equipping more people professionals – around the world – to have a positive impact on individuals and organisations. And we're working with more employers, partners and policy-makers to change the agenda around people and work.

We've launched the CIPD Trust, harnessing the power of our profession to tackle barriers to work and create inclusive workplaces. Members of our community are taking the opportunity to share their expertise, helping people get into work, return to work and develop in the people profession.

Our new Code of Conduct and Ethics meets the changing expectations of all our stakeholders and addresses the complex challenges faced by people professionals today.

Our new website makes our learning, resources, views and insights more accessible and improves the digital experience for our 6 million global visitors. We continue to research and share resources on the topics people professionals call for, keeping our community up to date on trends in work, people and technology. And our Learning Hub now offers over 70 courses, giving members, subscribers, teams and people managers access to the learning they need, whenever they need it.

Our conferences, award ceremonies and networking events continue to strengthen our global community. These connections are forging stronger strategic partnerships with policy-makers, agencies and other professional bodies on our good work agenda and our ongoing call for better work.

We are encouraged that so many organisations – across all sectors and regions – are also determined to invest in the development, progression and impact of their people professionals. This year 11 more organisations have demonstrated their commitment to building the capability of their people functions by becoming People Development Partners. Many more are using our Profession Map, courses, qualifications and assessment tools to raise the capability and professionalism of their people teams.

By extending our reach and influence, we are doing everything we can to strengthen the social, business and economic impact of our profession.

> "We've worked hard to promote the issues that matter. We've invested in research, content and learning to better support our whole professional community. Our membership has significantly increased, as have our student numbers, and we're working with many more organisations."

Growing responsibly

Extending our reach and impact means continuously improving what we do and how we do it.

We're doing more to put our customers first – all our customers: members and non-members, organisations and employers, employees and jobseekers, people managers and leaders, partners and decision-makers. We're sharpening our insight, seeking feedback and generating engagement and partnership. And we've continued to invest in our learning and finance systems to align our infrastructure with their needs.

We are determined to grow responsibly and sustainably. We support the increasing public, investor and regulatory interest in environmental, social and governance (ESG) issues. This year, with the effort and contribution of our people, we've achieved the prestigious Investors in the Environment Bronze accreditation. The people profession has led on the ESG agenda for some time, and we continue to share research and resources that help our community fulfil its central role in creating responsible businesses.

> "When we talk about ESG – when you really look at what's at the heart of the 'S' – it's about our people being motivated to grow our businesses. It's all about culture, leadership and behaviours."

Our people make this happen. We rely on their exceptional talent. We continue to invest in building a learning culture for all our people – employees and volunteers. This year, we achieved the Investing in Volunteers award for good practice in volunteer management, inclusion and involvement. We want all our people – whatever their role – to learn, thrive and progress.

We're choosing to grow and invest in our organisation and – most importantly – our people. We're doing it to deliver the right results for our members, our community and our business. And we're doing even more to share good practice across our profession, increase our impact, and equip our growing community to champion better work and working lives.



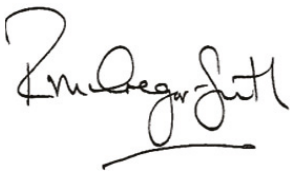
Baroness Ruby McGregor-Smith, CBE
President



Valerie Hughes-D'Aeth,
Chair of the Board



Peter Cheese,
Chief Executive







> "We are proud of all we've achieved together as an organisation and a community. The future will always be uncertain, but our profession is ready to stand up and take its place in shaping that future."



About us

Our purpose, our vision, our priorities 11
Where we work, the difference we've made 12
Our key results 16

About us

We're the CIPD – the voice, the standard and the partner for the people profession

Our purpose

Championing better work and working lives

We've been driven by our purpose for over 100 years. And we fulfil it by helping organisations focus on their people. We do it because when people thrive, so do their organisations, economies and societies. We're the professional body for HR, L&D, OD and all people professionals – the experts in people, work and change.

With over 160,000 members globally – and a growing community using our research, insights and learning – we give trusted advice and offer independent thought leadership. And we're a leading voice in the call for good work that creates value for everyone.

Our vision

A world where work creates value for everyone

We foresee a time when the barriers to work are removed. Where workplaces are inclusive and fair. Where people can improve their skills, raise their confidence and reach their potential.

That's what we're working towards. The people profession can make this happen. And we're strengthening and supporting our growing community to bring about this vision. Our members and partners are uniquely placed to improve work and working lives for all of us.

Our priorities

Growing our impact on work and working lives

We call for better work through constant dialogue with governments, partners and our community. We forge relationships with employers and experts to progress our good work agenda. We influence policy and practice. We share research, guidance and thought leadership.

And we do it by:

- delivering social impact by tackling the barriers to better, inclusive work
- increasing our reach and influence, united by one brand
- embedding a customer-first mindset and strategy
- improving how we operate as a business
- enabling our people to be their best.

Where we work...

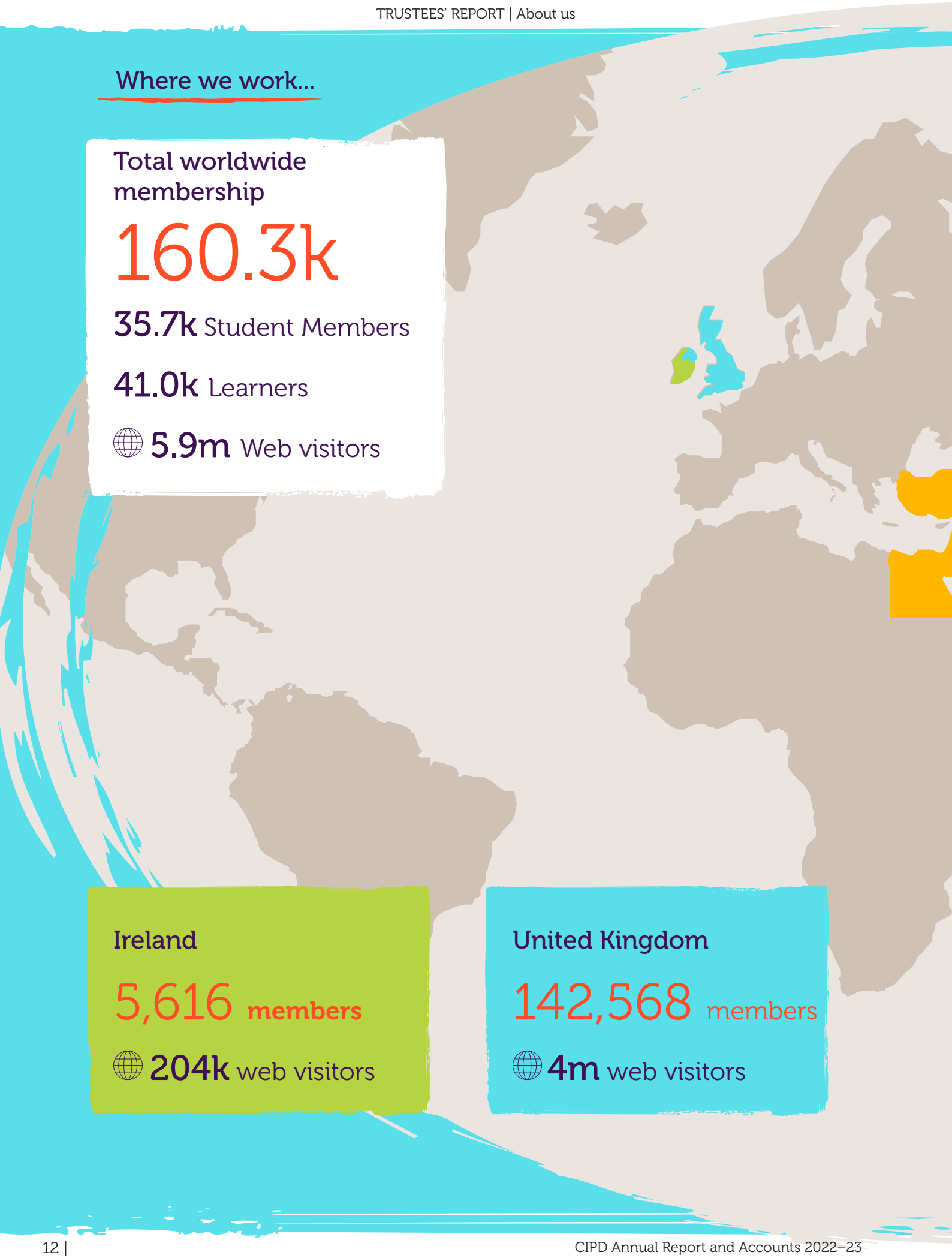
Total worldwide membership

160.3k

35.7k Student Members

41.0k Learners

5.9m Web visitors



Ireland

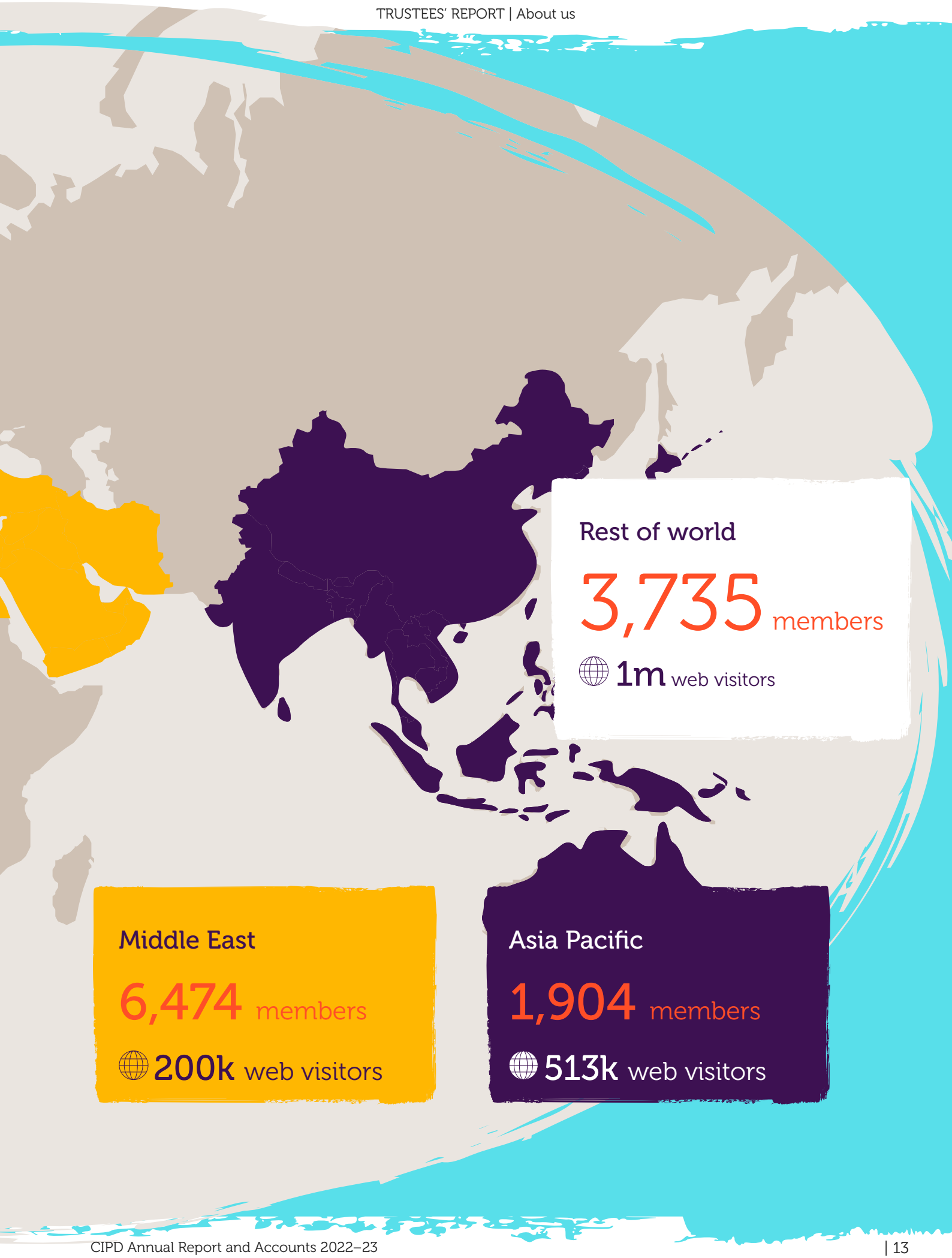
5,616 members

204k web visitors

United Kingdom

142,568 members

4m web visitors


Rest of world
3,735 members
1m web visitors
Middle East
6,474 members
200k web visitors
Asia Pacific
1,904 members
513k web visitors

...the difference we've made

CIPD Trust launched

" As HR professionals, we can have a huge impact on the wider community when we share our skills and knowledge."

Alicia Wilson, CIPD Trust volunteer and Head of People at DRPG

Investing in Volunteers award achieved

"It is an amazing feeling to be part of something that positively impacts and helps others."

Samantha Lubanza, Branch Chair

More employers use our standards to develop and recognise their teams

"NHS people and our patients at the heart of our development."

Thomas Simons, Chief HR & OD Officer, NHS England

Investors in the Environment award achieved

88% of our members told us it's important for the CIPD to be sustainable.

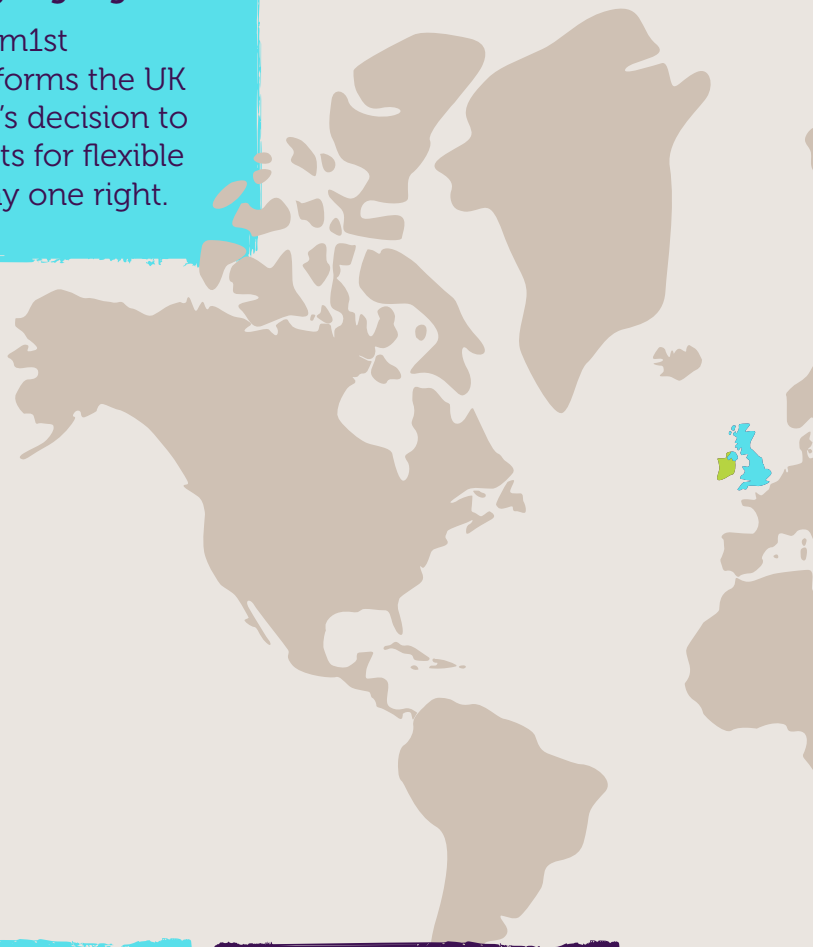
Good Employment Summit co-hosted with northern metro mayors

"Local work charters are changing cultures and giving employees a say."

Andy Burnham, Mayor of Greater Manchester

Public policy highlight

Our #Flexfrom1st campaign informs the UK Government's decision to make requests for flexible working a day one right.



HR Awards impact more organisations in Ireland

"Being recognised as a winner is moving us towards becoming an employer of choice."

Jim Meade, Chief Executive Officer, Iarnród Éireann (Irish Rail)

Conferences and roadshows reach more professionals in Scotland, Wales and Northern Ireland

"All sessions and speakers were fantastic and brought new ideas."

Knowledge exchange connects professionals in Asia and the UK

"The Festival of Work rejuvenated my passion to refresh our HR practices and strategies."

Khairul Faizi Abd Karim, Learning Specialist (Principal) Leadership Consultancy and Innovation, PETRONAS

Trusted guidance on trending topics delivered

"Your future of work article on the impact of ChatGPT and other AI chatbots is excellent!"

Senior solutions engineer, HR software vendor

Investment in learning reaches more professionals

Almost 220,000 learners have accessed over 70 courses on our Learning Hub.

New website creates a better digital experience for all

"I have been able to use the CIPD website and resources in my day-to-day role – setting up the company's first HR department."

Richard Pankhurst, Student Member

Brand, tone of voice and visual identity updated

"The CIPD brand gives you a stamp of credibility. And because the resources are user friendly, it makes it very simple to ensure that my knowledge is up to date."

Sarah Worth, CIPD member

Festival of Work free for almost 10k visitors

"I've come away with pages of notes and a long list of ideas to take back."

Jade Martin, Human Resources Manager, Carefree

New Code of Conduct and Ethics launched

"A badge of honour that assures others of the quality of my work."

Keith Watson FCIPD, Head of Consultancy Services, 360 HR Solutions UK



Four new Middle East study centres opened

"The first CIPD-approved study centre in Oman is a major milestone for the country's HR community."

Stuart Dunlop, Regional Director, CIPD Middle East & North Africa

Foundation Certificate in People Practice launched in Arabic

"It has been so rewarding to witness students being able to learn in their own language."

Caroline Griffiths, Managing Director at Bradfield Group

Our key results

Total members

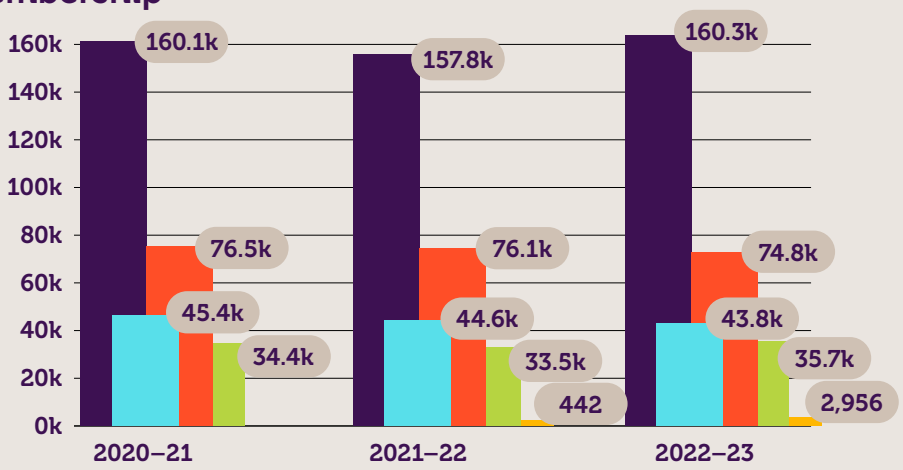
Chartered Members, Fellows and Companions

Associate Members

Student Members

Foundation Members

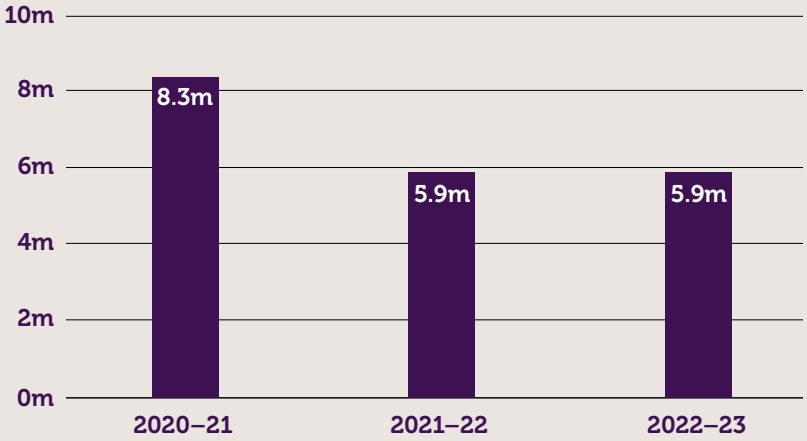
Membership



Over 3,000 Affiliates and Academics are also part of our community.

Web visitors

Web visitors

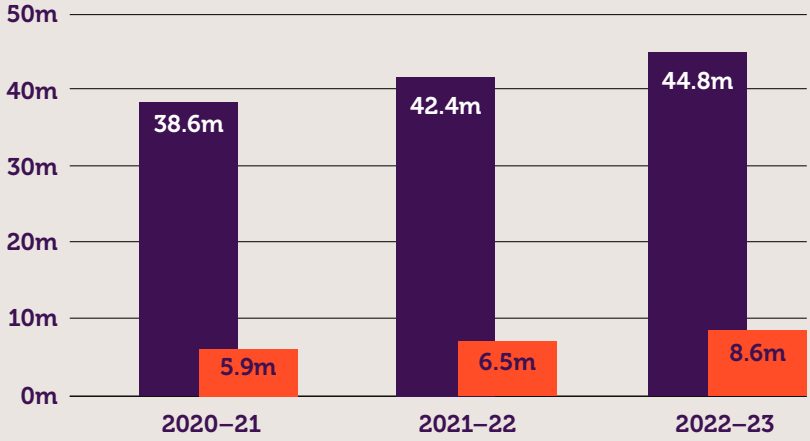


Visitor numbers grew for most of the year but slowed as expected in the last quarter due to site relaunch and changes in user tracking measures.

Revenue (£)

Total revenue

Corporate revenue

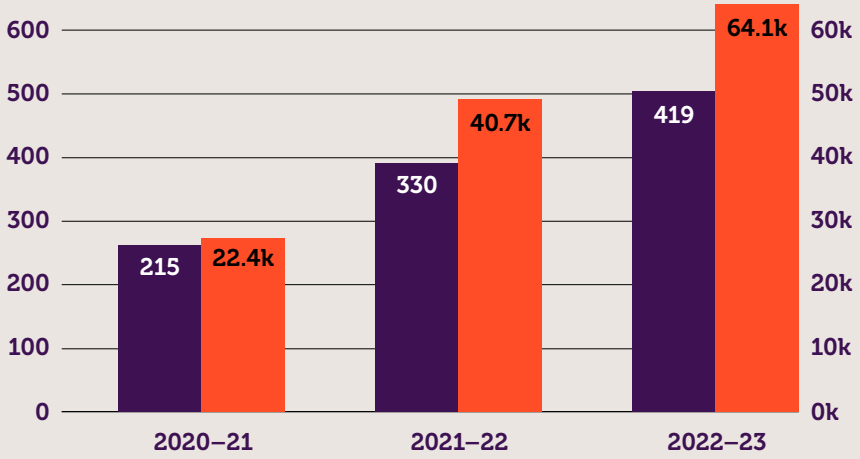


For information on our revenue, read the later sections **Managing our finances** and our **Financial statements**.

Employer partnerships

Organisations

People professionals



By partnering with organisations, we continue to grow our impact with people professionals.



Building our professional community

Strengthening our community 19
Connecting our community 22
Growing our community 23

Building our professional community



We're the professional body for HR, L&D and OD – strengthening, connecting and growing the people profession

Strengthening our community

People professionals have a once-in-a-generation opportunity to reimagine work and improve many more working lives. This means taking control of their learning, at every stage of their career path, and keeping up to date and informed. We help them do it by providing current, relevant, evidence-based resources, learning content and thought leadership.

Evidence-based learning

Almost 220,000 learners – members and non-members – have used our Learning Hub to date, with over 25,000 active this year. They've accessed over 70 programmes, including introductory courses, accredited programmes and development tools, delivered face-to-face and online.

We also offer free, open-access, online courses through FutureLearn so we can bring vital people insights to the widest possible audience. To date, over 200,000 people have enrolled on our introduction courses on HR Fundamentals, People Management Skills, and Inclusive Management and Leadership Skills.

Discover our qualifications and learning at cipd.org/learning

Up-to-the-minute resources

Maintaining the pace we set in response to COVID-19, we continuously review, reference and update our research, guides, tools, factsheets, reports, podcasts and webinars. We respond to the needs of our community, drawing on their insights as well as the expertise of our teams. This year, for example, our new cost-of-living guide outlines the key considerations that help employers support employees in the face of financial concerns. And our new website, launched this year, makes our resources, learning and news content even easier to find.

> "I have been able to use the CIPD website and resources in my day-to-day role – setting up the company's first HR department – including writing policies and contracts."



Richard Pankhurst,
Student Member

Explore our knowledge hub at cipd.org/knowledge

Find resources by topic at cipd.org/topics

Award-winning content

Our award-winning professional magazines – *People Management* and *Work*. – are highly valued sources of news, opinion and insight from across HR, L&D and OD. This year we've reviewed them both in response to our readers' changing habits and needs, increasing the volume of content available to our members. We're publishing more online and less in print, improving the sustainability of our publications. And we're delivering content in ways that enhance its relevance to our audiences, responding to their career stages, specialisms and geographies.

Our new Code of Conduct and Ethics

Professionalism is captured not just in learning and experience, but in the standards we uphold. Our members commit to our Code of Conduct and Ethics and use it to reflect on and strengthen their practice.

In January 2023 our new Code of Conduct and Ethics came into effect, following extensive consultation with our members, the wider profession, employers, legal experts, academics and ethicists. It is now structured around five key virtues:

- positive and active impact on working lives
- civic virtue and stewardship
- good character
- professional service and competence
- personal responsibility.

New clauses, for example on communications including social media, reflect the practical challenges faced by people professionals today.

Read the new code at cipd.org/code

A requirement of our Royal Charter, our code protects the interests of the public and the reputation of our profession. A pool of trained volunteers supports the CIPD in considering alleged breaches of our Code of Conduct and Ethics. This year:

- 119 complaint enquiries were received about CIPD members
- our new code was downloaded more than 8,000 times
- our old code (against which people can continue to raise complaints until 31 December 2023) was downloaded more than 6,000 times.

Learn more at cipd.org/code-cases

> "The Code of Conduct and Ethics is essential to maintain the standards of the profession. It is a badge of honour that distinguishes me from non-members and assures everyone of the quality of my work."



Keith Watson Chartered FCIPD,
Head of Consultancy Services, 360 HR Solutions UK

Updates to our Profession Map

As our organisations and workplaces change, our Profession Map remains an essential tool for our whole profession. Used by individuals and teams, and the foundation for development and career progression, the Profession Map maintains the international standard for our purpose, values, knowledge and behaviours. Reviewed twice a year, in consultation, the Profession Map is designed to evolve as new roles, specialisms, priorities and opportunities emerge.

In November 2022 we introduced specialist knowledge standards around wellbeing to support people professionals who deliver and lead work in this important area. We've included a new standard around psychological safety, emphasising our profession's role in creating safe spaces at work. And we've refreshed our language around equality, diversity and inclusion to better reflect the outcomes this work aims to achieve. Reviewed again in June 2023, no changes were required.

Explore updates at cipd.org/profession-map-updates

> "The CIPD is always my go-to if I need advice or when researching best practice."



Sheena Cox,
CIPD Associate Member

Our contribution to the global people profession

We're strengthening our connections with other bodies that share our values and commitment to professionalism. This year we've forged relationships with sister professional bodies the CIPM in Nigeria and the CPHR in Canada. We have also established a reciprocal membership agreement with the South African Board for People Practices and continue to accredit the Chartered Qualification in Human Resource Management with the CIPM in Sri Lanka.

We continue to support the European Association for People Management and the World Federation of People Management Associations. All our strategic partnerships enable collaboration across our profession and strengthen global people management standards.

Connecting our community

Members of our professional community are a vital source of experience and insight, for each other and for us. We continue to listen to the needs of our community and explore new ways to connect people professionals – wherever they work – through events, networks and specialist forums.

Championing our whole community

Our annual events bring our community together, connecting our profession around the world and celebrating its achievements. Through them, and the media interest they generate, we champion the people profession and keep the work of our community in the spotlight.

Our Annual Conference and Exhibition in November 2022 attracted over 3,500 delegates to Manchester and several hundred online. Around 2,500 chose to take part in the main conference programme, and the exhibition included over 800 exhibitors and sponsors. When asked to sum up the event in one word, the top responses were informative, interesting, inspiring and insightful.

We took a new approach to our Festival of Work in June this year, making it a free, in-person event. With seven stages, over 200 speakers and 100 sessions, almost 10,000 people joined us, many for the first time, with an even number of members and non-members.

Regional, national, and specialist communities

Our CIPD teams and volunteers in every region continue to connect people professionals through our UK-wide branch network, our regional networks across Ireland and our regional HR communities globally. Our new Advisory Committees in Malaysia and in the Middle East are connecting HR leaders and practitioners from across industries to ignite innovation and champion people management standards.

Our annual conferences in Scotland and Northern Ireland welcomed more delegates than ever. Our team in Wales ran four roadshows, reaching many people who had never attended a CIPD event before. And our regional and national award events, celebrating the excellent work of people professionals around the world, together attracted over 200 high-class entries this year.

> "We focused on the CIPD HR Awards as a barometer of our people development. The impact of being recognised as a winner is moving us successfully along the path of becoming an employer of choice."



Jim Meade,
Chief Executive Officer,
Iarnród Éireann (Irish Rail)

This year we've added our online Student Community, senior people professional networks and more specialist communities to our HR Leaders' Network, public policy forums and other practice-based networks. And, through our Applied Research Conference (ARC), we continued to bring diverse communities and disciplines together to share insights from research and practice.

> "The CIPD ARC event was inspiring. It reignited my passion for linking research and practice, and helped me make new connections, build knowledge and get energised."



Dr Helen Timbrell,
People and Organisational Development Consultant

Growing our community

The broader and stronger our community gets, the greater our power to make a difference to millions of people around the world. By growing our membership, we're giving more professionals the knowledge and insight they need to champion better work and working lives. At a landmark 160,297, more people professionals than ever are demonstrating the value they see in CIPD membership. We've seen a 7% increase in our student membership, outpacing a drop in Chartered Members and Chartered Fellows, and a 25% increase in members in the Middle East.

A thriving, global membership means that more people professionals are recognised for their knowledge, behaviours and impact. And good retention rates overall confirm our role in supporting members' careers and enabling their progress to chartered grades. Our analysis of people profession salaries across job postings, captured by Lightcast, demonstrates the earning potential for CIPD members and the value that employers place on CIPD qualifications and membership.

Discover the value of CIPD accreditation at cipd.org/accreditation

From nurturing our future professionals…

We're improving the experience for our Student Members, now 35,670 strong, to ensure that the next generations of people professionals are supported wherever they live and work. To date, around 3,000 people have engaged with our new online Student Community, created to enable greater peer support and launched at this year's annual student conference.

We continue to work closely with employers and training providers to support and assess apprenticeships from level 3 to level 7. This vocational route avoids the financial barrier that many face when considering studying for a degree, offering the option to undertake a higher-level qualification while working. This year we're supporting 418 apprentices, working across 284 employers, who are registered on the level 7 Senior People Professional apprenticeship standard, achievement of which leads directly to Chartered Member status.

…to harnessing the impact of senior professionals

Our community is strengthened by the experiences of the senior leaders within our profession. Our HR Leaders' Network now has over 250 members. This year we established a number of new specialist communities, with a further 400 leaders sharing their insights in leadership and development, culture and transformation, recruitment and talent acquisition, reward, and equality, diversity and inclusion. And we recognised five new Chartered Companions this year, celebrating the insights they bring from their outstanding contributions to our profession.

Read about our 2022 Chartered Companions at cipd.org/companions



"CIPD membership has broadened my knowledge base, allowed me to see the value in myself as an employee and redefined my thinking. I hope to use my CIPD designation to develop the human capital of my small developing island state of St. Vincent and the Grenadines."



Keitsha Gilbert,
CIPD Student Member



Expanding our professional partnerships

Recognising more people professionals 27
Developing more people teams 30
Building capability and commitment 31



Expanding our professional partnerships

We're the business partner for organisations – recognising and developing the capability of people professionals and teams

Recognising more people professionals

We champion better work and working lives at scale by supporting people professionals in their teams, functions and organisations. We're expanding our community, around the globe, by working with more organisations that share our vision for a world where work creates value for everyone.

This year we've partnered with 419 organisations in professionalising their HR functions, reaching over 64,000 people professionals and enabling many of them to achieve CIPD membership. Some have opted for our non-study Experience Assessment route, using their real-world experience to showcase how they meet the membership criteria that match their role and aspirations.

> "I had always wanted to achieve Chartered CIPD professional membership. It was fantastic to have the opportunity to do this through the Experience Assessment route. With support from the MOD's HR function, I've been able to build my knowledge across the HR spectrum as well as reflect on my own experience."
>
> Jill Eaton, People CivHR Policy, UK Ministry of Defence

Some organisations choose the CIPD qualification that best equips their people professionals in their role and level. This year, with our delivery partner Bradfield Group, we've launched our Foundation Certificate in People Practice in Arabic. Through our pilot with the Dubai Police, we're making this key qualification accessible to new people professionals across the Middle East.

> "It has been so rewarding to witness students being able to learn in their own language, and we wish them every success in their future careers in the people profession."
>
> 
>
> Caroline Griffiths,
> Managing Director at Bradfield Group

Underpinned by the Profession Map, our qualification and Experience Assessment routes give individuals – and their organisations – the reassurance that they're working at a globally recognised standard. And using the Profession Map as a solid foundation, we're able to tailor our standards to reflect our partners' contexts and complexities.

This year, for example, we've begun to embed new standards across NHS England, as we work to raise the profile, capabilities and confidence of its 19,000 HR, OD and L&D professionals. And with Shell Global, we've built a standards framework for a multinational HR function of over 4,000.

> "Our partnership is challenging us to look longer term, to shape leading-edge thinking, and to create systems for research and evidence-based practice, so we can put NHS people and our patients at the heart of our development."



Thomas Simons,
Chief HR & OD Officer,
NHS England

Developing more people teams

While many of the organisations we work with are seeking recognition for their people professionals, others come to us with specific challenges to solve. We help by defining what great HR, L&D and people management looks like in an organisation. We diagnose capability and impact. And we boost skills and knowledge through our learning programmes.

Assessing people team capability

This year we've worked with a number of United Nations agencies, including the World Health Organization, the World Food Programme, the Development Programme and UNICEF. Using our HR Diagnostic Tool as a starting point, we've assessed their people professionals' know-how and effectiveness, identifying training needs for individuals and teams, and providing appropriate learning and qualifications.

The Financial Services Compensation Scheme (FSCS) and Leeds City Council are among those that have used our People Impact Tool.

Keeping people teams future-fit

Many organisations come to us for our constantly evolving portfolio of learning – designed, facilitated and tailored by experts to address current challenges.

This year our most popular programmes have included: Strategic Workforce Planning, People Analytics, HR Business Partnering, Organisational Design and Development, People Management Development, Data and Analytics for People Professionals, as well as senior leader development.

> "We're creating a strong, confident professional community where colleagues support one another to achieve their best in HR."



Victoria Smith, Civilian HR Director
and Head of the HR Profession in Defence, UK Ministry of Defence

Building capability and commitment

Many of the organisations we work with recognise that professionalism is a career-long pursuit, and they invest in their HR teams in a number of ways. Some choose to work towards People Development Partner (PDP) status. In doing so, they demonstrate their commitment to promoting professionalism, providing entry points to the profession, investing in continuing professional development, and collaborating with us to support the people profession.

This year 11 more organisations have become People Development Partners, including our firsts in Asia and the Middle East, with more in the pipeline:

- Petroleum Development Oman is the first organisation to achieve PDP status in the Middle East after working closely with the CIPD over the past six years to invest in increasing the impact of its people function.
- The global progressive energy solutions company, PETRONAS, became our first PDP partner in Asia after using the Profession Map to design a new HR competency framework.
- NatWest Group is the first from the financial services sector, and Cardiff Metropolitan University is the first higher education institution PDP.
- PDPs from across the UK armed services include the Royal Air Force and the Royal Navy.
- UK civil service organisations – including the Department for Work and Pensions, the Department for Energy Security and Net Zero, and Defence Equipment and Support – have all worked towards PDP status to meet their own demanding accreditation targets.
- Having worked hard last year to benchmark its people practice against the Profession Map standards, Neath Port Talbot County Borough Council achieved PDP status this year.
- The Met Office achieved PDP status within a short timespan of 10 months, building on its experience with team assessment, Experience Assessment and learning programmes.

"We are honoured to have achieved PDP status from the CIPD, which recognises our commitment to developing our people and building a world-class human resources function. This is a significant achievement for Petroleum Development Oman, and we are proud to lead the way in the Middle East."



Farid Al Harthy, People Director, Petroleum Development Oman

> "Achieving this status is fantastic recognition for us as an organisation, and I'm particularly proud that we are the first financial services organisation to do so. Putting our colleagues and culture at the very heart of our strategy will ultimately help us to deliver on our purpose, to champion the potential of the customers, colleagues and communities we serve."



Jen Tippin,
Group Chief People & Transformation Officer, NatWest Group



Raising our voice and impact

Expanding our reach and influence 35
Sharing insights on work, skills and technology 36
Championing employee relations, inclusion and wellbeing 37



Raising our voice and impact

We're the voice of the people profession – sharing our expertise in people, work and change with many audiences

Expanding our reach and influence

We equip people professionals to create change in their organisations by sharing our expertise on the trends, challenges and opportunities they face. We use our media presence, social media channels and website to do it as widely as possible. This year we appeared in the media over 2,300 times, mostly in the UK and Ireland but with a growing presence in the Middle East and Asia. And 480,000 people are following us across LinkedIn, Twitter, Facebook, Instagram and YouTube, generating 12m views for our posts, 10m for our webpages and 120,000 for our videos.

We share our collective insights with decision-makers and partners, drawing on the experiences of our community. This broadens the expertise and relevance of the insights we share with the people profession. And it amplifies our call for policy change on the issues that impact organisations, business and people's working lives across the UK and, increasingly, in other regions.

Sharing insights on work, skills and technology

Labour market insights

We continue to provide our *Labour Market Outlook* – one of the most authoritative employment indicators in the UK – our quarterly economic analysis of employers' recruitment, redundancy and pay intentions. It continues to attract strong national media coverage, as do our regular policy announcements and responses on workforce trends. For example, in September 2022 we warned that the UK Government needed a broader plan than tax cuts alone to tackle productivity.

Read our latest *Labour Market Outlook* at cipd.org/labour-market-outlook

> "These charters are giving employers a tangible way of demonstrating social value, improving productivity and reducing costs. They are changing long-term culture for the better and giving employees a say in how their workplaces are run."



Andy Burnham,
Mayor of Greater Manchester

Better work and working lives

We joined forces with the TUC, the Institute of Directors and the Employment Lawyers Association this year to urge the UK Government to maintain certainty for business and retain employment protections for working people by withdrawing the Retained EU Law (Revocation and Reform) Bill.

Our annual Good Work Index continues to drive improvement in working lives. With responses from 5,000 workers across sectors and occupations, our survey findings give people professionals insights that inform their policy and practice around protecting job quality and quantity. This year we published a dedicated report for Scotland, as well as Wales and the north of England. And our work continues to inform local good work standards and charters across the UK.

Flexible working

We've reached over half a million people with our ongoing campaign on flexible working and our insights on hybrid working. This year we've focused the debate – with our community, our partners and across the media – on growing expectations around the four-day week and on employers' support for extending statutory paternity leave and pay.

Our chief executive, Peter Cheese, continues to co-chair the UK Government's Flexible Working Taskforce with senior representatives from the Department for Business and Trade. The taskforce helped inform the UK Government's Flexible Working Bill and the decision that, from April 2024, workers will have the right to request flexible working from day one of a new job.

Read more at cipd.org/flex-from-first

Skills and apprenticeships

This year we collaborated with the Skills Builder Partnership, Edge Foundation and KPMG to quantify the contribution of transferable skills to productivity in the UK. Our joint research revealed that low essential skills cost the economy £22bn in 2022 and hindered the social mobility, employment, earnings, job satisfaction and life satisfaction that people with higher levels of essential skills experience.

We've continued to be a vocal critic of the apprenticeship levy to the UK Government, highlighting its negative impact on overall apprenticeship starts, particularly for young people. Our analysis on the failings of the levy has encouraged regular media coverage and parliamentary debate, and informed proposals, announced by the Labour Party, for a more flexible 'growth and skills' levy.

HR, automation and artificial intelligence

We continue to support people professionals in becoming tech-savvy as they commission and implement technology in areas such as recruitment, performance management and building community in their organisations.

This year, in partnership with HiBob, we commissioned a survey of over 2,000 managers in HR and other functions to understand their views on technology and gain insight on what's practised in their organisations. We shared our findings through our five-part research series, diving into the issues that people professionals are dealing with, and through regular media commentary.

> "So many of the articles I see are US-based, so it was brilliant to see the feedback from the UK market."



Nina Metson, Managing Director, Waddington Brown

Learn more at cipd.org/tech-at-work-23

Championing employee relations, inclusion and wellbeing

This year our work on employee rights and wellbeing has focused on the challenges and benefits of zero-hours contracts, the relationship between poor management and employee mental health, and the ongoing impact of the cost-of-living crisis. Back in July 2022, we forewarned employers of the importance of engaging with employee representatives on these issues, and others, in the face of a more unstable period of employment relations.

Equality, diversity and inclusion

We've continued to champion equality, diversity and inclusion (EDI), urging organisations to develop and implement long-term strategies that improve workplace fairness. Our EDI factsheets, reports, guides and podcasts remain our most popular and well-used resources – reaching over 825,000 people via our social media channels and leading to more than 160,000 views and listens.

Explore our EDI resources at cipd.org/EDI

The environmental, social and governance agenda

Environmental, social and governance (ESG) issues are steadily climbing the agenda. Growing public, investor and regulatory scrutiny is driving this response, along with more organisations declaring their values and purpose, and high-profile allegations of non-financial misconduct in the workplace. People professionals play a central role in nurturing cultures that support responsible business, and we've continued to provide the expertise and breadth of business perspective to codify and facilitate effective purpose, values and behaviours. The final report in our three-year research project sets out the lessons learned from COVID-19 and the responsibilities of leaders as we enter a period perhaps more complex than the pandemic itself.

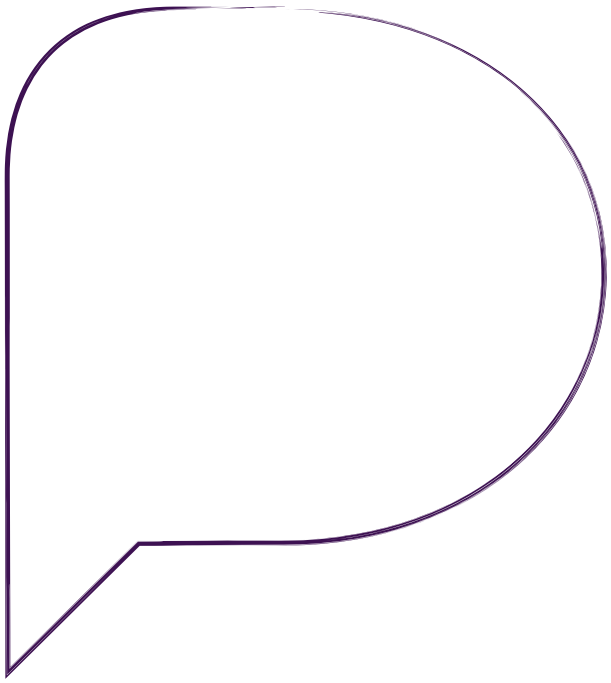
Explore our ESG resources at cipd.org/ESG

Financial, physical, mental and social wellbeing

We've kept the spotlight on how employers can support their employees through cost-of-living challenges, publishing evidence-based insight, resources and guidance for employers to consider.

Explore our cost-of-living guide at cipd.org/cost-of-living-23

Our report on workplace support for employees experiencing fertility challenges raised awareness of this sensitive topic and explored the effective provision and help that employers can offer. And we've remained a leading voice in the campaign for menopause-friendly workplaces, publishing our Manifesto for Menopause at Work in August 2022. We gave evidence to the Women and Equalities Committee's inquiry, which answered one of our manifesto calls by appointing the UK Government's first Menopause Employment Champion.







Tackling the barriers to better work

Diversifying our profession 41
Transforming lives 44
Changing society 45

Tackling the barriers to better work

We're the advocates of better work for all – harnessing the knowledge, expertise and talents of the people profession

Diversifying our profession

The long-term transformation needed to create better work and working lives starts with all of us – it's driven by our profession. Having laid the foundations in recent years, in April 2022 we created the CIPD Trust to give a sharper focus to this purpose. We did it to grow our social impact, extend our charitable works and continue to build diversity within our profession.

The CIPD Trust harnesses the expertise of CIPD members and professionals across our wider community. It offers these volunteers the opportunity to make a real difference – to share their talents with those who need them most. It encourages them to broaden their experiences and insights and to develop good practice across their organisations. And it engages them in diversifying and strengthening our profession by delivering programmes that help people from all backgrounds to get in, get on and grow as people professionals.

This year, we've started to increase the scale and impact of our coaching and mentoring programmes for people professionals. Our Aspiring HR Director programme celebrated four years of success. Since its launch, 46% of its participants have been promoted to senior-level positions where they can influence change at the top of our profession.

> "I appreciated having a safe space to share my work experiences and challenges as a black woman in leadership. The workshops and the mentoring conversations were powerful and helped shape my thinking. It allowed me to see my diversity, authenticity and identity as a powerful resource and consider what impact I wanted to make through work."



Rachel Akili, Group Head of Diversity, Equity and Inclusion, MAG (Airports Group)

We've also established the CIPD Trust bursary fund, providing over £70,000 this year to support 47 people to study CIPD qualifications and kickstart their career in the people profession. We are working to grow the bursary fund and increase the number of people we support.

> "I have been struggling for a long time in jobs with a low income, so this help from the CIPD Trust bursary fund will improve my family's quality of life. I am delighted."

MoniQue Knight, CIPD Trust bursary recipient

"I've been working in human resources for over three years in Ukraine, until last year, when I was forced to leave my country. I was trying to find a job as a people assistant or manager, but most employers require the CIPD qualification, which I couldn't get due to financial difficulties at that time. I was really excited and overwhelmed by the support I received from the bursary fund. I feel very grateful for the opportunity.

I want to become a senior specialist in people management, to promote the purpose and values of the people profession, drive innovation and change, and constantly improve, learn and apply new knowledge in my daily practice."



Roxy Kaminska , CIPD Trust bursary recipient

Transforming lives

The talents and insights of our community transform lives by helping people get into work and return to work. This year we've been focusing on those facing specific barriers: people with experience of the criminal justice system, refugees and displaced people, and older workers.

- We've continued to grow our existing mentoring programmes, matching 129 young jobseekers and 277 parents returning to work with their own mentor.
- In our newly launched pilot scheme, 15 people with convictions are receiving in-work mentoring from people professionals to help them flourish in work.
- Our new partnership with City & Guilds Foundation is tackling the barriers to meaningful work for refugees, providing access to bursaries, CIPD qualifications and City & Guilds courses.
- We've launched the CIPD Trust webinar series, developed and delivered by people professionals, to support those starting or returning to work.

> "Supporting the jobseeker webinar was a fantastic opportunity to support people joining the workforce for the first time or returning after a break. It was great to hear the questions and understand the challenges people faced. It put into perspective the 'human' side of HR and why proper onboarding and HR processes are so important."



Natasha Rubin,
CIPD Trust mentor

Changing society

By bringing together people professionals, employers, experts and third sector partners, we're working to generate long-lasting change for people facing the greatest barriers to better work:

- Through our new partnership with City & Guilds Foundation, RefuAid and Student Action for Refugees, we're tackling unemployment rates for refugees, which are typically four times higher than the UK average.
- Our pilot with Offploy and the St Giles Trust matches people with convictions with expert mentors. It's giving mentees the confidence to get their lives back on track and people professionals the insight to safely hire people with experience of the criminal justice system.
- We've recruited 459 HR and business professionals for the Careers & Enterprise Company's Enterprise Adviser programme to develop careers education in schools, so that more young people are equipped and inspired to enter the world of work.

The CIPD Trust builds on the ongoing success of our mentoring programmes, the contributions of people professionals who volunteer with us, and the partners who work with us to bring about change. We are deeply grateful to everyone in the growing CIPD Trust community. With their commitment and expertise, we're gearing up to deliver change on a bigger scale.

Want to get involved? Discover how you can help at cipdtrust.org/get-involved



Our commitments as a responsible organisation

Growing responsibly 47
Sustaining our environment 49
Sustaining our people and culture 52
Sustaining good governance 58



Our commitments as a responsible organisation

We're a business and an employer – growing as a sustainable, future-fit organisation

Growing responsibly

We believe that by increasing our reach and influence, we can have a greater positive impact on individuals, organisations, communities and wider society. This aspiration underpins our growth strategy. However, we are determined to grow responsibly.

We're guided by the 17 UN Sustainable Development Goals, which provide a shared blueprint for peace and prosperity for people, our societies and our planet. And we're aligning our strategy and operations to make the most significant contribution to 10 of them.



These 10 goals form our framework for auditing and tracking our progress on sustainability:



SDG 1: No poverty. We promote quality jobs in businesses and enable access to work through our mentoring programmes.



SDG 3: Good health and well-being. We provide wellbeing support to our staff and members. And we influence the wider business wellbeing agenda.



SDG 4: Quality education. We provide inclusive qualifications for people professionals. And we influence the wider skills agenda in the UK.



SDG 5: Gender equality. We are committed to achieving gender equality in the CIPD and across the people profession. And we provide resources and learning to promote gender equality.



SDG 8: Decent work and economic growth. Our research and resources shape the policy agenda around good work and influence wider business practices.



SDG 9: Industry, innovation and infrastructure. We develop the skills of people professionals to drive change in their organisations through behaviour, culture and capability development.



SDG 10: Reduced inequalities. We ensure the CIPD is a fair place to work. And we support the people profession, across the globe, to enable inclusive, diverse organisations.



SDG 13: Climate action. We adopt environmentally sustainable business practices and support the people profession to influence change.



SDG 16: Peace, justice and strong institutions. We promote high standards of integrity among people professionals. And we contribute to research and the policy agenda on good governance.



SDG 17: Partnership for the goals. We work with the people profession, partners and clients to drive sustainable organisations globally.

Sustaining our environment

Our commitment to environmental sustainability is shared by our community: 88% of our members have told us it's important for the CIPD to be sustainable. We pursue this goal through our environmental sustainability strategy, established in 2021 with sponsorship from our director of legal and governance and representation from our senior leaders. Our strategy commits us to improving our sustainability in all the ways we work – as an organisation and employer, as a business partner and customer, and as the leader of our professional community.

Our actions as an organisation

We've shared our environmental policy with our people, stating our commitment and engaging their support. With their ideas and enthusiasm, we've made great progress this year.

As part of our Zero Waste Week initiatives, led by our employee Green Champions group, we held talks on waste reduction and promoted recycling in the office and at home. We've decided to print *People Management* magazine quarterly, rather than eight times a year, and improve our digital offer to our members, significantly reducing our paper usage.

We've continued to improve the sustainability of our head office in London, measuring and reducing our carbon footprint, emissions and resource usage. We're now measuring factors that we didn't measure in 2021/22 (including commuting, homeworking and business travel), hence the significant increase in our Scope 3 carbon footprint.

At the suggestion of our people, we trialled the closure of our head office building on Fridays, introducing permanent Friday remote working in May 2023. This has decreased our use of both electricity and gas by 15%. The use of our office by more people this year, despite the Friday closure, has increased our water usage.

UK HEAD OFFICE	2020/21 baseline	2021/22	2022/23	% change	Target change for 2022/23
Total carbon emissions (tCO2e)	279	296	541	83% increase	n/a
Scope 1 and 2	279	296	240	19% decrease	2% decrease
Scope 1	124	142	121	15% decrease	2% decrease
Scope 2	154	154	119	23% decrease	2% decrease
Scope 3	0.13	0.09	300	333,333% increase	n/a
Electricity (kWh)	662,000	724,000	617,000	15% decrease	2% decrease
Gas (M3)	61,000	70,000	60,000	15% decrease	2% decrease
Water (M3)	375	621	1,024	65% increase	100% inc. max

Through everyone's outstanding effort and contribution, we've achieved the prestigious Investors in the Environment (iiE) Bronze accreditation. Our goal is to achieve iiE's Silver accreditation in 2024. We will also be improving our systems to measure our full Scope 3 carbon footprint, including our other offices, business travel, commuting, homeworking and waste.



Our actions as a business partner

We're working with our partners and suppliers to secure their commitment, alongside our own, to environmentally sustainable practices.

- We've embedded our business principles within our procurement and partnership criteria.
- We're improving the sustainability of our events – this year's Festival of Work was paperless.
- Our partner Haymarket Media Group has accreditations for environmental, energy and event management and only uses paper and packaging from sustainable, fully traceable sources.
- Our partner Kogan Page is a certified carbon-neutral business and committed to operating within a sustainable publishing model.

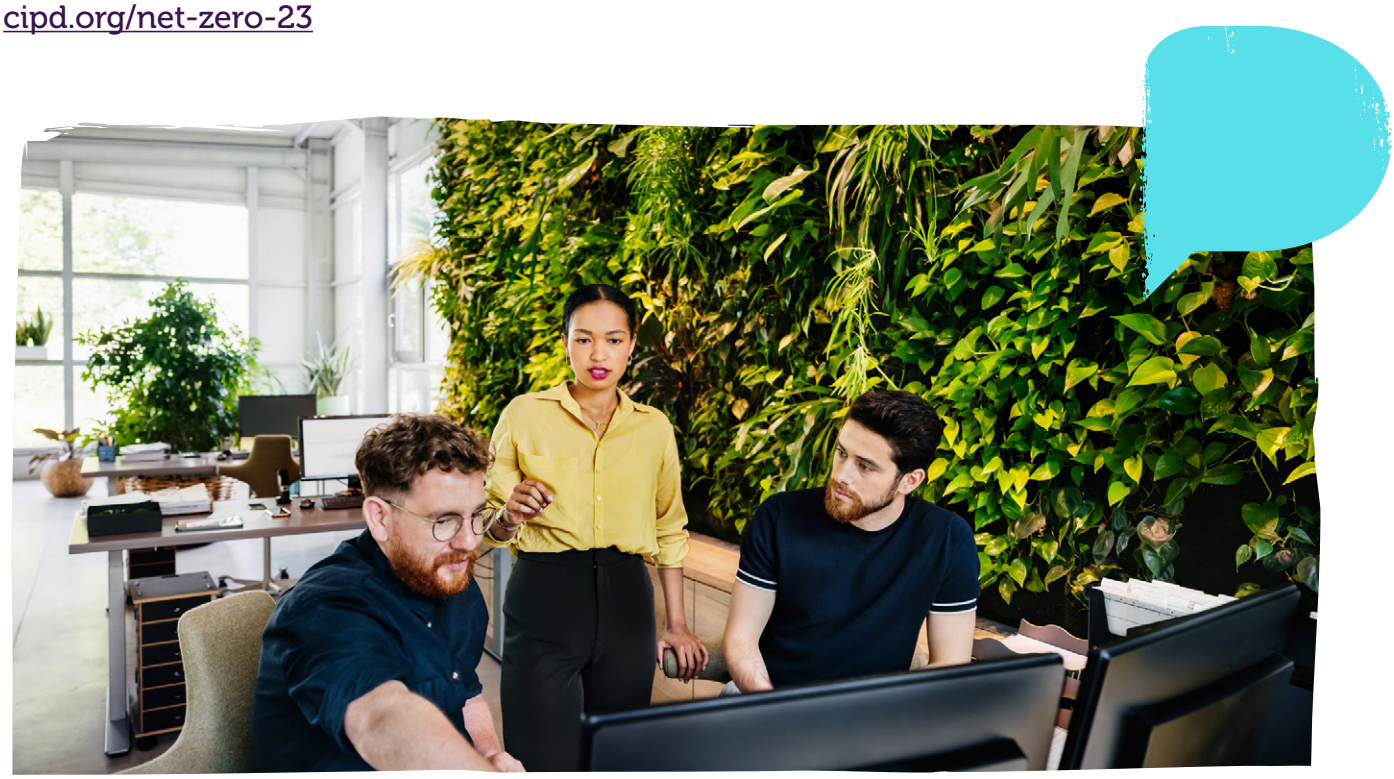
Our actions as a profession

People professionals are in a position to take the lead in building responsible and sustainable organisations. This year, we've continued to support our members in the practical steps they can take, whatever the size or sector of their organisations.

- We've promoted the role of people professionals in driving environmental sustainability through the new environmental sustainability standard within our Profession Map.
- We've continued to integrate environmental sustainability into our learning programmes.
- We've held ESG sessions at our flagship Annual Conference and Exhibition, Festival of Work and CIPD Scotland events.
- We've maintained our membership of Climate Action for Associations to share experience, tools and resources with other member organisations.
- We've published guides, thought pieces and case studies to share insights and good practice.

Get started on your net zero journey with our guide

cipd.org/net-zero-23



Our future plans

In support of our iiE accreditation, we're exploring ways to reduce the impact of our business travel. And we're planning conservation team-building days to enable our people to volunteer in support of environmental activities.

We are awaiting acceptance of our application to join the UN Global Compact – a call to companies to align their strategies and operations with 10 universally accepted principles in support of achieving the UN Sustainable Development Goals by 2030.

We will continue to use our voice and platforms to highlight environmental sustainability and to develop resources that equip our professional community in their leadership role on this key issue.



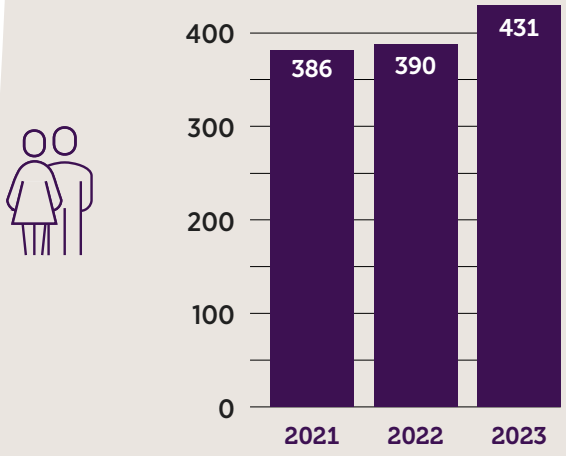
Sustaining our people and culture

Our mission is to make work better for millions of people across the world. Our people share in our purpose. They are vital to our success and make great things happen. This year, we've increased our workforce in the UK and globally to support the growth in our digital offerings and our work with organisations.

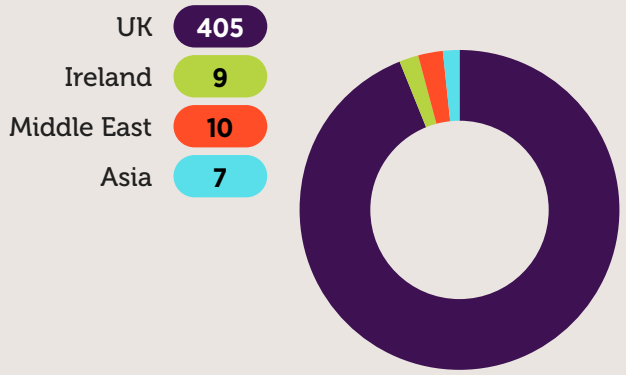
Championing better work starts within our own organisation, with our people and their wellbeing, with our culture, and with the capabilities we need to share our expertise and make a wider impact. Our policies and practices are informed by the guidance we share with our professional community, generated by the expertise and insight of our people. And their talents are amplified by our wider community of volunteers, members and partners.

Our people

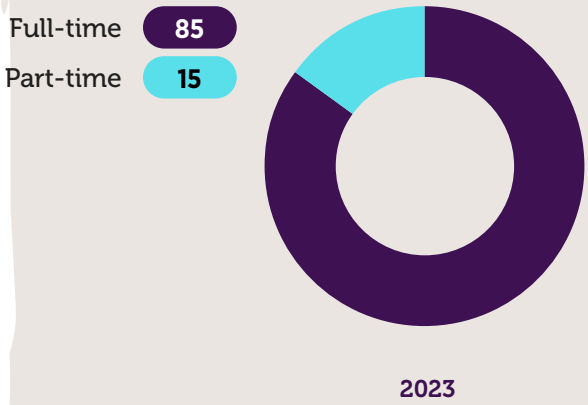
Number of employees



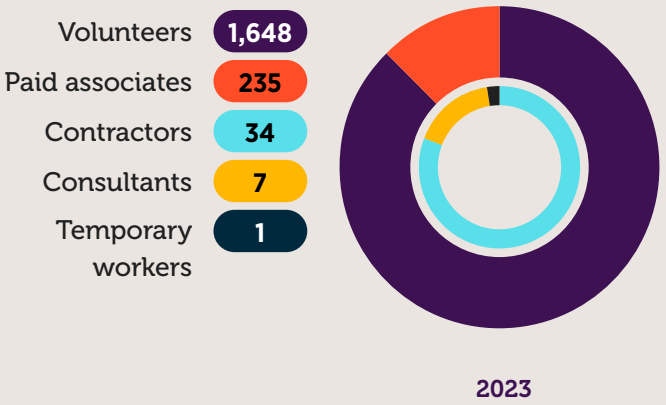
Number of employees by region

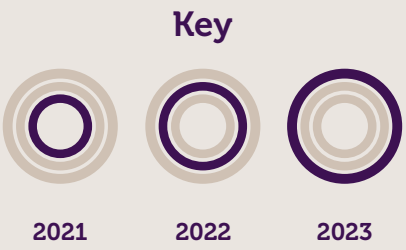


Working pattern (%)



Number of volunteers and associates





Employees by gender (%)



	2021	2022	2023
Female	68	68	70
Male	32	32	30

Employees by ethnicity (%)



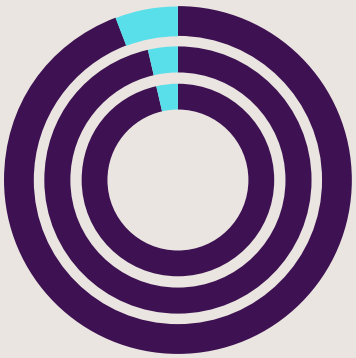
	2021	2022	2023
White	65	67	66
Asian	17	15	17
Black	10	8	9
Other	8	10	7

Number of employees by age



	2021	2022	2023
16–24	0	3	6
25–34	103	102	128
35–49	195	179	189
50–64	79	95	100
65+	10	10	8

Employees who report a disability (%)



	2021	2022	2023
Percentage of employees who report a disability	3.4	3.6	5.8

Our culture

Changing business challenges and expectations put our culture to the test. We're doing even more to listen to our people. Alongside our pulse surveys, our 2021 culture survey, and feedback from our recruitment agencies, we've explored our employee value proposition this year by asking a representative group of our people what they value about working for the CIPD.

A compelling purpose that makes a difference

They told us our purpose remains a strong and compelling reason why people join us and stay.

> "Working to a purpose has always been important to me – it's why I work for the CIPD and why I've volunteered in my spare time as a trustee. Whatever societal problem you're trying to solve, having a purpose makes work bigger and makes me feel I'm part of something."



Leah De Silva, Senior Programme Manager, CIPD Trust

Flexibility, trust and autonomy

They told us our hybrid working policy has boosted their wellbeing and satisfaction. And it has enabled us to recruit from an ever-wider talent pool. This year we are running a pilot to understand the impact of a four-day week on our people's wellbeing, engagement and productivity.

> "I'm grateful for our flexible working practices. I feel I have real autonomy and control to balance my life and work. I feel trusted to manage my own time. I can work flexibly in terms of location. And I feel my voice is heard and respected when it comes to what I do.

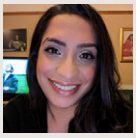


May Leng Kwok, Regional Head of Market Development, CIPD Asia

Diversity, inclusion, great people

With representation and leadership from diverse groups in our workforce – and clear, visible roles for senior leaders who are committed to our EDI agenda – we're gathering input from all our people on how we identify and remove barriers to progression.

> "I've never felt more enabled to do my best work. Our culture promotes an understanding and acceptance of difference, which means I can focus on what really matters: recruiting great people for our business."



Sukhy Carey, Talent Acquisition Manager, CIPD

Wellbeing matters

Our concern for the wellbeing of our people shows in different ways, from our wide range of benefits to the detail of our fertility journey policy, published this year. All our policies are underpinned by supportive people managers and our friendly, caring team culture.

> "In my 40-year career in corporate organisations and charities, I have never experienced such an authentic commitment to staff wellbeing as I have here. Wellbeing is an integral part of how we work as an organisation."



Sue Murkin, Learning Delivery and Associate Lead, CIPD

Our skills, capabilities and wider impact

Our success relies on the expertise and commitment of a wide range of staff, volunteers and associates. We're more than a team – we're a community. And our combined perspectives and expertise are what make the CIPD a leading voice on the issues that affect people and work.

Investing in our people

We rely on the exceptional talent and skills of our people. And this year we're continuing to build a learning culture and mindset by encouraging use of our learning platform, offering free access to LinkedIn Learning, and investing in learning delivered by external suppliers.

This year our training investment has totalled £177,316, with an average spend of £812 per employee. Our leadership development investment has totalled £43,115, with an average spend of £2,874. And we approved 113 requests for personal development allowances, totalling £7,379, to enable people to undertake learning beyond the demands of their role.

In response to feedback from our people, we've worked harder this year to improve career progression within the CIPD. We've championed internal applications and encouraged our people managers to consider talent from departments across the organisation. And we've seen an increase in internal applications, with 15% of our roles filled internally.

Investing in our volunteers

1,648 volunteers have given their time and expertise to champion better work and working lives this year.

Some are actively supporting the CIPD Trust, sharing their mentoring skills, recruitment expertise or leadership experience to grow our profession or help those facing the biggest barriers to work. Some volunteer with their local CIPD branch, running inspirational learning and networking events. Many contribute in a number of different ways and over many years.

In November 2022, we achieved the Investing in Volunteers (IiV) award for good practice in volunteer management, inclusion and involvement across our network of volunteer-run branches in the UK.

> "My branch volunteering has provided me with great opportunities to contribute to the shaping of the CIPD agenda, to give back to my profession, and to know that I have a voice."

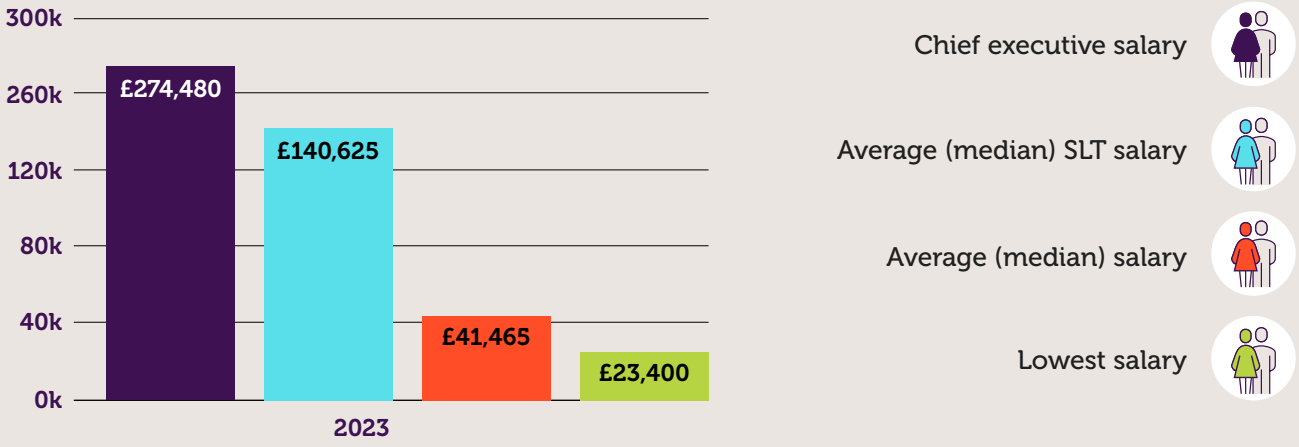


Sue Heyes, CIPD branch volunteer

Reward and recognition

We continue to pay above the voluntary 'real' London Living Wage and benchmark all salaries externally to ensure our compensation is fair, competitive and reflects our charitable status. We use the same pay benchmarking for our senior leadership team.

Key pay statistics (£)



Our chief executive earns £7 for every £1 our average employee earns.

- ratio between our chief executive and our lowest earner: 12:1
- ratio between our chief executive and the average (median) employee: 7:1
- ratio between our median senior leader salary and median employee: 3:1

Chief executive remuneration

The remuneration policy for the chief executive consisted of:

- Base salary – this was set when the chief executive was first appointed in July 2012 and formally reviewed for the first time in March 2017. The chief executive declined all proposed increases in base salary until July 2018, when he accepted an increase of 2.3%. This was followed by an increase of 4% in July 2022.
- Pension – the chief executive did not participate in the CIPD pension scheme during 2022/23.
- Benefits – the chief executive received a car allowance, life assurance cover and cover for private medical insurance benefits during 2022/23.

The CIPD does not operate a bonus scheme, or any form of variable pay, for the chief executive.

Our gender and ethnicity pay gaps

Our UK pay gap data collected on 5 April 2023 revealed a median gender pay gap of 12.0% (down from 13.7% in 2022) and a mean gender pay gap of 12.8% (up from 12.4%). Month by month, our median gender pay gap has gone from a high of 12.8% in March 2023 to a low of 7.4% in June 2023.

The same data revealed a 16.8% median ethnicity pay gap (up from 14.5% in 2022) and a 13.1% mean ethnicity pay gap (up from 11.1%). Month by month, our median ethnicity pay gap has gone from a high of 19.9% in October 2022 to a low of 14.1% in June 2023.

This year we achieved no median gender bonus gap (0.0%). Our mean gender bonus gap rose to 52.6% (from 29.4%).

We also achieved no median ethnicity bonus gap (0.0%). Our mean ethnicity bonus gap dropped to 7.5% (from 14.9%).



70% of our workforce is female.
For every £1 a man earns, a woman earns 88p (median).



69% of our workforce is white.
For every £1 a white person earns, a person from a minority ethnic group earns 83p (median).

Read our gender and ethnicity pay gap reports at cipd.org/closing-pay-gaps

Sustaining good governance

Our structure and governance

The Chartered Institute of Personnel and Development is incorporated under Royal Charter and is a registered charity in England, Wales, Scotland and Ireland.

Our charitable purpose, as prescribed by our Charter and Byelaws, is to promote the art and science of the management and development of people for the public benefit.

As a charity, we use the Large Charity Governance Code to guide our governance practice, and we learn from practice in other sectors as we continue to improve.

Board members are charity trustees, with the associated legal responsibilities. Our Charter and Byelaws give the board the authority to exercise all the powers of the organisation and to govern the CIPD in accordance with these documents and charity law.

Charities have a legal obligation to report on how they have carried out their purpose for the public benefit. Other sections of this report demonstrate how we have done this in 2022/23.

Our board of trustees

The Charter and Byelaws set out the composition of the board, allowing for up to 12 members including the president, the treasurer and the vice president of membership and professional development (the officers). Council elects the chair and up to seven remaining trustees. The officers are elected by the annual general meeting (AGM). All trustees serve in a non-executive capacity, with the exception of the chief executive, who is an ex officio member of the board.

All newly appointed trustees are provided with an induction programme, staggered over their first three months in office, and take part in any ongoing training organised for all board members. As required, we arrange specific training to allow each of our trustees to carry out their role.

In September 2022 Sharon Whitehead resigned from the board due to other commitments, and Noel Tagoe was appointed to fill the casual vacancy created, following an open recruitment process.

At our December 2022 AGM, Caroline Stockmann was appointed treasurer, following the end of Shakil Butt's two terms of office. Until April 2023 Caroline was CEO of the Association of Corporate Treasurers and has many years of senior financial and commercial experience.

In April 2023, Andrea Cooper completed one term as a trustee and did not seek re-election for a second term due to a change in her personal circumstances. Brian Walters was elected to the board to replace Andrea at the April 2023 Council meeting, following agreement by the Nominations Committee that the board would benefit from a trustee with a marketing background.

At the same meeting, Noel Tagoe was also elected for his first full term and Nicholas Williams was re-elected for a second term.



Baroness Ruby McGregor-Smith CBE
President



Valerie Hughes-D'Aeth
Chair of the Board
Nominations Committee chair (to December 2022)
People, Culture and Remuneration Committee



Nelarine Cornelius
Vice President, Membership and Professional Development



Caroline Stockmann
Treasurer (from December 2022)
Audit and Risk Committee chair (from December 2022)
Investment Working Party (from December 2022)



Peter Cheese
Chief Executive
Nominations Committee (to December 2022)
Investment Working Party



Jonathan Ferrar
Vice Chair/Senior Independent Director
Audit and Risk Committee
Investment Working Party (to May 2023)
Board champion – Asia (to January 2023)



Caroline Nugent
Audit and Risk Committee
Board champion – CIPD Trust (from April 2023)



Dr Sue Round
Board champion – Middle East (to January 2023)
People, Culture and Remuneration Committee (from January 2023)



Siobhán Sheridan CBE
Nominations Committee (to December 2022)
People, Culture and Remuneration Committee chair (from October 2022)



Noel Tagoe
(from September 2022, confirmed April 2023)
People, Culture and Remuneration Committee (from January 2023)
Board champion – Asia (from January 2023)
Board champion – Equality, diversity and inclusion (from January 2023)



Brian Walters
(from April 2023)



Nicholas Williams
Audit and Risk Committee
Board champion – Middle East and North Africa (from January 2023)



Shakil Butt
Treasurer (to December 2022)
Audit and Risk Committee chair (to December 2022)
People, Culture and Remuneration Committee (to December 2022)
Board champion – Race (to December 2022)



Dr Andrea Cooper
(to April 2023)
Board champion – CIPD Trust (to April 2023)



Sharon Whitehead
(to September 2022)
Board champion – Ireland (to September 2022)
People, Culture and Remuneration Committee chair (to September 2022)

Trustees' responsibilities

The trustees are responsible for ensuring that the CIPD fulfils its purpose and charitable objectives. This includes setting our strategic framework, approving the overall budget and major capital projects, and overseeing the management of our affairs. Day-to-day management of the organisation is delegated to the chief executive and the senior leadership team.

Each year, the trustees must prepare a report (the Trustees' Report) and financial statements in accordance with applicable law and regulations. Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law in England and Wales, trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of the group's net income and expenditure for that period. In preparing these financial statements, the trustees must:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting 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 a going concern basis unless it is inappropriate to presume that the charity and the group will continue to operate
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice).

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and with the provisions of the Institute's Charter and Byelaws. They are also responsible for safeguarding the assets of the group and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are also responsible for the integrity of the corporate and financial information included on our website.

Board activity

The board meets regularly to review delivery of our objectives against the agreed strategy and budget, and to monitor operational performance and risks. The board applies the CIPD's risk appetite statement and framework to this approach.

The board receives quarterly operations reports on the business containing a balanced scorecard of key performance indicators. In 2022/23 the board held six formal meetings. A strategy day was held with the senior leadership team in March 2023 to discuss and refine our strategy and priorities.

During the year, the board reviewed the CIPD Trust's three-year plan, approved our EDI strategy, approved the new Code of Conduct and Ethics, considered matters reserved for the board and the scheme of delegation, and reviewed the serious incident policy. As part of its regular review of our performance, the board received detailed reports on our operations in the Middle East, Asia and Ireland throughout the year.

The board is committed to ensuring that trustees continue to develop the necessary skills and knowledge to lead and direct the organisation. Between January and May 2023, the board undertook a review of its effectiveness, carried out by the independent governance consultant who conducted the last external review in 2020. The review involved completion of a questionnaire by trustees and senior leadership team members, one-to-one interviews, a review of relevant documents, and observation of meetings of the board and its committees. The review found that there had been good progress in some areas, but it was felt that less progress had been made in other areas, and some had deteriorated. The board has discussed the review's findings and an action plan is being developed to address the recommendations.

Committee activity

The board has three standing committees to which it delegates some responsibilities while retaining overall accountability. The board approves the terms of reference for itself and all subcommittees at the beginning of each financial year.

During the year, the board agreed to merge the People, Culture and Remuneration Committee with the Nominations Committee, due to them covering similar areas and to reduce the number of committees. It was also agreed that the Investment Working Party should become a standing committee, given the importance of the decisions it was making on behalf of the board.

Audit and Risk Committee

The Audit and Risk Committee is chaired by the treasurer and provides the board with objective oversight of its financial and non-financial risk and control systems. At its quarterly meetings, it reviews how the CIPD manages its strategic and operational risks.

During the year, the committee reviewed all suppliers with a spend of over £50,000 and the CIPD's internal policies around grants within the authorities and delegations.

The committee approved the CIPD's internal audit plan for 2023, based on the key areas of risk faced by the organisation. Our internal auditors, Sayer Vincent, carried out four audits over the year on strategic planning, risk management, strategic procurement and our customer services department. The committee routinely reviewed the outcomes of internal audits and monitored the implementation of recommendations made as part of the audit reviews.

At each meeting, the committee considered whether any serious incident report should be made to the Charity Commission. There were no reports made over the year.

Nominations Committee

The Nominations Committee was chaired by the board chair and was responsible for board succession planning and recruitment, supported by the institute secretary. Our aim when filling board appointments is to strengthen its overall capability and continue to improve the diversity of its membership.

This year, the committee considered the output of a board skills audit undertaken in June 2022. The audit provided input to the recruitment process used to appoint new trustees following the resignation of Sharon Whitehead and the end of Andrea Cooper's first term.

The committee also reviewed the role profiles for the chair, the officers (president, treasurer and vice president membership and professional development) and the process for the appointment of our first vice chair/senior independent director (SID). These were all approved by the full board.

During the year, the Nominations Committee also reviewed the Chartered Companions process and discussed different progression pathways above Chartered Fellowship.

Following a recommendation from the committee, the board approved the merging of the Nominations Committee with the People, Culture and Remuneration Committee. The first meeting of the new, merged People, Culture and Remuneration Committee was held in December 2022.

People, Culture and Remuneration Committee

The People, Culture and Remuneration Committee (PCRC) is chaired by an independent elected board member and is the only subcommittee that has a CIPD employee as a formal member. Prior to it merging with the Nominations Committee, it reviewed our commission scheme policy and considered how we could support our people during the cost-of-living crisis.

The merged committee has considered our emerging people strategy for the next three years, our approach to reviewing talent and succession planning, our pay philosophy and the link to performance, and agreed a review of our pay structures. The PCRC also received an update on the work we are doing to enhance our employee value proposition and approved a revised whistleblowing policy. At each of its meetings, a report on our people was received, including data on recruitment, attrition, the makeup of our workforce and employee engagement.

The committee also discussed the various ways we recognise people who have made significant contributions to the profession and, as part of this, also approved the 2022 cohort of Chartered Companions for recommendation to the board.

Investment Working Party

During the year, the Investment Working Party (IWP) monitored the performance of the investment portfolio held primarily with two fund managers, CCLA and Tribe, taking into consideration the advice of the CIPD's investment adviser, Asset Risk Consultants (UK) Limited.

The IWP recommended a revision to the investment policy following a review of investment risk and the role of the portfolio. The new policy also strengthened our environmental, social and governance (ESG) provisions to align with our business principles and to introduce exclusions, including adult entertainment, gambling, indiscriminate weapons, the sovereign debt of oppressive regimes, the manufacture of tobacco products and the distribution of tobacco products where revenues exceed 10% of global earnings. The board approved the new policy at its meeting on 13 July 2023.

For the financial year 2023/24, the IWP has been replaced by the Investment Committee, a subcommittee of the board, chaired by Noel Tagoe.

Board and committee meetings attended

Name	Board	Audit and Risk	People, Culture and Remuneration	Nominations
Valerie Hughes-D'Aeth	7 of 7	n/a	4 of 4	1 of 1
Peter Cheese	7 of 7	4 of 4	4 of 4	1 of 1
Nelarine Cornelius	7 of 7	n/a	n/a	n/a
Jonathan Ferrar	7 of 7	3 of 3	n/a	n/a
Ruby McGregor-Smith	2 of 7	n/a	n/a	n/a
Caroline Nugent	7 of 7	3 of 4	n/a	n/a
Sue Round	6 of 7	n/a	2 of 2	n/a
Siobhán Sheridan	6 of 7	n/a	3 of 4	0 of 1
Caroline Stockmann	3 of 3	2 of 2	n/a	n/a
Noel Tagoe	5 of 5	n/a	n/a	n/a
Brian Walters	1 of 1	n/a	n/a	n/a
Nicholas Williams	6 of 7	2 of 3	n/a	n/a
Shakil Butt	4 of 4	2 of 2	2 of 2	n/a
Andrea Cooper	3 of 6	n/a	n/a	n/a
Sharon Whitehead	2 of 2	n/a	1 of 1	n/a

Our leadership team

The leadership team is led by the chief executive. It is responsible for the development of strategy in conjunction with the board, implementation of the strategy and day-to-day operational management of the CIPD.



Peter Cheese
Chief Executive



Amanda Arrowsmith
Director of People and Transformation (from October 2022)



Angela Attah
Director of Legal and Governance (Institute Secretary)



David Cox
Director of Digital and Technology



David D'Souza
Director of Membership



Jenny Gowans
Director of Research, Policy and Content



Tony Osude
Director of Commercial and Marketing



Victoria Winkler
Director of Professional Development



Hugh Andrews
Head of Finance (to October 2023)
* new Director of Finance joined October 2023



Georgina Powell
Head of People (to December 2022)

Our subsidiaries and related parties

The CIPD has four active group companies:

- CIPD Enterprises Ltd, its wholly owned trading subsidiary, which is registered in England and Wales
- CIPD Asia Ltd, which is a not-for-profit wholly owned subsidiary, limited by guarantee and registered in Singapore
- CIPD Middle East FZ LLZ, which is wholly owned by CIPD Enterprises Ltd and registered in Dubai in the United Arab Emirates

CIPD Ireland, a company limited by guarantee in Ireland. See note 2b (page 83) of the financial statements for more detail.

The Charities SORP (FRS 102) requires disclosure of transactions between related parties, details of which are given in note 15 (page 96) to the financial statements.

Our auditors

We reappointed Haysmacintyre LLP as our external auditors following a vote at the December 2022 annual general meeting.

Our professional advisers

Auditors

Haysmacintyre LLP
10 Queen St Pl
London EC4R 1AG

Bankers

Lloyds Bank plc
3 St George's Road
London SW19 4DR

Legal advisers

Withers LLP
16 Old Bailey
London EC4M 7EG

Investment advisers

Asset Risk Consultants (UK) Limited
46 Chancery Lane
London WC2A 1JE

Managing our finances

A strong financial performance allows us to continue investing in our membership, improve our services and capabilities, and increase our voice and impact.

Key financial highlights



Income

Our total income was £44.8m in the year, which was 6% up on the previous year.

The largest proportion of our revenue comes from membership subscriptions. During the year, membership numbers increased by 1.6% to 160,297, reflecting the continued attraction of our membership proposition. Fees were increased by a modest 2.3%, significantly below the UK inflation rate, in recognition of the cost-of-living challenges facing members.

We continued to grow our work with employers. Business-to-business (B2B) revenue grew strongly by 29% to £4.9m, with an increase in advisory services, corporate qualifications and assessments. Business-to-consumer (B2C) training delivered increased revenue of £1.7m (up 24%), boosted by growth in sales of our new digital learning products.

Our three offices in Dublin, Dubai and Singapore also had successful trading years, increasing their income over the previous period, with the Middle East region in particular posting strong growth.

Expenditure

Operational costs increased as we expanded activity in line with our growth strategy and were also impacted by inflationary pressures in the economy. This led to a £1.7m operating deficit for the year. Our strong financial position enabled us to absorb these losses as planned. We continued to monitor our financial costs and performance closely, monthly by the senior leadership team and quarterly by the board.

Over the year, we invested £4.9m (compared with £2.9m in 2022) of our designated reserves in strategic projects to improve our websites, digital infrastructure and capabilities. These position us to grow our reach and impact and improve the customer experience for our members and other clients.

Investments

Our investment strategy for our reserves is to achieve growth above market performance without taking undue risks. This has resulted in strong reserves that allow us to plan long term, improving our membership proposition and increasing our reach and impact across the profession.

The market value of investment assets, other than cash held, at the year-end was £22.2m (compared with £24.8m at 30 June 2022). This equates to a gain of £2.1m after taking into account net disposals of £4.7m. Markets remained somewhat volatile, reacting to global inflation, the continued war in Ukraine, and the impact of the UK's mini budget in September. Through the board's Investment Working Party and with the advice of our investment advisers, we monitored the portfolio regularly, meeting at least twice a year with the relevant fund managers to discuss performance.

Pensions

The CIPD offers all employees in the UK the opportunity to enrol in a group personal pension plan, which is a defined contribution scheme. A similar scheme operates for our employees in Ireland. We also operate a defined benefit pension scheme, which closed to new and existing members in 2012. A professional actuary carried out a triennial valuation of the defined benefit scheme at 1 October 2020. This showed a deficit of £15.4m and that the scheme's assets were sufficient to cover 76% of the accrued benefits. The funding deficit does not represent a current cash commitment; rather, it reflects the long-term funding required as pensions are paid out to members of the scheme, many of whom have not yet retired. In accordance with the triennial valuation, we are funding the deficit over a recovery period to 2032. More details are given in note 12 to the accounts. The triennial valuation as of 1 October 2023 is currently under way.

The actuary carries out a separate annual valuation in line with Financial Reporting Standard (FRS) 102. This is conducted at a different date using different assumptions and therefore results in a different funding deficit. The FRS102 valuation at 30 June 2023 showed a deficit of £7.5m compared with a deficit of £5.2m as at 30 June 2022. The main reasons for the deterioration in the balance sheet position were the impact of higher inflation and a lower return on assets than the discount rate. The CIPD contributed £1.0m to reduce the scheme's deficit during the year.

Reserves

Free financial reserves are those that are available to be spent on our charitable purpose. They exclude the pension deficit, as this represents a long-term funding requirement rather than an immediate cash commitment.

These reserves are held to:

- protect against short-term shortfalls in income
- protect against short-term unexpected spending
- protect against investment portfolio losses
- protect against extreme circumstances affecting the CIPD's ability to operate
- facilitate longer-term strategic opportunities.

The reserves policy in force during the year required that the CIPD maintain free financial reserves equivalent to a fall in income of between 15% and 20%. Based on the year to 30 June 2023, this would equate to between £6.7m and £9.0m. At 30 June 2023 our free financial reserves were £17.6m.

As a charity, it is also important not to accumulate reserves unnecessarily but to ensure they are used to further our charitable purpose. At its meeting on 14 September 2023, trustees approved a revision to the reserves policy to require that the CIPD should not hold more than six months' expenditure as free financial reserves, as well as maintaining a minimum free reserves level of 15% to 20% of income. Based on the year to 30 June 2023, six months' expenditure would equate to £23.3m.

Going concern

We have set out above a review of the CIPD's financial performance during the year and its reserves position at the end of the year. Our planning process, including financial projections, has taken into consideration the current economic climate – in the UK, Ireland, the Middle East and Asia – as well as the market environment in which we operate and its potential impact on our various sources of income and planned expenditure.

We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material uncertainties that call into doubt the CIPD's ability to continue in operation. Accordingly, the accounts have been prepared on the basis that the CIPD is a going concern.

Managing our risks

The board is responsible for overseeing the effectiveness of risk management throughout the organisation. It also approves our risk appetite, which sets out which areas of risk we are intolerant of and which areas we will accept in pursuit of our charitable purpose. Our risk appetite informs behaviours and decision-making at all levels of the organisation.

The board considers current and potential risks in line with our risk appetite in all its deliberations. The more in-depth review of our corporate risks is delegated to the Audit and Risk Committee. Day-to-day responsibility for risk management sits with members of the senior leadership team. They are responsible for overseeing operational risks in their areas and for collectively identifying and managing our corporate risks.

Risk evaluation and response

We evaluate each risk based on its potential impact on achieving our objectives and the likelihood of it occurring, given any current controls in place. We apply this approach consistently throughout the organisation but use different thresholds for measuring the impact of corporate and team risks.

The following table sets out some of our key risks.

RISK AND IMPACT	MITIGATION
Insufficient capacity, capability and prioritisation hampers our ability to deliver and market new products and services that meet the requirements of existing and new customers. **Impact:** We don't achieve growth and impact plans, and market expansion is hindered.	• Our business transformation team is focused on execution and change management, and our internal governance processes have clear criteria to support prioritisation. • We are developing our ability to manage overall resources and prioritise capability needs across the organisation. • We are considering future capability needs and our workforce strategy. • We are building a clearer performance culture, accountabilities and agile working practices. • We are testing and gathering customer insights and broader market intelligence to help us align to customer requirements.
Challenge to the perceived relevance of membership to employers, especially Chartered Membership, and of the HR profession as a whole. Challenge to the perceived importance of the Profession Map and CIPD qualifications. Competition from the growth of new training providers, online communities, local HR institutes, etc. **Impact:** Decline in membership and/or student numbers.	• We continue to monitor the competitive landscape to isolate short-term economic impacts and longer-term signals about the relevance of the profession. • Our connections to senior leaders in the profession and other membership bodies help us stay attuned to sentiment regarding the CIPD and broader market change. • We continue to react to market changes and ensure our evidence, research and key messages are up to date and well understood • We ensure changes in the profession are reflected in our Profession Map and qualifications, and a full review of the membership model and assessment process is progressing to plan.

RISK AND IMPACT	MITIGATION
Inadequate response to current events, missing the opportunity to give clear messaging on ways of working and the criticality of the people profession in business decisions, and to demonstrate our relevance, particularly in response to recent developments in generative AI and the potential negative impact it could have on the HR profession. **Impact:** Damage to the profession and/or exposure to gaps; long-term decline in membership and an inability to fulfil our charitable purpose.	• Our established approach to responding to events allows us to produce timely, relevant content across all channels and to speak publicly about what needs to change. • Our crisis communication plans ensure appropriate and timely response to unexpected but relevant external events. • We continue to refine Our Voice 2025 Framework and ways of working to ensure our mid- to longer-term work focuses on the areas likely to lead and promote the profession and create change in the world of work. • We measure our impact and reach and have seen positive results from our Net Promotor Score, press coverage and analytics support. • Our external research and information on generative AI are on our website.
Ongoing information security threats and vulnerabilities, user errors, system errors, mismanagement of information, data theft and ransomware, with significant increased threat of cyber-attack due to the Ukraine crisis. **Impact:** Reputational, financial, legal, regulatory, or contractual compliance damage, client, and partner loss.	• We have cybersecurity insurance in place and were reaccredited with Cyber Essentials Plus in January 2023. All our technology partners must meet this standard. • Our people are provided with GDPR and cybersecurity training and are reminded to be alert to cybercrime and how to minimise cybersecurity risk. • We subscribe to global networks which report attacks to ensure we proactively block potential breaches, and we run major incident testing. • Multi-factor authentication is deployed across all CIPD accounts to prevent hijacking, and our new IT service management system monitors our estate. • We're rolling out a database to departments to record access rights and asset ownership, as part of our exit process. • We're investigating interdependencies between applications, internal and external systems to capture future risks, and report on key performance indicators each month to manage cybersecurity risk.

RISK AND IMPACT	MITIGATION
An inability to identify, attract and retain people with the right skills, especially in certain fields of employment where salaries continue to rise. **Impact:** Capacity and delivery issues which lead to an inability to drive change and deliver our strategy.	• We continuously review our required skills, resulting in training and new role creation as appropriate. • We are considering flexing of recruitment and retention, to expedite filling key roles and retaining key staff. • We have developed our employer value proposition and broadened our recruitment pool geographically. • Activities for talent review and succession planning are under way and now form part of our annual cycle.
Loss of organisational cohesion and integration from the change to a hybrid working model. **Impact:** Management and inclusion challenges result in poor productivity.	• Our focused programme of consultation and engagement with our people, delivered by a multidisciplinary project team and supported by external specialist consultants, ensures that we are regularly listening to feedback and remain responsive using a 'test, learn and adapt' model. • Line managers continue to be mindful of the impact of hybrid working on productivity, output and our people's wellbeing.

By order of the board

Angela Attah LLB FCG

Institute Secretary

9 January 2024

Independent auditor's report

Independent auditor's report to the trustees of the Chartered Institute of Personnel and Development

Opinion

We have audited the financial statements of the Chartered Institute of Personnel and Development for the year ended 30 June 2023 which comprise the Consolidated Statement of Financial Activities, Group and Charity Balance Sheets, Consolidated Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 30 June 2023 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially

misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement [set out on page 60], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Charities Act 2011, the Charity's Royal Charter and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Charity's Royal Charter, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Haysmacintyre LLP

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

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

Financial statements



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2023

Consolidated statement of financial activities	Note	General fund	Designated fund	Restricted fund	Total 2023	Total 2022
		£'000	£'000	£'000	£'000	£'000
Income from:						
Charitable activities To advance the management and development of people through:						
Membership services and education		**30,287**	–	–	**30,287**	29,960
Research		**15**	**15**	**197**	**227**	150
Branches		**206**	–	–	**206**	106
Other trading activities						
Commercial income	2(b)	**14,254**	**3**	–	**14,257**	12,097
Investments	2(c)	**36**	–	–	**36**	38
Total income		**44,798**	**18**	**197**	**45,013**	42,351
Expenditure on:						
Raising funds	2(a)					
Commercial expenditure		**(10,434)**	–	–	**(10,434)**	(9,195)
Investment management costs		**(25)**	–	–	**(25)**	(35)
Charitable activities	2(a)					
Membership services and education		**(28,358)**	**(3,826)**	–	**(32,184)**	(26,191)
Research		**(5,557)**	**(834)**	**(158)**	**(6,549)**	(5,978)
Branches		**(2,156)**	**(280)**	–	**(2,436)**	(1,921)
Total expenditure		**(46,530)**	**(4,940)**	**(158)**	**(51,628)**	(43,320)
Net income/(expenditure) before gains and losses on investments		**(1,732)**	**(4,922)**	**39**	**(6,615)**	(969)
Net gains/(losses) on investments	7	**2,140**	–	–	**2,140**	(755)
Net income/(expenditure)		**408**	**(4,922)**	**39**	**(4,475)**	(1,724)
Transfers between funds	11	–	–	–	–	–
Net incoming/(outgoing) resources before other recognised gains and losses		**408**	**(4,922)**	**39**	**(4,475)**	(1,724)
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension scheme	12	**(3,136)**	–	–	**(3,136)**	6,804
Gains/(losses) on revaluation of overseas subsidiaries		**801**	–	–	**801**	414
Net movement in funds		**(1,927)**	**(4,922)**	**39**	**(6,810)**	5,494
Reconciliation of funds						
Net fund balances brought forward		**22,153**	**9,470**	**58**	**31,681**	26,187
Net fund balances carried forward		**20,226**	**4,548**	**97**	**24,871**	31,681

The statement of financial activities includes all recognised gains and losses for the year.

CONSOLIDATED GROUP AND CHARITY BALANCE SHEETS AT 30 JUNE 2023

	Note	Group		Institute	
		2023	2022	**2023**	2022
		£'000	£'000	**£'000**	£'000
Fixed assets					
Tangible assets	5	**6,662**	6,997	**6,517**	6,782
Intangible assets	6	**2,321**	2,294	**2,321**	2,294
Investments	7	**22,437**	26,517	**25,437**	29,517
		31,420	35,808	**34,275**	38,593
Current assets					
Stocks		–	–	–	–
Debtors	8	**9,112**	6,587	**5,121**	5,328
Cash at bank and in hand	9	**4,460**	7,126	**2,401**	2,807
		13,572	13,713	**7,522**	8,135
Creditors					
Amounts falling due within one year	10	**(12,604)**	(12,690)	**(10,798)**	(9,790)
Net current assets/(liabilities)		**968**	1,023	**(3,276)**	(1,655)
Net assets excluding pension liability		**32,388**	36,831	**30,999**	36,938
Provisions	13	**(59)**	–	–	–
Defined benefit pension scheme liability	12	**(7,458)**	(5,150)	**(7,458)**	(5,150)
Net assets including pension liability		**24,871**	31,681	**23,541**	31,788
Funds					
General fund	11	**27,684**	27,303	**26,403**	27,410
Pension liability		**(7,458)**	(5,150)	**(7,458)**	(5,150)
Net general funds		**20,226**	22,153	**18,945**	22,260
Designated funds	11	**4,548**	9,470	**4,548**	9,470
Net unrestricted funds		**24,774**	31,623	**23,493**	31,730
Restricted funds	11	**97**	58	**48**	58
Total funds		**24,871**	31,681	**23,541**	31,788

The financial statements were approved and authorised for issue by the trustees on 9 January 2024 and were signed on their behalf by:

Valerie Hughes-D'Aeth
Chair of the Board

Caroline Stockmann
Treasurer

The notes on pages 78–98 form part of these financial statements.

CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 £'000	2022 £'000
Net cash flows from operating activities		**(8,374)**	(1,235)
Cash flows from investing activities			
Income from investments	2(c)	**15**	37
Interest received	2(c)	**20**	1
Proceeds from the sale of tangible fixed assets	5	–	–
Purchase of tangible fixed assets	5	**(289)**	(162)
Development of intangible fixed assets	6	**(256)**	(349)
Proceeds from sale of investments	7	**6,262**	24,379
Purchase of investments	7	**(1,576)**	(25,827)
(Increase)/decrease in cash deposits (investment asset)	7	**1,534**	2,619
Net cash provided by/(used in) investing activities		**5,710**	698
Cash flows from financing activities:			
Cash removed from/(added to) bank deposits with more than 24 hours' notice			
Change in cash and cash equivalents in the year		**(2,665)**	(537)
Cash and cash equivalents at the beginning of the year		**7,125**	7,663
Cash and cash equivalents at the end of the year	9	**4,460**	7,126

Notes to the cashflow statement

(a) Reconciliation of net income to net cashflow from operating activities

Net Income		**(4,475)**	(1,724)
Depreciation charge – tangible assets	5	**575**	516
(Gains)/losses on investments	7	**(2,140)**	755
(Gains)/losses on disposal of tangible fixed assets	7	**49**	221
(Gains)/losses on disposal of intangible fixed assets		**4**	–
Dividend, interest and rents from investments	2(c)	**(35)**	(38)
Depreciation charge – intangible assets	6	**226**	110
Foreign exchange reserves movement		**801**	405
Payment to pension scheme per funding plan	12	**(1,000)**	(1,225)
Non-actuarial increase in pension liability	12	**172**	239
Decrease/(increase) in debtors	8	**(2,525)**	(1,340)
Increase/(decrease) in creditors	10	**(85)**	891
Increase/(decrease) in provisions	13	**59**	(45)
Net cashflows from operating activities		**(8,374)**	(1,235)

(b) Analysis of cash and cash equivalents

Cash in hand	9	**4,460**	7,126
Total cash and cash equivalents		**4,460**	7,126

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1 Principal accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention modified by the revaluation of investments and in accordance with the Financial Reporting Standard applicable to the UK and the Republic of Ireland (FRS102) and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102 – effective 1 January 2019 – and the requirements of the Charities Act 2011. The functional currency of the CIPD is considered to be GBP because that is the currency of primary economic environment in which the group operates.

There are no material uncertainties that call into doubt the CIPD's ability to continue in operation. Accordingly, the financial statements have been prepared on a going concern basis, as discussed within the Trustees' Report.

(b) Consolidation

The group financial statements include the results of the CIPD, its branches and its subsidiaries, which are consolidated on a line- by-line basis. Please refer to note 2(b) to the accounts for the results for the trading subsidiaries. Note 11 sets out the movements in the Institute's funds, including incoming and outgoing resources.

CIPD Enterprises Ltd entered into a profit-share arrangement with Avado to offer digital qualifications to the market, which ended during the year. As guided by the Charity SORP (FRS 102), the arrangement has been reported as a jointly controlled operation which requires the consolidated accounts of both parties to recognise assets that each party controls and liabilities incurred, with expenses incurred and share of income.

The results of overseas subsidiaries and branches have been translated into sterling using exchange rates prevailing at the balance sheet date. Exchange differences arising from retranslating the opening net investment in overseas subsidiaries at the closing exchange rates are recorded as movements in the general fund.

(c) Income

All income, including investment income, is accrued and included in the Statement of Financial Activities when the group is entitled to the income, receipt is probable, and the amount can be quantified reliably. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet. Income from subscriptions, which is our largest individual source of income, is recognised referring to the period over which the subscription relates.

Volunteers continue to be an integral part of the CIPD, working with us across the organisation in every area of our work. Their wide spectrum of skills, experience and expertise strengthens our organisation by enabling us to better support our members and engage the wider HR community in what we do. On a wider community level, many CIPD members volunteer their experience in our community investment programmes. Our branch volunteers use their skills to promote the CIPD and give back to the profession, with a number of members acting as mentors in our Steps Ahead Mentoring programme and others engaged with our Enterprise Adviser programme run by the Careers and Enterprise Company.

In accordance with the SORP, no monetary value has been attributed to the work of volunteers, though their involvement is considered vital to the activities of the charity.

(d) Expenditure

Membership and education includes the costs of administering and providing direct services to members, developing professional standards, providing educational services to members, and supporting educational centres which offer the Institute's qualifications. Commercial activities are disclosed as charitable where they are deemed to give rise to direct membership benefit.

Research includes the cost of commissioning and undertaking research and the dissemination of research and practical information to members and the public.

Branches include the central and local costs of the Institute's branch network, which offers CPD and networking events for members nationwide.

Commercial activities, through our strategic partnerships, comprise a courses and conferences programme, a publishing facility for books and training materials, and an HR consultancy business for organisations. It also manages the relationship with the publisher of the CIPD's journal, *People Management*.

Investment management costs include fees paid to the Institute's investment advisers and fund managers.

Support costs such as general management, governance, human resources, finance, information systems, strategy, performance and premises costs are allocated across the various categories of our expenditure. The basis of allocation has been explained in note 2(a) to the accounts.

(e) Operating leases

Payments in respect of operating leases are charged to the Statement of Financial Activities over the life of the lease on a straight-line basis.

(f) Fixed assets, depreciation and amortisation

Tangible assets
Tangible assets are stated at cost net of depreciation and any provisions for impairment.

Depreciation is provided on a straight-line basis on the cost of fixed assets to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land or assets under construction. The depreciation period for other assets is shown below.

Office equipment	3–4 years
Freehold buildings (from date of first use)	25 years
Leasehold buildings (from date of first use)	Over life of lease

Assets with a cost below £2,500 are not capitalised.

Intangible assets
Intangible assets are stated at cost net of depreciation and any provisions for impairment.

Depreciation is provided on a straight-line basis on the cost of fixed assets to write them down to their estimated residual values over their expected useful lives.

Website development costs	3 years
Developed IT hardware/software	5 years

Website planning costs are charged to the Statement of Financial Activities as incurred. Other website costs are capitalised as a fixed asset only where they lead to the creation of an enduring asset delivering tangible future benefits whose value is at least as great as the amount capitalised. An impairment review is undertaken of the net asset value of the website at each balance sheet date. Expenditure to maintain or operate the developed website is charged to the Statement of Financial Activities.

Costs incurred in the development of new web-based commercial products are depreciated on a standard cost of goods sold basis over the shorter of three years or the estimated useful economic life of the products concerned.

Developed IT hardware/software relates to our membership and finance systems.

(g) Investments

Investments are stated in the balance sheet at market value. Realised and unrealised gains and losses in the year based on market value are recognised in the Statement of Financial Activities. Investment properties are shown at trustees' estimate of their open market valuation using a nationally available house price index calculator. Bank interest is accounted for on a receivable basis; other investment income is accounted for when received.

Investments in subsidiary undertakings are included at cost or fair value at acquisition, subject to any impairment.

Liquid resources are funds held at bank which require more than 24 hours' notice to access.

(h) Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of impairment losses. Prepayments are valued at the amount prepaid, net of any trade discounts due. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(i) Pension schemes

The CIPD Group Personal Pension Plan and the CIPD Money Purchase Pension Plan are UK-based defined contribution schemes. The Institute also makes contributions to defined contribution schemes for its staff in Ireland. The charges to the Statement of Financial Activities for defined contribution schemes are the amounts payable in respect of the accounting year.

The CIPD Staff Retirement Scheme is a defined benefit scheme. It is accounted for in accordance with FRS 102. The notional net interest charge on the FRS 102 deficit, the expected return on assets and the current service cost have been allocated across the resources expended categories based on pensionable payroll. Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high-quality corporate bond rates that have terms to maturity approximating to the terms of the related liability. Appropriate adjustments are made for actuarial gains or losses which are recognised in other recognised gains and losses in the Statement of Financial Activities.

(j) Taxation

The CIPD is a registered charity and its income is applied solely for charitable purposes. As a result, it is entitled to rely upon the taxation exemption granted by the Corporation Tax Act 2010. Where possible, the profits of the CIPD's trading subsidiaries are donated to the CIPD under Gift Aid.

(k) Fund accounting

The Institute has various types of funds for which it is responsible, and which require separate disclosure. These are as follows:

General fund
This contains funds that are spent at the discretion of the trustees in furtherance of the objects of the charity and includes reserves in line with our policy to maintain sufficient realisable reserves to cover the estimated cash impact of a pessimistic financial scenario.

Designated funds
The Institute may at its discretion set aside funds for specific purposes that would otherwise form part of the general reserves of the organisation. The Institute sets aside funds, supported by cash and investments, in respect of a variety of activities that are explained in more detail below. As such, they are not available for other purposes. Designated funds are listed in note 11 to the accounts.

Restricted funds
The Institute may, from time to time, receive funds from external sources for specific purposes. These funds are not available for other purposes and are segregated in our accounts. Restricted funds are listed in note 11 to the accounts.

(l) Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies described above, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates, judgements and assumptions are made based on a combination of past experience, professional expert advice and other evidence that is relevant to the particular circumstance. The following area is considered to involve the critical judgements and sources of estimation uncertainty when applying the group's accounting policies.

Pension liability
Estimates of the net pension liability depend on a number of complex judgements relating to the discount rate used, changes in retirement ages and mortality rates. The group engages a firm of actuaries to provide expert advice about the assumptions made and the effect on the pension liability of changes in these assumptions.

(m) Public benefit

The Institute's charitable objects include the promotion of the art and science of the management and development of people for the public benefit. Details on how the Institute delivers public benefit are included in the Trustees' Report.

2a Expenditure

	Direct costs £'000	Support costs £'000	Total 2023 £'000	Total 2022 £'000
Raising funds				
Commercial activities	**6,465**	**3,969**	**10,434**	9,195
Investment management	**25**	–	**25**	35
Charitable activities				
Membership and education	**25,456**	**6,728**	**32,184**	26,191
Research	**5,239**	**1,310**	**6,549**	5,978
Branches	**1,944**	**492**	**2,436**	1,921
Total	**39,129**	**12,499**	**51,628**	43,320

Allocation of support costs

	Directors, Strategy and Secretariat £'000	IT £'000	Finance £'000	HR £'000	Premises £'000	Governance £'000	Total £'000	Total £'000
Raising funds								
Commercial activities	**162**	**2,840**	**458**	**15**	**476**	**18**	**3,969**	3,843
Investment management	–	–	–	–	–	–	–	–
Charitable activities								
Membership and education	**1,146**	**4,140**	**669**	**17**	**736**	**20**	**6,728**	6,546
Research	**225**	**813**	**131**	**3**	**134**	**4**	**1,310**	1,420
Branches	**88**	**318**	**51**	**1**	**33**	**1**	**492**	452
	1,621	**8,111**	**1,309**	**36**	**1,379**	**43**	**12,499**	12,261
Total 2022	1,560	6,161	1,336	1,807	1,317	80		12,261

Basis of apportionment

Directors, Strategy and Secretariat	Proportion of unrestricted cost of charitable activity excl commercial activity allocation
IT	Proportion of unrestricted cost of charitable activity excl commercial activity allocation
Finance	Proportion of unrestricted cost of charitable activity excl commercial activity allocation
HR	Staff time
Premises	Staff time
Governance	Staff time

CIPD institute audit fees of £33k (2022: £44k) are included within governance support costs. In addition, audit fees of £38k (2022: £7k) relating to other group entities are included within finance support costs. £23k (2022: £15k) of internal audit fees and £15k (2022: £3k) of branch council costs are included within directors, strategy and secretariat support costs.

Total resources expended includes:	**2023 £'000**	2022 £'000
Auditor's remuneration:		
Audit fees – current year provision	**71**	51
Other services	**12**	29
Operating lease rentals		
Plant and machinery	–	–
Other assets, including land and buildings	**194**	180
Depreciation	**801**	626

2b Subsidiary companies

(i) At the balance sheet date, the CIPD owned the entire ordinary share capital (where applicable) of the following subsidiary undertakings:

	CIPD Enterprises Ltd		CIPD Asia Ltd		CIPD Middle East FZ LLC[1]		CIPD Ireland[2]	
Country of registration	England and Wales		Singapore		Dubai		Ireland	
Immediate holding co.	CIPD		CIPD		CIPD Enterprises Ltd		CIPD	
Holding	3,000,000 £1 shares		Limited by guarantee		14,800 AED 1,000 shares		Limited by guarantee	
Activity	Training, events, publishing and the development of people via organisational training and consultancy		Promotion of membership and the management and development of people		Promotion of membership and the management and development of people		Promotion of membership and the management and development of people	
	2023	2022	2023	2022	2023	2022	2023	2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total assets	6,634	7,779	330	1,422	2,689	3,595	336	601
Total liabilities	3,353	4,498	705	1,842	(617)	1,047	220	135
	3,281	**3,281**	**(375)**	**(420)**	**3,306**	**2,547**	**116**	**466**
Represented by:								
Share capital	3,000	3,000	–	–	3,108	3,031	–	–
Reserves	281	281	(375)	(420)	198	(484)	116	466
Results for the year:								
Income[3]	8,579	7,731	1,104	994	3,291	2,047	1,335	1,329
Expenditure	8,083	6,320	1,154	898	2,591	1,482	1,343	1,226
Net profit/(loss)	**496**	**1,411**	**(51)**	**96**	**700**	**565**	**(8)**	**103**
Gift Aided to the CIPD	(496)	(1,411)	–	–	–	–	–	–
Retained in subsidiary	–	–	**(51)**	**96**	**700**	**565**	**(8)**	**103**

1 CIPD Middle East FZ LLC was incorporated on 13 August 2015 as a Free Zone Limited Liability company and operates in the UAE under a licence issued by the Government of Dubai, Dubai Creative Cluster Authority. The entity is licensed to provide services mainly related to HR consultancy.

2 CIPD Ireland became its own independent company on 1 July 2020. It was started with a loan of €462,411 and is a company limited by guarantee. This is its second year of trading, and it may remain a commercial-led company as its charitable status is still under review.

3 Commercial income and expenditure in the Consolidated Statement of Financial Activities is derived from our UK trading arm, CIPD Enterprises Ltd, with the following adjustments: commercial income also includes inward sponsorship of CIPD events, which is recorded in the accounts of the Institute. Commercial expenditure includes a higher apportionment of support costs than included in CIPD Enterprises' standalone accounts.

(i) During the year, there were several transactions between group companies, relating to either (a) expenditure paid by the CIPD or CIPD Enterprises Ltd on behalf of another group company and recharged to them, or (b) internal operational costs incurred by the CIPD or CIPD Enterprises Ltd and apportioned to other group companies as appropriate. These transactions were as follows:

(ii) Subsequent events – no significant subsequent events have been identified in any of the group companies since 30 June 2023.

Total Expenditure includes:	**Transactions during the year**	**Balance outstanding at year end**
	£'000	**£'000**
Amounts due to the CIPD:		
from CIPD Middle East FZ LLC	(524)	(900)
from CIPD Asia Ltd	(275)	549
from CIPD Enterprises Ltd	(1,381)	(982)
from CIPD Ireland	(325)	24

2c Investment income

	2023 £'000	2022 £'000
Bank interest	**20**	1
Income from investment property	**16**	37
	36	38

3 Staffing (excluding trustees)

	2023 £'000	2022 £'000
Salaries	**20,035**	17,787
Social security costs	**1,920**	1,563
Pension costs	**1,697**	1,488
Benefits in kind	**336**	295
	23,988	21,133

The pension costs shown above include the service cost for the year for the CIPD Staff Retirement Scheme and the actual payments made into defined contribution schemes.

Excluding the chief executive (note 4 below), higher-paid employees were remunerated as follows

	2023 number	2022 number
£60,000–£69,999	**27***	21
£70,000–£79,999	**20**	16
£80,000–£89,999	**14**	6
£90,000–£99,999	**7**	2
£100,000–£109,999	**3**	3
£110,000–£119,999	**5**	2
£120,000–£129,999	**1***	1
£130,000–£139,999	**1**	1
£140,000–£149,999	**0**	3*
£150,000–£159,999	**2**	1
£160,000–£169,999	**1**	0
£170,000–£179,999	**1**	0

* The bandings marked with an asterisk include redundancy payments for certain individuals and hence do not constitute the normal or ongoing compensation.

Of the higher-paid employees, 8 (2022: 9) were members of the CIPD Staff Retirement Scheme. The Institute contributed. £376,000 into the defined contribution schemes for 74 of the higher-paid employees (2022: £456,000 for 56 employees).

In 2023, the key management personnel of the charity comprised the trustees and senior leadership team (SLT) – the chief executive, the director of membership, the director of commercial and marketing, the director of legal and governance, the director of digital and technology, the director of professional development, the director of research policy and content, and, for part of the year, the director of people and transformation.

SLT represents the key management personnel less the trustees.

The total employee benefits of the senior leadership team (excluding the chief executive) were £1,137,000 (2022: £1,006,000).

The average monthly number of employees during the year was 412 (2022: 385), representing a full-time equivalent of 393 (2022: 363).

The average monthly number of employees working in charitable activities, including support and management and administration, was 283 (2022: 264), and 129 (2022: 121) employees worked in activities for generating funds.

The cost of general agency support and consultants was £2,224,000 (2022: £1,750,000), mainly in relation to the delivery of strategic projects and IT activities.

Redundancy and termination payments totalled £39,000 (2022: £144,000).

Per charities SORP (page 80, 9.26 Disclosure of staff costs and employee benefits), 'employee benefits' includes social security costs.

4 Trustees' emoluments

	2023 £'000	2022 £'000
Chief executive (only paid trustee)		
Salary	**274**	264
Variable performance bonus	–	–
Pension contributions	–	–
Benefits in kind	**1**	7
Emoluments	**275**	271

Details on how the chief executive's remuneration is determined are given in the Trustees' Report on page 57. The figures above represent the emoluments of the chief executive for that role, not as a trustee.

The other members of the Board of Trustees receive no remuneration for their services or for volunteering their time.

During the year, a total of £371 (2022: £1,465) was reimbursed to, or paid on behalf of, one (2022: 3) trustee.

5 Tangible fixed assets

Group	Freehold land	Freehold property	Leasehold property	Office equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 July 2022	3,884	9,172	324	825	14,205
Additions	–	–	–	289	289
Transfers	–	–	(163)	163	(0)
Disposals	–	–	(48)	(1)	(49)
Foreign exchange	–	–	–	–	–
At 30 June 2023	**3,884**	**9,172**	**113**	**1,276**	**14,445**
Depreciation					
At 1 July 2022	–	6,358	118	732	7,208
Charges for the year	–	370	(25)	230	575
Disposals	–	–	–	–	–
Foreign exchange	–	–	–	–	–
At 30 June 2023	–	**6,728**	**93**	**962**	**7,783**
Net book value					
At 1 July 2022	3,884	2,814	206	93	6,997
At 30 June 2023	**3,884**	**2,444**	**20**	**314**	**6,662**

Institute	Freehold land	Freehold property	Leasehold property	Office equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 July 2022	3,884	9,172	–	741	13,797
Additions	–	–	–	155	155
Transfers	–	–	–	–	–
Disposals	–	–	–	–	–
At 30 June 2023	**3,884**	**9,172**	–	**896**	**13,952**
Depreciation					
At 1 July 2022	–	6,358	–	657	7,015
Charges for the year	–	370	–	50	420
Disposals	–	–	–	–	–
At 30 June 2023	–	**6,728**	–	**657**	**7,435**
Net book value					
At 1 July 2022	3,884	2,814	–	84	6,782
At 30 June 2023	**3,884**	**2,444**	–	**189**	**6,517**

The freehold land and property relate to the CIPD offices at 151 The Broadway, Wimbledon.

The trustees believe that the value of this property is higher than its net book value. The leasehold property relates to our offices in Ireland, Singapore and Dubai.

There is a charge granted over the freehold property at 151 The Broadway in favour of the CIPD Staff Retirement Scheme.

6 Intangible fixed assets

Group	Assets under construction	IT software	Content development	Website development	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 July 2022	1,161	3,679	349	5,532	10,721
Additions	3	–	253	–	256
Transfers	–	–	–	–	–
Disposals	(4)	–	–	–	(4)
At 30 June 2023	**1,160**	**3,679**	**602**	**5,532**	**10,973**
Depreciation					
At 1 July 2022	–	3,013	30	5,384	8,427
Charges for the year	–	102	65	59	226
Disposals	–	–	–	–	–
At 30 June 2023	–	**3,115**	**95**	**5,443**	**8,653**
Net book value					
At 1 July 2022	1,161	666	319	148	2,294
At 30 June 2023	**1,160**	**564**	**508**	**89**	**2,321**

Institute	Assets under construction	IT software	Content development	Website development	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 July 2022	1,510	3,485	194	5,532	10,721
Additions	3	–	253	–	256
Transfers	–	–	–	–	–
Disposals	(4)	–	–	–	(4)
At 30 June 2023	**1,509**	**3,485**	**447**	**5,532**	**10,973**
Depreciation					
At 1 July 2022	–	3,013	30	5,384	8,427
Charges for the year	–	102	65	59	226
Disposals	–	–	–	–	–
At 30 June 2023	–	**3,115**	**95**	**5,443**	**8,653**
Net book value					
At 1 July 2022	1,510	472	164	148	2,294
At 30 June 2023	**1,509**	**370**	**353**	**89**	**2,321**

Intangible assets relate to IT software in respect of our membership and finance systems and costs of product development and developing our website.

7 Investments

	Group		Institute	
	2023	2022	**2023**	2022
	£'000	£'000	**£'000**	£'000
Investments at market value				
Managed funds:				
Unit trusts: direct holdings in listed UK equities and bonds	–	–	–	–
Overseas unit trusts: direct holdings in listed UK equities and bonds	**1,988**	2,356	**1,988**	2,356
Overseas unit trusts: direct holdings in listed overseas equities and bonds	**20,194**	22,366	**20,194**	22,366
Bank deposits	**195**	1,729	**195**	1,729
Property unit trust	**60**	66	**60**	66
Investments in subsidiaries (Note 2b)	–	–	**3,000**	3,000
Total market value at 30 June	**22,437**	26,517	**25,437**	29,517
Total cost at 30 June	**20,897**	26,425	**23,897**	29,425

The board arranges for investments or other property to be held in the name of a nominee and has the power to delegate the management of investments to an authorised person within the meaning of the Financial Services Act 1986.

A working group appointed by the board meets quarterly with an investment adviser to review performance and makes recommendations to the board as to investment managers, asset allocation and the outcome of performance reviews.

The Institute follows a strategy which exercises control over asset allocations and uses specialist fund managers for each class of asset. The asset allocation is tracked by the investment adviser on behalf of the Institute, with rebalancing decisions taken quarterly.

	Group		Institute	
	2023	2022	**2023**	2022
Managed funds	**£'000**	£'000	**£'000**	£'000
Market value at 1 July 2022	**26,517**	28,443	**29,517**	31,402
Money withdrawn	**(6,262)**	(24,379)	**(6,262)**	(24,379)
Money invested	**1,576**	25,825	**1,576**	25,825
Movement in cash deposits	**(1,534)**	(2,619)	**(1,534)**	(2,578)
Reinvested income (net of fees)	**–**	2	**–**	2
Net gains/(losses)	**2,140**	(755)	**2,140**	(755)
Market value at 30 June 2023	**22,437**	26,517	**25,437**	29,517

8 Debtors

	Group		Institute	
	2023	2022	**2023**	2022
	£'000	£'000	**£'000**	£'000
Trade debtors	**5,218**	3,463	**2,262**	1,265
Amounts due from subsidiaries	**–**	–	**–**	1,437
Other debtors	**1,807**	738	**1,140**	1,278
Prepayments and accrued income	**2,087**	2,386	**1,719**	1,348
	9,112	6,587	**5,121**	5,328

Included within the Institute's debtors are amounts owed from CIPD Enterprises Ltd of £496,000 (2022: £1,411,000) relating to Gift Aid payable for the period.

9 Cash in bank and in hand

	Group		Institute	
	2023	2022	**2023**	2022
	£'000	£'000	**£'000**	£'000
Bank current accounts and cash in hand	**4,460**	7,126	**2,401**	2,807
	4,460	7,126	**2,401**	2,807

10 Creditors: amounts falling due within one year

	Group		Institute	
	2023	2022	**2023**	2022
	£'000	£'000	**£'000**	£'000
Trade creditors	**3,358**	2,003	**2,152**	1,121
Amounts received in advance	**5,210**	6,791	**5,085**	6,467
Amounts due to subsidiaries	**–**	–	**1,309**	–
Taxation and social security costs	**592**	520	**557**	516
Other creditors	**698**	326	**298**	194
Accruals	**2,455**	2,190	**1,397**	1,492
Deferred income	**291**	860	–	–
	12,604	12,690	**10,798**	9,790

Amounts received in advance at 30 June 2023 will all be released in the year to 30 June 2024 and mainly relate to member and organisation subscriptions.

Deferred income represents bookings for future commercial events and payments for consultancy work. The movement on deferred income was as follows:

	Group	
	2023	2022
	£'000	£'000
Deferred income at start of year	**860**	163
Amounts released during the year	**(860)**	(163)
Amounts deferred during the year	**291**	860
Deferred income at end of year	**291**	860

11 Funds

Group	Balance at 1 July 2022	Income	Expenditure	Transfers between funds	Gains and (losses)	Balance at 30 June 2023
	£'000	£'000	£'000	£'000	£'000	£'000
General fund	27,303	44,798	(46,358)	(1,000)	2,941	**27,684**
Pension reserve	(5,150)	–	(172)	1,000	(3,136)	**(7,458)**
Net general funds	22,153	44,798	(46,530)	–	(195)	**20,226**
Designated funds						
Building fund	1,033	–	–	–	–	**1,033**
Trust fund	408	–	(103)	–	–	**305**
Strategic initiatives fund	8,029	18	(4,837)	–	–	**3,210**
Total designated funds	9,470	18	(4,940)	–	–	**4,548**
Total unrestricted funds	**31,623**	**44,816**	**(51,470)**	–	**(195)**	**24,774**
Restricted funds						
JP Morgan Chase	1	–	–	–	–	**1**
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	45	140	(155)	–	–	**30**
Innovate UK	(1)	–	–	–	–	**(1)**
Youth Future	10	5	–	–	–	**15**
SkillNet (CIPD Ireland)	–	52	(3)	–	–	**49**
Total restricted funds	58	197	(158)	–	–	**97**
Total funds	**31,681**	**45,013**	**(51,628)**	–	**(195)**	**24,871**

Institute	Balance at 1 July 2022	Income	Expenditure	Transfers between funds	Gains and (losses)	Balance at 30 June 2023
	£'000	£'000	£'000	£'000	£'000	£'000
General fund	27,410	31,013	(33,160)	(1,000)	2,140	**26,403**
Pension reserve	(5,150)	–	(172)	1,000	(3,136)	**(7,458)**
Corporation tax	–	–	–	–	–	–
Net general funds	**22,260**	**31,013**	**(33,332)**	–	**(996)**	**18,945**
Designated funds						
Building fund	1,033	–	–	–	–	**1,033**
Trust fund	408	–	(103)	–	–	**305**
New learning fund	–	–	–	–	–	–
Research and development	–	–	–	–	–	–
Strategic initiatives fund	8,029	18	(4,837)	–	–	**3,210**
Total designated funds	9,470	18	(4,940)	–	–	**4,548**
Total unrestricted funds	**31,730**	**31,031**	**(38,272)**	–	**(996)**	**23,493**
Restricted funds						
UKCES-VyT	–	–	–	–	–	–
JP Morgan Chase	1	–	–	–	–	**1**
NESTA/Steps	–	–	–	–	–	–
Team London	–	–	–	–	–	–
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	45	140	(155)	–	–	**30**
FSF	–	–	–	–	–	–
Innovate UK	(1)	–	–	–	–	**(1)**
Parent Returner Programme	–	–	–	–	–	–
Youth Future	10	5	–	–	–	**15**
Total restricted funds	58	145	(155)	–	–	**48**
Total funds	**31,788**	**31,176**	**(38,427)**	**–**	**(996)**	**23,541**

Designated fund descriptions:

The building fund provides for maintenance of CIPD properties and for potential property projects. The trust fund has been established to promote access to the profession. The strategic initiatives fund is to provide for special initiatives identified by the board – which include growing membership, meeting the needs of leading members of the HR profession, growing the CIPD's offering internationally, and engaging more directly with employers.

The outstanding balance on the building fund is expected to be used over the next 10 to 20 years, though this is dependent on the nature and timing of any potential property projects. The outstanding balance on the trust fund and the strategic initiatives fund is expected to be used over the next five years.

Restricted fund descriptions:

JP Morgan Chase	To provide free employment and people management advice to small businesses
Timewise Mentor	To promote flexible working hours within the workplace
Careers & Enterprise Company	Funding for the recruitment of suitable people professionals (members and non-members) to volunteer on the Careers & Enterprise Company Enterprise Adviser programme
Flexible Support Fund Partnership	Department for Work and Pensions funding to test extending Steps Ahead to support jobseekers of over 50 years old with short-term one-to-one mentoring with the aim of improving their employability skills to help them find work
Innovate UK	Human resources advice and guidance is given to SMEs in the Midlands
Parent Returner Programme	To identify and support a variety of employers of different size and industry to create 50 new private sector opportunities, and reach local residents to support 150 returners to move into or towards work

At 30 June 2023, cumulative unrealised gains on investment assets of £1,540,000 (2022: £92,000) were included in the general fund.

Each of the designated funds is described in note 1 (k).

During the year, £1,000,000 was transferred from the general fund to the pension reserve (2022: £1,225,000).

Analysis of fund balances held on 30 June 2023

	General £'000	Pension £'000	Designated £'000	Restricted £'000	Total £'000
Tangible fixed assets	6,662	–	–	–	**6,662**
Intangible fixed assets	2,321	–	–	–	**2,321**
Investments	17,889	–	4,548	–	**22,437**
Current assets	13,475	–	–	97	**13,572**
Current liabilities	(12,604)	–	–	–	**(12,604)**
Long-term liabilities	–	(7,458)	–	–	**(7,458)**
Provisions	(59)	–	–	–	**(59)**
Fund balances on 30 June	**27,684**	**(7,458)**	**4,548**	**97**	**24,871**

12 Pension commitments

The Institute operated two separate occupational pension schemes during the year – the CIPD Group Personal Pension Plan and the CIPD Staff Retirement Scheme.

(a) CIPD Staff Retirement Scheme

The CIPD Staff Retirement Scheme is a defined benefit scheme which was closed to new entrants on 1 January 2010 and closed to accruals of new benefits from 30 September 2012.

The assets of the scheme are held separately from those of the Institute to meet long-term pension liabilities to past and present employees. The trustees of the scheme are required to act in the best interest of the scheme's beneficiaries and are appointed in accordance with the scheme's trust deed. Currently one-third of the trustees are member-nominated. During the year, Barnett Waddingham LLP acted as administrators and actuaries to the scheme. SEI Investments (Europe) Limited acted as investment advisers to the trustees during the year; they are also responsible for the management of the scheme's invested assets.

The most recent full actuarial valuation of the scheme was carried out as at 1 October 2020 and revealed an actuarial deficit of approximately £15.4 million.

In accordance with the schedule of contributions agreed between the trustees and the Institute as part of the 1 October 2020 valuation, the Institute contributed £1,000,000 to the scheme over the year to 30 June 2023 (2022: £1,225,000) in order to address the past service deficit. Further contributions of £1,000,000 per annum are due to be paid in quarterly instalments of £250,000 until 30 September 2024. This will be followed by contributions of £1,100,000 per annum paid in quarterly instalments of £275,000 from 1 October 2024 to 30 September 2032.

Additionally, the CIPD has an agreement with the trustees under which the scheme is granted a charge over the freehold property at 151 The Broadway to act as a contingent asset for the scheme.

Benefits accrued after 1 October 2006 were on a career average revalued earnings basis and will have limited price indexation of pensions in payment restricted to 2.5%. Prior to 1 October 2006 benefits were accrued on a final salary basis and active members paid contributions to the scheme. On this date the Institute implemented a salary sacrifice scheme and since then has paid all of the contributions – originally at a rate of 19.1% of pensionable salaries, and from 1 October 2009 until 30 September 2012 at a rate of 17.6%. Of this, 6% represented the contributions that active members would have made were the salary sacrifice scheme not in place. Contributions in respect of benefit accrual ceased from 30 September 2012.

	2023 £'000	2022 £'000
The amounts recognised in the balance sheet were:		
Present value of funded liabilities	**36,282**	46,108
Fair value of scheme assets	**(28,824)**	(40,958)
Net pension liability at 30 June	**7,458**	5,150
The amounts disclosed in the balance sheet were:		
Liabilities	**7,458**	5,150
Assets	**–**	–
Net pension liability at 30 June	**7,458**	5,150
The amounts recognised in the statement of financial activities were:		
Interest on liabilities	**1,684**	1,224
Interest on assets	**(1,512)**	(984)
Past service cost	**–**	–
Total	**172**	239
Changes in the amounts recognised within other recognised gains and losses were:		
Actuarial (gain)/loss	**3,136**	(6,804)
Changes in the present value of the defined benefit liability were:		
Opening defined benefit liability	**46,108**	64,983
Past service cost	**–**	–
Interest cost	**1,684**	1,224
Actuarial (gain)/loss due to changes in assumptions	**(12,050)**	(19,173)
Actuarial (gain)/loss due to experience	**1,753**	195
Benefits paid	**(1,213)**	(1,121)
Closing defined benefit liability at 30 June	**36,282**	46,108
Changes in the fair value of the scheme assets were:		
Opening fair value of scheme assets	**40,958**	52,043
Interest on assets	**1,512**	985
Actuarial gain/(loss)	**(13,433)**	(12,174)
Employer contributions	**1,000**	1,225
Benefits paid	**(1,213)**	(1,121)
Administration costs	**–**	–
Closing fair value of scheme assets at 30 June	**28,824**	40,958

All the scheme's assets are invested in funds managed by SEI Investments (Europe) Limited. These are grouped into two pools – the Risk Management Pool and the Return Enhancement Pool. Each fund has a mandate to invest actively in such a way as is expected to outperform relevant benchmark indices.

The fair value of the scheme assets as a percentage of the total scheme assets was:

	30 June 2023	30 June 2022
Equities	**4%**	22%
Bonds	**47%**	48%
Alternatives	**26%**	19%
Annuities	**7%**	2%
Property	**13%**	7%
Cash	**3%**	2%

The returns on the scheme's assets over the years to 30 June 2021 and 30 June 2023 were £1,717,000 and £(11,189,000) respectively.

The principal actuarial assumptions used by the actuary were:

	at 30 June 2023	30 June 2022
Rate of increase for pensions in payment	**3.00%**	2.90%
Discount rate for scheme liabilities	**5.30%**	3.70%
Rate of inflation (RPI)	**3.10%**	3.00%
Mortality table	**103% of S3PMA table for males and 98% of S3PFA table for females with CMI_2022 projections**	103% of S2NMA table for males and 98% of S2NFA table for females with CMI_2021 projections
2020 weight parameter	**0%**	15%
2021 weight parameter	**40%**	15%
Initial rate addition	**0.00%**	0.00%
Period smoothing parameter	**7.0**	7.0
Long-term rate of mortality improvement	**1.25%**	1.25%
Life expectancy at age 65 (of male aged 65)	**21.1**	21.2
Life expectancy at age 65 (of male aged 45)	**22.3**	22.4
Allowance for cash commutation	**15% of pension taken as tax-free cash**	15% of pension taken as tax-free cash
Allowance for the cost of GMP equalisation	**Increase liabilities by 0.2%**	Increase liabilities by 0.2%

The sensitivities regarding the principal assumptions used to measure the scheme liabilities were:

Assumption	*Change in assumptions*	*Impact on scheme liabilities*
Discount rate	Increase/decrease by 0.5%	Decrease/increase by 9%
Rate of inflation	Increase/decrease by 0.5%	Increase/decrease by 5%
Life expectancy	Increase/decrease by one year	Increase/decrease by 3%

(b) The CIPD Group Personal Pension Plan is a defined contribution scheme which is open to all CIPD employees in the UK. The Institute more than matches the amount of employee salary sacrificed into the scheme up to a total combined contribution of 20% of salary. The scheme qualifies for the NAPF pension quality mark, with the 20% total contribution option qualifying for the PQM Plus standard – the highest available industry award for defined contribution schemes.

The pension cost charge for the year for this scheme was £1,329,000 (2022: £1,210,000).

(c) In addition to the above schemes, Personal Retirement Savings Accounts exist for staff working for the CIPD in Ireland.

The pension cost charge for the year for this scheme was £56,000 (2022: £27,000).

The pension costs charged in the Statement of Financial Activities for the defined contribution schemes represent contributions payable into the schemes in relation to the accounting period.

13 Provisions for liabilities and charges

	Group		Institute	
	2023	2022	**2023**	2022
	£'000	£'000	**£'000**	£'000
Provisions	**59**	–	–	–

The provisions amount relating to individual property is released on termination of the lease.

14 Obligations under operating leases

Group	**2023**	2022
	£'000	£'000
The future minimum operating lease payments for land and buildings are as follows:		
Within one year	**194**	133
Between two and five years	**408**	673
Over five years	–	–
	602	806
In respect of other operating leases with commitments expiring:		
Within one year	–	–
Between two and five years	–	–
	–	–

Institute	**2023**	2022
	£'000	£'000
The future minimum operating lease payments for land and buildings are as follows:		
Within one year	–	–
Between two and five years	–	–
Over five years	–	–
	–	–
In respect of other operating leases with commitments expiring:		
Within one year	–	–
Between two and five years	–	–
	–	–

15 Related parties

In accordance with our Charter and Bye-Laws, board members are not able to profit from their position on the board.

There are no relevant related party transactions to report this year.

16 Indemnity insurance

Funds are provided to protect the charity from loss arising from the neglects or defaults of its trustees, employees and agents. The cost of indemnity insurance in the year was £15,548 (2022: £13,000).

17 Capital commitments

At the year end the CIPD was committed to digital capital projects totalling £0.00 (2022: £117,000).

18 Post balance sheet event

There are no post balance sheet events.

19 Incorporation

The Institute is incorporated by Royal Charter and therefore has no company registration number.

The Institute is a charity registered in England and Wales, Scotland and Ireland.

Its charity registration numbers are 1079797, SC045154 and 20100827 respectively.

19 Prior year funds

Group	Balance at 1 July 2021 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and (losses) £'000	Balance at 30 June 2022 £'000
General fund	26,372	42,232	(39,735)	(1,225)	(341)	**27,303**
Pension reserve	(12,940)	–	(239)	1,225	6,804	**(5,150)**
Net general funds	**13,432**	**42,232**	**(39,974)**	**0**	**6,463**	**22,153**
Designated funds						
Building fund	1,250	–	(217)	–	–	**1,033**
Trust fund	500	–	(92)	–	–	**408**
Strategic initiatives fund	10,929	–	(2,900)	–	–	**8,029**
Total designated funds	12,679	–	(3,209)	–	–	**9,470**
Total unrestricted funds	**26,111**	**42,232**	**(43,183)**	–	**6,463**	**31,623**
Restricted funds						
JP Morgan Chase	16	–	(15)	–	–	**1**
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	58	109	(122)	–	–	**45**
Innovate UK	(1)	–	–	–	–	**(1)**
Parent Returner Programme	–	10	–	–	–	**10**
Total restricted funds	76	119	(137)	–	–	**58**
Total funds	**26,187**	**42,351**	**(43,320)**	–	**6,463**	**31,681**

Institute	Balance at 1 July 2021 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and (losses) £'000	Balance at 30 June 2022 £'000
General fund	27,654	31,401	(29,667)	(1,225)	(753)	**27,410**
Pension reserve	(12,940)	–	(239)	1,225	6,804	**(5,150)**
Net general funds	**14,714**	**31,401**	**(29,906)**	–	**6,051**	**22,260**
Designated funds						
Building fund	1,250	–	(217)	–	–	**1,033**
Trust fund	500	–	(92)	–	–	**408**
Strategic initiatives fund	10,929	–	(2,900)	–	–	**8,029**
Total designated funds	12,679	–	(3,209)	–	–	**9,470**
Total unrestricted funds	**27,393**	**31,401**	**(33,115)**	–	**6,051**	**31,730**
Restricted funds						
JP Morgan Chase	16	–	(15)	–	–	**1**
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	58	109	(122)	–	–	**45**
Innovate UK	(1)	–	–	–	–	**(1)**
Parent Returner Program	–	10	–	–	–	**10**
Total restricted funds	**76**	**119**	**(137)**	–	–	**58**
Total funds	**27,469**	**31,520**	**(33,252)**	–	**6,051**	**31,788**

Analysis of fund balances held on 30 June 2022

	General £'000	Pension £'000	Designated £'000	Restricted £'000	Total £'000
Tangible fixed assets	6,997	–	–	–	**6,997**
Intangible fixed assets	2,294	–	–	–	**2,294**
Investments	17,047	–	9,470	–	**26,517**
Current assets	13,655	–	–	58	**13,713**
Current liabilities	(12,690)	–	–	–	**(12,690)**
Long-term liabilities	–	(5,150)	–	–	**(5,150)**
Provisions	–	–	–	–	–
Fund balances on 30 June	**27,303**	**(5,150)**	**9,470**	**58**	**31,681**

20 Consolidated statement of financial activities for the year ended 30 June 2022

Consolidated statement of financial activities	Note	General fund	Designated fund	Restricted fund	Total 2023	Total 2022
		£'000	£'000	£'000	£'000	£'000
Income from:						
Charitable activities To advance the management and development of people through:						
Membership services and education		**29,960**	–	–	**29,960**	29,960
Research		**31**	–	**119**	**150**	112
Branches		**106**	–	–	**106**	88
Other trading activities						
Commercial income		**12,097**	–	–	**12,097**	9,253
Investments		**38**	–	–	**38**	50
Total income		**42,232**	–	**119**	**42,351**	38,553
Expenditure on:						
Raising funds						
Commercial expenditure		**(9,195)**	–	–	**(9,195)**	(8,089)
Investment management costs		**(35)**	–	–	**(35)**	(50)
Charitable activities						
Membership services and education		**(23,653)**	**(2,538)**	–	**(26,191)**	(22,747)
Research		**(5,328)**	**(513)**	**(137)**	**(5,978)**	(5,490)
Branches		**(1,763)**	**(158)**	–	**(1,921)**	(1,387)
Total expenditure		**(39,974)**	**(3,209)**	**(137)**	**(43,320)**	(37,763)
Net income/(expenditure) before gains and losses on investments		**2,258**	**(3,209)**	**(18)**	**(969)**	790
Net gains/(losses) on investments		**(755)**	–	–	**(755)**	3,910
Net income/(expenditure)		**1,503**	**(3,209)**	**(18)**	**(1,724)**	4,700
Transfers between funds		–	–	–	–	–
Net incoming/(outgoing) resources before other recognised gains and losses		**1,503**	**(3,209)**	**(18)**	**(1,724)**	4,700
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension scheme		**6,804**	–	–	**6,804**	3,695
Gains/(losses) on revaluation of overseas subsidiaries		**414**	–	–	**414**	676
Net movement in funds		**8,721**	**(3,209)**	**(18)**	**5,494**	9,071
Reconciliation of funds						
Net fund balances brought forward		**13,432**	**12,679**	**76**	**26,187**	17,116
Net fund balances carried forward		**22,153**	**9,470**	**58**	**31,681**	26,187

The statement of financial activities includes all recognised gains and losses for the year.

CIPD

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England & Wales - Charity number 1079797

Accounts

CIPD

Championing better work and working lives

Learning together, leading together

Investing in our whole community



Annual Report and Accounts

Year ended 30 June 2022

Highlights of our year 2021–22

Investing in our whole community



158k
members globally

5.9m
web visitors

Volunteers up 14% to
5k

Working with
40k
professionals

In the media
3k
times

22.5k
Learning Hub users

50k
views of hybrid working guide

59
new Learning Hub courses

1.7k
learners on our inclusive leadership course

16k
In-work Poverty Hub views since launch

10
government and parliament responses

442
Foundation-level members

speaker requests up **13%** to 160

3.6k
social impact volunteers

1.5k
student conference delegates

4k
delegates at our hybrid Festival of Work

2.3%
more Middle East members

20k
more qualified people professionals

313k
global LinkedIn followers

330
employer partnerships

LinkedIn impressions up **47%**

Trustees' report 6



Foreword 7

Putting people first 7
Sticking to our principles 8
Leading together 9



About us 11

Our purpose, our mission, our strategy 11
Where we work 12
Our community 13
Our key results 14



Keeping the spotlight on better work 17

A snapshot of our year 18



Growing a strong community 21

Broadening our base 22
Partnering with employers 26
Embedding standards, boosting learning 29
Upholding professional conduct 31



Making the case for better work 33

Leading the call 34
Sharing good practice 36
Empowering people 39



Improving how we work 43

Changing how we work 44
Transforming our infrastructure 44
Committing to sustainability 45
Investing in our people 46
Managing our finances 54



Governing our work, managing our risks 59

Our structure and governance 59
How we manage risk 66

Independent auditor's report 70

Financial statements 74



Foreword 7

Putting people first 7

Sticking to our principles 8

Leading together 9

Foreword

Reflections from our president, board chair and chief executive

Our profession stepped up during the pandemic – supporting everyone from those working in frontline roles to those on furlough. As a community, we led the charge on new ways of working. We responded to new expectations across our workforces. We continued to question long-established business paradigms and anticipate new trends shaping the world of work.

The 'new normal' didn't last long. Geopolitical events and the resulting economic pressures remind us that we're in an era of exceptional change. We're now guiding our organisations through labour, skills and supply shortages. We're helping some of our people with the ongoing effects of COVID-19 while preparing to support many more through cost-of-living challenges.

Our profession must continue to take the lead, using everything we learned in recent years.

Putting people first

The pandemic was a human crisis. It reminded us of the importance of our people. And it resurfaced what we've all known – from research and experience – for a long time.

People are at the centre of it all. If we want the best performance from our organisations, we have to look after our people. When we attend to our people's wellbeing, offer flexibility and create inclusive cultures, we unleash and sustain greater purpose and productivity.

In the last couple of years, we've all gained a deeper understanding of people's lived experiences, including the bias and disadvantage that often accompany gender, ethnicity, age, disability and the other differences between us. The purpose of our profession is to champion good work within inclusive and responsible organisations, making our economies and societies stronger. The need to deliver on this has never been more urgent.

'When you put people first, everyone stands to gain.'

Sticking to our principles

Organisations around the world are at a critical point of change. They're facing new uncertainties and grappling with new variables. Demands for more flexible ways of working create challenges – expectations from all stakeholders have grown. But they also bring new opportunities. Fairness, inclusion and wellbeing are now core issues for our organisations as much as for our societies.

The new demands on leaders and managers are tough. As decision-makers they need to understand new variables, gather new evidence and take new actions. As models of culture, they need to understand their own experiences, backgrounds, assumptions, biases and behaviours. As people leaders, they need to understand how to listen and engage others. As drivers of performance, they need to boost productivity in a flexible and hybrid working world.

The role of our profession in guiding leaders through these challenges is more important than ever. Our community holds the expertise on the actions that make a difference. We know how to give people their voice and listen to their experiences and contributions. We recognise the behaviours that create inclusive, collaborative cultures. We're learning how to measure the value of what people contribute, rather than counting the hours someone is present. We need to continue to grow our capabilities in understanding the data, building the evidence, and sharing the insights that show how we impact positive business outcomes.

> 'We respond to this changing world by leading from our principles. And we do that by listening, engaging and learning together.'

At the CIPD, we've continued to focus our research, reports and guides on the issues that people professionals and people managers are dealing with. Almost 400,000 people have continued to visit the resources on our Coronavirus (COVID-19) Hub. And nearly 6 million across our community are using our resources on hybrid working, health and wellbeing at work, and workforce and talent planning. This year our Tackling In-work Poverty Hub equips leaders and people professionals to understand how they can help their people meet a decent standard of living.



Leading together

Throughout the pandemic our profession has been at the heart of business decision-making. We've been at the sharp end in meeting the expectations of a workforce that has clearly changed. We've provided leaders with support and challenge on the complex issues of inclusion and sustainability. We've led policy and practice on everything from wellbeing to flexible working. And we continue to work closely with the academic and research communities and on our own research to bring more evidence into practice.

Our community must continue to take a central role in shaping responsible organisations. Our profession should be driving the broader environmental, social and governance goals that directly address the challenges we are all facing. Leaders need our support and expertise to embed the purpose and intentions of these goals in their business objectives. We need to work together to embed agile, inclusive, learning cultures; to find, retain, engage, reward and progress people; to balance good business outcomes with good work. We need to know what levers to pull. And we need the evidence at our fingertips to inform new policies and practices, to set meaningful, measurable intentions, and to demonstrate the commercial viability and contribution of putting people first.

> 'The people profession should be at the forefront of shaping the business response to environmental, social and governance goals.'

This year, our members, our volunteers, our people and our partners have shared their expertise and commitment to broaden our community. We've laid the foundations to expand into new international markets, grow our membership and work in new ways. We've continued to influence governments and organisations at a strategic level. We've provided more tools, support and resources to help people managers lead effectively. And we've invested even more in the skills and capabilities of our whole professional community.

Now, more than ever, our societies need many more champions calling for better work. This year we've worked to equip our profession to grasp this once-in-a-lifetime opportunity to change working life for the better.



Baroness Ruby McGregor-Smith, CBE
President



Valerie Hughes-D'Aeth,
Chair of the Board



Peter Cheese,
Chief Executive



About us 11

Our purpose, our mission, our strategy 11
Where we work 12
Our community 13
Our key results 14

About us

We're the CIPD – the professional body changing the world of work



Our purpose

We champion better work and working lives.

We want to see good work within inclusive and responsible businesses, making our economies and societies stronger.

To make that a reality, we need champions for better work and working lives: the people profession. And they need a partner, a standard and a voice: the CIPD.

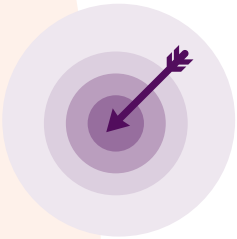


Our mission

We lead and support the people profession, helping organisations to thrive by focusing on their people.

We set the standards, build capabilities and connect our international community of people professionals.

Through our Royal Charter, only we can award internationally recognised chartered status to HR, L&D and OD professionals.



Our strategy

We're doing it by:

- **growing a strong community** of people professionals, supported by our research, insights, and learning content
- **making the case for better work**, using our voice for the profession to influence and collaborate with governments and organisations
- **improving how we work** as a sustainable, future-fit organisation.

Where we work

Total worldwide membership
157.8k

33.5k Student Members
52k Learners
5.9m Web visitors



Ireland
6,010
members
212k web visitors

United Kingdom
140,751
members
4.2m web visitors

Middle East
5,157
members
193k web visitors

Asia Pacific
2,000
members
357k web visitors

Rest of world
3,901
members
1.0m web visitors

Our community

Though far from over, the worst effects of the pandemic are starting to ease. But, across our global community, its uncertainties have been replaced by difficult economic conditions, climate challenges and geopolitical change. Organisations and leaders are managing labour and skill shortages while shaping the right solutions to hybrid working. And many are helping their people with complex cost-of-living challenges, alongside health and wellbeing concerns.

People professionals work at the heart of these issues. So, this year, we've been strengthening connections across our whole community to share its phenomenal resources, insights and commitment.



In tough times, our professional community and the support we provide to each other is a vital part of what the CIPD is here for. We have invested more than ever before in career support, learning, community networks and improving access to our content – all enabled by new digital capabilities and platforms.

And we do this through close collaboration. Study centres, universities and academics work with us to grow and promote our profession. Partners, associates and experts help us support our members – and the wider profession – to make full use of our products and services.

390 employees across the CIPD empower our community, influence policy-makers and share our research and expertise. Their work binds our whole community together.

This year we're especially grateful for the commitment of over 5,000 volunteers across many different areas of our work. These dedicated professionals give their time and expertise to build connection and resilience across our community.



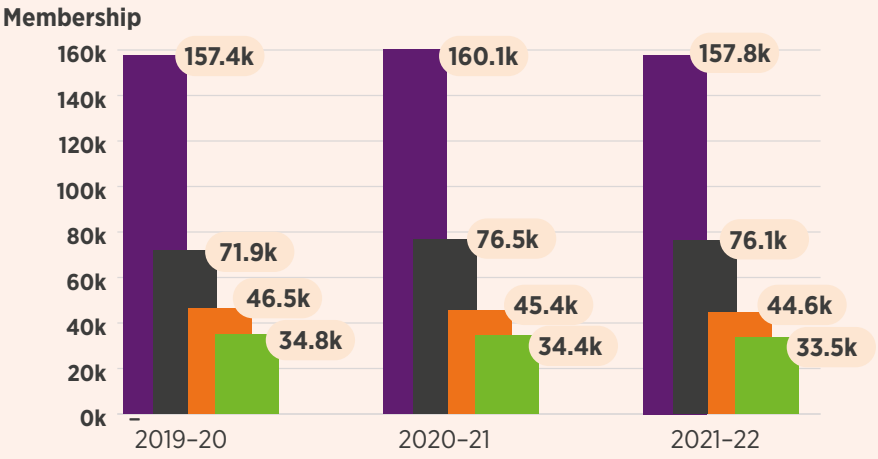
Our key results

Total members

Chartered Members, Fellows and Companions

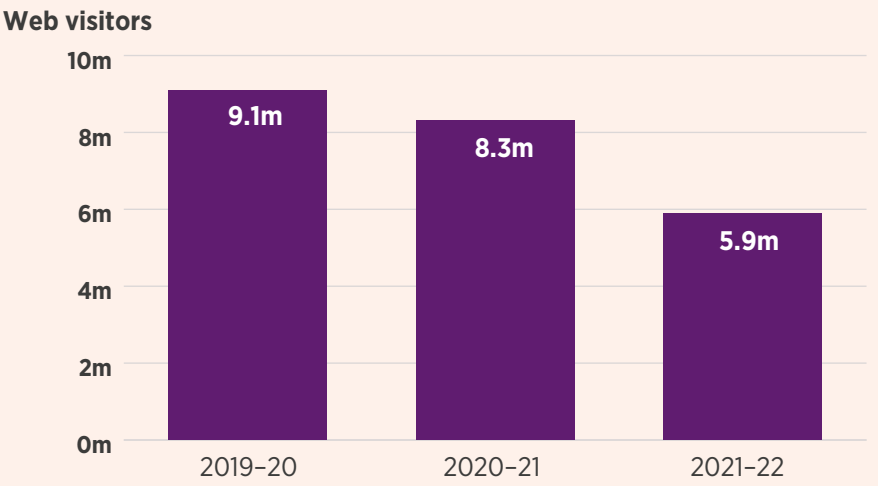
Associate Members

Student Members



Membership rose in response to COVID-19 and is now above pre-pandemic levels. Affiliate, Academic and new Foundation Membership figures are less than 5,000, year on year.

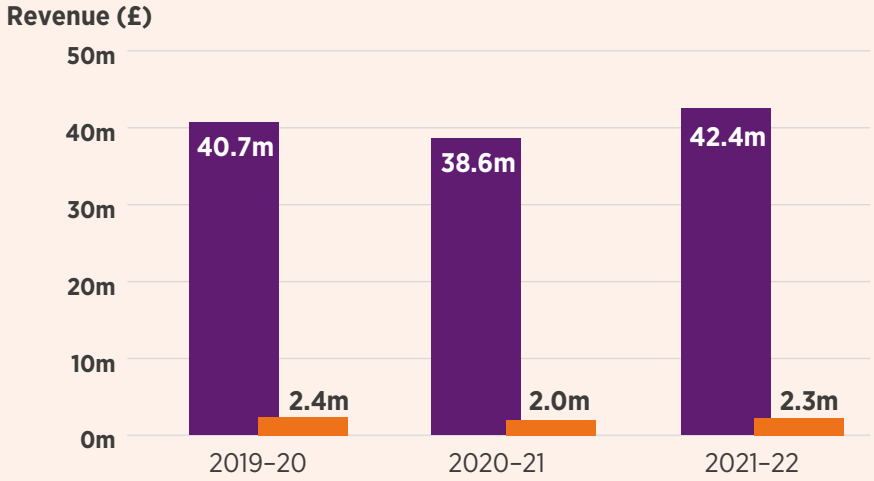
Web visitors



Website visits rose in response to COVID-19 and are now above pre-pandemic levels.

Total revenue

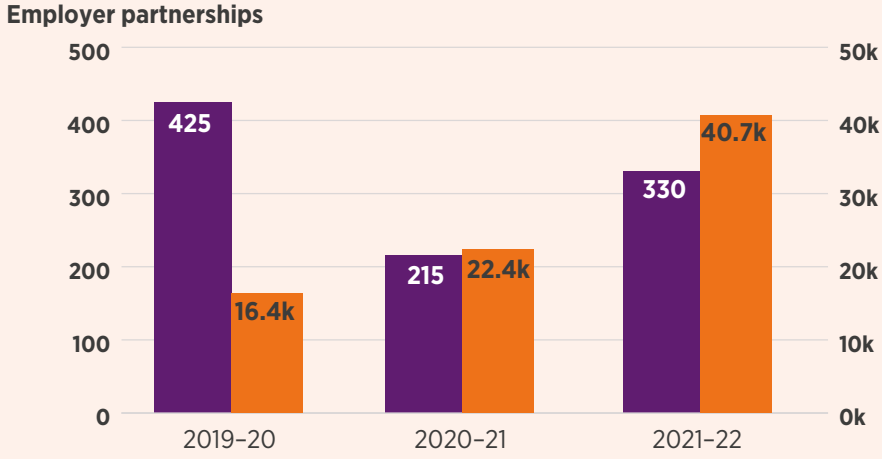
Operating surplus



For more in-depth information on our revenue, click through to **Managing our finances** and our **Financial statements**.

Organisations

People professionals



We've focused our resources to work with many more professionals across fewer but larger organisations.



Keeping the spotlight on better work 17

A snapshot of our year 18

Keeping the spotlight on better work

Building on what we learned from the pandemic

Our community continues to lead organisations through an era of extraordinary change. And we continued to provide support, guidance, standards and strong voice for our profession.

- We focused attention on the issues that demand change – flexible working, inclusion, wellbeing and in-work poverty.
- We partnered with employers and strengthened our networks to share experiences, insights, expertise and good practice.
- We invested in new technology to engage more of our community in learning and networking.
- Many more in our community volunteered to help those who need most support.



'The partnership with the CIPD means we'll share better ways of working. We'll have access to the right tools, the latest legal advice and a wider range of training and qualifications. I'll be able to develop within my role, learn about other aspects of HR, and network with colleagues across the NHS.'

Sukhi Kumar, Senior HR Advisor, Employee Relations Team, Lewisham & Greenwich NHS Trust

A snapshot of our year

2021
July–December



We launched our **Learning Hub** and **CIPD Shop** with new, flexible and fully accessible learning content for members and subscribers.



We started a review of our **Code of Professional Conduct** and broadened our pool of Code of Conduct volunteers.



We ran our first fully hybrid **Annual Conference and Exhibition**, our most inclusive and engaging event ever.



We shared **planning for hybrid working**, consolidating our research, guidance and resources for employers.



We launched our **One Million Chances** campaign, encouraging organisations to create better opportunities for disadvantaged young people.



We geared up to expand our **Steps Ahead** and **Enterprise Adviser** mentoring programmes, supported by many more volunteers.

2022
January–June

We reviewed and updated our **Profession Map** to continue to meet the needs of the profession and reflect emerging good practice.

We teamed up with the Joseph Rowntree Foundation to launch a suite of online resources to help and encourage employers to **tackle in-work poverty**.

We started our new series **The future of work** to share expert insights on the key trends shaping our workplaces and working lives.

We committed to a **five-year partnership with NHS Improvement** to transform the future of their people teams.

We welcomed 50% more delegates at our fully hybrid **Festival of Work**.

We laid the foundations for a new **CIPD Trust** to grow our social impact, extend our charitable works and continue to build diversity within our profession.



Growing a strong community 21

Broadening our base 22

Partnering with employers 26

Embedding standards, boosting learning 29

Upholding professional conduct 31

Growing a strong community

Working together to face new challenges

The paradigm shifts that started during the pandemic are still unfolding. There is much more to be done to shape new ways of working. We need more champions for better work and working lives.

We've broadened our community, engaging and supporting more people professionals beyond our membership. And we've responded quickly to their different needs while maintaining our standards and impact.

- We engaged even more with key parts of our community, listening to students, employers and whole people teams.
- We transformed our learning content and networking events, underpinned by significant investments in new digital learning platforms and capabilities.
- We partnered with HR leaders and employers to raise capability, credibility and impact across our profession.
- We updated our Profession Map and laid the foundations to align our qualifications and learning pathways to this international benchmark.



Broadening our base

We want to create a more diverse profession to build a fairer world of work. And we've made good progress this year through the energy and commitment of our members, volunteers, teams and partners.

442 new Foundation Members	Student conference participation up **22%**	**4k+** delegates at our hybrid **Festival of Work** (up 50%)	Partnerships with more than **330 employers** (up 54%) to support over **40k people professionals** (up 82%)

Celebrating our diverse community

We expected difficult global market conditions to affect our membership. And they have. Our renewal rate was lower this year. And the transition to our new qualifications affected student numbers and conversions to membership. However, our overall membership is above pre-pandemic levels, with more than 90% of our Chartered Members renewing. Our membership is at the heart of everything we do, but we also engage with a wider community. This year we've done more than ever to reach across it.

We've given even greater attention to Student Members. This year's student conference was a free, online event, increasing participation by over 20% with a total of over 1,500 delegates.



'I was honoured to be awarded Chartered Companion membership of the CIPD. When I became a member in 1996, then Branch Chair, this was something that I never dreamed would happen!'

Olive Strachan MBE, Chartered Companion

We've awarded our new Foundation-level membership grade to 442 people professionals who have achieved our Foundation Certificate. This firm foundation boosts the knowledge and capability of those beginning to build their experience and credibility in people practice.

We are proud to be the first organisation to win approval from the Institute for Apprenticeships and Technical Education to become an End Point Assessment Organisation for the new Level 7 Senior People Professional Apprenticeship. Because the apprenticeship standard aligns with our own Chartered Membership standards, we're ready and equipped to be the career partner for many of the current and future people leaders within their organisations. We look forward to carrying out the first wave of end-point assessments in the spring or summer of 2023.

For a second year our number of Chartered Fellows has increased. We've celebrated membership milestones totalling over 90,000 years, with four members reaching their fiftieth year with us. And we now have 170 Chartered Companions – exceptional leaders who have a proven track record and have demonstrated exceptional impact on our profession.

Connecting across our global community

Our teams, networks and branches support and strengthen our international community. They connect our work to local issues, deliver flagship award ceremonies and conferences, host panel discussions and amplify our voice.

This year we went hybrid with our Annual Conference and Exhibition in November 2021 and our Festival of Work in June 2022. Building on what we learned from running virtual learning and networking events during the pandemic, we delivered exceptional online and in-person experiences across all our regions.



'The CIPD Conference in Northern Ireland hosted an incredible line-up of speakers from a variety of sectors. It allowed us to hear how we can combat very topical issues, including attraction and retention of talent. Many of our organisations are sharing in many of the same challenges.'

Barbara McKiernan, Managing Director at Vanrath, and CIPD NI Conference headline sponsor



'Our thoughtful, impactful Future of Work dialogue brought C-level leaders, chairs of professional bodies and academics together to hack the issue of graduate skills gaps in Malaysia.'

Badrie Abdullah FCMI, Director of Partnership and Collaboration, Unitar, Malaysia



'The CIPD HR Awards provide a platform for all of us to share good practice. For myself, the team and Permanent TSB, they are inspiring and encourage us to stretch ourselves. Being an award winner has given us permission to push the boundaries and has inspired the confidence of our ExCo, board and leadership teams to back our HR strategic approach.'

Karen Hackett, FCIPD, Head of People Experience, Permanent TSB, Dublin

Engaging our leaders

With more than 170 senior members, our HR Leaders' Network plays a huge role in the direction of our profession and the future of work. And it contributes by collaborating, sharing knowledge, and mentoring the next generation of aspiring leaders.



'It has been both inspiring and transformative to be part of the HR Leaders' Network. Being able to connect with likeminded peers has been instrumental in how, as a profession, we meet opportunities through support, knowledge and confidence.'

Eugenio Pirri, Chief Culture and Operations Executive, Global Diversity Champion, Dorchester Collection

This year we've launched new networks for leaders in change and organisational development (OD), leadership and development (L&D), and inclusion and diversity (I&D). And plans are in place for a Reward Leaders' Network later this year, followed by one focused on talent and recruitment. We've given more resource to support and strengthen the HR Leaders' Network and we've built in more ways for its members to influence our work.

We've enjoyed holding face-to-face events, dinners, roundtables and conference gatherings again. And we've continued to run an extensive programme of activity through our HR leaders' online forum, Guild, which gives our members a safe space to connect. This year the network has shared learning sessions on labour market outlooks, new ways of working, people planning and building anti-racist organisations. And members have contributed to our research and policy around responsible business, culture, performance and skills in the people profession.



'The HR Leaders' Network has continued to offer invaluable support for the headwinds we are all facing into. Not only does it help us to navigate these with the support, experience and solutions of our peers, it also shares knowledge and expertise about what is most on our minds.'

Kerry Smith, Chief People Officer, British Heart Foundation





Engaging at our roots

785 volunteers keep our branch and regional networks in the UK and Ireland alive and relevant. They engage the practical experience and insight of our members, organise networking and learning events, and promote our campaigns. This year they've added their weight to key issues, including wellbeing, inclusion, youth employment, the aging workforce and support for those going through the menopause.

Many of our branches and regional networks run thriving special interest groups for OD, I&D, L&D, senior leaders and independent practitioners. This year they've run over 1,000 events, attracting 66,000 bookings. And our branch member-to-member mentoring programme has more than 500 active mentors supporting around 1,750 mentees across the UK and Northern Ireland.

'I enjoy making sure our portfolio of events and activities supports our members, whether they are in the most strategic of roles, somewhere on the ladder or taking their first steps into the profession. Plus, I never leave a branch meeting or one of our events without something new to think about or try.'

Karen Sanders, Northamptonshire Branch committee member

Using data to grow inclusive and diverse professional communities

In May 2022 we collaborated with other professional bodies, publishing a guide to show how data collected from members can be used to build more inclusive and diverse professions. We worked with a network of bodies covering a wide range of professions. Our guide shared our commitment to identifying and addressing barriers to fair access, experience and progression.



'As professional bodies, we support people into livelihoods and positions of influence over others. In doing so, we have a responsibility to ensure that we are enabling fair access and representation. That can only be achieved with an evidence-based approach, for which good-quality data and analysis are absolutely vital.'

David D'Souza, Director of Membership, CIPD

Partnering with employers

As organisations explore post-pandemic ways of working and face new uncertainties, many more appreciate the crucial contribution their people teams make. This year we've seen a 54% increase in the number of organisations prioritising the development of their HR functions. We've partnered with 330 globally, raising the capability, confidence and credibility of 40,735 people professionals.



Here are just a few highlights to show the different ways we've worked with employers this year.

Transforming the future of 16,000 people professionals in the UK's NHS

In the UK, 16,000 people professionals support a National Health Service (NHS) workforce of around 1.4 million people, while preparing for major changes in work and healthcare. Our newly signed partnership with NHS Improvement forges our commitment to helping its HR and OD teams deliver their people plan, strengthen their strategic impact, and establish the NHS as an employer of choice.

Together we'll raise the confidence and capability of HR and OD professionals working in one of the most challenging environments. We'll build their skills and knowledge so they can better serve frontline workers. We'll raise their profile, positioning them to work with leaders across the complex NHS system. And we'll share their experiences and good practice across the wider profession.



'This partnership will help our people team forge a strong, professional identity and capabilities. As the largest people business in Europe, we'll continue to grow our professional capabilities and impact to address the critical people issues facing the NHS – we see the CIPD as a core partner in that mission.'

Thomas Simons, Chief HR & OD Officer, NHS Improvement

Upskilling the entire HR and L&D team for a flagship brand in the Middle East

With over 400 branches and 13,000 employers, Panda is the largest food retailer in the Middle East. Keen to embed practices that set them apart as an attractive place to work, Panda is partnering with the CIPD to create:

- a learning journey to professionalise the HR function, based on our Profession Map
- an HR fundamentals programme to establish a strong skills foundation
- talent acquisition and HR business partner programmes.

Professionalising the HR team of a national healthcare group in Singapore

Yishun Health, a network of medical institutions and healthcare facilities in the north of Singapore, needed its team of 20 HR practitioners to support the organisation as true business partners. The CIPD created a two-month programme to help the team develop new mindsets, knowledge and skills, including business acumen, analytical skills, influencing and coaching ability.



With a mix of instructor-led and facilitated learning, the team were able to apply their knowledge and skills into their daily work. And Yishun Health moved closer to their goal of enhancing their people's internal mobility, career development and progression.

'The CIPD understood our needs and shaped a programme around our unique challenges, delivered by industry experts sharing valuable insights and good practice.'

Cynthia Lee, Chief Human Resource Officer, Yishun Health

Recognising real-world experience

Like us, many employers recognise and value the experience of their people professionals. They want their teams to undertake learning that builds on their strengths. Our Experience Assessment route is a rewarding, time-efficient way to reflect on skills, knowledge and experience, benchmark against our industry standard, highlight areas for development, and progress towards professional recognition. A growing number of people are choosing to undertake this membership route, as individuals or as a group supported by their employer. This year we supported a total of 801 people to gain recognition of their professional experience in this way.



'Each step – from Experience Assessment, to signing up, to submission and the final viva – was so well managed. I have loved the experience. And I will encourage all HR personnel in my bank and outside to take the route. It's reflective, time-saving and cost-effective as well.'

Ishrath Aleem, Vice President Learning and Development, Mashreq Bank



Becoming a People Development Partner

Employers choose to partner with us to strengthen the capability, confidence and credibility of their people professionals. This year a growing number are working towards our People Development Partner status, investing in their teams by:

- aligning their practices against our Profession Map
- committing to the ongoing professionalism of their people through qualifications and membership
- championing the profession by providing career entry points
- supporting their teams through training and development
- investing in the wider profession by taking part in research and policy.



'Our HR team needs to be up to the challenge of delivering our ambitious Future of Work strategic workforce plan. Working towards becoming a People Development Partner is giving us a really helpful framework to measure our effectiveness and plan our development.

Getting this recognition from the CIPD will give the team a real boost. It will clearly signal that we are committed to the development of our colleagues – listening to what is important to them and valuing the contribution they make to our services.'

Sheenagh Rees, Head of People and Organisational Development, Neath Port Talbot County Borough Council

Embedding standards, boosting learning

Our community needs to be future-fit to tackle ongoing change and uncertainty. This year we've worked to achieve even greater consistency and alignment across our Profession Map, our qualification framework and our new Learning Hub.

Profession Map



The Profession Map sets the international standard for people professionals to make their greatest impact. Designed to evolve as new roles, specialisms, priorities and opportunities emerge, we review and adapt the Map while keeping its core values and purpose constant.

This year we've embedded our twice-yearly review process, making changes in June 2022:

- We've updated the 'Organisation development and design' specialist knowledge area with clearer language and more practical examples. We've included new standards on organisation design and development models, operating models, structures and processes, and more on the use of self. We've also created a Foundation level that's more accessible and relevant.
- We've added a new environmental sustainability standard into 'Business acumen', focused on how people strategy can shape work practices that support sustainability.

We will continue to follow our November and June review cycle, so people professionals know they can work on new challenges with current, evidence-based standards, resources and tools.

Qualifications

The standards defined in our Profession Map are embedded in our qualifications, giving people professionals confidence in using them to inform their practice. This year, over 20,000 registered for a CIPD qualification: 6,218 at Foundation, 11,926 at Associate and 2,418 at Advanced level.

We've maintained partnerships with 150 study centres and approved 20 new centres, ranging from specialist apprenticeship providers to large, online training companies. Our new moderation platform has received over 30,000 learners' unit results for moderation.

Over 3,000 students graduated from across 110 CIPD-approved universities this year, gaining professional recognition at Associate level. And 3,490 new students registered onto a CIPD-accredited degree: 2,700 for postgraduate and 790 for undergraduate study.

We have retained our status as a recognised awarding organisation with our three regulators: Ofqual, Qualifications Wales and CCEA in Northern Ireland. We are also applying for regulatory recognition in Ireland and qualification recognition in the Middle East.

In our work as an End Point Assessment organisation, we continue to see the number of apprenticeships in HR and L&D grow. Over 1,100 apprentices successfully completed their assessments with us this year.

> 'Doing the CIPD Level 5 qualification was life-changing for me. It truly changed my perspective about HR and helped me to develop my career.'
>
> **Kishori Krishna**, HR Manager, AMEA, Winnow Solutions

Learning

Our new Learning Hub makes it easier for people professionals to keep learning – anytime, anywhere, on any device. It's for everyone, at any career stage, and every team looking to develop and sustain the knowledge and behaviours they need to become a credible expert in people at work.

With everything from essential insights to accredited CPD programmes, the Learning Hub offers 79 courses, 59 of them new and more in development. And we've created clear learning pathways through our courses, all linked to our Profession Map.



MOOC	Essential insight	Introductory programme	Development programme	Masterclass	Accredited programme
Learn new skills, pursue interests or advance your career	Gain key insights about an area of people practice	Gain a firm foundation in an area of people practice	Become a capable practitioner in an area of people practice	Maintain expertise and specialism in an area of people practice	An accredited programme in an area of people practice

Launched in November 2021, nearly 20,000 learners have used the Learning Hub this year, including 23% of our Student and Foundation Members. Access to the hub and some of the core learning content is free to our members. Others can purchase learning content on a pay-as-you-go or subscription basis via our CIPD Learning Shop.

We added **Inclusive Management and Leadership Skills** to our popular online courses on FutureLearn. This free, four-week course explores how to manage a diverse team inclusively and create a sense of belonging. Launched in January 2022, 1,675 learners have enrolled this year, rating the course 4.7 out of 5.

19.7k learners on our new **Learning Hub**	**1.7k** learners this year on **Inclusive Management and Leadership Skills**	**90k** have enrolled on **People Management Skills** since its launch on FutureLearn	**95k** have enrolled on **HR Fundamentals** since its launch



Upholding professional conduct

All our members sign up to our Code of Professional Conduct. Anyone can raise an alleged breach of the Code. It is often the case that complaint enquiries relate to employment or recruitment disputes and are resolved outside of the CIPD. Others are beyond the scope of the Code and more relevant for Acas or separate dispute resolution.

Investigations and hearings are supported by a pool of experienced volunteers – members and non-members – trained by the Code of Conduct team. In November 2021 we launched a recruitment campaign, targeting under-represented levels of membership, and now have a strong pool of 90 volunteers.

Interest in the Code and its role in building professionalism remained strong, with 27,636 visits to our Code of Professional Conduct webpage (**cipd.co.uk/ourcode**) and 13,974 downloads of the Code. The webpages for **Ethics at Work: An employer's guide** were visited 19,972 times.

Complaints, investigations and hearings

Code of Professional Conduct concerns raised in 2021–22	
Number of complaint enquiries received about CIPD members	144 (–26%)
% of total members against whom concerns have been raised	0.1%
Number of complaints formally investigated	6
Areas raised:	
Harassment	2
Deceit	1
Fraud	1
Mishandling of an investigation	1
Unprofessional service delivery	1

Code of Professional Conduct review

We launched our Code ten years ago, regularly benchmarking it against the codes of conduct of other professional bodies and regulators. This year, with the CIPD Council, we initiated a full review to ensure our Code is fit for purpose and reflects changes across our profession.

Our team spoke with over 500 people, and our public consultation drew 828 responses from all membership levels, non-members, employers, senior HR professionals, academics and other professional bodies. We ran focus groups at events, in our branches, at centres and in our international offices.

Calls were made for a clause on social media and stronger references to ethics, integrity and complaint procedures. Our new Code, with a new name, will be launched by the end of 2022.



Making the case for better work 33

Leading the call 34

Sharing good practice 36

Empowering people 39

Making the case for better work

Joining forces to champion better working lives

Our profession is taking the lead at the heart of business decision-making. We've worked to share the insights and expertise of our community and amplify our collective voice.

- We continued to lead the call for better work through constant dialogue with governments, our partners and our community.
- We engaged with employers and experts, and forged relationships to progress our good work agenda.
- We maintained the relevance of our research, guidance and thought leadership.
- Our volunteers stepped up in even greater numbers to make a difference to young people, parent returners, small businesses, charities and fellow professionals.



'HR continues to play a key role in developing organisations, with our most important assets – our people – at the forefront. It is fundamental for me to have a trusted source of knowledge and current thinking so I can best support all my stakeholders. The CIPD gets to the heart of what matters most and enables me to apply concepts and practices that balance the needs of employees with the overall business strategy.'

Siobhan Wright, Chief People Officer, Trust Payments

Leading the call

Across the globe, our employees, members, volunteers and associates work together on the issues that impact organisations and labour markets. Together we build partnerships with other professional bodies, charities and businesses to share research, campaign for better work and working lives, and influence national and local governments.

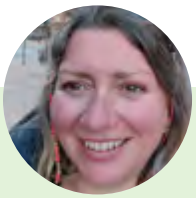
This year we've led the debate on fair work, good employment standards, remote working, labour and skills shortages, parental bereavement leave, young and older workers, and the untapped talent for whom there is often little support to return to the workplace.

313k global LinkedIn followers (up 15%)	LinkedIn impressions up **47%**	**16k** page views of our Tackling In-work Poverty Hub since February 2022	**3k** pieces of media coverage	**10** responses to government consultations and parliamentary enquiries	**160** speaker requests (up 13%)



'The movement the Greater Manchester Good Employment Charter is creating is becoming unstoppable. The CIPD has been a fantastic partner to us, and we really want to help support more small businesses through the Charter now, and really champion them by encouraging our residents to buy their products and services.'

Andy Burnham, Mayor of Greater Manchester



'I find the CIPD Northern Policy Forum really useful because I can share thoughts and ideas with other policy leads and gain insights from them as to what is happening on policy generally at the CIPD. This "two-way street" can only serve to benefit our members.'

Justine Riccomini, Head of Tax, Institute of Chartered Accountants of Scotland

Flexible and hybrid working

Our chief executive, Peter Cheese, continues to co-chair the Government's Flexible Working Taskforce, maintaining our position with professional bodies, unions, charities and business lobby organisations as the go-to voice on this agenda. Building on essential guidance published by Acas and further guidance commissioned by us, the taskforce released additional good practice guidance in December 2021.

Within this period, the Government published its long-awaited consultation on 'Making flexible working the default'. Having campaigned throughout 2021 for requests for flexible working to be a day-one right, we supported this proposal, strengthening our response by consulting with our members and policy forums across our nations and regions. We await the Government's response.

Pay and in-work poverty

We've reported our own gender pay gap data since 2017 and voluntarily reported our ethnicity pay gap data since 2019. This year, disappointed when the Commission on Race and Ethnic Disparities did not recommend mandatory ethnicity pay gap reporting, we published our own guide for employers. At the same time, in September 2021, we analysed practice across the FTSE 100, finding that only 13 voluntarily chose to publish their data, 10 of them for the first time. We continue to call for mandatory ethnicity pay gap reporting for businesses of 250+ employees from April 2023. And we were pleased when, in February 2022, the Women and Equalities Select Committee adopted our recommendation and timescale.

In the same month we launched our new hub, **Tackling In-work Poverty**, created to share guidance on the practices that can help the one in eight working people trapped in poverty in the UK. We used social media, especially LinkedIn, to survey our members' understanding, share awareness-raising videos and post a guest article by Morgan Bestwick, our partner at the Joseph Rowntree Foundation.

On International Women's Day, March 2022, the Government Equalities Office launched a series of pilots looking to improve pay transparency during the job application process. Their work responds to evidence showing that listing a salary range in a job advert, and not asking applicants to disclose salary history, helps women negotiate pay on a fairer basis. We were asked to contribute by running focus groups to gather insights on our members' pay transparency actions and the impact on their businesses.

Health and wellbeing

Our policy discussion paper *What Should an Effective Sick Pay System Look Like?*, launched in December 2021, shared our recommendations for ensuring a financial safety net for workers during illness. Our work with members, experts and policy-makers resonated in the media. We've reinforced our impact on statutory sick pay reform through Peter Cheese's membership of the Mental Health Leadership Council and our response to the Government's call for evidence on its mental health and wellbeing plan in April 2022.

In February 2022 we tackled the gap in understanding and support for those experiencing long-term symptoms of COVID-19. Working with HR professionals, occupational health experts, the charity Long Covid Support and people with lived experience, we published *Working with Long COVID* to share evidence-based guidance with HR, line managers and employees.

Attitudes and understanding for women experiencing menopause are improving and we continued to push for menopause-friendly workplaces and better support. In October 2021 we joined a Wellbeing of Women roundtable with the Countess of Wessex to sign the Menopause Workplace Pledge. In May 2022 we were present to witness the House of Commons signing. We supported Carolyn Harris MP's Private Members Bill calling for exemption from NHS prescription charges for hormone replacement therapy (HRT) in England, passed in October 2021. In November we contributed with other members of the 50 Plus Choices Employer Taskforce, publishing recommendations for employers and policy-makers on improving menopause support. Throughout the year we gave evidence to the All-Party Parliamentary Group on Menopause and the Women and Equalities Select Committee.

Care and compassion

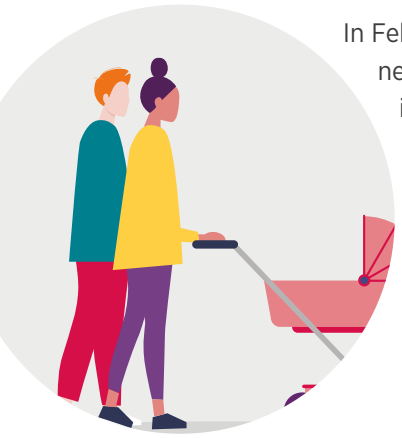
Seventy-five per cent of our members support the extension of parental bereavement leave and pay to all employees experiencing any close family bereavement. Informed by our community's insights, in February 2022 we were asked to contribute to Acas's bereavement guidance for employers and employees. And, since March 2022, we've been working with the UK Commission on Bereavement and a range of cross-party politicians to win MPs' influence on legislation change.

Sharing good practice

Our research informs the resources we create to support our profession. Surveys, reports, guides, factsheets, articles, podcasts and topic hubs keep our community current and equipped.

Research and guidance

People professionals are facing new challenges all the time. While engagement with COVID-related topics remains high, our community are also drawing on our resources on hybrid working, employee wellbeing and labour market issues.



In February 2022 we teamed up with the Joseph Rowntree Foundation to create a new hub. **Tackling in-work poverty** addresses the factors that were keeping one in eight working people in the UK trapped in poverty, well before the cost-of-living crisis emerged. With animations and resources, it shows employers what they can do to make work a more reliable route out of poverty.

GUIDE
Planning for hybrid working
50k views

REPORT
Health and wellbeing at work
41k views

REPORT
Labour Market Outlook
39k views

GUIDE
COVID-19 vaccination
82k views

FACTSHEET
Inclusion and diversity in the workplace
87k views

PODCAST
Evidence-based L&D – learning theories
20k views

HUB
Tackling in-work poverty
16k views since February 2022

One Million Chances

Launched globally in August 2021, our One Million Chances campaign encourages organisations to create opportunities for young people. With 43% of young people feeling that the pandemic had harmed their long-term career prospects, and employers competing for harder-to-fill job vacancies, our sustained campaign set out to bridge the gap and bring work to life for young people.

We engaged the support of high-profile employers. We partnered with the Youth Futures Foundation to share evidence-based recommendations on reaching, attracting and recruiting young people from marginalised backgrounds. And our campaign webpages, case studies and media coverage welcomed more of our professional community to volunteer their career expertise as Steps Ahead mentors with young jobseekers and Enterprise Advisers with schools and colleges.

Get involved at **cipd.co.uk/MillionChances**

People Profession 2021

Our annual snapshot of the people profession provides an up-to-date, evidence-based picture of our community's experiences and challenges over the last year. The report, produced in association with Workday, shares what we learn from in-house and independent people professionals working in HR, OD and L&D in the UK and Ireland, surveyed by YouGov. We also produce regional comparisons, providing a contemporary insight into people professionals' work and opinions across our community.

This year's findings reflected the resilience of our community. People professionals reported the importance of purpose and principles in their work. They saw the vital role they play in influencing organisational strategy. They remained positive and proactive in their career progression, despite the pandemic, and upped their skills and standing. And they took on the extra challenges of supporting employees, building culture and managing performance in the face of increased remote working and digital transformation.

Explore our regional findings at **cipd.co.uk/PeopleProfessionReport**



The future of work: insights for senior leaders on drivers of change

Our profession, and the business leaders we work with, come to us for a longer-term viewpoint on the trends shaping our workplaces and working lives. Launched in April 2022, in association with Indeed, our new article series is providing that perspective. We invite experts from a wide range of disciplines to explore a different topic in depth, challenge thinking and provide thought leadership.

Read more at **cipd.co.uk/FutureWorkInsights**



Responsible business through crisis

Work can and should be a force for good. And the drive towards responsible and sustainable business begins with people. We believe that what's good for people is good for business.

Our research with over 100 senior HR and business leaders has explored responsible business and trustworthy leadership through the peak and the aftermath of the COVID-19 pandemic. We've worked in collaboration with Veronica Hope Hailey, Emeritus Professor at the University of Bath. In 2020 we reported on trust and resilience during COVID-19. In 2021 we shared our findings on building new cultures of trust.

With contributions from FTSE 100 companies, large local authorities and household-name businesses, the third phase of this influential work will investigate whether organisations are embedding responsible business practices. Our final report in November 2022 will explore what lessons people professionals and leaders can learn as their people and organisations face new crises.

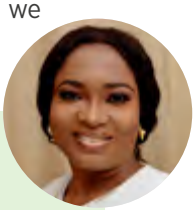
Learn more at **cipd.co.uk/ResponsibleBusiness**

Empowering people

From financial support to mentoring and development programmes, we're doing more to empower under-represented groups to grow and progress. This year, our community responded in even greater numbers, with around 650 more volunteering their energy and expertise. 3,620 now support young people, parent returners, small businesses and fellow professionals.

Mentoring aspiring HR directors

We want to create a more diverse profession to build a fairer world of work. And we know that great leaders benefit from great mentors. So our Aspiring HRD programme matches up-and-coming people professionals with senior leaders. This year, with 120 applications for only 30 spaces, we developed a plan for increasing the number of cohorts and scaling bursary funding.



'The Aspiring HRD programme offered exactly what I needed to get an HR director (HRD) role: mentoring with an experienced HRD so I could see through their eyes, connection with fellow aspiring HRDs so we could share our experiences, challenges and successes, and access to top-notch research and insight into what it takes to navigate organisational dynamics at the director level.'

Olukemi Jeboda, Director of People, Langley House Trust, and previous Aspiring HRD mentee



'One of the best things about having a mentor is you can instantly speak to an experienced, knowledgeable person in your field. It doesn't feel like you are being interviewed or put on the spot. You can just get straight to the point. Liz steered me in the right direction.'

Shirley Browning, HR graduate and parent returner



'I didn't know what an employer expected. I'd listed my skills, but Samantha explained I needed to show what I'd learned from my experience. My CV was really improved by working with my mentor.'

Luke Pit, young jobseeker

Steps Ahead Mentoring

This year we improved our support for people who face specific challenges in their career journeys and those still impacted by the pandemic. We extended the age range for mentees to 18–30 years. We broadened our scope beyond the unemployed to support jobseekers on zero-hour contracts. We focused on parent returners, partnering with Pregnant then Screwed to offer a taster workshop at their Reset Festival in July 2021, with 164 parents going on to work with a mentor.

Enterprise Advisers

We are now in our sixth year working with the Careers and Enterprise Company to improve careers education in schools across England. In July 2021 we secured funding to recruit 400 volunteers, using LinkedIn to reach more members and non-members and build stronger relationships with them. Enterprise Advisers are a core part of our One Million Chances campaign.



'I get to witness students having lightbulb moments during careers events and conversations and watching their eyes light up with enthusiasm!'

Sarah Driver, HR consultant and careers coach, and CIPD Enterprise Adviser

The CIPD Trust

In April 2022 we established the CIPD Trust to tackle barriers to work and create inclusive workplaces by connecting individuals and organisations to the people expertise they could not otherwise access.

The CIPD Trust builds on our existing mentoring and advice programmes, using the support of people professionals to help individuals get into work, get back into work, and develop in work. Establishing the Trust means we can expand our reach to those who experience greater hurdles in the workplace, such as refugees and people with convictions.

We will also continue to build diversity at all levels within the people profession. This work ranges from removing entry barriers by greatly expanding our bursaries programme to supporting aspiring leaders through new and established mentoring programmes. Our aim is to build a profession that reflects the communities it serves and creates workplaces where everyone is welcome.

The work of the CIPD Trust is driven by the unique talents of people professionals. We will create programmes and partnerships around their energy and skills and work with them to amplify our purpose of championing better work and working lives. Together, we will change the world of work.

Discover how you can make a difference at **cipd.co.uk/CIPDTrustGetInvolved**

Grants and donations

We continue to work alongside organisations that share a similar purpose. We maintained our membership of Business in the Community and the Employers Network for Equality & Inclusion. And we continued to host the secretariat for the European Association for People Management (EAPM), providing co-ordinated central support for its activities.

This year we established the Marchington Research Grant in memory of Professor Mick Marchington, a source of inspiration, expertise and support for many at the CIPD and across our community. In January 2022 we awarded grants to three early-career academics to support their research into changes in people management practice and the role of line managers.

We also gave funding as part of the Chartered Management Institute's research consortium and towards research at the National Forum for Health and Wellbeing at Work at the University of Manchester Alliance Manchester Business School. And we supported the Company of Human Resource Professionals in their charitable activities and in their target towards recognition as a City of London livery company.



Improving how we work 43

Changing how we work 44
Transforming our infrastructure 44
Committing to sustainability 45
Investing in our people 46
Managing our finances 54

Improving how we work

Becoming a sustainable, future-fit organisation

We invest in the changes that we advocate to others. We do it because it's right, and because it generates the right results for our members, our people and our business.

- We continued to review our structure, culture, performance and processes, preparing for growth over the next five years.
- We transformed the digital infrastructure our community relies on to access information, support and learning.
- We continued to highlight and demonstrate the significant leadership role that people professionals can play in driving sustainability in their organisations.
- We strengthened our learning culture and mindset, engaging even more of our people in development.



'As a disability and neurodiversity ally, the group has helped me empathise with the lived experience and accessibility needs of colleagues across the CIPD. It's made tangible – and even more pressing – the work we do to improve digital accessibility for our people and customers.'

Sarah Corney, Head of Digital Experience, CIPD

Changing how we work

We know that we can only achieve our purpose through the efforts of our wider community. This year we've invested even more in our work with different groups: people professionals, people managers, our members at all levels, students, organisations, influencers and policy-makers. We're working to ensure that our purpose connects with their purposes and priorities.

We achieve this through listening. We're asking for more views and insights, gathering customer, business and market intelligence across all our regions. We're using what we learn to shape our research, products and processes. And we're reviewing our brand, reflecting on our strengths and weaknesses, and understanding what the groups in our community need and want from us.

We've also reflected on how we get things done within the CIPD and what we expect of ourselves. In November 2021 we ran an organisation-wide culture survey, gathering valuable data from 78% of our people. We've learned that we continue to be a constructive, people-centred organisation. We value and expect support, co-operation and open communication. We continue to encourage the growth and active involvement of our people. And we can unleash greater innovation by empowering our people to make the right decisions and know when to take risks.

We've refreshed our Be Your Best performance management approach, implementing a calibration and rating process. We've adopted 90-day cycles so that conversations about performance take place more frequently between people and their managers, peers and stakeholders. And we've developed Optimise – our approach to flexible and hybrid working – improving our onboarding and working with our Optimise champions to ensure that all our people can deliver their best, wherever they are working from.



'I joined the CIPD because I wanted to work for an organisation that stands for something positive. From day one, it was made clear to me that the CIPD's policy is hybrid working. People can work where they want and when they want. It's great that the CIPD champions this sort of flexibility.

My onboarding was thorough and thoughtful. I was shown around the Wimbledon office and introduced to everything from the CIPD's systems and processes to its Profession Map. And I was given time to ease into my role and get to know my friendly and supportive colleagues.'

Anton Constantinou, Content Lead, CIPD

Transforming our infrastructure

Work continues on our three-year plan to improve the digital experience for our customers, allowing them to access CIPD services on demand, easily and securely. Our new Learning Hub and CIPD Shop make it easier than ever for members and our wider community to choose from our wide range of courses. And we've introduced paperless membership renewals, and an automated telephone renewal and payment service, to improve wait times and sustainability.

In 2023 we will be launching the new CIPD website. People and organisations will find it even easier to interact with us, locate what they need and experience a personalised service from us.



Committing to sustainability

Between now and 2025, we will be reaching new customer groups, expanding into new international markets, increasing our membership and working in new ways with organisations. Our pursuit of growth is driven by our purpose and mission – the more people and organisations we can reach, the more we can champion better work and working lives.

Our actions as an organisation

We have a duty to do this as a sustainable, future-fit organisation. In December 2021 we set out our strategy for how we will work with our people, our partners and our stakeholders to support the environmental aspects of the UN Sustainable Development Goals. And we established a group to oversee our progress.

We are committed to measuring and reducing our carbon footprint and resource use. Hybrid working from our Wimbledon office saw our use of electricity rise by 9% and gas by 15% this year, although both remained significantly below pre-pandemic levels. Our carbon footprint was 296 tCO2e, reflecting our direct and indirect use of gas, electricity and water (Scope 1 and 2). Our next step is to set up systems to measure our full carbon footprint, including our other offices, business travel, commuting, homeworking and waste (Scope 3).

We've signed up to the Investors in the Environment nationally recognised environmental accreditation scheme. We're aiming to reach the Bronze level of accreditation next year and the Green level by July 2025. And we are continuing our membership of Climate Action For Associations to share experience, tools and resources with other membership organisations.

We're working with our partners and suppliers to secure their commitment to environmentally sustainable practices and to improve the sustainability of our events and publications. Our passionate Green Champions volunteer from across the CIPD to improve our sustainability. We're supporting the Love Wimbledon mushroom farming initiative with waste from coffee beans. And we're introducing a new cycle-to-work scheme.

Our actions as a profession

People professionals are perfectly placed to build responsible and sustainable business practices into organisations. We have a huge opportunity to influence the impact our profession can have.

We've added a standard on environmental sustainability to our Profession Map. We've built it into the content of relevant learning programmes. And we've held environmental, social and governance sessions at our Annual Conference and Festival of Work events.

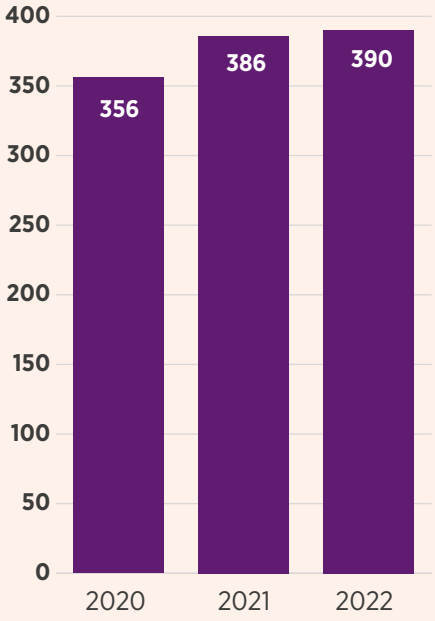
We continue to promote our guide for professionals, *Embedding Environmental Sustainability in Your Organisation*, and in June 2022 we partnered with the Climate Group to publish a thought piece, *Sustainable Buildings: Rethinking workplaces for a healthier future*.

Investing in our people

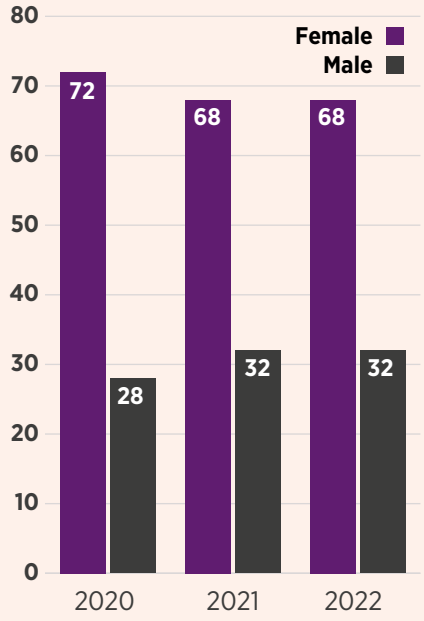
We're preparing for growth over the next five years. We've reorganised our marketing, finance and qualifications functions, and our teams and operations in the Middle East, Asia and Ireland. We expect to be a fully international organisation in culture, mindset and operations by 2025.

Our people will bring this intention to life through their collaboration, confidence and creativity. Across the CIPD we're taking a focused and energetic approach to how we recruit, develop, involve, support, recognise and reward our people across all our countries and regions.

Numbers of employees



Gender (%)



Our volunteers and associates



Total number of volunteers

5,091

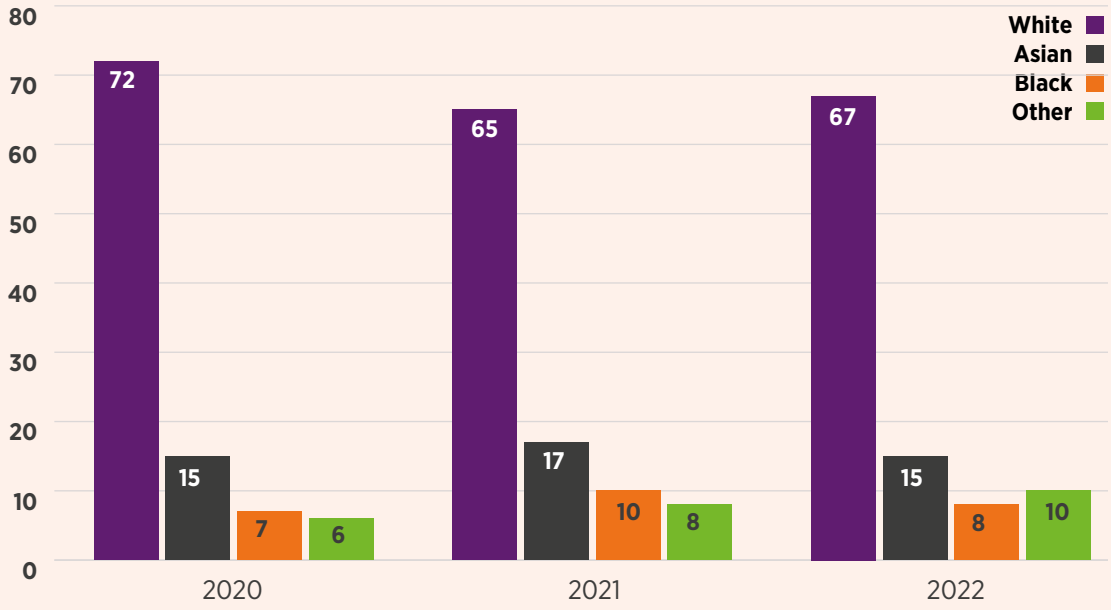


Total number of paid associates

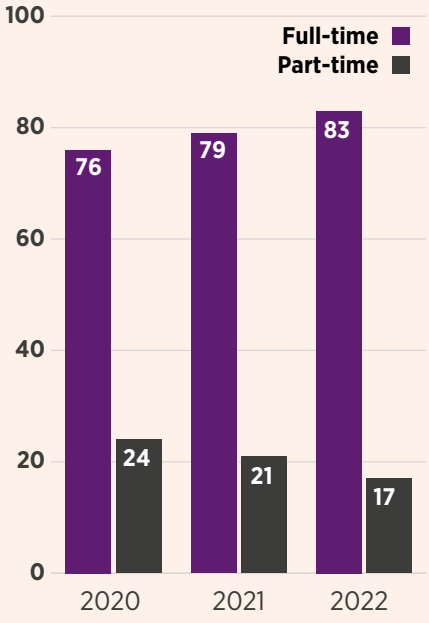
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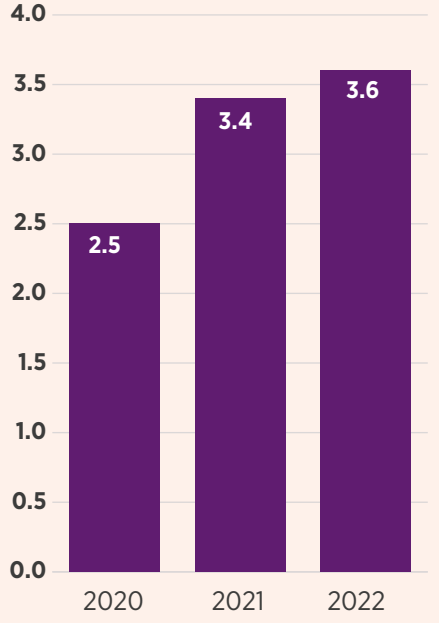
Ethnicity (%)



Working pattern



Employees who report a disability (%)



Recruitment and retention

We want to achieve greater diversity across our workforce because it's key to our success. We continue to review our talent attraction approach, auditing and implementing job-specific selection criteria to ensure fairness and inclusivity. We advertise job roles with transparent pay ranges and an openness to flexible working arrangements. When we engage search firms, for example in the recruitment of senior roles, we request that their search methodologies reach diverse candidates.

Our team has stepped up to new recruiting challenges this year. We've managed a healthy talent pipeline, with over 6,000 applications leading to nearly 1,500 assessments for 147 jobs. We've filled 111 vacancies, around 20% of them from our rich pool of internal talent, keen to grow their careers with us. We've successfully recruited people into niche roles, from UX designer to Code of Conduct executive. And we've run direct campaigns to attract senior-level hires for the CIPD Trust, our regional market development team and our teams in Singapore and Dubai.

The pandemic has given us the opportunity to role-model truly flexible and hybrid ways of working. Our approach is helping us to attract and retain talented people from a more geographically dispersed pool who are committed to our purpose.

Learning

This year we've focused on creating a learning culture and mindset. And people have engaged in greater numbers, with a 9% increase in the use of our learning platform since June 2021:

- Our **Learning At Work Week** – promoting our culture for continuous growth and organisational capability – attracted 337 participants, 237 page views and 340 social feed views.
- 48 people have developed their confidence and impact in presenting and influencing others through five **Move Me** programmes.
- We've run more **hybrid working** sessions to support Optimise, our new workplace model.
- Two **learning communities** help our people managers resolve challenges with reduced HR guidance.
- We've refreshed the resources that support our **performance management process**.
- 96% of our managers took part in **Leading the CIPD Way**, upskilling and enabling them to build good relationships and have effective performance conversations with their people.
- Our Head of Equality, Diversity and Inclusion (EDI) supported the design and delivery of **Inclusive Leadership** sessions, training 98% of our managers to have sensitive and measured conversations around I&D topics.

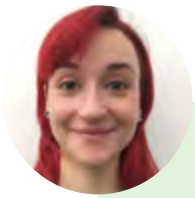
Inclusion and diversity

Working towards greater inclusion is everyone's responsibility, at every level within the CIPD. Our work on building a coherent inclusion and diversity (I&D) strategy is fully under way. This year we created our first I&D balanced scorecard, giving us a baseline of data to measure our success. And our trustees have agreed that the CIPD board's race champion role be extended to champion inclusion and diversity.

Our disability and neurodiversity employee resource group has gone from strength to strength, attracting over 75 people to our introductory event **What is Neurodiversity?** in March 2022.

We continue to explore how we can bring about impactful change on race and ethnicity within the CIPD. This year our EmbRACE group focused on the theme of #Journey2belonging.

All our teams are represented on Sounding Board, which shares our collective voice every two months to support the decision-making of our Senior Leadership Team.



'In the neurodiversity and disability employee resource group we're finding tools and hacks that can be used not only by neurodivergent people and people with disabilities, but by anyone. Open to all, 20% of our people came to our live discovery sessions, learning from each other's lived experiences, strengthening trust bonds and increasing the participation of allies organisation-wide.'

Rita Isaac, L&D coordinator, CIPD





'The Parents' Network was set up to provide a safe place to seek advice, share experiences and widen connections. Our aim is to support working parents and broaden understanding across the CIPD of their challenges and experiences.'

Holly Ivins and **Steve George**, The Parents' Network, CIPD

Wellbeing

As part of our commitment to inclusion and diversity, we continue to develop our understanding of disability, mental health and wellbeing issues in the workplace.

The menopause can have such a serious impact that it stops women from reaching their full potential at work or even causes them to give up work altogether. We want to create an open and inclusive environment, where any issues associated with the menopause can be discussed without fear or judgement. Alongside our call to employers to sign up to the Menopause Workplace Pledge, we launched our own menopause policy and trained 14 Menopause Champions to offer information, support and signposting to all our people.

Our Mental Health Champions raise awareness of mental health challenges and ensure the right support is always available for people who are struggling. This year we increased their number and provided more training to expand the support they can provide.

Our wellbeing bite-sized sessions on topics including neurodiversity, fertility and menopause attracted, on average, 90 people. And 158 people took part in our live Wellbeing Week sessions, with an increase in attendance for mental health cafes and requests for bereavement cafes.

Until it closed in England in March 2021, we were a Time to Change employer and we've signed the Mental Health at Work Commitment. A Disability Confident Leader since August 2017, we examine our own policies and practices, sharing our expertise with other employers and our community of people professionals. We are a member of the Living Wage Foundation and Working Forward, supporting pregnant women and new parents at work.

Recognition

We want our people to recognise the contributions of their colleagues and teams easily. And we want to celebrate people's successes in a meaningful way that strengthens our values: collaborative, innovative, expert, customer-first and impactful.

People can recognise others through our digital platform 'Moments We Value', introduced in 2021. An independent panel from across the CIPD judges the nominations for our 'Moment of the Month' award. Every month we have the opportunity to celebrate a person who has excelled in living our values. We also use 'Moments We Value' to focus on the contribution of a team or one of our exceptional people managers.



'My colleagues nominated me for developing an online playbook to help us maintain consistency in how we recommend our solutions to clients. It is incredibly affirming to see the people I respect take the time to publicly award each other and say such kind things. We have a fantastic culture in the CIPD, and I am fortunate to be part of a team of such capable, welcoming and genuine people.'

Mark Abi-Aad, Client Experience Manager, Employer Solutions, CIPD

Reward

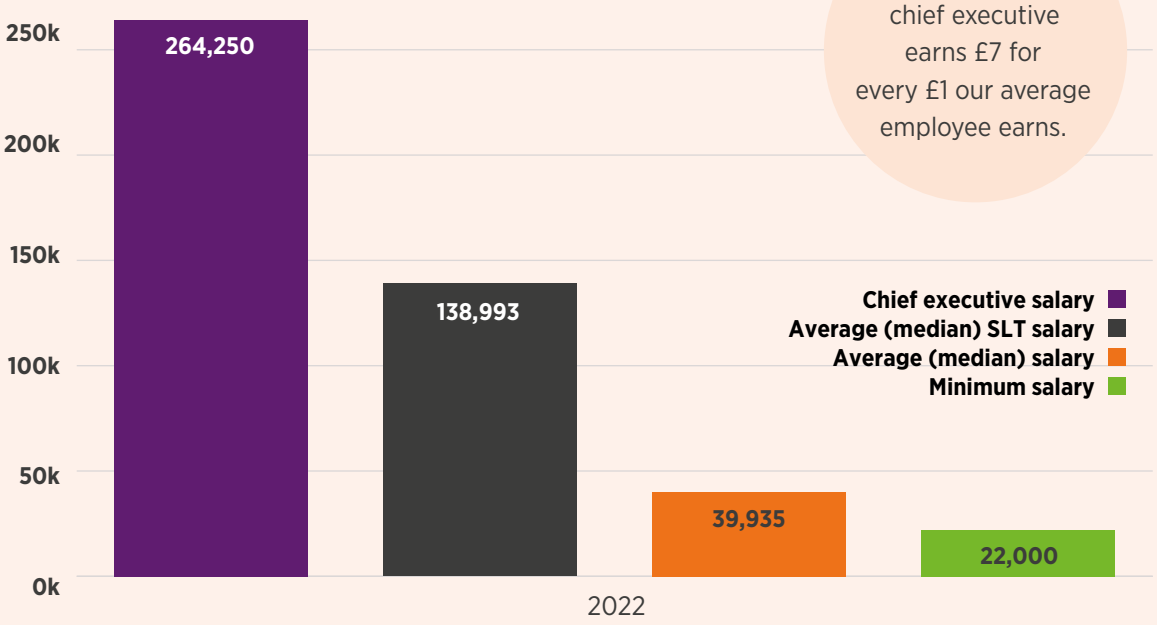
We pay above the voluntary 'real' London Living Wage and benchmark all salaries externally to ensure our compensation is fair, competitive and reflects our charitable status.

Our pay ratios fairly reflect the demands and high-profile nature of our Senior Leadership Team roles and our chief executive's ambitious agenda. Salaries for members of the Senior Leadership Team are set by the People, Culture and Remuneration Committee using data from Hay Korn Ferry and Paydata.

This financial year, thanks to the hard work and innovation of our people, we exceeded our financial expectations and were able to recognise this with an organisation-wide salary review.

We follow the principle of fair pay, so the salaries our people receive are fair for the job they do and in line with the external job market. This year we did not apply a performance element due to changing priorities and objectives, and the disruption to working arrangements and people's personal situations.

Key pay statistics (£)



Our chief executive earns £7 for every £1 our average employee earns.

- Ratio between our chief executive and our lowest earner: 12:1
- Ratio between our chief executive and the average (median) employee: 7:1
- Ratio between our median senior leadership team (SLT) salary and median employee: 2:1

Chief executive remuneration

The remuneration policy for the chief executive consisted of:

- Base salary – this was set when the chief executive was first appointed in July 2012 and formally reviewed for the first time in March 2017. The chief executive declined all proposed increases in base salary since his appointment until July 2018, when he accepted an increase of 2.3%. There have been no subsequent salary changes.
- Pension – the chief executive did not participate in the CIPD pension scheme during 2021–22.
- Benefits – the chief executive received a car allowance, life assurance cover and cover for private medical insurance benefits during 2021–22.

The CIPD does not operate a bonus scheme, or any form of variable pay, for the chief executive.

Our gender and ethnicity pay gaps

Gender pay gap data collected on 5 April 2022 revealed a median pay gap of 13.7% (down from 22.3% in 2021) and a mean gender pay gap of 12.4% (down from 17.4%) within our UK workforce.

The same data revealed a 14.5% median ethnicity pay gap (up from 11.2% in 2021) and an 11.1% mean ethnicity pay gap (up from 8.7%).

This year we achieved no median gender bonus gap (0.0%) and our mean gender bonus gap dropped to 29.4% (from 69.7%).

We also achieved a 0.0% median ethnicity bonus gap (a drop from 33.8% in 2021). And our mean ethnicity bonus gap dropped to 14.9% (from 41.5%).

68% of our workforce is female.	A woman earns **86p** for every £1 a man earns (median).	**67%** of our workforce is white.	For every £1 a white person earns, a person from a minority ethnic group earns **85p** (median).

The factors affecting our pay gaps

We are pleased that our gender pay gap has improved since 2021. The median pay gap has narrowed by nearly 9 percentage points to 13.7% and the mean pay gap by 5 percentage points to 12.4%, the lowest it has been since reporting began. The last six years of reporting have taught us, however, that the drop may not necessarily be sustained. As a medium-sized organisation with a predominantly female workforce, we see significant fluctuations in our reported pay gap – small changes in our staff profile have a significant impact.

In the last year we have seen a shift in our gender balance across the quartiles. Although the overall proportion of women to men has remained stable, we have seen an increase in the proportion of men employed in our lowest salary quartile and an increase in the proportion of women whose earnings are in the upper quartile. Also, one male director left the organisation and this change of just one role has an impact on the gender pay gap (particularly the mean).

After seeing a narrowing over the past three years, we have seen an increase in our median and mean ethnicity pay gaps this year. The increase is disappointing but not unexpected. Although our voluntary attrition rate has risen to 14.5%, closer to the national average, the upper quartile pay band – where the largest ethnicity pay gap is found – has seen the fewest people changes.

Addressing our pay gaps

We are committed to providing a fair and equal experience to everyone who works at the CIPD. We have a principle of fair pay, providing the same pay and conditions for all employees doing work of similar responsibility, skill, knowledge and effort. And we're working hard to ensure that our practices encourage everyone to have the option to work flexibly and in a way that suits them so that they can deliver their best work. We are proud that many of our senior roles are already carried out on a flexible basis.

The policy changes we have made in areas such as parental leave are focused on enabling new parents to take equal responsibility for childcare commitments. It will take time, but this will help address the current imbalance that occurs when more women than men work flexibly to fulfil family responsibilities. This year we carried out a lived experience exercise, listening to our people from different ethnic groups across the CIPD to understand their lived experience of working with us.

Our head of equality, diversity and inclusion works in partnership with our people team and Senior Leadership Team towards a fully inclusive culture – one where difference is valued and where all CIPD people feel they belong and can be their best, authentic selves.

For more in-depth analysis of our pay gaps, and our action plans for 2022–23, see **cipd.co.uk/PayGapReports**

Managing our finances

A strong financial performance allows us to continue investing in our membership, improve our services and capabilities, and increase our impact and voice.

Key financial highlights

£42.4 million total revenue	**£24.0** million membership revenue	**£2.9** million invested in strategic development projects from our designated funds	**£2.3** million operating surplus

Income

Our total income was £42.4 million in the year, which was 10% up on the previous year, reflecting the recovery of face-to-face activity and the revised fee structure for centres delivering our new qualifications. A change in the level and timing of centre fees saw revenues increase by £2.4 million. Routes to membership through Experience Assessment and upgrading also recorded increases.

The largest proportion of our revenue comes from membership subscriptions. During the year, membership numbers fell slightly (by 1%) to 157,819. In recognition of the financial impact of the pandemic on our members, we chose not to increase subscriptions for the year. We continue to work to strengthen our membership proposition and ensure we communicate its value effectively.

Business-to-business (B2B) and business-to-consumer (B2C) revenues rebounded within our UK-based trading subsidiary CIPD Enterprises. They increased by 17% and 44% respectively to a total of £4.4 million as we resumed face-to-face activity and took new opportunities to work with employers.

Revenues held steady across our three subsidiaries in Ireland, Singapore and Dubai.



Expenditure

Staffing costs during the year were less than budgeted as, in a very tight labour market, some roles took longer to recruit than anticipated. Operational costs were also under budget, through a combination of tight cost control and the impact of slower staff recruitment.



Financial costs and performance were monitored monthly by the Senior Leadership Team and quarterly by the board. With the increase in revenues and control of costs, we were able to deliver an operating surplus of £2.3 million, a strong financial performance for the year.

This year, £2.9 million of our designated reserves (compared with £3.1 million last year) was invested in strategic projects to improve our digital infrastructure and capabilities. We focused our investment in our new Learning Hub and initiated projects to replace some of our core systems, including finance. These critical investments mark our commitment to increase the reach and support we offer and to position the CIPD for future growth.

Investments

Our investment strategy for our reserves is to achieve growth above market performance without taking undue risks. This has resulted in strong reserves that allow us to plan long term, improving our membership proposition and increasing our reach and impact across the profession and the wider world of work.

The market value of investment assets, other than cash held, at the year-end was £24.8 million (compared with £24.1 million at 30 June 2021). This equates to a loss of £0.8 million – after taking into account net additions of £1.5 million – a result that was ahead of market benchmarks. Markets were volatile during the year as the global economy recovered from the COVID-19 outbreak and reacted to the Ukraine conflict and rising energy costs.

During the year we changed investment advisers, appointing Asset Risk Consultants (UK) Limited following a tender exercise. With their support we reviewed our investment portfolio, moving out of a dozen individually held funds to invest in funds held by two fund managers – CCLA and Tribe Impact Capital – who have constructed portfolios to meet our investment objectives. CCLA and Tribe were both chosen through a rigorous evaluation of possible fund managers, assessing environmental, social and governance (ESG) factors alongside the appraisal of performance, asset allocations, fund liquidity and fees.

Through the board's Investment Working Party and with the advice of our investment advisers, we monitor the portfolio regularly, meeting at least twice a year with the relevant fund managers to discuss performance.

Pensions

The CIPD offers all employees in the UK the opportunity to enrol in a group personal pension plan, which is a defined contribution scheme. A similar scheme operates for our employees in Ireland. We also operate a defined benefit pension scheme, which closed to new and existing members in 2012. A professional actuary carried out a triennial valuation of the defined benefit scheme at 1 October 2020. This showed a deficit of £15.4 million and that the scheme's assets were sufficient to cover 76% of the accrued benefits. The funding deficit does not represent a current cash commitment; rather, it reflects the long-term funding required as pensions are paid out to members of the scheme, many of whom have not yet retired. In accordance with the triennial valuation, we are funding the deficit over a recovery period to 2032. More details are given in note 12 to the accounts.

The actuary carries out a separate annual valuation in line with Financial Reporting Standard (FRS) 102. This is conducted using different assumptions and therefore results in a different funding deficit. The FRS102 valuation at 30 June 2022 showed a deficit of £5.2 million compared with a deficit of £12.9 million as at 30 June 2021. The main reason for the improvement in the balance sheet position was a significant increase in the discount rate, driven by an increase in long-dated corporate bond yields. There were also smaller impacts from an update to mortality data used in estimating future life expectancies and a slight decrease in long-term inflation expectations. The CIPD contributed £1.2 million to the scheme during the year.

Reserves

Free financial reserves are those that are available to be spent on the CIPD's purposes, including our charitable aims. They exclude the pension deficit, as this represents a long-term funding requirement rather than an immediate cash commitment.

These are used to measure current and future liquidity and as protection against the effects of an economic downturn. Consequently, trustees deem that the CIPD should, at all times, maintain free financial reserves sufficient to fund a fall in income of between 15% and 20%. Based on the year to 30 June 2022, this would equate to between £6.4 million and £8.5 million. At 30 June 2022 our free financial reserves were £16.9 million.

We also have a policy of keeping at least £1 million in cash and readily available funds at any given time. This policy was met, ending the year with a group cash balance of £7.1 million.

Going concern

We have set out above a review of the CIPD's financial performance during the year and its reserves position at the end of the year. Our planning process, including financial projections, has taken into consideration the current economic climate – in the UK, Ireland, the Middle East and Asia – as well as the market environment in which we operate and its potential impact on our various sources of income and planned expenditure.

We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material uncertainties that call into doubt the CIPD's ability to continue in operation. Accordingly, the accounts have been prepared on the basis that the CIPD is a going concern.



Governing our work, managing our risks 59

Our structure and governance 59

How we manage risk 66



Governing our work, managing our risks

Good governance is the cornerstone of a well-run organisation

Our structure and governance

The Chartered Institute of Personnel and Development is incorporated under Royal Charter and is a registered charity in England, Wales, Scotland and Ireland.

Our charitable purpose, as prescribed by our Charter and Byelaws, is to promote the art and science of the management and development of people for the public benefit.

As a charity, we use the Large Charity Governance Code, and learn from practice in other sectors, to guide our governance practices. Our Charter and Byelaws give the board of trustees the authority to exercise all the powers of the organisation and to govern the CIPD in accordance with these governance documents and charity law.

Board members are directors and charity trustees, with the associated legal responsibilities. Each year, we carry out assessments of the effectiveness of our board and subcommittees, with an externally administered board effectiveness review every third year.

Charities have a legal obligation to report on how they have carried out their purpose for the public benefit. Other sections of this report demonstrate how we have done this in 2021–22.

Our board of trustees

The Charter and Byelaws set out the composition of the board, allowing for up to 12 members including the president, the treasurer, and the vice president of membership and professional development. Council elects the chair and up to seven remaining trustees. All trustees serve in a non-executive capacity, with the exception of the chief executive, who is an ex officio member of the board.

At our AGM in December 2021, Baroness Ruby MacGregor-Smith CBE was appointed president, replacing Professor Sir Cary Cooper, who had served for the previous six years. Ruby is the chair of Mind Gym PLC and president of the British Chambers of Commerce and was recently appointed by the UK Government to be the In-Work Progression Commissioner, reflecting her involvement in discussions around race and gender equality in business.

At the April 2022 Council meeting, Caroline Nugent and Sharon Whitehead were re-elected for a second three-year term.

All trustees receive a detailed induction comprised of some generic content and also tailored based on their individual skills and experience. Ongoing training is provided when required.

Trustees' responsibilities

The trustees are responsible for setting our strategic framework, approving the overall budget and major capital projects, and overseeing the management of our affairs, including ensuring that the CIPD fulfils its charitable objects and purpose. Day-to-day management of the organisation is delegated to the chief executive and the leadership team.

Each year, the trustees must prepare a report (the Trustees' Report) and financial statements in accordance with applicable law and regulations. Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under Charity Law in England and Wales, trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of the group's net income and expenditure for that period. In preparing these financial statements, the trustees must:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting 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 a going concern basis unless it is inappropriate to presume that the charity and the group will continue to operate
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP).

The trustees are responsible for ensuring adequate accounting records are kept. These records must show and explain the group's transactions and disclose with reasonable accuracy the financial position of the charity and the group. The records enable the trustees to ensure the financial statements comply with the Charities Act 2011 and the provisions of the Institute's Charter and

Byelaws. The trustees are also responsible for safeguarding the assets of the group and taking reasonable steps for the prevention and detection of fraud and other irregularities.

In addition, the trustees are responsible for the maintenance and integrity of the corporate and financial information included on our website.

So far as each of the trustees is aware at the time of the report:

- there is no relevant audit information of which the charity and the group's auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.



Professor Sir Cary Cooper CBE
President
(to December 2021)



Baroness Ruby McGregor-Smith CBE
President
(from December 2021)



Valerie Hughes-D'Aeth
Chair of the Board;
Nominations Committee (chair);
People, Culture and Remuneration Committee



Shakil Butt
Treasurer;
Audit and Risk Committee (chair);
People, Culture and Remuneration Committee; Board champion – Race



Nelarine Cornelius
Vice President, Membership and Professional Development



Peter Cheese
Chief Executive;
Nominations Committee



Dr Andrea Cooper
Board champion – CIPD Trust



Jonathan Ferrar
Audit and Risk Committee;
Board champion – Asia Pacific



Caroline Nugent
Audit and Risk Committee



Dr Sue Round
Board champion – Middle East



Siobhán Sheridan CBE
Nominations Committee



Sharon Whitehead
People, Culture and Remuneration Committee (chair);
Board champion – Ireland



Nicholas Williams
Audit and Risk Committee (observer)

Board activity

The board meets regularly to review delivery of our objectives against the agreed strategy and budget, and to monitor operational performance and risks. The board applies the CIPD's risk appetite statement and framework to this approach.

The board receives quarterly operations reports on the business containing a balanced scorecard of key performance indicators. In 2021/22 the board held seven formal meetings, including an extraordinary meeting in November 2021. In addition, it participated in a strategic planning session with the Senior Leadership Team in March 2022.

During the year, the board reviewed the CIPD's governance arrangements, approved a working strategy for environmental sustainability, changes to the CIPD Investigation and Conduct Procedures and a new agreement with the pension scheme trustees in settlement of the triennial valuation.

In January 2022 it carried out a self-assessment against the Large Charity Governance Code, resulting in a tangible set of actions including the creation of the role of vice chair, the holder of which would also serve as the senior independent director (SID). The board also undertook a skills audit to assess whether there are additional areas of expertise required to support our growth strategy.

Board and committee meeting attendance

Name	Board meetings attended	Committee meetings attended
Valerie Hughes-D'Aeth	7 of 7	6 of 6
Shakil Butt	7 of 7	7 of 7
Peter Cheese	7 of 7	3 of 3
Andrea Cooper	4 of 7	n/a
Cary Cooper	4 of 5	n/a
Nelarine Cornelius	6 of 7	n/a
Jonathan Ferrar	7 of 7	3 of 4
Ruby McGregor-Smith*	0 of 2	n/a
Caroline Nugent	5 of 7	4 of 4
Sue Round	6 of 7	n/a
Siobhán Sheridan	4 of 7	2 of 3
Sharon Whitehead	7 of 7	3 of 3
Nicholas Williams	3 of 7	n/a

* It was agreed that Baroness McGregor Smith CBE would not attend board meetings during the first six months of her tenure due to existing commitments.

The board has three standing committees and a working party (Investment Working Party), to which it delegates certain functions while retaining overall accountability.

Audit and Risk Committee

The Audit and Risk Committee is chaired by the treasurer and provides the board with objective oversight of its financial and non-financial risk and control systems. At its quarterly meetings, it reviews how the CIPD manages its strategic and operational risks.

During the year, the committee reviewed the CIPD's internal policies around authorities and delegations; anti-bribery, gifts and hospitality; and procurement. It approved the selection of a replacement for our current accounting system and of a systems implementation partner as part of the Finance for the Future programme.

The committee approved the CIPD's internal audit plan, based on the key areas of risk faced by the organisation. It reviewed the outcomes of internal audits of our people processes and our subsidiary hubs' governance arrangements.

In January 2022, the committee reviewed arrangements with our five largest suppliers, including contractual obligations, KPIs and performance, and agreed to repeat this process annually, along with a review of our five highest-risk suppliers.

At each meeting, the committee considered whether any serious incident report should be made to the Charity Commission.

Nominations Committee

The Nominations Committee is chaired by the board chair. Supported by the institute secretary, it is responsible for board succession planning and recruitment, consideration of trustee conflicts of interest, and oversight of the Companions process. Our aim when filling board appointments is to strengthen its overall capability and continue to improve the diversity of its membership. The committee has oversight of all trustee appointments, using an open recruitment process. This year, the committee provided input to the process of appointing a successor in advance of the term of our current treasurer ending in December 2022.

During the year, the Nominations Committee also reviewed the Chartered Companions process and discussed different progression pathways above Chartered Fellowship.

People, Culture and Remuneration Committee

The People, Culture and Remuneration Committee is chaired by an independent elected board member and is the only subcommittee that has a CIPD employee as a formal member. During the year, it reviewed our reward infrastructure, our use of our performance management framework, the introduction of a revised employee benefits package, and support for the health and wellbeing of our people. The committee also recommended to the board that its race champion role be extended to cover equality, diversity and inclusion.

Investment Working Party

The Investment Working Party monitors the performance of the investment portfolio and considers the advice of the CIPD's investment adviser, agreeing investment decisions within the range of asset allocation targets approved by the board.

After 15 years of advising the CIPD on the structure and composition of its portfolio, independent investment adviser Cambridge Associates terminated their contract with us due to their shift in focus to larger client portfolios. After a tender, the Investment Working Party appointed independent specialist charity investment advisers Asset Risk Consultants (UK) Limited to support a review of our investment objectives and the identification and selection of possible fund managers.

The Investment Working Party's recommendation to the board was to move from a portfolio of 13 different funds held directly in the CIPD's name to a portfolio invested in funds held by two fund managers, Tribe and CCLA. This followed an open tender process that considered alignment to the CIPD's investment objectives, performance record, risk approach, ESG (environmental, social and governance) focus, the client relationship and cultural fit.

Our Leadership Team

The Leadership Team is led by the chief executive. It is responsible for the development of strategy in conjunction with the board, implementation of the strategy and day-to-day operational management of the CIPD.



Peter Cheese
Chief Executive



Angela Attah
Director of Legal and Governance (Institute Secretary)



David Cox
Director of Digital and Technology



David D'Souza
Director of Membership



Jenny Gowans
Director of Research, Policy and Content



Tony Osude
Director of Commercial and Marketing



Victoria Winkler
Director of Professional Development



Hugh Andrews
Head of Finance



Georgina Powell
Head of People

In addition, the key roles of head of strategy development, head of programme management office and head of equality, diversity and inclusion also report to the chief executive and regularly attend leadership meetings.

Our subsidiaries and related parties

The CIPD has four active group companies:

- CIPD Enterprises Ltd, its wholly owned trading subsidiary, which is registered in England and Wales
- CIPD Middle East FZ LLZ, which is wholly owned by CIPD Enterprises Ltd and registered in Dubai in the United Arab Emirates
- CIPD Asia Ltd, which is a not-for-profit wholly owned subsidiary, limited by guarantee and registered in Singapore
- CIPD Ireland, a company limited by guarantee and awaiting charity status in Ireland. See note 2(b) of the financial statements for more detail.

The Charities SORP (FRS102) requires disclosure of transactions between related parties, details of which are given in note 2b to the financial statements.

Our auditors

We reappointed Haysmacintyre LLP as our external auditors following a vote at the December 2021 annual general meeting.

Our professional advisers

Auditors Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	**Bankers** Lloyds Bank plc 3 St George's Road London SW19 4DR
Legal advisers Withers LLP 16 Old Bailey London EC4M 7EG	**Investment advisers** Asset Risk Consultants (UK) Limited 46 Chancery Lane London WC2A 1JE

How we manage risk

The board of trustees has overall responsibility for overseeing the effective management of risk throughout the organisation, reviewing current and potential risks in line with our risk appetite in all its deliberations. The more in-depth review of our corporate risk register is delegated to the Audit and Risk Committee.

Day-to-day responsibility for risk management sits with members of the Senior Leadership Team. They are responsible for overseeing operational risks in their areas and for collectively identifying and managing our corporate risks.

Risk appetite

The CIPD's risk appetite framework and statement set out which areas of risk it is intolerant of and which areas of risk it will accept in pursuit of its charitable purpose. It is used to identify strategic risks and appropriate mitigations against them, and to inform behaviours and decision-making at all levels of the organisation.

Risk evaluation and response

We evaluate each risk based on its potential impact on the achievement of our objectives and the likelihood of its occurrence, given any current controls. We apply this approach consistently throughout the organisation but use different thresholds for measuring the impact of corporate and team risks.

GROWING A STRONG COMMUNITY (BUILDING PROFESSIONALISM)	
RISK AND IMPACT	**MITIGATION**
Risk: Challenge to the perceived relevance of membership to employers and to the HR profession as a whole. Challenge to the perceived importance of the Profession Map and CIPD qualifications, with competition from the growth of new training businesses and local HR institutes. **Impact:** Decline in membership and/or student numbers.	• We regularly monitor the competitive landscape, short-term economic impacts and longer-term signals about the relevance of the profession. • Our connections to senior leaders in the profession and other membership bodies help us stay attuned to overall sentiment. • We continue to prioritise investment in digital experience, community and relevant content, including our viewpoints on what is happening in the market and the world of work. • We ensure our evidence, research and key message positions are up to date and well understood. • We ensure changes in the profession are reflected in our Profession Map and qualifications, and regularly review our membership model and assessment process.
Risk: Our new products and services do not meet the requirements of existing and new customers. Our new products and services are not marketed or positioned appropriately in new markets. **Impact:** Market expansion hindered and loss of credibility as an organisation.	• We are managing our expansion with Programme Management Office involvement, investigating what support may be required and how this will fit into our target operating model. • A marketing plan is in place and we are gathering feedback from new products launched into the market.

MAKING THE CASE FOR BETTER WORK (BUILDING PROFESSIONAL CAPITAL)	
RISK AND IMPACT	**MITIGATION**
Risk: Inappropriate response to political, economic, social-cultural and environmental situations, or from our association with countries, companies or individuals who may have poor working practices. **Impact:** Reputational and brand damage, long-term decline in membership and potential impact on growth plans.	• New opportunities involving potentially sensitive countries or organisations are reviewed by our Senior Leadership Team and agreed by the board. • We monitor activities in higher-risk areas, working with our international offices to understand local insights and existing and future potential relationships. • We remain aware and informed of the impact of relationships we develop with commercial and public sector entities and their alignment to our values and business principles. • We monitor the use of our brand and control its use through our contract arrangements. • Our Code of Professional Conduct provides clear guidance and helps us manage member misconduct. • We have developed an environmental sustainability strategy and implementation plan and monitor our progress against the UN Global Compact and UN Sustainability Goals.
Risk: Inadequate response to current events, missing the opportunity to demonstrate our relevance and to give clear messaging on the criticality of the people profession in business decisions. **Impact:** Damage to the profession and/or exposure to gaps; long-term decline in membership and an inability to fulfil our charitable purpose.	• Our established approach to responding to events allows us to produce timely, relevant content and to speak publicly about what needs to change. • We continue to refine our Voice 2025 Framework and way of working to ensure our work focuses on the areas likely to lead and promote the profession and create change in the world of work. • We are building our capability to measure our impact and reach, seeing positive results from our Net Promoter Score, press coverage and analytics support.

IMPROVING HOW WE WORK (OPERATIONAL EXCELLENCE)	
RISK AND IMPACT	**MITIGATION**
Risk: Risks relating to the concurrent delivery of key strategic projects, supply chain impact on our partners and significant competition for certain skillsets. **Impact:** Delay to delivery of outputs and wider impact on key dependencies.	• Our Programme Management Office, supported by our Project Demand Forum, ensures alignment between our delivery programmes by managing dependencies, resourcing effectively and aligning key decisions and activities. • We are reviewing our target operating model and have plans to develop additional change management capability within the organisation.
Risk: Ongoing information security threats and vulnerabilities, user errors, system errors, mismanagement of information, non-compliance with data protection regulations, and risk exposure due to lapsed support for certain contracts. **Impact:** Reputational, financial, legal, regulatory or contractual compliance damage, client and partner loss, and information loss or theft.	• We continue to strengthen our management of cybersecurity risks collectively. • All staff and board members are provided with GDPR and cybersecurity training and all partners undergo security reviews prior to contract. • We subscribe to global networks that report attacks to ensure we proactively block potential breaches. We run vulnerability testing and major incident and change management processes, closely monitoring KPIs to manage our risks. • We have introduced new multi-factor authentication across all CIPD accounts and are implementing a new IT service management system and workflow to document and monitor our estate. • We are Cyber Essentials Plus accredited and ensure all our technology partners meet this UK best practice standard.
Risk: A failure to deliver or communicate digital benefits and operational improvements to stakeholders in time. **Impact:** Lost opportunity to capitalise on our resources and erosion of our perceived relevance in the increasingly digital marketplace.	• Our Programme Management Office continues to drive implementation with additional capabilities and experience in specialist areas. • Our digital transformation roadmap is fully supported to ensure cultural changes are implemented successfully. • Teams are adapting to the new, beneficial ways of working and our new project delivery framework provides greater visibility and improved prioritisation and resource management.

IMPROVING HOW WE WORK (OPERATIONAL EXCELLENCE) continued	
RISK AND IMPACT	**MITIGATION**
Risk: An inability to identify, attract and retain people with the right skills. **Impact:** Capacity and delivery issues that lead to an inability to drive change and deliver our strategy.	• We continuously review our required skills, resulting in training and new role-creation as appropriate. • We have developed our employer value proposition and broadened our recruitment pool geographically.
Risk: Insufficient alignment to our organisational values and behaviours, and poor managerial conduct. **Impact:** Negative impact on organisational culture and employee engagement, employment tribunal claims and reputational damage.	• Our employee engagement tool provides ongoing data for monitoring employee engagement and satisfaction. • We conducted an in-depth culture survey of the whole organisation during the year, and continue to provide managers with training, support and performance management and assessment tools.
Risk: Loss of organisational cohesion and integration from the change to hybrid working model. **Impact:** Management and inclusion challenges result in poor productivity.	• Our focused programme of consultation and engagement with our people, supported by external specialist consultants, ensures that we regularly listen to feedback and remain responsive.
Risk: Ongoing financial uncertainty and rising inflation due to the economic downturn. **Impact:** Reduced revenues and increased costs reduce our ability to fund strategic projects as planned.	• Our financial models are based on different projections to protect our net surplus/deficit position. • We run regular forecasts to track our financial position and have reserves in place and additional actions to take if our surplus deteriorates. • We are diversifying into new products and services. • Our Investment Working Party reviews investment risks every quarter in the context of the wider economic scene, with input from our investment advisers.

By order of the board

Angela Attah LLB FCG

Institute Secretary
8 November 2022

Independent auditor's report

to the trustees of the Chartered Institute of Personnel and Development

Opinion

We have audited the financial statements of the Chartered Institute of Personnel and Development for the year ended 30 June 2022, which comprise Consolidated Statement of Financial Activities, Group and Charity Balance Sheets, Consolidated Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 30 June 2022 and of the group's net movement in funds for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least 12 months from when the financial statements 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and the Chair, President and Chief Executive's statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 60 , the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements

in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Based on our understanding of the group and the environment in which it operates, we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities Act 2011, the Charity's Royal Charter, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators and tax authorities
- discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud
- evaluating management's controls designed to prevent and detect irregularities
- identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions
- challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Haysmacintyre LLP

Statutory Auditors
10 Queen Street Place, London, EC4R 1AG
21 November 2022

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

Financial statements

Consolidated statement of financial activities for the year ended 30 June 2022

Consolidated statement of financial activities	Note	General fund	Designated fund	Restricted fund	Total 2022	Total 2021
		£'000	£'000	£'000	£'000	£'000
Income from:						
Charitable activities						
To advance the management and development of people through:						
Membership services and education		**29,960**	–	–	**29,960**	29,050
Research		**31**	–	**119**	**150**	112
Branches		**106**	–	–	**106**	88
Other trading activities						
Commercial income	2(b)	**12,097**	–	–	**12,097**	9,253
Investments	2(c)	**38**	–	–	**38**	50
Total income		**42,232**	–	**119**	**42,351**	38,553
Expenditure on:						
Raising funds	2(a)					
Commercial expenditure		**(9,195)**	–	–	**(9,195)**	(8,089)
Investment management costs		**(35)**	–	–	**(35)**	(50)
Charitable activities	2(a)					
Membership services and education		**(23,653)**	**(2,538)**	–	**(26,191)**	(22,747)
Research		**(5,328)**	**(513)**	**(137)**	**(5,978)**	(5,490)
Branches		**(1,763)**	**(158)**	–	**(1,921)**	(1,387)
Total expenditure		**(39,974)**	**(3,209)**	**(137)**	**(43,320)**	(37,763)
Net income/(expenditure) before gains and losses on investments		**2,258**	**(3,209)**	**(18)**	**(969)**	**790**
Net gains/(losses) on investments	7	**(755)**	–	–	**(755)**	3,910
Net income/(expenditure)		**1,503**	**(3,209)**	**(18)**	**(1,724)**	4,700
Transfers between funds	11	–	–	–	–	–
Net incoming/(outgoing) resources before other recognised gains and losses		**1,503**	**(3,209)**	**(18)**	**(1,724)**	4,700
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension scheme	12	**6,804**	–	–	**6,804**	3,695
Gains/(losses) on revaluation of overseas subsidiaries		**414**	–	–	**414**	676
Net movement in funds		**8,721**	**(3,209)**	**(18)**	**5,494**	9,071
Reconciliation of funds						
Net fund balances brought forward		**13,432**	**12,679**	**76**	**26,187**	17,116
Net fund balances carried forward		**22,153**	**9,470**	**58**	**31,681**	26,187

The statement of financial activities includes all recognised gains and losses for the year.

Consolidated group and charity balance sheets at 30 June 2022

	Note	Group		Institute	
		2022	2021	**2022**	2021
		£'000	£'000	**£'000**	£'000
Fixed assets					
Tangible assets	5	**6,997**	7,619	**6,782**	7,462
Intangible assets	6	**2,294**	1,999	**2,294**	1,999
Investments	7	**26,517**	28,443	**29,517**	31,402
		35,808	38,061	**38,593**	40,863
Current assets					
Debtors	8	**6,587**	5,247	**5,328**	5,801
Cash at bank and in hand	9	**7,126**	7,663	**2,807**	2,963
		13,713	12,910	**8,135**	8,764
Creditors					
Amounts falling due within one year	10	**(12,690)**	(11,799)	**(9,790)**	(9,183)
Net current assets/(liabilities)		**1,023**	1,111	**(1,655)**	(419)
Net assets excluding pension liability		**36,831**	39,172	**36,938**	40,444
Provisions	13	–	(45)	–	(35)
Defined benefit pension scheme liability	12	**(5,150)**	(12,940)	**(5,150)**	(12,940)
Net assets including pension liability		**31,681**	26,187	**31,788**	27,469
Funds					
General fund	11	**27,303**	26,372	**27,410**	27,654
Pension liability		**(5,150)**	(12,940)	**(5,150)**	(12,940)
Net general funds		**22,153**	13,432	**22,260**	14,714
Designated funds	11	**9,470**	12,679	**9,470**	12,679
Net unrestricted funds		**31,623**	26,111	**31,730**	27,393
Restricted funds	11	**58**	76	**58**	76
Total funds		**31,681**	26,187	**31,788**	27,469

The financial statements were approved and authorised for issue by the trustees on 8 November 2022 and were signed on their behalf by:

Valerie Hughes-D'aeth
Chair of the Board

Shakil Butt
Honorary Treasurer

The notes on pages 78–97 form part of these financial statements.

Consolidated cashflow statement for the year ended 30 June 2022

	Note	2022 £'000	2021 £'000
Net cash flows from operating activities		**(1,235)**	3,088
Cash flows from investing activities			
Income from investments	2(c)	**37**	49
Interest received	2(c)	**1**	1
Proceeds from the sale of tangible fixed assets	5	–	–
Purchase of tangible fixed assets	5	**(162)**	(375)
Development of intangible fixed assets	6	**(349)**	(1,992)
Proceeds from sale of investments	7	**24,379**	3,931
Purchase of investments	7	**(25,827)**	(2,367)
(Increase)/decrease in cash deposits (investment asset)	7	**2,619**	(384)
Net cash provided by/(used in) investing activities		**698**	(1,137)
Change in cash and cash equivalents in the year		**(537)**	1,951
Cash and cash equivalents at the beginning of the year		**7,663**	5,712
Cash and cash equivalents at the end of the year	9	**7,126**	7,663

Notes to the cashflow statement

(a) Reconciliation of net income to net cashflow from operating activities

Net Income		**(1,724)**	4,700
Depreciation charge – tangible assets	5	**516**	546
(Gains)/losses on investments	7	**755**	(3,910)
(Gains)/losses on disposal of tangible fixed assets	7	**221**	58
(Gains)/losses on disposal of intangible fixed assets		–	–
Dividend, interest and rents from investments	2(c)	**(38)**	(50)
Depreciation charge – intangible assets	6	**110**	57
Foreign exchange reserves movement		**405**	681
Payment to pension scheme per funding plan	12	**(1,225)**	(700)
Non-actuarial increase in pension liability	12	**239**	271
Decrease/(increase) in debtors	8	**(1,340)**	954
Increase/(decrease) in creditors	10	**891**	526
Increase/(decrease) in provisions	13	**(45)**	(45)
Net cashflows from operating activities		**(1,235)**	3,088

(b) Analysis of cash and cash equivalents

Cash in hand	9	**7,126**	7,663
Total cash and cash equivalents		**7,126**	7,663

The group has no debt.

Notes to the financial statements for the year ended 30 June 2022

1 Principal accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention modified by the revaluation of investments and in accordance with the Financial Reporting Standard applicable to the UK and the Republic of Ireland (FRS102) and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS102 – effective 1 January 2019 – and the requirements of the Charities Act 2011.

The functional currency of the CIPD is considered to be GBP because that is the currency of primary economic environment in which the group operates.

There are no material uncertainties that call into doubt the CIPD's ability to continue in operation. Accordingly, the financial statements have been prepared on a going concern basis as discussed within the Trustees' Report.

(b) Consolidation

The group financial statements include the results of the CIPD, its branches and its subsidiaries, which are consolidated on a line-by-line basis. Please refer to note 2(b) to the accounts for the results for the trading subsidiaries. Note 11 sets out the movements in the Institute's funds, including incoming and outgoing resources.

The results of overseas subsidiaries and branches have been translated into sterling using exchange rates prevailing at the balance sheet date. Exchange differences arising from retranslating the opening net investment in overseas subsidiaries at the closing exchange rates are recorded as movements in the general fund.

(c) Income

All income, including investment income, is accrued and included in the Statement of Financial Activities when the group is entitled to the income, receipt is probable and the amount can be quantified reliably. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet. Income from subscriptions, which is our largest individual source of income, is recognised referring to the period over which the subscription relates.

Volunteers continue to be an integral part of the CIPD, working with us across the organisation in every area of our work. Their wide spectrum of skills, experience and expertise strengthens our organisation by enabling us to better support our members and engage the wider HR community in what we do. On a wider community level, many CIPD members volunteer their experience in our community investment programmes. Our branch volunteers use their skills to promote the CIPD and give back to the profession, with a number of members acting as mentors in our Steps Ahead Mentoring programme and others engaged with our Enterprise Adviser programme run by the Careers and Enterprise Company.

In accordance with the SORP, no monetary value has been attributed to the work of volunteers, though their involvement is considered vital to the activities of the charity.

(d) Expenditure

Membership and education include the costs of administering and providing direct services to members, developing professional standards, providing educational services to members and supporting educational centres which offer the Institute's qualifications. Commercial activities are disclosed as charitable where they are deemed to give rise to direct membership benefit.
Research includes the cost of commissioning and undertaking research and the dissemination of research and practical information to members and the public.
Branches include the central and local costs of the Institute's branch network, which offers CPD and networking events for members nationwide.
Commercial activities, through our strategic partnerships, comprise a courses and conferences programme, a publishing facility for books and training materials, and an HR consultancy business for organisations. It also manages the relationship with the publisher of the CIPD's journal, *People Management*.
Investment management costs include fees paid to the Institute's investment advisers and fund managers.
Support costs such as general management, governance, human resources, finance, information systems, strategy, performance and premises costs are allocated across the various categories of our expenditure. The basis of allocation has been explained in note 2(a) to the accounts.

(e) Operating leases

Payments in respect of operating leases are charged to the Statement of Financial Activities over the life of the lease on a straight-line basis.

(f) Fixed assets, depreciation and amortisation

Tangible assets
Tangible assets are stated at cost net of depreciation and any provisions for impairment.

Depreciation is provided on a straight-line basis on the cost of fixed assets to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land or assets under construction. The depreciation period for other assets is shown below.

Office equipment	3–4 years
Freehold buildings (from date of first use)	25 years
Leasehold buildings (from date of first use)	Over life of lease

Assets with a cost below £2,500 are not capitalised.

Intangible assets
Intangible assets are stated at cost net of depreciation and any provisions for impairment.

Depreciation is provided on a straight-line basis on the cost of fixed assets to write them down to their estimated residual values over their expected useful lives.

Website development costs	3 years
Developed IT hardware/software	5 years

Website planning costs are charged to the Statement of Financial Activities as incurred. Other website costs are capitalised as a fixed asset only where they lead to the creation of an enduring asset delivering tangible future benefits whose value is at least as great as the amount capitalised. An impairment review is undertaken of the net asset value of the website at each balance sheet date. Expenditure to maintain or operate the developed website is charged to the Statement of Financial Activities.

Costs incurred in the development of new web-based commercial products are depreciated on a standard cost of goods sold basis over the shorter of three years or the estimated useful economic life of the products concerned.

Developed IT hardware/software relates to our membership and finance systems.

(g) Investments

Investments are stated in the balance sheet at market value. Realised and unrealised gains and losses in the year based on market value are recognised in the Statement of Financial Activities. Investment properties are shown at trustees' estimate of their open market valuation using a nationally available house price index calculator. Bank interest is accounted for on a receivable basis; other investment income is accounted for when received.

Investments in subsidiary undertakings are included at cost or fair value at acquisition, subject to any impairment.

Liquid resources are funds held at bank which require more than 24 hours' notice to access.

(h) Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of impairment losses. Prepayments are valued at the amount prepaid, net of any trade discounts due. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(i) Pension schemes

The CIPD Group Personal Pension Plan and the CIPD Money Purchase Pension Plan are UK-based defined contribution schemes. The Institute also makes contributions to defined contribution schemes for its staff in Ireland. The charges to the Statement of Financial Activities for defined contribution schemes are the amounts payable in respect of the accounting year.

The CIPD Staff Retirement Scheme is a defined benefit scheme. It is accounted for in accordance with FRS102. The notional net interest charge on the FRS102 deficit, the expected return on assets and the current service cost have been allocated across the resources expended categories based on pensionable payroll. Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high-quality corporate bond rates that have terms to maturity approximating to the terms of the related liability. Appropriate adjustments are made for actuarial gains or losses which are recognised in other recognised gains and losses in the Statement of Financial Activities.

(j) Taxation

The CIPD is a registered charity and its income is applied solely for charitable purposes. As a result, it is entitled to rely upon the taxation exemption granted by the Corporation Tax Act 2010. Where possible, the profits of the CIPD's trading subsidiaries are donated to the CIPD under Gift Aid.

(k) Fund accounting

The Institute has various types of funds for which it is responsible and which require separate disclosure. These are as follows:

General fund
This contains funds that are spent at the discretion of the trustees in furtherance of the objects of the charity, and includes reserves in line with our policy to maintain sufficient realisable reserves to cover the estimated cash impact of a pessimistic financial scenario.

Designated funds
The Institute may at its discretion set aside funds for specific purposes that would otherwise form part of the general reserves of the organisation. The Institute sets aside funds, supported by cash and investments, in respect of a variety of activities that are explained in more detail below. As such, they are not available for other purposes. Designated funds are listed out in note 11 to the accounts.

Restricted funds
The Institute may, from time to time, receive funds from external sources for specific purposes. These funds are not available for other purposes and are segregated in our accounts. Restricted funds are listed out in note 11 to the accounts.

(l) Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies described above, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates, judgements and assumptions are made based on a combination of past experience, professional expert advice and other evidence that is relevant to the particular circumstance. The following area is considered to involve the critical judgements and sources of estimation uncertainty when applying the group's accounting policies.

Pension liability
Estimates of the net pension liability depend on a number of complex judgements relating to the discount rate used, changes in retirement ages and mortality rates. The group engages a firm of actuaries to provide expert advice about the assumptions made and the effect on the pension liability of changes in these assumptions.

(m) Public benefit

The Institute's charitable objects include the promotion of the art and science of the management and development of people for the public benefit. Details on how the Institute delivers public benefit are included in the Trustees' Report.

2a Expenditure

	Direct costs £'000	Support costs £'000	Total 2022 £'000	Direct costs £'000	Support costs £'000	Total 2021 £'000
Raising funds						
Commercial activities	**5,352**	**3,843**	**9,195**	4,358	3,731	8,089
Investment management	**35**	–	**35**	50	–	50
Charitable activities						
Membership and education	**19,645**	**6,546**	**26,191**	16,922	5,825	22,747
Research	**4,558**	**1,420**	**5,978**	4,253	1,237	5,490
Branches	**1,469**	**452**	**1,921**	1,047	340	1,387
Total	**31,059**	**12,261**	**43,320**	26,630	11,133	37,763

Allocation of support costs

	General management £'000	IT £'000	Finance £'000	HR £'000	Premises £'000	Governance £'000	Total 2022 £'000
Raising funds							
Commercial activities	**156**	**1,981**	**468**	**755**	**450**	**33**	**3,843**
Charitable activities							
Membership and education	**1,076**	**3,203**	**665**	**857**	**707**	**38**	**6,546**
Research	**246**	**731**	**152**	**156**	**128**	**7**	**1,420**
Branches	**82**	**246**	**51**	**39**	**32**	**2**	**452**
Total 2022	**1,560**	**6,161**	**1,336**	**1,807**	**1,317**	**80**	**12,261**

	General management £'000	IT £'000	Finance £'000	HR £'000	Premises £'000	Governance £'000	Total 2021 £'000
Raising funds							
Commercial activities	109	1,991	453	640	522	16	3,731
Charitable activities							
Membership and education	766	2,871	654	727	789	18	5,825
Research	171	642	146	132	143	3	1,237
Branches	48	181	41	33	36	1	340
Total 2021	1,094	5,685	1,294	1,532	1,490	38	11,133

Basis of apportionment

General management, IT and finance	Apportioned across commercial activities based on estimate of actual use. Apportioned across charitable activities based on levels of unrestricted charitable expenditure.
HR, premises and governance	Apportioned across all direct costs, both commercial and charitable, on the basis of total headcount.

Total resources expended includes:	**2022 £'000**	2021 £'000
Auditor's remuneration:		
Audit fees	**51**	50
Other services	**29**	12
Operating lease rentals		
Plant and machinery	–	39
Other assets, including land and buildings	**180**	363
Depreciation	**626**	603

2b Subsidiary companies

(i) At the balance sheet date, the CIPD owned the entire ordinary share capital (where applicable) of the following subsidiary undertakings:

	CIPD Ireland[3]		CIPD Enterprises Ltd		CIPD Asia Ltd		CIPD Middle East FZ LLC[1]	
Country of registration	Ireland		England and Wales		Singapore		Dubai	
Immediate holding co.	CIPD		CIPD		CIPD		CIPD Enterprises Ltd	
Holding	Limited by guarantee		3,000,000 £1 shares		Limited by guarantee		14,800 AED 1,000 shares	
Activity	Promotion of membership and the management and development of people		Training, events, publishing and the development of people via organisational training and consultancy		Promotion of membership and the management and development of people		Promotion of membership and the management and development of people	
	2022	2021	2022	2021	2022	2021	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total assets	601	–	7,779	7,514	1,422	502	3,595	3,216
Total liabilities	135	–	4,498	4,233	1,842	994	1,047	1,352
	466	–	**3,281**	**3,281**	**(420)**	**(492)**	**2,547**	**1,864**
Represented by:								
Share capital	–	–	3,000	3,000	–	–	3,031	2,910
Reserves	466	–	281	281	(420)	(492)	(484)	(1,046)
Results for the year:								
Income[2]	1,329	–	7,731	6,007	994	948	2,047	2,242
Expenditure	1,226	–	6,320	5,501	898	940	1,482	1,308
Net profit/(loss)	**103**	–	**1,411**	**506**	**96**	**8**	**565**	**934**
Gift Aided to the CIPD	–	–	(1,411)	(506)	–	–	–	–
Retained in subsidiary	103	–	–	–	**96**	**8**	**565**	**934**

1 CIPD Middle East FZ LLC was incorporated on 13 August 2015 as a Free Zone Limited Liability company and operates in the UAE under a licence issued by the Government of Dubai, Dubai Creative Cluster Authority. The entity is licensed to provide services mainly related to HR consultancy.

2 Commercial income and expenditure in the Consolidated Statement of Financial Activities is derived from our UK trading arm, CIPD Enterprises Ltd, with the following adjustments: commercial income also includes inward sponsorship of CIPD events, which is recorded in the accounts of the Institute. Commercial expenditure includes a higher apportionment of support costs than included in CIPD Enterprises' standalone accounts.

3 CIPD Ireland was incorporated in Ireland on 17 February 2021 and started trading on 1 July 2021.

(ii) During the year, there were a number of transactions between group companies, relating to either (a) expenditure paid by the CIPD or CIPD Enterprises Ltd on behalf of another group company and recharged to them, or (b) internal operational costs incurred by the CIPD or CIPD Enterprises Ltd and apportioned to other group companies as appropriate. These transactions were as follows:

Total resources expended include:	**Transactions during the year**	**Balance outstanding at year end**
	£'000	**£'000**
Amounts due to the CIPD:		
from CIPD Middle East FZ LLC	(476)	(377)
from CIPD Asia Ltd	(796)	824
from CIPD Enterprises Ltd	(1,459)	(604)
from CIPD Ireland	322	144

2c Investment income

	2022 £'000	2021 £'000
Bank interest	**1**	1
Income from investment property	**37**	49
	38	50

2d Grants

No government grants were received in the year. In 2021 membership and education income included a £67,000 government grant relating to the Coronavirus Job Retention Scheme. The total grant, including amounts received in prior years, of £92,000 was subsequently paid back to the Government prior to that year end. The decision to make the ex gratia repayment was made as the organisation's finances were stronger at the end of that year than were anticipated at the point furlough applications were made. Trustees approved the repayment at their meeting on 15 July 2021.

3 Staffing (excluding trustees)

	2022 £'000	2021 £'000
Salaries	**17,787**	15,912
Social security costs	**1,563**	1,479
Pension costs	**1,488**	1,173
Benefits in kind	**295**	326
	21,133	18,890

The pension costs shown above include the service cost for the year for the CIPD Staff Retirement Scheme and the actual payments made into defined contribution schemes.

Excluding the chief executive (note 4 below), higher-paid employees were remunerated as follows

	2022 number	2021 number
£60,000–£69,999	**21**	17
£70,000–£79,999	**16**	14
£80,000–£89,999	**6**	5
£90,000–£99,999	**2**	4
£100,000–£109,999	**3**	5
£110,000–£119,999	**2**	2
£120,000–£129,999	**1**	1
£130,000–£139,999	**1**	1
£140,000–£149,999	**3***	2
£150,000–£159,999	**1**	0

* The bandings marked with an asterisk include redundancy payments for certain individuals and hence do not constitute the normal or ongoing compensation.

Of the higher-paid employees, nine (2021: nine) were members of the CIPD Staff Retirement Scheme. The Institute contributed £456,000 into the defined contribution schemes for 56 of the higher-paid employees (2021: £275,000 for 48 employees).

In 2022, the key management personnel of the charity comprised the trustees and Senior Leadership Team – the Chief Executive, the Director of Membership, the Director of Commercial and Marketing, the Director of Legal and Governance, the Director of Digital and Technology, the Director of Professional Development, and the Director of Research Policy and Content.

The total employee benefits of the Senior Leadership Team (excluding the chief executive) were £1,006,000 (2021: £947,000).

The average monthly number of employees during the year was 385 (2021: 370), representing a full-time equivalent of 363 (2021: 345).

The average monthly number of employees working in charitable activities, including support and management and administration, was 264 (2021: 292), and 121 (2021: 78) employees worked in activities for generating funds.

The cost of general agency support and consultants was £1,075,000 (2021: £1,750,000), mainly in relation to the delivery of strategic projects and IT activities.

Redundancy and termination payments totalled £144,000 (2021: £410,000).

4 Trustees' emoluments

	2022 £'000	2021 £'000
Chief executive (only paid trustee)		
Salary	**264**	264
Pension contributions	–	–
Benefits in kind	**7**	5
Emoluments	**271**	269

Details on how the chief executive's remuneration is determined are given in the Trustees' Report on page 51. The figures above represent the emoluments of the chief executive for that role, not as a trustee.

The other members of the board of trustees receive no remuneration for their services or for volunteering their time.

During the year, a total of £1,465 (2021: £140) was reimbursed to, or paid on behalf of, 3 (2021: 1) trustees.

5 Tangible fixed assets

Group	Assets under construction	Freehold land	Freehold property	Leasehold property	Office equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 July 2021	56	3,884	9,172	451	837	14,400
Additions	–	–	–	155	7	162
Transfers	(56)	–	–	–	–	(56)
Disposals	–	–	–	(303)	(27)	(330)
Foreign exchange	–	–	–	21	8	29
At 30 June 2022	–	**3,884**	**9,172**	**324**	**825**	**14,205**
Depreciation						
At 1 July 2021	–	–	5,983	167	631	6,781
Charges for the year	–	–	375	29	112	516
Disposals	–	–	–	(90)	(19)	(109)
Foreign exchange	–	–	–	12	8	20
At 30 June 2022	–	–	**6,358**	**118**	**732**	**7,208**
Net book value						
At 1 July 2021	56	3,884	3,189	284	206	7,619
At 30 June 2022	–	**3,884**	**2,814**	**206**	**93**	**6,997**

Institute	Assets under construction	Freehold land	Freehold property	Leasehold property	Office equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 July 2021	56	3,884	9,172	234	761	14,107
Additions	–	–	–	–	7	7
Transfers	(56)	–	–	–	–	(56)
Disposals	–	–	–	(234)	(27)	(261)
At 30 June 2022	–	**3,884**	**9,172**	–	**741**	**13,797**
Depreciation						
At 1 July 2021	–	–	5,983	90	572	6,645
Charges for the year	–	–	375	–	103	478
Disposals	–	–	–	(90)	(18)	(108)
At 30 June 2022	–	–	**6,358**	–	**657**	**7,015**
Net book value						
At 1 July 2021	56	3,884	3,189	144	189	7,462
At 30 June 2022	–	**3,884**	**2,814**	–	**84**	**6,782**

The freehold land and property relate to the CIPD offices at 151 The Broadway, Wimbledon.

The trustees believe that the value of this property is higher than its net book value. The leasehold properties relate to our offices in Ireland, Singapore and Dubai.

There is a charge granted over the freehold property at 151 The Broadway in favour of the CIPD Staff Retirement Scheme.

6 Intangible fixed assets

Group	Assets under construction	IT software	Content development	Website development	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 July 2021	1,992	2,971	–	5,353	10,316
Additions	–	–	349	–	349
Transfers	(831)	708	–	179	56
Disposals	–	–	–	–	–
At 30 June 2022	**1,161**	**3,679**	**349**	**5,532**	**10,721**
Depreciation					
At 1 July 2021	–	2,971	–	5,346	8,317
Charges for the year	–	42	30	38	110
Disposals	–	–	–	–	–
At 30 June 2022	–	**3,013**	**30**	**5,384**	**8,427**
Net book value					
At 1 July 2021	1,992	–	–	7	1,999
At 30 June 2022	**1,161**	**666**	**319**	**148**	**2,294**

Institute	Assets under construction	IT software	Content development	Website development	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 July 2021	1,992	2,971	–	5,353	10,316
Additions	–	–	349	–	349
Transfers	(831)	708	–	179	56
Disposals	–	–	–	–	–
At 30 June 2022	**1,161**	**3,679**	**349**	**5,532**	**10,721**
Depreciation					
At 1 July 2021	–	2,971	–	5,346	8,317
Charges for the year	–	42	30	38	110
Disposals	–	–	–	–	–
At 30 June 2022	–	**3,013**	**30**	**5,384**	**8,427**
Net book value					
At 1 July 2021	1,992	–	–	7	1,999
At 30 June 2022	**1,161**	**666**	**319**	**148**	**2,294**

Intangible assets relate to IT software in respect of our membership and finance systems and costs of product development and developing our website.

7 Investments

	Group		Institute	
	2022	2021	**2022**	2021
	£'000	£'000	**£'000**	£'000
Investments at market value				
Managed funds:				
Unit trusts: direct holdings in listed UK equities and bonds	–	5,869	–	5,869
Overseas unit trusts: direct holdings in listed UK equities and bonds	**2,356**	198	**2,356**	198
Overseas unit trusts: direct holdings in listed overseas equities and bonds	**22,366**	16,655	**22,366**	16,655
Bank deposits	**1,729**	4,348	**1,729**	4,307
Property unit trust	**66**	1,373	**66**	1,373
Investments in subsidiaries (Note 2b)	–	–	**3,000**	3,000
Total market value at 30 June 2022	**26,517**	28,443	**29,517**	31,402
Total cost at 30 June 2022	**26,425**	20,430	**29,425**	23,389

The board arranges for investments or other property to be held in the name of a nominee and has the power to delegate the management of investments to an authorised person within the meaning of the Financial Services Act 1986.

A working group appointed by the board meets quarterly with an investment adviser to review performance and makes recommendations to the board as to investment managers, asset allocation and the outcome of performance reviews.

The Institute follows a strategy that exercises control over asset allocations and uses specialist fund managers for each class of asset. The asset allocation is tracked by the investment adviser on behalf of the Institute, with rebalancing decisions taken quarterly.

	Group		Institute	
	2022	2021	**2022**	2021
Managed funds	**£'000**	£'000	**£'000**	£'000
Market value at 1 July 2021	**28,443**	25,713	**31,402**	27,321
Money withdrawn	**(24,379)**	(3,931)	**(24,379)**	(3,931)
Money invested	**25,825**	2,300	**25,825**	2,300
Movement in cash deposits	**(2,619)**	384	**(2,578)**	1,735
Reinvested income (net of fees)	**2**	67	**2**	67
Net gains/(losses)	**(755)**	3,910	**(755)**	3,910
Market value at 30 June 2022	**26,517**	28,443	**29,517**	**31,402**

8 Debtors

	Group		Institute	
	2022	2021	**2022**	2021
	£'000	£'000	**£'000**	£'000
Trade debtors	**3,463**	1,589	**1,265**	676
Amounts due from subsidiaries	**–**	–	**1,437**	2,911
Other debtors	**738**	1,567	**1,278**	1,218
Prepayments and accrued income	**2,386**	2,091	**1,348**	996
	6,587	5,247	**5,328**	5,801

Included within the Institute's debtors are amounts owed from CIPD Enterprises Ltd of £1,411,000 (2021: £506,000) relating to Gift Aid payable for the period.

9 Cash in bank and in hand

	Group		Institute	
	2022	2021	**2022**	2021
	£'000	£'000	**£'000**	£'000
Bank current accounts and cash in hand	**7,126**	7,663	**2,807**	2,963
	7,126	7,663	**2,807**	2,963

10 Creditors: amounts falling due within one year

	Group		Institute	
	2022	2021	**2022**	2021
	£'000	£'000	**£'000**	£'000
Trade creditors	**2,003**	1,811	**1,121**	890
Amounts received in advance	**6,791**	6,299	**6,467**	6,254
Taxation and social security costs	**520**	1,306	**516**	598
Other creditors	**326**	374	**194**	179
Accruals	**2,190**	1,846	**1,492**	1,262
Deferred income	**860**	163	**–**	–
	12,690	11,799	**9,790**	9,183

Amounts received in advance at 30 June 2022 will all be released in the year to 30 June 2023 and mainly relate to member and organisation subscriptions.

Deferred income represents bookings for future commercial events and payments for consultancy work. The movement on deferred income was as follows:

	Group	
	2022	2021
	£'000	£'000
Deferred income at start of year	**163**	488
Amounts released during the year	**(163)**	(488)
Amounts deferred during the year	**860**	163
Deferred income at end of year	**860**	163

11 Funds

Group	Balance at 1 July 2021	Income	Expenditure	Transfers between funds	Gains and (losses)	Balance at 30 June 2022
	£'000	£'000	£'000	£'000	£'000	£'000
General fund	26,372	42,232	(39,735)	(1,225)	(341)	**27,303**
Pension reserve	(12,940)	–	(239)	1,225	6,804	**(5,150)**
Net general funds	13,432	42,232	(39,974)	–	6,463	**22,153**
Designated funds						
Building fund	1,250	–	(217)	–	–	**1,033**
Trust fund	500	–	(92)	–	–	**408**
Strategic initiatives fund	10,929	–	(2,900)	–	–	**8,029**
Total designated funds	12,679	–	(3,209)	–	–	**9,470**
Total unrestricted funds	**26,111**	**42,232**	**(43,183)**	–	**6,463**	**31,623**
Restricted funds						
JP Morgan Chase	16	–	(15)	–	–	**1**
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	58	109	(122)	–	–	**45**
Innovate UK	(1)	–	–	–	–	**(1)**
Youth Future	–	10	–	–	–	**10**
Total restricted funds	76	119	(137)	–	–	**58**
Total funds	**26,187**	**42,351**	**(43,320)**	–	**6,463**	**31,681**

Institute	Balance at 1 July 2021	Income	Expenditure	Transfers between funds	Gains and (losses)	Balance at 30 June 2022
	£'000	£'000	£'000	£'000	£'000	£'000
General fund	27,654	31,401	(29,667)	(1,225)	(753)	**27,410**
Pension reserve	(12,940)	–	(239)	1,225	6,804	**(5,150)**
Net general funds	**14,714**	**31,401**	**(29,906)**	–	**6,051**	**22,260**
Designated funds						
Building fund	1,250	–	(217)	–	–	**1,033**
Trust fund	500	–	(92)	–	–	**408**
Strategic initiatives fund	10,929	–	(2,900)	–	–	**8,029**
Total designated funds	12,679	–	(3,209)	–	–	**9,470**
Total unrestricted funds	**27,393**	**31,401**	**(33,115)**	–	**6,051**	**31,730**
Restricted funds						
JP Morgan Chase	16	–	(15)	–	–	**1**
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	58	109	(122)	–	–	**45**
Innovate UK	(1)	–	–	–	–	**(1)**
Youth Future	–	10	–	–	–	**10**
Total restricted funds	76	119	(137)	–	–	**58**
Total funds	**27,469**	**31,520**	**(33,252)**	**–**	**6,051**	**31,788**

Designated fund descriptions:

The building fund provides for maintenance of CIPD properties and for potential property projects. The trust fund has been established to promote access to the profession. The strategic initiatives fund is to provide for special initiatives identified by the board – which include growing membership, meeting the needs of leading members of the HR profession, growing the CIPD's offering internationally, and engaging more directly with employers.

The outstanding balance on the building fund is expected to be used over the next 10 to 20 years, though this is dependent on the nature and timing of any potential property projects. The outstanding balance on the trust fund and the strategic initiatives fund is expected to be used over the next five years.

Restricted fund descriptions:

JP Morgan Chase	To provide free employment and people management advice to small businesses
Timewise Mentor	To promote flexible working hours within the workplace
Careers & Enterprise Company	Funding for the recruitment of suitable people professionals (members and non-members) to volunteer on the Careers & Enterprise Company Enterprise Adviser programme
Flexible Support Fund Partnership	Department for Work and Pensions funding to test extending Steps Ahead to support jobseekers of over 50 years old with short-term one-to-one mentoring with the aim of improving their employability skills to help them find work
Innovate UK	Human resources advice and guidance is given to SMEs in the Midlands

At 30 June 2022 cumulative unrealised gains on investment assets of £92,000 (2021: £8,013,000) were included in the general fund.

During the year £1,225,000 was transferred from the general fund to the pension reserve (2021: £700,000).

Analysis of fund balances held on 30 June 2022

	General £'000	Pension £'000	Designated £'000	Restricted £'000	Total £'000
Tangible fixed assets	6,997	–	–	–	**6,997**
Intangible fixed assets	2,294	–	–	–	**2,294**
Investments	17,047	–	9,470	–	**26,517**
Current assets	13,655	–	–	58	**13,713**
Current liabilities	(12,690)	–	–	–	**(12,690)**
Long-term liabilities	–	(5,150)	–	–	**(5,150)**
Provisions	–	–	–	–	–
Fund balances on 30 June	**27,303**	**(5,150)**	**9,470**	**58**	**31,681**

12 Pension commitments

The Institute operated two separate occupational pension schemes during the year – the CIPD Group Personal Pension Plan and the CIPD Staff Retirement Scheme.

(a) CIPD Staff Retirement Scheme

The CIPD Staff Retirement Scheme is a defined benefit scheme which was closed to new entrants on 1 January 2010 and closed to accruals of new benefits from 30 September 2012.

The assets of the scheme are held separately from those of the Institute to meet long-term pension liabilities to past and present employees. The trustees of the scheme are required to act in the best interest of the scheme's beneficiaries and are appointed in accordance with the scheme's trust deed. Currently one-third of the trustees are member-nominated. During the year, Barnett Waddingham LLP acted as administrators and actuaries to the scheme. SEI Investments (Europe) Limited acted as investment advisers to the trustees during the year; they are also responsible for the management of the scheme's invested assets.

The most recent full actuarial valuation of the scheme was carried out as at 1 October 2020 and revealed an actuarial deficit of approximately £15.4 million.

In accordance with the schedule of contributions agreed between the trustees and the Institute as part of the 1 October 2020 valuation, the Institute contributed £1,225,000 to the scheme over the year to 30 June 2022 (2021: £700,000) in order to address the past service deficit. Further contributions of £1,000,000 per annum are due to be paid in quarterly instalments of £250,000 until 30 September 2024. This will be followed by contributions of £1,100,000 per annum paid in quarterly instalments of £275,000 from 1 October 2024 to 30 September 2032.

Additionally, the CIPD has an agreement with the trustees under which the scheme is granted a charge over the freehold property at 151 The Broadway to act as a contingent asset for the scheme.

Benefits accrued after 1 October 2006 were on a career average revalued earnings basis and will have limited price indexation of pensions in payment restricted to 2.5%. Prior to 1 October 2006 benefits were accrued on a final salary basis and active members paid contributions to the scheme. On this date the Institute implemented a salary sacrifice scheme and since then has paid all of the contributions – originally at a rate of 19.1% of pensionable salaries and from 1 October 2009 until 30 September 2012 at a rate of 17.6%. Of this, 6% represented the contributions that active members would have made were the salary sacrifice scheme not in place. Contributions in respect of benefit accrual ceased from 30 September 2012.

	2022 £'000	2021 £'000
The amounts recognised in the balance sheet were:		
Present value of funded liabilities	**46,108**	64,983
Fair value of scheme assets	**(40,958)**	(52,043)
Net pension liability at 30 June	**5,150**	12,940
The amounts disclosed in the balance sheet were:		
Liabilities	**5,150**	12,940
Assets	**–**	–
Net pension liability at 30 June	**5,150**	12,940
The amounts recognised in the statement of financial activities were:		
Interest on liabilities	**1,224**	1,076
Interest on assets	**(985)**	(808)
Past service cost	**–**	3
Total	**239**	271
Changes in the amounts recognised within other recognised gains and losses were:		
Actuarial (gain)/loss	**(6,804)**	(3,695)
Changes in the present value of the defined benefit liability were:		
Opening defined benefit liability	**64,983**	67,767
Past service cost	**–**	3
Interest cost	**1,224**	1,076
Actuarial (gain)/loss due to changes in assumptions	**(19,173)**	(2,564)
Actuarial (gain)/loss due to experience	**195**	(222)
Benefits paid	**(1,121)**	(1,077)
Closing defined benefit liability at 30 June	**46,108**	64,983
Changes in the fair value of the scheme assets were:		
Opening fair value of scheme assets	**52,043**	50,703
Interest on assets	**985**	808
Actuarial gain/(loss)	**(12,174)**	909
Employer contributions	**1,225**	700
Benefits paid	**(1,121)**	(1,077)
Administration costs	**–**	–
Closing fair value of scheme assets at 30 June	**40,958**	52,043

All the scheme's assets are invested in funds managed by SEI Investments (Europe) Limited. These are grouped into two pools – the Risk Management Pool and the Return Enhancement Pool. Each fund has a mandate to invest actively in such a way as is expected to outperform relevant benchmark indices.

The fair value of the scheme assets as a percentage of the total scheme assets was:

	30 June 2022	30 June 2021
Equities	**22%**	38%
Bonds	**48%**	45%
Alternatives	**19%**	5%
Annuities	**2%**	3%
Property	**7%**	4%
Cash	**2%**	5%

The returns on the scheme's assets over the years to 30 June 2021 and 30 June 2022 were £1,717,000 and £(11,189,000) respectively.

The principal actuarial assumptions used by the actuary were:

	at 30 June 2022	**at 30 June 2021**
Rate of increase for pensions in payment	**2.90%**	2.90%
Discount rate for scheme liabilities	**3.70%**	1.90%
Rate of inflation (RPI)	**3.00%**	3.10%
Mortality table	**103% of S3PMA table for males and 98% of S3PFA table for females with CMI_20201 projections**	103% of S2NMA table for males and 98% of S2NFA table for females with CMI_2020 projections
2020 weight parameter	**15%**	25%
2021 weight parameter	**15%**	n/a
Initial rate addition	**0.00%**	0.00%
Period smoothing parameter	**7.0**	7.0
Long-term rate of mortality improvement	**1.25%**	1.25%
Life expectancy at age 65 (of male aged 65)	**21.2**	21.3
Life expectancy at age 65 (of male aged 45)	**22.4**	22.5
Allowance for cash commutation	**15% of pension taken as tax-free cash**	15% of pension taken as tax-free cash
Allowance for the cost of GMP equalisation	**Increase liabilities by 0.2%**	Increase liabilities by 0.2%

The sensitivities regarding the principal assumptions used to measure the scheme liabilities were:

Assumption	*Change in assumptions*	*Impact on scheme liabilities*
Discount rate	Increase/decrease by 0.5%	Decrease/increase by 9%
Rate of inflation	Increase/decrease by 0.5%	Increase/decrease by 5%
Life expectancy	Increase/decrease by one year	Increase/decrease by 3%

(b) The CIPD Group Personal Pension Plan is a defined contribution scheme which is open to all CIPD employees in the UK. The Institute more than matches the amount of employee salary sacrificed into the scheme up to a total combined contribution of 20% of salary. The scheme qualifies for the NAPF pension quality mark, with the 20% total contribution option qualifying for the PQM Plus standard – the highest available industry award for defined contribution schemes.

The pension cost charge for the year for this scheme was £1,210,000 (2021: £1,146,000).

(c) In addition to the above schemes, Personal Retirement Savings Accounts exist for staff working for the CIPD in Ireland.

The pension cost charge for the year for this scheme was £27,000 (2021: £26,000).

The pension costs charged in the Statement of Financial Activities for the defined contribution schemes represent contributions payable into the schemes in relation to the accounting period.

13 Provisions for liabilities and charges

	Group		Institute	
	2022 £'000	2021 £'000	**2022 £'000**	2021 £'000
Provisions	–	45	–	35

The provisions are made in respect of dilapidations which represent the estimated costs of payments required to make good leased property under the termination of the lease.

14 Obligations under operating leases

Group	**2022 £'000**	2021 £'000
The future minimum operating lease payments for land and buildings are as follows:		
Within one year	**133**	179
Between two and five years	**673**	177
Over five years	–	–
	806	356
In respect of other operating leases with commitments expiring:		
Within one year	–	25
Between two and five years	–	6
	–	31

Institute	**2022 £'000**	2021 £'000
The future minimum operating lease payments for land and buildings are as follows:		
Within one year	–	76
Between two and five years	–	76
Over five years	–	–
	–	152
In respect of other operating leases with commitments expiring:		
Within one year	–	24
Between two and five years	–	5
	–	29

15 Related parties

In accordance with our Charter and Bye-Laws, board members are not able to profit from their position on the board.

There were no related party transactions in the year.

Bob Morton, a director of CIPD Enterprises Ltd until 30 June 2021, provided consultancy services to the group through ODHRM Consultants Ltd. During 2021, ODHRM Consultants Ltd invoiced the group £3,500, of which £nil was outstanding at the end of that year.

16 Indemnity insurance

Funds are provided to protect the charity from loss arising from the neglects or defaults of its trustees, employees and agents. The cost of indemnity insurance in the year was £13,000 (2021: £13,000).

17 Capital commitments

At the year end, the CIPD was committed to digital capital projects totalling £117,000 (2021: £42,000).

18 Incorporation

The Institute is incorporated by Royal Charter and therefore has no company registration number.

The Institute is a charity registered in England and Wales, Scotland and Ireland.

Its charity registration numbers are 1079797, SC045154 and 20100827 respectively.

19 Prior year funds

Group	Balance at 1 July 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and (losses) £'000	Balance at 30 June 2021 £'000
General fund	19,743	38,458	(36,207)	(208)	4,586	**26,372**
Pension reserve	(17,064)	–	(271)	700	3,695	**(12,940)**
Net general funds	**2,679**	**38,458**	**(36,478)**	**492**	**8,281**	**13,432**
Designated funds						
Building fund	250	–	–	1,000	–	**1,250**
Trust fund	–	–	–	500	–	**500**
Strategic initiatives fund	14,017	–	(1,096)	(1,992)	–	**10,929**
Total designated funds	14,267	–	(1,096)	(492)	–	**12,679**
Total unrestricted funds	**16,946**	**38,458**	**(37,574)**	–	**8,281**	**26,111**
Restricted funds						
JP Morgan Chase	–	16	–	–	–	**16**
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	56	118	(116)	–	–	**58**
Flexible Support Fund Partnership	16	–	(16)	–	–	–
Innovate UK	60	(39)	(22)	–	–	**(1)**
Parent Returner Programme	35	–	(35)	–	–	–
Total restricted funds	170	95	(189)	–	–	**76**
Total funds	**17,116**	**38,553**	**(37,763)**	–	**8,281**	**26,187**

Institute	Balance at 1 July 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and (losses) £'000	Balance at 30 June 2021 £'000
General fund	21,727	29,710	(28,281)	(208)	4,706	**27,654**
Pension reserve	(17,064)	–	(271)	700	3,695	**(12,940)**
Net general funds	**4,663**	**29,710**	**(28,552)**	**492**	**8,401**	**14,714**
Designated funds						
Building fund	250	–	–	1,000	–	**1,250**
Trust fund	–	–	–	500	–	**500**
Strategic initiatives fund	14,017	–	(1,096)	(1,992)	–	**10,929**
Total designated funds	14,267	–	(1,096)	(492)	–	**12,679**
Total unrestricted funds	**18,930**	**29,710**	**(29,648)**	–	**8,401**	**27,393**
Restricted funds						
JP Morgan Chase	–	16	–	–	–	**16**
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	56	118	(116)	–	–	**58**
Flexible Support Fund Partnership	16	–	(16)	–	–	–
Innovate UK	60	(39)	(22)	–	–	**(1)**
Parent Returner Program	35	–	(35)	–	–	–
Total restricted funds	**170**	**95**	**(189)**	–	–	**76**
Total funds	**19,100**	**29,805**	**29,837**	–	**8,401**	**27,469**

Analysis of fund balances held on 30 June 2021

	General £'000	Pension £'000	Designated £'000	Restricted £'000	Total £'000
Tangible fixed assets	7,619	–	–	–	**7,619**
Intangible fixed assets	1,999	–	–	–	**1,999**
Investments	15,764	–	12,679	–	**28,443**
Current assets	12,834	–	–	76	**12,910**
Current liabilities	(11,799)	–	–	–	**(11,799)**
Long-term liabilities	–	(12,940)	–	–	**(12,940)**
Provisions	(45)	–	–	–	**(45)**
Fund balances on 30 June	**26,372**	**(12,940)**	**12,679**	**76**	**26,187**

20 Consolidated statement of financial activities for the year ended 30 June 2021

	Note	General fund £'000	Designated fund £'000	Restricted fund £'000	Total 2021 £'000	Total 2020 £'000
Income from:						
Charitable activities						
To advance the management and development of people through:						
Membership and education		**29,050**	–	–	**29,050**	29,440
Research		**17**	–	**95**	**112**	313
Branches		**88**	–	–	**88**	227
Other trading activities						
Commercial income		**9,253**	–	–	**9,253**	10,510
Investments		**50**	–	–	**50**	169
Total income		**38,458**	–	**95**	**38,553**	40,659
Expenditure on:						
Raising funds						
Commercial expenditure		**(8,089)**	–	–	**(8,089)**	(9,632)
Investment management costs		**(50)**	–	–	**(50)**	(50)
Charitable activities						
Membership and education		**(22,096)**	**(651)**	–	**(22,747)**	(23,232)
Research		**(4,876)**	**(425)**	**(189)**	**(5,490)**	(5,621)
Branches		**(1,367)**	**(20)**	–	**(1,387)**	(2,081)
Total expenditure		**(36,478)**	**(1,096)**	**(189)**	**(37,763)**	(40,616)
Net income/(expenditure) before gains and losses on investments		**1,980**	**(1,096)**	**(94)**	**790**	43
Net gains/(losses) on investments		**3,910**	–	–	**3,910**	131
Net income/(expenditure)		**5,890**	**(1,096)**	**(94)**	**4,700**	174
Transfers between funds		**492**	**(492)**	–	–	–
Net incoming/(outgoing) resources before other recognised gains and losses		**6,382**	**(1,588)**	**(94)**	**4,700**	174
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension scheme		**3,695**	–	–	**3,695**	(5,790)
Gains/(losses) on revaluation of overseas subsidiaries		**676**	–	–	**676**	36
Net movement in funds		**10,753**	**(1,588)**	**(94)**	**9,071**	(5,580)
Reconciliation of funds						
Net fund balances brought forward		**2,679**	**14,267**	**170**	**17,116**	22,696
Net fund balances carried forward		**13,432**	**12,679**	**76**	**26,187**	17,116

The statement of financial activities includes all recognised gains and losses for the year.

Contents

At the CIPD, we champion better work and working lives. We help organisations to thrive by focusing on their people, supporting economies and society for the future. We're the professional body for HR, L&D, OD and all people professionals, changing the world of work. With almost 160,000 members globally, and a growing community using our research, insights and learning, we give trusted advice and offer independent thought leadership. We lead debate as the voice for everyone wanting a better world of work.

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THE CHARTERED INSTITUTE OF PERSONNEL AND DEVELOPMENT

England & Wales - Charity number 1079797

Accounts

CIPD
Championing better work and working lives

Annual Report and Accounts

Year ended 30 June 2021

STRONGER *together*

Deep connections, a clear voice, a compelling call

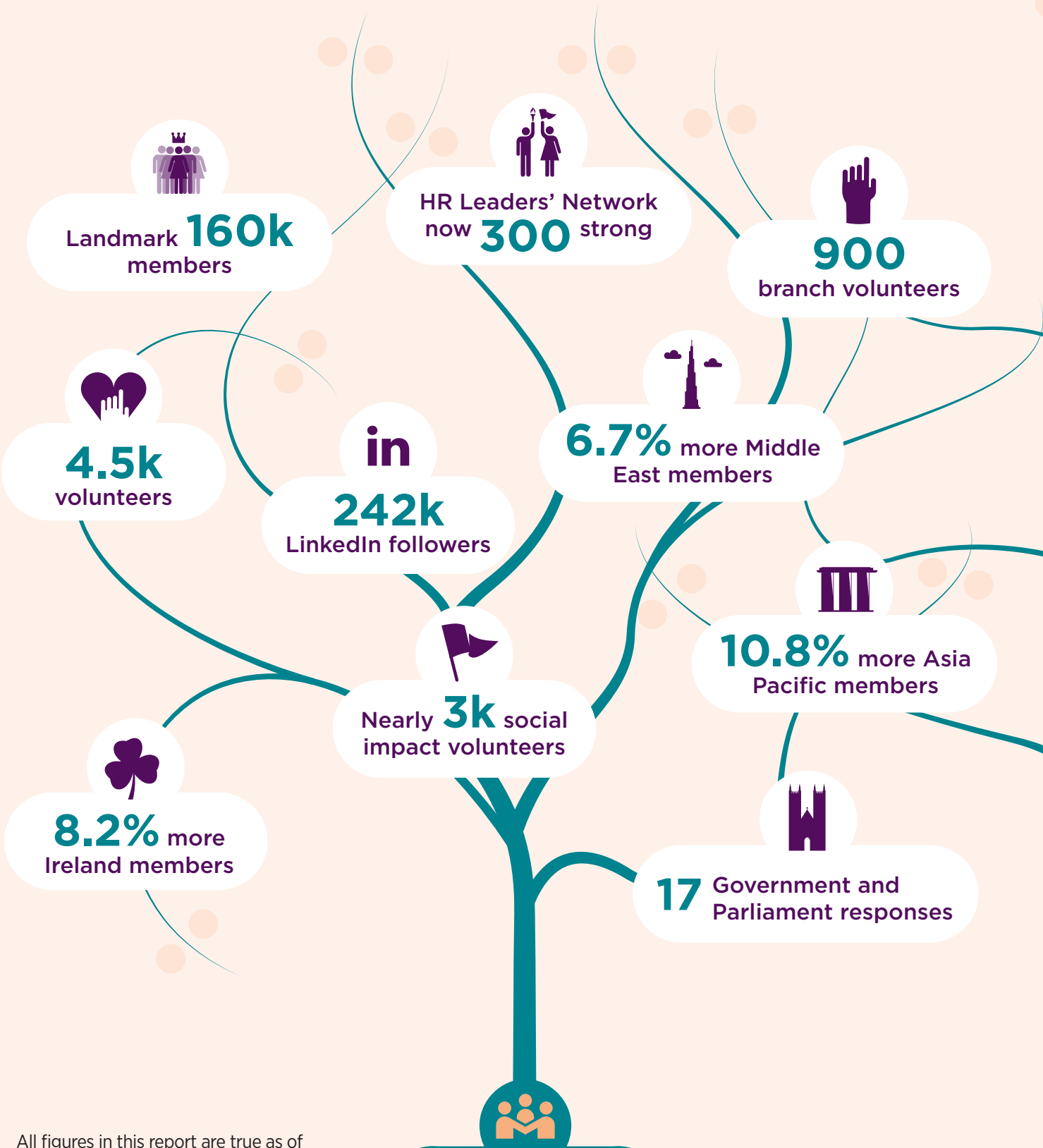






Highlights of our year 2020–21

Deep connections, a clear voice, a compelling call



All figures in this report are true as of 30 June 2021, unless otherwise stated.

Championing better work

Nearly **2m** visits to our coronavirus hub

8.3m unique website visitors

3.2k media appearances

2.6k conference participants

60+ reports and guides

Profession Map consultation with new aligned qualifications

215 employer partnerships

Nearly **19k** visits to our anti-racism hub

18 resources for successful hybrid and remote working

31% greater awareness of member benefits

Making the case for better work

Improving how we work

and working lives

Contents

Trustees' report 6



Foreword 6

Reaching wider 7
Building the profession 8
Standing our ground 9



About us 10

Our purpose, Our mission, Our strategy 11
Our people and partners 12
Where we work 13
Delivering our strategy 14



Staying connected throughout the pandemic 16

2020 18
2021 19



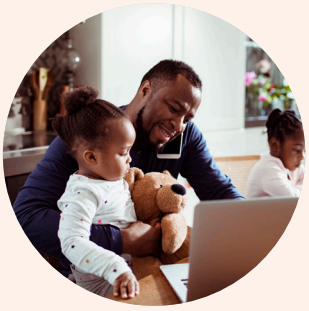
Growing a strong community 20

Broadening our community 22
Boosting learning, embedding standards 25
Being there for our community 27
Upholding professional conduct 29



Making the case for better work 30

Leading the call for good work 32
Campaigning for inclusion and diversity 34
Making a difference 35
Delivering through partnership 36
Delivering through dialogue 37
Keeping the spotlight on our business-critical role 37



Improving how we work 38

Growing our community of champions 40
Committing to our social impact 40
Transforming our digital infrastructure 41
Changing how we work 42
Planning for sustainability 43
Investing in our people 44
Managing our finances 52



Governing our work, managing our risks 56

Our structure and governance 57
How we manage risk 65



Independent auditor's report 70



Financial statements 74

Contents



Foreword

Reaching wider 7

Building the profession 8

Standing our ground 9

Foreword

Reflections from our president, board chair and chief executive

The uncertainties we all faced at the start of the pandemic are unforgettable. Our profession played a central and crucial role in helping organisations, employers and working people through the most intense challenges and difficulties. We were proud to serve our community, providing information and guidance to people professionals who have worked so hard to support others.

We've all learned during this extraordinary time – from listening to our members, consulting with other experts and collaborating with partners. And this year we've continued to innovate and reinforce our work, in line with our purpose and in service of our growing community.

Reaching wider

We laid the groundwork early in the pandemic, developing rapid-response learning and guidance for people professionals and employers. We saw a huge surge in demand for guidance and support and are proud of how we responded to employers and our members at a time of great challenge and need. Last year we had rapidly repositioned all our conferences and events to deliver virtually, beginning with our Festival of Work in June, which we offered at no cost to our members. This year our Annual Conference and Exhibition, AGM and Festival of Work attracted many more delegates and exhibition visitors. Our staff and volunteers continued to create and deliver relevant, practical resources, events and programmes online. Our branches and regions worked hard to engage, support and connect our communities, across the UK, Ireland, the Middle East and Asia Pacific. At the same time, we had to support all our people and adapt to working from home, while making progress with the digital transformation needed across the CIPD to broaden our reach, improve our accessibility and equip us for the long term.

'We can now move forward to hybrid events – face-to-face and online – to reach more of our community.'

Building the profession

'Our business-to-business reach has grown – more organisations want enhanced development for their people professionals and a stronger relationship with the CIPD.'

Despite the challenges of the year, our membership continued to grow, and we've worked hard to equip our community as expert advocates for better work and working lives. Our Profession Map is at the heart of this work, and this year we've consulted widely to strengthen its relevance, practical value and position as the international benchmark for our profession. Flexible working, wellbeing, inclusion and diversity, backed by evidence-based practice and technology, are now in sharper focus throughout the Profession Map.

During the year we launched our new qualifications framework. It provides the foundation for our profession, from entry level to Chartered Membership. We worked closely with academics, employers, practitioners and training providers to ensure relevance and build alignment with our Profession Map. Consolidated and clarified, our new qualifications framework aligns more closely than ever with our membership grades, provides a clear understanding of progression through the different levels and specialisms, and is closely underpinned by the Profession Map itself.

The pandemic has forged a collective understanding of the role and importance of the people profession. HR teams are investing more in their skills as demand for their support and expertise grows. Organisations want greater confidence in the capability, credibility and impact of the profession. By partnering with employers, we're reaching many more people professionals. We're working directly with organisations at the highest levels, with leaders of the profession, and with whole teams, equipping them as experts in people, work and change. And we're responding to the urgent need to build the capability of people managers as they lead their teams and organisations through the post-pandemic opportunities for better work, greater inclusion, diversity and flexibility, however and wherever people work.





Standing our ground

This year we've all worked in different ways and seen more of other people's working lives. And not just those we've shared screens with, but the key roles we've depended upon during the pandemic. We all have a deeper insight into what good work is – and isn't. Our position on hybrid working, the changing role of the line manager, health and wellbeing at work, and flexibility have resonated with the questions people professionals have worked so hard to resolve this year. We've delivered on our purpose, won many converts, shared resources and influenced policy. And we're committed to helping our community build on this, learn from the many challenges of the last year and continue to show that our profession is critical to the long-term sustainability and success of businesses of all sizes and in all sectors.

'This year we've all worked in different ways and seen more of other people's working lives.'

We end this year positioned more distinctly than ever around our purpose. And we do so thanks to the commitment and dedication of our people, our members, our volunteers and our partners. With deeper connections across our community, our teams and our work, we look ahead with a stronger voice and a clearer call for better work and working lives.



Professor Sir Cary Cooper,
President



Valerie Hughes-D'Aeth,
Chair of the Board



Peter Cheese,
Chief Executive

About us

Our purpose, Our mission, Our strategy 11

Our people and partners 12

Where we work 13

Delivering our strategy 14



About us

We're the CIPD – the partner, voice and benchmark for the people profession



Our purpose

We exist to champion better work and working lives. We believe people should have work that benefits them, their organisations and society, and our Royal Charter demands we do so. To make that a reality, we need champions for better work and working lives: the people profession. And they need a partner and a voice: the CIPD.

Our mission

We're building the world's most influential community of experts on people, work and change – united by a common goal to make work better, led by the highest standards of professionalism and enabled by a professional body that provides world-class learning and support.

Our strategy

And we're doing it by:

- **growing a strong community** of experts in people, work and change
- **making the case for better work** and raising the profile of the people profession as its champions
- **improving how we work** as a sustainable, future-fit organisation.

Our people and partners

Staying connected

This year, as countries have continued to implement lockdowns and so many of us have worked from home, we've forged stronger connections than ever to fulfil our purpose and deliver our strategy.



386 employees across our global regions empower our community, influence policy-makers and share our research and expertise.



143 paid associates support membership assessment and deliver some of our learning programmes.



We also collaborate with others to extend our reach and impact. Study centres and universities work with us to grow and promote our profession. Partners and experts help us deliver our products and services.



And this year we're especially grateful for the commitment of nearly 4,500 volunteers. These dedicated members give their time and expertise to support our branch network, our Code of Professional Conduct and our social impact and innovation programmes. Eleven trustees currently volunteer their time and expertise to serve on our board.

Where we work

Extending our reach

Total worldwide membership

160,134



Ireland

6,493 members

1,167 students
6 employees
5 paid associates

Rest of world

4,200 members

644 students

United Kingdom

142,124 members

28,256 students
365 employees
98 paid associates

Middle East

5,041 members

3,022 students
9 employees
25 paid associates

Asia Pacific

2,276 members

455 students
6 employees
15 paid associates

Delivering our strategy

Maintaining a strong community through the year's challenges

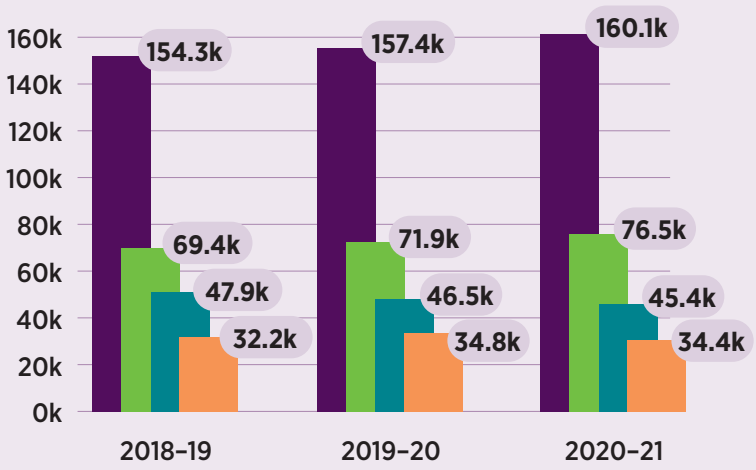
Total membership

Chartered Members, Fellows and Companions

Associate Members

Student Members

Membership

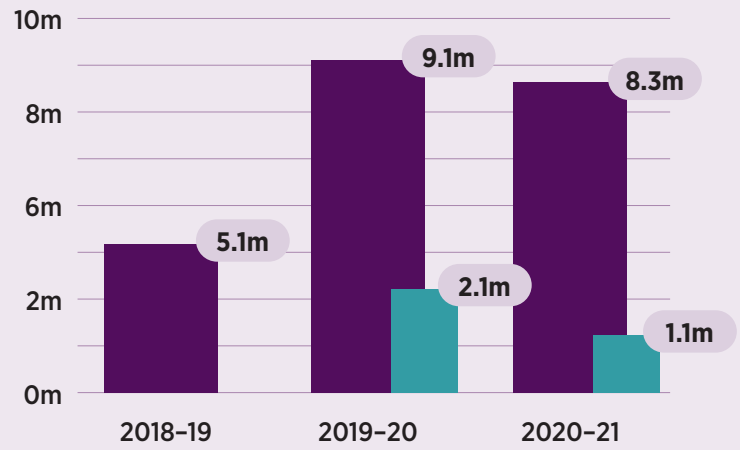


Affiliate and Academic membership figures are less than 5K, year on year.

Web visitors

Web visitors

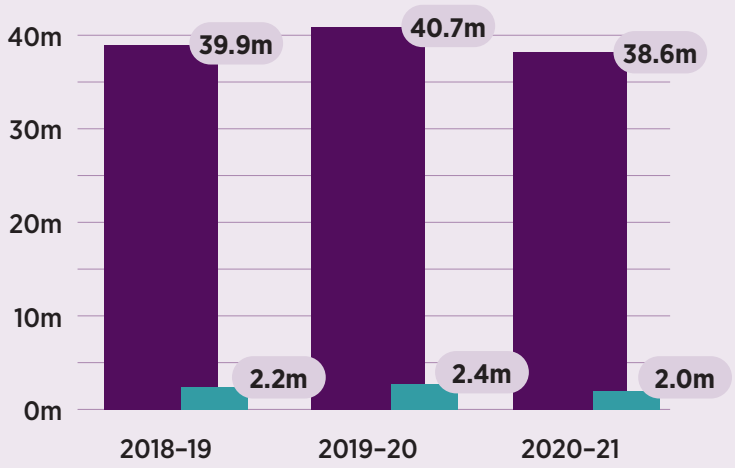
Coronavirus hub



Revenue (£)

Total revenue

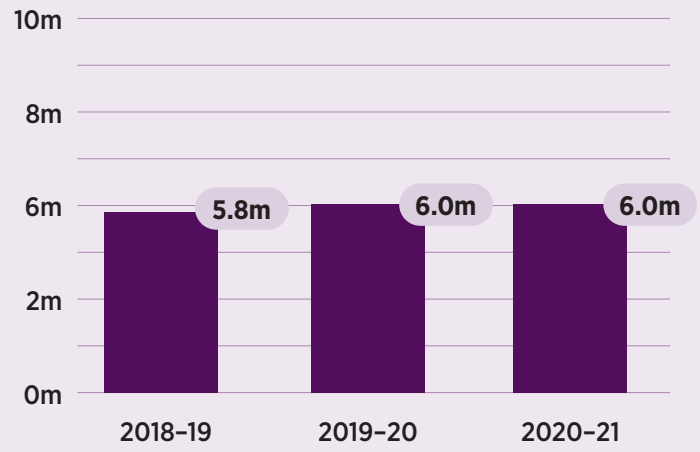
Surplus



*For more in-depth information on our revenue, click through to **Managing our Finances** and our **Financial statements**.*

Corporate sales

Sales



Contents



Staying connected throughout the pandemic

2020	18
2021	19

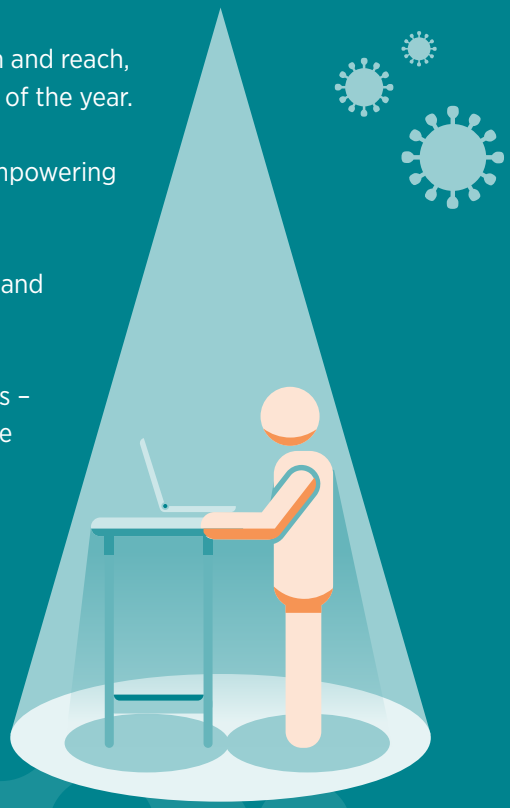
Staying connected throughout the pandemic

Growing a strong community, making the case for better work and improving how we work

The pandemic has put our purpose to the test. We've all experienced a paradigm shift in our experience of work and our assumptions about where, when and how it happens. This year has put good work in the spotlight:

- We grew our community of people professionals in size, strength and reach, equipping them to champion better work despite the challenges of the year.
- We raised the profile of the profession, calling for change and empowering those who make it happen.
- We improved how we work, learned together as an organisation and shared the good practice we invested in.

By connecting across our community and working with our partners – amplifying our voices, our reach and our expertise – we've made the most of this unique opportunity to champion better work.



Staying connected throughout the pandemic – a snapshot of our year

2020

July–September

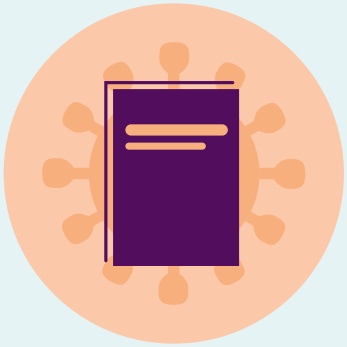
310k
coronavirus hub visits in July

Our community continued to access our coronavirus hub for our latest guidance and resources, starting the year with 310,000 visits in July.



We cautioned the Government against the mass return to the workplace, reinforcing our three tests:

1. Is it essential?
2. Is it safe?
3. Is it mutually agreed?



We captured employers' responses to the pandemic, and made the case for new working practices, in our report *Embedding New Ways of Working.*

October–December



Our first virtual Annual Conference and Exhibition focused on wellbeing, inclusion, compassion and flexibility, setting the scene for many more successful online events.

People Profession 2030

People Profession 2030 reported the collective view of our profession on five key trends influencing the future of work and the critical contribution our community makes to good business.



We were the first organisation to call for an extension to the Coronavirus Job Retention Scheme, helping to secure budget commitment and greater certainty for employers to September 2021.

2021

January–March



We launched our long-term, monthly #FlexFrom1st campaign, calling for requests for flexible working to be a day-one right.

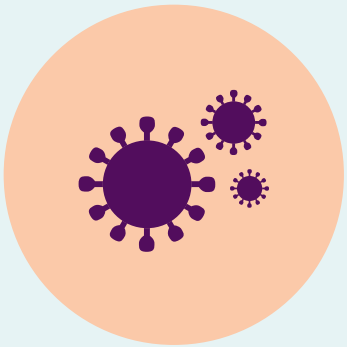


BEIS Minister Paul Scully asked CIPD Chief Executive Peter Cheese to continue to co-chair the Government's Flexible Working Task Force for a further 18 months.



We gathered survey and interview evidence, and our own experiences, to identify seven strategies that help organisations make a success of hybrid working in *Flexible Working: Lessons from the pandemic.*

April–June



Three resources on our coronavirus hub remained in the top ten most viewed:

- returning to the workplace
- planning for hybrid working
- furlough guide.



We ran our second virtual Festival of Work conference, encouraging even more business leaders, people professionals and learning experts to explore what it means to adapt to the new era of good work.



The year ended with our 2021 Good Work Index, sharing the reminder that inequalities in job quality persist in the UK, especially in the key roles that have been so critical to society during the pandemic

Contents



Growing a strong community

Broadening our community	22
Boosting learning, embedding standards	25
Being there for our community	27
Upholding professional conduct	29

Growing a strong community

Supporting a growing community through an extraordinary year

Employers and their people have been on the front line during the pandemic, dealing with changing difficulties and uncertainties every day. And people professionals have been at their side throughout. The challenge of championing better work and working lives has been put to the test in unforeseen ways this year and we've responded quickly to our members' urgent needs:

- We continued to embed our international benchmark for skills and capabilities, aligning our qualifications framework around our revised Profession Map.
- We started work on our digital learning hub to underpin our new qualifications and support our students and delivery partners.
- We produced rapid-response research, resources and learning, especially around the impact of the pandemic and government guidance on work.
- We extended our wellbeing, career and financial benefits to put our growing community of members first.
- We invested in the development of learning content and our brand to strengthen our relevance to our more diverse community.

By being there for our members, and the wider people profession, we've broadened and strengthened our community of expert advocates for better work and working lives.

'When the scale of the pandemic became clear, those of us in operational HR roles had to act quickly and decisively. The speed with which the CIPD developed resources, offered leadership and guidance was critical to our planning and delivery. This helped our team transition almost our entire workforce to homeworking, without having a negative impact on our people or productivity.'

Tim Scott,
Director of People,
Fletchers Solicitors



Broadening our community

Our members have helped people and organisations navigate exceptional challenges this year. We were at their side, providing the support, resources, expertise and connection our community needed.

Expanding our impact

This year, despite global economic uncertainty, we've broadened our community of champions across the world. We've done it by reaching beyond our traditional membership to engage with people professionals, wherever they are. Our membership has grown to over 160,000. We're delighted to see our international community grow, particularly in Asia Pacific, Ireland and the Middle East, and a 6.5% increase in Associate Members.

'We need flexible approaches to learning, involving new digital capabilities and innovative learning platforms. The CIPD's development of learning resources, qualifications and the Profession Map reflects a clear understanding of individuals' and organisations' learning needs.'

Melanie Cheung,
Learning & Development Facilitator, Co-op



We've overcome physical barriers to learning by delivering events online and sharing support and guidance through our hubs. We've strengthened our relationships with employers, building the capability, credibility and impact of whole teams.

Our regions play a huge part in supporting our growing community. Our branch network has been extremely active in keeping the spotlight on key issues, including wellbeing, inclusion and race at work – organising events and welcoming the experiences of our members. Many of our branches have thriving special interest groups for I&D, L&D, OD, senior and independent practitioners. Their insights are supporting our plans for stronger online communities.

While supporting our community through the immediate challenges of the pandemic, we've kept our focus on the longer-term trends influencing the future of work. In August 2020 we led an eight-day virtual hackathon, bringing together hundreds of people professionals from around the world. Our November *People Profession 2030* report highlighted five key trends – at the heart of business strategy – that the people profession is confidently positioned to lead organisations through:



- internal change
- digital and technological transformation
- changing demographics and I&D strategies
- diversifying employment relationships
- sustainability, purpose and responsible business.



Over **160,000** members

Greater business impact with **6.5% more** Associate Members





Participation in regional and international conferences up nearly **70%**

93,000 bookings for digital branch events, more than double previous years





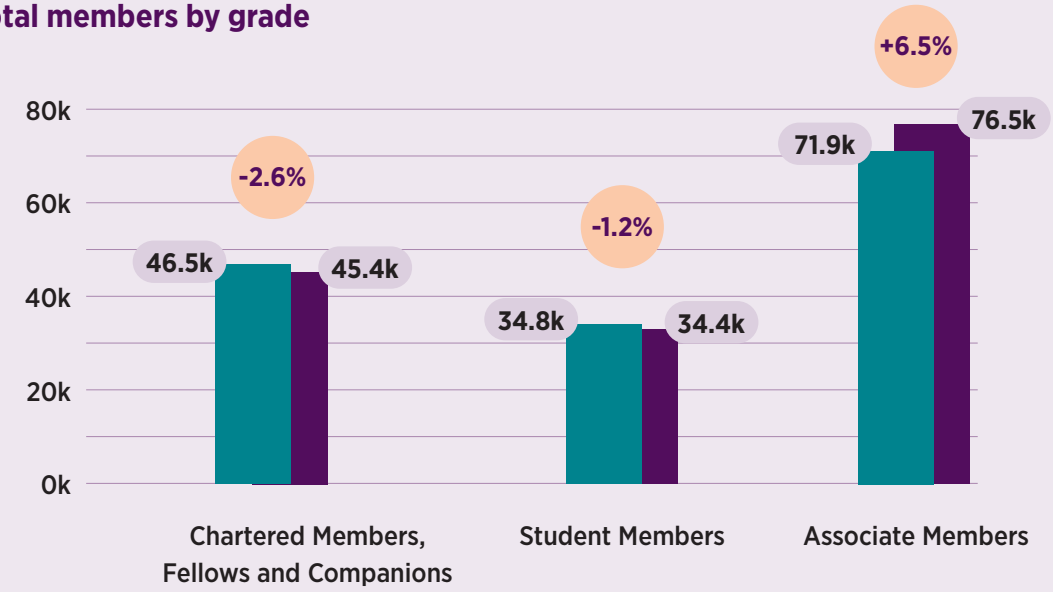
Working with **22,400** people professionals (up 35%) in more than 215 employers

Extending our reach

Total members



Total members by grade



Total members by global regions



Boosting learning, embedding standards

Our purpose calls on us to meet the growing demand to improve HR, OD and L&D capabilities and practices for individuals, people teams and people managers.

Profession Map

Launched in 2018, we designed our Profession Map to evolve. Over the years we've developed it to reflect the latest research, the changing landscape and feedback from the profession.

This year we've revalidated the Map as the international benchmark and strengthened its relevance and practical value for our growing community by:

- focusing throughout on flexible ways of working, with new standards and support about adapting people processes for hybrid and remote workforces
- focusing on wellbeing throughout to show how individuals and organisations have a shared responsibility to enable and maintain wellbeing
- shifting from 'Digital working' to 'Technology and people' to reframe the role of technology
- shifting from 'Analytics and creating value' to 'Evidence-based practice' to reframe the broad approach needed by people professionals
- consulting on and reviewing 'Inclusion and diversity' to reflect changes in work and society
- broadening 'Employee relations' in response to practical and research-based feedback.

Twice a year we will continue to review the latest research, consider what we've heard from our profession, and take the pulse on what's ahead to keep the Profession Map practical and future-fit.

Learning Hub

Our members, and the wider profession, are looking for relevant learning at all stages of their careers. They want more support to embed the Profession Map in their day-to-day roles. And they need to be able to access learning anytime, anywhere.

Currently in pilot with 20,000 learners, the CIPD Learning Hub includes a mix of learning: from bite-sized, self-directed essential insights through to comprehensive programmes with virtual classrooms, workshops and social learning. Our community will be able to create their own personal learning journeys, self-assess against their goals, track their progress, share their successes, and demonstrate their commitment to the profession.

Accessed through our digital Learning Hub, from anywhere in the world, our new learning content will be free to members to support their continuing professional development, and available to others on a pay-as-you-go or subscription basis.

Qualifications

When we strengthen the knowledge, behaviours and values of our profession, everyone benefits. Our qualifications embed the standards defined in our Profession Map, this year giving over 20,000 people professionals in 150 countries greater confidence in their capabilities.

We've continued the collaboration that informed the Profession Map, consulting with academics, employers, practitioners, and our centres and programme providers. Together we've developed a new qualifications framework that can be delivered and assessed efficiently and effectively at scale and will attract more students, improve their experience and continue to raise standards.

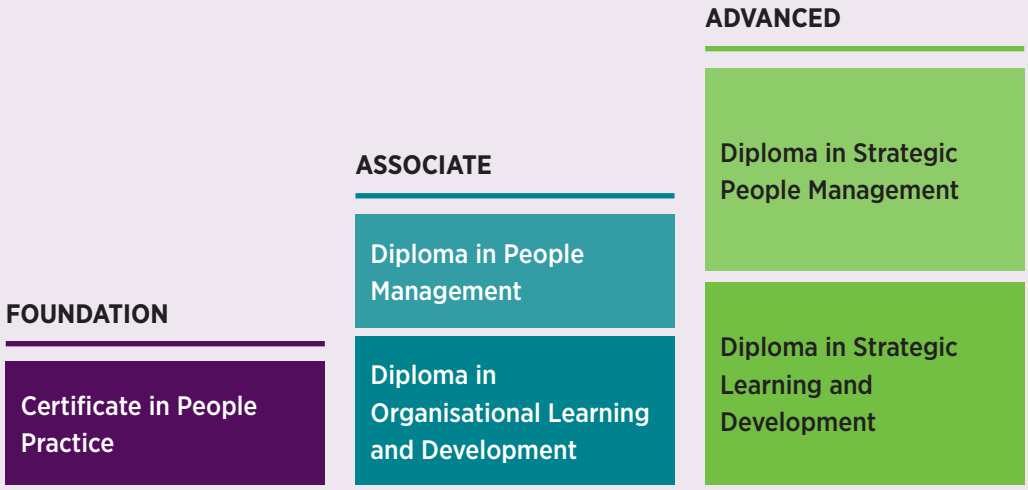
'The CIPD has been invaluable in helping me secure my first role in HR. Becoming an Associate Member immediately made me a more credible candidate. The CIPD Profession Map also gave me a great insight into the knowledge and behaviours I need to perform at my best. I truly appreciate the vast resources the CIPD offers, the unrivalled community and networking opportunities it offers.'

Karen Bautista,
HR Administrator,
Julius Rutherfoord & Co



We've aligned the framework to CIPD membership levels and the Profession Map:

- reducing the number of qualifications from 17 to 5
- clarifying three qualification levels: foundation, associate and advanced
- creating one foundation-level qualification – a solid grounding for HR and L&D professionals.



To achieve this alignment between the Profession Map and our qualifications, we've worked with centres that deliver our qualifications to refocus the learning content and assessment methods on real-life, practical outputs. We're strengthening our partnership with centres and universities to improve the learner experience, progression, growth and breadth of offering. We've increased centralised marketing to promote the relevance and credibility of our qualifications. Over 22,000 learners are registered on our qualifications this year, with 12.5% signed up for our new qualifications already and 4,000 on accredited degree courses. And our new centre finder tool means prospective students can search for qualification providers that suit their location and levels.

Being there for our community



We continued to provide free coronavirus advice and guidance to our members and our wider community. And we broadened our wellbeing support, extending it to members beyond the UK.

Coronavirus hub

By the start of the year, most countries had moved from national lockdowns to local measures. Businesses and people professionals still needed clear advice as they managed the changes in their workplaces.

In July 2020 there were 310,000 visits to our coronavirus hub, with monthly figures following the shifts in national regulations. We asked topic experts to keep track of government guidance and produced webinars to answer our members' questions. We launched a series of guides, equipping line managers to support the wellbeing of their teams working from home, many for the first time, or in difficult front-line situations. And we produced wellbeing and resilience guides for employees.

The help that people professionals and employers needed was changing all the time. We refined our processes to deliver rapid-response content. We covered furlough, isolation, vaccination, shielding, sick leave and pay, anxiety, long Covid, hybrid working, managing remote teams, returning to the workplace and planning for the future of work. Our coronavirus FAQs, furlough guide and returning to the workplace guide remained top of the download list.



310,000 visits in July 2020

Nearly **2 million** page views this year





More than **155,000** guides downloaded this year

90% of members who used the coronavirus hub were satisfied or very satisfied



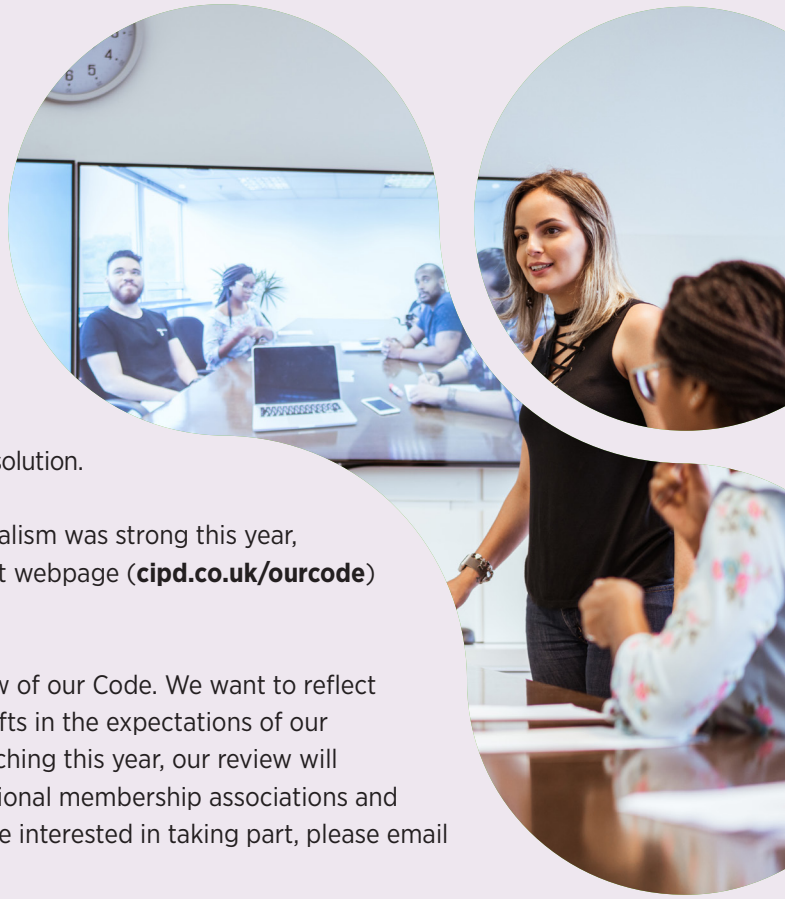
Member support

Last year almost 14,000 members made use of our wellbeing service via our website, helpline and app. We've seen thousands of visits to our membership benefits website pages every month, with wellbeing, advice and support, and financial assistance high on the list. Through our app we've been able to extend this support to non-UK members. We've also removed call number limits on our personal legal helpline and extended the service to cover a broader range of legal issues.

We responded to our members' very different needs this year by helping over 8,000 with their membership fees, acknowledging those impacted by COVID-19 alongside those on a career break or retired. And we've supported nearly 100 members through career workshops.

Awareness of our member benefits has increased by 31%. And our member survey shows the changes we've made have been well received. Our overall net promoter score jumped 44 points, with members reporting higher customer satisfaction and finding us easier to do business with.





Upholding professional conduct

All our members – Students, Associates and Chartered – sign up to our Code of Professional Conduct. Anyone can raise an alleged breach of the Code. Concerns are often raised during employment or recruitment disputes and are resolved directly and outside of the CIPD. Others are beyond the scope of the Code and more relevant for Acas or separate dispute resolution.

Interest in the Code and its role in building professionalism was strong this year, with 39,075 visits to our Code of Professional Conduct webpage (**cipd.co.uk/ourcode**) and 20,649 downloads of the Code.

Ten years since its launch, the time is right for a review of our Code. We want to reflect developments within the profession, acknowledge shifts in the expectations of our community, and protect members of the public. Launching this year, our review will involve benchmarking the Code against other professional membership associations and consulting with our members and the public. If you are interested in taking part, please email **codeofconductreview@cipd.co.uk**

Complaints, investigations and hearings

In the ten years since we launched the Code, we've formally investigated 65 cases. Of these, 26 have progressed to a conduct hearing, and 18 of these cases have been upheld. The most common cause for concern has been data mishandling.

This year saw a 17% increase in complaints about alleged breaches of the Code, the same increase as last year.

Code of Conduct concerns raised in 2020–21	
Number of complaint enquiries received about CIPD members	196 (+17%)
% of total members against whom concerns have been raised	0.1%
Number of complaints formally investigated	7
Number of hearings undertaken	2

Supporting ethical practice

Although complaints, investigations and hearings are low, we continue to advocate for ethical practice across our membership and with employers.

Our guides and resources remain popular. For example, *Ethics at Work: An employer's guide* and its supporting webinars received a high volume of visits and downloads. And our community of members continues to seek support and guidance from each other via our 'Workplace Dilemmas in Confidence' online forum. Members can discuss dilemmas anonymously on topics including redundancy, sexual harassment, conduct, absence, pay and bullying.

Making the case for better work

Leading the call for good work 32

Campaigning for inclusion and diversity 34

Making a difference 35

Delivering through partnership 36

Delivering through dialogue 37

Keeping the spotlight on our business-critical role 37



Making the case for better work

Raising the profile of the people profession as champions for better working lives for everyone

At no other time has good work meant more. This year, we've witnessed the inequalities that persist for many workers, especially those fulfilling the key roles we've depended upon:

- We led the call for better work through constant dialogue with governments, our partners and our community.
- Our branches and regions listened to members, engaged with employers and experts, and built relationships to take our good work agenda further.
- We campaigned for inclusion and diversity and collaborated to encourage action and change.
- Our volunteers made a difference to young people, parent returners, SMEs, charities and fellow professionals through the toughest of years.
- We partnered with HR leaders and employers to raise the capabilities of our profession.

Together we've raised our voices in support of better work for all.

'Being part of the Lincolnshire branch and supporting my colleagues with building better working lives, during another really challenging year has been and continues to be such a privilege.'

Penny Lee, Chartered FCIPD,
Vice-Chair, CIPD Lincolnshire Branch



Leading the call for good work

In a year dominated by the pandemic, our purpose took a sharper focus. We kept up a constant dialogue with government departments and policy-makers at national and regional levels. We consulted widely with our members and spoke out to share information with employers and the public. We received 142 requests to share our insights with the media, public and private sector organisations, governments and expert agencies.



In the summer of 2020, we cautioned against a push for a mass return to the workplace, urging employers to first consider our three tests: Is it essential? Is it safe? Is it mutually agreed?

In September 2020, our report *Embedding New Ways of Working*, part-funded by the Department for Business, Energy and Industrial Strategy (BEIS), shared one of the first in-depth examinations of the impact of the pandemic on the labour market. With widespread media coverage, the report provided practical insights for employers and recommendations for policy-makers. Our labour market economist gave live televised evidence to the House of Lords Economic Affairs Select Committee Inquiry into the impact of COVID-19 on employment.

In the autumn, with COVID-19 cases rising and restrictions reintroduced, we were the first organisation to call for an extension to the Coronavirus Job Retention Scheme. Our advice was heeded when the Chancellor made it a long-term commitment in the 2021 Budget, extending the scheme into September 2021 to give businesses the certainty they needed. During the winter we partnered with BEIS and Enterprise Nation, recruiting 66 people professionals to provide free emergency pandemic support to small firms.

We have called for the wider uptake of flexible working for several years. The pandemic placed this issue centre stage. In February 2021, we launched the #FlexFrom1st campaign, stating our position that the request for flexible working should be a right from day one rather than after 26 weeks of service. Our discussions with policy-makers and MPs led to two influential groups – the Women and Equalities Select Committee and the Women and Work All-Party Parliamentary Group – adding their voices to our call.

BEIS Minister Paul Scully reconvened the Flexible Working Task Force in February 2021, asking Peter Cheese, our chief executive, to continue to co-chair with senior BEIS officials. CIPD advisers worked with the task force and Acas to inform essential guidance on hybrid working. This led to further work on good practice guidance and our response to the Government's consultation on making flexible working the default, both due to report in the autumn.

'Despite the turbulent 12 months, the CIPD has fulfilled the mutually supportive aims of member support and public policy influence.'

Dr Duncan Brown,
Independent rewards research and advice, Visiting Professor University of Greenwich, Principal Associate IES



In support of our #FlexFrom1st campaign, we researched how UK organisations, across all sectors and sizes, were dealing with the practical challenges of designing work for flexibility in both location and hours. Reporting in April 2021, *Flexible Working: Lessons from the pandemic* shared seven strategies that teams and their managers can use to make a success of hybrid working. We also published guides and case studies with practical advice to help employers and line managers improve their flexible working offering.

1. Develop the skills and culture needed for open conversations about wellbeing.
2. Encourage boundary-setting and routines to improve wellbeing and prevent overwork.
3. Ensure effective co-ordination of tasks and task-related communication.
4. Pay special attention to creativity, brainstorming and problem-solving tasks.
5. Build in time, including face-to-face time, for team cohesion and organisational belonging.
6. Facilitate networking and inter-team relationships.
7. Organise a wider support network to compensate for the loss of informal learning.

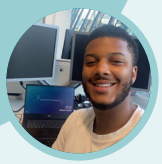
We published over 60 new reports and guides this year, created 12 monthly podcasts and delivered 24 webinars. Content on our coronavirus hub and our quarterly *Labour Market Outlook* were in high demand, along with our research and guidance on health and wellbeing at work, anti-racism, flexible working, resourcing and talent planning, learning and skills, post-Brexit immigration, labour market insight and reward management.

We ended the year with our annual Good Work Index report, a reminder that inequalities in job quality persist in the UK, especially in the key roles that proved so critical to our society during the pandemic.

In calling for better work and working lives, we collaborate with the 35 members of the European Association for People Management (EAPM), a key player in promoting the HR profession across Europe. The EAPM launched International HR Day, now celebrated across the world on 20 May. We currently hold the Secretariat, supporting the EAPM board to deliver their purpose and strategy. Our chief executive continues to chair the board of Engage for Success, a not-for-profit voluntary movement that promotes employee engagement in the workplace. And we've developed our conversations with other bodies to deepen our understanding of how we can make the biggest impact on the inclusivity and diversity of our professions.

'Our approach to flexible working has been fantastic. It's given me the chance to balance work life and personal life. I can give work the best Marlon – keeping our phone lines covered – and give my kids the best father. I've managed to fit a five-day week into four days and work around my father duties.'

Marlon Pinder,
Customer Service Representative





8.3 million unique visitors to our websites



8.9 million Twitter impressions



3,200 media appearances



243,000 LinkedIn followers



237,000 subscribers to our weekly *CIPD Update* newsletter



17 responses to government consultations and parliamentary enquiries

Campaigning for inclusion and diversity

People professionals have a fundamental role to play in tackling racism and racial discrimination. Engagement in our inclusion and diversity (I&D) webpages rose this year as our community worked hard to support organisations through the uncertainties of the pandemic while challenging inequalities at work. We continued to equip them with resources and guides on our anti-racism hub, launched last year. The hub received nearly 19,000 visits, with webinars in high demand and 510 downloads.

To give inclusion and diversity even greater focus in our reach, our voice and how we work, we've created and filled a new head of I&D role, reporting directly to our chief executive, and appointed a board champion for race. We continue to contribute to I&D networks and sector groups. And we've revisited I&D in our Profession Map, embedding a drive for action and change to support our members in this vital area of practice.

We responded with disappointment to the Commission on Race and Ethnic Disparities report in March 2021, calling out its failure to recommend mandatory ethnicity pay reporting and greater transparency. And we worked with Business in the Community to create joint practical guidance for employers signing up to the BITC Race at Work Charter.

'We want to grow together, and put into practice, everything we encourage our members to do. We are here to push the boundaries, challenge the status quo and pull out the gold in everyone who chooses the CIPD as their place of work.'

Donna Akodu,
Marketing Planning Executive and Co-Chair of Embrace, CIPD employer resource group





Making a difference

Across our membership, nearly 4,500 volunteers continue to give their time, energy and expertise. 2,970 support young people, parent returners, charities, SMEs and fellow professionals. Many of them work on several of our social impact programmes. With their commitment, we've maintained our innovation and impact despite this year's challenges:

- relaunching the Steps Ahead mentoring programme to support our 1,828 volunteers who help young people and parent returners to access work
- expanding our network of Enterprise Advisers, with 1,067 working with the Careers and Enterprise Company to improve careers education in schools across England
- launching two new cohorts of the Aspiring HRDs programme, with 36 mentors working to improve ethnic diversity at higher levels in our profession
- working with the Charities HR Network, NCVO, Team London and Helplines Partnership to provide free HR support, and partnering with BEIS to support SMEs through the pandemic.

Over 900 volunteers keep our branch network and regions alive and relevant. With our first digital all-branch committee event welcoming 250 participants, our branches have collaborated across our regions to innovate, share ideas and meet our members' expectations.

Branch volunteers have responded to growing requests from our community this year:

- embracing online delivery to provide over 1,000 events, with registrations doubling to 93,000
- collaborating on our member-to-member mentoring scheme, with 500 mentors across 33 branches supporting 1,300 mentees.

Our Outstanding Contribution Awards, introduced this year, recognised 30 branch volunteers for the work they've done to support and connect our community.



In December 2020 the Council approved our Statement of Expectations, clarifying the values and principles that we ask volunteers to support and the duty of care they can expect from us. Co-created with 30 branch chairs, the statement is strengthening alignment and engagement across all our volunteers.

'Volunteering as an Enterprise Adviser has accelerated my professional development more than I could have imagined.'

Rebecca Healy,
Enterprise Adviser with Hertfordshire Local Enterprise Partnership (LEP) and Trust Head of Careers, Chingford Academies Trust



Keen to help? Take a look at different ways you can volunteer on cipd.co.uk/learn/volunteer

Delivering through partnership

The pandemic has placed profound responsibility on the shoulders of people professionals. It's also created an unexpected opportunity for our profession to demonstrate its capacity to lead people and organisations through change. We've helped our community adapt quickly, work together and support each other.

Collaborating with our HR Leaders' Network

With a community of around 300 across the UK, members of our HR Leaders' Network continue to help each other navigate strategic and operational changes within their businesses. With activities switching to online briefings and discussion sessions, we used the digital platform Guild to create a dedicated social media space for members to share comments, address policy questions, and message each other.

The network is invigorating our research, policy and campaign work, centrally and across our regions. Members are influencing the direction of our work through their interaction with our stakeholders and their engagement in roundtable discussions, research and thought leadership. And they are modelling the people profession at its best: collaborating, sharing knowledge, and mentoring the next generation of aspiring leaders.

Partnering with employers

The demands on our community emphasise the need to invest in ourselves and professionalise capabilities in HR, OD and L&D. We are extending our reach and impact further by working with corporate people teams and people managers. Partnering with employers strengthens and broadens our community, and we are supporting this growth by promoting our professional benchmarks while reframing assessment around practical, workplace experiences.

Many employers have embraced the chance to build the capabilities of their HR, OD and L&D practitioners, equipping them to lead their businesses through post-pandemic ways of working. This year we've partnered with 215 organisations in this endeavour, including the World Health Organization, Saudi Aramco, Petronas, the NHS and Allianz. We've supported 22,400 people professionals and welcomed over 750 new professional members.

A further six organisations have achieved our industry-recognised People Development Partner status, including the Civil Service Central HR team, Network Rail and ESB, a first in Ireland. They've committed to aligning their HR, OD and L&D practices with our Profession Map, raising the capability of their people professionals and contributing to our research and policy work. We're partnering with many more organisations as they work towards this recognition of the capability, credibility and impact of their people functions.

'CIPD People Development Partner really helped us pull everything together and delivered a coherence. It's a mechanism through which we can reflect on our current state and desired future state against an external benchmark. It enables us to really consolidate the journey we're on.'

Alison Clifton,
Head of Resourcing,
Home Office



Delivering through dialogue

Our regional and national teams support our international community, work on local issues and partner with employers and experts. They build relationships with local and national governments. This year they've carried the torch for our good work agenda, increasing our influence and advocacy in response to political events and opportunities.



In response to the Scottish Parliament elections, *Fairer Workplaces for a Fairer Scotland* called on the main political parties to include 21 actions to improve job quality, skills, wellbeing and inclusion in their manifestos. Partnering with the Fair Work Convention, our team in Scotland showed how fair work drives success, wellbeing and prosperity for individuals, organisations and society.

Together with Greater Manchester Good Employment Charter and Acas, our team in the north of England campaigned for city-wide line manager development and created resources, podcasts, roundtables and the guide, *Soft Skills in Hard Times: Why good people management matters more than ever*.

We launched and strengthened our regional public policy forums to share the voices of the diverse range of businesses in our regions. Our team in Wales set up networks to address the specific concerns of I&D, L&D, OD, senior and independent practitioners.

We delivered our first online Annual Conference and Exhibition in September 2020, increasing last year's participation with 1,700 delegates and 4,300 exhibition visitors. With contributions from inspirational speakers and high levels of participation, we hosted conferences in Scotland, the north of England, Northern Ireland, Ireland and the Middle East. Last year's Scotland and London student conferences joined forces, doubling the number of participants. And all our regional and national teams have extended their reach by offering online network events, roundtables, webinars and updates, sharing good practice and engaging members in regional initiatives and national campaigns.

Keeping the spotlight on our business-critical role



During the pandemic, employers have needed the people profession as never before. And our community has never worked harder. In *Responsible Business Through Crisis*, we shared the reflections of more than 60 leaders, including HR directors, prepared to share their experiences of leading their organisations during the challenges of the pandemic.

Our community has had a great impact, and it's critical that we build on this. The expectations of employees, customers and investors have shifted. They now look to employers to demonstrate responsible business as a core value. We need to be in position to make it happen. The opportunity to bring about better work, for all, is in our hands. Sustainable business success depends on it. And we are committed to supporting the people profession in this purpose.

Contents



Improving how we work

Growing our community of champions	40
Committing to our social impact	40
Transforming our digital infrastructure	41
Changing how we work	42
Planning for sustainability	43
Investing in our people	44
Managing our finances	52

Improving how we work

Developing a sustainable, future-fit organisation that meets the needs of our community, our customers, our business and our people

The call for better work and working lives is a challenging one. We know, because we invest in the changes that we advocate to others. We do it because it's right, and because it generates the right results for our members, our people and our business:

- We grew our community, in numbers and in strength, transforming the digital infrastructure they rely on to access information, support and learning.
- We shifted to working remotely, put our people's wellbeing first, consulted on how best to adopt hybrid working, and refocused our understanding and actions around inclusion and diversity.
- We prioritised learning and development so our people and people managers could collaborate effectively through remote working and prepare for hybrid working.
- We reviewed our approach to recognition and reward to make it easier to celebrate our values.
- We highlighted the significant leadership role that people professionals can play in driving sustainability in their organisations.
- We gave even greater commitment to our social impact, initiating our plans to establish the CIPD Trust in the year ahead.

By investing in our operations and reflecting on how we work, we create greater support for our members, clearer guidance for employers and better work and wellbeing for our people.

'The pandemic showed us we could do even more to enable our people to work however and wherever was most effective for the CIPD, their team and themselves.'

Jo Brimacombe,
Project Manager – People Experience, L and D



Growing our community of champions



Our purpose calls for growth in our profession. Not just in numbers, but in strength, influence and reach. Growing a community of champions for better work and working lives means reaching out to engage and serve members, employers, educators and our wider network. It demands that we have the capacity to deliver the development, standards and influence the profession needs. And it is enhanced when we forge and support the connections between everyone in our global community.

This year we changed our processes to allow our members to make nominations for the grade of Chartered Companion. Chartered Companion status recognises exceptional leaders who have a proven track record within their organisations and have demonstrated exceptional impact on our profession. It is the highest level of recognition in HR and people development. We were delighted to be able to announce and recognise our first new cohort of 18 Companions, with the nomination process moving to an annual cycle from now on. Our 2021 Chartered Companions can be seen on:
cipd.co.uk/membership/grades/chartered-companion-nominations

We've kept pace with the changing needs of our community through our infrastructure – our membership, benchmark and qualifications framework, our partnerships with study centres and programme providers, our network of volunteers and experts, and our operational systems and processes. We've put the foundations in place to keep our community growing.

Committing to our social impact

Our purpose is to champion better work and working lives for all. But, right now, not everyone can access better work and people's experiences of work differ. Within our own community we recognise that we need to invest in eliminating barriers to entry and progression, to create a more inclusive people profession.

We've decided to give even greater commitment to our social impact work by establishing the CIPD Trust. This will allow us to focus on the individuals and groups whose voices are not yet heard and who most need our support. We will share more about our plans as they develop over the coming year.

'My personal belief is that HR is not only a leadership function in an organisation, it is the most critical one. Recognition of the small contribution I make, by being nominated and confirmed for Chartered Companion status, is an honour and means the world to me.'

Yetunde Hofmann,
Managing Director, Synchrony Development Consulting



Transforming our digital infrastructure



Last year, the urgent need for information and guidance at the start of the pandemic brought 9.1 million visitors to all our websites. Demand remained high this year, with over 8.3 million visitors from across all our global regions. Students, members, managers and employers – people come to us as a trusted source for news, knowledge, expertise, guidance, learning, networking and support. And they expect an experience that is intuitive, secure, accessible, personalised, self-service, multichannel and built around their needs.

We've been investing heavily in our back-office infrastructure to make this happen, moving away from our legacy applications to new, more reliable cloud-based services.

Our work this year has focused on:

- implementing digital solutions to underpin our new qualifications and support our education partners in delivering them
- building a centre-finding tool to help prospective students search for the right qualification partner for them
- piloting our new learning hub to offer a mix of blended and online learning, whenever people need it
- investing in our annual membership renewals process so people can join, renew or upgrade their membership easily
- improving our telephony services so our staff can support people while working remotely
- achieving Cyber Essentials Plus reaccreditation, an internationally recognised standard for corporate security, to ensure all our customer services are safe and secure.

Our plans include the launch of an online shop for quick, easy and safe purchase of learning products, and digital badging so learners can share their achievements with others. We are putting in the groundwork to replace our current **cipd.co.uk** sites and create a more streamlined website with easier navigation, new subscription services and personalised experiences for our visitors. We are preparing to replace our current finance system and reporting tools. We will be able to work more efficiently, using evidence-based information to understand how customers are making use of our products and services.

Changing how we work



In a year which saw COVID-19 cases increase and further lockdowns, most of our people continued to work remotely. Looking after their wellbeing remained our top priority. We focused on building remote working skills and online communities, making the most of our digital tools to collaborate. We equipped people managers with tools and guidance to help their people address the challenges of the pandemic. We focused on wellbeing and communication initiatives to stay connected and support people's mental and physical health. And a COVID-secure space at our office in Wimbledon helped those who were unable to work remotely.

From the start of the first UK lockdown in March 2020, we had made use of the Coronavirus Job Retention Scheme, furloughing 18 people affected by our initial office closures. We concluded that we had to let some staff go and we terminated our catering contract. In response to a positive financial year, we decided to repay our furlough grant, amounting to just over £92,000.

As we began to define what the future of work looks like at the CIPD, we asked our people. We knew we had the opportunity to role-model truly flexible and hybrid ways of working. Through regular surveys, we learned that many wanted to retain a level of flexibility. Like other organisations, we had shown that we could be productive, collaborative, innovative and customer-focused when working remotely.

With our learning fresh in our minds, we are adopting hybrid working. We are empowering our people to work however and wherever is most effective for the business, their team and their own productivity. Enabled by evolving technology, innovative workspaces and new practices, our approach is based on the premise that work is what we do, not where it is done.

We know that this approach is helping us to retain and attract talented people who are committed to our purpose. We have seen an increase in our people numbers over the last year, with 386 working for the CIPD across the UK, Ireland, Asia Pacific and the Middle East (a full-time equivalent of 363, up 30 from last year). Around 4,500 volunteers and 143 paid associates engaged with our members, providing expert support and contributing to our work.

The growth in the number of people working at the CIPD this year has been driven by our business strategy and the need for additional resource and expertise in specific areas. We've expanded our Digital and Technology Team as we invest in new digital platforms to support our members and customers. And we've established a new head of Inclusion & Diversity role to generate deeper understanding and a clearer focus in the way we work.

'As a newbie to the CIPD this year, I was really impressed with the remote worker on-boarding. I've never started a new role remotely and had very few expectations, but I've really been blown away by the high levels of engagement across the organisation!'

Susan Hayman,
Members, Networks and Communities Manager NI, **CIPD**



Planning for sustainability

The impact of climate change and the potential for reputational risk has heightened the need for organisations to address environmental sustainability. We had already taken on the task of reviewing our own approach and this year we made progress by:

- running our head office sustainably while most of our people work remotely, reviewing our printing decisions and travel policy
- agreeing and applying sustainability business principles within our procurement and strategic partnership criteria
- exploring how to work sustainably – in the office or from home – to assess our carbon footprint, identify areas for improvement and develop meaningful metrics to track our performance
- transitioning our standard approach from physical membership cards to an online 'verify a member' service, saving 1.5 tonnes of paper per year.

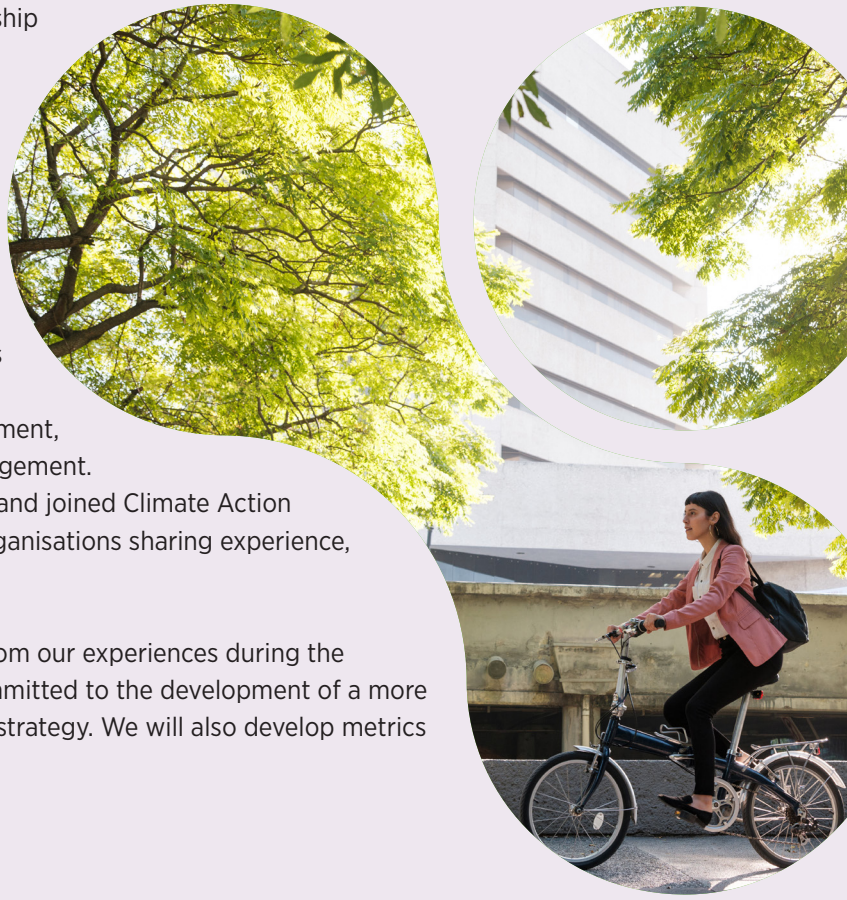
'The CIPD's Guide to Environmental Sustainability is the essential resource for practitioners to embed sustainability into their current policies and procedures.'

Dr Jan Maskell, Chartered Psychologist, Educational Director, Scientists for Global Responsibility



Our move to remote working changed everything. With our head office closed over four months, running essential services only, our use of electricity dropped by 33% and gas by 5%.

Our work also highlighted the significant leadership role that people professionals can play in helping their organisations improve their environmental impact. Their connections and central involvement in policies and procedures position them to drive discussion and implementation. Our work fed into our guide and top tips, *Embedding Environmental Sustainability in Your Organisation*. Published in July 2021, it showed how people professionals can introduce sustainability measures into recruitment and selection, learning and development, performance management, leadership and engagement. We reflected on our role as a professional body and joined Climate Action for Associations, a collective for membership organisations sharing experience, tools and resources.



We recognise that there is much we can learn from our experiences during the pandemic, and more we can do, so we have committed to the development of a more holistic framework in 2021 as part of our overall strategy. We will also develop metrics to ensure that we can monitor performance.

Investing in our people

This extraordinary year has put our three-year people strategy to the test. Its three core elements – culture, capability and performance – have helped us refresh our approach to the development, performance management, reward and recognition of our people.

'The challenges we faced during the pandemic meant we had to reset and rethink our ways of working. We focused on the three core elements of our people strategy – our culture, capability, and performance – and we supported our people to achieve their personal objectives and business goals. Although we've spent more time apart, I'm proud of how we have maintained a feeling of togetherness.'

Katrina Haynes-Brown,
HR Business Partner, CIPD



Inclusion and diversity

For some time, we've had a strong infrastructure in place to make the CIPD an attractive and inclusive environment to work in. Our people policies set out clear responsibilities for managers and employees. Our new employee engagement tool generates real-time data on key people issues, reporting monthly metrics and quarterly scores.

Our teams are represented on Sounding Board, which shares our collective voice every two months to support the decision-making of our Senior Leadership Team. Thriving colleague networks and employee resource groups sit within our I&D Steering Committee, which also meets six times per year. Our disability, mental health and wellbeing champions work closely with our people team and promote our employee assistance programme, financial wellbeing hub and other services.

This year, with the appointment of our first head of I&D, we've given greater attention to our actions and the connections between them, including:

- revamping the I&D Steering Committee to ensure we work collaboratively across all I&D activities, internally and externally
- relaunching our employee resource groups with new sponsors, budget and reward for the value they add to our business
- asking people managers to focus at least one of their objectives on inclusion and diversity
- embedding accessibility good practice across our organisation and activity – internally and externally
- encouraging our people to use our Voice survey so we hear the views of everyone
- strengthening the connections within and between our teams: sharing office events, featuring I&D in our weekly team meetings, showcasing different teams' or colleagues' experiences in our communications
- removing the requirement to take three days' holiday between Christmas and New Year, so our people have the flexibility to observe festivals or occasions that are important to them.





Disability, mental health and wellbeing

As part of our commitment to inclusion and diversity, we've continued to develop our understanding of disability, mental health and wellbeing issues in the workplace. Until it closed in England in March 2021, we were a Time to Change employer and we've signed the Mental Health at Work Commitment. A Disability Confident Leader since August 2017, we examine our own policies and practices, sharing our expertise with other employers and our community of people professionals.

Our people

As we work towards a better representation of society and improve our practice, we need to understand our people's lived experiences. This year our head of I&D and our chief executive encouraged all our people to self-declare their I&D data, including whether they have a disability or health condition.

Our people policies

Our people policies set out how we support the recruitment, retention and progression of people with a disability or health condition. They also address the prevention of ill health and promotion of good work to enhance wellbeing. They include well-communicated responsibilities and guidance for managers and employees on, for example, making reasonable adjustments, mental health, flexible working, alcohol use, smoking, bullying and harassment, bereavement leave, carers' leave, and financial wellbeing. We run awareness training on disability issues for all employees, including a 'Demystifying Neurodiversity' session.

Recruitment

We regularly review our hiring practices, not just because of our commitment to inclusion and diversity, but because we don't want to miss out on talented people. We are clear about our commitment in our website and recruitment materials, and we're proud to display the Disability Confident Leader badge. We are experienced in discussing and making adjustments for people who are disabled, both at the recruitment stage and throughout their employment.

Flexibility and equality of experience

Offering flexibility has become a key element in our aim to make the CIPD an attractive and inclusive place to work for everyone, including those with a disability or health condition. We already provide flexibility in work hours and we discuss individual solutions that allow people to balance their work and home responsibilities. All of our job advertisements make it clear that we are happy to talk about flexible working.

The principle of building an inclusive and accessible workplace drove the design of our head office. Furniture and workspaces accommodate wheelchairs, we source technology to assist with specific impairments, and our new IT 'workpoint' booking system supports people who are neurodivergent.

Since our shift to hybrid and 'remote first' ways of working in summer 2020, we've learned much more about our people's diverse needs, preferences and work styles, as well as disabilities or health conditions. We're working towards 'equality of experience', regardless of location, enabled by our investment in technology. We've made our digital sites and services more accessible for people with a wide range of disabilities, including situational and temporary impairments. And we've redesigned our intranet wellbeing page to make it easier for our people to access all the support available.

Health and wellbeing

Caring for our people's physical and mental health is a big responsibility and one that we take very seriously. Our people team promotes the services we provide, such as our employee assistance programme and financial wellbeing hub, with the support of our enthusiastic mental health and wellbeing champions and our disability employee resource group.

The global pandemic revealed and amplified the physical and mental health needs of employees across all businesses. It gave us the opportunity to learn from our people's experiences and strengthen our approach. We formed a COVID-19 response team to make sure that people's mental and physical health was at the heart of every decision and action we took. Our vibrant network of wellbeing champions worked closely with our HR team, senior wellbeing sponsor and colleagues to develop our wellbeing offering, including a two-month programme of diverse activities in early 2021 ranging from online fitness and drawing classes to sessions with experts on sleep and nutrition.

We closed our offices ahead of the national lockdown and provided a safe office environment, post lockdown, for those who needed it. And we actively created many more touchpoints – including regular wellbeing blogs, virtual leadership briefings and team huddles – to ensure people felt cared for. This helped us provide ongoing information, support and connection as we adapted to remote and now hybrid working.

At the start of 2020 we launched our new performance approach – Be Your Best – which makes wellbeing a key component of all performance conversations with our people. We equipped our managers to have supportive wellbeing conversations with their team members, including about mental health. As a result, our regular employee engagement survey shows consistently high scores, above the industry benchmark, for how well people feel their physical and mental health is supported at work, highlighting management support as one of the CIPD's organisational strengths. We monitor our employee assistance programme statistics quarterly so we can identify if we need to do more.



As a Disability Confident Leader, we share what we are learning. Since 2018, when we partnered with the Department for Work and Pensions to publish our good practice guide on recruiting, managing and developing people with a disability or health condition, we regularly produce guidance and resources to support other employers and our community of people professionals.

Learning and development

This year our priority was to support our people and people managers to collaborate effectively through remote working and prepare for hybrid working. This became the focus of our learning and development. We've shaped our approach in response to the direction our work is taking, feedback from our teams, and the recommendations we're making to members and employers embracing the same changes:

- including performance improvement support within our leadership development, focusing on remote team management, performance conversations and preparing for hybrid working
- offering sessions to enhance people's experience of remote working: impactful remote meetings, wellbeing in a remote meeting culture, healthy meeting practices, inclusivity and social connection
- introducing new courses to emphasise the importance of compliance and cybersecurity, in response to the increase in IT equipment and use of home networks
- delivering two Learning At Work weeks, a programme of live learning in October 2020 and an interactive online resource pack in May 2021
- running our 'Flexi Fortnight' with daily live wellbeing sessions – everything from healthy ergonomics and mental wellbeing to reducing stress and improving sleep
- working to support our internal I&D action plan, launching our inclusion series on our learning platform and expanding the diversity of our L&D supplier network
- boosting engagement by empowering people to own their objectives, stretch into their areas for development, and balance their workload and their wellbeing.



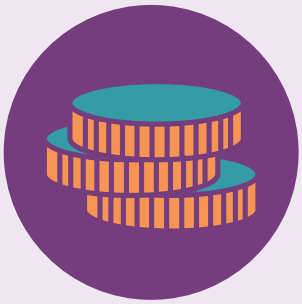
24 new people managers completed our leadership development programme



100% of our people engaged with our learning platform



769 courses and 24,000 videos accessed



48% more people used their Personal Development Allowance benefit



127 people attended performance improvement workshops



60% of managers supported live workshops on hybrid working

3,239 interactions with L&D online support resources

333 Flexi Fortnight wellbeing session attendees

2 Learning At Work weeks providing more than 600 individual learning opportunities

Recognition

This year we've used a new digital platform to make recognition meaningful, in-the-moment and accessible to everyone. 'Moments We Value' has our values at its core: collaborative, innovative, expert, customer-first and impactful. Our 'Moment of the Month' award is an opportunity to highlight a person, or a team, who has excelled in how they are living our values. We've also used this new platform to celebrate the contribution of our people managers in a year when they have done so much to support their people through new challenges.

'I've been completely overwhelmed by all the messages I've received since winning manager of the month. I have such a fantastic team and I'm extremely proud of what they do to engage with our members and customers. The best part of my role is seeing my team members develop, within our team or into different parts of the organisation, and it was great that the judges recognised this.'

David Prendergast,
Customer Services Manager, CIPD



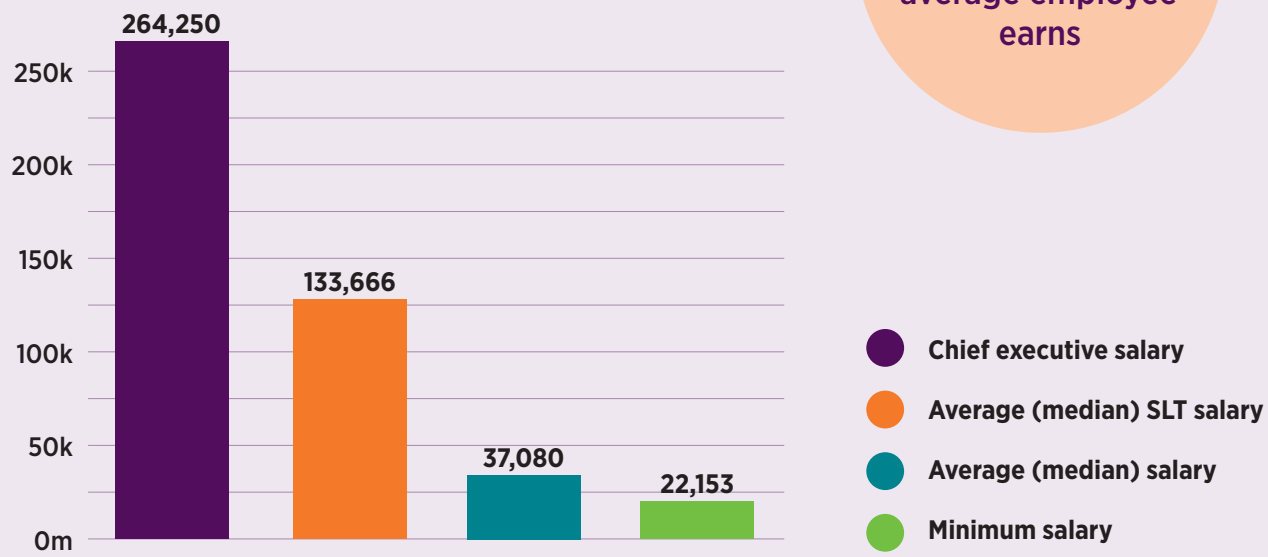
Reward

We continually look to improve our structures and processes around pay and reward. We pay above the voluntary 'Real' Living Wage and benchmark all salaries externally to ensure our compensation is fair, competitive and reflects our charitable status. Our pay ratios fairly reflect the demands and high-profile nature of our Senior Leadership Team roles and our chief executive's ambitious agenda.

The impact of the pandemic presented us with many challenges, and we made the difficult decision not to carry out a salary review in 2019–20. This financial year, thanks to the hard work and innovation of our people, we exceeded our financial expectations and we chose to share this success by making an additional one-off payment of £1,000 to everyone (except members of our Senior Leadership Team).

We follow the principle of fair pay, so the salaries our people receive are fair for the job they do and in line with the external job market. This year we did not apply a performance element due to changing priorities and objectives, and the disruption to working arrangements and people's personal situations.

Key pay statistics (£)



Our chief executive earns £7 for every £1 our average employee earns

- Ratio between our chief executive and our lowest earner 12:1
- Ratio between our chief executive and the average (median) employee 7:1
- Ratio between our median senior leader salary and median employee 2:1

Chief executive remuneration

The remuneration policy for the chief executive consisted of:

- Base salary – this was set when the chief executive was first appointed in July 2012 and formally reviewed for the first time in March 2017. The chief executive declined all proposed increases in base salary since his appointment until July 2018, when he accepted an increase of 2.3%. There have been no subsequent salary changes.
- Pension – the chief executive did not participate in the CIPD pension scheme during 2020–21.
- Benefits – the chief executive received a car allowance, life assurance cover and cover for private medical insurance benefits during 2020–21.

The CIPD does not operate a bonus scheme, or any form of variable pay, for the chief executive.

Our gender and ethnicity pay gaps

Gender pay gap data collected on 5 April 2021 revealed a median pay gap of 22.31% (up from 15.16%) and a mean gender pay gap of 17.41% (up from 16.46%) within our UK workforce.

The same data revealed an 11.24% median ethnicity pay gap (down from 20% in 2020) and an 8.68% mean ethnicity pay gap (down from 19.9%).

Our median and mean gender bonus gaps rose to 69.71% and −0.16% respectively. This is mainly driven by a commission scheme that we use to attract and retain key talent to support our ambitious B2B growth targets in our sales team. Our sales team is predominantly male.

The median and mean ethnicity bonus gaps for the same period were 33.83% and 41.54% respectively.



For every £1 a white person earns, a person from a minority ethnic group earns 91p.



For every £1 a man earns, a woman earns 78p.



We are pleased that our ethnicity pay gap has improved since 2020, following the steps we have taken to help create an inclusive culture and organisation. Across the CIPD, one in three of our people are now from a black, Asian, or ethnic minority background, one in four across our Senior Leadership Team.

However, we have seen an increase in our mean and median gender pay gaps. The increase in our gender pay gap is disappointing but not unexpected. We have a low voluntary attrition rate of 9.8% averaged across the year, which means that pay gaps are difficult to change, especially within a small organisation. The largest pay gap is found in the upper quartile pay band, and it is this segment that has seen the fewest people changes. As an organisation with 67.6% women and 32.4% men, the recruitment of just one or two men or the resignation of one or two women at senior levels has a significant impact. This is highlighted by the monthly fluctuations in our median gender pay gap, which has shifted from a low of 13.3% in August 2020 to a high of 23.1% in April 2021, close to the statutory reporting date.

We added two new directors, both male, which shifted the gender balance of our Senior Leadership Team to three women and five men, including the chief executive. However, we have added other direct reports to the chief executive, including heads of programmes, inclusion and diversity, and strategy, who are women. We have also focused our recruitment efforts on bringing in highly skilled roles, predominantly in our Digital and Technology Team, which remains a business area with a much higher proportion of men than women. The addition of men into higher-paying roles in the middle-upper and upper quartiles widens the pay gap.

We are committed to providing a fair and equal experience to everyone who works at the CIPD and we're working hard to ensure that our practices encourage everyone to have the option to work flexibly and in a way that suits them so that they can deliver their best work. We have a principle of fair pay. We are proud that many of our senior roles are already carried out on a flexible basis. The policy changes we have made in areas such as parental leave are focused on enabling new parents to take equal responsibility for childcare commitments. It will take time, but this will help address the imbalance when, primarily, women work flexibly to fulfil family responsibilities.

For more in-depth analysis of our pay gaps, and our action plan for 2021–22, see:
cipd.co.uk/about/who-we-are/cipd-pay-gap-reports

Managing our finances

A strong financial performance allows us to continue investing in our membership, improve our services and capabilities, and increase our impact and voice.

Key financial highlights

- **£38.6 million** total revenue
- **£24 million** membership revenue
- **£3.1 million** invested in strategic development projects from our designated funds
- **£2 million** operating surplus

Income

Our total income was £38.6 million in 2020–21, which was 5% down on the previous year. However, in the uncertain and changeable circumstances, this was significantly ahead of our original forecasts. The revenue areas most impacted were face-to-face events and training programmes.

The largest proportion of our revenue comes from membership subscriptions. During the year, membership numbers increased by 2% to 160,134. Our membership proposition and the support we offered during the year encouraged more members to stay with us.

Our commitment to membership, business-to-consumer (B2C) and business-to-business (B2B) revenues in our international trading subsidiaries was demonstrated with international revenue remaining constant at £4.6 million within a tough trading environment.

B2B revenue within our UK-based trading subsidiary CIPD Enterprises grew strongly by 28% to £2.5 million. This was due to increases in partnership qualifications and steady performances for training, consultancy and assessments.

B2C training suffered due to COVID-19 restrictions, with a revenue of £1 million. Although this was a reduction from the previous year, we still exceeded targets by 10%.



Expenditure



Operational costs during the year were less than budgeted due to departments working closely with finance to ensure that costs were managed effectively, and with some savings as the business operated remotely. Financial costs and performance were monitored monthly by the Senior Leadership Team and quarterly by the board. With a lot of work and adaptation, for example to more digital delivery, we were able to sustain revenues quite well in most areas, and this enabled us to deliver an operating surplus of £2 million, despite the difficult economic environment.

In 2021, £3.1 million (compared with £1.9 million in 2020) of our designated reserves was invested in our strategic projects to improve our digital infrastructure and capabilities. It has been very important for us to maintain momentum on these critical investments to increase the reach and support we offer through learning content, implementation of our qualifications model, and new assessment routes into and through membership.

Investments

Our investment strategy for our reserves is to achieve growth above market performance without taking undue risks. This has resulted in strong reserves that allow us to plan long term, improving our membership proposition and increasing our reach and impact across the profession.

The market value of investment assets, other than cash held, at the year-end was £24.1 million (compared with £21.7 million at 30 June 2020). This equates to a gain of £3.9 million after taking into account net withdrawals of £1.6 million. Markets rose during the year as the global economy recovered after the COVID-19 outbreak.

Our portfolio is well diversified across asset classes, and this continues to provide a buffer against the market volatility of recent years. We receive monthly advice from our investment managers, who regularly review our mix of investments and balance the objective of maximising the long-term return on our investments against their risk and liquidity.

We continued our investment policy of strengthening our assessment of environmental, social and governance (ESG) factors before investing in a fund and enhancing our monitoring of each fund manager's policies and procedures.

Pensions

The CIPD offers all employees in the UK the opportunity to enrol in a group personal pension plan, which is a defined contribution scheme. A similar scheme operates for our employees in Ireland. We also operate a defined benefit pension scheme, which closed to new and existing members in 2012. A professional actuary carried out a triennial valuation of the defined benefit scheme at 1 October 2017. This showed a deficit of £9.7 million and that the scheme's assets were sufficient to cover 82% of the accrued benefits. The funding deficit does not represent a current cash commitment; rather, it reflects the long-term funding required as pensions are paid out to members of the scheme, many of whom have not yet retired. In accordance with the triennial valuation, we are funding the deficit over a recovery period to 2027. More details are given in note 12 to the accounts. The triennial valuation as of 1 October 2020 is currently under way.

The actuary carries out a separate annual valuation in line with Financial Reporting Standard (FRS) 102. This is conducted using different assumptions and therefore results in a different funding deficit. The FRS 102 valuation at 30 June 2021 showed a deficit of £12.9 million, compared with a deficit of £17.1 million as of 30 June 2020. The main reasons for the improvement in the balance sheet position are an increase in long-dated corporate bond yields, the performance of the scheme's investments and an update to mortality data used in estimating future life expectancies. The CIPD contributed £0.7 million to the scheme's deficit during the year.

Reserves

Free financial reserves are those that are available to be spent on the CIPD's purposes, including our charitable aims. They exclude the pension deficit, as this represents a long-term funding requirement rather than an immediate cash commitment.

These are used to measure current and future liquidity and as protection against the effects of an economic downturn. Consequently, trustees deem that the CIPD should, at all times, maintain free financial reserves sufficient to fund a fall in income of between 15% and 20%. Based on the year to 30 June 2021, this would equate to between £5.8 million and £7.7 million. At 30 June 2021 our free financial reserves were £15.6 million.



We also have a policy of keeping £1 million in cash and readily available funds at any given time. This policy was met, ending the year with a group cash balance of £7.7 million.

Going concern

We have set out above a review of the CIPD's financial performance during the year and its reserves position at the end of the year. Our planning process, including financial projections, has taken into consideration the current economic climate – in the UK, Ireland, the Middle East and Asia – as well as the market environment in which we operate and its potential impact on our various sources of income and planned expenditure.

We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material uncertainties that call into doubt the CIPD's ability to continue in operation. Accordingly, the accounts have been prepared on the basis that the CIPD is a going concern.



Contents



Governing our work, managing our risks

Our structure and governance	**57**
How we manage risk	**65**

Governing our work, managing our risks

Good governance is crucial for the success of all organisations. As a charity, we use the Large Charity Governance Code, and learn from practice in other sectors, to guide our governance practices.

Our structure and governance

The Chartered Institute of Personnel and Development is incorporated under Royal Charter and is a registered charity in England, Wales, Scotland and Ireland.

Our charitable purpose, as prescribed by our Charter and Byelaws, is to promote the art and science of the management and development of people for the public benefit.

Charities have a legal obligation to report on how they have carried out their purpose for the public benefit. In 2020–21, as organisations started returning their people to the workplace during the COVID-19 pandemic, we have done this in several ways, including:

- providing relevant and timely information and guidance and continuing to influence public policy around, for example, staff and hybrid working practices
- facilitating a range of social impact volunteering programmes, using our members' expertise to help improve working lives in a variety of ways.

Our Charter and Byelaws give the board of trustees the authority to exercise all the powers of the organisation. Board members are directors and charity trustees, with the associated legal responsibilities.

Our board of trustees

The Charter and Byelaws set out the composition of the board, allowing for up to 12 members, including the president, honorary treasurer, vice president membership and professional development, who are all honorary members, and the chief executive, who is an ex officio member. Council elects the chair and five remaining trustees.

In April 2021, Council elected a new chair and two new trustees to the board, as Louise Fisher, Yetunde Hofmann and Anne Sharp's terms of office came to an end.

Louise Fisher completed two terms as CIPD chair, in addition to a previous six years on the board and a year on the Nominations Committee. Yetunde Hofmann and Anne Sharp also completed two terms as trustees. Following a skills gap analysis, we used an open recruitment process, including LinkedIn, which helped us reach a wide and diverse talent pool. The recruitment of the chair was overseen by the president, with the final panel including an independent governance expert. Recruitment of the two other trustees was led by the Nominations Committee. All appointments were subject to satisfactory references and conflict of interest checks.

New trustees received a comprehensive induction using resources from the Charity Commission, internal documentation, and meetings with fellow trustees and senior staff. We recognise the need to keep the knowledge of board members up to date and provide relevant updates and training.



Professor Sir Cary Cooper CBE
President



Valerie Hughes-D'Aeth
Chair of the Board (from April 2021)
Nominations Committee,
People, Culture and Remuneration Committee



Shakil Butt
Honorary Treasurer,
Board Champion - Race
Audit and Risk Committee,
People, Culture and Remuneration Committee



Nelarine Cornelius
Vice President,
Membership and Professional Development



Peter Cheese
Chief Executive
Nominations Committee



Dr Andrea Cooper OBE
Board Champion – CIPD Trust



Jonathan Ferrar
Board Champion – Asia Pacific,
Audit and Risk Committee



Caroline Nugent
Audit and Risk Committee



Dr Sue Round
Board Champion – Middle East (from April 2021)



Siobhán Sheridan CBE
Nominations Committee (from April 2021)



Sharon Whitehead
Board Champion – Ireland, People, Culture and Remuneration Committee (May 2021), Formerly Nominations Committee



Nicholas Williams
Attends Audit and Risk Committee



Louise Fisher
Chair of the Board (to April 2021), People, Culture and Remuneration Committee



Yetunde Hofmann
People, Culture and Remuneration Committee (to April 2021)



Anne Sharp CBE
Audit and Risk Committee (to April 2021)

Trustees' responsibilities

The trustees are responsible for setting our strategic framework, approving the overall budget and major capital projects, and overseeing the management of our affairs, including ensuring that the CIPD fulfils its charitable objects. Day-to-day management of the organisation is delegated to the chief executive (the only executive member of the board) and the Senior Leadership Team.

Each year, the trustees must prepare a report (the Trustees' Report) and financial statements in accordance with applicable law and regulations. Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under Charity Law in England and Wales, trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of the group's net income and expenditure for that period. In preparing these financial statements, the trustees must:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting 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 a going concern basis unless it is inappropriate to presume that the charity and the group will continue to operate
- observe the methods and principles in the Charities SORP.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011 and the provisions of the Institute's Charter and Byelaws. They are also responsible for safeguarding the assets of the group and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are also responsible for the maintenance and integrity of the corporate and financial information included on our website.

So far as each of the trustees at the time the report is approved are aware:

- There is no relevant audit information of which the auditors are unaware.
- Trustees have taken all the steps required to make themselves aware of any relevant audit information, and to establish that the auditors are aware of that information.

Board activity

The board meets regularly to review the delivery of our objectives against the agreed strategy, operational performance and risks. In 2020 it was agreed that the board would increase its formal meetings from four to six a year. However, due to the ongoing pandemic, additional meetings were held in 2020. In February 2021 the board also participated in a strategic planning day with the Senior Leadership Team. All meetings were held virtually and attendance for individual board members is shown below.

Name	Board meetings attended	Sub-committee meetings attended
Valerie Hughes-D'Aeth	1/1	1/1
Louise Fisher	6/6	7/7
Shakil Butt	7/7	8/8
Cary Cooper	7/7	n/a
Nelarine Cornelius	5/7	n/a
Peter Cheese	7/7	12/12
Andrea Cooper	6/7	n/a
Jonathan Ferrar	7/7	4/4
Yetunde Hofmann	6/6	2/2
Caroline Nugent	5/7	4/4
Anne Sharp	6/6	3/3
Sue Round	1/1	n/a
Siobhan Sheridan	1/1	n/a
Nick Williams	6/7	n/a
Sharon Whitehead	7/7	5/5

Following its external evaluation in 2020, the board continued to monitor progress against all recommendations and agreed to conduct an internal board effectiveness review in early 2022. By July 2021, three-quarters of these recommendations had been completed, with two on hold and nine in progress. The board receives quarterly operations reports on the business and has been involved in the development of a scorecard report of key performance indicators, which it will receive each month from September 2021.

During the year, the board approved the CIPD's five-year business plan and the setting up of CIPD Ireland and the CIPD Trust. It closely monitored progress against its Race Action Plan and its inclusion and diversity initiatives, both internally and externally, and appointed a board champion for race. The CIPD's revised risk appetite framework and statement was approved by the board in May 2021, along with a set of business principles. These principles will be used to determine who we work with, either as client, supplier or partner. By setting expectations for ourselves and those we do business with, we hope to grow our influence in how businesses operate environmentally, socially and through their governance standards.

Our business principles set out the expectation that companies should:

- comply with all legislation, regulations and directives applicable to their business and the countries in which they operate
- not be sanctioned by the UK Government or involve the CIPD in countries sanctioned by the UK Government
- agree to or aspire to the Ten Principles of the United Nations Global Compact.

We recognise the need to be pragmatic as we seek to apply these principles to the businesses we work with. Applying them to our risk assessment of third parties will be conducted on a case-by-case basis and may vary based on the nature of the work involved, geographical and geopolitical contexts and jurisdictions, reputational risks associated with their industries, and other factors.

The board has three standing committees and a working party (Investment Working Party), to which it delegates certain functions while retaining overall accountability.

Audit and Risk Committee

The Audit and Risk Committee is chaired by the honorary treasurer and provides the board with objective oversight of its financial and non-financial risk and control systems. At its quarterly meetings, it continued to oversee how the CIPD manages its strategic and operational risks and provided valuable input into the development of the CIPD's risk appetite framework and statement, ensuring it remained fit for purpose.

During the year, in the light of the pandemic and its impact on our people, the committee undertook a deep-dive review of people and culture risks. It also reviewed the CIPD's internal policies around authorities and delegations, anti-bribery, gifts and hospitality, fraud response, and whistleblowing.

Following the appointment of Sayer Vincent as internal auditors in June 2020, an internal audit plan was developed based on the key areas of risk faced by the organisation in the year ahead. A cybersecurity internal audit was undertaken in early 2021 and an internal audit of the governance arrangements for the CIPD's subsidiary hubs is scheduled for autumn 2021.

In April 2021 the committee conducted its annual review of the CIPD's significant supplier relationships, focusing on the total spend, financial due diligence, contract review dates and value for money. The committee has agreed that next year's supplier report should include details of suppliers where spend was greater than £50,000 in the prior financial year.

In light of the Charity Commission guidance on reporting of serious incidents related to the pandemic by charities, the committee had a standing item at each meeting to review its decision on whether a report should be made to the regulator. There were no reports made in the year.

Nominations Committee

The Nominations Committee is chaired by the board chair and is responsible for board succession planning and recruitment, supported by the institute secretary. Our aim when filling board appointments is to strengthen its overall capability and continue to improve the diversity of its membership.

Between February and March 2021, the committee ran an open recruitment process for two trustee positions that became vacant in April. The committee made recommendations to the board following the interviews and Council subsequently elected Dr Sue Round and Siobhán Sheridan as trustees at its April 2021 meeting.

The committee also has delegated authority to oversee the process for the appointment of Chartered Companions, the highest level of membership. The board approved 18 members as Companions, nominated for the first time this year by our members, with broad representation in terms of gender, ethnicity, sector and geographical location.

People, Culture and Remuneration Committee

The committee is chaired by an independent board member and is the only sub-committee that has a CIPD employee as a formal member.

The committee is responsible for monitoring the performance of and setting the pay for the chief executive and Senior Leadership Team.

In 2020–21, the People, Culture and Remuneration Committee continued to oversee our culture, capability and pay policy and expanded its remit to include oversight of inclusion and diversity. It reviewed the work carried out with external experts to help us understand the lived experiences, and potential barriers to inclusion, of our black, Asian and ethnic minority people. It implemented an organisation-wide salary review to address any pay gap issues. And it continued to monitor key people metrics with additional pulse-survey questions introduced around inclusion and diversity.

Investment Working Party (IWP)

The IWP monitors the performance of the investment portfolio. It meets quarterly to consider the advice of the CIPD's investment adviser, Cambridge Associates, and to agree investment decisions within the range of asset allocation targets agreed by the board. Its membership includes two board members and the chief executive.

Over the year, three funds from the portfolio were sold and the proceeds reinvested with other fund managers. The selection of new fund managers is made carefully by the IWP, taking advice from Cambridge Associates, reviewing the environmental, social and governance credentials of the fund manager and meeting with the relevant investment team. The IWP also agreed the sale of our remaining investment property (a flat in Wimbledon).

Our Senior Leadership Team

The Senior Leadership Team is led by the chief executive. It is responsible for the development of strategy in conjunction with the board, implementation of the strategy and day-to-day operational management of the CIPD.



Peter Cheese
Chief Executive



Angela Attah
Director of Legal and Governance (Institute Secretary)



David Cox
Director of Digital and Technology



David D'Souza
Director of Membership



Jenny Gowans
Director of Research, Policy and Content



Tony Osude
Director of Commercial and Marketing (from September 2020)



Brad Taylor
Director of People, OD and Workplace (to June 2021)



Victoria Winkler
Director of Professional Development

Our subsidiaries and related parties

The CIPD has three active group companies:

- CIPD Enterprises Ltd, its wholly owned trading subsidiary, which is registered in England and Wales
- CIPD Middle East FZ LLZ, which is wholly owned by CIPD Enterprises Ltd and registered in Dubai in the United Arab Emirates
- CIPD Asia Ltd, which is a not-for-profit wholly owned subsidiary, limited by guarantee and registered in Singapore.

CIPD Ireland has been included in the CIPD Charity's financial statements as a branch. From 1 July 2021, CIPD Ireland has become a separate legal entity and a subsidiary of the CIPD. It is a company limited by guarantee and currently awaiting charitable status in Ireland.

The Charities SORP (FRS 102) requires disclosure of transactions between related parties, details of which are given in note 15 to the financial statements.

Our professional advisors

We reappointed Haysmacintyre LLP as our external auditors following a vote at the December 2020 annual general meeting.

Auditors **Haysmacintyre LLP** **10 Queen St Pl** **London EC4R 1AG**	**Bankers** **Lloyds Bank plc** **3 St George's Road** **London SW19 4DR**
Legal advisers **Withers LLP** **16 Old Bailey** **London EC4M 7EG**	**Investment advisers** **Cambridge Associates Ltd** **80 Victoria Street, Cardinal Place** **London SW1E 5JL** **(until 31 October 2021)**

How we manage risk

The board of trustees has overall responsibility for overseeing the effective management of risk throughout the organisation. The board reviews the status of corporate risks at each of its bimonthly meetings, while delegating more in-depth reviews to the Audit and Risk Committee.

Day-to-day responsibility for risk management sits with members of the Senior Leadership Team, who are also responsible for overseeing operational risks in their areas and identifying any links with our corporate risks.

Our internal auditors, Sayer Vincent, work with us to develop an audit plan based on potential corporate risks. They provide independent assurance to the board that we have the required mitigations and controls in place. The implementation of recommendations made by the internal auditors is monitored by the Audit and Risk Committee.

The continued impact of the pandemic has tested our resilience as a business and the strength of our overall risk management framework. Previously identified risks related specifically to COVID-19 have the potential to hinder the achievement of our strategic objectives and to demonstrate the importance of the people profession to businesses as they navigate through the pandemic. The board has assessed these risks and opportunities and subsumed them into other areas of risk.

Risk appetite

In 2020, our board effectiveness review identified the need for a clearer risk appetite framework and statement. The board wanted to set out which areas of risk it is intolerant of and which it will accept in pursuit of its charitable purpose. The risk appetite statement is used to inform behaviours and decision-making at all levels of the organisation, and specifically in identifying strategic risks and appropriate mitigations against them.

The risk appetite framework and statement were developed with input from the Audit and Risk Committee and approved by the board in May 2021. The committee will review the risk appetite framework every other year or sooner, should circumstances warrant it.

The risk appetite statement is as follows:

> The CIPD is committed to championing better work and working lives. Its approach to doing this is to build professionalism and professional capital, underpinned by operational excellence to ensure it can sustain and support its operations effectively.
>
> It operates within a low overall risk range, with its lowest risk appetite relating to compliance and the welfare and wellbeing of people. A marginally higher risk appetite is accepted for finance, delivery and technology risks. Its highest risk appetite relates to achieving its strategic objectives and to increase its reach and impact. For these, the CIPD is willing to accept measured risk in undertaking new business development opportunities globally and in speaking out on topics relating to the world of work, the people profession, and to build professionalism and professional capital.

Risk evaluation and response

We evaluate each risk based on its potential impact on the achievement of our objectives and the likelihood of its occurrence, given any current controls. We apply this approach consistently throughout the organisation but use different thresholds for measuring the impact of corporate and team risks.

GROWING A STRONG COMMUNITY (BUILDING PROFESSIONALISM)	
RISK AND IMPACT	**CONTROLS AND MITIGATION**
Challenge to the perceived relevance of membership to employers, and to the relevance of the whole HR profession. The Profession Map and overall qualifications lose relevance. **Impact:** Short-term and long-term decline in membership.	We have developed our market intelligence and regularly monitor the competitive landscape. Our increased connections to senior people professionals and other membership bodies help us stay attuned to sentiment regarding the CIPD and broader market change. Prioritised investment in digital experience, community and relevant content ensures we remain relevant, in line with feedback from our members. We continue to react to market changes and ensure our evidence, research and key message positions are up to date and well understood.

New products and services do not meet requirements of existing and future customers in current and future markets and/or we are unable to provide customer support for clients across multiple geographies. **Impact:** Market expansion hindered and loss of credibility as an organisation.	We are managing our expansion as part of our Vision and Ambition work with Programme Management Office involvement. The scaled pilot programmes for the CIPD Learning Hub will provide further insights as to the required level of support needed at launch. We are piloting, testing and gathering customer insights and broader market intelligence to help ensure we develop our understanding of customer requirements and we are investing more in the capability and capacity of our Strategic Insight Team.

MAKING THE CASE FOR BETTER WORK (BUILDING PROFESSIONAL CAPITAL)	
RISK AND IMPACT	**CONTROLS AND MITIGATION**
Inappropriate response to political, economic, social-cultural and environmental situations, or from our association with countries, companies or individuals who may have poor working practices. **Impact:** Reputational and brand damage, long-term decline in membership and potential impact on growth plans.	Our risk appetite framework and business principles are used to risk-assess existing or potential contracts. We control the use of our brand and identity through contract arrangements and have policies to clarify the nature of our association with other organisations, with provision for break clauses. Our Code of Professional Conduct provides clear guidance and helps us manage member misconduct.
Failure to deliver our purpose due to inadequate response to COVID-19 and other current events, missing the opportunity to give clear messaging on ways of working, the criticality of the people profession in business decisions and demonstrating our relevance. **Impact:** Damage to the profession, long-term decline in membership and an inability to fulfil our charitable purpose.	Our established approach to response work allows us to produce timely, relevant content across all channels. We offer support to the HR community and employers more widely via our coronavirus hub and other online advice. Our virtual learning options and new learning management system ensure we maintain revenues and relevance for our members. On inclusion and anti-racism, we continue to speak publicly about what needs to change and to develop our content, policy and guidance around diversity.

IMPROVING HOW WE WORK (OPERATIONAL EXCELLENCE)	
RISK AND IMPACT	**CONTROLS AND MITIGATION**
Ongoing information security threats and vulnerabilities. These include malicious attacks, user or system errors or failures, mismanagement of systems and information, non-compliance with data protection regulations and risk exposure for systems that are out of support contract. **Impact:** Reputational, financial, legal, regulatory or contractual compliance damage, client and partner loss and information loss or theft.	We have strengthened our legal and governance oversight of cybersecurity and continue to monitor interdependencies between internal and external systems. In July 2021, we achieved Cyber Essentials Plus reaccreditation, evaluating our controls against ISO 27001, and have data-cleansed all core systems. We regularly monitor our cybersecurity risks, and new major incident and change management processes are now operational. We continue to provide GDPR and cybersecurity training to all staff and board members, and ensure all partners undergo security reviews prior to contract.
We fail to implement the digital benefits and operational improvements to our members in time or fail to communicate the digital benefits clearly. **Impact:** Lost opportunity and erosion of our perceived relevance in the increasingly digital marketplace, leading to a drop in membership and reach.	Our Programme Management Office continues to drive implementation, adopting a phased rollout and agile working to embed learnings as we go. Our digital transformation roadmap for 2021–22 has been approved with the necessary additional resources to ensure cultural changes are implemented successfully. We continue to adapt to the new ways of working and deliver digital benefits for our customers.
Inability to identify, attract and retain skilled people leads to capacity and delivery issues. Insufficient alignment to our values and associated behaviours has a negative impact on culture and engagement. Poor managerial conduct leads to employment tribunal claims. Changes to a hybrid working model led to management challenges, loss of cohesion. Inclusion challenge of integrating people back into the workplace. **Impact:** Reputational damage and an inability to achieve our objectives, drive change and deliver our strategy.	We continuously review our required skills, resulting in training and new role-creation as appropriate, and have broadened our recruitment pool geographically. Our 'Voice' employee engagement tool provides ongoing data for monitoring engagement and satisfaction. Ongoing training, expectation-setting, performance management and assessment, and support is provided for managers. Our focused programme of consultation and engagement with our people is delivered by a multidisciplinary project team and supported by external specialist consultants.
Financial impact of the pandemic and ongoing economic uncertainty, with the speed and extent of recovery in affected markets impacting revenues and surplus. **Impact:** Need to cut back on planned strategic projects resulting in longer-term strategic and financial risks.	Our financial models are based on different projections and mitigating actions developed to protect net surplus/deficit position. We have reserves in place and additional actions to take if surplus numbers deteriorate, and we run regular forecasts to track our financial position.

Risks relating to the concurrent delivery of key strategy projects and supply chain impact if partners are affected by illness, competitive demand for skillsets, or changing legal requirements for contract resource. **Impact:** Delay in delivery of outputs and key dependency impacts.	Our Programme Management Office, supported by the Project Investment Board, ensures alignment between all delivery programmes by managing dependencies, resourcing effectively and aligning key decisions and activities. We are closely monitoring how our partners are affected by the pandemic and the plans they have in place to ensure continuity of supply.

INTERNATIONAL RISKS	
RISK AND IMPACT	**CONTROLS AND MITIGATION**
Inappropriate response to political and diplomatic shifts or incidents in higher-risk countries in Asia, North Africa and the Middle East, given our associations there, and potentially in Europe as business opportunities increase there. **Impact:** Reputational damage from working internationally.	We continue to monitor activities in higher-risk areas and keep in close contact with our international offices to understand local insights and monitor existing and future potential relationships. We monitor FCO guidance and have good connections with the British Embassy in Saudi Arabia. We remain cognisant of the relationships we develop with commercial and public sector entities, their impact on our reputation and their alignment to our values and business principles.
Negative impact of Brexit on the Irish marketplace and risk that UK-centric content does not work for international businesses. Divergence from EU standards and content relevancy (EU directives). Restrictions on staff movement and availability of talent. Currency fluctuation, greater price sensitivity, tighter corporate spend and macro-economic change. **Impact:** Loss of B2B work in Europe, limitations on staffing and rise in the cost of doing business internationally.	Our Brexit support hub and blogs on our website offer advice and policy recommendations to employers and members. We monitor regulatory developments regularly and have provided our 30+ EU employees with specific guidance to support them. Our Investment Working Party reviews investment risks every quarter, with advice from our investment advisers, Cambridge Associates, in the context of the wider economic scene, including the impact of both COVID-19 and Brexit.

By order of the board

Angela Attah LLB FCG

Institute Secretary

10 November 2021

Contents



Independent auditor's report to the trustees of the Chartered Institute of Personnel and Development

Opinion

We have audited the financial statements of the Chartered Institute of Personnel and Development for the year ended 30 June 2021, which comprise the Consolidated Statement of Financial Activities, Group and Charity Balance Sheets, Consolidated Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 30 June 2021 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least 12 months from when the financial statements 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and the Chair, President and Chief Executive Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on **page 59**, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and the environment in which it operates, we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Charity's Royal Charter, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators and tax authorities;
- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluating management's controls designed to prevent and detect irregularities;
- identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- challenging assumptions and judgements made by management in their critical accounting estimates

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities**. 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 section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

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

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

Contents



Financial statements

Consolidated statement of financial activities for the year ended 30 June 2021

Consolidated statement of financial activities	Note	General fund	Designated fund	Restricted fund	Total 2021	Total 2020
		£'000	£'000	£'000	£'000	£'000
Income from:						
Charitable activities						
To advance the management and development of people through:						
Membership services and education		**29,050**	–	–	**29,050**	29,440
Research		**17**	–	**95**	**112**	313
Branches		**88**	–	–	**88**	227
Other trading activities						
Commercial income	2(b)	**9,253**	–	–	**9,253**	10,510
Investments	2(c)	**50**	–	–	**50**	169
Total income		**38,458**	–	**95**	**38,553**	40,659
Expenditure on:						
Raising funds	2(a)					
Commercial expenditure		**(8,089)**	–	–	**(8,089)**	(9,632)
Investment management costs		**(50)**	–	–	**(50)**	(50)
Charitable activities	2(a)					
Membership services and education		**(22,096)**	**(651)**	–	**(22,747)**	(23,232)
Research		**(4,876)**	**(425)**	**(189)**	**(5,490)**	(5,621)
Branches		**(1,367)**	**(20)**	–	**(1,387)**	(2,081)
Total expenditure		**(36,478)**	**(1,096)**	**(189)**	**(37,763)**	(40,616)
Net income/(expenditure) before gains and losses on investments		**1,980**	**(1,096)**	**(94)**	**790**	43
Net gains/(losses) on investments	7	**3,910**	–	–	**3,910**	131
Net income/(expenditure)		**5,890**	**(1,096)**	**(94)**	**4,700**	174
Transfers between funds	11	**492**	**(492)**	–	–	–
Net incoming/(outgoing) resources before other recognised gains and losses		**6,382**	**(1.588)**	**(94)**	**4,700**	174
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension scheme	12	**3,695**	–	–	**3,695**	(5,790)
Gains/(losses) on revaluation of overseas subsidiaries		**676**	–	–	**676**	36
Net movement in funds		**10,753**	**(1,588)**	**(94)**	**9,071**	(5,580)
Reconciliation of funds						
Net fund balances brought forward		**2,679**	**14,267**	**170**	**17,116**	22,696
Net fund balances carried forward		**13,432**	**12,679**	**76**	**26,187**	17,116

The statement of financial activities includes all recognised gains and losses for the year.

Consolidated group and charity balance sheets at 30 June 2021

	Note	Group 2021 £'000	2020 £'000	Institute 2021 £'000	2020 £'000
Fixed assets					
Tangible assets	5	**7,619**	7,853	**7,462**	7,763
Intangible assets	6	**1,999**	64	**1,999**	64
Investments	7	**28,443**	25,713	**31,402**	27,321
		38,061	33,630	**40,863**	35,148
Current assets					
Debtors	8	**5,247**	6,201	**5,801**	6,656
Cash at bank and in hand	9	**7,663**	5,712	**2,963**	3,735
		12,910	11,913	**8,764**	10,391
Creditors					
Amounts falling due within one year	10	**(11,799)**	(11,273)	**(9,183)**	(9,285)
Net current assets/(liabilities)		**1,111**	640	**(419)**	1,106
Net assets excluding pension liability		**39,172**	34,270	**40,444**	36,254
Provisions	13	**(45)**	(90)	**(35)**	(90)
Defined benefit pension scheme liability	12	**(12,940)**	(17,064)	**(12,940)**	(17,064)
Net assets including pension liability		**26,187**	17,116	**27,469**	19,100
Funds					
General fund	11	**26,372**	19,743	**27,654**	21,727
Pension liability		**(12,940)**	(17,064)	**(12,940)**	(17,064)
Net general funds		**13,432**	2,679	**14,714**	4,663
Designated funds	11	**12,679**	14,267	**12,679**	14,267
Net unrestricted funds		**26,111**	16,946	**27,393**	18,930
Restricted funds	11	**76**	170	**76**	170
Total funds		**26,187**	17,116	**27,469**	19,100

The financial statements were approved and authorised for issue by the trustees on 10 November 2021 and were signed on their behalf by:

Valerie Hughes-D'aeth
Chair of the Board

Shakil Butt
Honorary Treasurer

The notes on pages 78–98 form part of these financial statements.

Consolidated cashflow statement for the year ended 30 June 2021

	Note	2021 £'000	2020 £'000
Net cash flows from operating activities		**3,088**	(281)
Cash flows from investing activities			
Income from investments	2(c)	**49**	119
Interest received	2(c)	**1**	50
Proceeds from the sale of tangible fixed assets	5	**–**	–
Purchase of tangible fixed assets	5	**(375)**	(143)
Development of intangible fixed assets	6	**(1,992)**	–
Proceeds from sale of investments	7	**3,931**	4,137
Purchase of investments	7	**(2,367)**	(4,457)
(Increase)/Decrease in cash deposits (Investment asset)	7	**(384)**	273
Net cash provided by/(used in) investing activities		**(1,137)**	(21)
Change in cash and cash equivalents in the year		**1,951**	(302)
Cash and cash equivalents at the beginning of the year		**5,712**	6,014
Cash and cash equivalents at the end of the year	9	**7,663**	5,712

Notes to the cashflow statement

(a) Reconciliation of net income to net cashflow from operating activities

Net Income		**4,700**	174
Depreciation charge – tangible assets	5	**546**	631
(Gains)/losses on investments	7	**(3,910)**	(131)
(Gains)/losses on disposal of tangible fixed assets	7	**58**	32
(Gains)/losses on disposal of intangible fixed assets		–	17
Dividend, interest and rents from investments	2(c)	**(50)**	(169)
Depreciation charge – intangible assets	6	**57**	465
Foreign exchange reserves movement		**681**	22
Payment to pension scheme per funding plan	12	**(700)**	(838)
Non-actuarial increase in pension liability	12	**271**	275
Decrease/(increase) in debtors	8	**954**	(262)
Increase/(decrease) in creditors	10	**526**	369
Increase/(decrease) in provisions	13	**(45)**	(866)
Net cash flows from operating activities		**3,088**	(281)

(b) Analysis of cash and cash equivalents

Cash in hand	9	**7,663**	5,712
Total cash and cash equivalents		**7,663**	5,712

Notes to the financial statements for the year ended 30 June 2021

1 Principal accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention modified by the revaluation of investments and in accordance with the Financial Reporting Standard applicable to the UK and the Republic of Ireland (FRS102) and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS102 – effective 1 January 2019 – and the requirements of the Charities Act 2011.

The functional currency of the CIPD is considered to be GBP because that is the currency of primary economic environment in which the group operates.

There are no material uncertainties that call into doubt the CIPD's ability to continue in operation. The trustees have considered the impact of the coronavirus pandemic and future budgets and forecasts. Accordingly, the financial statements have been prepared on a going concern basis as discussed within the Trustees' Report.

(b) Consolidation

The group financial statements include the results of the CIPD, its branches and its subsidiaries, which are consolidated on a line-by-line basis. Please refer to note 2(b) to the accounts for the results for the trading subsidiaries. Note 11 sets out the movements in the Institute's funds including incoming and outgoing resources.

CIPD Enterprises Ltd entered into a profit-share arrangement with Avado to offer digital qualifications to the market which ended during the year. As guided by the Charity SORP (FRS 102), the arrangement has been reported as a jointly controlled operation which requires the consolidated accounts of both parties to recognise assets that each party controls and liabilities incurred, with expenses incurred and share of income.

The results of overseas subsidiaries and branches have been translated into sterling using exchange rates prevailing at the balance sheet date. Exchange differences arising from retranslating the opening net investment in overseas subsidiaries at the closing exchange rates are recorded as movements in the general fund.

(c) Income

All income, including investment income, is accrued and included in the Statement of Financial Activities when the group is entitled to the income, receipt is probable and the amount can be quantified reliably. Income received relating to future accounting periods is deferred and recognised as a creditor within the balance sheet. Income from subscriptions, which is our largest individual source of income, is recognised referring to the period over which the subscription relates.

Volunteers continue to be an integral part of the CIPD, working with us across the organisation in every area of our work. Their wide spectrum of skills, experience and expertise strengthens our organisation by enabling us to better support our members and engage the wider HR community in what we do. On a wider community level, many CIPD members volunteer their experience in our community investment programmes. Our branch volunteers use their skills to promote the CIPD and give back to the profession, with a number of members acting as mentors in our Steps Ahead Mentoring programme and others engaged with our Enterprise Adviser programme run by the Careers and Enterprise Company.

In accordance with the SORP, no monetary value has been attributed to the work of volunteers, though their involvement is considered vital to the activities of the charity.

(d) Expenditure

Membership and education include the costs of administering and providing direct services to members, developing professional standards, providing educational services to members and supporting educational centres which offer the Institute's qualifications. Commercial activities are disclosed as charitable where they are deemed to give rise to direct membership benefit.
Research includes the cost of commissioning and undertaking research and the dissemination of research and practical information to members and the public.
Branches include the central and local costs of the Institute's branch network, which offers CPD and networking events for members nationwide.
Commercial activities, through our strategic partnerships, comprise a courses and conferences programme, a publishing facility for books and training materials, and an HR consultancy business for organisations. It also manages the relationship with the publisher of the CIPD's journal, *People Management*.
Investment management costs include fees paid to the Institute's investment advisers and fund managers.
Support costs such as general management, governance, human resources, finance, information systems, strategy, performance and premises costs are allocated across the various categories of our expenditure. The basis of allocation has been explained in note 2(a) to the accounts.

(e) Operating leases

Payments in respect of operating leases are charged to the Statement of Financial Activities over the life of the lease on a straight-line basis.

(f) Fixed assets, depreciation and amortisation

Tangible assets
Tangible assets are stated at cost net of depreciation and any provisions for impairment.

Depreciation is provided on a straight-line basis on the cost of fixed assets to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land or assets under construction. The depreciation period for other assets is shown below.

Office equipment	3–4 years
Freehold buildings (from date of first use)	25 years
Leasehold buildings (from date of first use)	Over life of lease

Assets with a cost below £2,500 are not capitalised.

Intangible assets
Intangible assets are stated at cost net of depreciation and any provisions for impairment.

Depreciation is provided on a straight-line basis on the cost of fixed assets to write them down to their estimated residual values over their expected useful lives.

Website development costs	3 years
Developed IT hardware/software	5 years

Website planning costs are charged to the Statement of Financial Activities as incurred. Other website costs are capitalised as a fixed asset only where they lead to the creation of an enduring asset delivering tangible future benefits whose value is at least as great as the amount capitalised. An impairment review is undertaken of the net asset value of the website at each balance sheet date. Expenditure to maintain or operate the developed website is charged to the Statement of Financial Activities.

Costs incurred in the development of new web-based commercial products are depreciated on a standard cost of goods sold basis over the shorter of three years or the estimated useful economic life of the products concerned.

Developed IT hardware/software relates to our membership and finance systems.

(g) Investments

Investments are stated in the balance sheet at market value. Realised and unrealised gains and losses in the year based on market value are recognised in the Statement of Financial Activities. Investment properties are shown at trustees' estimate of their open market valuation using a nationally available house price index calculator. Bank interest is accounted for on a receivable basis; other investment income is accounted for when received.

Investments in subsidiary undertakings are included at cost or fair value at acquisition, subject to any impairment.

Liquid resources are funds held at bank which require more than 24 hours' notice to access.

(h) Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of impairment losses. Prepayments are valued at the amount prepaid, net of any trade discounts due. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(i) Pension schemes

The CIPD Group Personal Pension Plan and the CIPD Money Purchase Pension Plan are UK-based defined contribution schemes. The Institute also makes contributions to defined contribution schemes for its staff in Ireland. The charges to the Statement of Financial Activities for defined contribution schemes are the amounts payable in respect of the accounting year.

The CIPD Staff Retirement Scheme is a defined benefit scheme. It is accounted for in accordance with FRS 102. The notional net interest charge on the FRS 102 deficit, the expected return on assets and the current service cost have been allocated across the resources expended categories based on pensionable payroll. Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high-quality corporate bond rates that have terms to maturity approximating to the terms of the related liability. Appropriate adjustments are made for actuarial gains or losses which are recognised in other recognised gains and losses in the Statement of Financial Activities.

(j) Taxation

The CIPD is a registered charity and its income is applied solely for charitable purposes. As a result, it is entitled to rely upon the taxation exemption granted by the Corporation Tax Act 2010. Where possible, the profits of the CIPD's trading subsidiaries are donated to the CIPD under Gift Aid.

(k) Fund accounting

The Institute has various types of funds for which it is responsible and which require separate disclosure. These are as follows:

General fund
This contains funds that are spent at the discretion of the trustees in furtherance of the objects of the charity, and includes reserves in line with our policy to maintain sufficient realisable reserves to cover the estimated cash impact of a pessimistic financial scenario.

Designated funds
The Institute may at its discretion set aside funds for specific purposes that would otherwise form part of the general reserves of the organisation. The Institute sets aside funds, supported by cash and investments, in respect of a variety of activities that are explained in more detail below. As such, they are not available for other purposes. Designated funds are listed out in note 11 to the accounts.

Restricted funds
The Institute may, from time to time, receive funds from external sources for specific purposes. These funds are not available for other purposes and are segregated in our accounts. Restricted funds are listed out in note 11 to the accounts.

(l) Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies described above, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates, judgements and assumptions are made based on a combination of past experience, professional expert advice and other evidence that is relevant to the particular circumstance. The following area is considered to involve the critical judgements and sources of estimation uncertainty when applying the group's accounting policies.

Pension liability
Estimates of the net pension liability depend on a number of complex judgements relating to the discount rate used, changes in retirement ages and mortality rates. The group engages a firm of actuaries to provide expert advice about the assumptions made and the effect on the pension liability of changes in these assumptions.

(m) Public benefit

The Institute's charitable objects include the promotion of the art and science of the management and development of people for the public benefit. Details on how the Institute delivers public benefit are included in the Trustees' Report.

2a Expenditure

	Direct costs £'000	Support costs £'000	Total 2021 £'000	Direct costs £'000	Support costs £'000	Total 2020 £'000
Raising funds						
Commercial activities	**4,358**	**3,731**	**8,089**	6,076	3,556	9,632
Investment management	**50**	–	**50**	50	–	50
Charitable activities						
Membership and education	**16,922**	**5,825**	**22,747**	17,508	5,724	23,232
Research	**4,253**	**1,237**	**5,490**	4,468	1,153	5,621
Branches	**1,047**	**340**	**1,387**	1,625	456	2,081
Total	**26,630**	**11,133**	**37,763**	29,727	10,889	40,616

Allocation of support costs

	General management £'000	IT £'000	Finance £'000	HR £'000	Premises £'000	Governance £'000	Total 2021 £'000
Raising funds							
Commercial activities	**109**	**1,991**	**453**	**640**	**522**	**16**	**3,731**
Charitable activities							
Membership and education	**766**	**2,871**	**654**	**727**	**789**	**18**	**5,825**
Research	**171**	**642**	**146**	**132**	**143**	**3**	**1,237**
Branches	**48**	**181**	**41**	**33**	**36**	**1**	**340**
Total 2021	**1,094**	**5,685**	**1,294**	**1,532**	**1,490**	**38**	**11,133**

	General management £'000	IT £'000	Finance £'000	HR £'000	Premises £'000	Governance £'000	Total 2020 £'000
Raising funds							
Commercial activities	159	1,604	397	646	730	20	3,556
Charitable activities							
Membership and education	1,095	2,283	565	734	1,025	22	5,724
Research	230	481	119	133	186	4	1,153
Branches	104	217	54	33	47	1	456
Total 2020	1,588	4,585	1,135	1,547	1,987	47	10,889

Basis of apportionment

General management, IT and finance	Apportioned across commercial activities based on estimate of actual use. Apportioned across charitable activites based on levels of total unrestricted charitable expenditure.
HR, premises and governance	Apportioned across all direct costs, both commercial and charitable, on the basis of total headcount.

Total expenditure includes:	**2021 £'000**	2020 £'000
Auditor's remuneration:		
Audit fees – current year provision	**50**	48
Other services	**12**	12
Operating lease rentals		
Plant and machinery	**39**	20
Other assets, including land and buildings	**363**	387
Depreciation	**603**	1,096

2b Subsidiary companies

(i) At the balance sheet date, the CIPD owned the entire ordinary share capital (where applicable) of the following subsidiary undertakings:

	CIPD Enterprises Ltd		CIPD Asia Ltd		CIPD Middle East FZ LLC[1]	
Country of registration	England and Wales		Singapore		Dubai	
Immediate holding co.	CIPD		CIPD		CIPD Enterprises Ltd	
Holding	3,000,000 £1 shares		Limited by guarantee		14,800 AED 1,000 shares	
Activity	Training, events, publishing and the development of people via organisational training and consultancy		Promotion of membership and the management and development of people		Promotion of membership and the management and development of people	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Total assets	7,514	7,510	502	304	3,216	1,797
Total liabilities	4,233	4,229	994	806	1,352	728
	3,281	**3,281**	**(492)**	**(500)**	**1,864**	**1,069**
Represented by:						
Share capital	3,000	3,000	–	–	2,910	3,270
Reserves	281	281	(492)	(500)	(1,046)	(2,201)
Results for the year:						
Income[3]	6,007	8,551	948	659	2,242	1,691
Expenditure	5,501	7,693	940	1,114	1,308	1,592
Net profit/(loss)	**506**	**858**	**8**	**(455)**	**934**	**99**
Gift Aided to the CIPD	(506)	(858)	–	–	–	–
Retained in subsidiary	–	–	**8**	**(455)**	**934**	**99**

1 CIPD Middle East FZ LLC was incorporated on 13 August 2015 as a Free Zone Limited Liability company and operates in the UAE under a licence issued by the Government of Dubai, Dubai Creative Cluster Authority. The entity is licensed to provide services mainly related to HR consultancy.

2 Commercial income and expenditure in the Consolidated Statement of Financial Activities is derived from our UK trading arm, CIPD Enterprises Ltd, with the following adjustments: commercial income also includes inward sponsorship of CIPD events, which is recorded in the accounts of the Institute. Commercial expenditure includes a higher apportionment of support costs than included in CIPD Enterprises' standalone accounts.

3 CIPD Asia Ltd's income includes £nil (2020: £360,000) funding from the CIPD provided in the form of a grant.

(ii) Our Ireland operation was included as a branch within the CIPD for the year ended 30 June 2021. From 1 July 2021 the Irish operation was transferred to a new subsidiary of the CIPD, CIPD Ireland.

(iii) During the year, there were a number of transactions between group companies, relating to either (a) expenditure paid by the CIPD or CIPD Enterprises Ltd on behalf of another group company and recharged to them, or (b) internal operational costs incurred by the CIPD or CIPD Enterprises Ltd and apportioned to other group companies as appropriate. These transactions were as follows:

Total expenditure includes:	**Transactions during the year**	**Balance outstanding at year end**
	£'000	**£'000**
Amounts due to the CIPD:		
from CIPD Middle East FZ LLC	1,051	100
from CIPD Asia Ltd	444	815
from CIPD Enterprises Ltd	(1,636)	2,175

2c Investment income

	2021 £'000	2020 £'000
Bank interest	**1**	50
Income from investment property	–	13
Income from other investments	**49**	106
	50	169

2d Grants

Membership and education income includes a £67,000 government grant (2020: £25,000) relating to the Coronavirus Job Retention Scheme. The total grant of £92,000 was subsequently paid back to the Government prior to the year end. The decision to make this ex-gratia repayment was made as the organisation's finances were stronger at the end of the year than were anticipated at the point furlough applications were made. Trustees approved the repayment at their meeting on 15 July 2021.

3 Staffing (excluding trustees)

	2021 £'000	2020 £'000
Salaries	**15,912**	14,680
Social security costs	**1,479**	1,331
Pension costs	**1,173**	1,176
Benefits in kind	**326**	461
	18,890	17,648

The pension costs shown above include the service cost for the year for the CIPD Staff Retirement Scheme and the actual payments made into defined contribution schemes.

Excluding the chief executive (note 4 below), higher-paid employees were remunerated as follows

	2021 number	2020 number
£60,000–£69,999	**17**	14
£70,000–£79,999	**14**	13*
£80,000–£89,999	**5**	4
£90,000–£99,999	**4**	4
£100,000–£109,999	**5**	5
£110,000–£119,999	**2**	1
£120,000–£129,999	**1**	2
£130,000–£139,999	**1**	1
£140,000–£149,999	**2**	2*
£150,000–£159,999	**0**	1*

* The bandings marked with an asterisk include redundancy payments for certain individuals and hence do not constitute the normal or ongoing compensation.

Of the higher-paid employees, nine (2020: ten) were members of the CIPD Staff Retirement Scheme. The Institute contributed £275,000 into the defined contribution schemes for 48 of the higher-paid employees (2020: £298,000 for 39 employees).

In 2021, the key management personnel of the charity comprised the trustees and Senior Leadership Team - the chief executive, the director of membership, the director of commercial and marketing, the director of legal and governance, the director of digital and technology, the director of professional development, the director of research policy and content, and the director of people, OD and workplace.

The total employee benefits of the senior leadership team (excluding the chief executive) were £947,000 (2020: £1,154,000).

The average monthly number of employees during the year was 370 (2020: 354), representing a full-time equivalent of 345 (2020: 329).

The average monthly number of employees working in charitable activities, including support and management and administration, was 292 (2020: 261), and 78 (2020: 93) employees worked in activities for generating funds.

The cost of general agency support and consultants was £1,750,000 (2020: £1,769,000), mainly in relation to the delivery of strategic projects and IT activities.

Redundancy and termination payments totalled £410,000 (2020: £325,000).

4 Trustees' emoluments

	2021 £'000	2020 £'000
Chief executive (only paid trustee)		
Salary	**264**	264
Pension contributions	–	–
Benefits in kind	**5**	5
Emoluments	**269**	269

Details on how the chief executive's remuneration is determined are given in the Trustees' Report on page 50. The figures above represent the emoluments of the chief executive for that role, not as a trustee.

The other members of the board of trustees receive no remuneration for their services or for volunteering their time. During the year, a total of £140 (2020: £12,167) was reimbursed to, or paid on behalf of, one (2020: 8) trustee or paid directly on their behalf.

5 Tangible fixed assets

Group	Assets under construction	Freehold land	Freehold property	Leasehold property	Office equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 July 2020	–	3,884	9,172	656	879	14,591
Additions	56	–	–	180	139	375
Disposals	–	–	–	(372)	(174)	(546)
Foreign exchange	–	–	–	(13)	(7)	(20)
At 30 June 2021	**56**	**3,884**	**9,172**	**451**	**837**	**14,400**
Depreciation						
At 1 July 2020	–	–	5,608	418	712	6,738
Charges for the year	–	–	375	68	103	546
Disposals	–	–	–	(310)	(178)	(488)
Foreign exchange	–	–	–	(9)	(6)	(15)
At 30 June 2021	–	–	**5,983**	**167**	**631**	**6,781**
Net book value						
At 1 July 2020	–	3,884	3,564	238	167	7,853
At 30 June 2021	**56**	**3,884**	**3,189**	**284**	**206**	**7,619**

Institute	Assets under construction	Freehold land	Freehold property	Leasehold property	Office equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 July 2020	–	3,884	9,172	461	779	14,296
Additions	56	–	–	–	138	194
Disposals	–	–	–	(227)	(156)	(383)
At 30 June 2021	**56**	**3,884**	**9,172**	**234**	**761**	**14,107**
Depreciation						
At 1 July 2020	–	–	5,608	293	632	6,533
Charges for the year	–	–	375	24	96	495
Disposals	–	–	–	(227)	(156)	(383)
At 30 June 2021	–	–	**5,983**	**90**	**572**	**6,645**
Net book value						
At 1 July 2020	–	3,884	3,564	168	147	7,763
At 30 June 2021	**56**	**3,884**	**3,189**	**144**	**189**	**7,462**

The freehold land and property relates to the CIPD offices at 151 The Broadway, Wimbledon. The trustees believe that the value of this property is higher than its net book value.

The leasehold property relates to our offices in Ireland, Singapore and Dubai. The lease on the Institute's central London office was not renewed during the year.

There is a charge granted over the freehold property at 151 The Broadway in favour of the CIPD Staff Retirement Scheme.

6 Intangible fixed assets

Group	Assets under construction	IT software	Website development	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 July 2020	–	2,971	5,353	8,324
Additions	1,992	–	–	1,992
Disposals	–	–	–	–
At 30 June 2021	**1,992**	**2,971**	**5,353**	**10,316**
Depreciation				
At 1 July 2020	–	2,971	5,289	8,260
Charges for the year	–	–	57	57
Disposals	–	–	–	–
At 30 June 2021	–	**2,971**	**5,346**	**8,317**
Net book value				
At 1 July 2020	–	–	64	64
At 30 June 2021	**1,992**	–	**7**	**1,999**

Institute	Assets under construction	IT software	Website development	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 July 2020	–	2,971	5,353	8,324
Additions	1,992	–	–	1,992
Disposals	–	–	–	–
At 30 June 2021	**1,992**	**2,971**	**5,353**	**10,316**
Depreciation				
At 1 July 2020	–	2,971	5,289	8,260
Charges for the year	–	–	57	57
Disposals	–	–	–	–
At 30 June 2021	–	**2,971**	**5,346**	**8,317**
Net book value				
At 1 July 2020	–	–	64	64
At 30 June 2021	**1,992**	–	**7**	**1,999**

Intangible assets relate to IT software in respect of our membership and finance systems and costs of product development and developing our website.

7 Investments

	Group		Institute	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Investments at market value				
Managed funds:				
Unit trusts: direct holdings in listed UK equities and bonds	**5,869**	4,374	**5,869**	4,374
Overseas unit trusts: direct holdings in listed UK equities and bonds	**198**	415	**198**	415
Overseas unit trusts: direct holdings in listed overseas equities and bonds	**16,655**	15,053	**16,655**	15,053
Bank deposits	**4,348**	3,964	**4,307**	2,572
Property unit trust	**1,373**	1,489	**1,373**	1,489
UK investment property	–	418	–	418
Investments in subsidiaries (Note 2b)	–	–	**3,000**	3,000
Total market value at 30 June	**28,443**	25,713	**31,402**	27,321
Total cost at 30 June	**20,430**	19,783	**23,389**	22,828

The fair value of the UK investment property was determined by adjusting the 2015 market value by the Nationwide House Price Index for the relevant area. The 2015 valuation was carried out by an independent valuer and Fellow of the Royal Institution of Chartered Surveyors. The investment property was sold during the year for a gain of £47,000, recognised in the Statement of Financial Activities within Net gains on investments.

The board has delegated the management of investments to a working group which meets quarterly with an investment adviser to review performance and makes recommendations to the board as to investment managers, asset allocation and the outcome of performance reviews.

The CIPD follows a strategy which specifies percentage allocations to different asset classes and uses specialist fund managers for each class of asset. The asset allocation is tracked by the investment adviser on behalf of the CIPD, with rebalancing decisions taken quarterly. A reconciliation of the movement in the market value of investments is shown below.

	Group		Institute	
	2021	2020	**2021**	2020
Managed funds	**£'000**	£'000	**£'000**	£'000
Market value at 1 July 2020	**25,713**	25,535	**27,321**	26,316
Money withdrawn	**(3,931)**	(4,137)	**(3,931)**	(4,137)
Money invested	**2,300**	4,399	**2,300**	4,399
Movement in cash deposits	**384**	(273)	**1,735**	554
Reinvested income (net of fees)	**67**	58	**67**	58
Net gains/(losses)	**3,910**	131	**3,910**	131
Market value at 30 June 2021	**28,443**	25,713	**31,402**	**27,321**

8 Debtors

	Group		Institute	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Trade debtors	**1,589**	1,369	**676**	604
Amounts due from subsidiaries	**–**	–	**2,911**	4,070
Other debtors	**1,567**	1,128	**1,218**	502
Prepayments and accrued income	**2,091**	3,704	**996**	1,480
	5,247	6,201	**5,801**	6,656

Included within the Institute's debtors are amounts owed from CIPD Enterprises Ltd of £506,000 (2020: £843,000) relating to Gift Aid payable for the period.

9 Cash in bank and in hand

	Group		Institute	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Bank current accounts and cash in hand	**7,663**	5,712	**2,963**	3,735
	7,663	5,712	**2,963**	3,735

10 Creditors: amounts falling due within one year

	Group		Institute	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Trade creditors	**1,811**	1,505	**890**	966
Amounts received in advance	**6,299**	6,526	**6,254**	6,440
Taxation and social security costs	**1,306**	491	**598**	575
Other creditors	**374**	329	**179**	162
Accruals	**1,846**	1,934	**1,262**	1,142
Deferred income	**163**	488	**–**	–
	11,799	11,273	**9,183**	9,285

Amounts received in advance at 30 June 2021 will all be released in the year to 30 June 2022 and mainly relate to member and organisation subscriptions.

Deferred income represents bookings for future commercial events and payments for consultancy work. The movement on deferred income was as follows:

	Group	
	2021	2020
	£'000	£'000
Deferred income at start of year	**488**	345
Amounts released during the year	**(488)**	(345)
Amounts deferred during the year	**163**	488
Deferred income at end of year	**163**	488

11 Funds

Group	Balance at 1 July 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and (losses) £'000	Balance at 30 June 2021 £'000
General fund	19,743	38,458	(36,207)	(208)	4,586	**26,372**
Pension reserve	(17,064)	–	(271)	700	3,695	**(12,940)**
Net general funds	2,679	38,458	(36,478)	492	8,281	**13,432**
Designated funds						
Building fund	250	–	–	1,000	–	**1,250**
Trust fund	–	–	–	500	–	**500**
Strategic initiatives fund	14,017	–	(1,096)	(1,992)	–	**10,929**
Total designated funds	14,267	–	(1,096)	(492)	–	**12,679**
Total unrestricted funds	**16,946**	**38,458**	**(37,574)**	–	**8,281**	**26,111**
Restricted funds						
JP Morgan Chase	–	16	–	–	–	**16**
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	56	118	(116)	–	–	**58**
Flexible Support Fund Partnership	16	–	(16)	–	–	–
Innovate UK	60	(39)	(22)	–	–	**(1)**
Parent Returner Programme	35	–	(35)	–	–	–
Total restricted funds	170	95	(189)	–	–	**76**
Total funds	**17,116**	**38,553**	**(37,763)**	–	**8,281**	**26,187**

Institute	Balance at 1 July 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and (losses) £'000	Balance at 30 June 2021 £'000
General fund	21,727	29,710	28,281	(208)	4,706	**27,654**
Pension reserve	(17,064)	–	(271)	700	3,695	**(12,940)**
Net general funds	4,663	29,710	(28,552)	492	8,401	**14,714**
Designated funds						
Building fund	250	–	–	1,000	–	**1,250**
Trust fund	–	–	–	500	–	**500**
Strategic initiatives fund	14,017	–	(1,096)	(1,992)	–	**10,929**
Total designated funds	14,267	–	(1,096)	(492)	–	**12,679**
Total unrestricted funds	**18,930**	**29,710**	**(29,648)**	–	**8,401**	**27,393**
Restricted funds						
JP Morgan Chase	–	16	–	–	–	**16**
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	56	118	(116)	–	–	**58**
Flexible Support Fund Partnership	16	–	(16)	–	–	–
Innovate UK	60	(39)	(22)	–	–	**(1)**
Parent Returner Programme	35	–	(35)	–	–	–
Total restricted funds	170	95	(189)	–	–	**76**
Total funds	**19,100**	**29,805**	**29,837**	–	**8,401**	**27,469**

Designated fund descriptions:

The building fund provides for maintenance of CIPD properties and for potential property projects. The trust fund has been established to promote access to the profession. The strategic initiatives fund is to provide for special initiatives identified by the board – which include growing membership, meeting the needs of leading members of the HR profession, growing the CIPD's offering internationally, and engaging more directly with employers.

The outstanding balance on the building fund is expected to be used over the next ten to twenty years, though this is dependent on the nature and timing of any potential property projects. The outstanding balance on the trust fund and the strategic initiatives fund is expected to be used over the next five years.

Restricted fund descriptions:

JP Morgan Chase	To provide free employment and people management advice to small businesses
Timewise Mentor	To promote flexible working hours within the workplace
Careers & Enterprise Company	Funding for the recruitment of suitable people professionals (members and non-members) to volunteer on the Careers and Enterprise Company Enterprise Adviser programme
Flexible Support Fund Partnership	Department for Work and Pensions funding to test extending Steps Ahead to support jobseekers of over 50 years old with short-term one-to-one mentoring with the aim of improving their employability skills to help them find work
Innovate UK	Human resources advice and guidance is given to SMEs in the Midlands
Parent Returner Programme	To identify and support a variety of employers of different size and industry to create 50 new private sector opportunities, and reach local residents to support 150 returners to move into or towards work

At 30 June 2021 cumulative unrealised gains on investment assets of £8,013,000 (2020: £5,923,000) were included in the general fund.

During the year £700,000 was transferred from the general fund to the pension reserve (2020: £838,000), and £492,000 was transferred from the strategic initiatives fund to the general fund (2020: £10,000,000 transferred from the general fund to the strategic initiatives fund).

Expenditure incurred promoting the interests of CIPD members and the wider HR community working in Asia was funded during the year via grants totalling £nil (2020: £360,000) from the CIPD to CIPD Asia Ltd. The funding reflects the amount incurred to date in promoting CIPD activities in the region and is in accordance with expenditure authorised by the trustees under the existing grant approval policy.

Analysis of fund balances held on 30 June 2021

	General £'000	Pension £'000	Designated £'000	Restricted £'000	Total £'000
Tangible fixed assets	7,619	–	–	–	**7,619**
Intangible fixed assets	1,999	–	–	–	**1,999**
Investments	15,764	–	12,679	–	**28,443**
Current assets	12,834	–	–	76	**12,910**
Current liabilities	(11,799)	–	–	–	**(11,799)**
Long-term liabilities	–	(12,940)	–	–	**(12,940)**
Provisions	(45)	–	–	–	**(45)**
Fund balances on 30 June	**26,372**	**(12,940)**	**12,679**	**76**	**26,187**

12 Pension commitments

The Institute operated two separate occupational pension schemes during the year – the CIPD Group Personal Pension Plan and the CIPD Staff Retirement Scheme.

(a) CIPD Staff Retirement Scheme

The CIPD Staff Retirement Scheme is a defined benefit scheme which was closed to new entrants on 1 January 2010 and closed to accruals of new benefits from 30 September 2012.

The assets of the scheme are held separately from those of the Institute to meet long-term pension liabilities to past and present employees. The trustees of the scheme are required to act in the best interest of the scheme's beneficiaries and are appointed in accordance with the scheme's trust deed. Currently one-third of the trustees are member-nominated. During the year, Barnett Waddingham LLP acted as administrators and actuaries to the scheme. SEI Investments (Europe) Limited acted as investment advisers to the trustees during the year; they are also responsible for the management of the scheme's invested assets.

The most recent full actuarial valuation of the scheme was carried out as at 1 October 2017 and revealed an actuarial deficit of approximately £9.7 million. The actuarial valuation of the scheme as at 1 October 2020 is currently in progress.

In accordance with the schedule of contributions agreed between the trustees and the Institute as part of the 1 October 2017 valuation, the Institute contributed £700,000 to the scheme over the year to 30 June 2021 (2020: £837,500) in order to address the past service deficit. Further contributions of £700,000 per annum are due to be paid in quarterly instalments of £175,000 until 30 September 2027.

Additionally, the CIPD has an agreement with the trustees under which the scheme is granted a charge over the freehold property at 151 The Broadway to act as a contingent asset for the scheme.

Benefits accrued after 1 October 2006 were on a career average revalued earnings basis and will have limited price indexation of pensions in payment restricted to 2.5%. Prior to 1 October 2006 benefits were accrued on a final salary basis and active members paid contributions to the scheme. On this date the Institute implemented a salary sacrifice scheme and since then has paid all of the contributions – originally at a rate of 19.1% of pensionable salaries and from 1 October 2009 until 30 September 2012 at a rate of 17.6%. Of this, 6% represented the contributions that active members would have made were the salary sacrifice scheme not in place. Contributions in respect of benefit accrual ceased from 30 September 2012.

	2021	2020
	£'000	£'000
The amounts recognised in the balance sheet were:		
Present value of funded liabilities	**64,983**	67,767
Fair value of scheme assets	**(52,043)**	(50,703)
Net pension liability at 30 June	**12,940**	17,064
The amounts disclosed in the balance sheet were:		
Liabilities	**12,940**	17,064
Assets	**–**	–
Net pension liability at 30 June	**12,940**	17,064
The amounts recognised in the statement of financial activities were:		
Interest on liabilities	**1,076**	1,420
Interest on assets	**(808)**	(1,145)
Past service cost	**3**	–
Total	**271**	275
Changes in the amounts recognised within other recognised gains and losses were:		
Actuarial (gain)/loss	**(3,695)**	5,790
Changes in the present value of the defined benefit liability were:		
Opening defined benefit liability	**67,767**	59,883
Past service cost	**3**	–
Interest cost	**1,076**	1,420
Actuarial (gain)/loss due to changes in assumptions	**(2,564)**	7,921
Actuarial (gain)/loss due to experience	**(222)**	–
Benefits paid	**(1,077)**	(1,457)
Closing defined benefit liability at 30 June	**64,983**	67,767
Changes in the fair value of the scheme assets were:		
Opening fair value of scheme assets	**50,703**	48,046
Interest on assets	**808**	1,145
Actuarial gain/(loss)	**909**	2,131
Employer contributions	**700**	838
Benefits paid	**(1,077)**	(1,457)
Administration costs	**–**	–
Closing fair value of scheme assets at 30 June	**52,043**	50,703

All the scheme's assets are invested in funds managed by SEI Investments (Europe) Limited. These are grouped into two pools – the Risk Management Pool and the Return Enhancement Pool. Each fund has a mandate to invest actively in such a way as is expected to outperform relevant benchmark indices.

The fair value of the scheme assets as a percentage of the total scheme assets was:

	30 June 2021	30 June 2020
Equities	**38%**	41%
Bonds	**45%**	46%
Hedge funds	**0%**	5%
Annuities	**5%**	0%
Property	**3%**	3%
Cash	**4%**	4%
	5%	1%

The returns on the scheme's assets over the years to 30 June 2020 and 30 June 2021 were £3,276,000 and £1,717,000 respectively.

The principal actuarial assumptions used by the actuary were:

	at 30 June 2021	**at 30 June 2020**
Rate of increase for pensions in payment	**2.90%**	2.70%
Discount rate for scheme liabilities	**1.90%**	1.60%
Rate of inflation (RPI)	**3.10%**	2.80%
Mortality table	**103% of S3PMA table for males and 98% of S3PFA table for females with CMI_2020 projections**	101% of S2NMA table for males and 95% of S2NFA table for females with CMI_2019 projections
Initial rate addition	**0.00%**	0.00%
Period smoothing parameter	**7.0**	7.0
Long-term rate of mortality improvement	**1.25%**	1.25%
Life expectancy at age 65 (of male aged 65)	**21.3**	21.7
Life expectancy at age 65 (of male aged 45)	**22.5**	23.1
Allowance for cash commutation	**15% of pension taken as tax-free cash**	15% of pension taken as tax-free cash
Allowance for the cost of GMP equalisation	**Increase liabilities by 0.2%**	Increase liabilities by 0.2%

The sensitivities regarding the principal assumptions used to measure the scheme liabilities were:

Assumption	*Change in assumptions*	*Impact on scheme liabilities*
Discount rate	Increase/decrease by 0.5%	Decrease/increase by 10%
Rate of inflation	Increase/decrease by 0.5%	Increase/decrease by 7%
Life expectancy	Increase/decrease by one year	Increase/decrease by 4%

(b) The CIPD Group Personal Pension Plan is a defined contribution scheme which is open to all CIPD employees in the UK. The Institute more than matches the amount of employee salary sacrificed into the scheme up to a total combined contribution of 20% of salary. The scheme qualifies for the NAPF pension quality mark, with the 20% total contribution option qualifying for the PQM Plus standard – the highest available industry award for defined contribution schemes.

The pension cost charge for the year for this scheme was £1,146,000 (2020: £1,050,000).

(c) In addition to the above schemes, Personal Retirement Savings Accounts exist for staff working for the CIPD in Ireland.

The pension cost charge for the year for this scheme was £26,486 (2020: £31,413).

The pension costs charged in the Statement of Financial Activities for the defined contribution schemes represent contributions payable into the schemes in relation to the accounting period.

13 Provisions for liabilities and charges

	Group		Institute	
	2021 £'000	2020 £'000	**2021 £'000**	2020 £'000
Provisions	**45**	90	**35**	90

The provisions are made in respect of dilapidations which represent the estimated costs of payments required to make good leased property under the termination of the lease.

14 Obligations under operating leases

Group	**2021 £'000**	2020 £'000
The future minimum operating lease payments for land and buildings are as follows:		
Within one year	**179**	353
Between two and five years	**177**	81
Over five years	–	–
	356	434
In respect of other operating leases with commitments expiring:		
Within one year	**25**	15
Between two and five years	**6**	2
	31	17

Institute	**2021 £'000**	2020 £'000
The future minimum operating lease payments for land and buildings are as follows:		
Within one year	**76**	201
Between two and five years	**76**	81
Over five years	–	–
	152	282
In respect of other operating leases with commitments expiring:		
Within one year	**24**	14
Between two and five years	**5**	–
	29	14

15 Related parties

In accordance with our Charter and Bye-Laws, board members are not able to profit from their position on the board.

Bob Morton, a director of CIPD Enterprises Ltd until 30 June 2021, provided consultancy services to the Group through ODHRM Consultants Ltd. During the year ODHRM Consultants Ltd invoiced the Group £3,500 (2020: £46,237), of which £nil (2020: £nil) was outstanding at the end of the year.

Yetunde Hoffman, a board trustee until 1 April 2021, is a board trustee of the Institute of Business Ethics. During the year the Institute of Business Ethics invoiced the CIPD £11,730 (2020: £1,300), of which £10,440 (2020: £nil) was outstanding at the end of the year.

There were no other related parties in the year or prior year.

16 Indemnity insurance

Funds are provided to protect the charity from loss arising from the neglects or defaults of its trustees, employees and agents. The cost of indemnity insurance in the year was £12,995 (2020: £14,033).

17 Capital commitments

At the year end the CIPD was committed to digital capital projects totalling £42,000 (2020: £nil).

18 Incorporation

The Institute is incorporated by Royal Charter and therefore has no company registration number.

The Institute is a charity registered in England and Wales, Scotland and Ireland.

Its charity registration numbers are 1079797, SC045154 and 20100827 respectively.

19 Prior year funds

Group	Balance at 1 July 2019 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and (losses) £'000	Balance at 30 June 2020 £'000
General fund	27,932	40,371	(37,889)	(10,838)	167	**19,743**
Pension reserve	(11,837)	–	(275)	838	(5,790)	**(17,064)**
Net general funds	16,095	40,371	(38,164)	(10,000)	(5,623)	**2,679**
Designated funds						
Building fund	250	–	–	–	–	**250**
Information technology fund	–	–	(1,301)	1,301	–	–
Research and development fund	–	–	(316)	316	–	–
Strategic initiatives fund	5,920	–	(286)	8,383	–	**14,017**
Total designated funds	6,170	–	(1,903)	10,000	–	**14,267**
Total unrestricted funds	**22,265**	**40,371**	**(40,067)**	–	**(5,623)**	**16,946**
Restricted funds						
JP Morgan Chase	–	31	(31)	–	–	–
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	127	120	(191)	–	–	**56**
Flexible Support Fund Partnership	16	–	–	–	–	**16**
Innovate UK	285	(17)	(208)	–	–	**60**
Parent Returner Programme	–	154	(119)	–	–	**35**
Total restricted funds	431	288	(549)	–	–	**170**
Total funds	**22,696**	**40,659**	**(40,616)**	–	**(5,623)**	**17,116**

Institute	Balance at 1 July 2019 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and (losses) £'000	Balance at 30 June 2020 £'000
General fund	30,920	29,426	(27,912)	(10,838)	131	**21,727**
Pension reserve	(11,837)	–	(275)	838	(5,790)	**(17,064)**
Net general funds	19,083	29,426	(28,187)	(10,000)	(5,659)	**4,663**
Designated funds						
Building fund	250	–	–	–	–	**250**
Information technology fund	–	–	(1,301)	1,301	–	–
Research and development fund	–	–	(316)	316	–	–
Strategic initiatives fund	5,920	–	(286)	8,383	–	**14,017**
Total designated funds	6,170	–	(1,903)	10,000	–	**14,267**
Total unrestricted funds	**25,253**	**29,426**	**(30,090)**	–	**(5,659)**	**18,930**
Restricted funds						
JP Morgan Chase	–	31	(31)	–	–	–
Timewise Mentor	3	–	–	–	–	**3**
Careers & Enterprise Company	127	120	(191)	–	–	**56**
Flexible Support Fund Partnership	16	–	–	–	–	**16**
Innovate UK	285	(17)	(208)	–	–	**60**
Parent Returner Programme	–	154	(119)	–	–	**35**
Total restricted funds	431	288	(549)	–	–	**170**
Total funds	**25,684**	**29,714**	**(30,639)**	–	**(5,659)**	**19,100**

Analysis of fund balances held on 30 June 2020

	General £'000	Pension £'000	Designated £'000	Restricted £'000	Total £'000
Tangible fixed assets	7,853	–	–	–	**7,853**
Intangible fixed assets	64				**64**
Investments	11,446	–	14,267	–	**25,713**
Current assets	11,743	–	–	170	**11,913**
Current liabilities	(11,273)	–	–	–	**(11,273)**
Long-term liabilities	–	(17,064)	–	–	**(17,064)**
Provisions	(90)	–	–	–	**(90)**
Fund balances on 30 June	**19,743**	**(17,064)**	**14,267**	**170**	**17,116**

20 Consolidated statement of financial activities for the year ended 30 June 2020

	Note	General fund £'000	Designated fund £'000	Restricted fund £'000	Total 2020 £'000	Total 2019 £'000
Income from:						
Charitable activities						
To advance the management and development of people through:						
Membership and education		**29,440**	–	–	**29,440**	27,211
Research		**25**	–	**288**	**313**	510
Branches		**227**	–	–	**227**	326
Other trading activities						
Commercial income		**10,510**	–	–	**10,510**	11,672
Investments		**169**	–	–	**169**	147
Total income		**40,371**	–	**288**	**40,659**	39,866
Expenditure on:						
Raising funds						
Commercial expenditure		**(9,632)**	–	–	**(9,632)**	(10,700)
Investment management costs		**(50)**	–	–	**(50)**	(49)
Charitable activities						
Membership and education		**(21,948)**	**(1,284)**	–	**(23,232)**	(20,987)
Research		**(4,547)**	**(525)**	**(549)**	**(5,621)**	(5,705)
Branches		**(1,987)**	**(94)**	–	**(2,081)**	(2,078)
Total expenditure		**(38,164)**	**(1,903)**	**(549)**	**(40,616)**	(39,519)
Net gains/(losses) on investments		**131**	–	–	**131**	917
Net income/(expenditure)		**2,338**	**(1,903)**	**(261)**	**174**	1,264
Transfers between funds		**(10,000)**	**10,000**	–	–	–
Net incoming/(outgoing) resources before other recognised gains and losses		**(7,662)**	**8,097**	**(261)**	**174**	1,264
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension scheme		**(5,790)**	–	–	**(5,790)**	(1,200)
Gains/(losses) on revaluation of overseas subsidiaries		**36**	–	–	**36**	52
Net movement in funds		**(13,416)**	**8,097**	**(261)**	**(5,580)**	116
Reconciliation of funds						
Net fund balances brought forward		**16,095**	**6,170**	**431**	**22,696**	22,580
Net fund balances carried forward		**2,679**	**14,267**	**170**	**17,116**	22,696

The statement of financial activities includes all recognised gains and losses for the year.

We're the CIPD, the professional body for HR and people development. A registered charity, we champion better work and working lives and have been setting the benchmark for excellence in people and organisation development for over 100 years. We have more than 160,000 members across the world, we provide thought leadership through independent research on the world of work, and we offer professional training and accreditation for those working in HR and learning and development.

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