

Learning together, leading together

Investing in our whole community

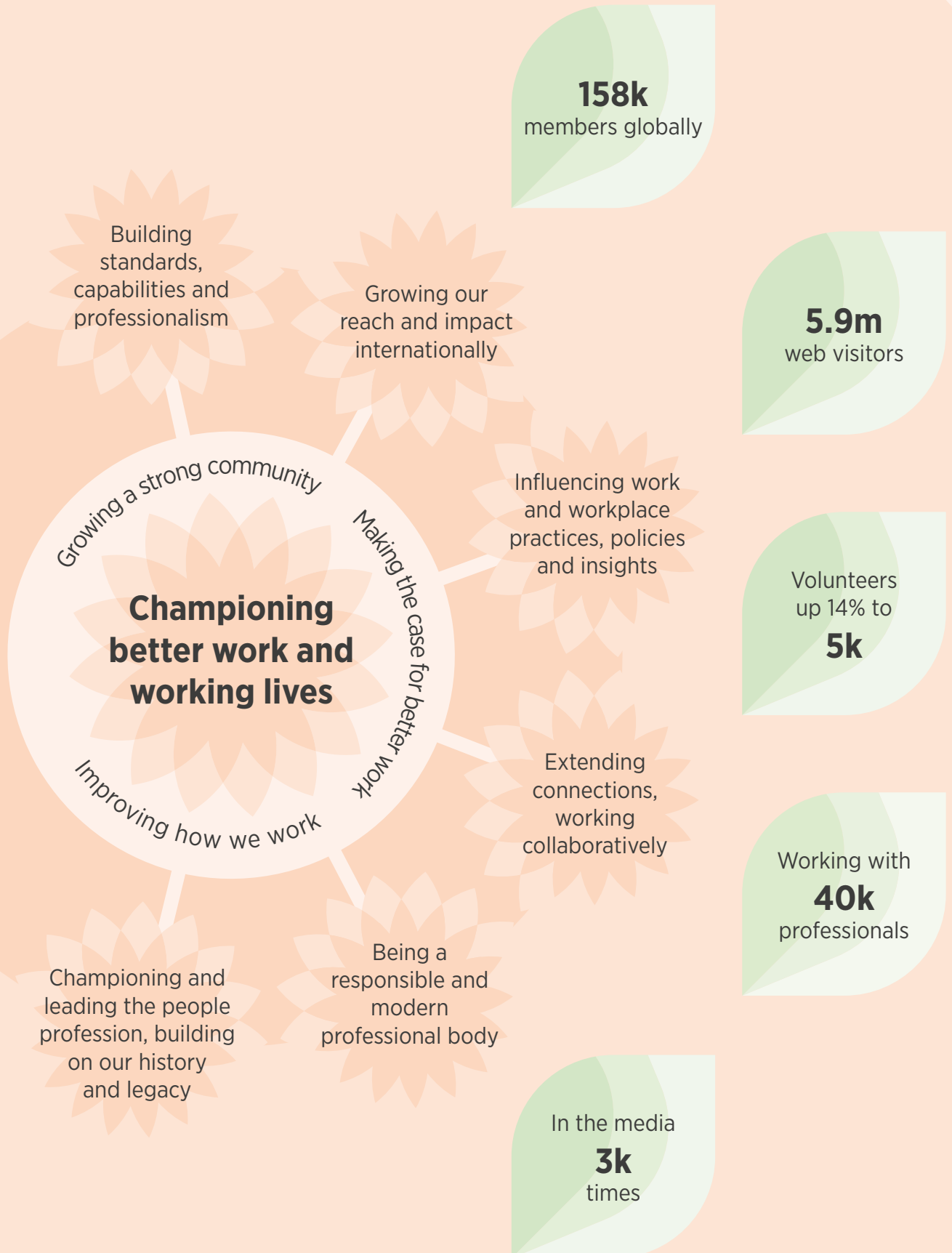
**Annual Report
and Accounts**

Year ended 30 June 2022



Highlights of our year 2021-22

Investing in our whole community



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

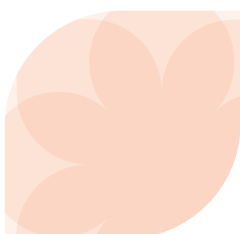
How we manage risk

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.

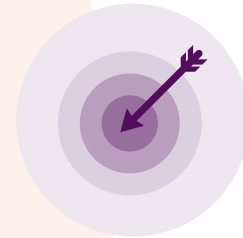


Our mission

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

Rest of world

3,901

members

1.0m web visitors

United Kingdom

140,751

members

4.2m web visitors

Asia Pacific

2,000

members

357k web visitors

Middle East

5,157

members

193k 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.

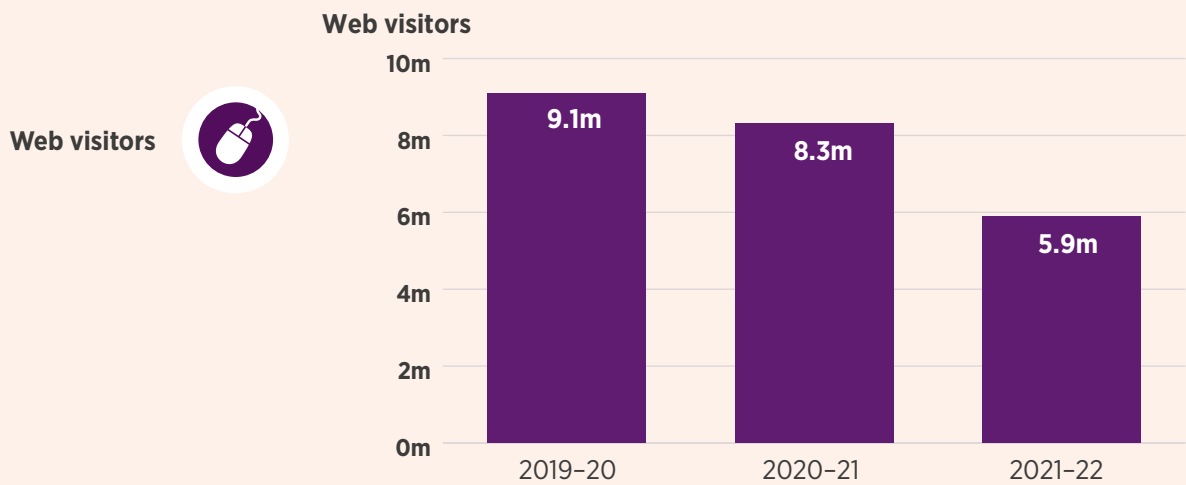
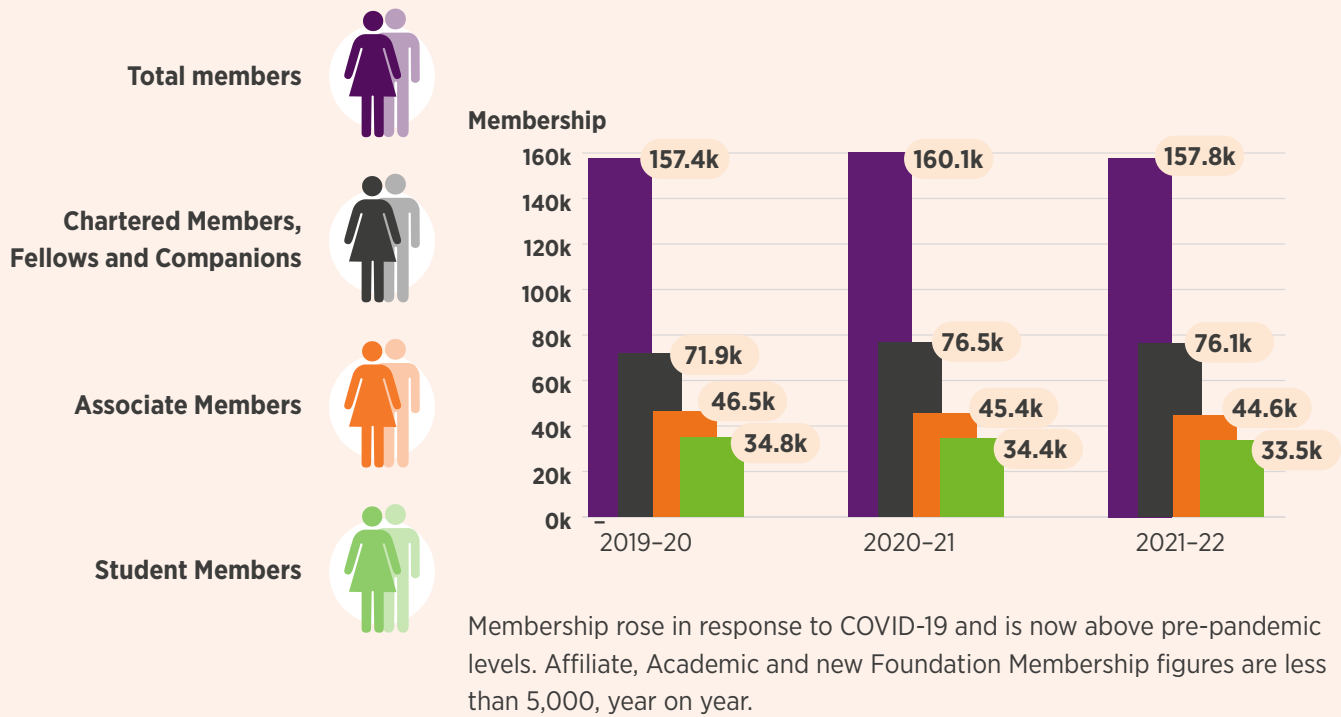
And we do this through close collaboration. Study centres, universities and academics work with us to grow and promote our profession. Partners, associates and experts help us support our members – and the wider profession – to make full use of our products and services.

390 employees across the CIPD empower our community, influence policy-makers and share our research and expertise. Their work binds our whole community together.

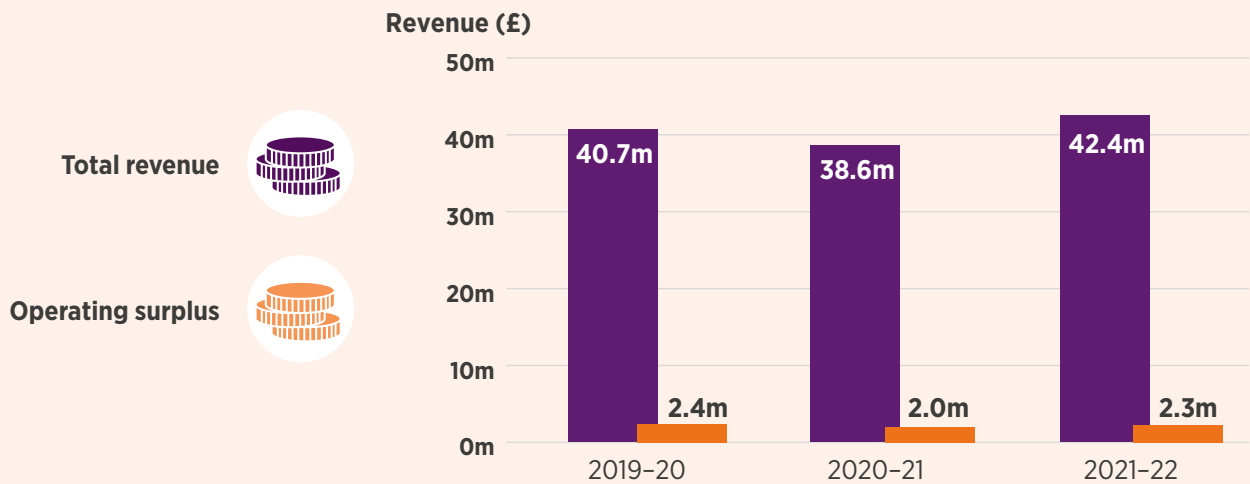
This year we're especially grateful for the commitment of over 5,000 volunteers across many different areas of our work. These dedicated professionals give their time and expertise to build connection and resilience across our community.



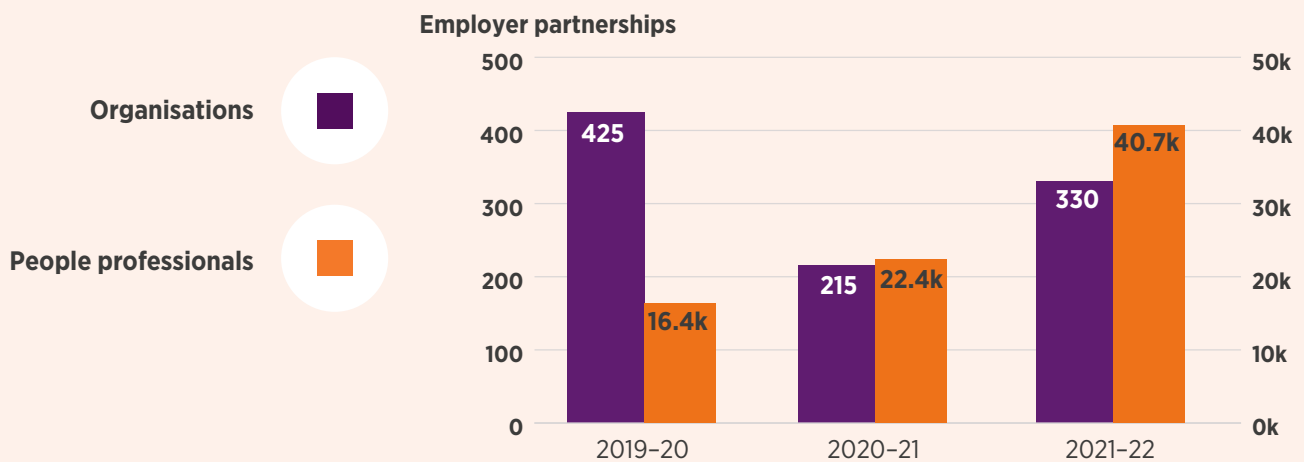
Our key results



Website visits rose in response to COVID-19 and are now above pre-pandemic levels.



For more in-depth information on our revenue, click through to **Managing our finances** and our **Financial statements**.



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%)
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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.

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.



'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

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.

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.



'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

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
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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.

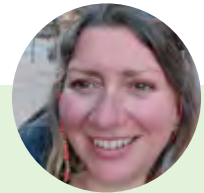
This year we've led the debate on fair work, good employment standards, remote working, labour and skills shortages, parental bereavement leave, young and older workers, and the untapped talent for whom there is often little support to return to the workplace.

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%)
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'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.





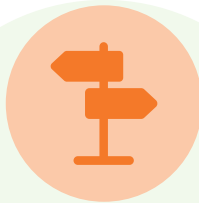
REPORT
Health and wellbeing
at work
41k views



GUIDE
Planning for hybrid
working
50k views



REPORT
Labour Market Outlook
39k views



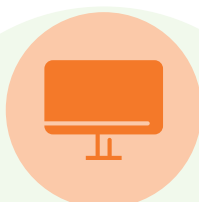
GUIDE
COVID-19 vaccination
82k views



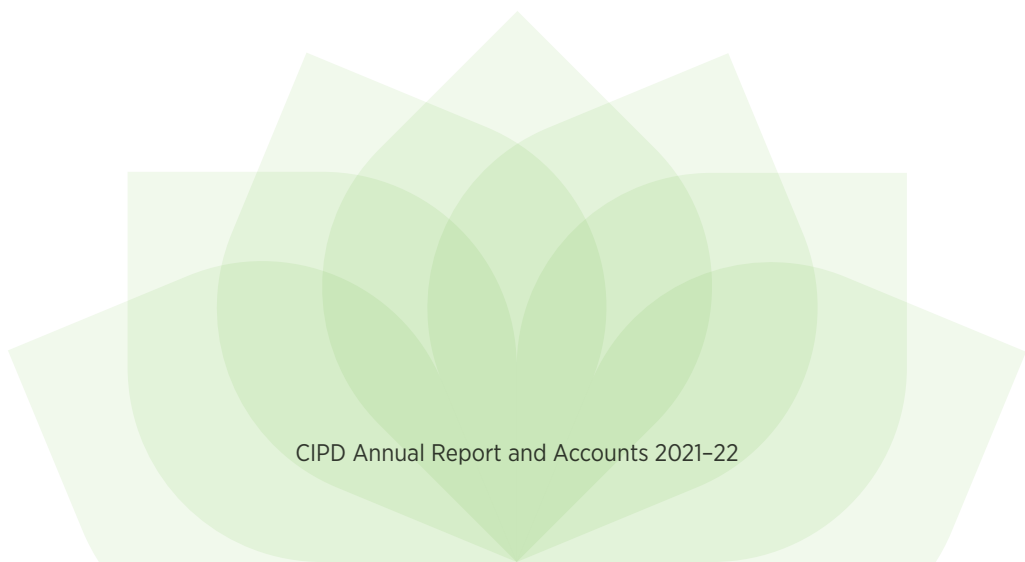
FACTSHEET
Inclusion and diversity in
the workplace
87k views



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

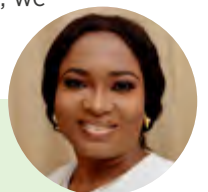


Empowering people

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.

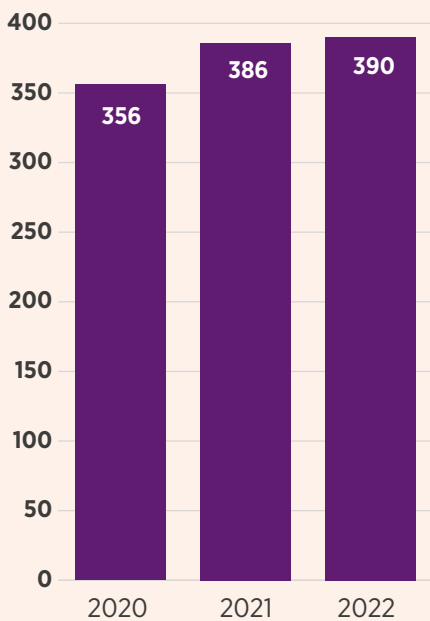
We continue to promote our guide for professionals, *Embedding Environmental Sustainability in Your Organisation*, and in June 2022 we partnered with the Climate Group to publish a thought piece, *Sustainable Buildings: Rethinking workplaces for a healthier future*.

Investing in our people

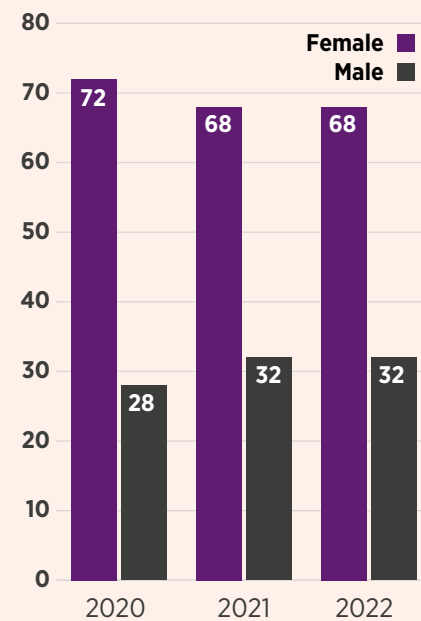
We're preparing for growth over the next five years. We've reorganised our marketing, finance and qualifications functions, and our teams and operations in the Middle East, Asia and Ireland. We expect to be a fully international organisation in culture, mindset and operations by 2025.

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

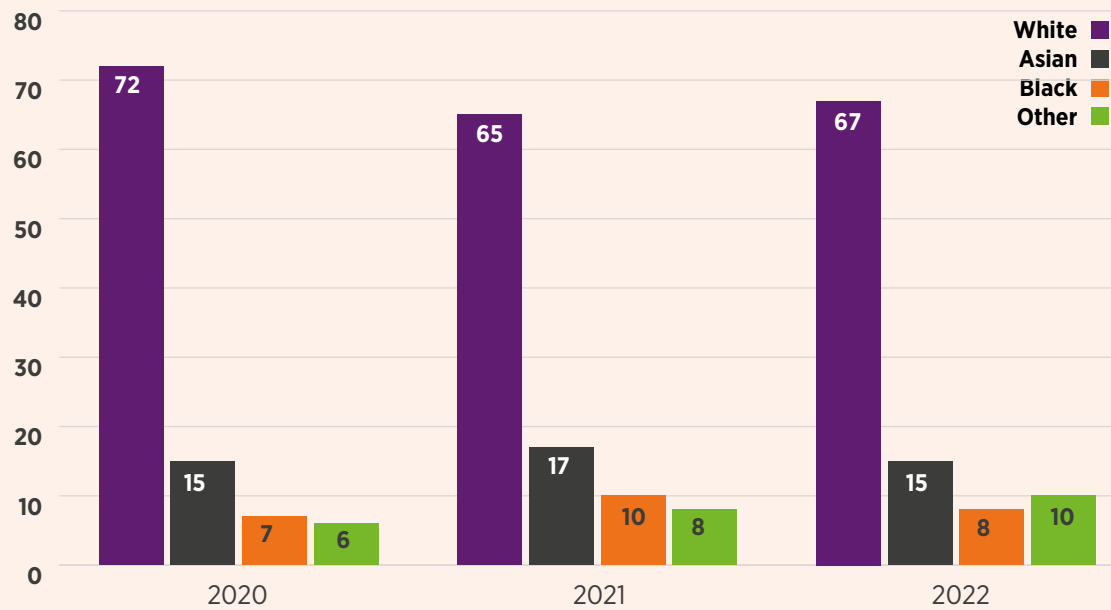


Total number of paid associates

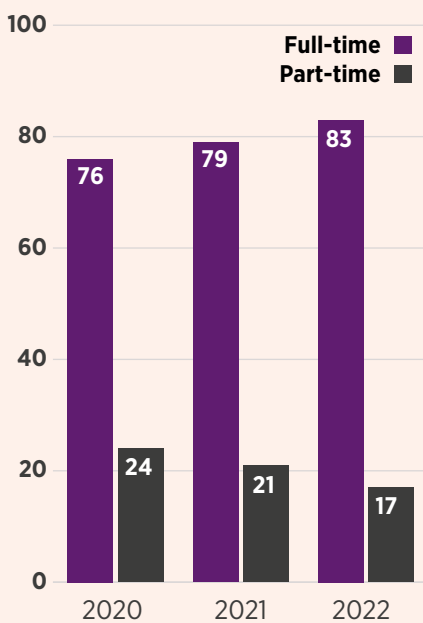
182

2022

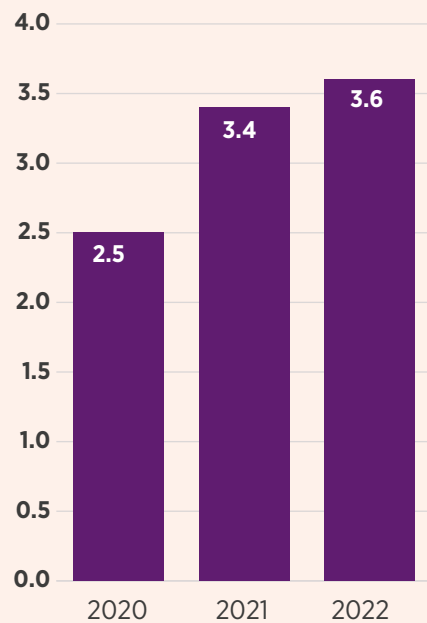
Ethnicity (%)



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.

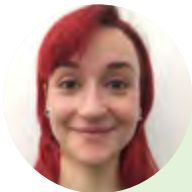
Inclusion and diversity

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.

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.

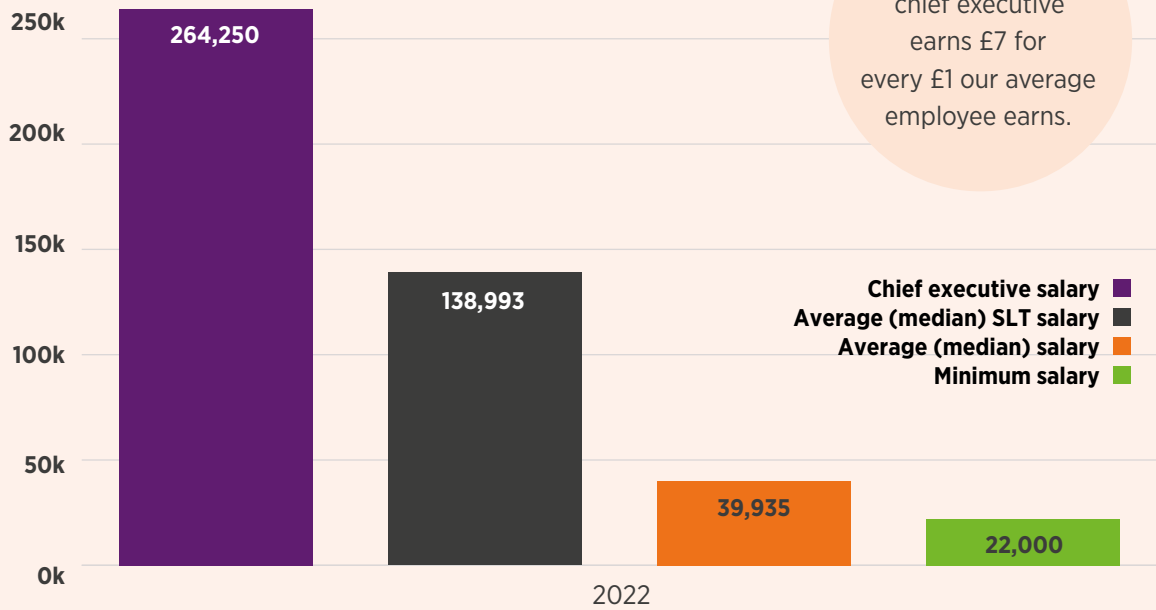
This financial year, thanks to the hard work and innovation of our people, we exceeded our financial expectations and were able to recognise this with an organisation-wide salary review.

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.



'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

Key pay statistics (£)

- 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).
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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**](https://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
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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.

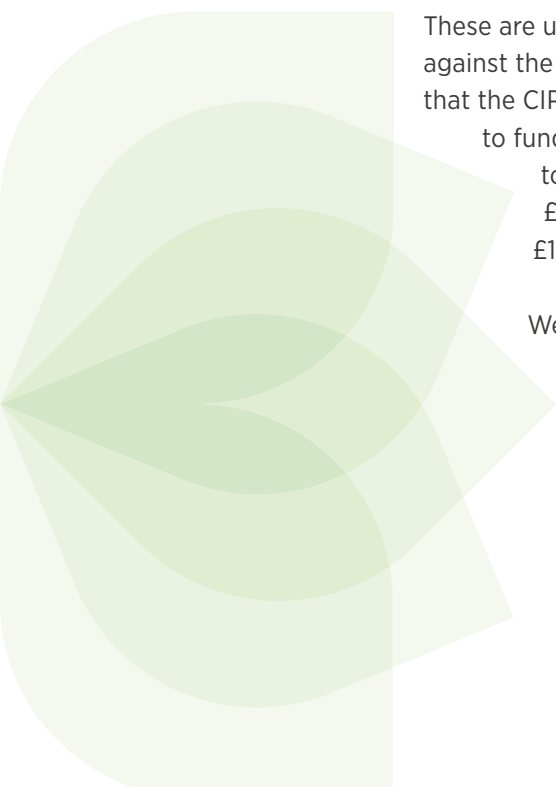
Pensions

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
<p>Risk: Challenge to the perceived relevance of membership to employers and to the HR profession as a whole.</p> <p>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.</p> <p>Impact: Decline in membership and/or student numbers.</p>	<ul style="list-style-type: none"> • 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.
<p>Risk: Our new products and services do not meet the requirements of existing and new customers.</p> <p>Our new products and services are not marketed or positioned appropriately in new markets.</p> <p>Impact: Market expansion hindered and loss of credibility as an organisation.</p>	<ul style="list-style-type: none"> • 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
<p>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.</p> <p>Impact: Reputational and brand damage, long-term decline in membership and potential impact on growth plans.</p>	<ul style="list-style-type: none"> • 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.
<p>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.</p> <p>Impact: Damage to the profession and/or exposure to gaps; long-term decline in membership and an inability to fulfil our charitable purpose.</p>	<ul style="list-style-type: none"> • 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
<p>Risk: Risks relating to the concurrent delivery of key strategic projects, supply chain impact on our partners and significant competition for certain skillsets.</p> <p>Impact: Delay to delivery of outputs and wider impact on key dependencies.</p>	<ul style="list-style-type: none"> • 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.
<p>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.</p> <p>Impact: Reputational, financial, legal, regulatory or contractual compliance damage, client and partner loss, and information loss or theft.</p>	<ul style="list-style-type: none"> • 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.
<p>Risk: A failure to deliver or communicate digital benefits and operational improvements to stakeholders in time.</p> <p>Impact: Lost opportunity to capitalise on our resources and erosion of our perceived relevance in the increasingly digital marketplace.</p>	<ul style="list-style-type: none"> • 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
<p>Risk: An inability to identify, attract and retain people with the right skills.</p> <p>Impact: Capacity and delivery issues that lead to an inability to drive change and deliver our strategy.</p>	<ul style="list-style-type: none"> • 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.
<p>Risk: Insufficient alignment to our organisational values and behaviours, and poor managerial conduct.</p> <p>Impact: Negative impact on organisational culture and employee engagement, employment tribunal claims and reputational damage.</p>	<ul style="list-style-type: none"> • 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.
<p>Risk: Loss of organisational cohesion and integration from the change to hybrid working model.</p> <p>Impact: Management and inclusion challenges result in poor productivity.</p>	<ul style="list-style-type: none"> • 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.
<p>Risk: Ongoing financial uncertainty and rising inflation due to the economic downturn.</p> <p>Impact: Reduced revenues and increased costs reduce our ability to fund strategic projects as planned.</p>	<ul style="list-style-type: none"> • 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 £'000	Designated fund £'000	Restricted fund £'000	Total 2022 £'000	Total 2021 £'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
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(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
<i>Amounts due to the CIPD:</i>		
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	2021
	£'000	£'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	2021
	£'000	£'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	2021
	number	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
<i>Emoluments</i>	<u>271</u>	<u>269</u>

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
<i>At 30 June 2022</i>	-	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
<i>At 30 June 2022</i>	-	-	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)
<i>At 30 June 2022</i>	-	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)
<i>At 30 June 2022</i>	-	-	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	–	–	–	–	–
<i>At 30 June 2022</i>	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	–	–	–	–	–
<i>At 30 June 2022</i>	–	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	–	–	–	–	–
<i>At 30 June 2022</i>	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	–	–	–	–	–
<i>At 30 June 2022</i>	–	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
	£'000	£'000	£'000	£'000
Managed funds				
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 £'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)	-	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 £'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)
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	2021	2022	2021
	£'000	£'000	£'000	£'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	2021
	£'000	£'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	2021
	£'000	£'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.



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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Issued: November 2022 Reference: 8282 © CIPD 2022